

**RELIANCE**

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FUND

# Markets for You

11 Sep 2018

## Indices Performance

Global Indices	10-Sep	Prev_Day	Abs. Change	% Change <sup>#</sup>
Dow Jones	25,857	25,917	-59	-0.23
Nasdaq	7,924	7,903	22	0.27
FTSE	7,279	7,278	2	0.02
Nikkei	22,373	22,307	66	0.30
Hang Seng	26,613	26,973	-360	-1.33
Indian Indices	10-Sep	Prev_Day	Abs. Change	% Change <sup>#</sup>
S&P BSE Sensex	37,922	38,390	-468	-1.22
Nifty 50	11,438	11,589	-151	-1.30
Nifty 100	11,718	11,880	-162	-1.36
Nifty Bank	27,202	27,481	-280	-1.02
SGX Nifty	11,478	11,620	-143	-1.23
S&P BSE Power	2,071	2,098	-28	-1.32
S&P BSE Small Cap	16,717	16,897	-180	-1.07
S&P BSE HC	16,066	16,311	-245	-1.50

## P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
10-Sep	24.39	1.18	27.81	1.17
Month Ago	24.23	1.16	27.83	1.18
Year Ago	23.74	1.22	25.90	0.94

## Nifty 50 Top 3 Gainers

Company	10-Sep	Prev_Day	% Change <sup>#</sup>
HCL Tech	1089	1074	1.37
Axis Bank	652	646	0.96
Zee Ente.	473	470	0.50

## Nifty 50 Top 3 Losers

Company	10-Sep	Prev_Day	% Change <sup>#</sup>
Bajaj Finance	2616	2744	-4.68
Indiabulls HFC	1161	1213	-4.25
Sun Pharma	638	664	-3.95

## Advance Decline Ratio

	BSE	NSE
Advances	1041	600
Declines	1691	1230
Unchanged	195	81

## Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	138	-2889
MF Flows**	604	78158

\*10<sup>th</sup> Sep 2018; \*\*6<sup>th</sup> 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 &amp; WPI from 2004-05 to 2011-12, and for CPI from 2010 to 2012

## Global Indices

• Asian equity markets mostly declined as they were alarmed by U.S. President's harsh comments on trade. He iterated imposing tariffs on all of Chinese goods imported into the U.S. The President even showed discontentment over U.S.' big trade deficit with Japan. Today (as of Sep 11), Asian markets opened mostly higher following positive close on S&P 500 and Nasdaq 100. While Nikkei was trading higher 0.94%, Hang Seng was down 0.16% (as at 8 a.m. IST).

• As per the last close, European markets rose modestly after heavy losses in the previous week as market participants overlooked concerns over global trade. Meanwhile, investors would track the formation of a coalition government in Sweden after the two largest political alliances failed to win a majority in the election.

• As per the last close, U.S markets closed mostly positive after a range bound session as market participants remained sidelined amid lack of major U.S. economic data. Reports on producer and consumer price inflation, retail sales and industrial production will be released in the coming days.

## Indian Equity Market

• Domestic equity markets ended deep in red as a declining rupee stoked foreign fund outflow fears. The point fall is the steepest since Mar 2018. Foreign fund outflows have touched Rs. 5,600 crore in the last five trading sessions of the market. Rise in crude oil prices and weak global cues added to the woes as the U.S. President iterated his plan to impose tariff on all of Chinese imports and expressed discomfort over trade balance with Japan.

• Key benchmark indices S&P BSE Sensex and Nifty 50 fell 1.22% and 1.30% to close at 37,922.17 and 11,438.10, respectively. S&P BSE Mid-Cap and S&P BSE Small Cap fell 1.68% and 1.07%, respectively.

• On the BSE sectoral front S&P BSE Information Technology was the only gainer, up 0.02%, and rest all sectors fell. S&P BSE Auto was the major loser, down 1.75%, followed by S&P BSE Metal that fell 1.74%. S&P BSE Energy fell 1.67% and S&P BSE Fast Moving Consumer Goods declined 1.65%. S&P BSE Basic Materials and S&P BSE Oil and Gas were down 1.64% and 1.59%, respectively. The rupee's slide helps businesses into exports, which explains the slight gain in the IT sector, which is export-oriented.

## Domestic News

• The government is looking at ways to increase revenue after it had to pay Rs. 14,930 crore to states to compensate for GST loss for Jun and Jul 2018. The amount is almost four times higher than Rs. 3,899 crore paid for Apr and May 2018. The finance ministry will engage with states to find issues deterring their collections. The finance secretary is meeting GST officers from the centre and state tax departments to comprehend issues in the way of GST collections. According to media reports, one option being explored is intensifying anti-evasion measures with a focus on top 30 taxpayers without being intrusive on businesses.

• Mergers and acquisitions in India have reached a new high in 2018 even as there are four more months to go. Transactions relating to Indian companies have touched \$104.5 billion in 2018, leaving behind the previous annual record, according to data by a global news agency. The amount may cross \$100 billion in 2019 as well, feel experts. The agency said such deals are helping to cure the problem of bad debt of the financial sector and modernize the retail sector.

• The government will not cut excise duty to rein in petrol and diesel prices since the central government and a few states do not have the leeway to take a revenue hit, according to media news. Any cut in taxes will impact the centre's fiscal deficit target. Bihar, Kerala and Punjab cannot reduce sales tax (or VAT) as they are pressed hard, the report said. The government is hoping for crude prices to fall in the coming days which will then automatically ease the pressure on consumers.

• According to media reports, Sun Pharmaceuticals has agreed to acquire 18.75% shares of Israel-based Tarsius Pharma for a cash consideration of \$3 million (over Rs. 21 crore).

• According to media reports, Infosys has announced a strategic three-year partnership with the Australian Open tennis championship. Infosys will use its expertise in emerging technologies like big data and analytics, artificial intelligence as well as virtual and augmented reality, to provide unique, innovative and engaging experiences for fans.

FII Derivative Trade Statistics		10-Sep		
(Rs Cr)	Buy	Sell	Open Int.	
Index Futures	2816.76	3178.89	24655.04	
Index Options	83915.58	83806.58	79533.78	
Stock Futures	14759.93	14547.34	88424.62	
Stock Options	9139.96	9014.59	8206.88	
Total	110632.23	110547.40	200820.32	

Derivative Statistics- Nifty Options			
	10-Sep	Prev_Day	Change
Put Call Ratio (OI)	1.33	1.49	-0.16
Put Call Ratio(Vol)	0.96	0.98	-0.02

Debt Watch				
	10-Sep	Wk. Ago	Mth. Ago	Year Ago
Call Rate	6.54%	6.33%	6.37%	5.86%
CBLO	6.54%	6.22%	6.40%	5.87%
Repo	6.50%	6.50%	6.50%	6.00%
Reverse Repo	6.25%	6.25%	6.25%	5.75%
91 Day T-Bill	6.87%	6.79%	6.69%	6.08%
364 Day T-Bill	7.45%	7.32%	7.21%	6.24%
10 Year Gilt	8.16%	8.00%	7.75%	6.54%
G-Sec Vol. (Rs.Cr)	42665	34881	45273	52260
FBIL MIBOR	6.54%	6.50%	6.55%	6.00%
3 Month CP Rate	7.70%	7.70%	7.50%	6.64%
5 Year Corp Bond	8.91%	8.77%	8.61%	7.34%
1 Month CD Rate	6.97%	6.97%	6.62%	6.10%
3 Month CD Rate	7.30%	7.27%	7.18%	6.15%
1 Year CD Rate	8.25%	8.04%	8.02%	6.48%

Currency Market			
Currency	10-Sep	Prev_Day	Change
USD/INR	72.57	71.90	0.67
GBP/INR	93.74	93.04	0.70
EURO/INR	83.81	83.67	0.13
JPY/INR	0.65	0.65	0.00

Commodity Prices				
Commodity	10-Sep	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	67.50	69.88	67.56	47.39
Brent Crude(\$/bl)	76.76	77.88	70.19	55.09
Gold( \$/oz)	1195	1200	1211	1346
Gold(Rs./10 gm)	30402	30226	29477	30388

Source: Thomson Reuters Eikon

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#### Derivatives Market

- Nifty Sep 2018 Futures settled at 11,492.7, a premium of 54.60 points, above the spot closing of 11,438.10. The turnover on NSE's Futures and Options segment improved to Rs. 8,01,491.44 on Sep 10 compared with Rs. 6,78,182.09 on Sep 7.
- The Put-Call ratio stood at 0.82, compared with the previous session's close of 0.79.
- The Nifty Put-Call ratio stood at 1.33 compared with the previous session's close of 1.49.
- Open interest on Nifty Futures stood at 29.09 million as against the previous session's close at 29.21 million.

#### Indian Debt Market

- Bond yields went up as rupee plunged to a record low against the greenback, closing above the 72-mark. The rise in crude oil prices and the anticipated rate hike in U.S. Treasury yield also kept the yield at elevated level.
- Yield on the 10-year benchmark paper (7.17% GS 2028) increased 13 bps to close at 8.16% from the previous closing of 8.03% after trading in a range of 8.06% to 8.16%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 24,684 crore (gross) on Sep 10 compared with a borrowing of Rs. 3,956 crore (gross) on Sep 7. Sale of securities under the Reserve Bank of India's (RBI) reverse repo window stood at Rs. 13,200 crore on Sep 7.
- Banks borrowed Rs. 120 crore under the central bank's Marginal Standing Facility on Sep 7. On Sep 6, banks did not borrow.

#### Currency Market Update

- The Indian rupee fell to a lifetime low against the greenback following losses in the domestic equity market. Upbeat U.S. jobs data for Aug 2018 and persisting concerns of escalating trade tensions between U.S. and China also strengthened the safe haven greenback.
- The euro surged against the greenback on hopes that the new government in Italy will start to implement its policies with prudent fiscal measures to boost the growth prospects of the Italian economy.

#### Commodity Market Update

- Gold prices dropped amid views of high possibility of interest rate hike by the Federal Reserve, particularly after a strong U.S. job report.
- Brent crude prices increased as market participants stayed worried ahead of the U.S. sanction on Iran oil supplies.

#### International News

- The Office for National Statistics monthly GDP estimate showed that the U.K. economy expanded at a faster pace in Jul 2018. Gross domestic product grew 0.3% MoM in Jul, more than the 0.1% increase in Jun 2018. In the three months ended Jul 2018, economic growth enhanced to 0.6% from 0.4% in the three months ended Jun 2018.
- The Office for National Statistics said U.K. visible trade deficit narrowed in Jul 2018. The deficit on trade in goods decreased to GBP 9.97 billion from GBP 10.68 billion in Jun 2018. Surplus on services rose to GBP 9.8 billion from GBP 9.7 billion a month ago. Total trade showed a negative balance of GBP 111 million compared with -GBP 942 million in Jun.

Thank you for  
your time.