

RELIANCE

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FUND

Markets for You

04 Oct 2017

Indices Performance

Global Indices	03-Oct	Prev_Day	Abs. Change	% Change [#]
Dow Jones	22,642	22,558	84	0.37
Nasdaq	6,532	6,517	15	0.23
FTSE	7,468	7,439	29	0.39
Nikkei	20,614	20,401	213	1.05
Hang Seng	28,173	Closed	NA	NA
Indian Indices	03-Oct	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	31,497	31,284	214	0.68
Nifty 50	9,860	9,789	71	0.72
Nifty 100	10,222	10,144	78	0.77
Nifty Bank	24,103	24,053	50	0.21
SGX Nifty	9,865	9,798	67	0.68
S&P BSE Power	2,195	2,206	-11	-0.49
S&P BSE Small Cap	16,193	16,114	79	0.49
S&P BSE HC	13,557	13,488	69	0.51

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
3-Oct	23.42	1.24	25.61	1.16
Month Ago	23.82	1.23	25.99	0.93
Year Ago	21.30	1.38	23.80	1.27

Nifty 50 Top 3 Gainers

Company	03-Oct	Prev_Day	% Change [#]
Tata Motors-DVR	233	222	4.90
GAIL	435	419	3.90
Tata Motors	416	402	3.61

Nifty 50 Top 3 Losers

Company	03-Oct	Prev_Day	% Change [#]
Power Grid	206	211	-2.30
Bharti Airtel	385	389	-1.23
Cipla	579	586	-1.23

Advance Decline Ratio

	BSE	NSE
Advances	1389	896
Declines	1284	801
Unchanged	157	88

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	1077	35430
MF Flows**	4008	86740

*3rd Oct 2017; **28th Sep 2017

Economic Indicator

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

- Most of the Asian markets closed in the green after taking cues from overnight U.S. markets which rose on the back of upbeat U.S. economic data and hopes of tax reform. Weak yen and improved crude oil prices also helped sentiments. However, lower trading volume witnessed as Chinese and South Korean markets remained closed on account of holiday. Today (As of Oct 04), Asian markets opened higher following rise on the Wall Street overnight. Both Nikkei and Hang Seng were trading higher 0.15% and 0.49%, respectively (8 a. m. IST).
- As per the last close, European market moved in a range and closed on a positive note. Lack of significant event while German market was closed led to a limited upside unlike that was witnessed in the last few days. Spanish Prime Minister said the government will pursue a joint response with other political parties to the pro-independence challenge in Catalonia.
- As per the last close, U.S markets rose as market participants looks optimistic about the economic outlook and the prospects for Republican tax reform.

Indian Equity Market

- Indian equity markets closed in the positive as an auto major went up following strong monthly sales. A pharma major climbed owing to the launch of a drug in the U.S. market, which also added to the gains. Meanwhile, investors awaited the Reserve Bank of India's policy meeting due later this week. The central bank could keep rates on hold despite a sharp slowdown in economic growth after inflation bettered.
- S&P BSE Sensex and Nifty 50 went up 0.68% and 0.72%, to close at 31,497.38 and 9,859.50, respectively. Meanwhile S&P BSE MidCap and S&P BSE SmallCap grew 0.77% and 0.49%, respectively.
- On the BSE sectoral front, all indices except S&P BSE Power (-0.49%), S&P BSE Capital Goods (-0.20%) and S&P BSE Telecom (-0.05%) closed in the green. S&P BSE Consumer Durables, up 2.23%, was the highest gainer of the session. Some of the other gainers included S&P BSE Energy (1.47%), S&P BSE Oil & Gas (1.34%), S&P BSE Basic Materials (1.18%), S&P BSE Metal (1.18%) and S&P BSE FMCG (1.11%).

Domestic News

- Government data showed that eight core sectors grew 4.9% in Aug 2017 from 2.6% in the previous month and 3.1% in the same period of the previous year. Eight core sectors grew at the highest rate since Mar 2017. This can be attributed to robust performance of coal, natural gas and electricity segments which grew 15.3%, 4.2% and 10.3%, respectively. However crude oil, fertilizer and cement recorded negative growth during the month under review as it contracted 1.6%, 0.7% and 1.3%, respectively. The production growth of refinery products and steel slowed down to 2.4% and 3.0% from 2.5% and 16.7% in the same month of the previous year.
- The Nikkei India Manufacturing Purchasing Manager's Index (PMI) came in at 51.2 in Sep, same as the previous month. The sustained expansion reflects increases in both output and new orders. However, the rates of expansion eased for both. In July, manufacturing sector had contracted and stood at 47.9.
- A major credit rating agency has lowered India's economic growth forecast for the current fiscal to 6.9% from its previous expectation of 7.4% after GDP growth surprisingly faltered in the quarter Apr-Jun 2017. However, the credit rating agency stated that as the impact of demonetisation in late 2016 and the GST rollout wanes, the economic activity is expected to accelerate in the second half of the fiscal year.
- Reliance Communication has announced to call-off the merger of its wireless services operations with Airtel Ltd owing to regulatory delays and opposition from some creditors. This will further hamper its efforts to reduce huge debt.
- Reliance Industries Ltd has purchased crude oil cargoes from the U.S. for the first time after the price spread between the U.S. crude futures and Brent futures broadened.
- Board members of Jindal Steel and Power have approved raising funds by issuance of 4.80 crore convertible warrants to Openlina Finance and Investment Ltd and 14.20 lakh equity shares to Nalwa Steel & Power on preferential basis.

FII Derivative Trade Statistics			
	03-Oct		
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	2335.43	1993.29	18006.66
Index Options	33208.42	31906.49	70542.74
Stock Futures	6683.96	5981.37	55182.28
Stock Options	4343.66	4224.96	2095.64
Total	46571.47	44106.11	145827.32

Derivative Statistics- Nifty Options			
	03-Oct	Prev_Day	Change
Put Call Ratio (OI)	1.20	1.24	-0.05
Put Call Ratio(Vol)	0.86	0.98	-0.12

Debt Watch				
	03-Oct	Wk. Ago	Mth. Ago	Year Ago
Call Rate	5.85%	5.86%	5.83%	6.39%
CBLO	5.81%	5.83%	4.70%	6.19%
Repo	6.00%	6.00%	6.00%	6.50%
Reverse Repo	5.75%	5.75%	5.75%	6.00%
91 Day T-Bill	6.06%	6.07%	6.09%	6.42%
364 Day T-Bill	6.20%	6.23%	6.23%	6.48%
10 Year Gilt	6.65%	6.67%	6.48%	6.77%
G-Sec Vol. (Rs.Cr)	33069	38324	71510	107450
1 Month CP Rate	6.55%	6.60%	6.38%	6.62%
3 Month CP Rate	6.61%	6.64%	6.55%	6.78%
5 Year Corp Bond	7.23%	7.23%	7.10%	7.42%
1 Month CD Rate	6.08%	6.12%	6.07%	6.39%
3 Month CD Rate	6.18%	6.15%	6.15%	6.56%
1 Year CD Rate	6.57%	6.56%	6.48%	7.01%

Currency Market			
Currency	03-Oct	Prev_Day	Change
USD/INR	65.55	65.36	0.20
GBP/INR	86.87	87.71	-0.84
EURO/INR	76.78	77.06	-0.28
JPY/INR	0.58	0.58	0.00

Commodity Prices				
Commodity	03-Oct	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	50.39	51.58	47.27	48.75
Brent Crude(\$/bl)	56.21	60.86	53.94	48.75
Gold(\$/oz)	1272	1294	1325	1311
Gold(Rs./10 gm)	29434	30127	29742	30940

Source: ICRON Research

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Derivatives Market

- Nifty Oct 2017 Futures were at 9,868.45, a premium of 8.95 points over the spot closing of 9,859.50. The turnover on NSE's Futures and Options segment went down from Rs. 3,57,995.39 crore on Sep 29 to Rs. 3,42,860.01 crore on Oct 3.
- The Put-Call ratio stood at 0.83 against the previous session's close of 0.82.
- The Nifty Put-Call ratio stood at 1.28 against the previous session's close of 1.20.
- Open interest on Nifty Futures stood at 22.26 million as against the previous session's close of 21.44 million.

Indian Debt Market

- Bond yields fell on expectations that the Monetary Policy Committee may soften stance at its fourth bi-monthly monetary policy review due Oct 4 and factor in the recent growth slowdown while reviewing rates.
- Yield on the 10-year benchmark paper (6.79% GS 2027) inched down 2 bps to close at 6.65% from the previous close of 6.67%. During the session, bond yields traded in the range of 6.63% and 6.68%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 2,135 crore (gross) on Oct 3 compared with borrowings of Rs. 4,100 crore (gross) on Sep 29. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 68,708 crore on Sep 29.

Currency Market Update

- The Indian rupee weakened against the U.S. dollar on concerns that the U.S. Federal Reserve might increase interest rates in the near term.
- Euro strengthened against the greenback on bargain hunting. However, political uncertainty following the outcome of German elections and violence marred independence referendum in the Spanish region of Catalonia weighed on the common bloc currency.

Commodity Market Update

- Gold prices remained well below the \$1,300 per ounce-level on growing expectations of a rate hike by the U.S. Federal Reserve in Dec 2017.
- Brent crude prices rose following OPEC' decision of production-cutting deal.

International News

- U.S. construction spending came in more than market expectations in Aug 2017. Construction spending surged 0.5% to \$1.218 trillion in Aug as against a decline of 1.2% to \$1.212 trillion in Jul 2017.
- According to a report from the Institute for Supply Management, U.S. purchasing managers index surpassed market expectations and grew to 60.8 in Sep 2017 from 58.8 in Aug 2017.
- A report from the University of Michigan showed that U.S. consumer sentiment for Sep 2017 came in at 95.1, downwardly revised from the preliminary reading of 95.3. It came in down from 96.8 in Aug 2017. While consumer expectations index fell to 84.4 in Sep from 87.7 in Aug, current economic conditions index slightly went up to 111.7 in Sep from 110.9 in Aug.

Thank you for
your time.