

RELIANCE

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Markets for You

02 Aug 2017

Indices Performance

Global Indices	01-Aug	Prev_Day	Abs. Change	% Change [#]
Dow Jones	21,964	21,891	73	0.33
Nasdaq	6,363	6,348	15	0.23
FTSE	7,424	7,372	52	0.70
Nikkei	19,986	19,925	61	0.30
Hang Seng	27,540	27,324	216	0.79
Indian Indices	01-Aug	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	32,575	32,515	60	0.19
Nifty 50	10,115	10,077	38	0.37
Nifty 100	10,448	10,418	30	0.29
Nifty Bank	25,123	25,104	19	0.08
SGX Nifty	10,160	10,102	58	0.57
S&P BSE Power	2,322	2,324	-2	-0.08
S&P BSE Small Cap	16,075	16,094	-19	-0.12
S&P BSE HC	14,222	14,195	26	0.19

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
1-Aug	24.43	1.20	25.75	0.95
Month Ago	22.64	1.27	24.23	1.12
Year Ago	20.74	1.39	23.61	1.27

Nifty 50 Top 3 Gainers

Company	01-Aug	Prev_Day	% Change [#]
Eicher Motors	31505	30081	4.73
Tech Mahindra	402	386	4.30
Indiabulls HFC	1225	1175	4.25

Nifty 50 Top 3 Losers

Company	01-Aug	Prev_Day	% Change [#]
BOB	164	166	-1.54
Lupin	1018	1032	-1.37
ONGC	167	169	-1.18

Advance Decline Ratio

	BSE	NSE
Advances	1030	644
Declines	1656	1044
Unchanged	153	83

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-1218	57297
MF Flows**	-169	49302

*1st Aug 2017; **27th Jul 2017

Economic Indicator

YoY(%)	Current	Quarter Ago	Year Ago
WPI	0.90% (Jun-17)	5.11% (Mar-17)	-0.09% (Jun-16)
IIP	1.70% (May-17)	0.80% (Feb-17)	8.00% (May-16)
GDP	6.10% (Mar-17)	7.00% (Dec-16)	9.20% (Mar -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 of the Asian markets closed in the green, boosted by strong corporate earnings in Japan, and upbeat Purchasing Managers' Index (PMI) in China. Latest survey by Caixin showed that China's manufacturing PMI grew to 51.1 in Jul 2017. The positive factors helped overshadow the ongoing geopolitical concerns. Today (As of Aug 2), Asian markets opened higher on positive U.S. and European economic data and stronger earnings of a major U.S. technology company. Both Nikkei Average and Hang Seng were up 0.37% and 0.46%, respectively. (as at 8.a.m. IST).
- As per the last close, European market ended on a positive note amid strong corporate earnings, rising crude oil prices and upbeat economic data.
- As per the last close, U.S. markets ended on a positive note following better than expected corporate results. However, gains were capped as investors preferred to remain on the sidelines ahead of the release of the monthly jobs report on Aug 4.

Indian Equity Market

- The Indian equity market hit a new high ahead of the Monetary Policy Committee's (MPC) rate decision scheduled on Aug 2. Expectations of a rate cut by MPC and positive cues from the other regional peers helped the market to outweigh the contraction of manufacturing sector. The Nikkei Purchasing Managers' Index (PMI) for manufacturing sector fell to 47.9 in Jul 2017 from 50.9 in Jun 2017, marking the first reading below the 50-mark since Dec 2016 and lowest mark since Feb 2009. The PMI data indicated that the introduction of the Goods and Services Tax weighed on the domestic manufacturing industry in Jul.
- Key benchmark indices S&P BSE Sensex and Nifty 50 gained 0.19% and 0.37% to close at 32,575.17 and 10,114.65, respectively. S&P BSE Mid-Cap gained 0.45% and S&P BSE Small-Cap moved down 0.12%.
- On the BSE sectoral front, most of the indices closed in the green barring S&P BSE CD (-0.75%), S&P BSE CG (-0.37%), S&P BSE Telecom (-0.37%), and S&P BSE Power (-0.08%). S&P BSE Auto (1.57%) stood as the major gainer followed by S&P BSE Metal (1.02%). S&P BSE Auto gained following improved sales number reported by a major car manufacturer.

Domestic News

- India's manufacturing sector contracted to its lowest level since Feb 2009, which could be attributed to the introduction of the Goods and Services Tax (GST). India's Purchasing Managers' Index (PMI) fell to 47.9 in Jul 2017 from 50.9 in Jun 2017. The downturn was widespread across the three broad areas of manufacturing, with intermediate goods producers the worst affected. Both new orders and output contracted for the first time since the demonetisation-related downturn recorded in Dec 2016.
- The Reserve Bank of India (RBI) has urged banks to work on account number portability. Also, it urged banks to work on providing more options to the new generation of customers who are more technology savvy. RBI expects these steps to help in improving customer service.
- RBI is planning to organise a cyber-audit of all banks in India as against fewer banks in the past. The change in policy comes amid the need of cyber audit owing to the increase in cyber-attacks. Also, banks that do not currently have security measures in place will be given time to comply with the same. However, failing to comply would result in an action.
- Tata Motors reported 7% YoY rise in total sales to 46,216 units in Jul 2017 from 43,160 units sold in the same month last year. Commercial and passenger vehicles went up 13.2% to 42,775 units in the report period from 37,789 in Jul 2016.
- Online ticketing company BookMyShow has acquired Nfusion, a digital entertainment company, for an undisclosed amount in an all cash deal. The acquisition is part of BookMyShow's plans to expand the scope of its operations beyond just online movie ticketing.
- Mahindra & Mahindra (M&M) reported 6% rise in its overall sales to 41,747 units in Jul 2017 from 39,458 units sold during Jul 2016. Domestic sales increased 13% to 39,762 vehicles from 35,305 units sold during Jul 2016.

FII Derivative Trade Statistics		01-Aug		
(Rs Cr)	Buy	Sell	Open Int.	
Index Futures	631.71	1057.43	18544.18	
Index Options	25465.93	24185.08	66937.99	
Stock Futures	7003.72	6801.74	54705.67	
Stock Options	6705.05	6365.41	4222.97	
Total	39806.41	38409.66	144410.81	

Derivative Statistics- Nifty Options			
	01-Aug	Prev_Day	Change
Put Call Ratio (OI)	1.28	1.31	-0.03
Put Call Ratio(Vol)	1.01	1.08	-0.07

Debt Watch				
	01-Aug	Wk. Ago	Mth. Ago	Year Ago
Call Rate	6.11%	6.08%	6.11%	6.37%
CBLO	6.19%	6.24%	6.18%	6.36%
Repo	6.25%	6.25%	6.25%	6.50%
Reverse Repo	6.00%	6.00%	6.00%	6.00%
91 Day T-Bill	6.11%	6.09%	6.28%	6.52%
364 Day T-Bill	6.22%	6.22%	6.35%	6.66%
10 Year Gilt	6.44%	6.43%	6.51%	7.14%
G-Sec Vol. (Rs.Cr)	61724	51274	53131	116007
1 Month CP Rate	6.46%	6.41%	6.56%	6.96%
3 Month CP Rate	6.59%	6.51%	6.69%	7.20%
5 Year Corp Bond	7.16%	7.16%	7.32%	7.59%
1 Month CD Rate	6.23%	6.25%	6.33%	6.50%
3 Month CD Rate	6.21%	6.23%	6.35%	6.62%
1 Year CD Rate	6.53%	6.51%	6.69%	7.24%

Currency Market			
Currency	01-Aug	Prev_Day	Change
USD/INR	64.07	64.08	-0.01
GBP/INR	84.62	84.16	0.46
EURO/INR	75.74	75.22	0.52
JPY/INR	0.58	0.58	0.00

Commodity Prices				
Commodity	01-Aug	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	49.14	47.76	45.97	40.00
Brent Crude(\$/bl)	51.04	49.13	47.12	39.76
Gold(\$/oz)	1269	1249	1241	1353
Gold(Rs./10 gm)	28544	28423	28803	31076

Source: ICRON Research

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

Derivatives Market

- Nifty Aug 2017 Futures were at 10,138.45, a premium of 23.80 points above the spot closing of 10,114.65. The turnover on NSE's Futures and Options segment went up from Rs. 3,38,647.73 crore on Jul 31 to Rs. 3,41,279.74 crore on Aug 1.
- The Put-Call ratio stood at 0.87 compared with the previous session's close of 0.82.
- The Nifty Put-Call ratio stood at 1.31 compared with the previous session's close of 1.28.
- The open interest on Nifty Futures stood at 21.14 million as against previous session's close of 20.89 million.

Indian Debt Market

- Bond yields fell amid reports that the Reserve Bank of India (RBI) may submit a revised proposal on listing sovereign debt on Euroclear, the world's largest bond clearing platform. The move is expected to raise exposure of the nation's debt issuances globally and attract foreign capital crucial to boost economic growth.
- Yield on the 10-year benchmark paper (6.79% GS 2027) fell 3 bps to 6.44% from 6.47% in the previous trading session. During the session, bond yields traded in the range of 6.43% and 6.47%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 3,710 crore (gross) on Aug 1, up from Rs. 2,475 crore (gross) borrowing on Jul 31. Sale of securities under RBI's reverse repo window stood at Rs. 16,013 crore on Jul 31.
- Banks borrowed Rs. 675 crore under the central bank's Marginal Standing Facility on Jul 31, while there was no borrowing on Jul 28.

Currency Market Update

- The Indian rupee rose against the U.S. dollar after greenback weakened on concerns that political turmoil may intensify in the U.S. raising doubts regarding the U.S. President's reform agenda. The rupee rose 0.17% to close at 64.07 per dollar from the previous close of 64.18.
- The euro weakened against the greenback after core personal consumption expenditures price index, excluding food and energy, in the U.S. rose in Jun 2017 and came along market expectations. Euro was trading at \$1.1815, down 0.21% compared with the previous close of \$1.1840.

Commodity Market Update

- Gold prices traded lower as investors awaited a series of key U.S. economic data.
- Brent crude prices traded near the 2-month high amid easing concerns over global supply glut, and growing demand.

International News

- A report from the IHS Markit showed that euro zone's manufacturing activity in Jul 2017 came in slightly lower than preliminary expectations. The manufacturing Purchasing Managers' Index (PMI) fell to 56.6 in Jul from 57.4 in Jun 2017. However, it remained above the score of 50 for the 49th month in a row.
- According to a survey data from the IHS Markit, China's Caixin manufacturing PMI surpassed market expectations and surprisingly grew to 51.1 in Jul 2017 from 50.4 in Jun 2017.
- A report from Nikkei showed that Japan's manufacturing PMI stood at 52.1 in Jul 2017, down from 52.4 in Jun 2017. However, it was above 50, thereby reflecting expansion. Weak rise in exports was offset by a rise in demand for high-tech manufactures.



Thank you for
your time.