

RELIANCE

MUTUAL
FUND

Markets for You

01 Oct 2018

Indices Performance

| Global Indices | 28-Sep | Prev_Day | Abs. Change | % Change [#] |
|-------------------|--------|----------|-------------|-----------------------|
| Dow Jones | 26,458 | 26,440 | 18 | 0.07 |
| Nasdaq | 8,046 | 8,042 | 4 | 0.05 |
| FTSE | 7,510 | 7,545 | -35 | -0.47 |
| Nikkei | 24,120 | 23,797 | 323 | 1.36 |
| Hang Seng | 27,789 | 27,716 | 73 | 0.26 |
| Indian Indices | 28-Sep | Prev_Day | Abs. Change | % Change [#] |
| S&P BSE Sensex | 36,227 | 36,324 | -97 | -0.27 |
| Nifty 50 | 10,930 | 10,978 | -47 | -0.43 |
| Nifty 100 | 11,126 | 11,187 | -60 | -0.54 |
| Nifty Bank | 25,120 | 25,042 | 78 | 0.31 |
| SGX Nifty | 10,929 | 11,041 | -113 | -1.02 |
| S&P BSE Power | 1,929 | 1,976 | -47 | -2.37 |
| S&P BSE Small Cap | 14,431 | 14,940 | -509 | -3.41 |
| S&P BSE HC | 15,025 | 15,236 | -211 | -1.38 |

P/E Dividend Yield

| Date | Sensex | | Nifty | |
|-----------|--------|------------|-------|------------|
| | P/E | Div. Yield | P/E | Div. Yield |
| 28-Sep | 23.37 | 1.23 | 26.44 | 1.23 |
| Month Ago | 25.06 | 1.14 | 28.66 | 1.15 |
| Year Ago | 23.30 | 1.24 | 25.44 | 0.97 |

Nifty 50 Top 3 Gainers

| Company | 28-Sep | Prev_Day | % Change [#] |
|-----------|--------|----------|-----------------------|
| Axis Bank | 613 | 600 | 2.18 |
| Wipro | 324 | 319 | 1.58 |
| ITC | 298 | 293 | 1.52 |

Nifty 50 Top 3 Losers

| Company | 28-Sep | Prev_Day | % Change [#] |
|----------------|--------|----------|-----------------------|
| Yes Bank | 184 | 203 | -9.64 |
| Indiabulls HFC | 857 | 940 | -8.82 |
| Hindalco | 230 | 244 | -5.84 |

Advance Decline Ratio

| | BSE | NSE |
|-----------|------|------|
| Advances | 473 | 268 |
| Declines | 2184 | 1621 |
| Unchanged | 144 | 62 |

Institutional Flows (Equity)

| Description (Cr) | Inflow/Outflow | YTD |
|------------------|----------------|--------|
| FII Flows* | 622 | -12830 |
| MF Flows** | 1129 | 85514 |

*28th Sep 2018; **26th Sep 2018

Economic Indicator

| YoY(%) | Current | Quarter Ago | Year Ago |
|--------|-------------------|-------------------|-------------------|
| CPI | 3.69% (Aug-18) | 4.87% (May-18) | 3.28% (Aug-17) |
| IIP | 6.60% (Jul-18) | 4.50% (Apr-18) | 1.00% (Jul-17) |
| GDP | 8.20% (Jun-18) | 7.70% (Mar-18) | 5.60% (Jun-17) |

Since May-17, MOSPI has revised base year of IIP & WPI from 2004-05 to 2011-12, and for CPI from 2010 to 2012

Global Indices

- Asian equity markets gained on strong overnight Wall Street cues. U.S. markets were buoyed by upbeat economic data and the Federal Reserve chief's comment that gradual interest rate hikes are helping withstand the country's economic expansion. Today (as of Oct 1), Asian markets opened on a mixed note. Slowdown in China's manufacturing sector in Sep 2018 weighed on the indices. However, gains in auto stocks gave boost to Nikkei. Nikkei grew 0.55% (as at 8.a.m. IST). Hangseng remained closed.
- As per the last close, European markets closed lower amid political turmoil in Europe and overseas. The new Italian government offered a budget with a deficit target three times larger than the previous administration's goal, thereby weighing on the banking stocks.
- As per the last close, U.S. markets closed almost on a steady note. Reports of strong corporate results in the past quarter boosted investor sentiment. However, investors remained cautious amid uncertainty over trade as the U.S. and Canada approached deadline of Sep 30 to reach an agreement for Canada to join a trade deal struck between the U.S. and Mexico.

Indian Equity Market

- Indian equity markets ended the last trading day of the week in red as concerns over liquidity continued to rock the financial sector. Decline in information technology stocks after an IT stock plunged more than 70% ahead its annual general meeting scheduled on Sep 29, 2018 weighed on the indices. Other factors that contributed to the loss were cautiousness ahead of Reserve Bank of India's policy meeting next week and selling at the start of Oct futures and options series in the derivatives segment.
- Key benchmark indices S&P BSE Sensex lost 0.27% to close at 36,227.14 and Nifty 50 decreased 0.43% to 10,930.45. While S&P BSE Mid-Cap dipped 1.61%, S&P BSE Small Cap fell 3.41%.
- The overall market breadth on BSE was weak with 473 scrips advancing and 2184 scrips declining. A total of 144 scrips remained unchanged.
- On the BSE sectoral front, S&P BSE Oil & Gas and S&P BSE Energy were the major gainers, up 0.12% and 0.09%, respectively. S&P BSE Bankex grew 0.03%. The major losers were S&P BSE Metal and S&P BSE Realty, down 5.01% and 4.85%, respectively.

Domestic News

- The government has announced a substantial cut of Rs. 70,000 crore in its planned market borrowing programme for FY19. It stated that it would make efforts to meet its requirements through small savings mopup. The secretary for Economic Affairs stated that government will bring in inflation index bonds from the second half of FY19. Also, the secretary stated that the government will borrow Rs. 12,000 crore through gilts every week from Nov 2018. The government borrowing in the second half of the financial year is expected to be approximately Rs. 2.47 lakh crore as against Rs. 2.88 trillion during Apr-Sep 2018 (first half of FY19).
- The Directorate General of Foreign Trade (DGFT) has removed the value limit for exports through post. However, it has fixed Rs. 5 lakh cap in case of overseas shipments through courier services. Federation of Indian Export Organisations stated that this would give an advantage to shipments through foreign post offices over couriers. Also, DGFT stated that imports under three duty exemption schemes - advance authorisation, export promotion capital goods, and export oriented units would be exempted from integrated goods and services tax and compensation cess till Mar 31, 2019.
- The Bombay Stock Exchange announced that it will launch trading in commodity derivatives from Oct 1, 2018. It has decided to relinquish the transaction charges for the first year of commodities market operations. This is expected to encourage more participants to join the commodity markets. Initially, the exchange will start trading in commodity derivatives with non-agriculture commodities like metals, which will further be followed by agricultural commodities.
- According to the media reports, the Securities and Exchange Board of India (SEBI) has asked the mutual funds to provide details about their exposure to all Non-Banking Financial Companies (NBFCs) and housing finance companies. This comes amid concerns over liquidity in the system.

| FII Derivative Trade Statistics | | 28-Sep | |
|---------------------------------|-----------|-----------|-----------|
| (Rs Cr) | Buy | Sell | Open Int. |
| Index Futures | 10788.66 | 12324.24 | 16814.01 |
| Index Options | 184121.46 | 184504.14 | 53143.03 |
| Stock Futures | 28666.30 | 27886.16 | 79859.74 |
| Stock Options | 5108.55 | 5150.50 | 648.35 |
| Total | 228684.97 | 229865.04 | 150465.13 |

| Derivative Statistics- Nifty Options | | | |
|--------------------------------------|--------|----------|--------|
| | 28-Sep | Prev_Day | Change |
| Put Call Ratio (OI) | 1.33 | 0.93 | 0.40 |
| Put Call Ratio(Vol) | 0.85 | 0.96 | -0.11 |

| Debt Watch | | | | |
|--------------------|--------|---------|----------|----------|
| | 28-Sep | Wk. Ago | Mth. Ago | Year Ago |
| Call Rate | 6.51% | 6.58% | 6.35% | 5.83% |
| CBLO | 4.36% | 6.42% | 6.38% | 5.86% |
| Repo | 6.50% | 6.50% | 6.50% | 6.00% |
| Reverse Repo | 6.25% | 6.25% | 6.25% | 5.75% |
| 91 Day T-Bill | 6.95% | 7.08% | 6.77% | 6.07% |
| 364 Day T-Bill | 7.64% | 7.58% | 7.28% | 6.23% |
| 10 Year Gilt | 8.02% | 8.08% | 7.90% | 6.64% |
| G-Sec Vol. (Rs.Cr) | 30033 | 39390 | 26760 | 48286 |
| FBIL MIBOR | 6.60% | 6.65% | 6.46% | 5.99% |
| 3 Month CP Rate | 8.15% | 8.05% | 7.80% | 6.64% |
| 5 Year Corp Bond | 9.02% | 8.93% | 8.69% | 7.49% |
| 1 Month CD Rate | 6.62% | 7.54% | 6.62% | 6.09% |
| 3 Month CD Rate | 7.43% | 7.40% | 7.30% | 6.15% |
| 1 Year CD Rate | 8.40% | 8.34% | 8.00% | 6.57% |

| Currency Market | | | |
|-----------------|--------|----------|--------|
| Currency | 28-Sep | Prev_Day | Change |
| USD/INR | 72.55 | 72.65 | -0.10 |
| GBP/INR | 94.91 | 95.43 | -0.53 |
| EURO/INR | 84.44 | 85.04 | -0.60 |
| JPY/INR | 0.64 | 0.64 | -0.01 |

| Commodity Prices | | | | |
|--------------------|--------|--------|----------|----------|
| Commodity | 28-Sep | Wk Ago | Mth. Ago | Year Ago |
| NYMEX Crude(\$/bl) | 73.11 | 70.75 | 68.49 | 51.57 |
| Brent Crude(\$/bl) | 83.21 | 79.34 | 75.90 | 59.89 |
| Gold(\$/oz) | 1192 | 1199 | 1201 | 1287 |
| Gold(Rs./10 gm) | 30296 | 30697 | 30097 | 29667 |

Source: Thomson Reuters Eikon

Disclaimer:

The information herein is meant only for general reading purposes and contains all factual and statistical information pertaining to Industry and markets which have been obtained from independent third party sources and which are deemed to be reliable. The information provided cannot be considered as guidelines, recommendations or as a professional guide for the readers. It may be noted that since Reliance Nippon Life Asset Management Company Limited (RNAM) has not independently verified the accuracy or authenticity of such information or data, or for that matter the reasonableness of the assumptions upon which such data and information has been processed or arrive data; RNAM does not in any manner assure the accuracy or authenticity of such data and information. Some of the statements & assertions contained in these materials may reflect RNAM's views or opinions, which in turn may have been formed on the basis of such data or information. The Sponsor(s), the Investment Manager, the Trustee or any of their respective directors, employees, affiliates or representatives do not assume any responsibility for, or warrant the accuracy, completeness, adequacy and reliability of such data or information. Whilst no action has been solicited based upon the information provided herein, due care has been taken to ensure that the facts are accurate and opinions given are fair and reasonable, to the extent possible. This information is not intended to be an offer or solicitation for the purchase or sale of any financial product or instrument. Recipients of this information should rely on information/data arising out of their own investigations. Before making any investments, the readers are advised to seek independent professional advice, verify the contents in order to arrive at an informed investment decision. None of the Sponsor(s), the Investment Manager, the Trustee, their respective directors, employees, affiliates or representatives shall be liable in any way for any direct, indirect, special, incidental, consequential, punitive or exemplary damages, including on account of lost profits arising from the information contained in this material.

Readers are requested to click here for ICRON disclaimer - <http://www.icronline.com/legal/standard-disclaimer.html>

Mutual Fund Investments are subject to market risks, read all scheme related documents carefully.

Derivatives Market

- Nifty Oct 2018 Futures settled at 10,954.3, a premium of 23.85 points, above the spot closing of 10,930.45. The turnover on NSE's Futures and Options segment declined to Rs. 7,14,419.80 on Sep 28 compared with Rs. 18,94,898.56 on Sep 27.
- The Put-Call ratio stood at 0.78, compared with the previous close of 0.87.
- The Nifty Put-Call ratio stood at 1.33 compared with the previous close of 0.93.
- India VIX declined 1.24% to 16.7125 from 16.9225 in the previous trading session.

Indian Debt Market

- Bond yield were nearly steady as market participants are waiting for the government's borrowing schedule for the second half of the fiscal. Meanwhile, the central bank devolved Rs. 3,815 crore of 7.72% 2055 bond.
- Yield on the 10-year benchmark paper (7.17% GS 2028) eased 1 bps to 8.02% compared with the previous closing of 8.03% after trading in the range of 8.01% to 8.05%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 4,741 crore (gross) on Sep 28 compared with a borrowing of Rs. 3,921 crore (gross) on Sep 27. Sale of securities under the Reserve Bank of India's (RBI) reverse repo window stood at Rs. 98,436 crore on Sep 27.
- Banks borrowed Rs. 81 crore under the central bank's Marginal Standing Facility on Sep 27. On Sep 26, banks did not borrow.

Currency Market Update

- The Indian rupee improved, driven by brief intraday gains in the domestic equity market and greenback sales by foreign banks. However, the upside was limited by strong U.S. economic growth data and Federal Reserve's interest rate hike that supported dollar. The rupee rose 0.15% to close at 72.48 from the previous close of 72.59.
- The euro slipped against dollar following the Italian government's budget which escalated worries over its fiscal policies that could further increase its debt. Euro was last seen trading at \$1.1576, down 0.54% compared with the previous close of \$1.1639.

Commodity Market Update

- Gold prices remained below the \$1,200-mark following an upbeat U.S. economic growth data and the interest rate hike by the Federal Reserve.
- Brent crude prices surged amid worries regarding the shrinking supplies once U.S.'s sanction on Iran kicks in Nov.

International News

- The World Trade Organization reduced its expectation of growth in merchandise trade volume to 3.9% in 2018 from its previous estimate of 4.4%. The organization expects growth to slow further in the next year to 3.7%. The outlook was reduced due to increasing trade tensions between important markets and tighter credit market conditions.
- According to a report released by the Commerce Department, U.S. personal income rose less than expected by 0.3% in Aug 2018. Meanwhile the report also stated that personal spending rose by 0.3% in Aug after rising 0.4% in the previous month.

Thank you for
your time.