

RELIANCE

MUTUAL
FUND

Markets for You

10 Oct 2018

Indices Performance

Global Indices	09-Oct	Prev_Day	Abs. Change	% Change [#]
Dow Jones	26,431	26,487	-56	-0.21
Nasdaq	7,738	7,736	2	0.03
FTSE	7,238	7,233	4	0.06
Nikkei	23,469	Closed	NA	NA
Hang Seng	26,173	26,203	-30	-0.11
Indian Indices	09-Oct	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	34,299	34,474	-175	-0.51
Nifty 50	10,301	10,348	-47	-0.45
Nifty 100	10,474	10,524	-50	-0.48
Nifty Bank	24,528	24,618	-91	-0.37
SGX Nifty	10,314	10,344	-30	-0.29
S&P BSE Power	1,876	1,887	-12	-0.62
S&P BSE Small Cap	13,502	13,563	-61	-0.45
S&P BSE HC	14,414	14,271	143	1.00

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
9-Oct	22.01	1.31	24.91	1.30
Month Ago	24.74	1.15	28.17	1.15
Year Ago	23.79	1.22	25.95	1.14

Nifty 50 Top 3 Gainers

Company	09-Oct	Prev_Day	% Change [#]
Dr.Reddy	2454	2340	4.87
Adani Ports & SEZ	319	304	4.73
Zee Ente.	433	414	4.53

Nifty 50 Top 3 Losers

Company	09-Oct	Prev_Day	% Change [#]
Tata Motors	184	212	-13.19
Titan Industries Limited	750	814	-7.87
Eicher Motors	21086	22135	-4.74

Advance Decline Ratio

	BSE	NSE
Advances	1003	679
Declines	1623	1166
Unchanged	140	91

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-1170	-26104
MF Flows**	980	94558

*9th Oct 2018; **8th 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 were majorly down after the International Monetary Fund (IMF) lowered its global and Chinese growth outlook because of rising interest rates and trade war tensions. Also, investors became anxious over Italy expanding budget deficits. On the trade front, China letting its currency slip beyond a psychological mark led to worries that the trade dispute will further intensify. Today (as of Oct 10), Asian markets opened almost higher. However, investors traded cautiously post Wall Street's mix session on its last close. Nikkei and Hangseng grew 0.14% and 1.0%, respectively (as at 8.a.m. IST).
- As per the last close, European markets closed higher amid gains in basic resources and technology stocks. However, concerns over Italy, Brexit and rising bond yields weighed on the investor sentiment.
- As per the last close, U.S markets closed on a mixed note. Investors remained focused on U.S. treasuries amid renewed concerns about the outlook for interest rates. Weakness in chemical and housing stocks weighed on the indices. Meanwhile, trading activity remained subdued due to a lack of major U.S. economic data.

Indian Equity Market

- Indian equity markets resumed fall after gaining on the first day of the week. Sentiment was dampened by weakness in the rupee and rise in crude oil prices. These two factors pose threat to the inflation trajectory and could force the Reserve Bank of India to raise interest rates in the future.
- Key benchmark indices S&P BSE Sensex and Nifty 50 dropped 0.51% and 0.45% to close at 34,299.47 and 10,301.05, respectively. S&P BSE Mid-Cap decreased 0.16, while S&P BSE Small Cap fell 0.45%.
- The overall market breadth on BSE was weak with 1003 scrips advancing and 1623 scrips declining. A total of 140 scrips remained unchanged.
- On the BSE sectoral front S&P BSE Metal was the major gainer, up 1.01%, followed by S&P BSE Healthcare and S&P BSE Finance, up 1.00% and 0.3%, respectively. S&P BSE Teck and S&P BSE Information Technology gained 0.23% and 0.18%, respectively. The major loser was S&P BSE Consumer Durables, down 3.91%, followed by S&P BSE Auto and S&P BSE Oil & Gas, down 2.62% and 1.92%, respectively.

Domestic News

- According to a Boston Consulting Group (BCG) report, India is poised to become the 11th wealthiest country in the world as its personal financial wealth is estimated to grow by 13% to \$5 trillion by 2022. Personal financial wealth currently stands at \$3 trillion. The report said India will improve its rank by four places from 2017 and leave behind nations such as Switzerland, Hong Kong, the Netherlands and Taiwan. India has grown at a CAGR of 12% since 2012 and it is the only country other than China to have a double digit CAGR for personal wealth.
- As per the Reserve Bank of India's (RBI) latest Consumer Confidence Survey, perception of Indians about the general economic condition of the nation has declined and is in the pessimistic zone compared with the preceding round. The survey reflects expectations and perceptions of households on the overall price and employment situation, their own income and spending and general economic condition. At the same time people are hopeful of an improvement after a year. The survey covered 13 major cities – Delhi, Mumbai, Ahmedabad, Bengaluru, Chennai, Bhopal, Jaipur, Guwahati, Hyderabad, Lucknow, Patna and Thiruvananthapuram. It gathered around 5,264 responses on the perceptions and expectations of households.
- Goldman Sachs Research expects the Reserve Bank of India (RBI) to raise policy rates by 25 basis points in the first quarter of 2019. The global financial services company feels RBI will do so to fight depreciation in rupee and rising inflation. Expectations are also for 25 bps increases a piece in the second, third and fourth quarters of 2019. The global financial services company also revised its inflation estimates for 2018-19 to 5.2% as against 5.3% projected earlier.

FII Derivative Trade Statistics		09-Oct	
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	6536.12	5618.32	22054.94
Index Options	114888.81	116484.01	75054.75
Stock Futures	18973.48	17639.13	82670.72
Stock Options	8347.18	8250.07	6248.54
Total	148745.59	147991.53	186028.95

Derivative Statistics- Nifty Options			
	09-Oct	Prev_Day	Change
Put Call Ratio (OI)	1.11	1.12	-0.01
Put Call Ratio(Vol)	0.68	0.76	-0.08

Debt Watch				
	09-Oct	Wk. Ago	Mth. Ago	Year Ago
Call Rate	6.39%	6.37%	6.34%	5.95%
CBLO	6.34%	5.94%	6.33%	5.98%
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%	6.05%
364 Day T-Bill	7.40%	7.60%	7.47%	6.19%
10 Year Gilt	8.08%	7.99%	8.03%	6.78%
G-Sec Vol. (Rs.Cr)	32789	34997	43177	27505
FBIL MIBOR	6.50%	6.50%	6.40%	6.00%
3 Month CP Rate	7.80%	8.00%	7.65%	6.76%
5 Year Corp Bond	8.99%	8.94%	8.79%	7.55%
1 Month CD Rate	6.87%	6.78%	6.98%	6.05%
3 Month CD Rate	7.01%	7.46%	7.19%	6.15%
1 Year CD Rate	8.37%	8.35%	8.20%	6.60%

Currency Market			
Currency	09-Oct	Prev_Day	Change
USD/INR	74.10	73.92	0.18
GBP/INR	96.99	96.86	0.13
EURO/INR	85.11	85.06	0.05
JPY/INR	0.66	0.65	0.01

Commodity Prices				
Commodity	09-Oct	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	74.90	75.32	67.68	49.53
Brent Crude(\$/bl)	85.50	85.33	75.62	55.38
Gold(\$/oz)	1189	1188	1195	1284
Gold(Rs./10 gm)	31049	30499	30402	29594

Source: Thomson Reuters Eikon

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Derivatives Market

- Nifty Oct 2018 Futures settled at 10,314.40, a premium of 13.35 points, above the spot closing of 10,301.05. The turnover on NSE's Futures and Options segment fell to Rs. 7,12,977.40 on Oct 9 compared to Rs. 7,94,666.94 on Oct 8.
- The Put-Call ratio stood at 0.72, compared with the previous session's close of 0.75.
- The Nifty Put-Call ratio stood at 1.11 compared with the previous session's close of 1.12.
- India VIX declined 1.93% to 19.7575 from 20.1475 in the previous trading session.
- Open interest on Nifty Futures stood at 21.41 million as against the previous session's close at 22.11 million.

Indian Debt Market

- Bond yield surged after rupee dipped to a new record low. Additionally, the government's news on lower than expected revenue aggravated concerns over fiscal deficit, which was another major negative that further pushed the yield higher.
- Yield on the 10-year benchmark paper (7.17% GS 2028) rose 11 bps to 8.08% compared with the previous closing of 7.97% after trading in the range of 7.98% to 8.09%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 2,928 crore (gross) on Oct 9 compared with a borrowing of Rs. 3,116 crore (gross) on Oct 8. Sale of securities under the Reserve Bank of India's (RBI) reverse repo window stood at Rs. 36,425 crore on Oct 8.
- Banks borrowed Rs. 4 crore under the central bank's Marginal Standing Facility on Oct 8 compared with borrowing of Rs. 50 crore on Oct 5.

Currency Market Update

- The Indian rupee plunged to another record low as crude oil prices recovered ahead of the U.S. sanction on Iran. Moreover, a government official's comment on lower-than-expected revenue aggravated concerns over widening current account deficit and weighed down on the domestic currency. The rupee closed at 74.39 from the previous close of 74.06.
- The euro declined against dollar as the latter strengthened, supported by strong U.S. Treasury yield. The euro was last seen trading at 1.1448 compared with the previous close of 1.1490.

Commodity Market Update

- Gold prices remained steady on weak global cues, majorly driven by worries over the growing dispute between Italy and the European Union over the controversial Italian budget.
- Brent crude prices rebound as exports from Iran plunge ahead of the looming U.S. sanction, which will come into effect this Nov.

International News

- The International Monetary Fund (IMF) downgraded the global growth forecast for this year and the next and attributed it to persisting concerns of a global trade war. IMF projected the growth for the world economy at 3.7%, less than the 3.9% predicted in the Apr and in a Jul update.
- Data from Organisation for Economic Co-operation and Development showed that the unemployment rate for the OECD countries remained unchanged for a second straight month in Aug. The jobless rate was 5.3% in August, same as in Jun and Jul. The rate was 5.2% in May.

Thank you for
your time.