

RELIANCE

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# Markets for You

08 Aug 2018

Indices Performance

Global Indices	07-Aug	Prev_Day	Abs. Change	% Change <sup>#</sup>
Dow Jones	25,629	25,502	127	0.50
Nasdaq	7,884	7,860	24	0.31
FTSE	7,718	7,664	55	0.71
Nikkei	22,663	22,507	155	0.69
Hang Seng	28,249	27,820	429	1.54
Indian Indices	07-Aug	Prev_Day	Abs. Change	% Change <sup>#</sup>
S&P BSE Sensex	37,666	37,692	-26	-0.07
Nifty 50	11,389	11,387	2	0.02
Nifty 100	11,676	11,674	1	0.01
Nifty Bank	27,876	27,899	-23	-0.08
SGX Nifty	11,426	Closed	NA	NA
S&P BSE Power	1,994	1,996	-2	-0.12
S&P BSE Small Cap	16,862	16,900	-37	-0.22
S&P BSE HC	14,551	14,614	-62	-0.43

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
7-Aug	24.11	1.17	28.26	1.18
Month Ago	22.71	1.24	26.62	1.21
Year Ago	24.24	1.21	25.67	0.96

Nifty 50 Top 3 Gainers

Company	07-Aug	Prev_Day	% Change <sup>#</sup>
Tata Steel	573	553	3.60
Asian Paints	1424	1397	1.92
Bajaj Finance	2747	2696	1.90

Nifty 50 Top 3 Losers

Company	07-Aug	Prev_Day	% Change <sup>#</sup>
Adani Ports & SEZ	372	397	-6.30
Coal India	275	283	-2.74
HPCL	289	294	-1.87

Advance Decline Ratio

	BSE	NSE
Advances	1245	792
Declines	1484	1021
Unchanged	146	83

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	447	-2851
MF Flows**	117	72502

\*7<sup>th</sup> Aug 2018; \*\*3<sup>rd</sup> Aug 2018

Economic Indicator

YoY(%)	Current	Quarter Ago	Year Ago
CPI	5.00%	4.28%	1.46%
	(Jun-18)	(Mar-18)	(Jun-17)
IIP	3.20%	6.90%	2.90%
	(May-18)	(Feb-18)	(May-17)
GDP	7.70%	7.00%	6.10%
	(Mar-18)	(Dec-17)	(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 went up as investors set aside the ongoing concerns over the trade row between U.S. and China and resorted to bargain hunting on recent beaten down stocks. Higher global crude oil prices and corporate earnings results from U.S. further contributed to the upside. Today (as of Aug 8), Asian markets opened higher following positive close on the Wall Street overnight. Both Nikkei and Hang Seng were trading up 0.25% and 0.32%, respectively (as at 8 a.m. IST).

• As per the last close, European markets closed on a positive note following rise in Asian equity market and investors monitored latest batch of corporate earnings. Sector wise, mining and energy stocks rose following rise in commodity prices. Automakers also was among the top performing stocks.

• As per the last close, U.S markets rose on continuous upbeat corporate earnings news that overlooked concerns about the ongoing trade dispute between the U.S. and China. Volumes were subdued as market participants remained on the sidelines due to absence of major U.S. economic data.

Indian Equity Market

• After witnessing a volatile session and touching a record high level during the initial hour, Indian markets pared all the gains and closed on a flat note. Profit booking along with concerns over higher crude oil prices kept the investors wary. Oil prices are expected to be impacted as U.S. sanction against Iran came into effect. Further a major PSU bank reported its second consecutive quarter of loss. However, respite was seen following gains of some global peers.

• Key benchmark index S&P BSE Sensex fell 0.07% to close at 37,665.80 and Nifty 50 grew 0.02% to close at 11,389.45.

• The overall market breadth on BSE was weak with 1245 scrips advancing and 1484 scrips declining. A total of 146 scrips remained unchanged.

• On the BSE sectoral front, S&P BSE Metal and S&P BSE Consumer Durables were the major gainers, up 1.27% and 1.25%, respectively. S&P BSE Basic Materials and S&P BSE Consumer Discretionary Goods and Services grew 0.71% and 0.45%, respectively. S&P BSE Auto and S&P BSE Teck grew 0.15% and 0.12%. The major losers were S&P BSE Finance and S&P BSE Power, down 0.09% and 0.12%, respectively.

Domestic News

• In order to relax capital rules for banks, the government will hold a discussion with the Reserve Bank of India (RBI). The rules will be brought in line with the less stringent Basel III guidelines. This can free up around Rs. 60,000 crore of capital at state-owned banks and will allow them to shore up lending.

• The National Highways Authority of India (NHAI) has set the base price for leasing out eight operational national highways with total length of 586 km under the toll-operate-transfer rights auction of public roads at Rs. 5,362 crore. Private parties will bid for collection of toll and maintenance of stretches for a period of 30 years. The eight highways are spread across West Bengal, Rajasthan and Bihar.

• Indian auto producers have planned capex of up to Rs. 58,000 crore over the next two years, according to reports. This is the highest outlay in a decade and reflects the companies' confidence in domestic demand prospects. It marks a 30% increase in capex compared with the past two fiscal years. The money is going to spent on new products and capacity expansion. Investments will also be made for compliance requirements.

• Punjab National Bank (PNB) reported a loss of Rs. 940 crore in the quarter ended Jun 2018. The state-run bank had made a profit of Rs. 343 crore in the corresponding period of the previous year. Sequentially the bank's performance was much better as it had reported a loss of Rs. 13,417 crore in the quarter ended Mar 2018. The improvement came on the back of recovering a big portion of its bad debts and cost-cutting measures such as closing international and domestic branches.

• Mahindra and Mahindra Ltd profit increased 63% in first quarter of 2018-19 because of robust sales. Standalone profit after tax came in at ₹1221 crore for the quarter ended Jun 2018 against Rs. 749 crore in the year-ago period. Revenue from operations increased more than 9% to Rs. 135.20 crore.

FII Derivative Trade Statistics	07-Aug		
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	1560.45	1706.72	26117.55
Index Options	51512.43	53460.93	58508.63
Stock Futures	11454.08	11105.55	82830.85
Stock Options	6297.87	6441.33	8272.44
Total	70824.83	72714.53	175729.47

Derivative Statistics- Nifty Options	07-Aug	Prev_Day	Change
Put Call Ratio (OI)	1.68	1.70	-0.02
Put Call Ratio(Vol)	1.15	1.10	0.05

Debt Watch	07-Aug	Wk. Ago	Mth. Ago	Year Ago
Call Rate	6.33%	6.16%	6.15%	5.94%
CBLO	6.34%	6.24%	4.99%	5.97%
Repo	6.50%	6.25%	6.25%	6.00%
Reverse Repo	6.25%	6.00%	6.00%	5.75%
91 Day T-Bill	6.77%	6.69%	6.33%	6.13%
364 Day T-Bill	7.23%	7.24%	7.16%	6.19%
10 Year Gilt	7.79%	7.77%	7.87%	6.46%
G-Sec Vol. (Rs.Cr)	26784	26766	17580	26304
FBIL MIBOR	6.45%	6.25%	6.19%	6.00%
3 Month CP Rate	7.55%	7.50%	7.20%	6.57%
5 Year Corp Bond	8.65%	8.64%	8.86%	7.36%
1 Month CD Rate	6.60%	6.89%	6.30%	6.14%
3 Month CD Rate	7.20%	7.30%	7.00%	6.18%
1 Year CD Rate	7.95%	8.06%	8.12%	6.48%

Currency Market	07-Aug	Prev_Day	Change
Currency			
USD/INR	68.80	68.68	0.12
GBP/INR	89.14	89.26	-0.12
EURO/INR	79.56	79.38	0.18
JPY/INR	0.62	0.62	0.00

Commodity Prices	07-Aug	Wk Ago	Mth. Ago	Year Ago
Commodity				
NYMEX Crude(\$/bl)	69.12	69.25	73.73	49.32
Brent Crude(\$/bl)	71.50	74.80	74.57	51.91
Gold(\$/oz)	1211	1223	1254	1257
Gold(Rs./10 gm)	29521	29660	30540	28554

Source: Thomson Reuters Eikon

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#### Derivatives Market

- Nifty August 2018 Futures closed at 11,418.35, a premium of 28.90 points, above the spot closing of 11,389.45. The turnover on NSE's Futures and Options segment increased to Rs. 5,62,374.58 on Aug 07 compared with Rs. 5,38,996.34 on Aug 06.
- The Put-Call ratio stood at .99 against previous session's close of 1.00.
- The Nifty Put-Call ratio stood at 1.68 compared with the previous session's close of 1.70.
- Open interest on Nifty Futures stood at 28.02 million as against the previous session's close at 27.64 million.

#### Indian Debt Market

- Bond yields inched up following the rise in crude oil prices as Iran received a sanction from the U.S., which is anticipated to tighten global oil supply. Further, fresh supply of government bonds worth around Rs 12,700 crore through the auction by 11 Indian states kept the yield at an elevated level.
- Yield on the 10-year benchmark paper (7.17% GS 2028) inched up 2 bps to close at 7.79% as against its previous close of 7.77%. During the session, bond yields traded in the range of 7.76% and 7.79%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 4,281 crore (gross) on Aug 7, compared with Rs. 4,416 crore (gross) borrowed on Aug 6. Sale of securities under the Reserve Bank of India's (RBI) reverse repo window stood at Rs. 28,994 crore on Aug 6.

#### Currency Market Update

- The rupee strengthened against the greenback supported by dollar sales by exporters. The rupee appreciated 0.29% to close at 68.68 against the previous close of 68.88.
- The euro edged up against the greenback as market participants believe that the dollar rally owing to the trade tension between U.S. and China may cease soon. Euro was last seen trading at \$1.1601, up 0.42% relative to the previous close of \$1.553.

#### Commodity Market Update

- Gold prices moved up as some traders were encouraged to buy the bullion after its recent losses and a soft dollar.
- Brent crude rose on supply worries after U.S. introduced its economic sanction against Iran as a result of which it would cease importing crude oil from the key exporter.

#### International News

- Data from Destatis showed that trade surplus of Germany fell to a seasonally adjusted €19.3 billion in Jun from € 20.4 billion in May. Exports witnessed nil growth on a monthly basis in Jun after rising 1.7% in May. Imports grew 1.2% on a monthly in Jun 2018 after rising 0.7% in May 2018. On a yearly basis, exports grew 7.8% in Jun after rising 1.3% in May. Imports rose at a faster pace of 10.2% in Jun after increasing 0.9% in the previous month.
- Data from Lloyds bank subsidiary Halifax and IHS Markit showed that UK house prices increased at a faster pace in July to hit a record high level. House prices grew 1.4% on a monthly basis in Jul 2018 after rising 0.9% in Jun 2018. In three months to July, house prices grew 3.3% from 1.8% in the quarter ended June.

Thank you for  
your time.