

**RELIANCE**

MUTUAL  
FUND

# Markets for You

19 Oct 2018

Indices Performance

Global Indices	18-Oct	Prev_Day	Abs. Change	% Change <sup>#</sup>
Dow Jones	25,379	25,798	-419	-1.62
Nasdaq	7,485	7,645	-160	-2.10
FTSE	7,027	7,059	-32	-0.46
Nikkei	22,658	22,841	-183	-0.80
Hang Seng	25,455	25,462	-8	-0.03
Indian Indices	17-Oct	Prev_Day	Abs. Change	% Change <sup>#</sup>
S&P BSE Sensex	34,780	35,162	-383	-1.09
Nifty 50	10,453	10,585	-132	-1.24
Nifty 100	10,649	10,796	-147	-1.37
Nifty Bank	25,189	25,590	-401	-1.57
SGX Nifty	10,527	10,605	-78	-0.73
S&P BSE Power	1,952	1,977	-25	-1.25
S&P BSE Small Cap	14,271	14,594	-323	-2.21
S&P BSE HC	14,640	14,873	-232	-1.56

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
17-Oct	22.40	1.28	25.19	1.29
Month Ago	24.05	1.19	27.66	1.18
Year Ago	24.27	1.19	26.52	1.12

Nifty 50 Top 3 Gainers

Company	17-Oct	Prev_Day	% Change <sup>#</sup>
HCL Tech	1024	1003	2.08
Infosys	705	695	1.45
ITC	286	283	1.34

Nifty 50 Top 3 Losers

Company	17-Oct	Prev_Day	% Change <sup>#</sup>
Indiabulls HFC	789	907	-13.08
Bajaj Finance	2151	2309	-6.86
Yes Bank	232	249	-6.83

Advance Decline Ratio

	BSE	NSE
Advances	672	406
Declines	1938	1425
Unchanged	135	79

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-1082	-32956
MF Flows**	271	99422

\*17<sup>th</sup> Oct 2018; \*\*15<sup>th</sup> Oct 2018

Economic Indicator

YoY(%)	Current	Quarter Ago	Year Ago
CPI	3.77%	4.92%	3.28%
	(Sep-18)	(Jun-18)	(Sep-17)
IIP	4.30%	3.80%	4.80%
	(Aug-18)	(May-18)	(Aug-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 equity markets were mostly low because of worries over a slowdown in the Chinese economy and rising U.S. interest rates. U.S. Federal Reserve's meeting minutes showed that the bank is all in favour of rising interest rates as the economy is robust. Also, Treasury yields have continued their upward trend. China saw heavy sell-off on weak economic data and yuan getting weak. Today (as of Oct 19), Asian markets opened lower following decline on the Wall Street overnight. Both Nikkei and Hang Seng were trading lower 1.49% and 0.68%, respectively (as at 8 a.m. IST).

• As per the last close, European markets fell after European Union leaders cancelled plans for a special summit to complete the Brexit deal over the coming weeks. Market participants remain in a cautious mood due to persistent concerns over global trade.

• As per the last close, U.S markets declined notably after U.S. Treasury Secretary announced to not attend an upcoming investment conference in Saudi Arabia. Lingering concerns about the outlook for U.S. interest rates also weighed on the markets.

Indian Equity Market

• Indian equity market declined after three days of gain as the rupee again weakened against the dollar and crude oil prices went up. Also, non-banking financial companies (NBFC) were badly hit on news that one leading NBFC is exposed to high debt default risk.

• Key benchmark indices S&P BSE Sensex and Nifty 50 lost 1.09% and 1.24% to close at 34,779.58 and 10,453.05, respectively. S&P BSE Mid-Cap and S&P BSE Small Cap decreased 2.23% and 2.21%, respectively.

• On the BSE sectoral front, only S&P BSE Fast Moving Consumer Goods (0.11%) gained, while S&P BSE Information Technology was almost unchanged. The major loser was S&P BSE Realty, down 3.17%, followed by S&P BSE Auto and S&P BSE Oil & Gas, down 3% and 2.42%, respectively. S&P BSE Industrials and S&P BSE S&P BSE Consumer Discretionary Goods & Services were down 2.29% and 2.23%, respectively. The realty sector was hit as investors panicked over media reports that a leading housing finance company could be exposed to high debt default risk.

Domestic News

• The Reserve Bank of India (RBI) has released operational guidelines to facilitate payments among prepaid instruments (PPI) such as mobile wallets. The move aims at promoting digital transactions. Besides elaborating the needs to achieve the inter-operability for mobile wallets and cards, the guidelines elaborates the norms for customer protection and grievance redressal. According to the guidelines, inter-operability among mobile wallets, and between bank account and e-wallet would be enabled through the Unified Payments Interface (UPI) system. Meanwhile, if the PPIs are issued in the form of cards, the cards shall be affiliated to the authorised card networks.

• The Securities and Exchange Board of India (SEBI) has issued a framework to bring uniformity in the procedure for obtaining samples of agricultural commodities at the exchange accredited warehouses. The decision comes as the market regulator noted that different approaches were being followed by the exchanges. The exchanges and clearing corporations have been asked by the regulator to make sure that ample samples are collected from the goods deposited and are sealed in the presence of the depositor or authorised representative.

• ACC announced that it reported consolidated profit after tax of Rs. 209 crore for the quarter ended Sep 2018, up 15% YoY as against Rs. 182 crore in the previous year period. Consolidated net sales grew 10% YoY to Rs. 3,364 crore as against Rs. 3,054 crore in the year-ago period.

• Indian Oil Corporation (IOC) announced that it will invest approximately Rs. 8 billion in a greenfield ethanol plant in Gorakhpur district of Uttar Pradesh. The proposal to give 50 acres of the defunct Dhuriapar cooperative mill in Gorakhpur on 30 years lease to IOC for setting up the ethanol unit has been approved by the state cabinet.

3.1% YoY to Rs. 907.4 crore for the quarter ended Sep 30, 2018.

• ABB has received a contract from Diesel Locomotive Works, Varanasi, ABB worth Rs. 115 crore for the supply of traction transformers.

FII Derivative Trade Statistics		17-Oct		
(Rs Cr)	Buy	Sell	Open Int.	
Index Futures	2710.19	2523.88	22358.88	
Index Options	97284.06	95806.16	86041.12	
Stock Futures	12013.78	11695.34	85587.24	
Stock Options	7477.41	7310.84	9571.43	
Total	119485.44	117336.22	203558.67	

Derivative Statistics- Nifty Options			
	17-Oct	Prev_Day	Change
Put Call Ratio (OI)	1.11	1.24	-0.13
Put Call Ratio(Vol)	0.94	0.94	0.00

Debt Watch				
	17-Oct	Wk. Ago	Mth. Ago	Year Ago
Call Rate	6.58%	6.45%	6.58%	5.99%
CBLO	6.51%	6.35%	6.54%	6.02%
Repo	6.50%	6.50%	6.50%	6.00%
Reverse Repo	6.25%	6.25%	6.25%	5.75%
91 Day T-Bill	6.93%	6.90%	7.03%	6.10%
364 Day T-Bill	7.47%	7.52%	7.63%	6.19%
10 Year Gilt	7.91%	8.03%	8.10%	6.76%
G-Sec Vol. (Rs.Cr)	22510	35386	36157	22788
FBIL MIBOR	6.60%	6.51%	6.60%	6.10%
3 Month CP Rate	7.90%	7.80%	8.00%	6.71%
5 Year Corp Bond	8.84%	8.84%	8.88%	7.48%
1 Month CD Rate	6.99%	6.82%	7.11%	6.05%
3 Month CD Rate	8.23%	7.04%	7.48%	6.19%
1 Year CD Rate	8.38%	8.45%	8.38%	6.59%

Currency Market			
Currency	17-Oct	Prev_Day	Change
USD/INR	73.48	73.90	-0.42
GBP/INR	96.87	97.33	-0.46
EURO/INR	84.98	85.58	-0.60
JPY/INR	0.65	0.66	0.00

Commodity Prices				
Commodity	18-Oct	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	68.58	73.13	68.81	51.82
Brent Crude(\$/bl)	81.09	84.16	78.16	56.72
Gold(\$/oz)	1225	1194	1201	1285
Gold(Rs./10 gm)*	31722	31021	30614	29671

Source: Thomson Reuters Eikon; \*As on 17-Oct-18

#### 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.icraonline.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 10,443.95, a discount of 9.10 points, below the spot closing of 10,453.05. The turnover on NSE's Futures and Options segment increased to Rs. 20,89,715.01 on Oct 17 compared with Rs. 8,07,280.15 on Oct 16.
- The Put-Call ratio stood at 0.87, compared with the previous session's close of 0.88.
- The Nifty Put-Call ratio stood at 1.11 compared with the previous session's close of 1.24.
- Open interest on Nifty Futures stood at 22.92 million as against the previous session's close at 22.96 million.

#### Indian Debt Market

- Bond yield increased as market participants booked profits following recent rise in bond prices and ahead of the weekly auction of government securities on Friday. Losses in the Indian rupee also led to selling in the debt market.
- Yield on the 10-year benchmark paper (7.17% GS 2028) increased 4 bps to 7.91% compared with the previous closing of 7.87% after trading in the range of 7.86% to 7.93%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 16,708 crore (gross) on Oct 17 compared with a borrowing of Rs. 7,047 crore (gross) on Oct 17. Sale of securities under the Reserve Bank of India's (RBI) reverse repo window stood at Rs. 11,436 crore on Oct 16.

#### Currency Market Update

- The Indian rupee fell against the greenback following losses in the domestic equity market. The rupee closed at 73.60 a dollar, 0.18% down from the previous close of 73.46.
- The euro fell against the greenback after minutes of the U.S. Federal Reserve monetary policy meeting held in Sep 2018 increased the possibility of further increase in interest rates in U.S. moving forward. The euro was last seen trading at 1.1488 a dollar, down 0.10% compared with the previous close of 1.1499.

#### Commodity Market Update

- Gold prices traded marginally higher as the safe-haven appeal of the bullion, amid recent geopolitical events.
- Brent Crude prices traded lower following reports by U.S. Energy Information Administration showing a larger-than-expected build in U.S. crude stockpiles in the week to Oct 12.

#### International News

- According to the U.S. Federal Reserve's latest monetary policy meeting minutes, the members of central bank continued to favour a "gradual approach" in increasing interest rates. The minutes also mentioned that the labour market had continued to strengthen and economic activity had been rising at a strong rate.
- According to the Labor Department, U.S. initial jobless claims in the week ended Oct 13, 2018 decreased by 5,000 to 210,000 from the previous week's revised level of 215,000.
- According to a report by the Commerce Department, U.S. housing starts fell more than expected by 5.3% to an annual rate of 1.201 million in Sep 2018 after rising 7.1% to a revised rate of 1.268 million in Aug 2018.

Thank you for  
your time.