

**RELIANCE**

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FUND

# Markets for You

10 Aug 2017

**Indices Performance**

Global Indices	09-Aug	Prev_Day	Abs. Change	% Change <sup>#</sup>
Dow Jones	22,049	22,085	-37	-0.17
Nasdaq	6,352	6,370	-18	-0.28
FTSE	7,498	7,543	-45	-0.59
Nikkei	19,739	19,996	-257	-1.29
Hang Seng	27,757	27,855	-98	-0.35
Indian Indices	09-Aug	Prev_Day	Abs. Change	% Change <sup>#</sup>
S&P BSE Sensex	31,798	32,014	-216	-0.68
Nifty 50	9,908	9,979	-71	-0.71
Nifty 100	10,255	10,345	-90	-0.87
Nifty Bank	24,375	24,600	-225	-0.91
SGX Nifty	9,912	10,008	-96	-0.96
S&P BSE Power	2,288	2,298	-10	-0.44
S&P BSE Small Cap	15,635	15,904	-270	-1.69
S&P BSE HC	13,195	13,706	-511	-3.73

**P/E Dividend Yield**

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
9-Aug	23.91	1.23	25.31	0.97
Month Ago	23.06	1.24	24.60	1.10
Year Ago	20.75	1.39	23.73	1.26

**Nifty 50 Top 3 Gainers**

Company	09-Aug	Prev_Day	% Change <sup>#</sup>
Hindalco	239	235	1.94
NTPC	174	171	1.46
ONGC	166	164	1.04

**Nifty 50 Top 3 Losers**

Company	09-Aug	Prev_Day	% Change <sup>#</sup>
Aurobindo Pharma	684	726	-5.88
Sun Pharma	474	500	-5.20
Adani Ports & SEZ	397	415	-4.23

**Advance Decline Ratio**

	BSE	NSE
Advances	575	328
Declines	2003	1363
Unchanged	119	54

**Institutional Flows (Equity)**

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	1898	57864
MF Flows**	1383	55820

\*9<sup>th</sup> Aug 2017; \*\*4<sup>th</sup> Aug 2017

**Economic Indicator**

YoY(%)	Current	Quarter Ago	Year Ago
WPI	0.90% (Jun-17)	5.29% (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**

- Asian markets closed in the red amid rising geo-political tension between North Korea and the U.S. Lower-than-expected Chinese consumer inflation data and stronger yen further weighed on market sentiment. Meanwhile, consumer prices in China rose 1.4% YoY in Jul 2017 and producer prices held steady at 5.5% in Jul, but both the data missed market's expectations. Today (As of Aug 10), Asian markets opened on mixed note. Most major indices recovered after posting steep falls on geopolitical tensions involving North Korea in the previous session. While Nikkei Average was up 0.07%, Hang Seng was down 0.65% (as at 8.a.m. IST).
- As per the last close, European market ended on a negative note amid geopolitical concerns due to continued increase in tensions between the U.S. and North Korea. Investors shifted away from stocks to safe-haven options while exiting riskier investments.
- As per the last close, U.S markets ended on negative note amid geopolitical concerns due to continued increase in tensions between the U.S. and North Korea. Sector wise, weakness was seen in oil service, tobacco, steel and networking stocks.

**Indian Equity Market**

- Indian equity markets extended the losses for the third consecutive session with investor sentiment remaining low as a result of the Securities and Exchange Board of India's imposition of trading restrictions on 331 companies, suspected to be used as medium for various financial manipulations. Renewed signs of geo-political tension also kept the markets under pressure after media reports stated that North Korea is considering strikes near U.S. strategic military installations in Guam with its intermediate range ballistic missiles.
- Key benchmark indices S&P BSE Sensex and Nifty 50 fell 0.68% and 0.71% to close at 31,797.84 and 9,908.05, respectively. S&P BSE Mid-Cap and S&P BSE Small-Cap slipped 1.66% and 1.69%, respectively.
- The market breadth on BSE was weak with 2,003 scrips declining and 575 scrips advancing. A total of 119 scrips remained unchanged.
- On the BSE sectoral front, all the indices closed in the red. S&P BSE Healthcare was the major loser, down 3.73%, followed by S&P BSE Industrials and S&P BSE Auto, which slipped 2.06% and 1.68%, respectively. S&P BSE Basic Materials and S&P BSE Finance went down 1.31% and 1.12%, respectively.

**Domestic News**

- The Reserve Bank of India announced that so far investments in Sovereign Gold Bonds have been worth Rs. 6,030 crore. The scheme was launched in Nov 2015 by the government with an aim to lower the demand for physical gold and shift a part of the domestic savings that is used for purchase of gold into financial savings. The bonds have so far issued 9 tranches.
- The Minister of State for Agriculture announced that India's agriculture sector received foreign direct investment (FDI) worth Rs. 354.77 crore during Apr-May 2017. Meanwhile, FDI in the agriculture sector during the FY16-17 was Rs. 515.49 crore as against Rs. 553.14 in the year-ago period.
- According to the finance minister, the government's expenditure went up more than 27% in Apr-Jun period of FY17-18 to over Rs. 65,0731 crore. This is due to Budget advancement by a month to Feb 1 which has helped to utilize the working season of the first quarter (Apr-Jun of 2017-18). Earlier, when the budget got approved in mid-May, the spending would start only in the second quarter.
- According to media reports, India's retail inflation likely grew 1.87% in Jul 2017 as against growth of 1.54% in Jun 2017. However, it remained well below the central bank's medium-term target of 4%. Most of the increase came in because of food inflation, especially prices of vegetables.
- According to the Minister of State for Finance, the Income Tax department has detected undisclosed income of Rs. 13,715 crore through surveys in 2016-17. Meanwhile, as many as 126 billion new taxpayers were added in 2016-17.
- Tata Motors has reported 42% increase in net profit to Rs. 3,182 crore for the quarter ended Jun 30, from Rs. 2,236 crore a year earlier. However, the company's total income fell 10% to Rs. 59,972 crore as against Rs. 66,339 crore a year ago.
- Bank of India has reported a net profit of Rs. 87.71 crore in the quarter ended Jun 30, as against loss of Rs. 741 crore a year earlier, mainly due to narrowing of bad loan ratio and decline in loan-loss provisions.

FII Derivative Trade Statistics		09-Aug		
(Rs Cr)	Buy	Sell	Open Int.	
Index Futures	1556.95	1974.02	21221.39	
Index Options	85445.55	84160.01	76414.14	
Stock Futures	8080.51	8054.36	56220.82	
Stock Options	8725.69	8656.28	8325.33	
Total	103808.70	102844.67	162181.68	

Derivative Statistics- Nifty Options			
	09-Aug	Prev_Day	Change
Put Call Ratio (OI)	1.13	1.15	-0.02
Put Call Ratio(Vol)	1.00	1.03	-0.02

Debt Watch				
	09-Aug	Wk. Ago	Mth. Ago	Year Ago
Call Rate	5.91%	6.05%	6.09%	6.48%
CBLO	6.02%	6.18%	4.95%	6.60%
Repo	6.00%	6.00%	6.25%	6.50%
Reverse Repo	5.75%	5.75%	6.00%	6.00%
91 Day T-Bill	6.14%	6.14%	6.27%	6.54%
364 Day T-Bill	6.22%	6.23%	6.32%	6.65%
10 Year Gilt	6.47%	6.46%	6.53%	7.12%
G-Sec Vol. (Rs.Cr)	26849	64866	53756	150065
1 Month CP Rate	6.43%	6.48%	6.55%	6.85%
3 Month CP Rate	6.58%	6.60%	6.67%	7.06%
5 Year Corp Bond	7.09%	7.14%	7.30%	7.59%
1 Month CD Rate	6.12%	6.16%	6.28%	6.48%
3 Month CD Rate	6.19%	6.21%	6.35%	6.65%
1 Year CD Rate	6.49%	6.49%	6.66%	7.25%

Currency Market			
Currency	09-Aug	Prev_Day	Change
USD/INR	63.75	63.74	0.01
GBP/INR	82.92	83.15	-0.22
EURO/INR	74.86	75.29	-0.43
JPY/INR	0.58	0.58	0.00

Commodity Prices				
Commodity	09-Aug	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	49.54	49.55	44.20	42.73
Brent Crude(\$/bl)	52.52	52.53	46.71	42.96
Gold( \$/oz)	1277	1266	1213	1340
Gold(Rs./10 gm)	28560	28467	28009	30895

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 9,926.70, a premium of 18.65 points above the spot closing of 9,908.05. The turnover on NSE's Futures and Options segment went up from Rs. 7,25,969.57 crore on Aug 8 to Rs. 7,33,230.49 crore on Aug 9.
- The Put-Call ratio stood at 0.83 against previous session's close of 0.92.
- The Nifty Put-Call ratio stood at 1.13 compared with the previous session's close of 1.15.
- The open interest on Nifty Futures stood at 24.68 million as against previous session's close of 24.36 million.

#### Indian Debt Market

- Bond yields rose as investors sold debt papers ahead of weekly auctions due on Aug 11. Meanwhile, the Reserve Bank of India announced to conduct open market operations on Aug 10.
- Yield on the 10-year benchmark paper (6.79% GS 2027) rose 1 bps to 6.47% from 6.46% in the previous trading session. During the session, bond yields traded in the range of 6.45% and 6.47%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 9,360 crore (gross) on Aug 9, higher than Rs. 8,620 crore (gross) borrowing on Aug 8. Sale of securities under RBI's reverse repo window stood at Rs. 7,065 crore on Aug 8.
- Banks did not borrow under the central bank's Marginal Standing Facility on Aug 8 as against borrowing of Rs. 830 crore on Aug 7.

#### Currency Market Update

- The Indian rupee weakened against the U.S. dollar following losses in the domestic equity market. Investors were also cautious ahead of key U.S. data to be released in coming days. The rupee fell 0.32% to close at 63.83 per dollar from the previous close of 63.63 per dollar.
- The euro weakened against the U.S. dollar as investors were cautious ahead of U.S. producer price and consumer price inflation data to be released this week. Euro was trading at \$1.1738, down 0.09% compared with the previous close of \$1.1749.

#### Commodity Market Update

- Gold prices grew following the U.S. President issuing a warning to North Korea to stop threatening the U.S with nuclear missiles.
- Brent crude prices went down as investors awaited weekly stockpile data of crude and refined products from the U.S.

#### International News

- According to the Bank of France, the French economy is forecasted to grow at 0.5% in the third quarter of 2017, the same pace as was seen in the second quarter.
- According to the National Bureau of Statistics, China's inflation eased to 1.4% YoY in Jul 2017 from 1.5% in Jun 2017. Inflation was way below 3% target for the whole 2017 set by the government. Food prices fell 1.1% YoY while non-food prices grew 2.0% YoY in Jul. On a monthly basis, consumer prices edged up 0.1%, in contrast to a 0.2% drop in Jun.

Thank you for  
your time.