

**RELIANCE**

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FUND

# Markets for You

03 Oct 2017

Indices Performance

Global Indices	02-Oct	Prev_Day	Abs. Change	% Change <sup>#</sup>
Dow Jones	22,558	22,405	153	0.68
Nasdaq	6,517	6,496	21	0.32
FTSE	7,439	7,373	66	0.90
Nikkei	20,401	20,356	45	0.22
Hang Seng	Closed	27,554	NA	NA
Indian Indices	29-Sep	Prev_Day	Abs. Change	% Change <sup>#</sup>
S&P BSE Sensex	31,284	31,282	1	0.00
Nifty 50	9,789	9,769	20	0.20
Nifty 100	10,144	10,108	36	0.36
Nifty Bank	24,053	24,008	45	0.19
SGX Nifty	9,798	9,769	29	0.30
S&P BSE Power	2,206	2,189	18	0.80
S&P BSE Small Cap	16,114	15,940	174	1.09
S&P BSE HC	13,488	13,405	83	0.62

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
29-Sep	23.41	1.23	25.43	1.17
Month Ago	23.44	1.25	25.31	0.95
Year Ago	20.83	1.42	23.51	1.29

Nifty 50 Top 3 Gainers

Company	29-Sep	Prev_Day	% Change <sup>#</sup>
GAIL	419	396	5.75
Eicher Motors	31213	30185	3.41
Aurobindo Pharma	692	676	2.35

Nifty 50 Top 3 Losers

Company	29-Sep	Prev_Day	% Change <sup>#</sup>
HUL	1174	1203	-2.40
Wipro	280	286	-1.98
Dr.Reddy	2329	2375	-1.96

Advance Decline Ratio

	BSE	NSE
Advances	1607	1088
Declines	922	599
Unchanged	168	69

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-4678	34353
MF Flows**	1424	82731

\*29<sup>th</sup> Sep 2017; \*\*27<sup>th</sup> Sep 2017

Economic Indicator

YoY(%)	Current	Quarter Ago	Year Ago
WPI	3.24%	2.26%	1.09%
	(Aug-17)	(May-17)	(Aug-16)
IIP	1.20%	3.20%	4.40%
	(Jul-17)	(Apr-17)	(Jul-16)
GDP	5.70%	6.10%	7.90%
	(Jun-17)	(Mar-17)	(Jun-16)

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 markets rose despite lower trading volumes due to holidays in South Korea, China, India and Hong Kong. Investors took positive cues from a series of encouraging data across different Asian countries. While, official survey showed that China's vast manufacturing sector grew at the fastest pace since 2012 in Sep 2017, the Tankan survey results showed that business confidence among large manufacturers in Japan improved in the third quarter to the highest level in a decade. Today (As of Oct 03), Asian markets opened higher following rise on the Wall Street overnight. Both Nikkei and Hang Seng were trading higher 0.70% and 1.50%, respectively (8 a. m. IST).
- As per the last close, European market rose after China's manufacturing sector in Sep 2017 grew at its fastest pace since 2012. Fall in euro against the U.S. dollar provided additional support. The single currency fell after Catalans voted to leave Spain in a contested referendum.
- As per the last close, U.S markets went up following the releasing of ISM based U.S. manufacturing data for Sep 2017 that showed an unexpected growth acceleration.

Indian Equity Market

- Indian equity markets pared its intraday gains to close on a flattish note. Markets commenced the session on a positive note backed by the government's decision to keep the budgeted borrowing plan unchanged and expectation of additional capital spending by public sector units. However, the intraday gains eroded towards the end of the session as investors preferred to cash in on the recent gains ahead of an extended weekend.
- While S&P BSE Sensex closed flat at 31,283.72, Nifty 50 witnessed marginal gain to close at 9,788.60. Meanwhile S&P BSE Mid-Cap and S&P BSE Small-Cap rose 0.83% and 1.09%, respectively.
- The overall market breadth on BSE was positive with 1,607 scrips advancing and 922 scrips declining. A total of 168 scrips remained unchanged.
- On the BSE sectoral front, barring S&P BSE FMCG, S&P BSE IT and S&P BSE Teck, all the indices closed in the green. S&P BSE Realty was the top gainer, up 2.42%, followed by S&P BSE Utilities and S&P BSE Metal, which went up 1.50% and 1.37%, respectively. S&P BSE Telecom and S&P BSE Consumer Durables rose 1.25% and 1.24%, respectively.

Domestic News

- Government data showed India's fiscal deficit touched 96.1% (Rs. 5.25 lakh crore) of the budget estimate (Rs. 5.47 lakh crore) for the period from Apr to Aug of 2017. The fiscal deficit in the corresponding period of the previous year stood at 76.4%. Net tax receipts were at Rs. 3.4 lakh crore during the first five months of FY18. Government total spending stood at Rs. 9.5 lakh crore while capital spending rose to Rs. 1.1 lakh crore from Rs. 91,300 crore, in the corresponding period of FY17. Revenue deficit stood at Rs. 4.31 lakh crore compared with Rs. 3.25 crore, a year ago.
- In a meeting with the industry chambers including Ficci, PHDCCI, CII and senior government officials, commerce ministry has decided to set up a review committee to look into regulatory issues being faced by the industry. The review committee will be set up under the chairmanship of Department of Industrial Policy and Promotion. The meeting was mainly held to look at options through which both the ministry and the industry can work together to enhance the growth to higher trajectory by taking certain measures.
- According to media reports, the chief of the Central Board of Direct Taxes (CBDT) has told tax officials to target and impose tax on Rs. 3 lakh crore deposited in banks during demonetization. This amount is said to be the unexplained cash parked with banks after demonetisation was announced.
- In a bid to transform agriculture sector from pure production system into an agri-business, government is trying to build agri-value system in collaboration with private players. Private sector players can come forward and partner with government at district level and take the responsibility for building value chain system. The aim is to build a market-related economy rather than a supply-driven economy by reducing production of commodities that are not sold and boost the production which is actually sold.

FII Derivative Trade Statistics		29-Sep		
(Rs Cr)	Buy	Sell	Open Int.	
Index Futures	7514.72	10318.00	16189.12	
Index Options	113902.57	111093.02	65116.25	
Stock Futures	28452.53	28535.27	53518.57	
Stock Options	3169.72	3104.17	125.87	
Total	153039.54	153050.46	134949.81	

Derivative Statistics- Nifty Options			
	29-Sep	Prev_Day	Change
Put Call Ratio (OI)	1.20	1.00	0.20
Put Call Ratio(Vol)	0.86	0.92	-0.06

Debt Watch				
	29-Sep	Wk. Ago	Mth. Ago	Year Ago
Call Rate	5.98%	5.89%	5.85%	6.44%
CBLO	5.55%	5.93%	5.76%	6.40%
Repo	6.00%	6.00%	6.00%	6.50%
Reverse Repo	5.75%	5.75%	5.75%	6.00%
91 Day T-Bill	6.07%	6.09%	6.07%	6.45%
364 Day T-Bill	6.23%	6.21%	6.23%	6.53%
10 Year Gilt	6.66%	6.66%	6.53%	6.86%
G-Sec Vol. (Rs.Cr)	68046	41185	40393	76076
1 Month CP Rate	6.56%	6.59%	6.38%	6.67%
3 Month CP Rate	6.64%	6.69%	6.56%	6.75%
5 Year Corp Bond	7.22%	7.24%	7.16%	7.49%
1 Month CD Rate	6.09%	6.11%	6.04%	6.56%
3 Month CD Rate	6.14%	6.16%	6.17%	6.58%
1 Year CD Rate	6.57%	6.53%	6.50%	7.14%

Currency Market			
Currency	29-Sep	Prev_Day	Change
USD/INR	65.36	65.76	-0.41
GBP/INR	87.71	87.98	-0.27
EURO/INR	77.06	77.18	-0.12
JPY/INR	0.58	0.58	0.00

Commodity Prices				
Commodity	02-Oct	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	50.54	51.82	47.27	48.06
Brent Crude(\$/bl)	55.76	60.51	53.94	48.63
Gold(\$/oz)	1271	1310	1325	1316
Gold(Rs./10 gm)*	29620	29551	29636	31096

Source: ICRON Research \*As on Sep-29

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**Derivatives Market**

- Nifty Oct 2017 Futures were at 9,800.55, a premium of 11.95 points over the spot closing of 9,788.60. The turnover on NSE's Futures and Options segment fell from Rs. 15,00,675.00 crore on Sep 28 to Rs. 3,57,995.39 crore on Sep 29.
- The Put-Call ratio remained unchanged from the previous session's close at 0.82.
- The Nifty Put-Call ratio stood at 1.20 against previous session's close at 1.00.
- Open interest on Nifty Futures stood at 21.44 million as against previous session's close of 29.38 million.

**Indian Debt Market**

- Bond yields rose amid rumours of an increased government borrowing even after the government announced that it will borrow a gross Rs. 2.08 trillion from the local debt market in Oct 2017-Mar 2018 in line with the government's budget estimates.
- Yield on the 10-year benchmark paper (6.79% GS 2027) rose 2 bps to close at 6.66% from the previous close of 6.64%. During the session, bond yields traded in the range of 6.61% and 6.70%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 4,100 crore (gross) on Sep 29 compared with borrowings of Rs. 2,055 crore (gross) on Sep 28. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 35,677 crore on Sep 28.
- Banks borrowed Rs. 2,885 crore under the central bank's Marginal Standing Facility on Sep 28 as against no borrowing on Sep 27.

**Currency Market Update**

- Indian rupee rose against the U.S. dollar for the second consecutive day due to expectations of fund inflows after the Reserve Bank of India raised the limit for foreign investments in government debt. The rupee increased 0.34% to close at 65.28 per dollar from the previous close of 65.50.
- Euro weakened against the greenback on concerns over political risk in the euro zone following a violent police crackdown on the independence vote in Catalonia. Euro was trading at \$1.1754, down 0.49% from the previous close of \$1.1812.

**Commodity Market Update**

- Gold prices traded lower as growing optimism over health of the U.S. economy dampened the safe haven appeal of the bullion.
- Brent crude prices dipped following increase in oil drilling activities by U.S. energy companies and after Iraq announced its exports increased slightly in Sep 2017.

**International News**

- According to a report from the Commerce Department, U.S. gross domestic product (GDP) grew 3.1% in the second quarter surpassing the previous expectation of 3.0%. The stronger than previously estimated GDP growth primarily reflected an upward revision to private inventory investment.
- According to a report from the Labor Department, U.S. initial jobless claims rose to 272,000 for the week ended Sep 23, 2017, up 12,000 from the previous week's revised level of 260,000. Continuing claims fell by 45,000 to 1.934 million in the week ended Sep 16.



Thank you for  
your time.