

RELIANCE

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FUND

Markets for You

23 Oct 2017

Indices Performance

Global Indices	20-Oct	Prev_Day	Abs. Change	% Change [#]
Dow Jones	23,329	23,163	166	0.71
Nasdaq	6,629	6,605	24	0.36
FTSE	7,523	7,523	0	0.00
Nikkei	21,458	21,449	9	0.04
Hang Seng	28,487	28,159	328	1.17
Indian Indices	18-Oct	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	32,584	32,609	-25	-0.08
Nifty 50	10,211	10,234	-24	-0.23
Nifty 100	10,582	10,606	-23	-0.22
Nifty Bank	24,314	24,646	-332	-1.35
SGX Nifty	Closed	10,240	NA	NA
S&P BSE Power	2,270	2,243	27	1.21
S&P BSE Small Cap	17,063	17,066	-3	-0.02
S&P BSE HC	14,171	14,285	-114	-0.80

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
18-Oct	24.12	1.20	26.44	1.12
Month Ago	24.25	1.20	26.42	0.94
Year Ago	21.05	1.40	23.22	1.28

Nifty 50 Top 3 Gainers

Company	18-Oct	Prev_Day	% Change [#]
RIL	915	874	4.59
Power Grid	214	205	4.22
Indiabulls HFC	1358	1326	2.47

Nifty 50 Top 3 Losers

Company	18-Oct	Prev_Day	% Change [#]
Axis Bank	465	513	-9.48
ICICI Bank	263	274	-3.92
Bharti Infratel	462	479	-3.64

Advance Decline Ratio

	BSE	NSE
Advances	1261	762
Declines	1411	952
Unchanged	139	65

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-252	30945
MF Flows**	284	93837

*18th Oct 2017; **16th Oct 2017

Economic Indicator

YoY(%)	Current	Quarter Ago	Year Ago
WPI	2.60% (Sep-17)	0.90% (Jun-17)	1.36% (Sep-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

- Most of the Asian markets gained after the U.S. Senate approved a budget resolution for the 2018 fiscal year that will help to pursue tax-cut plans. Expectations of a favourable outcome from Japan's election further supported gains. However, upside was limited due to political tensions in Spain. Today (As of Oct 23), Asian markets opened mixed. Solid election win by Japanese Prime Minister boosted the gains. However, investors remained cautious ahead of the China's house price index due later in the day. While Nikkei grew 1.07%, Hang seng fell 0.54% as at (8.a.m. IST).
- As per the last close, European market ended on a mixed note. Optimism for U.S. tax reform after \$4 trillion budget measure approval by the Senate and a slew of upbeat earnings reports boosted the gains. However, gains were capped by concerns over the situation in Spain.
- As per the last close, U.S markets ended higher after the Senate approved a \$4 trillion budget measure. Rebound in existing home sales in Sep and gains by an industrial conglomerate major further added to the gains.

Indian Equity Market

- Indian equity markets closed in the red as investors refrained from taking major bets and cashed in on recent gains ahead of the long Diwali weekend. Investor sentiment got hurt by selling pressure in banking stock after a major company reported lower than expected quarterly net profit and increased its credit cost guidance, which indicated that the bad loan stress could continue for a few more quarters.
- Key benchmark indices S&P BSE Sensex and Nifty 50 slipped 0.08% and 0.23% to close at 32,584.35 and 10,210.85, respectively. Moreover, S&P BSE Mid-Cap and S&P BSE Small-Cap closed flat.
- On the BSE sectoral front, majority of the indices closed in the red. S&P BSE Telecom was the major loser, down 1.86%, followed by S&P BSE Bankex and S&P BSE Finance, which fell 1.79% and 0.86%, respectively. S&P BSE Healthcare and S&P BSE Teck slipped 0.80% and 0.67%, respectively. Meanwhile, S&P BSE Energy was the top gainer, up 2.50%, followed by S&P BSE Utilities and S&P BSE Oil & Gas, which rose 1.31% and 1.24%, respectively.

Domestic News

- According to the minutes of the Monetary Policy Committee's (MPC) meeting in Oct 2017, policymakers remained concerned that rising retail inflation may threaten the Reserve Bank of India's (RBI) target of 4%. However, MPC were of the view that the slowdown in economic growth that was noted in the quarter ended Jun 2017 may be temporary in nature. As a result, MPC decided to wait for more data and assess the same.
- The Department of Industrial Policy and Promotion (DIPP) has eased the mechanism for processing foreign direct investment (FDI) proposals. With immediate effect, it has discontinued the requirement of sending the applications to the department of revenue. The move aims at further promoting ease of doing business in the country to attract overseas inflows.
- The Reserve Bank of India has asked banks to instantly pay the interest due on the gold deposited by individuals and institution under the Gold Monetisation Scheme (GMS). GMS was launched in 2015 in order to curb imports of gold that has a bearing on current account deficit.
- Reliance Industries with its partner BP Plc has submitted a \$1.4-billion plan to the government as per which they will produce 7 million cubic metres a day of natural gas from KG-D6 deep-sea fields in the Bay of Bengal. As per the field development plan, the company will develop the "satellite fields" — D2, D6, D19 and D22 — in the gas-rich block along with two nearby gas fields D29 and D30.
- UltraTech Cement has reported a net profit of Rs. 431.2 crore for the quarter ended Sep 30, 2017, down 28% YoY. Revenues grew 6% YoY to Rs. 6,571 crore.
- As per media reports, Flipkart is likely to acquire 8% to 10% stake in Future Lifestyle Fashions. The deal is expected to bring big boost to Flipkart's subsidiary Myntra, which is aiming to become profitable at an EBITDA level by Mar 2018.

FII Derivative Trade Statistics		18-Oct	
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	1275.60	1017.37	27591.55
Index Options	48319.72	47392.36	91098.07
Stock Futures	6578.48	6586.88	65103.80
Stock Options	5930.29	6018.24	7019.57
Total	62104.09	61014.85	190812.99

Derivative Statistics- Nifty Options			
	18-Oct	Prev_Day	Change
Put Call Ratio (OI)	1.62	1.66	-0.04
Put Call Ratio(Vol)	1.16	1.01	0.15

Debt Watch				
	18-Oct	Wk. Ago	Mth. Ago	Year Ago
Call Rate	5.97%	5.85%	5.94%	6.23%
CBLO	5.88%	5.88%	6.01%	6.23%
Repo	6.00%	6.00%	6.00%	6.25%
Reverse Repo	5.75%	5.75%	5.75%	5.75%
91 Day T-Bill	6.10%	6.07%	6.09%	6.37%
364 Day T-Bill	6.18%	6.21%	6.23%	6.41%
10 Year Gilt	6.76%	6.74%	6.61%	6.72%
G-Sec Vol. (Rs.Cr)	22788	40584	42871	75434
1 Month CP Rate	6.53%	6.54%	6.59%	6.61%
3 Month CP Rate	6.74%	6.75%	6.66%	6.82%
5 Year Corp Bond	7.17%	7.22%	7.20%	7.31%
1 Month CD Rate	6.05%	6.05%	6.09%	6.39%
3 Month CD Rate	6.19%	6.17%	6.14%	6.53%
1 Year CD Rate	6.59%	6.60%	6.51%	6.90%

Currency Market			
Currency	18-Oct	Prev_Day	Change
USD/INR	65.06	64.92	0.14
GBP/INR	85.74	86.04	-0.29
EURO/INR	76.54	76.42	0.12
JPY/INR	0.58	0.58	0.00

Commodity Prices				
Commodity	20-Oct	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	51.58	51.38	50.24	50.26
Brent Crude(\$/bl)	58.38	55.95	58.24	50.11
Gold(\$/oz)	1280	1304	1301	1266
Gold(Rs./10 gm)*	29611	29659	29723	29845

Source: ICRON Research *As on 18-07-17

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Derivatives Market

- Nifty Oct 2017 Futures were at 10,237.50, a premium of 26.65 points over the spot closing of 10,210.85. The turnover on NSE's Futures and Options segment went up from Rs. 6,40,634.65 crore on Oct 17 to Rs. 11,04,500.52 crore on Oct 18.
- The Put-Call ratio stood at 0.73 against the previous session's close of 0.85.
- The Nifty Put-Call ratio stood at 1.62 against the previous session's close of 1.66.
- Open interest on Nifty Futures stood at 28.94 million as against the previous session's close of 28.95 million.

Indian Debt Market

- Bond yields closed steady as market participants remained on the sidelines ahead of holidays later in the week. Market participants also looked ahead to Monetary Policy Committee's Oct 2017 meeting minutes, due later in the day.
- Yield on the 10-year benchmark paper (6.79% GS 2027) closed steady at 6.76%. During the session, bond yields traded in the range of 6.76% and 6.77%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 1,400 crore (gross) on Oct 18 compared with borrowings of Rs. 12,930 crore (gross) on Oct 17. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 8,362 crore on Oct 17.
- Banks borrowed Rs. 993 crore under the central bank's Marginal Standing Facility on Oct 17 compared with Rs. 3,215 crore borrowed on Oct 16.

Currency Market Update

- The Indian rupee closed almost flat against the greenback following losses in the domestic equity market and dollar demand from importers. The rupee inched down 0.02% to close at 65.04 per dollar from the previous close of 65.02.
- Euro fell against the U.S. dollar as market participants became optimistic over progress on U.S. tax reforms after the Senate gave its approval for a budget blueprint for the 2018 fiscal year. Euro was trading at \$1.1812, down 0.32% compared with the previous close of \$1.1850.

Commodity Market Update

- Gold prices fell after the U.S. Senate approved a budget blueprint for the 2018 fiscal year that will pave the way to pursue tax-cut plans. • Brent crude prices fell after a weekly report from EIA indicated that U.S. gasoline stockpiles rose for a fourth straight week.

International News

- According to a report from the Commerce Department, U.S. housing starts missed market expectations and fell 4.7% YoY to 1.127 million in Sep 2017 from the revised estimate of 1.183 million in Aug 2017. This marked the lowest level since Sep 2016. The decline reflects sharp decline in both single-family and multi-family starts that fell 4.6% and 5.1%, respectively.
- The Federal Reserve in its Beige Book has reported few signs of an uptick in inflation. According to reports from all 12 Federal Reserve Districts, economic activity increased in Sep 2017 through early Oct 2017 and the pace of growth was split between modest and moderate. Manufacturing activity and non-financial services expanded modestly to moderately in most Districts.

Thank you for
your time.