

ASSIGNMENT – 4

TASK-1 : STOCK MARKET ANALYSIS.



TITLE:- ANALYZING THE PERFORMANCE

INDUSTRY TYPE: FINANCE SERVICES

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- **CONCLUSIONS**
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INTRODUCTION

RELIANCE:

Reliance Industries Limited is one of India's largest and most influential conglomerates, with diversified interests across various sectors including petrochemicals, refining, oil and gas exploration, telecommunications, retail, and digital services. Established in 1957 by Dhirubhai Ambani, Reliance has grown from its modest beginnings as a textile manufacturer to become a powerhouse in the Indian and global business landscape.

HISTORY AND ORIGIN:

Reliance Industries traces its roots back to the vision of Dhirubhai Ambani, a visionary entrepreneur who founded the company with the goal of revolutionizing the Indian economy and empowering millions of people. In its early years, Reliance focused on textiles and quickly became one of India's leading textile producers. However, Dhirubhai's ambition knew no bounds, and he diversified the company's operations into petrochemicals, refining, and telecommunications, among other sectors.



DATA ANALYSIS:

- 1. PRESENTATION OF KEY METRICS**
- 2. COMPARISON TO THE RELEVANT INDEX**
- 3. ANALYSIS OF SIGNIFICANT EVENTS**

KEY BUSINESSES OF RELIANCE:

- 1. Petrochemicals:** Reliance is one of the world's largest producers of petrochemicals, with a wide range of products including polymers, polyesters, chemicals, and intermediates. Its petrochemical complexes in Jamnagar, Gujarat, are among the largest and most integrated in the world.
- 2. Refining:** Reliance operates the world's largest single-location refinery complex in Jamnagar, Gujarat. With a refining capacity of over 1.2 million barrels per day, it processes crude oil into various products including gasoline, diesel, jet fuel, and petrochemical feedstocks.
- 3. Telecommunications:** Reliance Jio Infocomm Limited, a subsidiary of Reliance Industries, has revolutionized India's telecommunications industry. Jio offers high-speed internet services, digital content, voice calling, and a range of digital applications. It has rapidly gained millions of subscribers since its launch and has become a major player in the Indian telecom market.
- 4. Digital Services:** Reliance's digital services arm, known as Jio Platforms, offers a range of digital services including digital payments, entertainment, cloud services, and more. Jio Platforms has launched various applications and platforms to cater to the growing demand for digital services in India.
- 5. Media and Entertainment:** Reliance has investments in the media and entertainment sector through its various subsidiaries and partnerships. This includes ownership stakes in television channels, film production, digital content platforms, and distribution networks.
- 6. Oil & Gas Exploration and Production:** Reliance has interests in oil and gas exploration and production both within India and internationally. It has made significant discoveries in offshore basins and is involved in developing and producing hydrocarbons to meet India's energy needs.

These are some of the key businesses of Reliance Industries Limited, showcasing its diversified portfolio across energy, retail, telecommunications, digital services, and more.

FINANCIAL PERFORMANCE:

Reliance Industries Limited (RIL) had been performing strongly across its various business segments. However, please note that financial performance can fluctuate over time due to various factors such as market conditions, regulatory changes, and company-specific developments.

- 1. REVENUE GROWTH:** In the fiscal year 2023, RIL has experienced a revenue growth of 19.5% year-on-year (YOY) , but on the same period their EBITDA also increased significantly by 33.8% compared to previous year. In 2022, the revenue growth of RIL has experienced 23.6% year-on-year.
- 2. PROFITABILITY:** In the fiscal year 22-23, RIL has achieved a PBT of ₹ 54,133 crores. Reliance has maintained strong profitability, with healthy margins across its various business segments. Its refining and petrochemicals segments have traditionally been significant contributors to its profits, although its newer ventures such as telecommunications (Jio) and retail (Reliance Retail) have also been increasingly contributing to its bottom line.
- 3. Investments and Expansion:** Reliance has made significant investments in expanding its existing businesses and diversifying into new areas. For example, its investment in Jio Platforms has transformed the telecommunications landscape in India, while its expansion into retail has strengthened its position in the consumer market.
- 4. Debt Reduction:** Reliance has been focused on reducing its debt levels through strategic initiatives such as asset monetization, debt refinancing, and capital restructuring. This has helped improve its financial flexibility and reduce interest expenses.
- 5. Market Performance:** Reliance Industries' stock price has historically been sensitive to changes in its financial performance, as well as broader market trends and investor sentiment. It is one of the largest and most widely traded stocks on the Indian stock exchanges, with significant market capitalization.

Overall, Reliance Industries has been a key player in the Indian and global business landscape, with a track record of strong financial performance and strategic growth initiatives. However, it's essential to stay updated on the latest developments and financial results to assess its current financial performance accurately.

- HISTORICAL PRICE DATA OF RELIANCE LTD:**

Previous Close	2,969.55
Open	2,968.00
Bid	0.00 x 0
Ask	0.00 x 0
Day's Range	2,950.00 - 2,988.00
52 Week Range	2,130.79 - 3,024.90
Volume	4,454,167
Avg. Volume	6,072,021
Market Cap	20.122T
Beta (5Y Monthly)	0.60
PE Ratio (TTM)	28.61
EPS (TTM)	103.93
Earnings Date	Apr 19, 2024 - Apr 23, 2024
Forward Dividend & Yield	9.00 (0.30%)
Ex-Dividend Date	Aug 21, 2023
1y Target Est	2,272.10



Historical price data chart of Reliance ltd.

KEY METRICS:

Stock's Prices and Volume For The Year 2023-2024



VOLATILITY

The volatility of Reliance Industries Limited (RIL) can be assessed by analyzing its historical price movements. Volatility refers to the degree of variation in the price of a stock over a specific period. Here's how you can evaluate the volatility of Reliance Limited:

- **Standard Deviation:** One common measure of volatility is the standard deviation of stock returns. A higher standard deviation indicates higher volatility. By calculating the standard deviation of RIL's historical stock returns over various periods (e.g., daily, weekly, monthly), you can gauge the level of volatility experienced by the stock.
- **Beta:** Beta measures the sensitivity of a stock's returns to market movements. A beta greater than 1 indicates that the stock tends to be more volatile than the overall market, while a beta less than 1 suggests lower volatility. Reliance's beta can be compared to the market benchmark (such as the Nifty 50 or BSE Sensex) to assess its relative volatility.
- **Historical Price Charts:** Visual inspection of historical price charts can provide insights into the volatility of Reliance Limited. Wide price fluctuations, large price gaps, and frequent changes in direction indicate higher volatility.
- **Volatility Index (VIX):** The India VIX, also known as the fear gauge, measures the market's expectation of volatility over the next 30 days. Monitoring the VIX can provide an indication of overall market volatility, which may impact individual stocks like Reliance Limited.
- **News and Events:** Significant news events, earnings announcements, regulatory developments, or macroeconomic factors can impact the volatility of Reliance Limited. Monitoring news flow and assessing its impact on stock price movements can help understand short-term fluctuations in volatility.

It's essential to analyze volatility in conjunction with other factors such as fundamental analysis, market sentiment, and company-specific developments to gain a comprehensive understanding of Reliance Limited's stock behaviour. Additionally, investors should consider their risk tolerance and investment objectives when interpreting volatility metrics.

STOCK COMPARSION AND ANALYSIS:



Versus



PRICE INFORMATION:

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EXCHANGE	BXE	NASDAQ
Open	70.100	57.13
High	70.550	57.29
Low	70.100	56.86
Last	70.550	57.29
Change	-0.550	+0.28
% change	-0.77%	+0.49%
Volume	551	50,100
20-day average volume	14.232	33,595
Previous close	71,100	57.01
Industry	N/A	N/A
Has options	No	Yes

PERFORMANCE

1 day:

Open-	2,969.45
High-	2,969.90
Low-	2,969.00
Close-	2,969.15
Volume-	5.44k
% change-	-0.28%

1 month:

Open-	2,959.55
High-	2,966.20
Low-	2,855.55
Close-	2,864.35
Volume-	6.76M
% change-	-4.02%

3 MONTHS:

Open-	2,883.70
High-	2,883.70
Low-	2,839.65
Close-	2,855.60
Volume-	4.52M
% change-	10.24%

1 YEAR:

Open-	2,535.48
High-	2,598.29
Low-	2,517.94
Close-	2,581.35
Volume-	11.11M
% change-	19.98%

KEY STATISTICS

Beta (5Y monthly)	0.60
52-week change	37.99
52- week high	3024.90
52- week low	2130.79
50-days moving average	2889.96
200-days moving average	2563.34

KEY EVENTS:

Reliance Industries Limited (RIL) has been involved in numerous key events throughout its history that have shaped its growth and trajectory. Here are some notable events:

- Foundation and Initial Growth (1960s-1980s):** Founded by Dhirubhai Ambani in 1966 as a textile manufacturer, Reliance quickly expanded into other sectors, including petrochemicals, refining, and telecommunications.
- Diversification into Petrochemicals (1980s-1990s):** Reliance emerged as a major player in the petrochemicals industry with the commissioning of its first integrated petrochemical complex at Hazira, Gujarat, in 1991. This marked the beginning of its dominance in the Indian petrochemicals market.
- Entry into Oil Refining (1990s):** Reliance ventured into oil refining with the establishment of the Jamnagar Refinery, the world's largest grassroots refinery complex, in the late 1990s. This significantly boosted its refining capacity and positioned it as a global player in the refining industry.
- Launch of Reliance Jio (2016):** Reliance Jio Infocomm Limited (Jio), a subsidiary of RIL, disrupted the Indian telecommunications market with the launch of its high-speed 4G network in September 2016. Jio's entry led to a significant reduction in data tariffs, widespread adoption of digital services, and increased competition among telecom operators.

5. **Expansion into Retail:** Reliance Retail, the retail arm of RIL, has witnessed rapid expansion and consolidation in recent years. Through acquisitions, partnerships, and organic growth, Reliance Retail has become one of the largest and most diversified retail chains in India, spanning multiple formats including supermarkets, hypermarkets, convenience stores, and e-commerce platforms.
6. **Vision for Green Energy:** In 2020, Mukesh Ambani, Chairman and Managing Director of RIL, announced the company's ambitious plan to become a net-zero carbon emitter by 2035. This includes investments in renewable energy, electric vehicles, and other sustainable initiatives, reflecting RIL's commitment to environmental stewardship and green growth.

These events represent significant milestones in Reliance Industries Limited's journey, highlighting its evolution from a textile manufacturer to a diversified conglomerate with interests spanning petrochemicals, refining, telecommunications, retail, and green energy.

