

**RELIANCE**

MUTUAL  
FUND

# Markets for You

24 Oct 2018

## Indices Performance

Global Indices	23-Oct	Prev_Day	Abs. Change	% Change <sup>#</sup>
Dow Jones	25,191	25,317	-126	-0.50
Nasdaq	7,438	7,469	-31	-0.42
FTSE	6,955	7,043	-88	-1.24
Nikkei	22,011	22,615	-604	-2.67
Hang Seng	25,347	26,153	-807	-3.08
Indian Indices	23-Oct	Prev_Day	Abs. Change	% Change <sup>#</sup>
S&P BSE Sensex	33,847	34,134	-287	-0.84
Nifty 50	10,147	10,245	-98	-0.96
Nifty 100	10,342	10,446	-104	-1.00
Nifty Bank	24,972	25,079	-106	-0.42
SGX Nifty	10,147	10,252	-105	-1.02
S&P BSE Power	1,945	1,943	2	0.10
S&P BSE Small Cap	13,637	13,805	-168	-1.21
S&P BSE HC	14,177	14,517	-340	-2.34

## P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
23-Oct	21.61	1.32	24.41	1.32
Month Ago	23.73	1.20	27.09	1.20
Year Ago	24.19	1.19	26.37	1.12

## Nifty 50 Top 3 Gainers

Company	23-Oct	Prev_Day	% Change <sup>#</sup>
HPCL	218	211	3.47
Indiabulls HFC	735	713	3.01
HDFC Ltd.	1687	1658	1.72

## Nifty 50 Top 3 Losers

Company	23-Oct	Prev_Day	% Change <sup>#</sup>
Asian Paints	1138	1200	-5.16
Sun Pharma	576	607	-5.12
Wipro	309	322	-4.07

## Advance Decline Ratio

	BSE	NSE
Advances	759	492
Declines	1832	1335
Unchanged	134	86

## Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-443	-33745
MF Flows**	556	100760

\*23<sup>rd</sup> Oct 2018; \*\*19<sup>th</sup> Oct 2018

## Economic Indicator

YoY(%)	Current	Quarter Ago	Year Ago
CPI	3.77% (Sep-18)	4.92% (Jun-18)	3.28% (Sep-17)
IIP	4.30% (Aug-18)	3.80% (May-18)	4.80% (Aug-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 declined as panicked investors resorted to sell-off. The cause of their concern was the slowing global growth forecasts, tensions between the U.S. and Saudi Arabia over a prominent journalist's death and the trade dispute. Italy's budget and Brexit added their own bit to investor anxiety. Today (as of Oct 24), Asian market opened higher despite losses in the Wall Street. Also, decline in crude oil prices and weak quarterly earnings restricted the gains. Both Nikkei and Hang Seng were trading up 0.20% and 0.37%, respectively (as at 8.a.m. IST).
- As per the last close, European markets closed lower after the Italian budget was rejected by the European Commission and was granted three weeks time to submit a revised plan. Disappointing quarterly results from few companies also weighed on the market.
- As per the last close, U.S. markets closed lower following disappointing quarterly results from few big companies. Significant weakness in overseas markets amid worries about global economic growth and mounting geopolitical tensions also weighed on the markets. However, strong results from a fast food giant restricted some losses.

## Indian Equity Market

- Indian equity markets declined on weak global cues and liquidity concerns. Rising geopolitical tensions kept major markets around the world under pressure and the affects were seen in domestic markets as well.
- Key benchmark indices S&P BSE Sensex and Nifty 50 lost 0.84% and 0.96% to close at 33,847.23 and 10,146.80, respectively. S&P BSE Mid-Cap lost 0.89%, while S&P BSE Small Cap fell 1.21%.
- The overall market breadth on BSE was weak with 759 scrips advancing and 1832 scrips declining. A total of 134 scrips remained unchanged.
- On the BSE sectoral front, only S&P BSE Realty (0.41%) and S&P BSE Power (0.1%) gained. S&P BSE Information Technology was the major loser, down 2.79%, followed by S&P BSE Teck and S&P BSE Healthcare, down 2.48% and 2.34%, respectively. S&P BSE Basic Materials and S&P BSE Consumer Discretionary Goods & Services lost 1.74% and 1.23%, respectively.

## Domestic News

- Railways has drawn up a Rs. 35,000 crore plan for electrification of all railway lines across India. It will electrify the Rameswaram-Madurai section with a cost of around Rs. 158 crore for a 161-km stretch.
- Securities and Exchange Board of India (SEBI) data shows India's non-bank financial companies (NBFCs) are looking at repaying commercial paper near a record Rs. 1.46 trillion in Aug-Oct 2018 and about Rs 1.2 trillion (\$16.3 billion) in Oct-Dec 2018. This comes at the backdrop of the fallout from defaults by a leading NBFC.
- According media reports, the finance ministry could ask for relaxing the prompt corrective action (PCA) framework of the Reserve Bank of India (RBI) at the central bank's board meeting. The board will also discuss ways to ease credit flow to non-banking financial companies (NBFCs) in the wake of the crisis at a leading NBFC.
- HCL Technologies Ltd, software services exporter, registered 14.8% rise in second-quarter net profit at Rs. 25.34 billion from Rs. 22.07 billion in the year-ago period on higher revenue from its software services business. The company beat market expectations.
- RBL Bank's Sep quarter profit increased 36% to Rs. 204.54 crore on the back of rise in interest income. The bank had made Rs. 150.62 crore profit in the year-ago period. Core net interest income increased 41% to Rs. 592.97 crore and non-interest income rose 38% to Rs. 333.11 crore.
- Jubilant Life Sciences' consolidated net profit increased 67.18% to Rs. 209.77 crore for the quarter ended Sep 2018 against Rs. 125.47 crore in the year-ago period. Robust pharma segment sales drove the performance. Revenue from operations came in at Rs. 2,269.49 crore for the period compared with Rs. 1,642.04 crore in the year-ago period.
- Hindustan Zinc Ltd's second-quarter profit fell 29.8% to Rs. 1,815 crore from Rs. 2,584 crore in the year-ago period because of higher expenses. Revenue from operations decreased 10% to Rs. 4,777 crore.

FII Derivative Trade Statistics		23-Oct	
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	7962.52	7437.56	21527.84
Index Options	114330.74	113388.73	85240.07
Stock Futures	30749.93	30400.41	85008.72
Stock Options	9280.48	9125.34	9108.72
Total	162323.67	160352.04	200885.35

Derivative Statistics- Nifty Options			
	23-Oct	Prev_Day	Change
Put Call Ratio (OI)	1.04	1.10	-0.06
Put Call Ratio(Vol)	0.80	0.90	-0.09

Debt Watch				
	23-Oct	Wk. Ago	Mth. Ago	Year Ago
Call Rate	6.53%	6.54%	6.58%	5.85%
CBLO	6.48%	6.47%	6.42%	5.86%
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%	6.87%	7.08%	6.06%
364 Day T-Bill	7.45%	7.49%	7.58%	6.15%
10 Year Gilt	7.89%	7.87%	8.08%	6.80%
G-Sec Vol. (Rs.Cr)	33965	42832	39390	23079
FBIL MIBOR	6.60%	6.57%	6.65%	6.00%
3 Month CP Rate	8.20%	7.80%	8.05%	6.74%
5 Year Corp Bond	8.82%	8.80%	8.93%	7.51%
1 Month CD Rate	6.96%	6.88%	7.54%	6.06%
3 Month CD Rate	8.38%	7.46%	7.40%	6.19%
1 Year CD Rate	8.37%	8.41%	8.34%	6.57%

Currency Market			
Currency	23-Oct	Prev_Day	Change
USD/INR	73.78	73.30	0.48
GBP/INR	95.56	95.93	-0.37
EURO/INR	84.47	84.57	-0.10
JPY/INR	0.66	0.65	0.01

Commodity Prices				
Commodity	23-Oct	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	66.44	71.88	70.75	51.86
Brent Crude(\$/bl)	79.56	80.97	79.34	58.18
Gold( \$/oz)	1230	1224	1199	1282
Gold(Rs./10 gm)	31909	31799	30697	29611

Source: Thomson Reuters Eikon

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**Derivatives Market**

- Nifty Oct 2018 Futures settled at 10,147.90, a premium of 1.10 points, above the spot closing of 10,146.80. The turnover on NSE's Futures and Options segment increased to Rs. 9,82,011.81 on Oct 23 compared with Rs. 8,71,268.00 on Oct 22.
- The Put-Call ratio stood at 0.78, compared with the previous session's close of 0.88.
- The Nifty Put-Call ratio stood at 1.04 compared with the previous session's close of 1.10.
- Open interest on Nifty Futures stood at 24.30 million as against the previous session's close at 22.61 million.

**Indian Debt Market**

- Bond yield eased as rupee remained steady and crude oil prices lowered. These factors reduced inflationary concerns to some extent lifting market sentiments. Traders are now awaiting the announcement of the next round of note purchases under open market operation.
- Yield on the 10-year benchmark paper (7.17% GS 2028) declined 4 bps to 7.89% compared with the previous closing of 7.93% after trading in the range of 7.88% to 7.94%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 6,546 crore (gross) on Oct 23 compared with a borrowing of Rs. 18,768 crore (gross) on Oct 22. Sale of securities under the Reserve Bank of India's (RBI) reverse repo window stood at Rs. 8,953 crore on Oct 22.
- Banks borrowed Rs. 30 crore under the central bank's Marginal Standing Facility on Oct 22 compared with no borrowing on Oct 21.

**Currency Market Update**

- The Indian rupee was nearly steady against the greenback following the drop in crude oil price below the \$80 a barrel mark. The rupee closed at 73.57 a dollar compared with the previous close of 73.56.
- The euro improved against the greenback ahead of the European Commission's meeting to decide on the Italian budget. Brussels is expected to reject the budget and demand changes in the spending plan. The euro was last seen trading at 1.1475 a dollar, up 0.10% compared with the previous close of 1.1463.

**Commodity Market Update**

- Gold prices went up amid tumbling global stock market following the escalating geopolitical unrest and ambiguity on short term growth prospect.
- Brent Crude prices weakened as market participants grew wary amid rising uncertainty on global economic growth outlook.

**International News**

- The central bank of Indonesia kept its key interest rate unchanged in Oct 2018 after increasing the same in the previous two policy sessions. The central bank kept the 7-day reverse repo rate unchanged at 5.75%. The central bank aims to reduce the current account deficit to 2.5% of GDP projected in 2019.
- Preliminary data from the Census and Statistics Department showed that Hong Kong's consumer price inflation accelerated strongly in Sep 2018. The consumer price index rose 2.7% on a yearly basis in Sep 2018 following a 2.3% increase in Aug 2018. This was the highest inflation rate since Feb 2018 when inflation was 3.1%.



Thank you for  
your time.