

**RELIANCE**

MUTUAL  
FUND

# Markets for You

14 Sep 2018

## Indices Performance

Global Indices	13-Sep	Prev_Day	Abs. Change	% Change <sup>#</sup>
Dow Jones	26,146	25,999	147	0.57
Nasdaq	8,014	7,954	59	0.75
FTSE	7,282	7,313	-32	-0.43
Nikkei	22,821	22,605	217	0.96
Hang Seng	27,014	26,345	669	2.54
Indian Indices	12-Sep	Prev_Day	Abs. Change	% Change <sup>#</sup>
S&P BSE Sensex	37,718	37,413	305	0.81
Nifty 50	11,370	11,288	82	0.73
Nifty 100	11,635	11,555	80	0.69
Nifty Bank	26,819	26,808	12	0.04
SGX Nifty	11,407	11,302	106	0.93
S&P BSE Power	2,056	2,044	12	0.60
S&P BSE Small Cap	16,443	16,488	-45	-0.27
S&P BSE HC	15,932	15,811	121	0.76

## P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
12-Sep	24.43	1.17	27.64	1.18
Month Ago	24.23	1.16	27.83	1.18
Year Ago	24.13	1.21	26.26	0.93

## Nifty 50 Top 3 Gainers

Company	12-Sep	Prev_Day	% Change <sup>#</sup>
Power Grid	194	187	3.69
ITC	307	297	3.23
Adani Ports & SEZ	376	365	3.13

## Nifty 50 Top 3 Losers

Company	12-Sep	Prev_Day	% Change <sup>#</sup>
Axis Bank	635	650	-2.26
Aurobindo Pharma	774	790	-2.09
Tata Motors	262	267	-1.83

## Advance Decline Ratio

	BSE	NSE
Advances	1121	722
Declines	1545	1083
Unchanged	178	84

## Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-1395	-5247
MF Flows**	-76	78609

\*12<sup>th</sup> Sep 2018; \*\*10<sup>th</sup> Sep 2018

## Economic Indicator

YoY(%)	Current	Quarter Ago	Year Ago
CPI	3.69%	4.87%	3.28%
	(Aug-18)	(May-18)	(Aug-17)
IIP	6.60%	4.50%	1.00%
	(Jul-18)	(Apr-18)	(Jul-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 were lifted by optimism over reports that U.S. and China are planning to meet soon. According to reports, U.S. is in the early stages of planning a fresh round of trade talks with China with the U.S. Treasury Secretary sending an invitation to senior Chinese officials. This made investors hopeful of a resolution to the trade dispute. Today (as of Sep 14), Asian markets opened higher following positive close on the Wall Street overnight. Both Nikkei and Hang Seng were trading higher 0.77% and 0.80%, respectively (as at 8 a.m. IST).
- As per the last close, European markets close on a mixed note as market participants were in a cautious mood ahead of policy statements from both the European Central Bank (ECB) and the Bank of England (BoE). ECB kept interest rates unchanged and maintained the forward guidance on monetary stimulus. BoE policymakers also unanimously decided to maintain the monetary policy stance.
- As per the last close, U.S markets rose partially reflecting optimism about trade following recent reports that the U.S. is proposing a new round of trade talks with China in the near future.

## Indian Equity Market

- Indian equity markets gained after two days of heavy sell-off as investors made the most of cheaper valuations in the FMCG, metal, and capital goods sectors. Rupee improving from its record low also helped sentiment. Meanwhile, investors awaited industrial production data for Jul 2018 and inflation data for Aug 2018 to be released after market hours and were buoyed by reports that the Prime Minister will review the state of the economy over the weekend.
- Key benchmark indices S&P BSE Sensex gained 0.81% to close at 37,717.96 and Nifty 50 increased 0.73% to 11,369.90. While S&P BSE Mid-Cap grew 0.52%, S&P BSE Small Cap fell 0.27%.
- The overall market breadth on BSE was weak with 1121 scrips advancing and 1545 scrips declining. A total of 178 scrips remained unchanged.
- On the BSE sectoral front, S&P BSE Fast Moving Consumer Goods and S&P BSE Metal were the major gainers, up 2.4% and 1.52%, respectively. S&P BSE Capital Goods and S&P BSE Basic Materials grew 1.06% and 0.93%, respectively. S&P BSE Healthcare and S&P BSE Consumer Durables grew 0.76% and 0.66%, respectively.

## Domestic News

- Government data showed that the growth of index of industrial production (IIP) slowed to 6.6% in Jul 2018 from a revised 6.9% (7% originally reported) in the previous month. In the year-ago period, IIP had grown 1%. IIP for Apr to Jul 2018 grew 5.4% as against 1.7% in the same period of the previous year. The manufacturing sector grew 7% in Jul as against a degrowth of 0.1% in the same month of the previous year.
- Government data showed that growth of India's consumer price inflation or retail inflation eased to 3.69% in Aug 2018 from 4.17% in Jul 2018, thereby marking a 10-month low. However, it increased as against 3.28% in Aug 2017. The growth in Consumer Food Price Index eased to 0.29% in Aug from 1.30% in Jul and 1.52% in the same month of the previous year. Among the key components, fuel and light grew 8.47% in Aug 2018 as against a growth of 7.96% in Jul 2018. Inflation in housing came in at 7.59% in Aug 2018 compared with 8.30% in Jul 2018. Pan, tobacco and intoxicants grew 5.34% in Aug 2018 as against growth of 6.34% in Jul 2018.
- According to media reports, India forging a free trade agreement with the U.S. is not a possibility in the ongoing trade talks between the two nations. The discussions are around bilateral trade issues as part of a 'trade package' of concern to both. The U.S. President had earlier said India wants a 'trade deal' and the U.S. ambassador to India had called for a free trade agreement (FTA). A trade agreement may not benefit India as tariffs on many goods are already low in the U.S., according to the report. The main issue of concern for India is U.S.' tightening non-immigrant visa norms.
- According to a global financial services major, India's GDP growth in the first quarter has peaked and could moderate in the future because of a weaker rupee and rising crude oil prices. The bank said the 8.2% GDP growth for the Apr-Jun quarter though "encouraging", was mainly because of the base effects.

FII Derivative Trade Statistics		12-Sep		
(Rs Cr)	Buy	Sell	Open Int.	
Index Futures	2943.47	4619.57	25947.97	
Index Options	152196.32	151416.41	85596.93	
Stock Futures	12829.09	13189.59	87308.46	
Stock Options	9274.14	9262.39	8789.10	
Total	177243.02	178487.96	207642.46	

Derivative Statistics- Nifty Options			
	12-Sep	Prev_Day	Change
Put Call Ratio (OI)	1.29	1.25	0.04
Put Call Ratio(Vol)	0.87	0.85	0.01

Debt Watch				
	12-Sep	Wk. Ago	Mth. Ago	Year Ago
Call Rate	6.45%	6.31%	6.37%	5.83%
CBLO	6.32%	6.21%	6.40%	5.84%
Repo	6.50%	6.50%	6.50%	6.00%
Reverse Repo	6.25%	6.25%	6.25%	5.75%
91 Day T-Bill	7.09%	6.78%	6.69%	6.08%
364 Day T-Bill	7.66%	7.35%	7.21%	6.23%
10 Year Gilt	8.13%	8.05%	7.75%	6.56%
G-Sec Vol. (Rs.Cr)	41095	42961	45273	33424
FBIL MIBOR	6.59%	6.40%	6.55%	6.00%
3 Month CP Rate	7.95%	7.65%	7.50%	6.65%
5 Year Corp Bond	8.95%	8.80%	8.61%	7.33%
1 Month CD Rate	7.12%	6.36%	6.62%	6.09%
3 Month CD Rate	7.25%	7.18%	7.18%	6.14%
1 Year CD Rate	8.39%	8.07%	8.02%	6.50%

Currency Market			
Currency	12-Sep	Prev_Day	Change
USD/INR	72.75	72.32	0.43
GBP/INR	94.62	94.42	0.20
EURO/INR	84.32	84.08	0.25
JPY/INR	0.65	0.65	0.00

Commodity Prices				
Commodity	13-Sep	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	68.55	67.76	67.20	49.25
Brent Crude(\$/bl)	77.60	75.74	69.81	56.41
Gold(\$/oz)	1201	1200	1193	1323
Gold(Rs./10 gm)*	30478	30274	29477	29876

Source: Thomson Reuters Eikon

\*As on 12 Sep 2018

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**Derivatives Market**

- Nifty Sep 2018 Futures settled at 11,417.35, a premium of 47.45 points, above the spot closing of 11,369.90. The turnover on NSE's Futures and Options segment improved to Rs. 22,61,844.45 on Sep 12 compared with Rs. 12,62,935.13 on Sep 11.
- The Put-Call ratio stood at 0.75, compared with the previous session's close of 0.80.
- The Nifty Put-Call ratio stood at 1.29 compared with the previous session's close of 1.25.
- Open interest on Nifty Futures stood at 28.43 million as against the previous session's close at 28.86 million.

**Indian Debt Market**

- Bond yields lowered as rupee rebound and concerns over inflationary pressure eased. The August inflation number is expected to be lower-than-anticipated. These factors coupled together more than compensated the adverse impact of the surge in crude oil price.
- Yield on the 10-year benchmark paper (7.17% GS 2028) eased 5 bps to close at 8.13% from the previous closing of 8.18% after trading in a range of 8.11% to 8.23%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 3,696 crore (gross) on Sep 12 compared with a borrowing of Rs. 15,579 crore (gross) on Sep 11. Sale of securities under the Reserve Bank of India's (RBI) reverse repo window stood at Rs. 29,300 crore on Sep 11.
- Banks borrowed Rs. 101 crore under the central bank's Marginal Standing Facility on Sep 11 compared with borrowing of Rs. 6,110 crore on Sep 10.

**Currency Market Update**

- The Indian rupee recovered against the greenback following news that the Indian Prime Minister may consider undertaking steps to address the recent slide witnessed by the domestic currency.
- The euro gained against the greenback as the latter weakened after data revealed that the U.S. consumer prices rose 0.2% in Aug, which was lower than the forecast. Euro was last seen at \$1.1642, up 0.15% from the previous close of \$1.1624.

**Commodity Market Update**

- Gold prices were slightly higher on the back of rising U.S.-China trade feud.
- Brent crude prices lowered following a report from International Energy Agency that revealed global oil supply touched record high in August, reaching 100 million barrels a day.

**International News**

- According to Federal Reserve's Beige Book, the U.S. economy expanded at a moderate pace till the end of Aug 2018. Dallas registered relatively brisk growth. Philadelphia, St. Louis, and Kansas City saw below average growth.
- According to the Bank of Japan, producer prices in Japan were flat in Aug 2018 and below expectations for a 0.1% rise. Producer prices had increased 0.4% in Jul 2018. On an annual basis, producer prices increased 3%, which is less than expectations for 3.1%.

Thank you for  
your time.