

**RELIANCE**

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FUND

# Markets for You

19 Sep 2018

**Indices Performance**

Global Indices	18-Sep	Prev_Day	Abs. Change	% Change <sup>#</sup>
Dow Jones	26,247	26,062	185	0.71
Nasdaq	7,956	7,896	60	0.76
FTSE	7,300	7,302	-2	-0.03
Nikkei	23,421	Closed	NA	NA
Hang Seng	27,085	26,933	152	0.56
Indian Indices	18-Sep	Prev_Day	Abs. Change	% Change <sup>#</sup>
S&P BSE Sensex	37,291	37,586	-295	-0.78
Nifty 50	11,279	11,378	-99	-0.87
Nifty 100	11,546	11,657	-110	-0.95
Nifty Bank	26,441	26,820	-379	-1.41
SGX Nifty	11,294	11,401	-107	-0.94
S&P BSE Power	2,069	2,111	-42	-2.00
S&P BSE Small Cap	16,412	16,663	-251	-1.51
S&P BSE HC	15,946	16,062	-116	-0.72

**P/E Dividend Yield**

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
18-Sep	23.81	1.20	27.42	1.19
Month Ago	24.69	1.16	28.11	1.17
Year Ago	24.25	1.20	26.42	0.94

**Nifty 50 Top 3 Gainers**

Company	18-Sep	Prev_Day	% Change <sup>#</sup>
HUL	1665	1605	3.71
Yes Bank	324	319	1.55
ONGC	174	172	1.28

**Nifty 50 Top 3 Losers**

Company	18-Sep	Prev_Day	% Change <sup>#</sup>
SBI	274	285	-4.03
Indiabulls HFC	1158	1201	-3.55
HPCL	249	258	-3.46

**Advance Decline Ratio**

	BSE	NSE
Advances	869	498
Declines	1826	1326
Unchanged	153	83

**Institutional Flows (Equity)**

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	96	-5548
MF Flows**	135	80794

\*18<sup>th</sup> Sep 2018; \*\*14<sup>th</sup> 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**

- Asian markets mostly traded up on improved crude oil prices and weaker yen. Investors also remained optimistic that China may introduce some stimulus measures to support the economic growth. However, U.S. plan to impose more tariffs on Chinese goods kept investors cautious. Today (as of Sep 19), Asian markets opened higher following gains in Wall Street in the last session. Investors mostly shrugged off escalating U.S. and China trade tensions. Nikkei and Hangseng grew 1.43% and 0.45%, respectively (as at 8.a.m. IST).
- As per the last close, European markets closed with slight gains. Investors remained cautious amid trade war concerns between the U.S. and China. U.S. President has initially set tariffs at 10% as against previously earmarked tariff of 25%. However, the tariffs are set to rise to 25% on Jan 1, 2019.
- As per the last close, U.S markets closed almost higher as investors likely felt relief that the latest tariffs on U.S. and Chinese goods are not as bad as previously feared. Gains in technology and steel stocks boosted the indices.

**Indian Equity Market**

- Indian equity markets closed lower with selling pressure triggered by comments by Saudi Arabia regarding the nation being comfortable in the event of the Brent crude oil prices rises above \$80 per barrel level. The increase in global crude oil prices is likely to put pressure on India's import bill and weighs on the domestic currency. Additionally, the announcement of fresh tariff by U.S. on \$200 billion worth Chinese imports continued to dent market sentiments.
- Markets were also dragged by selling pressure in banking stocks after government proposed amalgamation of two PSU banks with a much larger PSU Bank in an all-stock deal.
- Key benchmark indices S&P BSE Sensex and Nifty 50 fell 0.78% and 0.87% to close at 37290.67 and 11278.90, respectively. S&P BSE Mid Cap and S&P BSE Small Cap fell 1.49% and 1.51%, respectively.
- The overall market breadth on BSE was weak with 1826 scrips declining and 869 scrips advancing. A total of 153 scrips remained unchanged.

**Domestic News**

- Securities and Exchange Board of India (SEBI) has approved new 'know your customer' (KYC) norms for foreign portfolio investors (FPI) and would soon issue a revised circular on KYC norms for FPIs. Also, the market regulator has shortened the time taken for a security to list on an exchange to three days (T+3) from the date of closure of its initial public offer (IPO). It has also permitted participation of foreign investors' in India's commodities market except for sensitive ones. SEBI also stated that the mutual fund expenses will be brought down taking into consideration economies of scale.
- According to the media reports, the Securities and Exchange Board of India (SEBI) has delayed the deadline for the extension of trading hours which was earlier decided to be Oct 1, 2018. As per the reports, the discussions are underway, and the stock exchanges have not yet reached at a consensus with brokers. The proposal is that trade hours could be stretched in order to align domestic market better with the global markets.
- According to the data from the Reserve Bank of India (RBI), financial liabilities to Indian households almost doubled in FY18 rising 80% to Rs. 6.74 lakh crore as against Rs. 3.75 lakh crore in FY17. Advances by banks to households rose 71.5% to Rs. 4.3 lakh crore that reversed consecutive four-year declines in households' bank borrowings.
- The merger of Bank of Baroda, Vijaya Bank and Dena Bank has been proposed by the government. The proposal aims at creation of the country's third-biggest lender. The boards of all the three banks will take the proposal into consideration.
- Cognizant announced that it has bought Advanced Technology Group for an undisclosed amount. The company stated that the acquisition would help expand its consulting capabilities on the Salesforce platform.
- The South African Health Products Regulatory Authority has given approval to Aurobindo Pharma to market its Dolutegravir, Lamivudine and Tenofovir Disoproxil Fumarate (DLT) tablets. These tablets are first-line regimen for HIV patients.

FII Derivative Trade Statistics		18-Sep	
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	2659.49	3276.10	24871.02
Index Options	95767.75	97087.53	83898.56
Stock Futures	11152.67	11881.53	89916.68
Stock Options	10304.35	10204.50	9745.45
Total	119884.26	122449.66	208431.71

Derivative Statistics- Nifty Options			
	18-Sep	Prev_Day	Change
Put Call Ratio (OI)	1.20	1.28	-0.09
Put Call Ratio(Vol)	0.91	0.87	0.04

Debt Watch				
	18-Sep	Wk. Ago	Mth. Ago	Year Ago
Call Rate	6.54%	6.49%	6.44%	5.94%
CBLO	6.50%	6.53%	5.84%	6.01%
Repo	6.50%	6.50%	6.50%	6.00%
Reverse Repo	6.25%	6.25%	6.25%	5.75%
91 Day T-Bill	7.00%	6.88%	6.78%	6.09%
364 Day T-Bill	7.62%	7.47%	7.28%	6.23%
10 Year Gilt	8.14%	8.18%	7.86%	6.61%
G-Sec Vol. (Rs.Cr)	52133	29824	24619	42871
FBIL MIBOR	6.67%	6.70%	6.46%	6.00%
3 Month CP Rate	7.95%	7.90%	7.70%	6.66%
5 Year Corp Bond	8.98%	8.96%	8.72%	7.36%
1 Month CD Rate	7.48%	7.17%	6.53%	6.09%
3 Month CD Rate	7.49%	7.28%	7.19%	6.14%
1 Year CD Rate	8.39%	8.36%	7.92%	6.51%

Currency Market			
Currency	18-Sep	Prev_Day	Change
USD/INR	72.38	72.55	-0.17
GBP/INR	95.29	94.94	0.35
EURO/INR	84.77	84.40	0.37
JPY/INR	0.65	0.65	0.00

Commodity Prices				
Commodity	18-Sep	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	69.82	69.24	65.88	49.83
Brent Crude(\$/bl)	79.19	78.16	69.33	56.24
Gold(\$/oz)	1198	1198	1184	1307
Gold(Rs./10 gm)	30737	30605	29361	29723

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 Sep 2018 Futures settled at 11310.2, a premium of 31.30 points, above the spot closing of 11,278.90. The turnover on NSE's Futures and Options segment improved to Rs. 12,40,622.18 on Sep 18 compared with Rs. 7,94,587.42 on Sep 17.
- The Put-Call ratio stood at 0.80, compared with the previous session's close of 0.81.
- The Nifty Put-Call ratio stood at 1.20 compared with the previous session's close of 1.28.
- Open interest on Nifty Futures stood at 27.96 million as against the previous session's close at 27.86 million.

#### Indian Debt Market

- After falling in the last three consecutive sessions, bond yields rose following plunge in Indian rupee to a record low against the U.S. dollar that increased worries of foreign fund outflows.
- Yield on the 10-year benchmark paper (7.17% GS 2028) increased 4 bps to 8.14% compared with the previous closing of 8.10% after trading in a wide range of 8.04% to 8.14%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 8,660 crore (gross) on Sep 18 compared with a borrowing of Rs. 20,256 crore (gross) on Sep 17. Sale of securities under the Reserve Bank of India's (RBI) reverse repo window stood at Rs. 9,930 crore on Sep 17.
- Banks borrowed Rs. 2,600 crore under the central bank's Marginal Standing Facility on Sep 17 compared with borrowing of Rs. 300 crore on Sep 14.

#### Currency Market Update

- The Indian rupee plunged against the U.S. dollar as rising crude oil prices and escalating trade conflicts between the U.S. and China dampened demand for the domestic currency. The rupee declined 0.64% to close at 72.98 per dollar from the previous close of 72.51.
- The euro rose against the U.S. dollar as escalating trade tension between the U.S. and China pushed greenback lower against the euro. Euro was last seen trading at \$1.1708 compared with the previous close of \$1.1683.

#### Commodity Market Update

- Gold prices inched down on concerns over rate hike decision of Federal Reserves in its upcoming policy meet.
- Brent crude prices moved up after Saudi Arabia- one of the major oil producing companies stated that the country is comfortable with rising oil prices.

#### International News

- According to data from the statistical office ISTAT, Italy's industrial orders fell again by 2.3% in Jul 2018 and at the fastest pace in six months as against 1.5% fall in Jun 2018 whereas it grew 3.3% in May 2018.
- According to the preliminary data from the Census and Statistics Department, Hong Kong's unemployment rate held steady for fourth straight month at 2.8% in the Jun 2018 to Aug 2018 period. The report also stated that the employment grew by around 9,700 persons to 3.88 million.
- According to the data from the Enterprise Singapore, the country's non-oil domestic exports grew 5% YoY in Aug 2018 as against 11% rise in Jul 2018. Exports of electronic products fell 1.5% in Aug as compared with 5.8% fall in the previous month.



Thank you for  
your time.