

RELIANCE

MUTUAL  
FUND

# Markets for You

29 Sep 2017

## Indices Performance

Global Indices	28-Sep	Prev_Day	Abs. Change	% Change <sup>#</sup>
Dow Jones	22,381	22,341	40	0.18
Nasdaq	6,453	6,453	0	0.00
FTSE	7,323	7,314	9	0.13
Nikkei	20,363	20,267	96	0.47
Hang Seng	27,422	27,642	-221	-0.80
Indian Indices	28-Sep	Prev_Day	Abs. Change	% Change <sup>#</sup>
S&P BSE Sensex	31,282	31,160	123	0.39
Nifty 50	9,769	9,736	33	0.34
Nifty 100	10,108	10,074	34	0.34
Nifty Bank	24,008	23,813	195	0.82
SGX Nifty	9,769	9,723	46	0.47
S&P BSE Power	2,189	2,185	3	0.16
S&P BSE Small Cap	15,940	15,797	142	0.90
S&P BSE HC	13,405	13,312	92	0.69

## P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
28-Sep	23.30	1.24	25.44	0.97
Month Ago	23.76	1.23	25.61	0.94
Year Ago	21.35	1.38	23.97	1.27

## Nifty 50 Top 3 Gainers

Company	28-Sep	Prev_Day	% Change <sup>#</sup>
ACC	1646	1590	3.53
Dr.Reddy	2375	2305	3.07
Coal India	268	261	2.66

## Nifty 50 Top 3 Losers

Company	28-Sep	Prev_Day	% Change <sup>#</sup>
Asian Paints	1130	1160	-2.59
Bosch	20682	21113	-2.04
Aurobindo Pharma	676	690	-2.02

## Advance Decline Ratio

	BSE	NSE
	Advances	1531
Declines	987	648
Unchanged	163	82

## Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-518	39031
MF Flows**	1300	81307

\*28<sup>th</sup> Sep 2017; \*\*26<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

- Asian markets continued to witness mixed trend as positive impact of U.S. tax reforms was offset by geopolitical concerns after South Korea said that it expects North Korea to engage in more provocation action next month. Today (As of Sep 29), Asian markets opened mixed after greenback gave up some gains overnight. While Nikkei was trading lower 0.30%, Hang Seng was up 0.22% (8 a. m. IST).
- As per the last close, European market managed to end in green after moving in a narrow range. Banking stocks rose on expectations of rate hikes from the U.S. Federal Reserve. The Bank of Spain warned that the referendum being held Catalonia's independence that lead to political tensions could hurt economic activity.
- As per the last close, U.S markets rose marginally after hovering between gains and losses. Market participants continue to digest the tax reform plan unveiled by Republican lawmakers and the U.S. President. On the U.S. economic front, gross domestic product in the Jun quarter of 2017 rose slightly more than previously estimated.

## Indian Equity Market

- Indian equity markets snapped the 7-day losing streak to close the session on a positive note. The gains were largely led by a report from a leading global brokerage firm highlighting India's multi-trillion-dollar investment opportunity, following the government's digitisation drive. Besides, the brokerage firm forecasted India's gross domestic product (GDP) to touch \$6 trillion, the third largest in the world, in the next 10 years and expects Sensex to hit the 100,000-mark with an equity market capitalisation of \$6.1 trillion during the same period.
- Nonetheless, gains remained capped by growing speculation over imminent rate hike by the U.S. Federal Reserve, geopolitical tensions over North Korea and worries of widening fiscal deficit in India on increased government spending.
- Key benchmark indices S&P BSE Sensex and Nifty 50 rose 0.39% and 0.34% to close at 31,282.48 and 9,768.95, respectively. S&P BSE Mid-Cap and S&P BSE Small-Cap went up 0.77% and 0.90%, respectively.
- The overall market breadth on BSE was positive with 1,531 scrips advancing and 987 scrips declining. A total of 163 scrips remained unchanged.

## Domestic News

- The finance minister in the capital expenditure meeting has asked the central public sector enterprises (CPSE) to increase the spending in order to raise the economy's growth after hitting a three-year low of 5.7%. Since private investment is low, public spending and investment from CPSEs is expected to drive economic activities and increase growth.
- Government said the National Highway Authority of India (NHAI) has constructed nearly 30,000 km of national highways, while another 20,000 kilometres is scheduled for completion over the next two years. As a result, Indian national highways network will reach approximately 50,000 km in the next two years.
- According to a rating agency, India's gross domestic product (GDP) growth projections has been reduced to 6.7% in FY18 from previously estimated figure of 7.4%. The cut in the GDP growth has come owing to the disruptive impact of demonetisation and the new GST regime, which will be slower than the 7.1% growth reported in FY17. According to the agency, government has introduced crucial reforms like the insolvency and bankruptcy code, corporate debt restructuring, re-capitalisation of banks, GST, but their impact will be visible only in the medium to long term.
- According to the chief of Sterlite Technologies, the company is in talks with a leading internet service provider to deploy 5G-ready optical fibre cable in Mumbai.
- Indian Overseas Bank has sold over Rs. 1,600 crore worth exposure in Essar Steel to Edelweiss Asset Reconstruction Company. The objective of the move is to bring down its level of non-performing assets.
- State Bank of India (SBI) will buy back shares worth over Rs. 99 crore in its primary dealership subsidiary company SBI Discount & Finance House of India (DFHI). SBI DFHI was established in 2004 following an amalgamation of RBI promoted DFHI and SBI Gilts Ltd (a SBI subsidiary).

FII Derivative Trade Statistics		28-Sep		
(Rs Cr)	Buy	Sell	Open Int.	
Index Futures	6443.48	6693.27	24721.68	
Index Options	124136.78	123659.86	91036.48	
Stock Futures	24410.24	23920.81	58570.46	
Stock Options	5521.41	5337.90	7432.96	
Total	160511.91	159611.84	181761.58	

Derivative Statistics- Nifty Options			
	28-Sep	Prev_Day	Change
Put Call Ratio (OI)	1.00	1.00	0.00
Put Call Ratio(Vol)	0.92	0.85	0.07

Debt Watch				
	28-Sep	Wk. Ago	Mth. Ago	Year Ago
Call Rate	5.83%	5.89%	5.86%	6.42%
CBLO	5.86%	5.98%	5.82%	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%	6.10%	6.13%	6.52%
364 Day T-Bill	6.23%	6.24%	6.22%	6.58%
10 Year Gilt	6.64%	6.67%	6.57%	6.78%
G-Sec Vol. (Rs.Cr)	48286	54053	44543	77981
1 Month CP Rate	6.56%	6.59%	6.39%	6.68%
3 Month CP Rate	6.64%	6.67%	6.55%	6.80%
5 Year Corp Bond	7.22%	7.22%	7.14%	7.43%
1 Month CD Rate	6.09%	6.10%	6.05%	6.55%
3 Month CD Rate	6.15%	6.16%	6.18%	6.59%
1 Year CD Rate	6.57%	6.52%	6.50%	7.16%

Currency Market			
Currency	28-Sep	Prev_Day	Change
USD/INR	65.76	65.69	0.07
GBP/INR	87.98	88.14	-0.16
EURO/INR	77.18	77.37	-0.19
JPY/INR	0.58	0.58	0.00

Commodity Prices				
Commodity	28-Sep	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	51.57	50.53	46.35	47.02
Brent Crude(\$/bl)	59.89	58.77	52.11	45.88
Gold(\$/oz)	1287	1291	1310	1321
Gold(Rs./10 gm)	29667	29576	29140	31038

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 settled at spot closing of 9,768.95. Nifty Oct 2017 Futures were at 9,787.00, a premium of 18.05 points over the spot closing. The turnover on NSE's Futures and Options segment went up from Rs. 11,58,706.47 crore on Sep 27 to Rs. 15,00,675.00 crore on Sep 28.
- The Put-Call ratio stood at 0.82 against previous session's close at 0.85.
- The Nifty Put-Call ratio remained unchanged from the previous session's close at 1.00.
- The open interest on Nifty Futures stood at 29.38 million as against previous session's close of 26.34 million.

#### Indian Debt Market

- Bond yields fell on buying ahead of the end of the current fiscal's first half for balance sheet valuation purposes. Aggressive short covering by traders also pushed up bond prices.
- Yield on the 10-year benchmark paper (6.79% GS 2027) fell 3 bps to close at 6.64% from the previous close of 6.67%. During the session, bond yields traded in the range of 6.61% and 6.68%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 2,055 crore (gross) on Sep 28 compared with borrowings of Rs. 2,105 crore (gross) on Sep 27. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 24,091 crore on Sep 27.
- Banks did not borrow under the central bank's Marginal Standing Facility on Sep 27 and 26.

#### Currency Market Update

- After three consecutive days' fall, Indian rupee rose against the U.S. dollar following rebound in the domestic equity market and suspected intervention by the Reserve Bank of India across currency spot and future markets. However, gains were limited due to broad strength in greenback, triggered by U.S. tax proposals.
- Euro rebounded after falling in the last three straight sessions against the U.S. dollar with rise in European benchmark bond yields.

#### Commodity Market Update

- Gold prices traded marginally higher as concerns over imminent rate hike by the U.S. Federal Reserve, was eased to some extent.
- Brent crude prices traded higher on easing concerns over global supply glut after the Iraqi Kurdistan voted overwhelmingly in favour of independence in a referendum.

#### International News

- A report from the National Association of Realtors showed that pending home sales index in the U.S. plunged 2.6% to 106.3 in Aug 2017 from 109.1 in Jul 2017. The pending home sales thus dropped to its lowest level since Jan 2016 when the pending home sales index stood at 106.1.
- Durable goods orders in U.S. surged 1.7% in Aug 2017 after plunging 6.8% in Jul 2017. This can be attributed to a significant rebound in orders for transportation equipment, which grew 4.9% in Aug after plummeting 19.6% in Jul.
- According to the Bank of England chief, the prosperity of Britain will depend on the final "Brexit" arrangements and fiscal and structural policies that the government will adopt moving forward.

Thank you for  
your time.