

RELIANCE

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FUND

Markets for You

10 Sep 2018

Indices Performance

Global Indices	07-Sep	Prev_Day	Abs. Change	% Change [#]
Dow Jones	25,917	25,996	-79	-0.31
Nasdaq	7,903	7,923	-20	-0.25
FTSE	7,278	7,319	-41	-0.56
Nikkei	22,307	22,488	-181	-0.80
Hang Seng	26,973	26,975	-1	-0.01
Indian Indices	07-Sep	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	38,390	38,243	147	0.38
Nifty 50	11,589	11,537	52	0.45
Nifty 100	11,880	11,815	65	0.55
Nifty Bank	27,481	27,469	13	0.05
SGX Nifty	11,620	11,562	58	0.50
S&P BSE Power	2,098	2,100	-2	-0.08
S&P BSE Small Cap	16,897	16,804	93	0.55
S&P BSE HC	16,311	16,167	144	0.89

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
7-Sep	24.74	1.15	28.17	1.15
Month Ago	24.11	1.17	28.26	1.18
Year Ago	23.69	1.23	25.89	0.94

Nifty 50 Top 3 Gainers

Company	07-Sep	Prev_Day	% Change [#]
Aurobindo Pharma	801	759	5.47
Hero Moto	3329	3165	5.20
Bajaj Auto	2924	2783	5.05

Nifty 50 Top 3 Losers

Company	07-Sep	Prev_Day	% Change [#]
Yes Bank	323	339	-4.66
Sun Pharma	664	677	-1.94
Adani Ports & SEZ	377	385	-1.91

Advance Decline Ratio

	BSE	NSE
Advances	1533	1060
Declines	1202	743
Unchanged	176	114

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-861	-3027
MF Flows**	425	77553

*7th Sep 2018; **5th Sep 2018

Economic Indicator

YoY(%)	Current	Quarter Ago	Year Ago
CPI	4.17%	4.58%	2.36%
	(Jul-18)	(Apr-18)	(Jul-17)
IIP	7.00%	5.30%	-0.30%
	(Jun-18)	(Mar-18)	(Jun-17)
GDP	8.20%	7.70%	5.60%
	(Jun-18)	(Mar-18)	(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 trade fears loomed large. The deadline of public comments on imposition of fresh set of tariffs by the U.S. on Chinese imports had ended and investors awaited any announcement by the U.S. administration. Also, investors were cautious of the release of U.S. jobs report as it would throw some light on Federal Reserve's future interest rate moves. Today (as of Sep 10), Asian markets opened mostly lower as trade tension between China and the U.S remained in focus. While Nikkei was trading higher 0.04%, Hang Seng was down 0.55% (as at 8 a.m. IST).

• As per the last close, European markets closed on a mixed note on persistent worries about global trade. Market participants will closely track the U.S. administration following the expiration of a public comment period by Thursday midnight on new U.S. tariffs on \$200 billion worth of Chinese goods.

• As per the last close, U.S markets closed slightly lower amid renewed concerns after the U.S President suggested he may impose tariffs on another \$267 billion worth of Chinese goods.

Indian Equity Market

• Indian equity markets gained as crude oil prices stabilised and rupee's fall was stemmed. The rupee gained against the U.S. dollar as the greenback declined compared with the yen after reports suggested the U.S. President could target Japan on the trade front.

• Key benchmark indices S&P BSE Sensex and Nifty 50 gained 0.38% and 0.45% to close at 38,389.82 and 11,589.10, respectively. S&P BSE Mid-Cap and S&P BSE Small Cap increased 1.15% and 0.55%, respectively.

• The overall market breadth on BSE was strong with 1533 scrips advancing and 1202 scrips declining. A total of 176 scrips remained unchanged.

• On the BSE sectoral front S&P BSE Telecom stood as the major gainer, up 3.35% followed by S&P BSE Auto that grew 2.07%. S&P BSE Metal and S&P BSE Basic Materials grew 1.96% and 1.36%. S&P BSE Consumer Discretionary Goods & Services and S&P BSE Energy grew 1.28% and 0.91%. The top loser was S&P BSE Power, falling 0.08%, followed by S&P BSE Bankex that fell 0.04%.

Domestic News

• According to the preliminary numbers released by the Reserve Bank of India (RBI), Current Account Deficit (CAD), rose to \$15.8 billion or 2.4% of GDP in Q1 of 2018-19, up from \$15.0 billion or 2.5% of GDP in Q1 of 2017-18. The widening of the CAD was driven by higher trade deficit that came in at \$45.7 billion as against \$41.9 billion in the previous year period. Net services receipts grew 2.1% YoY mainly due to rise in net earnings from software and financial services.

• According to media reports, the government is planning to lower down the number of goods and service tax (GST) rate slabs from five currently to two in the near term. The announcement is driven by the fact that 90% of the taxes come under the 18% rate slab.

• A major credit rating agency expects Indian natural rubber output to decline by 18 to 20% in FY19 due to floods in Kerala. The decline is expected to adversely impact the tyre industry and keep operating margins of tyre manufacturers under pressure. Natural rubber accounts for more than 20% of Kerala's total area under cultivation and Kerala contributes to the largest share (84%) of output in the country.

• The United States Food and Drug Administration (USFDA) inspected Drug major Sun Pharmaceutical Industries Halol facility in Gujarat and issued Form 483 with six observations. However, no details were provided by the company about the observations issued.

• Commercial Vehicle major Ashok Leyland has launched an integrated electric vehicle (EV) unit at its Ennore plant. The unit is equipped to design, prototype, test, process prototyping and design solutions for electric vehicles. The EV unit is equipped with digital tools for manufacturing and field tracking.

• Japanese auto major Suzuki Motor Corporation plans to start road tests of its electric vehicles (EVs) in India next month as a precursor to launch of EV in 2020, its chairman Osamu Suzuki said. It will commence production of lithium-ion batteries, used in electric-vehicles, at its Gujarat plant in 2020.

FII Derivative Trade Statistics		07-Sep		
(Rs Cr)	Buy	Sell	Open Int.	
Index Futures	3404.67	4559.66	24111.69	
Index Options	153605.91	147721.66	75717.41	
Stock Futures	15000.00	14876.46	86418.70	
Stock Options	8227.38	8183.91	7781.01	
Total	180237.96	175341.69	194028.81	

Derivative Statistics- Nifty Options			
	07-Sep	Prev_Day	Change
Put Call Ratio (OI)	1.49	1.40	0.09
Put Call Ratio(Vol)	0.98	0.94	0.05

Debt Watch				
	07-Sep	Wk. Ago	Mth. Ago	Year Ago
Call Rate	6.34%	6.41%	6.33%	5.84%
CBLO	6.33%	5.40%	6.34%	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	6.80%	6.76%	6.77%	6.09%
364 Day T-Bill	7.47%	7.30%	7.23%	6.22%
10 Year Gilt	8.03%	7.95%	7.79%	6.52%
G-Sec Vol. (Rs.Cr)	43177	29325	26784	36288
FBIL MIBOR	6.40%	6.45%	6.45%	5.95%
3 Month CP Rate	7.65%	7.70%	7.55%	6.64%
5 Year Corp Bond	8.81%	8.75%	8.63%	7.33%
1 Month CD Rate	6.98%	6.96%	6.60%	6.09%
3 Month CD Rate	7.19%	7.25%	7.20%	6.14%
1 Year CD Rate	8.20%	8.04%	7.95%	6.50%

Currency Market			
Currency	07-Sep	Prev_Day	Change
USD/INR	71.90	71.92	-0.02
GBP/INR	93.04	92.80	0.24
EURO/INR	83.67	83.60	0.07
JPY/INR	0.65	0.65	0.00

Commodity Prices				
Commodity	07-Sep	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	67.68	69.79	69.12	49.05
Brent Crude(\$/bl)	75.62	77.01	71.50	54.70
Gold(\$/oz)	1195	1201	1211	1349
Gold(Rs./10 gm)	30402	30226	29521	30164

Source: Thomson Reuters Eikon

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Derivatives Market

- Nifty Sep 2018 Futures settled at 11,632.95, a premium of 43.85 points, above the spot closing of 11,589.10. The turnover on NSE's Futures and Options segment declined to Rs. 6,78,182.09 on Sep 7 compared with Rs. 21,87,006.63 on Sep 6.
- The Put-Call ratio stood at 0.79, compared with the previous session's close of 0.81.
- The Nifty Put-Call ratio stood at 1.49 compared with the previous session's close of 1.40.
- Open interest on Nifty Futures stood at 29.21 million as against the previous session's close at 28.46 million.

Indian Debt Market

- Bond yields lowered as market participants resorted to short covering. The fall in crude oil prices also helped ease the yield, which has, otherwise, been under pressure due to the slide in the rupee and a tightened oil market environment.
- Yield on the 10-year benchmark paper (7.17% GS 2028) eased 3 bps to close at 8.03% from the previous closing of 8.06% after trading in a range of 8.01% to 8.05%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 3,956 crore (gross) on Sep 7 compared with a borrowing of Rs. 3,846 crore (gross) on Sep 6. Sale of securities under the Reserve Bank of India's (RBI) reverse repo window stood at Rs. 31,269 crore on Sep 6.
- Banks did not borrow under the central bank's Marginal Standing Facility on Sep 6. On Sep 5, it had borrowed Rs. 30 crore.

Currency Market Update

- The Indian rupee finally rose after having witnessed seven successive sessions of losses against the greenback which can be attributed to fall in global crude oil prices to some extent. The rupee improved 0.35% to settle at 71.73 per dollar from the previous close of 71.99.
- The euro dropped against the greenback after the U.S. non-farm payroll employment grew more than expected in Aug 2018. Euro was last seen at \$1.1575, down 0.40% from the previous close of \$1.1621.

Commodity Market Update

- Gold prices moved down as the greenback steadily appreciates. The expected interest rate hike by the Federal Reserve also dampens the appeal of the bullion.
- Brent crude prices lowered as the global trade war tension between U.S. and China fuelled demand concerns.

International News

- According to a report by the Labor Department, U.S. non-farm payroll employment rose more than expected by 201,000 jobs in Aug 2018 after rising by a downwardly revised 147,000 jobs in Jul 2018. However, the unemployment rate stood steady at 3.9% as compared to expectations for a drop to 3.8%. Meanwhile, the annual rate of average hourly employee earnings rose 2.9% in Aug from 2.7% in Jul.
- According to a report released by the Institute for Supply Management, U.S. non-manufacturing index sharply rose to 58.5 in Aug 2018 from 55.7 in Jul 2018. The more than expected increase was due to rise in business activity index to 60.7 in Aug from 56.5 in Jul and in new orders to 60.4 from 57.0.



Thank you for
your time.