

RELIANCE

MUTUAL
FUND

Markets for You

26 Sep 2018

Indices Performance

Global Indices	25-Sep	Prev_Day	Abs. Change	% Change [#]
Dow Jones	26,492	26,562	-70	-0.26
Nasdaq	8,007	7,993	14	0.18
FTSE	7,508	7,458	49	0.66
Nikkei	23,940	Closed	NA	NA
Hang Seng	Closed	27,499	NA	NA
Indian Indices	25-Sep	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	36,652	36,305	347	0.96
Nifty 50	11,067	10,967	100	0.91
Nifty 100	11,288	11,186	102	0.91
Nifty Bank	25,330	24,970	360	1.44
SGX Nifty	11,139	11,040	100	0.90
S&P BSE Power	1,987	1,993	-6	-0.30
S&P BSE Small Cap	15,221	15,334	-113	-0.74
S&P BSE HC	15,432	15,167	266	1.75

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
25-Sep	23.30	1.24	26.91	1.21
Month Ago	24.63	1.16	28.06	1.16
Year Ago	23.54	1.23	25.71	0.96

Nifty 50 Top 3 Gainers

Company	25-Sep	Prev_Day	% Change [#]
HDFC Ltd.	1773	1719	3.18
Kotak Bank	1183	1149	3.02
Axis Bank	614	597	2.85

Nifty 50 Top 3 Losers

Company	25-Sep	Prev_Day	% Change [#]
Indiabulls HFC	930	982	-5.33
Bharti Infratel	269	278	-3.06
Yes Bank	220	226	-2.96

Advance Decline Ratio

	BSE	NSE
Advances	1018	664
Declines	1646	1186
Unchanged	161	69

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-1058	-9070
MF Flows**	415	82077

*25th Sep 2018; **21st 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 equity markets ended mixed on trade war worries, rising crude oil prices and weak overnight Wall Street cues. Also, investors are anticipating the U.S. Federal Reserve could raise interest rates at its upcoming meeting on Sep 26, 2018. Today (as of Sep 26), Asian market opened mixed following ongoing concern of its trade war with China. Nikkei was trading down 0.15% while Hang Seng was trading up 0.67% (as at 8.a.m. IST).
- As per the last close, European markets closed higher following rise in crude oil prices. Also, reports of a compromise on Italy's budget among the government coalition members boosted market sentiments. However, investors remained cautious ahead of the U.S. Federal Reserve monetary policy meeting to be announced on Sep 26.
- As per the last close, U.S. markets closed mixed. Market sentiments dampened amid trade war concerns and as investors were cautious ahead of the U.S. Federal Reserve monetary policy meeting to be announced on Sep 26. However, unexpected improvement in consumer confidence in Sep 2018 boosted some indices.

Indian Equity Market

- Indian equity markets ended in the green on Sep 25, 2018, after witnessing five straight sessions of heavy sell-off. Gains were supported by investors hunting for bargains in recently battered stocks in sectors such as healthcare, IT, consumer durables, auto and banks. Also, the finance minister and the Reserve Bank of India had on said on Sep 24, 2018, that all required steps will be taken to ensure adequate liquidity in the system.
- Key benchmark indices S&P BSE Sensex and Nifty 50 grew 0.96% and 0.91% to close at 36,652.06 and 11,067.45, respectively. S&P BSE Mid-Cap grew 0.36% while S&P BSE Small Cap declined 0.74%.
- The overall market breadth on BSE was weak with 1018 scrips advancing and 1646 scrips declining. A total of 161 scrips remained unchanged.
- On the BSE sectoral front, S&P BSE Healthcare stood as the major gainer, up 1.75% followed by S&P BSE Bankex that grew 1.39%. S&P BSE Finance and S&P BSE Fast Moving Consumer Goods grew 1.26% and 1.16%, respectively. S&P BSE Auto and S&P BSE Basic Materials grew 1% and 0.66%, respectively. S&P BSE Realty and S&P BSE Utilities were the major losers, down 1.67% and 0.94%.

Domestic News

- Government data showed that India's fiscal deficit for Apr-Aug 2018 came in at Rs. 5.91 lakh crore, or 94.7% of the budgeted target for FY19 against 96.1% in the year-ago period. Net tax receipts were Rs. 3.66 lakh crore or 24.7% of the budget estimate for FY19 compared with 27.8% in the corresponding period of the previous year. The government's total expenditure for the period from Apr to Aug of 2018 stood at Rs. 10.70 lakh crore or 43.8% of the budget estimate for FY19 compared with 44.3% in the corresponding period of the previous year.
- Open market operations (OMO) will be conducted by the Reserve Bank of India (RBI) to purchase government bonds to infuse liquidity of Rs. 10,000 crore. The decision is based on an assessment of prevailing liquidity conditions as well as the durable liquidity requirements going forward. The purchase that will be done of Sep 27, 2018 will happen through multi-security auction using the multiple price method. The RBI will purchase government securities maturing in 2020 bearing interest rate of 7.80%, 2022 carrying interest rate of 8.20%, 2025 with interest rate of 7.72 and 2027 with interest rate of 6.79 and 2031 carrying rate of 6.68%.
- According to a report from a credit bureau, retail loans given by banks and NBFCs are urban centric. Eight top cities accounted for approximately half of the loans lent by them in the first quarter of 2018. Eight biggest urban agglomerations include Mumbai, National Capital Region (NCR), Chennai, Kolkata, Hyderabad, Bengaluru, Pune and Ahmedabad and are collectively known as Tier-1 cities. These cities had a share of 46.5% and 39.3% in aggregate origination balances and origination volumes respectively in Q1 2018.
- The Securities and Exchange Board of India (SEBI) has asked credit rating agencies to review borrowers immediately when their bond prices crash. Also, the market regulator has asked the agencies to place securities of such borrowers on 'rating watch' if their prices weaken. SEBI wants that rating agencies should take cues from the market to assess the bond issuers.

FII Derivative Trade Statistics	25-Sep		
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	8951.76	8429.27	26751.83
Index Options	128720.61	128508.22	89521.90
Stock Futures	34108.10	35418.06	90193.38
Stock Options	8457.56	8459.14	9715.68
Total	180238.03	180814.69	216182.79

Derivative Statistics- Nifty Options	25-Sep	Prev_Day	Change
Put Call Ratio (OI)	1.13	1.05	0.07
Put Call Ratio(Vol)	0.82	0.94	-0.12

Debt Watch	25-Sep	Wk. Ago	Mth. Ago	Year Ago
Call Rate	6.51%	6.54%	6.39%	5.90%
CBLO	6.29%	6.50%	6.44%	5.90%
Repo	6.50%	6.50%	6.50%	6.00%
Reverse Repo	6.25%	6.25%	6.25%	5.75%
91 Day T-Bill	7.02%	7.00%	6.80%	6.09%
364 Day T-Bill	7.26%	7.62%	7.29%	6.24%
10 Year Gilt	8.13%	8.14%	7.87%	6.62%
G-Sec Vol. (Rs.Cr)	27124	52133	31439	50126
FBIL MIBOR	6.60%	6.67%	6.55%	6.00%
3 Month CP Rate	8.40%	7.95%	7.80%	6.68%
5 Year Corp Bond	9.00%	8.90%	8.64%	7.43%
1 Month CD Rate	7.19%	7.48%	6.75%	6.11%
3 Month CD Rate	7.62%	7.49%	7.21%	6.15%
1 Year CD Rate	8.36%	8.39%	8.02%	6.54%

Currency Market	25-Sep	Prev_Day	Change
USD/INR	72.81	72.69	0.12
GBP/INR	95.50	95.00	0.51
EURO/INR	85.62	85.25	0.37
JPY/INR	0.64	0.65	0.00

Commodity Prices	25-Sep	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	73.02	69.82	69.46	51.82
Brent Crude(\$/bl)	82.65	79.19	73.60	60.51
Gold(\$/oz)	1201	1198	1206	1310
Gold(Rs./10 gm)	30728	30737	29561	29713

Source: Thomson Reuters Eikon

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Derivatives Market

- Nifty Sep 2018 Futures settled at 11,086.7, a premium of 19.25 points, above the spot closing of 11,067.45. The turnover on NSE's Futures and Options segment improved to Rs. 13,66,254.93 on Sep 25.
- The Put-Call ratio stood at 0.76, compared with the previous session's close of 0.79.
- The Nifty Put-Call ratio stood at 1.13 compared with the previous session's close of 1.05.
- India VIX moved down 5.30% to 16.5025 from 17.4275 in the previous trading session.
- Open interest on Nifty Futures stood at 24.65 million as against the previous session's close at 25.15 million.

Indian Debt Market

- Bond yield were nearly steady, helped by the announcement of OMO purchase of notes of up to Rs. 100 billion later during this week. This somewhat offset the impact of surging crude oil prices and depreciating rupee.
- Yield on the 10-year benchmark paper (7.17% GS 2028) marginally rose 1 bps to 8.13% compared with the previous closing of 8.12% after trading in the range of 8.11% to 8.14%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 3,936 crore (gross) on Sep 25 compared with a borrowing of Rs. 10,651 crore (gross) on Sep 24. Sale of securities under the Reserve Bank of India's (RBI) reverse repo window stood at Rs. 29,715 crore on Sep 24.
- Banks borrowed Rs. 1 crore under the central bank's Marginal Standing Facility on Sep 24 compared with borrowing of Rs. 300 crore on Sep 21.

Currency Market Update

- The Indian rupee depreciated as market participants wait for the policy review meeting of the Federal Reserve, expecting an interest rate hike. Consistent surge in crude prices, too, weighed down on the local unit. The rupee declined 0.08% to close at 72.69 per dollar from the previous close of 72.63.
- The euro edged higher, driven by the comment of ECB's president, assuring healthy growth in inflation and wages in euro zone. Euro was last seen trading at \$1.1775, up 0.25% compared with the previous close of \$1.1746.

Commodity Market Update

- Gold prices remained steady as traders wait to get cues on interest rate changes ahead of the Fed's monetary policy meeting.
- Brent crude continues to surge ahead of the looming U.S. sanction against Iran, which kicks in Nov. Oil supplies have already tightened with shrinking exports from the latter.

International News

- European Central Bank's President indicated rise in underlying inflation in coming months. The President expects annual rates of HICP inflation to reach 1.7% by 2020. He also indicated eurozone's continuous growth at robust pace amid high level of capacity utilization.
- According to the Federal Statistical Office, Germany's wholesale price rose to 3.8% in Aug 2018 from 3.6% in Jul 2018. The increase in inflation was mainly due to rise in solid fuels and petroleum products by 17.7% YoY in Aug. On a monthly basis, wholesale prices grew 0.3% in Aug as against 0.1% rise in Jul.



Thank you for
your time.