

RELIANCE

MUTUAL
FUND

Markets for You

16 Oct 2017

Indices Performance

Global Indices	13-Oct	Prev_Day	Abs. Change	% Change [#]
Dow Jones	22,872	22,841	31	0.13
Nasdaq	6,606	6,592	14	0.22
FTSE	7,535	7,556	-21	-0.28
Nikkei	21,155	20,955	200	0.96
Hang Seng	28,476	28,459	17	0.06
Indian Indices	13-Oct	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	32,433	32,182	250	0.78
Nifty 50	10,167	10,096	71	0.70
Nifty 100	10,535	10,469	65	0.62
Nifty Bank	24,689	24,361	328	1.35
SGX Nifty	10,224	10,130	94	0.92
S&P BSE Power	2,242	2,238	3	0.15
S&P BSE Small Cap	16,926	16,904	22	0.13
S&P BSE HC	14,057	14,098	-41	-0.29

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
13-Oct	24.33	1.19	26.41	1.12
Month Ago	24.16	1.20	26.23	0.93
Year Ago	20.76	1.42	23.16	1.29

Nifty 50 Top 3 Gainers

Company	13-Oct	Prev_Day	% Change [#]
Bharti Airtel	431	400	7.66
Bharti Infratel	450	432	4.16
Tata Steel	711	692	2.78

Nifty 50 Top 3 Losers

Company	13-Oct	Prev_Day	% Change [#]
GAIL	438	446	-1.89
Zee Entertainment	510	518	-1.45
Dr.Reddy	2354	2380	-1.07

Advance Decline Ratio

	BSE	NSE
Advances	1294	787
Declines	1447	930
Unchanged	117	82

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-297	32578
MF Flows**	198	92155

*13th Oct 2017; **10th Oct 2017

Economic Indicator

YoY(%)	Current	Quarter Ago	Year Ago
WPI	3.24% (Aug-17)	2.26% (May-17)	1.09% (Aug-16)
IIP	4.30% (Aug-17)	2.90% (May-17)	4.00% (Aug-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

- Asian markets broadly went up following encouraging trade data from China, which added to evidence of strength in the world's second-largest economy. Growing optimism that Japan Prime Minister's ruling party will win the general elections later this month further contributed to the gains. Today (As of Oct 16), Asian markets opened higher as investors were awaiting China inflation data for Sep 2017. Both Nikkei and Hangseng rose 0.75% and 0.81%, respectively as at (8.a.m. IST).
- As per the last close, European market ended almost higher amid increase in Chinese imports that provided a boost to mining stocks and gains in U.S. market. However, gains were capped by reports that U.K. investors will monitor the ongoing stalemate between British officials and their European counterparts after the fifth round of Brexit talks.
- As per the last close, U.S markets ended higher amid positive retail sales data for Sep and other upbeat economic data. Also, expectation of a strong earnings season further boosted the indices.

Indian Equity Market

- Indian equity market ended in the green amid steady consumer inflation rate despite expectation of a growth, raising hopes of another rate cut by the MPC. Also, strong Index of Industrial Production numbers boosted investor sentiment. Meanwhile, merger deal by one of the telecom majors with one of the subsidiaries of a major Indian conglomerate further supported buying interest.
- Key benchmark indices S&P BSE Sensex as well as Nifty 50 grew 0.78% and 0.70% to close at 32,432.69 and 10,167.45, respectively. Both S&P BSE Small-Cap and S&P BSE Mid-Cap grew 0.13% and 0.04%, respectively.
- The market breadth on BSE was weak with 1,447 scrips declining and 1,294 scrips advancing. A total of 117 scrips remained unchanged.
- On the BSE sectoral front, indices closed on a positive note. Among the gainers, comprised were S&P BSE Telecom (5.27%), S&P BSE Bankex (1.33%), S&P BSE Teck (1.23%), S&P BSE Metal (1.17%) and S&P BSE Finance (1.01%). Meanwhile, the losers were S&P BSE Healthcare, down 0.29%, trailed by S&P BSE FMCG (-0.25%), S&P BSE Oil&Gas and S&P BSE Capital Goods (-0.14%).

Domestic News

- Government data showed that India's trade deficit narrowed to \$8.98 billion in Sep 2017 from \$9.07 billion in the corresponding period of the previous year. Exports grew 25.67% to \$28.61 billion from \$22.77 billion in the same period of the previous year. Imports during the same period also grew 18.09% to \$37.60 billion from \$31.84 billion in the same period of the previous year. Major commodity group of imports showing high growth in Sep 2017 over the corresponding month of last year were silver (128.31%), pearls, precious & semi-precious stones (56.91%), coal, coke & briquettes (48.00%) and electronic goods (40.90%).
- The finance ministry announced that the subscriber base of Atal Pension Yojana (APY) is expected to increase to 1 crore by Mar 2018. APY is a guaranteed pension scheme for unorganised sector.
- A major credit rating agency expects banks to require approximately Rs. 3.3 lakh crore in FY18 as provisioning for large non-performing asset (NPA) accounts. The rating agency stated that with economic value of assets underlying NPAs eroding with time, banks would require increasing of provisioning, mainly for large corporate NPAs. The move is expected to help in faster clean-up of their balance sheets.
- According to a major credit rating agency, the securitisation market has lost traction with volumes shrinking by one-fifth to Rs. 36,000 crore in the first six months of FY18 as against Rs. 45,000 crore in FY17. This was because banks are showing inclinations to trade priority sector lending certificates to meet lending targets.
- Reliance Industries reported a 12.79% YoY rise in consolidated net profit at Rs. 8,097 crore for the second quarter ended Sep 2017. It had posted a net profit of Rs. 7,179 crore in the corresponding quarter last year.

FII Derivative Trade Statistics		13-Oct	
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	1910.90	1648.15	22436.03
Index Options	52295.19	52319.03	82260.98
Stock Futures	6782.35	6040.18	62571.54
Stock Options	5986.85	5887.63	5800.99
Total	66975.29	65894.99	173069.54

Derivative Statistics- Nifty Options			
	13-Oct	Prev_Day	Change
Put Call Ratio (OI)	1.63	1.51	0.12
Put Call Ratio(Vol)	1.15	1.24	-0.09

Debt Watch				
	13-Oct	Wk. Ago	Mth. Ago	Year Ago
Call Rate	5.83%	5.85%	5.85%	6.22%
CBLO	5.14%	5.79%	5.86%	6.27%
Repo	6.00%	6.00%	6.00%	6.25%
Reverse Repo	5.75%	5.75%	5.75%	5.75%
91 Day T-Bill	6.00%	6.00%	6.08%	6.32%
364 Day T-Bill	6.18%	6.18%	6.24%	6.43%
10 Year Gilt	6.73%	6.76%	6.59%	6.73%
G-Sec Vol. (Rs.Cr)	56503	33352	42230	52333
1 Month CP Rate	6.55%	6.56%	6.53%	6.56%
3 Month CP Rate	6.74%	6.73%	6.66%	6.79%
5 Year Corp Bond	7.23%	7.19%	7.17%	7.27%
1 Month CD Rate	6.05%	6.05%	6.10%	6.35%
3 Month CD Rate	6.18%	6.13%	6.13%	6.49%
1 Year CD Rate	6.59%	6.59%	6.50%	6.85%

Currency Market			
Currency	13-Oct	Prev_Day	Change
USD/INR	64.93	65.10	-0.17
GBP/INR	86.31	86.23	0.07
EURO/INR	76.88	77.27	-0.40
JPY/INR	0.58	0.58	0.00

Commodity Prices				
Commodity	13-Oct	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	51.38	49.29	49.25	50.42
Brent Crude(\$/bl)	55.95	55.39	56.41	48.53
Gold(\$/oz)	1304	1275	1323	1257
Gold(Rs./10 gm)	29675	29337	30001	29940

Source: ICRON Research

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Derivatives Market

- Nifty Oct 2017 Futures were at 10,192.40, a premium of 24.95 points over the spot closing of 10,167.45. The turnover on NSE's Futures and Options segment went down from Rs. 11,28,168.78 crore on Oct 12 to Rs. 6,23,951.94 crore on Oct 13.
- The Put-Call ratio stood at 0.89 against the previous session's close of 0.88.
- The Nifty Put-Call ratio stood at 1.63 against the previous session's close of 1.51.
- Open interest on Nifty Futures stood at 28.33 million as against the previous session's close of 27.85 million.

Indian Debt Market

- Bond yields fell after retail inflation grew at a slower than expected pace in Sep 2017. In addition, retail inflation for Aug 2017 was downwardly revised from the earlier projection. This increased hopes of further easing of monetary policy by the Monetary Policy Committee (MPC) in the near term.
- Yield on the 10-year benchmark paper (6.79% GS 2027) inched down 2 bps to 6.73% from the previous close of 6.75%. During the session, bond yields traded in the range of 6.72% and 6.75%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 2,840 crore (gross) on Oct 13 compared with borrowings of Rs. 2,270 crore (gross) on Oct 12. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 2,74,79 crore on Oct 12.
- Banks did not borrow under the central bank's Marginal Standing Facility on Oct 12 as well as Oct 11.

Currency Market Update

- The Indian rupee rose for the fifth consecutive session supported by foreign fund inflows. The increased 0.23% to close at 64.93 per dollar from the previous close of 65.08.
- Euro fell against the U.S. dollar after moving in range as market participants remained cautious ahead of the U.S inflation data. Euro was trading at \$1.1810 compared with the previous close of \$1.1829.

Commodity Market Update

- Gold prices gained ahead of U.S. inflation data that will help to assess U.S. Federal Reserve's future policy stance.
- Brent crude prices inched down on mixed report from EIA that showed that crude stockpiles fell while gasoline supplies increased in the week to Oct 6.

International News

- Data from the U.S. Labor Department showed that the initial jobless claims in U.S. for the week ended Oct 7 fell 15,000 to 243,000 from the previous week's revised level of 258,000.
- According to a report from the Labor Department, U.S. producer price index increased in line with market expectations by 0.4% in Sep 2017 after increasing 0.2% in Aug 2017. The increase was partly due to rise in energy prices by 3.4% in Sep after increasing 3.3% in Aug. Core producer prices excluding food and energy prices rose 0.4% in Sep after rising 0.1% in Aug.
- According to the British Chambers of Commerce, the U.K. economy grew at a soft rate in the third quarter of 2017 despite improvements in manufacturing activity.

Thank you for
your time.