

RELIANCE

MUTUAL
FUND

Markets for You

17 Sep 2018

Indices Performance

Global Indices	14-Sep	Prev_Day	Abs. Change	% Change [#]
Dow Jones	26,155	26,146	9	0.03
Nasdaq	8,010	8,014	-4	-0.05
FTSE	7,304	7,282	22	0.31
Nikkei	23,095	22,821	273	1.20
Hang Seng	27,286	27,014	272	1.01
Indian Indices	14-Sep	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	38,091	37,718	373	0.99
Nifty 50	11,515	11,370	145	1.28
Nifty 100	11,792	11,635	157	1.35
Nifty Bank	27,164	26,819	345	1.29
SGX Nifty	11,551	11,407	144	1.26
S&P BSE Power	2,108	2,056	52	2.55
S&P BSE Small Cap	16,671	16,443	228	1.38
S&P BSE HC	16,236	15,932	304	1.91

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
14-Sep	24.64	1.16	28.00	1.16
Month Ago	24.47	1.18	28.02	1.18
Year Ago	24.06	1.20	26.25	0.93

Nifty 50 Top 3 Gainers

Company	14-Sep	Prev_Day	% Change [#]
Indiabulls HFC	1227	1145	7.16
BPCL	355	334	6.09
Vedanta Limited	236	224	5.37

Nifty 50 Top 3 Losers

Company	14-Sep	Prev_Day	% Change [#]
Coal India	277	282	-1.49
HCL Tech	1071	1087	-1.48
Infosys	734	743	-1.24

Advance Decline Ratio

	BSE	NSE
Advances	1811	1276
Declines	850	540
Unchanged	170	82

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-1077	-6324
MF Flows**	926	79535

*14th Sep 2018; **11th Sep 2018

Economic Indicator

YoY(%)	Current	Quarter Ago	Year Ago
CPI	3.69% (Aug-18)	4.87% (May-18)	3.28% (Aug-17)
IIP	6.60% (Jul-18)	4.50% (Apr-18)	1.00% (Jul-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

- Optimism over the probable meeting of U.S. and China continued to support Asian equity markets. Also, the Turkey central bank sharply raising its key interest to control inflation helped soothe emerging market risk concerns. Today (as of Sep 17), Asian markets opened almost on a lower note following intensifying trade tensions between U.S. and China amid reports that U.S. could impose new tariffs on Chinese goods. Hangseng fell 1.21% (as at 8.a.m. IST). Nikkei remained closed.
- As per the last close, European markets closed higher on gains in auto and mining stocks. Reports that another round of talks could take place between the U.S. and China in the near future added to the gains. Concerns about emerging markets also eased somewhat after Turkey's central bank sharply raised its key interest rate.
- As per the last close, U.S markets closed on almost on a steady note. Gains in semiconductor and transportation stocks boosted the indices. However, reports that U.S. President has instructed to proceed with plans to impose tariffs on an additional \$200 billion worth of Chinese goods capped the gains.

Indian Equity Market

- Indian equity markets closed the last session of the week on a strong footing with benchmark indices gaining handsomely. The positive sentiment was backed by encouraging macro-economic numbers, lower crude oil prices and rupee gaining some strength. Government data showed CPI and WPI inflation eased in Aug 2018, which investors believe will take the pressure off the Reserve Bank of India to raise interest rates in the near future. Also, news that the Prime Minister is going to hold a meeting in the day to review the economic situation in the wake of the sliding rupee, buoyed investors.
- Key benchmark index S&P BSE Sensex gained 0.99% to close at 38,090.64 and Nifty 50 grew 1.28% to close at 11,515.20. S&P BSE Mid-Cap and S&P BSE Small Cap gained 1.62% and 1.38%, respectively.
- On the BSE sectoral front, all the sectors gained. S&P BSE Realty and S&P BSE Basic Materials were the major gainers, up 3.29% and 2.66%, respectively. S&P BSE Power and S&P BSE Utilities grew 2.55% and 2.26%, respectively. S&P BSE Consumer Durables and S&P BSE Metal each grew 2.26%.

Domestic News

- Government data showed that India's Wholesale Price Index-based inflation (WPI) eased to 4.53% in Aug 2018 from 5.09% in Jul 2018 as prices of food articles, mainly vegetables, came down. This marked a four-month low. Wholesale price inflation was at 3.24% in Aug 2017. Inflation in vegetables declined 20.18% as against a decline of 14.07% in Jul. Inflation in fruits fell 16.40% in Aug as against a decline of 8.81% in Jul. Meanwhile, inflation for onion fell 26.80% in Aug as against an increase of 38.82% in Jul. 'Fuel and power' inflation went up 17.73% in Aug as against an increase of 18.10% in Jul. The WPI Food Index came in at -2.25% in Aug as against -0.86% in Jul.
- According to media reports, the government could auction power supply contracts with attached coal supplies. It could also relax rules to allow coal usage for short-term power contracts and start a payment mechanism to enable power projects recover dues from state electricity distribution companies. This may ease sectoral stress to a large extent, the report said. A high-level empowered committee headed by the cabinet secretary is looking into the proposals and will meet Sep 21, 2018.
- The date, Oct 1, 2018, has been notified by the government for implementing the tax deducted at source (TDS) and tax collected at source provisions under Goods and Services Tax (GST) law. According to the Central GST (CGST) Act, notified entities need to collect TDS at 1% on payments to goods or services suppliers in excess of Rs 2.5 lakh. States will levy 1% TDS under state laws. E-commerce companies will have to collect up to 1% TCS when they make payment to suppliers.
- The Prime Minister will hold a meeting to do an economic review after the rupee has witnessed record-lows, according to media reports. The rupee has decreased around 13% since the start of 2018 because of a strengthening U.S. dollar. The fall has put pressure on India's current account deficit and crude oil imports. Economists have advised the government to stay committed to the fiscal deficit target and sidestep populism.

FII Derivative Trade Statistics		14-Sep	
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	3670.12	4061.18	25516.20
Index Options	183341.27	182521.82	84159.81
Stock Futures	16247.58	15865.81	88878.28
Stock Options	11717.61	11806.98	9169.77
Total	214976.58	214255.79	207724.06

Derivative Statistics- Nifty Options			
	14-Sep	Prev_Day	Change
Put Call Ratio (OI)	1.38	1.29	0.09
Put Call Ratio(Vol)	0.97	0.87	0.10

Debt Watch				
	14-Sep	Wk. Ago	Mth. Ago	Year Ago
Call Rate	6.43%	6.34%	6.37%	5.83%
CBLO	5.57%	6.33%	6.45%	5.85%
Repo	6.50%	6.50%	6.50%	6.00%
Reverse Repo	6.25%	6.25%	6.25%	5.75%
91 Day T-Bill	7.05%	6.80%	6.80%	6.07%
364 Day T-Bill	7.65%	7.47%	7.27%	6.23%
10 Year Gilt	8.13%	8.03%	7.82%	6.59%
G-Sec Vol. (Rs.Cr)	32969	43177	28801	32368
FBIL MIBOR	6.50%	6.40%	6.50%	5.94%
3 Month CP Rate	7.95%	7.65%	7.75%	6.69%
5 Year Corp Bond	8.92%	8.79%	8.65%	7.35%
1 Month CD Rate	6.99%	6.98%	6.56%	6.10%
3 Month CD Rate	7.40%	7.19%	7.17%	6.14%
1 Year CD Rate	8.40%	8.20%	8.04%	6.50%

Currency Market			
Currency	14-Sep	Prev_Day	Change
USD/INR	71.81	72.75	-0.94
GBP/INR	94.16	94.62	-0.47
EURO/INR	83.98	84.32	-0.35
JPY/INR	0.64	0.65	-0.01

Commodity Prices				
Commodity	14-Sep	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	68.93	67.68	66.99	49.81
Brent Crude(\$/bl)	77.81	75.62	69.96	57.65
Gold(\$/oz)	1193	1195	1194	1329
Gold(Rs./10 gm)	30558	30402	29541	29972

Source: Thomson Reuters Eikon

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Derivatives Market

- Nifty Sep 2018 Futures settled at 11,547.30, a premium of 32.10 points, above the spot closing of 11,515.20. The turnover on NSE's Futures and Options segment tumbled to Rs. 6,12,453.58 on Sep 14 compared with Rs. 22,61,844.45 on Sep 12.
- The Put-Call ratio stood at 0.82, compared with the previous session's close of 0.75.
- The Nifty Put-Call ratio stood at 1.38 compared with the previous session's close of 1.29.
- India VIX declined 3.24% to 13.7875 from 14.2500 in the previous trading session.

Indian Debt Market

- Bond yields remained steady as market participant wait for the outcome of the Indian Prime Minister's economic review meeting to take further cues. The meeting is being held to consider the present macroeconomic situation, particularly after the recent slide in rupee and the consistent surge in oil prices.
- Yield on the 10-year benchmark paper (7.17% GS 2028) remained unchanged at 8.13% from the previous closing after trading in a range of 8.08% to 8.13%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 3,956 crore (gross) on Sep 14 compared with a borrowing of Rs. 3,696 crore (gross) on Sep 12. Sale of securities under the Reserve Bank of India's (RBI) reverse repo window stood at Rs. 21,612 crore on Sep 13.

Currency Market Update

- The Indian rupee recovered against the greenback as market participants showed hopes from the Prime Minister's economic review meeting, where the PM is expected to discuss measures to handle the ongoing slide in the domestic currency. Lower than expected domestic inflation rate of 3.69% for Aug also aided the local unit.
- The euro was nearly steady with improving market sentiments after the Turkish central bank decided to increase interest rates, though trader remain cautious.

Commodity Market Update

- Gold prices edged higher against the greenback after lower-than-expected U.S. consumer inflation data raised doubts regarding interest rate hike by the Federal Reserve.
- Brent crude prices increased on supply worries once U.S. sanction on Iran kicks in Nov.

International News

- According to a report from the University of Michigan, U.S. consumer sentiment index came in higher than market expectations and grew to 100.8 in Sep 2018 as against 96.2 in Aug 2018. The increase came in as the current economic conditions index surged to 116.1 in Sep from 110.3 in Aug. The index of consumer expectations also grew to 91.1 in Sep from 87.1 in Aug.
- U.S. retail sales missed market expectations and edged up 0.1% in Aug 2018 as against an upwardly revised gain of 0.7% (0.5% gain originally reported) in Jul 2018. The downside reflects decline in auto sales that fell 0.8% in Aug as against a decline of 0.1% in Jul.

Thank you for
your time.