

RELIANCE

MUTUAL
FUND

Markets for You

27 Sep 2017

Indices Performance

Global Indices	26-Sep	Prev_Day	Abs. Change	% Change [#]
Dow Jones	22,284	22,296	-12	-0.05
Nasdaq	6,380	6,371	10	0.15
FTSE	7,286	7,301	-16	-0.21
Nikkei	20,330	20,398	-67	-0.33
Hang Seng	27,513	27,500	13	0.05
Indian Indices	26-Sep	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	31,600	31,627	-27	-0.08
Nifty 50	9,872	9,873	-1	-0.01
Nifty 100	10,223	10,220	3	0.03
Nifty Bank	24,199	24,165	34	0.14
SGX Nifty	9,853	9,864	-11	-0.11
S&P BSE Power	2,233	2,229	4	0.19
S&P BSE Small Cap	16,136	15,963	173	1.08
S&P BSE HC	13,660	13,622	38	0.28

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
26-Sep	23.41	1.24	25.71	0.96
Month Ago	23.61	1.24	25.47	0.95
Year Ago	21.27	1.39	23.94	1.27

Nifty 50 Top 3 Gainers

Company	26-Sep	Prev_Day	% Change [#]
ONGC	171	165	4.00
Vedanta	318	307	3.73
Indiabulls HFC	1243	1204	3.22

Nifty 50 Top 3 Losers

Company	26-Sep	Prev_Day	% Change [#]
Bharti Infratel	376	391	-3.82
BPCL	469	487	-3.67
HUL	1217	1247	-2.39

Advance Decline Ratio

	BSE	NSE
Advances	1548	1077
Declines	985	602
Unchanged	163	77

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-29	41205
MF Flows**	351	78890

*26th Sep 2017; **22nd Sep 2017

Economic Indicator

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

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

- Most Asian markets closed in the red as investors turned alert amid geopolitical concerns in North Korea. Japanese markets went down as technology stocks moved lower following weak overnight cues from the U.S. Hong Kong's foreign trade deficit grew in Aug 2017, as imports grew faster than exports. Meanwhile, Japanese Prime Minister cautioned to shut the parliament's lower house and declare a snap election for next month. Today (As of Sep 27), Asian markets opened mixed amid increased geopolitical tension and possibility of one more rate hike in 2017 indicated in a speech by U.S. Federal Reserve Chair. While slight increase in crude oil prices supported the market. Nikkei was trading down 0.45% and Hangseng was trading up 0.22% (as at 8.a.m. IST).
- As per the last close, most of the indices of Europe were little changed as investors were concerned about increased geopolitical tension between the U.S. and North Korea.
- As per the last close, U.S markets closed mixed. Disappointing economic data of U.S. weighed on the market. However, recovery of technology stock from previous session restricted most of the losses.

Indian Equity Market

- Indian equity markets extended losses for the sixth straight session ahead of Sep F&O expiry scheduled later during the week. Forthcoming speech from the U.S. Federal Reserve chair that could provide further cues on next rate hike and rising tension between North Korea and the U.S. also kept investors on the sidelines. Investors also remained watchful on upcoming meeting of the Good and Services Tax Council meeting scheduled in the first week of Oct 2017. Meanwhile, Asian Development Bank (ADB) has downgraded India's growth projection to 7% for the current fiscal while lowering its forecast for the next financial year as well.
- While S&P BSE Sensex went down 0.08% to close at 31,599.76, Nifty 50 lost 0.01% to close at 9,871.50.
- On the BSE sectoral front, most of the indices closed in the green barring S&P BSE Telecom (-1.14%), S&P BSE FMCG (-0.37%) and S&P BSE Teck (-0.23%). S&P BSE Realty (2.64%) stood as the major gainer followed by S&P BSE Metal (2.49%) and S&P BSE Basic Materials (1.2%). The banking sector (0.18%) posted marginal gains despite the Reserve Bank of India barred banks from investing in category III alternative investment funds.

Domestic News

- The Asian Development Bank (ADB) has lowered India's gross domestic product (GDP) growth estimate for the current fiscal to 7.0% from its earlier projection of 7.4% in Jul 2017. For 2018-19, growth forecast was lowered to 7.4% from 7.6%. ADB attributed the downgrade to weakness in private consumption, manufacturing output and business investment. However, ADB expressed hopes that the government's reform agenda will lead to growth of the economy in the long run.
- The Reserve Bank of India (RBI) barred banks from making any investment in category III alternative investment funds (AIFs). In addition, the central bank also specified norms for participation in commodity derivatives clearing and modified rules for investing in financial services firms. According to the new norms, RBI capped investment by banks at 10% in the paid-up capital/unit capital in category I and II funds while they cannot invest in category III funds. On a separate note, RBI mandated that banks which seek to undertake commodities derivatives clearing need to set up a separate subsidiary for the same. They also need to adopt internal risk control measures and take necessary approvals from the board as necessary. Regarding investing in financial services firms, RBI announced that banks investing in such firms must have a minimum regulatory capital and in this case the capital computation must take into consideration the capital conservation buffer (CCB). Similarly, banks who are considering undertaking insurance and pension fund management business must also have minimum prescribed capital. Banks must have minimum total capital including CCB, of 10.88% by Mar 2018.
- India's major e-commerce marketplace Flipkart has acquired mobile repair chain F1 Info Solutions. Through this acquisition, Flipkart looks to improve its after-sales service offerings to customers on its platform. Smartphones account for over 50% of the sales (by value) on Flipkart.
- Reliance Capital said will set up a standalone health insurance company. The firm has received first round of approval from the Insurance Regulatory and Development Authority of India. Reliance Capital's executive director said standalone firm will become operational beginning early next year.

FII Derivative Trade Statistics	26-Sep		
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	3754.91	4476.68	22226.76
Index Options	88851.11	88063.86	87291.85
Stock Futures	14766.04	15004.46	57261.90
Stock Options	9706.04	9707.82	7791.46
Total	117078.10	117252.82	174571.97

Derivative Statistics- Nifty Options	26-Sep	Prev_Day	Change
Put Call Ratio (OI)	1.11	1.12	-0.02
Put Call Ratio(Vol)	0.82	0.97	-0.15

Debt Watch	26-Sep	Wk. Ago	Mth. Ago	Year Ago
Call Rate	5.86%	5.96%	5.90%	6.43%
CBLO	5.83%	6.00%	5.96%	6.45%
Repo	6.00%	6.00%	6.00%	6.50%
Reverse Repo	5.75%	5.75%	5.75%	6.00%
91 Day T-Bill	6.07%	6.08%	6.13%	6.42%
364 Day T-Bill	6.23%	6.23%	6.22%	6.60%
10 Year Gilt	6.67%	6.59%	6.54%	6.79%
G-Sec Vol. (Rs.Cr)	38324	35501	36130	88535
1 Month CP Rate	6.60%	6.60%	6.38%	6.74%
3 Month CP Rate	6.64%	6.67%	6.55%	6.84%
5 Year Corp Bond	7.23%	7.20%	7.14%	7.44%
1 Month CD Rate	6.12%	6.08%	6.06%	6.55%
3 Month CD Rate	6.15%	6.15%	6.19%	6.60%
1 Year CD Rate	6.56%	6.49%	6.49%	7.19%

Currency Market	26-Sep	Prev_Day	Change
USD/INR	65.34	64.84	0.50
GBP/INR	88.07	87.94	0.14
EURO/INR	77.43	77.30	0.13
JPY/INR	0.59	0.58	0.01

Commodity Prices	26-Sep	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	51.58	49.49	47.62	45.57
Brent Crude(\$/bl)	60.86	57.62	52.51	47.00
Gold(\$/oz)	1294	1311	1291	1338
Gold(Rs./10 gm)	30127	29661	28879	31305

Source: ICRON Research

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

Derivatives Market

- Nifty Sep 2017 Futures were at 9,866.95, a discount of 4.55 points below the spot closing of 9,871.50. The turnover on NSE's Futures and Options segment went down from Rs. 7,76,571.78 crore on Sep 25 to Rs. 7,36,919.50 crore on Sep 26.
- The Put-Call ratio stood at 0.79 against previous session's close at 0.91.
- The Nifty Put-Call ratio stood at 1.11 against previous session's close at 1.12.
- The open interest on Nifty Futures stood at 25.61 million as against previous session's close of 14.45 million.

Indian Debt Market

- Bond yields increased after the auction of state government securities boosted liquidity in the secondary market. Market participants remained cautious ahead of the weekly auction of Central government securities on Sep 29.
- Yield on the 10-year benchmark paper (6.79% GS 2027) increased 5 bps to close at 6.67% from the previous close at 6.62%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 2,085 crore (gross) on Sep 26 compared with borrowings of Rs. 2,163 crore (gross) on Sep 25. Sale of securities under RBI's reverse repo window stood at Rs. 18,331 crore on Sep 25.
- Banks borrowed Rs. 65 crore under the central bank's Marginal Standing Facility on Sep 25 as against no borrowing on Sep 22.

Currency Market Update

- The Indian rupee weakened against the greenback following losses in the domestic equity market that led to concerns over foreign fund outflows. The rupee fell 0.53% to close at 65.45 per dollar, compared with the previous day's close at 65.10.
- Euro weakened against the U.S. dollar amid concerns of political developments in Germany. Market participants also remained on the sidelines ahead of a speech by the French President. Euro was trading at \$1.1782, down 0.54% compared with the previous close of \$1.1846.

Commodity Market Update

- Gold prices inched down as investors preferred to be on the sidelines ahead of the comments from the U.S. Federal Reserve chair.
- Brent crude prices moved up after Turkey threatened to cut off a major pipeline that carries oil from Iraq to the outside world.

International News

- According to the Asian Development Bank latest update, developing Asia's growth outlook has been upgraded citing broad-based recovery in global trade and strong expansion in industrial economies. Accordingly, developing Asia is expected to grow 5.9% in 2017 and 5.8% in 2018, better than initial forecast (announced in Apr 2017) of 5.7% growth for both 2017 and 2018.
- As per the data from Census and Statistics Department, Hong Kong's visible trade deficit widened to HK\$35.5 billion in Aug 2017 from HK\$32.1 billion a year ago and HK\$29.6 billion a month ago. Deficit rose on a yearly basis because imports grew faster than exports. Exports went up 7.4% YoY while imports climbed 7.7% in Aug.



Thank you for
your time.