

RELIANCE

MUTUAL
FUND

Markets for You

26 Oct 2018

Indices Performance

Global Indices	25-Oct	Prev_Day	Abs. Change	% Change [#]
Dow Jones	24,985	24,583	401	1.63
Nasdaq	7,318	7,108	210	2.95
FTSE	7,004	6,963	41	0.59
Nikkei	21,269	22,091	-822	-3.72
Hang Seng	24,994	25,250	-255	-1.01
Indian Indices	25-Oct	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	33,690	34,034	-344	-1.01
Nifty 50	10,125	10,225	-100	-0.98
Nifty 100	10,308	10,415	-108	-1.03
Nifty Bank	24,817	25,064	-247	-0.98
SGX Nifty	10,126	10,255	-129	-1.26
S&P BSE Power	1,928	1,945	-17	-0.87
S&P BSE Small Cap	13,603	13,738	-135	-0.98
S&P BSE HC	13,909	14,135	-225	-1.59

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
25-Oct	21.63	1.32	24.36	1.33
Month Ago	23.30	1.24	26.91	1.21
Year Ago	24.55	1.18	26.63	1.11

Nifty 50 Top 3 Gainers

Company	25-Oct	Prev_Day	% Change [#]
Wipro	319	309	3.16
HCL Tech	1005	981	2.46
Indian Oil	140	138	1.85

Nifty 50 Top 3 Losers

Company	25-Oct	Prev_Day	% Change [#]
Indiabulls HFC	689	743	-7.29
Bharti Airtel	296	316	-6.43
United Phos	599	623	-3.75

Advance Decline Ratio

	BSE	NSE
Advances	881	563
Declines	1631	1234
Unchanged	125	84

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-1837	-35683
MF Flows**	1847	105087

*25th Oct 2018; **24th 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 markets fell after taking subdued cues from the overnight U.S. markets. U.S. market plunged following disappointing corporate earnings reports and weak economic data. Persisting U.S.- China trade war and geo-political tension also weighed on the sentiments. Today (as of Oct 26), Asian market opened higher following gains in the U.S. Wall Street. Both Nikkei and Hang Seng were trading up 0.42% and 0.10%, respectively (as at 8 a.m. IST).

• As per the last close, European markets closed higher after the European Central Bank (ECB) left its interest rates as well as its forward guidance unchanged. ECB also reaffirmed that the its massive asset purchase program would end in Dec 2018. ECB President was also confident regarding the economy and that the inflation is gradually approaching its aim.

• As per the last close, U.S. markets closed higher following upbeat quarterly earnings from a fresh batch of few big companies. Bargain hunting by investors after steep fall in the previous session and some upbeat economic data further added to the gains.

Indian Equity Market

• After witnessing a volatile session through-out the day, Indian equity markets fell to near about seven months low. Weak cues from global peers, expiry of Oct-series futures and options (F&O) contracts and subdued corporate earnings from major automaker weighed on the sentiments. Additionally, concerns of faster rate hikes by U.S. Federal Reserve and ongoing U.S.-China trade war kept investors cautious.

• Key benchmark indices S&P BSE Sensex and Nifty 50 fell 1.01% and 0.98% to close at 33,690.09 and 10,124.90, respectively. S&P BSE Mid-Cap and S&P BSE Small-Cap fell 0.58% and 0.98% respectively.

• On the BSE sectoral front, all the indices closed in red and S&P BSE Telecom (-2.9%) stood as the major loser followed by S&P BSE Realty (-1.79%) and S&P BSE Healthcare (-1.59%). Auto sector too posted huge fall after a major auto maker reported quarterly loss for the period ending Sep'18.

• Among the 31-stock sensitive Sensex pack, Wipro (3.30%) stood as the top gainer followed by Coal India (1.66%) and Kotak Bank (1.415). Meanwhile, Bharti Airtel (-6.60%) stood as the major loser followed by Vedanta Ltd. (-3.47%).

Domestic News

• Government data showed that India's fiscal deficit for Apr-Sep 2018 came in at Rs. 5.95 lakh crore, or 95.3% of the budgeted target for FY19 against 91.3% in the year-ago period. Net tax revenue was Rs. 5.83 lakh crore or 39.4% of the budget estimate for FY19 compared with 44.2% in the corresponding period of the previous year. The government's total expenditure for the period from Apr to Sep of 2018 stood at Rs. 13.04 lakh crore or 53.4% of the budget estimate for FY19 compared with 53.5% in the corresponding period of the previous year.

• The government has approved the setting up of Appellate Tribunal and Adjudicating Authority that will work for speedy disposal of cases related to benami transactions. The government had notified Sessions courts in 34 states and Union Territories earlier in Oct 2018. These courts will act as special courts for trial of offences under the benami transaction law.

• According to a major credit rating agency, the supply of corporate bonds is expected to increase to Rs.55 lakh crore - Rs. 60 lakh crore by the end of FY23. This will be double as against Rs. 27.4 lakh crore witnessed at the end of FY18. The upside is driven by increase in bond issuances from the financial and infrastructure sectors. Meanwhile, the agency expects the demand for these instruments to be more than Rs. 53 lakh crore, driven by retirement funds, insurance companies, mutual funds, foreign portfolio investors and others, and banks. This means that there would be a gap between supply and demand in the range of Rs. 2 lakh crore- Rs. 7 lakh crore.

• According to media reports, the net profit of Yes Bank fell 3.8% on a yearly basis in the quarter ended Sep 2018 to Rs. 964.70 crore. Net profit came down due to an impact of Rs 252.2 crore of one-time mark to market provisioning, predominantly on corporate bonds.

• According to media reports, the net profit of Maruti Suzuki fell 9.8% to Rs. 2,240 crore as against a profit of Rs. 2,484.30 crore in the same period of the previous year. As per reports, this is the first decline in company's quarterly profit after nine consecutive quarters of profit growth.

FII Derivative Trade Statistics		25-Oct	
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	11222.43	10609.25	28497.27
Index Options	181206.75	180385.80	82511.99
Stock Futures	32931.67	32394.27	89815.11
Stock Options	9567.33	9359.68	8759.48
Total	234928.18	232749.00	209583.85

Derivative Statistics- Nifty Options			
	25-Oct	Prev_Day	Change
Put Call Ratio (OI)	0.97	1.10	-0.13
Put Call Ratio(Vol)	0.98	0.87	0.12

Debt Watch				
	25-Oct	Wk. Ago	Mth. Ago	Year Ago
Call Rate	6.50%	6.58%	6.51%	5.88%
CBLO	6.50%	6.51%	6.29%	5.90%
Repo	6.50%	6.50%	6.50%	6.00%
Reverse Repo	6.25%	6.25%	6.25%	5.75%
91 Day T-Bill	6.94%	6.93%	7.02%	6.10%
364 Day T-Bill	7.42%	7.47%	7.26%	6.21%
10 Year Gilt	7.87%	7.91%	8.13%	6.81%
G-Sec Vol. (Rs.Cr)	32817	22510	27124	36063
FBIL MIBOR	6.60%	6.60%	6.60%	6.00%
3 Month CP Rate	8.35%	7.90%	8.40%	6.75%
5 Year Corp Bond	8.79%	8.84%	8.99%	7.52%
1 Month CD Rate	7.12%	6.99%	7.19%	6.07%
3 Month CD Rate	8.39%	8.23%	7.62%	6.20%
1 Year CD Rate	8.34%	8.38%	8.36%	6.57%

Currency Market			
Currency	25-Oct	Prev_Day	Change
USD/INR	73.27	73.26	0.01
GBP/INR	94.62	95.05	-0.43
EURO/INR	83.65	83.99	-0.35
JPY/INR	0.65	0.65	0.00

Commodity Prices				
Commodity	25-Oct	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	67.15	69.58	73.02	51.96
Brent Crude(\$/bl)	78.19	80.48	82.65	58.94
Gold(\$/oz)	1232	1222	1201	1277
Gold(Rs./10 gm)	31736	31722	30728	29372

Source: Thomson Reuters Eikon

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 (RNLAM) (formerly Reliance Capital Asset Management Limited) 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; RNLAM does not in any manner assure the accuracy or authenticity of such data and information. Some of the statements & assertions contained in these materials may reflect RNLAM'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 closed at 10,124.90, same as the spot closing. The turnover on NSE's Futures and Options segment increased to Rs. 18,72,655.73 on Oct 25 compared with Rs. 13,33,824.38 on Oct 24.
- The Put-Call ratio stood at 0.80, compared with the previous session's close of 0.86.
- The Nifty Put-Call ratio stood at 0.97 compared with the previous session's close of 1.10.
- Open interest on Nifty Futures stood at 29.05 million as against the previous session's close at 26.31 million.

Indian Debt Market

- Bond yield was nearly steady as losses to global crude oil prices which continued to remain at elevated levels and weakness of the rupee against the greenback was offset by the security purchase under open market operation.
- Yield on the 10-year benchmark paper (7.17% GS 2028) remained unchanged at 7.87% compared with the previous closing after trading in the range of 7.84% to 7.89%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 19,201 crore (gross) on Oct 25 compared with a borrowing of Rs. 3,896 crore (gross) on Oct 24. Sale of securities under the Reserve Bank of India's (RBI) reverse repo window stood at Rs. 9,920 crore on Oct 24.

Currency Market Update

- The Indian rupee declined tracking weakness in the global equity market and subsequent loss in the domestic equity market. The rupee closed at 73.28 a dollar, down 0.17% compared with the previous close of 73.15.
- The euro inched down against the greenback after the European Central Bank chief opined that the euro zone monetary union remained "fragile" and failed to ease concerns about financial instability in Italy. The euro was last seen trading at 1.1381 a dollar, down 0.09% compared with the previous close of 1.1391.

Commodity Market Update

- Gold prices remained steady as market participants resorted to the yellow metal after overnight fall in the U.S. equity market on concerns over weak corporate results.
- Brent Crude prices plunged after the U.S. Equity market saw a steep fall on worries over weak corporate earnings.

International News

- According to the data released by the Commerce Department U.S. new home sales fell sharply by 5.5% to an annual rate of 553,000 in Sep 2018 from the revised rate of 585,000 (629,000 originally reported) in Aug 2018. New home sales fell to their lowest level Dec 2016. The fall was partially due to 40.6% decline in sales in the Northeast.
- The European Central Bank (ECB) kept its interest rates and forward guidance neutral for the third consecutive policy session. This along it reaffirmed its massive asset purchase program would end in Dec 2018. The main refinance rate, deposit rate and marginal lending facility stands at 0%, -0.40% and 0.25%, respectively. The ECB continues to halve its monthly bond purchases to EUR 15 billion as announced in Jun 2018 and plans to end it in Dec 2018.



Thank you for
your time.