

RELIANCE

MUTUAL
FUND

Markets for You

09 Oct 2018

Indices Performance

Global Indices	08-Oct	Prev_Day	Abs. Change	% Change [#]
Dow Jones	26,487	26,447	40	0.15
Nasdaq	7,736	7,788	-52	-0.67
FTSE	7,233	7,319	-85	-1.16
Nikkei	Closed	23,784	NA	NA
Hang Seng	26,203	26,573	-370	-1.39
Indian Indices	08-Oct	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	34,474	34,377	97	0.28
Nifty 50	10,348	10,316	32	0.31
Nifty 100	10,524	10,510	14	0.13
Nifty Bank	24,618	24,443	175	0.72
SGX Nifty	10,344	10,296	48	0.47
S&P BSE Power	1,887	1,900	-12	-0.65
S&P BSE Small Cap	13,563	13,840	-278	-2.01
S&P BSE HC	14,271	14,401	-130	-0.90

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
8-Oct	22.13	1.30	25.03	1.30
Month Ago	24.74	1.15	28.17	1.15
Year Ago	23.73	1.22	25.92	1.14

Nifty 50 Top 3 Gainers

Company	08-Oct	Prev_Day	% Change [#]
HPCL	179	165	8.54
Yes Bank	221	206	7.38
RIL	1109	1049	5.77

Nifty 50 Top 3 Losers

Company	08-Oct	Prev_Day	% Change [#]
Vedanta Limited	207	232	-10.75
Hindalco	223	241	-7.67
Tech Mahindra	695	715	-2.74

Advance Decline Ratio

	BSE	NSE
Advances	698	501
Declines	1952	1371
Unchanged	191	83

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-5010	-24934
MF Flows**	1132	92050

*8th Oct 2018; **4th Oct 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 mostly lost as investors became anxious that strong U.S. economic data has strengthened chances of greater number of rate hikes. Although U.S. jobs data could not beat expectations, the unemployment rate came in at lowest level since 1969. Even China loosening its monetary policy did not help sentiment. Today (as of Oct 9), Asian markets opened almost lower amid lingering concerns over worsening relations between U.S. and China. Nikkei and Hangseng fell 1.29% and 0.44%, respectively (as at 8.a.m. IST).
- As per the last close, European markets closed lower due to concerns over Italy's budget plans and Brexit uncertainty. Unexpected fall in Germany's industrial production for Aug 2018 also weighed on investor sentiment.
- As per the last close, U.S markets closed on a mixed note amid notable weakness seen in the last two sessions. Investors expressed renewed concerns about the outlook for interest rates. Meanwhile, trading remained relatively subdued as investors seemed reluctant to make significant moves due to the Columbus Day holiday.

Indian Equity Market

- Indian equity markets opened the week in green although there was considerable volatility. The financial sector still faces challenges as investor sentiment has been hit by Reserve Bank of India's moves to tighten regulations. The central bank has decided to revise the asset-liability guidelines for non-banking financial companies because of recent mismatches between their short-term borrowings and lending practices.
- Key benchmark indices S&P BSE Sensex and Nifty 50 grew 0.28% and 0.31% to close at 34,474.38 and 10,348.05, respectively. S&P BSE Mid-Cap and S&P BSE Small Cap declined 1.99% and 2.01%, respectively.
- On the BSE sectoral front, S&P BSE Energy and S&P BSE Oil & Gas were the major gainers, up 4.38% and 3.3%, respectively. S&P BSE Bankex and S&P BSE Auto grew 1.16% and 0.73%, respectively. S&P BSE Telecom and S&P BSE Consumer Discretionary Goods and Services grew 0.15% and 0.12%, respectively. The major losers were S&P BSE Metal and S&P BSE Realty, down 3.18% and 3.13%, respectively.

Domestic News

- According to the World Bank, the economy of India seems to have recovered from the disruptions caused due to demonetisation and introduction of the Goods and Services Tax (GST). Therefore, the bank projects Indian economy growth to accelerate to 7.3% in FY19 and 7.5% in the next two years. However, domestic risks and uncertainty in the external environment may impact the macro-economic outlook of the country.
- According to the Securities Exchange Board of India (SEBI), total value of P-note investments in the Indian market (equity, debt, and derivatives) grew to Rs. 846.47 billion till the end of Aug 2018 as against Rs. 803.41 billion at the end of Jul 2018. This marked the first rise in such fund infusion in 10 months. Prior to this, an increase in investment was witnessed in Oct 2017.
- The Unique Identification Authority of India (UIDAI) has stated that the restricting use of Aadhaar by the Supreme Court will have no impact on enrolment and update services being carried out at banks, post offices and government premises. The service providers can still continue the use of offline verification tools that leverage the unique ID without authentication.
- According to media reports, the Reserve Bank of India has given approval to Reserve Bank of India to sell up to 45% stake in NBFC arm Fedfina to private equity firm True North. Fedfina is a 100% fully owned subsidiary of the bank.
- According to media reports, BNP Paribas is planning to sell part of its stake in Indian insurance company SBI Life in the coming quarters as domestic norms requires the insurer to raise its free float to 25%.
- According to media reports, JSW Steel is planning to start construction on a 12 million tonne mega steel plant proposed in Odisha's coastal area from the next fiscal.
- According to media reports, TCL Electronics is planning to invest around Rs. 20 billion in its proposed new manufacturing facility at Tirupati, Andhra Pradesh in the first phase.

FII Derivative Trade Statistics		08-Oct	
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	5358.31	6968.39	21525.32
Index Options	108139.37	106696.47	73837.30
Stock Futures	17671.45	17551.95	81999.84
Stock Options	8041.98	7973.24	5669.77
Total	139211.11	139190.05	183032.23

Derivative Statistics- Nifty Options			
	08-Oct	Prev_Day	Change
Put Call Ratio (OI)	1.12	1.07	0.05
Put Call Ratio(Vol)	0.76	0.66	0.10

Debt Watch				
	08-Oct	Wk. Ago	Mth. Ago	Year Ago
Call Rate	6.40%	6.37%	6.34%	5.85%
CBLO	6.13%	5.94%	6.33%	5.79%
Repo	6.50%	6.50%	6.50%	6.00%
Reverse Repo	6.25%	6.25%	6.25%	5.75%
91 Day T-Bill	6.85%	6.90%	6.80%	6.00%
364 Day T-Bill	7.50%	7.60%	7.47%	6.18%
10 Year Gilt	7.97%	7.99%	8.03%	6.76%
G-Sec Vol. (Rs.Cr)	36438	34997	43177	33352
FBIL MIBOR	6.48%	6.50%	6.40%	5.96%
3 Month CP Rate	7.85%	8.00%	7.65%	6.73%
5 Year Corp Bond	8.87%	8.94%	8.79%	7.54%
1 Month CD Rate	6.85%	6.78%	6.98%	6.05%
3 Month CD Rate	7.03%	7.46%	7.19%	6.13%
1 Year CD Rate	8.38%	8.35%	8.20%	6.59%

Currency Market			
Currency	08-Oct	Prev_Day	Change
USD/INR	73.92	73.58	0.34
GBP/INR	96.86	95.89	0.97
EURO/INR	85.06	84.70	0.36
JPY/INR	0.65	0.65	0.00

Commodity Prices				
Commodity	08-Oct	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	74.22	75.32	67.68	49.29
Brent Crude(\$/bl)	84.56	85.33	75.62	55.39
Gold(\$/oz)	1188	1188	1195	1275
Gold(Rs./10 gm)	31156	30499	30402	29337

Source: Thomson Reuters Eikon

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

Derivatives Market

- Nifty Oct 2018 Futures settled at 10,379.00, a premium of 30.95 points, above the spot closing of 10,348.05. The turnover on NSE's Futures and Options segment rose to Rs. 7,94,666.94 on Oct 8 compared with Rs. 7,69,990.23 on Oct 5.
- The Put-Call ratio stood at 0.75, compared with the previous session's close of 0.68.
- The Nifty Put-Call ratio stood at 1.12 compared with the previous session's close of 1.07.
- Open interest on Nifty Futures stood at 22.11 million as against the previous session's close at 21.90 million.

Indian Debt Market

- Bond yield eased as decline in crude oil prices alleviated inflationary pressure. Oil prices dropped following U.S.'s announcement that it could consider waiving the sanction on Iran. Meanwhile, Saudi Arabia said it will increase output to make up for the supply fall from Iran.
- Yield on the 10-year benchmark paper (7.17% GS 2028) declined 5 bps to 7.97% compared with the previous closing of 8.02% after trading in the range of 7.96% to 8.02%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 3,116 crore (gross) on Oct 8 compared with a borrowing of Rs. 3,646 crore (gross) on Oct 5. Sale of securities under the Reserve Bank of India's (RBI) reverse repo window stood at Rs. 38,768 crore on Oct 5.
- Banks borrowed Rs. 50 crore under the central bank's Marginal Standing Facility on Oct 5. On Oct 4, banks did not borrow.

Currency Market Update

- The Indian rupee slipped to a new record low as the greenback strengthened after China's central bank reduced the reserve requirement ratio by 100 bps. However, fall in crude oil prices limited further downside. The rupee declined 0.40% to close at 74.06 a dollar from the previous close of 73.77.
- The euro weakened against the greenback as continued political uncertainty over the Italy's budget weighed on the market sentiment. The euro was last seen trading at 1.1477 a dollar compared with the previous close of 1.1523.

Commodity Market Update

- Gold prices edged down against dollar as the latter continued to gain strength from the rise in U.S. Treasury yield.
- Brent crude prices fell after U.S. said that it may consider waiving the sanction on Iran, which is to come into effect next month.

International News

- According to a report released by the U.S. Federal Reserve, Consumer credit in the U.S. surged up by \$20.1 billion in Aug 2018 after climbing by \$16.6 billion in Jul 2018. The report also mentioned that revolving credit, reflecting credit card debt, rose \$4.8 billion in Aug after inching up \$1.4 billion in Jul and non-revolving credit such as student loans and car loans rose \$15.3 billion in Aug after increasing \$15.2 billion in the previous month.
- A report from Sentix showed that Eurozone investor sentiment index fell more than market expectations to 11.4 in Oct 2018 as against 12.0 in Sep 2018. The downside reflects uncertainties about the fiscal policy stance in Italy and the automobile industry in Germany. The current situation index came in at 33.0 in Oct down from 35.0 in Sep.



Thank you for
your time.