

RELIANCE

MUTUAL  
FUND

# Markets for You

22 Sep 2017

## Indices Performance

Global Indices	21-Sep	Prev_Day	Abs. Change	% Change <sup>#</sup>
Dow Jones	22,359	22,413	-53	-0.24
Nasdaq	6,423	6,456	-33	-0.52
FTSE	7,264	7,272	-8	-0.11
Nikkei	20,347	20,310	37	0.18
Hang Seng	28,110	28,128	-17	-0.06
Indian Indices	21-Sep	Prev_Day	Abs. Change	% Change <sup>#</sup>
S&P BSE Sensex	32,370	32,401	-30	-0.09
Nifty 50	10,122	10,141	-19	-0.19
Nifty 100	10,502	10,530	-28	-0.27
Nifty Bank	24,799	24,965	-166	-0.66
SGX Nifty	10,149	10,174	-26	-0.25
S&P BSE Power	2,290	2,303	-13	-0.56
S&P BSE Small Cap	16,785	16,871	-86	-0.51
S&P BSE HC	14,154	13,777	378	2.74

## P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
21-Sep	24.02	1.21	26.34	0.94
Month Ago	23.36	1.25	24.99	0.97
Year Ago	21.56	1.37 N.A)	N.A)	

## Nifty 50 Top 3 Gainers

Company	21-Sep	Prev_Day	% Change <sup>#</sup>
Dr.Reddy	2487	2315	7.42
Cipla	592	570	3.90
Lupin	1030	1002	2.81

## Nifty 50 Top 3 Losers

Company	21-Sep	Prev_Day	% Change <sup>#</sup>
Zee Entertainment	536	549	-2.47
GAIL	408	417	-2.29
Tata Motors-DVR	233	239	-2.26

## Advance Decline Ratio

	BSE	NSE
Advances	993	586
Declines	1581	1107
Unchanged	141	69

## Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-886	41302
MF Flows**	730	77510

\*21<sup>st</sup> Sep 2017; \*\*18<sup>th</sup> Sep 2017

## Economic Indicator

YoY(%)	Current	Quarter Ago	Year Ago
WPI	3.24%	2.26%	1.09%
	(Aug-17)	(May-17)	(Aug-16)
IIP	1.20%	3.20%	4.40%
	(Jul-17)	(Apr-17)	(Jul-16)
GDP	5.70%	6.10%	7.90%
	(Jun-17)	(Mar-17)	(Jun-16)

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

- Most of the Asian markets closed low after the U.S. Federal Reserve indicated another rate hike this year and announced to begin unwinding its \$4.5 trillion balance sheet in Oct 2017. However, Japanese market gained following weaker yen and after the Bank of Japan kept its monetary policy unchanged and maintained its upbeat view on the country's economy. Today (As of Sep 22), Asian markets opened lower following decline on the Wall Street overnight. Both Nikkei and Hang Seng traded lower 0.39% and 0.77%, respectively (8 a.m. IST).
- As per the last close, European market mostly gained after moving in a range during the session. The U.S. Federal Reserve (Fed) kept interest rates unchanged but signaled another rate hike is likely in 2017.
- As per the last close, U.S markets fell after a mixed session on the previous day. Market participants continued to digest the U.S. Fed policy announcement. U.S. Fed Chief said the process of winding down the balance sheet would be gradual and predictable.

## Indian Equity Market

- Indian equity markets dropped owing mainly to capital outflows by foreign funds following the U.S. Federal Reserve's announcement to wind down its stimulus measures. Fed also indicated that another interest rate hike could occur, also adversely affecting the markets. Negative cues from Asian markets too played spoilsport. Back home, pharma stocks performed well on upbeat corporate announcements.
- While S&P BSE Sensex went down 0.09% to close at 32,370.04, Nifty 50 lost 0.19% to close at 10,121.90. S&P BSE MidCap and S&P BSE SmallCap lost 0.34% and 0.51%, respectively.
- The overall market breadth on BSE was weak with 1,581 scrips declining and 993 scrips advancing. A total of 141 scrips remained unchanged.
- On the BSE sectoral front, all indices except S&P BSE Healthcare (2.74%), S&P BSE IT (0.18%) and S&P BSE Telecom (0.03%) closed in the negative. Some of the highest losers included S&P BSE Realty (-2.28%), S&P BSE Consumer Durables (-1.43%), S&P BSE Basic Materials (-0.80%), S&P BSE Utilities (-0.78%) and S&P BSE Bankex (-0.74%).

## Domestic News

- The chairman of the Securities and Exchange Board of India (SEBI) has pitched for multiple products and fund raising avenues for investors, in order to broaden their participations in the capital markets. Also, the chairman stated that developing currency-bond-derivatives links by creating suitable conditions could also attract investors to the markets. Also, the chairman announced that optimising market admission requirements to increase the number of local and foreign listings without compromising on corporate governance standards would act as effective market expansion measures.
- The housing and urban affairs minister has announced a new public-private partnership (PPP) policy for affordable housing that allows extending central assistance of up to Rs. 2.50 lakh per house to be built by private builders even on private lands. This comes amid government's efforts to achieve 'Housing for All by 2022'. According to the policy, eight PPP models have been provided for private sector to invest in affordable housing segment.
- The government has announced that businesses will have to file an affidavit before the tax commissioner about forgoing the rights if they want to deregister their brands for availing the benefit of lower goods and services tax (GST). Also, the finance ministry announced that businesses will have to print on the cereals, pulses and flours containers' in ineradicable ink that they have voluntarily foregone actionable claim or enforceable right on brands. Under GST regime, unpacked food grains like cereals and pulses are exempt.
- According to a credit rating agency, currency with public (CWP) is likely to increase to Rs. 16 lakh crore by the end of the FY18, registering a 27% YoY growth due to the upcoming festive season and the kharif harvest. It has also mentioned that during 2017-18 so far, CWP witnessed a sharp increase in the first quarter, rising to Rs. 14.7 lakh crore as on Jul 7, 2017 from Rs. 12.6 lakh crore as on Mar 31, 2017. Subsequently, CWP has witnessed a mild rise of Rs. 0.1 lakh crore from Jul 7, 2017 to Sep 1, 2017.

FII Derivative Trade Statistics		21-Sep		
(Rs Cr)	Buy	Sell	Open Int.	
Index Futures	1082.67	1551.80	20818.99	
Index Options	24752.65	23921.25	87641.60	
Stock Futures	7297.98	7169.46	60729.70	
Stock Options	6839.49	6872.97	7897.08	
Total	39972.79	39515.48	177087.37	

Derivative Statistics- Nifty Options			
	21-Sep	Prev_Day	Change
Put Call Ratio (OI)	1.52	1.57	-0.05
Put Call Ratio(Vol)	1.09	1.20	-0.11

Debt Watch				
	21-Sep	Wk. Ago	Mth. Ago	Year Ago
Call Rate	5.89%	5.83%	5.99%	6.43%
CBLO	5.98%	5.85%	5.98%	6.47%
Repo	6.00%	6.00%	6.00%	6.50%
Reverse Repo	5.75%	5.75%	5.75%	6.00%
91 Day T-Bill	6.10%	6.07%	6.12%	6.52%
364 Day T-Bill	6.24%	6.23%	6.21%	6.57%
10 Year Gilt	6.67%	6.59%	6.51%	6.85%
G-Sec Vol. (Rs.Cr)	54053	32368	21285	66262
1 Month CP Rate	6.59%	6.58%	6.40%	6.84%
3 Month CP Rate	6.67%	6.69%	6.54%	6.93%
5 Year Corp Bond	7.22%	7.15%	7.13%	7.50%
1 Month CD Rate	6.10%	6.10%	6.07%	6.57%
3 Month CD Rate	6.16%	6.14%	6.18%	6.61%
1 Year CD Rate	6.52%	6.50%	6.49%	7.22%

Currency Market			
Currency	21-Sep	Prev_Day	Change
USD/INR	64.53	64.36	0.16
GBP/INR	87.15	87.03	0.13
EURO/INR	76.74	77.25	-0.51
JPY/INR	0.57	0.58	0.00

Commodity Prices				
Commodity	21-Sep	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	50.53	49.81	47.34	45.28
Brent Crude(\$/bl)	58.77	57.65	52.23	46.38
Gold(\$/oz)	1291	1329	1291	1336
Gold(Rs./10 gm)	29576	29972	28944	31106

Source: ICRON Research

#### Disclaimer:

The information herein is meant only for general reading purposes and contains all factual and statistical information pertaining to Industry and markets which have been obtained from independent third party sources and which are deemed to be reliable. The information provided cannot be considered as guidelines, recommendations or as a professional guide for the readers. It may be noted that since Reliance Nippon Life Asset Management Company Limited (RNLAM) (formerly Reliance Capital Asset Management Limited) has not independently verified the accuracy or authenticity of such information or data, or for that matter the reasonableness of the assumptions upon which such data and information has been processed or arrive data; RNLAM does not in any manner assure the accuracy or authenticity of such data and information. Some of the statements & assertions contained in these materials may reflect RNLAM's views or opinions, which in turn may have been formed on the basis of such data or information. The Sponsor(s), the Investment Manager, the Trustee or any of their respective directors, employees, affiliates or representatives do not assume any responsibility for, or warrant the accuracy, completeness, adequacy and reliability of such data or information. Whilst no action has been solicited based upon the information provided herein, due care has been taken to ensure that the facts are accurate and opinions given are fair and reasonable, to the extent possible. This information is not intended to be an offer or solicitation for the purchase or sale of any financial product or instrument. Recipients of this information should rely on information/data arising out of their own investigations. Before making any investments, the readers are advised to seek independent professional advice, verify the contents in order to arrive at an informed investment decision. None of the Sponsor(s), the Investment Manager, the Trustee, their respective directors, employees, affiliates or representatives shall be liable in any way for any direct, indirect, special, incidental, consequential, punitive or exemplary damages, including on account of lost profits arising from the information contained in this material.

Readers are requested to click here for ICRON disclaimer - <http://www.icraonline.com/legal/standard-disclaimer.html>

Mutual Fund Investments are subject to market risks, read all scheme related documents carefully.

#### Derivatives Market

- Nifty Sep 2017 Futures were at 10,138.85, a premium of 16.95 points above the spot closing of 10,121.90. The turnover on NSE's Futures and Options segment went up from Rs. 4,31,171.20 crore on Sep 20 to Rs. 11,60,483.46 crore on Sep 21.
- The Put-Call ratio stood at 0.85 against previous session's close at 0.88.
- The Nifty Put-Call ratio stood at 1.56 against previous session's close at 1.61.
- India VIX remained unchanged from the previous trading session at 11.6325.
- The open interest on Nifty Futures stood at 22.90 million as against previous session's close of 22.50 million.

#### Indian Debt Market

- Bonds yield rose after reports stated that India will increase spending in FY18 raising concerns about wider fiscal deficit among investors. Another rate hike hinted by the U.S. Federal Reserve also weighed on the domestic debt market.
- Yield on the 10-year benchmark paper (6.79% GS 2027) rose 9 bps to close at 6.67% from the previous close at 6.58%. During the session, bond yields traded in the range of 6.59% and 6.68%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 3,007 crore (gross) on Sep 21 compared with borrowings of Rs. 2,475 crore (gross) on Sep 20. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 2,546 crore on Sep 20.
- Banks did not borrow under the central bank's Marginal Standing Facility on Sep 20 as well as Sep 19.

#### Currency Market Update

- The Indian rupee weakened against the U.S. dollar after the U.S. Fed hinted at raising the policy interest rate once more in 2017 and stated paring its massive bond portfolio in Oct. The rupee fell 0.85% to close at 64.81 per dollar, compared with the previous day's close at 64.26.
- Euro recovered marginally after it had fallen in the previous day owing to the U.S. Federal Reserve hinting at raising policy interest rate once more later this year. Euro was trading at \$1.1905, up 0.12% compared with the previous close of \$1.1891.

#### Commodity Market Update

- Gold prices fell after the U.S. Federal Reserve (Fed) kept interest rates unchanged as widely expected but signaled another rate hike in 2017.
- Brent crude prices inched down ahead of a meeting between the OPEC and other crude producers.

#### International News

- The U.S. Federal Reserve (Fed) maintained its key interest at 1.00% to 1.25% range, which was in line with market expectations. The central bank stated that it will begin shrinking its bloated \$4.5 trillion portfolio in Oct 2017 by letting \$10 billion in bonds to mature without replacing them. Fed also stated that the hurricanes are unlikely to significantly impact economy in medium term. Also, according to Fed, the labor market continues to strengthen and economic activity has risen moderately so far in 2017.
- A report from the National Association of Realtors showed that U.S.' existing home sales declined 1.7% YoY to 5.35 million in Aug 2017 after witnessing a fall of 1.3% to 5.44 million in Jul 2017.

Thank you for  
your time.