

RELIANCE

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FUND

Markets for You

06 Aug 2018

Indices Performance

Global Indices	03-Aug	Prev_Day	Abs. Change	% Change [#]
Dow Jones	25,463	25,326	136	0.54
Nasdaq	7,812	7,803	9	0.12
FTSE	7,659	7,576	83	1.10
Nikkei	22,525	22,513	13	0.06
Hang Seng	27,676	27,715	-38	-0.14
Indian Indices	03-Aug	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	37,556	37,165	391	1.05
Nifty 50	11,361	11,245	116	1.03
Nifty 100	11,649	11,536	113	0.98
Nifty Bank	27,696	27,356	340	1.24
SGX Nifty	11,398	11,278	120	1.06
S&P BSE Power	1,992	1,981	11	0.54
S&P BSE Small Cap	16,834	16,640	194	1.16
S&P BSE HC	14,675	14,511	163	1.13

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
3-Aug	23.97	1.18	28.23	1.18
Month Ago	22.57	1.24	25.85	1.22
Year Ago	24.33	1.20	25.50	0.96

Nifty 50 Top 3 Gainers

Company	03-Aug	Prev_Day	% Change [#]
Indiabulls HFC	1378	1299	6.08
Axis Bank	575	547	5.03
Vedanta Limited	222	214	3.85

Nifty 50 Top 3 Losers

Company	03-Aug	Prev_Day	% Change [#]
Ambuja Cem	226	229	-1.18
Tech Mahindra	663	669	-0.93
Tata Motors	258	261	-0.92

Advance Decline Ratio

	BSE	NSE
Advances	1768	1284
Declines	937	548
Unchanged	145	73

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-553	-3706
MF Flows**	-238	72360

*3rd Aug 2018; **1st Aug 2018

Economic Indicator

YoY(%)	Current	Quarter Ago	Year Ago
CPI	5.00% (Jun-18)	4.28% (Mar-18)	1.46% (Jun-17)
IIP	3.20% (May-18)	6.90% (Feb-18)	2.90% (May-17)
GDP	7.70% (Mar-18)	7.00% (Dec-17)	6.10% (Mar-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 markets ended lower as investors remained cautious of the trade war between the U.S. and China and the release of U.S. jobs data scheduled later in the day. Also, China services data growth pace slowed in Jul 2018. Today (as of Aug 6), Asian markets opened mostly higher following positive cues from Wall Street last session. While Nikkei was trading down 0.13%, Hang Seng was up 0.76% (as at 8 a.m. IST).
- As per the last close, European markets closed higher despite weak Eurozone retail sales data for Jun 2018 and weak U.S. jobs data for Jul 2018. Weakness in the value of the Euro provided a boost to exporters, thereby leading to gains.
- As per the last close, U.S. markets closed almost higher following gains in a couple of technology stocks. Trade war concerns and widening of trade deficit in Jun 2018, capped the gains. Investors absorbed weak jobs data for Jul 2018. However, there were upward revisions to the increases in employment in May and Jun 2018.

Indian Equity Market

- Domestic equity markets inched higher after two consecutive days of loss. The India Meteorological Department estimating normal rains in Aug and Sep 2018, gains in financial stocks and positive Asian cues supported the bourses. Also, India's services sector growth for Jul 2018 came in strongest since Oct 2016.
- Key benchmark indices S&P BSE Sensex and Nifty 50 grew 1.05% and 1.03% to close at 37,556.16 and 11,360.80, respectively. S&P BSE Mid-Cap and S&P BSE Small Cap grew 0.93% and 1.16%, respectively.
- The overall market breadth on BSE was strong with 1768 scrips advancing and 937 scrips declining. A total of 145 scrips remained unchanged.
- On the BSE sectoral front, all the sectors gained. S&P BSE Bankex stood as the major gainer, up 1.64% followed by S&P BSE Consumer Durables that grew 1.52%. S&P BSE Metal and S&P BSE Finance grew 1.5% and 1.44%. S&P BSE Healthcare and S&P BSE Utilities grew 1.13% and 0.98%.

Domestic News

- Business activity saw the strongest growth in Jul 2018 since Oct 2016, according to a monthly survey. On the back of improved demand, seasonally adjusted Nikkei India Services Business Activity Index increased from 52.6 in Jun 2018 to 54.2 in Jul 2018. New businesses increased at the fastest pace since Jun 2017. A score above 50 means expansion and below 50 reflects contraction.
- According to media reports, the Securities and Exchange Board of India (SEBI) is in the final stages of allowing futures trading in petrol and diesel. The step will benefit more than 60,000 retail petrol pumps, small and big transporters, bulk users and diesel-consuming industries. ICEX commodity exchange has requested SEBI for permission to do futures trading in these two commodities. Unlike crude oil, prices of petrol and diesel are fixed once a day by oil marketing companies based on market forces. Till now, crude oil has been a proxy hedging product for these two commodities, which is not an accurate risk management tool.
- Niti Aayog is planning to make petrol blended with 15% methanol mandatory for passenger vehicles, according to media reports. It will soon run a pilot cabinet note on the issue. If the cabinet approves the proposal, at least 10% savings will be made on monthly petrol bills. The government will also be able to drastically reduce its oil import bill.
- Nestle India's net profit increased 49.5% YoY to Rs. 395 crore in the second quarter ended Jun 2018. Net sales went up 12.3% YoY at Rs. 2,698.4 crore as volume grew. Total sales and domestic sales rose 8.5% and 8%, respectively.
- Exide Industries Ltd, the industrial and automotive battery manufacturer, is planning to manufacture lithium-ion batteries at its recently acquired facility of Tudor India in the state of Gujarat. Exide took over Tudor India, a subsidiary of GNB Industrial Power (UK) Ltd, in Jun 2018. GNB Industrial Power (UK) Ltd is a part of Exide Technologies group. The unit, which manufactured and sold lead-acid storage batteries under the Prestolite brand, was shut for many years.

FII Derivative Trade Statistics			
	03-Aug		
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	2245.33	3315.32	23048.57
Index Options	92652.94	89304.18	54815.29
Stock Futures	11490.31	11774.77	81313.23
Stock Options	5458.77	5477.64	7282.45
Total	111847.35	109871.91	166459.54

Derivative Statistics- Nifty Options			
	03-Aug	Prev_Day	Change
Put Call Ratio (OI)	1.73	1.65	0.08
Put Call Ratio(Vol)	1.12	1.04	0.09

Debt Watch				
	03-Aug	Wk. Ago	Mth. Ago	Year Ago
Call Rate	6.37%	6.14%	6.11%	5.83%
CBLO	5.21%	6.21%	6.00%	5.87%
Repo	6.50%	6.25%	6.25%	6.00%
Reverse Repo	6.25%	6.00%	6.00%	5.75%
91 Day T-Bill	6.76%	6.70%	6.35%	6.07%
364 Day T-Bill	7.25%	7.23%	7.11%	6.17%
10 Year Gilt	7.76%	7.78%	7.88%	6.43%
G-Sec Vol. (Rs.Cr)	28593	18953	18157	85796
FBIL MIBOR	6.46%	6.27%	6.25%	6.00%
3 Month CP Rate	7.60%	7.50%	7.30%	6.61%
5 Year Corp Bond	8.66%	8.66%	8.83%	7.34%
1 Month CD Rate	6.69%	6.88%	6.55%	6.14%
3 Month CD Rate	7.03%	7.33%	6.78%	6.20%
1 Year CD Rate	7.96%	7.99%	8.11%	6.48%

Currency Market			
Currency	03-Aug	Prev_Day	Change
USD/INR	68.79	68.36	0.44
GBP/INR	89.52	89.52	-0.01
EURO/INR	79.67	79.57	0.10
JPY/INR	0.62	0.61	0.00

Commodity Prices				
Commodity	03-Aug	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	68.44	68.61	74.14	48.98
Brent Crude(\$/bl)	73.12	75.48	75.46	53.34
Gold(\$/oz)	1213	1223	1252	1268
Gold(Rs./10 gm)	29428	29722	30282	28374

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 August 2018 Futures closed at 11,395.75, a premium of 34.95 points, above the spot closing of 11,360.80. The turnover on NSE's Futures and Options segment decreased to Rs. 4,72,158.52 on Aug 03 compared with Rs. 14,44,021.12 on Aug 02.
- The Put-Call ratio stood at 0.97 against previous session's close of 0.81.
- The Nifty Put-Call ratio stood at 1.73 compared with the previous session's close of 1.65.
- Open interest on Nifty Futures stood at 27.46 million as against the previous session's close at 26.64 million.

Indian Debt Market

- Bond yields rose due to fresh supply of government bonds worth Rs. 12,000 crore that came in from the auction of five government stock. Though the Monetary Policy Committee has held a neutral stance, alleviating concerns over the pace of monetary tightening, the inflow of government bonds kept the yield at an elevated level.
- Yield on the 10-year benchmark paper (7.17% GS 2028) went up 4 bps to close at 7.76% as against its previous close of 7.72%. During the session, bond yields traded in the range of 7.74% and 7.77%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 5,938 crore (gross) on Aug 3, compared with Rs. 4,896 crore (gross) borrowed on Aug 02. Sale of securities under the Reserve Bank of India's (RBI) reverse repo window stood at Rs. 43,070 crore on Aug 02.

Currency Market Update

- The rupee appreciated against the greenback after the central bank of China announced to undertake measures that would aid in maintaining stability in yuan. The rupee improved 0.14% to close at 68.61 against the previous close of 68.70.
- The euro saw a marginal rise against the greenback after a data revealed lower-than-expected growth in U.S. jobs in July. Euro was last seen trading at \$1.1584, an improvement of 0.02% relative to the previous close of \$1.582.

Commodity Market Update

- Gold prices improved after dollar edged lower as a data showed lower-than-expected growth in the U.S. jobs market in July.
- Brent crude saw a marginal improvement though prices continued to remain below the 74-mark.

International News

- Commerce Department report showed a rise in imports and fall in exports. Thus, U.S. trade deficit widened in Jun 2018 to \$46.3 billion from \$43.2 billion in May 2018. Expectations were for \$46.5 billion trade deficit.
- U.S. jobs growth came in weaker than expected in Jul 2018 as government employment dropped. Non-farm payroll employment increased 157,000 jobs in Jul after spiking 248,000 jobs in Jun 2018. Expectations were for employment to rise by 190,000 jobs.
- IHS Markit data showed British services sector grew at its weakest pace in three months in Jul 2018. The IHS Markit/Chartered Institute of Procurement & Supply Purchasing Managers' Index decreased more than expected to 53.5 in Jul from 55.1 in Jun 2018.

Thank you for
your time.