

**RELIANCE**

MUTUAL  
FUND

# Markets for You

12 Oct 2018

Indices Performance

Global Indices	11-Oct	Prev_Day	Abs. Change	% Change <sup>#</sup>
Dow Jones	25,053	25,599	-546	-2.13
Nasdaq	7,329	7,422	-93	-1.25
FTSE	7,007	7,146	-139	-1.94
Nikkei	22,591	23,506	-915	-3.89
Hang Seng	25,266	26,193	-927	-3.54
Indian Indices	11-Oct	Prev_Day	Abs. Change	% Change <sup>#</sup>
S&P BSE Sensex	34,001	34,761	-760	-2.19
Nifty 50	10,235	10,460	-225	-2.16
Nifty 100	10,432	10,658	-226	-2.12
Nifty Bank	24,784	25,322	-538	-2.12
SGX Nifty	10,351	10,447	-96	-0.91
S&P BSE Power	1,896	1,926	-31	-1.58
S&P BSE Small Cap	13,800	13,998	-197	-1.41
S&P BSE HC	14,350	14,673	-323	-2.20

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
11-Oct	21.86	1.31	24.75	1.31
Month Ago	23.91	1.20	27.44	1.19
Year Ago	23.83	1.22	25.94	1.14

Nifty 50 Top 3 Gainers

Company	11-Oct	Prev_Day	% Change <sup>#</sup>
HPCL	208	181	15.08
Indian Oil	131	124	5.65
BPCL	278	265	4.80

Nifty 50 Top 3 Losers

Company	11-Oct	Prev_Day	% Change <sup>#</sup>
Indiabulls HFC	892	978	-8.85
Bajaj Finserv Limited	5592	5962	-6.20
SBI	262	279	-5.92

Advance Decline Ratio

	BSE	NSE
Advances	785	523
Declines	1805	1301
Unchanged	141	86

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-1083	-28010
MF Flows**	1236	96858

\*11<sup>th</sup> Oct 2018; \*\*10<sup>th</sup> 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 markets saw heavy sell-off after U.S. markets declined overnight. The slide in U.S. was a result of trade-war worries, technology stocks declining on slow demand concerns and the U.S. President's comments on rate hikes. The U.S. President said the Federal Reserve's pace of interest rate hike is unfound, calling the decision "crazy". Chinese markets saw the lowest level since 2016. Today (as of Oct 12), Asian markets opened on a mixed note. Decline in Wall Street in the last session weighed on the indices. Nikkei fell 0.27%, however, Hangseng advanced by 0.46% in early trading session (as at 8.a.m. IST).
- As per the last close, European markets closed lower followed by steep losses in U.S. stocks. Concerns over trade tensions between the U.S. and China as well as possibility of aggressive rate hikes by the U.S. Federal Reserve weighed on the investor sentiment.
- As per the last close, U.S markets closed despite significant drop by treasury yields as the investors remained concerned about the outlook for interest rates and escalating trade war between the U.S. and China. Weakness in banking and energy stocks weighed on the indices.

Indian Equity Market

- Indian equity markets saw yet another day of losses as heavy sell-off in overnight U.S. markets spread gloom in Europe and Asia. U.S. markets fell after technology stocks declined on slowing-demand worries and the U.S. President commented that the Federal Reserve's pace of interest rate hike is unfound, calling the decision "crazy". On the domestic front, the rupee's weakness weighed on investor sentiment.
- Key benchmark indices S&P BSE Sensex and Nifty 50 lost 2.19% and 2.16% to close at 34,001.15 and 10,234.65, respectively. S&P BSE Mid-Cap and S&P BSE Small Cap decreased 2.34% and 1.14%, respectively.
- The overall market breadth on BSE was weak with 785 scrips advancing and 1805 scrips declining. A total of 141 scrips remained unchanged.
- On the BSE sectoral front only two sectors gained. S&P BSE Oil & Gas was the major gainer, up 2.88%, followed by S&P BSE Energy, up 0.16%. S&P BSE Metal was the major loser, down 3.77%, followed by S&P BSE Information Technology and S&P BSE Realty, down 3.21% and 3.16%, respectively.

Domestic News

- The Competition Commission of India (CCI) has amended the combination regulations in relation to withdrawal and refiling of notices seeking approvals. This is being done to provide faster clearance of merger and acquisition cases. In Jul 2018, the regulator had invited comments for the amendments in the Competition Commission of India (Procedure in regard to the transaction of business relating to combinations) Regulations.
- According to a report, a resolution of non-performing assets (NPAs) worth Rs. 1 lakh crore in coal-based power projects is possible if lenders forgo 40%-60% of the loans repayment. The country's coal-based power projects are faced with at least Rs. 3.8 lakh crore worth of NPAs. If lenders agree to take 40%-60% haircut, they would be able to resolve as much as Rs. 1 lakh crore of debt stuck in coal-based power projects, the report said.
- According to media reports, the government does not plan to ask oil marketing companies (OMCs) for any more subsidy on petrol and diesel prices. The government had recently told OMCs to take a Re 1 per litre subsidy. It has called the move a "one-time thing".
- Tata Consultancy Services Ltd's (TCS) second-quarter net profit increased 3.4% to \$1.1 billion compared with \$1.08 billion in the preceding three months. TCS's revenue increased 3.7% sequentially and 10% annually.
- Electric vehicle maker Olectra-BYD has signed an agreement with Uttarakhand government to position 500 AC Electric Buses in the state at an investment of Rs. 700 crore. The Hyderabad-based Olectra Greentech in a strategic tie-up with China's BYD Auto Industry will deploy the 'Made in India' eBuzz K7 (9 meter) and eBuzz K9 (12 meter) electric buses in the Uttarakhand.
- Mahindra-owned Classic Legends will bring back Jawa Motorcycles towards the end of 2018. Details on the motor were revealed by the bike maker. The engine has been built from scratch and shares its bore and stroke with the existing Mahindra Mojo 300cc powertrain and is BS6 ready.

FII Derivative Trade Statistics		11-Oct	
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	3932.18	5418.93	22881.91
Index Options	146803.11	145654.49	77329.66
Stock Futures	18542.87	16263.06	84500.65
Stock Options	7009.78	7106.54	7404.82
Total	176287.94	174443.02	192117.04

Derivative Statistics- Nifty Options			
	11-Oct	Prev_Day	Change
Put Call Ratio (OI)	1.08	1.16	-0.08
Put Call Ratio(Vol)	0.81	0.84	-0.03

Debt Watch				
	11-Oct	Wk. Ago	Mth. Ago	Year Ago
Call Rate	6.42%	6.32%	6.49%	5.85%
CBLO	6.40%	5.86%	6.53%	5.88%
Repo	6.50%	6.50%	6.50%	6.00%
Reverse Repo	6.25%	6.25%	6.25%	5.75%
91 Day T-Bill	6.90%	7.09%	6.88%	6.07%
364 Day T-Bill	7.52%	7.73%	7.47%	6.21%
10 Year Gilt	7.99%	8.16%	8.18%	6.74%
G-Sec Vol. (Rs.Cr)	39373	27393	29824	40584
FBIL MIBOR	6.50%	6.45%	6.70%	6.00%
3 Month CP Rate	7.70%	8.40%	7.90%	6.75%
5 Year Corp Bond	8.79%	9.07%	8.96%	7.52%
1 Month CD Rate	6.82%	7.13%	7.17%	6.05%
3 Month CD Rate	7.13%	7.38%	7.28%	6.17%
1 Year CD Rate	8.44%	8.59%	8.36%	6.60%

Currency Market			
Currency	11-Oct	Prev_Day	Change
USD/INR	74.39	74.13	0.26
GBP/INR	98.30	97.63	0.67
EURO/INR	85.90	85.26	0.64
JPY/INR	0.66	0.66	0.01

Commodity Prices				
Commodity	11-Oct	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	70.92	74.39	69.24	51.25
Brent Crude(\$/bl)	81.69	86.41	78.16	55.84
Gold( \$/oz)	1224	1199	1198	1292
Gold(Rs./10 gm)	31310	31057	30605	29659

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 10,252.05, a premium of 17.40 points, above the spot closing of 10,234.65. The turnover on NSE's Futures and Options segment increased to Rs. 19,94,265.04 on Oct 11 compared with Rs. 11,94,244.77 on Oct 10.
- The Put-Call ratio stood at 0.78, compared with the previous session's close of 0.86.
- The Nifty Put-Call ratio stood at 1.08 compared with the previous session's close of 1.16.
- Open interest on Nifty Futures stood at 21.92 million as against the previous session's close at 21.76 million.

#### Indian Debt Market

- Bond yield lowered aided by the central bank's bond purchase worth Rs. 12,000 crore under open market operation and fall in crude oil prices. These factors alleviated worries over inflationary pressure. However, traders continue to remain cautious with overall weakness in rupee and crude oil price, which is still north of \$80 per barrel.
- Yield on the 10-year benchmark paper (7.17% GS 2028) reduced 4 bps to 7.99% compared with the previous closing of 8.03% after trading in the range of 7.98% to 8.02%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 3,909 crore (gross) on Oct 11 compared with a borrowing of Rs. 3,798 crore (gross) on Oct 10. Sale of securities under the Reserve Bank of India's (RBI) reverse repo window stood at Rs. 8,028 crore on Oct 10.

#### Currency Market Update

- The Indian rupee rose for the second session with the decline in crude oil prices and hopes that the government would undertake supportive measures. The rupee closed at 74.12 a dollar from the previous close of 74.20.
- The euro moved up against dollar as an overnight decline in U.S. Treasury yield had a bearing on the latter. The euro was last seen trading at 1.1574 a dollar compared with the previous close of 1.1518.

#### Commodity Market Update

- Gold prices edged up on weak global cues that resulted in massive sell-off in the international equity market.
- Brent crude prices declined over worries on global growth prospects.

#### International News

- Labor Department data showed U.S. producer prices increased in line with estimates in Sep 2018. This happened as an increase in prices for services offset a modest dip in prices for goods. The producer price index for final demand rose 0.2% in Sep after decreasing 0.1% in Aug 2018. Expectations were for prices to rise 0.2%.
- A Commerce Department report showed a bigger than expected rise in U.S. wholesale inventories for Aug 2018. Wholesale inventories increased 1.0% in Aug after rising by 0.6% in Jul 2018. Expectations were for wholesale inventories to increase 0.8%.

Thank you for  
your time.