

RELIANCE

MUTUAL
FUND

Markets for You

29 Oct 2018

Indices Performance

Global Indices	26-Oct	Prev_Day	Abs. Change	% Change [#]
Dow Jones	24,688	24,985	-296	-1.19
Nasdaq	7,167	7,318	-151	-2.07
FTSE	6,940	7,004	-65	-0.92
Nikkei	21,185	21,269	-84	-0.40
Hang Seng	24,718	24,994	-277	-1.11
Indian Indices	26-Oct	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	33,349	33,690	-341	-1.01
Nifty 50	10,030	10,125	-95	-0.94
Nifty 100	10,225	10,308	-82	-0.80
Nifty Bank	24,421	24,817	-396	-1.60
SGX Nifty	10,065	10,126	-61	-0.60
S&P BSE Power	1,906	1,928	-21	-1.10
S&P BSE Small Cap	13,598	13,603	-6	-0.04
S&P BSE HC	13,876	13,909	-34	-0.24

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
26-Oct	21.32	1.34	24.12	1.34
Month Ago	23.49	1.22	26.87	1.22
Year Ago	24.79	1.17	26.73	1.10

Nifty 50 Top 3 Gainers

Company	26-Oct	Prev_Day	% Change [#]
United Phos	623	599	3.88
Titan Industries	807	791	1.98
Tata Motors	169	165	1.91

Nifty 50 Top 3 Losers

Company	26-Oct	Prev_Day	% Change [#]
Yes Bank	181	198	-8.90
Axis Bank	538	561	-4.16
HCL Tech	967	1005	-3.81

Advance Decline Ratio

	BSE	NSE
Advances	1094	787
Declines	1466	1006
Unchanged	143	95

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-1333	-37016
MF Flows**	-728	104419

*26th Oct 2018; **25th 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 ended mostly lower as downbeat results of U.S.' tech majors stoked fears growth slowdown and dampened sentiment. Today (as of Oct 29), Asian markets opened on a mixed note amid gains in major indexes. Investors are likely set to focus on the latest geopolitical developments around the world. Nikkei and Hangseng advanced by 0.46% and 0.30%, respectively (as at 8.a.m. IST).
- As per the last close, European markets closed lower followed by continued slide in the U.S. markets due to disappointing earnings. European Central Bank stated that eurozone is expected to grow at a slightly slower pace in 2018 and 2019, further dampened investor sentiment.
- As per the last close, U.S markets closed lower following negative reaction to corporate results from some U.S. majors. Weakness in computer hardware, telecom, commercial real estate, and software, stocks weighed on the indices. However, better than expected U.S. economic growth for the third quarter restricted the losses.

Indian Equity Market

- Indian equity markets ended the week in the red amid weak global cues. Weakness in rupee gave a lacklustre start to Nov derivative series. Disappointing quarterly earnings of domestic industry majors also spoiled investor mood.
- Key benchmark indices S&P BSE Sensex and Nifty 50 lost 1.01% and 0.94% to close at 33,349.31 and 10,030.00, respectively. S&P BSE Mid-Cap lost 0.11%, while S&P BSE Small Cap fell 0.04%.
- The overall market breadth on BSE was weak with 1094 scrips advancing and 1466 scrips declining. A total of 143 scrips remained unchanged.
- On the BSE sectoral front S&P BSE Telecom was the major gainer, up 0.64%, followed by S&P BSE Energy and S&P BSE Consumer Durables, up 0.58% and 0.14%, respectively. S&P BSE Industrials and S&P BSE Auto gained 0.13% and 0.06%, respectively. The major loser was S&P BSE Information Technology, down 2.05%, followed by S&P BSE Bankex and S&P BSE Teck, down 1.97% and 1.85%, respectively.

Domestic News

- Financial services secretary has said the government does not want relaxation in Reserve Bank of India's prompt corrective action (PCA) framework but indicated that the central bank should bring down the capital requirement norms and align them with Basel III norms. Currently, minimum common equity (CET) Tier I ratio as laid down by RBI is at 5.5% against 4.5% under Basel III norms. According to an initial estimate given by bankers to the government, if RBI relaxes rules, around Rs. 6 lakh crore of lending can be achieved without any extra requirement for provisioning.
- According to media reports, National Anti-profiteering Authority (NAA) has issued letters to many pharmaceutical and consumer goods companies seeking details on their pricing strategies. This is being done to check whether these companies have passed on the benefits of reduced goods and services tax rates to consumers. Around 50 companies have come under the lens and focus is on sectors that directly affect consumers such as FMCG, pharma and real estate.
- ICICI Bank's second quarter net profit declined 55.84% to Rs. 908.88 crore because of lower other income and higher gross non-performing assets. It came below market expectations. Net profit in the year-ago period was Rs. 2,058.19 crore. Other income that includes core fee income dipped 39.14% to Rs. 3,156.49 crore in the period from Rs. 5186.24 crore in the year-ago quarter.
- Nestle India's profit for the quarter ended Sep 2018 increased almost 30% to Rs. 446 crore on the back of higher domestic sales. Profit was Rs. 343 crore in the year-ago period. Revenue from operations grew almost 17% to Rs. 2,939 crore. Sales in the domestic market grew 17.5% to Rs. 2,750 crore and expenses increased 14.5%.
- ITC's standalone net profit increased 11.92% to Rs. 2,954.67 crore for the quarter ended Sep 2018. The diversified group had posted a net profit of Rs. 2,639.84 crore in the year-ago period. Revenue from operations came in at Rs. 11,272.51 crore compared with Rs. 9,763.92 crore in the year-ago period.

FII Derivative Trade Statistics		26-Oct	
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	8936.75	11542.03	23086.22
Index Options	207116.43	206007.13	42987.85
Stock Futures	29590.33	29792.55	77492.54
Stock Options	4877.14	4641.62	1060.00
Total	250520.65	251983.33	144626.61

Derivative Statistics- Nifty Options			
	26-Oct	Prev_Day	Change
Put Call Ratio (OI)	1.44	0.97	0.47
Put Call Ratio(Vol)	0.74	0.98	-0.25

Debt Watch				
	26-Oct	Wk. Ago	Mth. Ago	Year Ago
Call Rate	6.48%	6.55%	6.45%	5.85%
CBLO	5.13%	6.41%	6.02%	5.83%
Repo	6.50%	6.50%	6.50%	6.00%
Reverse Repo	6.25%	6.25%	6.25%	5.75%
91 Day T-Bill	6.91%	6.87%	7.15%	6.10%
364 Day T-Bill	7.41%	7.46%	7.70%	6.20%
10 Year Gilt	7.88%	7.92%	8.07%	6.80%
G-Sec Vol. (Rs.Cr)	26216	20275	31640	17048
FBIL MIBOR	6.55%	6.60%	6.60%	6.00%
3 Month CP Rate	8.45%	7.90%	8.40%	6.76%
5 Year Corp Bond	8.84%	8.87%	8.96%	7.50%
1 Month CD Rate	7.19%	7.19%	7.41%	6.07%
3 Month CD Rate	7.34%	8.33%	7.74%	6.20%
1 Year CD Rate	8.34%	8.38%	8.44%	6.58%

Currency Market			
Currency	26-Oct	Prev_Day	Change
USD/INR	73.37	73.27	0.10
GBP/INR	94.05	94.62	-0.57
EURO/INR	83.41	83.65	-0.24
JPY/INR	0.65	0.65	0.00

Commodity Prices				
Commodity	26-Oct	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	67.53	69.11	71.84	52.39
Brent Crude(\$/bl)	78.29	81.17	82.31	59.04
Gold(\$/oz)	1233	1226	1194	1267
Gold(Rs./10 gm)	31868	31706	30672	29393

Source: Thomson Reuters Eikon

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Mutual Fund Investments are subject to market risks, read all scheme related documents carefully.

Derivatives Market

- Nifty Nov 2018 Futures settled at 10,054.1, a premium of 24.10 points, above the spot closing of 10,030.00. The turnover on NSE's Futures and Options segment declined to Rs. 5,07,173.93 on Oct 26 compared with Rs. 18,72,655.73 on Oct 25.
- The Put-Call ratio stood at 0.70, compared with the previous session's close of 0.80.
- The Nifty Put-Call ratio stood at 1.44 compared with the previous session's close of 0.97.
- Open interest on Nifty Futures stood at 23.02 million as against the previous session's close at 29.05 million.

Indian Debt Market

- Bond yield saw a marginal rise after RBI conducted debt auction, which increased the supply of government securities in the market.
- Yield on the 10-year benchmark paper (7.17% GS 2028) rose 1 bps to 7.88% compared with the previous close of 7.87% after trading in the range of 7.86% to 7.89%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 12,446 crore (gross) on Oct 26 compared with a borrowing of Rs. 19,201 crore (gross) on Oct 25. Sale of securities under the Reserve Bank of India's (RBI) reverse repo window stood at Rs. 36,927 crore on Oct 25.
- Banks borrowed Rs. 100 crore under the central bank's Marginal Standing Facility on Oct 25 compared with no borrowing on Oct 24.
- RBI conducted 14-day variable rate repo auction for notified amount of Rs. 23,500 crore, of which Rs. 23,504 crore was allotted at cut-off rate of 6.54%.

Currency Market Update

- The Indian rupee declined amid falling risk-taking appetite due to weakness in the global equity market and subsequent loss in the domestic equity market. The rupee closed at 73.46 a dollar, down 0.25% compared with the previous close of 73.28.
- The euro inched down against the greenback as the European Central Bank's president was unable to persuade market participants that it could manage monetary tightening. The euro was last seen trading at 1.1334, down 0.35% compared with the previous close of 1.1374.

Commodity Market Update

- Gold prices rose tracking weakness in the global equity market on concerns over weak U.S. corporate results.
- Brent Crude prices dipped on worries over rising crude inventories. Poor corporate earnings, and the uncertain political situation in Europe have raised doubts on the demand outlook for oil.

International News

- According to a report from the Commerce Department, U.S. real gross domestic product surpassed market expectations and grew 3.5% in the third quarter as against an increase of 4.2% in the second quarter of 2018. The growth surpassed expectations driven by positive contributions from personal spending, private inventory investment, government spending and non-residential fixed investment. However, negative contributions from exports and residential fixed investment along with an increase in imports limited the upside.
- National Association of Realtors' report showed unexpected rise in U.S. pending home sales in Sep 2018 on the back of considerable growth in West and Midwest.

Thank you for
your time.