

RELIANCE

MUTUAL
FUND

Markets for You

05 Oct 2018

Indices Performance

Global Indices	04-Oct	Prev_Day	Abs. Change	% Change [#]
Dow Jones	26,627	26,828	-201	-0.75
Nasdaq	7,880	8,025	-146	-1.81
FTSE	7,418	7,510	-92	-1.22
Nikkei	23,976	24,111	-135	-0.56
Hang Seng	26,624	27,091	-467	-1.73
Indian Indices	04-Oct	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	35,169	35,976	-806	-2.24
Nifty 50	10,599	10,858	-259	-2.39
Nifty 100	10,794	11,046	-252	-2.28
Nifty Bank	24,819	25,070	-251	-1.00
SGX Nifty	10,612	10,912	-300	-2.75
S&P BSE Power	1,942	1,955	-13	-0.67
S&P BSE Small Cap	14,126	14,424	-298	-2.07
S&P BSE HC	14,550	15,003	-453	-3.02

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
4-Oct	22.58	1.28	25.63	1.27
Month Ago	24.47	1.17	28.01	1.16
Year Ago	23.65	1.22	25.75	1.15

Nifty 50 Top 3 Gainers

Company	04-Oct	Prev_Day	% Change [#]
ICICI Bank	317	304	4.21
Axis Bank	586	572	2.45
Ultratech Cem	3944	3860	2.16

Nifty 50 Top 3 Losers

Company	04-Oct	Prev_Day	% Change [#]
HPCL	217	251	-13.54
BPCL	331	378	-12.36
Indian Oil	140	158	-11.43

Advance Decline Ratio

	BSE	NSE
Advances	753	467
Declines	1914	1388
Unchanged	135	77

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-1527	-17664
MF Flows**	1700	90031

*4th Oct 2018; **1st Oct 2018

Economic Indicator

YoY(%)	Current	Quarter Ago	Year Ago
CPI	3.69%	4.87%	3.28%
	(Aug-18)	(May-18)	(Aug-17)
IIP	6.60%	4.50%	1.00%
	(Jul-18)	(Apr-18)	(Jul-17)
GDP	8.20%	7.70%	5.60%
	(Jun-18)	(Mar-18)	(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 markets moved down on concerns over further rate hike by Federal Reserve as private sector employment and services sector data came higher than expected. Stronger yen and persisting trade tension between U.S. and China further dented sentiments. Chinese market remained closed on account of public holiday. Today (as of Oct 05), Asian markets opened lower following losses on the Wall Street overnight. Both Nikkei and Hang Seng were trading lower 0.51% and 0.26%, respectively (as at 8 a.m. IST).

• As per the last close, European markets declined as buying interest in riskier investments like equity diminished following rise in U.S. treasury yields. The 10 year treasury yield rose to its highest level in over seven years following upbeat weekly jobless claims data.

• As per the last close, U.S markets fell following surge in U.S. treasury yields, which raised concerns about the outlook for interest rates. A separate report showed bigger than forecasted rebound in factory orders in Aug 2018.

Indian Equity Market

• Indian Equity markets significantly fell with Sensex registering its biggest point-wise decline in over eight months. Market sentiments took a hit earlier during the trading session as global crude oil prices touched a 4-year high of \$86 per barrel on Oct 3. The rupee subsequently plummeted to a fresh record low against the greenback that fueled concerns of widening fiscal deficit and increase in domestic inflationary pressures. Possibility of more rate hike by the U.S. Federal Reserve raised concerns of foreign capital outflow, which added to the woes.

• Oil & Gas stocks remained under pressure after the finance minister urged the oil marketing companies to absorb Re. 1 cut on fuel prices. Weak service sector data for Aug 2018 also muted buying interest. Investors remained cautious ahead of the outcome of Monetary Policy review due on Oct 5, 2018. However, gains in banking stocks following reports of step down of CEO and MD one of the banking majors restricted the losses.

• Key benchmark indices S&P BSE Sensex and Nifty 50 plunged 2.24% and 2.39% to close at 35,169.16 and 10,599.25, respectively. S&P BSE Mid-Cap and S&P BSE Small Cap fell 1.93% and 2.07%, respectively.

Domestic News

• The Nikkei India Services Purchasing Managers' Index (PMI) fell to 50.9 in Sep 2018 from 51.5 in Aug 2018. This marked the lowest score in four-month period. The downside reflects weak demand and stagnant new work. Despite slight improvement in manufacturing PMI, seasonally adjusted Nikkei India Composite PMI Output Index fell to 51.6 in Sep 2018 as against 51.9 in Aug 2018. Rising price pressures weighed on the market activity.

• The government has decided to lower the excise duty on petrol and diesel by Rs 2.50 per litre with immediate effect. The finance minister while announcing the decision added that the central government will cut Rs 1.50 in excise duty on fuel while an additional Rs. 1 will be absorbed by the Oil Marketing Companies. The decision comes as global crude oil prices touched \$86 per barrel and the government was of the view that there was uncertainty in the international oil market. The state governments have been asked by the government to cut the value-added tax on fuel by an equal amount. Though the move is expected to have an impact of Rs. 10,500 crore in FY19, however, the finance minister is confident of attaining the fiscal deficit target.

• Tech Mahindra has entered into agreement with the Israel Aerospace Industries, fully owned by the Israeli government, to provide cybersecurity solutions to Indian as well as global companies.

• Tata Consultancy Services (TCS) signed a Memorandum of Understanding (MoU) with the Institute of Industrial Science (IIS). Both will together work on fundamental research, technology validation and the real-world applications and commercialisation of technologies in robotics.

• According to media reports, L&T Hydrocarbon Engineering, a subsidiary of Larsen & Toubro in consortium with Baker Hughes and McDermott International has got a subsea contract from ONGC for development of block DWN-98/2 in the Krishna Godavari basin.

FII Derivative Trade Statistics			
	04-Oct		
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	4293.45	4992.99	18494.99
Index Options	153317.75	154675.08	65980.73
Stock Futures	14339.67	14389.22	83525.17
Stock Options	6142.19	6095.12	4491.89
Total	178093.06	180152.41	172492.78

Derivative Statistics- Nifty Options			
	04-Oct	Prev_Day	Change
Put Call Ratio (OI)	1.21	1.36	-0.15
Put Call Ratio(Vol)	0.67	0.89	-0.22

Debt Watch				
	04-Oct	Wk. Ago	Mth. Ago	Year Ago
Call Rate	6.32%	6.46%	6.32%	5.87%
CBLO	5.86%	5.98%	6.22%	5.78%
Repo	6.50%	6.50%	6.50%	6.00%
Reverse Repo	6.25%	6.25%	6.25%	5.75%
91 Day T-Bill	7.09%	7.05%	6.75%	6.07%
364 Day T-Bill	7.73%	7.64%	7.32%	6.20%
10 Year Gilt	8.16%	8.03%	8.06%	6.70%
G-Sec Vol. (Rs.Cr)	27393	34665	41362	46873
FBIL MIBOR	6.45%	6.55%	6.45%	6.00%
3 Month CP Rate	8.40%	8.35%	7.70%	6.62%
5 Year Corp Bond	9.09%	8.90%	8.81%	7.51%
1 Month CD Rate	7.13%	7.63%	6.94%	6.06%
3 Month CD Rate	7.38%	7.75%	7.29%	6.15%
1 Year CD Rate	8.59%	8.40%	8.06%	6.57%

Currency Market			
Currency	04-Oct	Prev_Day	Change
USD/INR	73.75	73.03	0.72
GBP/INR	95.39	94.99	0.40
EURO/INR	84.63	84.58	0.05
JPY/INR	0.64	0.64	0.00

Commodity Prices				
Commodity	04-Oct	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	74.39	72.13	69.77	49.95
Brent Crude(\$/bl)	86.41	82.03	77.58	56.09
Gold(\$/oz)	1199	1182	1191	1274
Gold(Rs./10 gm)	31057	30575	30191	29428

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 assures 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 10,631.25, a premium of 32.00 points, above the spot closing of 10,599.25. The turnover on NSE's Futures and Options segment went up to Rs. 20,26,271.53 on Oct 4 compared with Rs. 11,76,210.85 on Oct 3.
- The Put-Call ratio stood at 0.76, compared with the previous session's close of 0.77.
- The Nifty Put-Call ratio stood at 1.21 compared with the previous session's close of 1.36.
- Open interest on Nifty Futures stood at 20.01 million as against the previous session's close at 18.14 million.

Indian Debt Market

- Bond yield rose as crude oil prices continued to surge and rupee hit a record low against the greenback. This led to worries of rise in domestic inflationary pressures and concerns over widening trade deficit of the country. Apprehension of a rate hike by the Monetary Policy Committee in its monetary policy review due Oct 5, also weighed on the market sentiment.
- Yield on the 10-year benchmark paper (7.17% GS 2028) surged 5 bps to 8.16% compared with the previous closing of 8.11% after trading in the range of 8.15% to 8.21%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 3,401 crore (gross) on Oct 4 compared with a borrowing of Rs. 4,116 crore (gross) on Oct 3. Sale of securities under the Reserve Bank of India's (RBI) reverse repo window stood at Rs. 68,725 crore on Oct 3.

Currency Market Update

- The Indian rupee hit another record low with persistent surge in global crude oil prices. The rupee declined 0.32% to close at 73.58 a dollar from the previous close of 73.34.
- The euro rose against the greenback on reports that the Italian government is considering cutting the budget deficit for 2020 and 2021, while working on lowering debt over the next three years. The euro was last seen trading at 1.1506 a dollar compared with the previous close of 1.1476.

Commodity Market Update

- Gold prices improved on worries over the debt-ridden Italy's budget deficit. However, gains were restricted with the release of strong U.S. economic data that lifted U.S. Treasury yield.
- Brent crude prices remained strong ahead of the looming U.S. sanction on Iran, which kicks in Nov.

International News

- According to a report released by the Institute for Supply Management, U.S. non-manufacturing index unexpectedly rose to 61.6 in Sep 2018 from 58.5 in Aug 2018. The index rose to the highest level since the inception of the composite index in 2008.
- According to data from the Society of Motor Manufacturers and Traders, U.K. car registration fell 20.5% in Sep 2018 as against decline of 23.1% in Aug 2018.
- According to data from the IHS Markit, Germany construction Purchasing Managers' Index (PMI) fell to 50.2 in Sep 2018 from 51.5 in Aug 2018.
- According to data from IHS Markit, Hong Kong's Nikkei Purchasing Manager's Index fell to 47.9 in Sep 2018 from 48.5 in Aug 2018.

Thank you for
your time.