

RELIANCE

MUTUAL
FUND

Markets for You

27 Sep 2018

Indices Performance

Global Indices	26-Sep	Prev_Day	Abs. Change	% Change [#]
Dow Jones	26,385	26,492	-107	-0.40
Nasdaq	7,990	8,007	-17	-0.21
FTSE	7,511	7,508	4	0.05
Nikkei	24,034	23,940	94	0.39
Hang Seng	27,817	Closed	NA	NA
Indian Indices	26-Sep	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	36,542	36,652	-110	-0.30
Nifty 50	11,054	11,067	-14	-0.12
Nifty 100	11,280	11,288	-8	-0.07
Nifty Bank	25,376	25,330	46	0.18
SGX Nifty	11,102	11,139	-37	-0.33
S&P BSE Power	1,987	1,987	0	-0.01
S&P BSE Small Cap	15,240	15,221	19	0.12
S&P BSE HC	15,494	15,432	62	0.40

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
26-Sep	23.49	1.22	26.87	1.22
Month Ago	24.63	1.16	28.06	1.16
Year Ago	23.41	1.24	25.71	0.96

Nifty 50 Top 3 Gainers

Company	26-Sep	Prev_Day	% Change [#]
Indiabulls HFC	1000	930	7.55
United Phos	698	661	5.54
Vedanta Limited	242	230	4.84

Nifty 50 Top 3 Losers

Company	26-Sep	Prev_Day	% Change [#]
Tata Motors	233	241	-3.09
Bharti Infratel	262	269	-2.91
Wipro	319	328	-2.76

Advance Decline Ratio

	BSE	NSE
Advances	1282	890
Declines	1346	943
Unchanged	184	93

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-3682	-12752
MF Flows**	756	82833

*26th Sep 2018; **24th 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 broadly higher ahead of the U.S. Federal Reserve's policy meet later in the day. Investors have already factored in a 25 basis point hike in interest rates by the U.S. central bank. They are waiting for the policy statement for indications on the future stance of the bank. China gained as global index provider MSCI is seen to increase weighting of China A-shares fourfold in its global benchmarks. Today (as of Sep 27), Asian market opened mixed after U.S. Federal Reserve Chairman comments on inflation after the central bank decided to increase interest rates. Nikkei was trading up 0.20% while Hang Seng was trading down 0.08% (as at 8.a.m. IST).

- As per the last close, European markets stood almost steady as investors were reluctant to make any major move ahead of the U.S. Federal Reserve's policy announcement.

- As per the last close, U.S. markets closed lower after the comments from the U.S. Federal Reserve Chairman post the announcement that Fed raised rates for the third time this year but does not see inflation surprising to the upside.

Indian Equity Market

- Indian equity markets went back to their losing trend on Sep 26, 2018, as investors turned anxious before the U.S. Federal Reserve's policy meet later in the day. Also, expiry of Sep derivative contracts kept market participants on the sidelines.

- Key benchmark indices S&P BSE Sensex and Nifty 50 fell 0.30% and 0.12% to close at 36,542.27 and 11,053.80, respectively. S&P BSE Mid-Cap and S&P BSE Small Cap gained 0.42% and 0.12%, respectively.

- The overall market breadth on BSE was weak with 1282 scrips advancing and 1346 scrips declining. A total of 184 scrips remained unchanged.

- On the BSE sectoral front, S&P BSE Metal stood as the major gainer, up 1.73% followed by S&P BSE Realty and S&P BSE Basic Materials that grew 1.69% and 1.31%, respectively. S&P BSE Capital Goods and S&P BSE Energy gained 1.23% and 1.08%, respectively. S&P BSE Information Technology and S&P BSE Fast Moving Consumer Goods were the major losers, down 1.6% and 1.44%, followed by S&P BSE Teck and S&P BSE Auto, down 1.36% and 0.99%, respectively.

Domestic News

- The finance minister announced that the cabinet has cleared a proposal to convert goods and service tax Network (GSTN) into a government-owned company. The finance minister stated that in the new structure, 50% stake will be owned by the Centre and the balance by the states on pro-rata basis. Currently, the Centre and states together hold 49% stake in the GST Network and the balance 51% is held by five private financial institutions.

- The Cabinet Committee on Economic Affairs (CCEA) has given approval for a package worth Rs. 5,500 crore for the sugar industry. The package includes over two-fold increase in production assistance to cane growers and transport subsidy to mills for export up to 5 million tonnes in the marketing year 2018-19 that begins in Oct 2018. Besides offsetting the cost of cane, the proposal comes in order to facilitate export of sugar from the country.

- Under South Asian Free Trade Agreement (SAFTA), the government has placed stringent enforcement of rules of origin for imports of edible oils from Bangladesh. As per the government, imports of edible oils will be allowed only after receiving a no objection certificate from Directorate of Revenue Intelligence (DRI), Kolkata.

- The commerce ministry announced that India will impose duties on imports within the norms of the World Trade Organisation (WTO). The announcement comes on the wake of protecting domestic industry and boost the economy. The ministry stated that India is a developing economy and has the right to use tariff within the bound rates under WTO.

- The government would likely approach the Reserve Bank of India (RBI) for relaxation in the prompt corrective action (PCA) framework wherein the loss-making banks have been stopped from lending. Also, the finance ministry would look at realignment of RBI norms on capital adequacy with global Basel norms. Currently, there are 11 banks under RBI's PCA framework and the minimum common equity Tier-I ratio is 5.5% against 4.5% under Basel III norms.

FII Derivative Trade Statistics		26-Sep	
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	11327.76	12121.06	27308.35
Index Options	202509.41	201903.82	93890.17
Stock Futures	38091.87	37443.14	92409.83
Stock Options	8655.38	8570.66	9573.05
Total	260584.42	260038.68	223181.40

Derivative Statistics- Nifty Options			
	26-Sep	Prev_Day	Change
Put Call Ratio (OI)	1.09	1.13	-0.04
Put Call Ratio(Vol)	0.93	0.82	0.11

Debt Watch				
	26-Sep	Wk. Ago	Mth. Ago	Year Ago
Call Rate	6.45%	6.60%	6.39%	5.86%
CBLO	6.02%	6.46%	6.44%	5.83%
Repo	6.50%	6.50%	6.50%	6.00%
Reverse Repo	6.25%	6.25%	6.25%	5.75%
91 Day T-Bill	7.15%	7.06%	6.80%	6.07%
364 Day T-Bill	7.70%	7.63%	7.29%	6.23%
10 Year Gilt	8.07%	8.07%	7.87%	6.67%
G-Sec Vol. (Rs.Cr)	31640	43175	31439	38324
FBIL MIBOR	6.60%	6.65%	6.55%	6.00%
3 Month CP Rate	8.40%	8.05%	7.80%	6.64%
5 Year Corp Bond	8.98%	8.91%	8.64%	7.47%
1 Month CD Rate	7.41%	7.51%	6.75%	6.12%
3 Month CD Rate	7.74%	7.51%	7.21%	6.15%
1 Year CD Rate	8.44%	8.39%	8.02%	6.56%

Currency Market			
Currency	26-Sep	Prev_Day	Change
USD/INR	72.72	72.81	-0.10
GBP/INR	95.77	95.50	0.27
EURO/INR	85.54	85.62	-0.09
JPY/INR	0.64	0.64	0.00

Commodity Prices				
Commodity	26-Sep	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	71.84	71.03	69.46	51.58
Brent Crude(\$/bl)	82.31	79.87	73.60	60.86
Gold(\$/oz)	1194	1204	1206	1294
Gold(Rs./10 gm)	30672	30722	29561	30127

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 11,062.45, a premium of 8.65 points, above the spot closing of 11,053.80. The turnover on NSE's Futures and Options segment went down to Rs. 12,29,900.86 on Sep 26.
- The Put-Call ratio stood at 0.85, compared with the previous session's close of 0.76.
- The Nifty Put-Call ratio stood at 1.09 compared with the previous session's close of 1.13.
- India VIX moved up 2.68% to 17.1300 from 16.6825 in the previous trading session.
- Open interest on Nifty Futures stood at 25.33 million as against the previous session's close at 24.65 million.

Indian Debt Market

- Bond yield declined as market participants resorted to short covering. The recovery in rupee, after two straight sessions of depreciation, also helped easing the yield.
- Yield on the 10-year benchmark paper (7.17% GS 2028) declined 6 bps to 8.07% compared with the previous closing of 8.13% after trading in the range of 8.06% to 8.12%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 3,746 crore (gross) on Sep 26 compared with a borrowing of Rs. 3,936 crore (gross) on Sep 25. Sale of securities under the Reserve Bank of India's (RBI) reverse repo window stood at Rs. 78,595 crore on Sep 25.
- RBI announced the sale (issue/re-issue) of 7.37% GS 2023, 7.17% GS 2028, 7.40% GS 2035 and 7.72% GS 2055 for notified amount of Rs. 12,000 crore. The auction will be conducted on Sep 28, 2018.

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 euro edged higher, driven by the comment of European Central Bank's president, assuring healthy growth in inflation and wages in euro zone. However, gains were tapered after ECB's chief economist attached little importance to the president's remark.

Commodity Market Update

- Gold prices moved down ahead of the two-day monetary policy meeting of the U.S. Federal Reserve.
- Brent crude prices declined following U.S.'s assurance that it would ensure proper oil supply before the sanction against Iran kicks in Nov.

International News

- According to report by the Conference Board, U.S. consumer confidence index unexpectedly rose to 138.4 in Sep 2018, 18-year high, from an upwardly revised 134.7 in Aug 2018. The unexpected improvement in consumer confidence brought optimism about the short-term outlook that improved significantly, thus the expectations index rose to 115.3 in Sep from 109.3 in Aug.
- According to data from U.K. Finance, the number of mortgages approved in Britain decreased to 39,402 in Aug 2018 from 39,619 in Jul 2018 and 41,141 in Aug 2017. Similarly, there was a fall in house purchase and other secured borrowing by 4.3% and 2.1%, respectively.

Thank you for
your time.