

RELIANCE

MUTUAL
FUND

Markets for You

27 Oct 2017

Indices Performance

Global Indices	26-Oct	Prev_Day	Abs. Change	% Change [#]
Dow Jones	23,401	23,329	71	0.31
Nasdaq	6,557	6,564	-7	-0.11
FTSE	7,487	7,447	39	0.53
Nikkei	21,740	21,708	32	0.15
Hang Seng	28,202	28,303	-101	-0.36
Indian Indices	26-Oct	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	33,147	33,043	105	0.32
Nifty 50	10,344	10,295	48	0.47
Nifty 100	10,720	10,672	48	0.45
Nifty Bank	25,022	25,036	-14	-0.05
SGX Nifty	10,345	10,281	64	0.62
S&P BSE Power	2,338	2,328	10	0.45
S&P BSE Small Cap	17,257	17,159	97	0.57
S&P BSE HC	13,917	13,835	82	0.59

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
26-Oct	24.79	1.17	26.73	1.10
Month Ago	23.41	1.24	25.71	0.96
Year Ago	21.12	1.41	23.30	1.28

Nifty 50 Top 3 Gainers

Company	26-Oct	Prev_Day	% Change [#]
BPCL	536	510	5.23
Indian Oil	437	417	4.61
HPCL	481	463	4.04

Nifty 50 Top 3 Losers

Company	26-Oct	Prev_Day	% Change [#]
HCL Tech	869	907	-4.19
Indiabulls HFC	1248	1277	-2.23
ICICI Bank	299	306	-2.11

Advance Decline Ratio

	BSE	NSE
Advances	1368	922
Declines	1331	801
Unchanged	151	60

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	6812	37335
MF Flows**	691	97243

*26th Oct 2017; **24th Oct 2017

Economic Indicator

YoY(%)	Current	Quarter Ago	Year Ago
WPI	2.60%	0.90%	1.36%
	(Sep-17)	(Jun-17)	(Sep-16)
IIP	4.30%	2.90%	4.00%
	(Aug-17)	(May-17)	(Aug-16)
GDP	5.70%	6.10%	7.90%
	(Jun-17)	(Mar-17)	(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 ended in mixed ahead of the European Central Bank's policy meeting decision, which will provide cues on the trimming of its asset purchase programme. Sentiment also gained on expectations of further stimulus measures by the Japanese government. However, weak cues from overnight U.S. market limited the upside. Today (As of Oct 27), Asian markets opened higher following rise on the Wall Street overnight. Both Nikkei and Hang Seng were trading higher 0.69% and 0.80%, respectively (8 a.m. IST).
- As per the last close, European market increased after the European Central Bank announced to reduce the size of its asset purchases in Jan 2018. Monthly asset purchases currently at EUR 60 billion till the end of Dec 2017 will reduce to EUR 30 billion and continue until Sep 2018.
- As per the last close, U.S markets mostly rose after moving in a range during the session. Positive sentiment generated by news that House Republicans voted to approve a Senate-passed budget resolution, taking a key step toward tax reform. Also latest set of earnings reports gave investors a positive surprise.

Indian Equity Market

- Indian equity markets continued the record breaking streak for the second consecutive session amid optimism over corporate earnings results. Meanwhile, short covering by speculators on the expiry of the October derivatives contracts further gave a boost to the indices. However, gains were capped after a senior North Korean official stated that the warning from North Korea's foreign minister of a possible atmospheric nuclear test over the Pacific Ocean should be seriously considered.
- Key benchmark indices S&P BSE Sensex as well as Nifty 50 each grew 0.32% and 0.47%, respectively to close at 33,147.13 and 10,343.80, respectively. Both S&P BSE Small-Cap and S&P BSE Mid-Cap grew 0.57% and 0.52%, respectively.
- On the BSE sectoral front, indices closed on a positive note. The topmost gainers were S&P BSE Oil & Gas (2.19%), S&P BSE Metal (2.07%), S&P BSE Energy (1.59%), S&P BSE Capital Goods (1.26%) and S&P BSE Basic Materials (0.98%). Meanwhile, the losers were S&P BSE Consumer Durables, down 0.78%, trailed by S&P BSE Telecom (-0.58%) and S&P BSE Teck (-0.09%).

Domestic News

- Capital market regulator Securities and Exchange Board of India (SEBI) revised the framework for "block deals" as it provided two separate trading windows of 15 minutes each and increased the minimum order size or execution of trades in the block deal to Rs. 10 crore. Presently, block deal for shares worth Rs. 5 crore through a single transaction is allowed. The block deal window will help buyers and sellers to execute trades for a large number of shares while ensuring confidentiality of the large trades and stable prices for such transactions.
- According to media reports, the government is considering transferring its equity in public sector banks into a holding company. This holding company may issue the Rs. 1.35 lakh crore worth of recapitalization bonds to provide boost to the state run banks which are reeling under the pressure of bad loans. This is being preferred by the government as it hopes that this holding co structure will prevent any spike in fiscal deficit.
- According to the Prime Minister, the government is considering a new consumer protection law. The objective of the move is to ensure that grievances are redressed in a time-bound and cost effective manner. On a separate note, the minister added that the Goods and Services Tax (GST) would benefit poor and middle-class consumers as the new tax regime would usher in increased competition among companies, which would result in lower price of goods.
- Yes Bank has posted rise in net profit by 25.1% YoY to Rs. 1,003 crore in quarter end Sep 2017 as against Rs. 802 crore in year ago period. However, gross bad loans as a percentage of total loans stood at 1.82% in the quarter end Sep compared with 0.97% a quarter earlier and 0.83% in the year-ago period.
- Pfizer is planning to start the auction process of its consumer healthcare business in Nov 2017. Many global companies have expressed interest in bidding for the unit worth approximately \$15 billion.

FII Derivative Trade Statistics		26-Oct		
(Rs Cr)	Buy	Sell	Open Int.	
Index Futures	6958.24	8055.95	32723.75	
Index Options	92097.13	92013.68	93991.17	
Stock Futures	28735.21	26725.95	67000.65	
Stock Options	11717.21	11660.95	8169.07	
Total	139507.79	138456.53	201884.64	

Derivative Statistics- Nifty Options			
	26-Oct	Prev_Day	Change
Put Call Ratio (OI)	1.82	1.61	0.21
Put Call Ratio(Vol)	1.06	1.01	0.05

Debt Watch				
	26-Oct	Wk. Ago	Mth. Ago	Year Ago
Call Rate	5.85%	5.97%	5.86%	6.12%
CBLO	5.83%	5.88%	5.83%	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%	6.10%	6.07%	6.36%
364 Day T-Bill	6.20%	6.18%	6.23%	6.45%
10 Year Gilt	6.80%	6.76%	6.67%	6.77%
G-Sec Vol. (Rs.Cr)	17048	22788	38324	65771
1 Month CP Rate	6.53%	6.53%	6.60%	6.65%
3 Month CP Rate	6.76%	6.74%	6.64%	6.91%
5 Year Corp Bond	7.15%	7.17%	7.23%	7.34%
1 Month CD Rate	6.07%	6.05%	6.12%	6.40%
3 Month CD Rate	6.20%	6.19%	6.15%	6.58%
1 Year CD Rate	6.58%	6.59%	6.56%	6.92%

Currency Market			
Currency	26-Oct	Prev_Day	Change
USD/INR	64.79	65.14	-0.35
GBP/INR	85.88	85.48	0.40
EURO/INR	76.61	76.59	0.02
JPY/INR	0.57	0.57	0.00

Commodity Prices				
Commodity	26-Oct	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	52.39	52.00	51.58	48.70
Brent Crude(\$/bl)	59.04	58.34	60.86	48.27
Gold(\$/oz)	1267	1281	1294	1267
Gold(Rs./10 gm)	29393	29611	30127	30095

Source: ICRON Research

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Derivatives Market

- Nifty Oct 2017 Futures settled at spot closing of 10,343.80. Nifty Nov 2017 Futures settled at 10,360.55, a premium of 16.75 points above the spot closing. The turnover on NSE's Futures and Options segment went up from Rs. 12,02,397.62 crore on Oct 25 to Rs. 14,84,650.78 crore on Oct 26.
- The Put-Call ratio stood at 0.91 against the previous session's close of 0.88.
- The Nifty Put-Call ratio stood at 1.82 against the previous session's close of 1.61.
- Open interest on Nifty Futures stood at 31.82 million as against the previous session's close of 31.27 million.

Indian Debt Market

- Bond yields fell marginally as market participants bought securities that seemed attractive after seeing a rise on the previous day.
- Yield on the 10-year benchmark paper (6.79% GS 2027) eased 1 bps to close at 6.80% from the previous close of 6.81%. During the session, bond yields traded in the range of 6.80% and 6.81%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 3,040 crore (gross) on Oct 26 compared with borrowings of Rs. 3,425 crore (gross) on Oct 25. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 16,701 crore on Oct 25.
- Banks borrowed Rs. 75 crore under the central bank's Marginal Standing Facility on Oct 25 compared with Rs. 900 crore borrowed on Oct 24.

Currency Market Update

- The Indian rupee rose for the second straight session against the U.S. dollar due to greenback selling linked to equity investments and following recovery in the domestic equity market. Rupee increased 0.11% close at 64.82 per dollar from the previous close of 64.89.
- Euro fell against the U.S. dollar on profit booking after the European Central Bank in its policy meeting said it would slow down its asset purchasing program from Jan 2018, as widely anticipated. Euro was trading at \$1.1742 compared with the previous close of \$1.1812.

Commodity Market Update

- Gold prices continued to fall as improved economic data in the U.S. and stronger dollar weighed on sentiment.
- Brent crude prices inched down after data from the U.S. Energy Information Administration (EIA) showed that crude stockpiles increased for the first time in five weeks.

International News

- Data from the U.S. Labor Department showed that initial jobless claims for the week ended Oct 21 fell 10,000 to 233,000 from the previous week's revised level of 223,000 (222,000 originally reported).
- The European Central Bank (ECB) kept interest rates unchanged for the 13 consecutive months in its monetary policy review. The main refinancing rate was held at a record low of 0% and the deposit rate at -0.40%. The marginal lending facility rate was kept at 0.25%. The bank will continue its asset purchases programme of €60 billion a month till Dec 2017 after which it will reduce it to €30 billion and will continue them at least till Sep 2018.



Thank you for
your time.