

RELIANCE

MUTUAL
FUND

Markets for You

10 Aug 2018

Indices Performance

Global Indices	09-Aug	Prev_Day	Abs. Change	% Change [#]
Dow Jones	25,509	25,584	-75	-0.29
Nasdaq	7,892	7,888	3	0.04
FTSE	7,742	7,777	-35	-0.45
Nikkei	22,598	22,644	-46	-0.20
Hang Seng	28,607	28,359	248	0.88
Indian Indices	09-Aug	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	38,024	37,888	137	0.36
Nifty 50	11,471	11,450	21	0.18
Nifty 100	11,756	11,732	24	0.21
Nifty Bank	28,320	28,062	258	0.92
SGX Nifty	11,488	11,478	10	0.09
S&P BSE Power	2,008	1,988	20	1.02
S&P BSE Small Cap	16,917	16,868	49	0.29
S&P BSE HC	14,403	14,503	-99	-0.69

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
9-Aug	24.42	1.16	28.11	1.17
Month Ago	23.02	1.22	26.82	1.20
Year Ago	23.91	1.23	25.31	0.97

Nifty 50 Top 3 Gainers

Company	09-Aug	Prev_Day	% Change [#]
ICICI Bank	333	319	4.49
Axis Bank	621	596	4.15
Hindalco	227	221	3.11

Nifty 50 Top 3 Losers

Company	09-Aug	Prev_Day	% Change [#]
Bharti Airtel	367	385	-4.74
Cipla	619	633	-2.12
ONGC	169	173	-2.09

Advance Decline Ratio

	BSE	NSE
Advances	1331	924
Declines	1351	882
Unchanged	146	85

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	917	-1822
MF Flows**	15	72753

*9th Aug 2018; **7th 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 were mixed as trade war concerns intensified after China announced counter tariffs against U.S.' move to raise duty on Chinese imports. U.S.' stating that it would soon put new sanctions on Russia made investors wary. Nevertheless, increase in consumer inflation in China buoyed the markets of the country. Today (as of Aug 10), Asian markets opened on a mixed note following mixed cues from Wall Street's last session. Weakness in mining stocks weighed on the indices. Nikkei fell 0.46% and Hangseng rose 0.12% (as at 8.a.m. IST).
- As per the last close, European markets closed on a mixed note. Concerns over intensifying trade dispute between U.S. and China weighed on the indices. However, gains in retail stocks boosted the indices. Further, investors remained focused towards mixed corporate earnings results.
- As per the last close, U.S markets closed on a mixed note. Lingering trade war concerns weighed on the market sentiment. However, gains in technology stocks and upbeat corporate earnings results capped the losses.

Indian Equity Market

- Indian Equity markets closed in the green touching new highs with Sensex surpassing 38,000 mark for the first time. Gains in banking stocks following announcement by the Reserve Bank of India to pay dividend of Rs. 50,000 crore to the government, in line with the Union Budget provisions boosted the indices. Uninterrupted foreign and domestic fund inflows and optimism over corporate earnings added to the gains. Further, buying interest in realty and FMCG stocks also led to gains.
- Key benchmark indices S&P BSE Sensex and Nifty 50 grew 0.36% and 0.18% to close at 38,024.37 and 11,470.70, respectively. S&P BSE Mid-Cap and S&P BSE Small Cap grew 0.59% and 0.29%.
- On the BSE sectoral front, S&P BSE Realty stood as the major gainer, up 2.39% followed by S&P BSE Metal that grew 1.37%. S&P BSE Bankex and S&P BSE Power grew 1.32% and 1.02%. S&P BSE Telecom stood as the major loser and was down 1.31%, followed by S&P BSE Consumer Durables that fell 0.87%. S&P BSE Healthcare and S&P BSE Capital Goods fell 0.69% and 0.28%, respectively.

Domestic News

- The government is all set to launch a new industrial policy that will aim to fasten regulatory reforms and lower power tariffs. This will make businesses more competitive and create more jobs. The Department of Industrial Policy and Promotion (DIPP) is in the final stages and will present the new policy to the cabinet for its approval in the next two weeks. The proposals will streamline matters regarding labour laws, taxation provisions and land leasing.
- According to the income tax department, it will only take up high tax evasion cases under scrutiny. Under assessment year 2017-18, 6.86 crore returns have been filed and such cases account for about 0.35% of it. Out of the 0.35%, 0.15% are for 'limited scrutiny' and 0.20% for 'full scrutiny'.
- According to a report, optimism level among the country's chief financial officers for the Jul-Sep period has gone up compared with the previous quarter. Distribution of rainfall, raw material costs and revival in demand will be the deciding factors in the future, the report said. The Dun & Bradstreet Composite CFO Optimism Index for the third quarter of 2018 was unchanged YoY but increased 9.6% on a QoQ basis. CFOs' optimism hinges around factors such overall financial health of their companies, business risk environment and macroeconomic scenario.
- According to media reports, Essar Oil and Gas Exploration and Production announced that it has signed a 15-year Gas Sale and Purchase Agreement (GSPA) with state-run gas utility GAIL. Under the contract, the company will be able to monetize its entire coal bed methane production of 2.3 mmscmd from the Raniganj East block at a globally competitive price.
- According to media reports, Larsen & Toubro's power business has bagged an order worth Rs. 1,080 crore. The company has got two orders for setting up flue gas desulphurization systems at its supercritical thermal power plants at Khargone in Madhya Pradesh and at Lara in Chhattisgarh.

FII Derivative Trade Statistics		09-Aug	
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	2863.78	2204.82	27737.94
Index Options	92342.34	92974.78	60824.38
Stock Futures	10878.12	10793.21	83926.73
Stock Options	5546.71	5706.08	9470.90
Total	111630.95	111678.89	181959.95

Derivative Statistics- Nifty Options			
	09-Aug	Prev_Day	Change
Put Call Ratio (OI)	1.80	1.77	0.03
Put Call Ratio(Vol)	1.23	1.20	0.03

Debt Watch				
	09-Aug	Wk. Ago	Mth. Ago	Year Ago
Call Rate	6.38%	6.34%	6.18%	5.91%
CBLO	6.52%	6.38%	6.10%	6.02%
Repo	6.50%	6.50%	6.25%	6.00%
Reverse Repo	6.25%	6.25%	6.00%	5.75%
91 Day T-Bill	6.67%	6.76%	6.34%	6.14%
364 Day T-Bill	7.26%	7.25%	7.13%	6.22%
10 Year Gilt	7.75%	7.72%	7.89%	6.47%
G-Sec Vol. (Rs.Cr)	36452	51915	12798	26849
FBIL MIBOR	6.53%	6.46%	6.25%	6.04%
3 Month CP Rate	7.50%	7.65%	7.15%	6.58%
5 Year Corp Bond	8.61%	8.61%	8.86%	7.38%
1 Month CD Rate	6.63%	6.72%	6.33%	6.12%
3 Month CD Rate	7.12%	7.18%	7.01%	6.19%
1 Year CD Rate	7.95%	7.95%	8.15%	6.49%

Currency Market			
Currency	09-Aug	Prev_Day	Change
USD/INR	68.62	68.65	-0.02
GBP/INR	88.35	88.82	-0.47
EURO/INR	79.63	79.72	-0.08
JPY/INR	0.62	0.62	0.00

Commodity Prices				
Commodity	09-Aug	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	66.76	68.90	73.88	49.54
Brent Crude(\$/bl)	69.74	73.59	76.87	52.52
Gold(\$/oz)	1212	1208	1257	1277
Gold(Rs./10 gm)	29486	29577	30622	28560

Source: Thomson Reuters Eikon

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Derivatives Market

- Nifty August 2018 Futures closed at 11,487.55, a premium of 16.85 points, above the spot closing of 11,470.70. The turnover on NSE's Futures and Options segment increased to Rs. 16,70,334.12 on Aug 9 compared with Rs. 9,93,827.11 on Aug 8.
- The Put-Call ratio stood at 0.97 against previous session's close of 0.98.
- The Nifty Put-Call ratio stood at 1.80 compared with the previous session's close of 1.77.
- Open interest on Nifty Futures stood at 29.67 million as against the previous session's close at 28.97 million.

Indian Debt Market

- Bond yields declined after crude oil prices dropped, easing worries of increase in domestic inflationary pressures, particularly as investors are waiting for the key retail inflation data for Jul 2018 due on Aug 13, 2018. Crude oil prices tumbled on renewed U.S.-China trade tension and demand concerns raised by a Chinese data that showed a fall in crude oil imports in July.
- Yield on the 10-year benchmark paper (7.17% GS 2028) dropped 3 bps to close at 7.75% as against its previous close of 7.78%. During the session, bond yields traded in the range of 7.74% and 7.76%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 19,480 crore (gross) on Aug 9, compared with Rs. 8,941 crore (gross) borrowed on Aug 8. Sale of securities under the Reserve Bank of India's (RBI) reverse repo window stood at Rs. 3,747 crore on Aug 8.

Currency Market Update

- The rupee declined against the greenback following the renewed trade tension between U.S. and China that supported dollar and more than compensated the positive cues from the overnight fall in crude oil prices and a strong Chinese yuan led by the gains in its equity market.
- The euro inched down against the greenback as the latter strengthened due to the escalated U.S.-China trade conflict with China announcing 25% import tariffs on U.S. goods.

Commodity Market Update

- Gold prices inched up as market participants wait for the outcome of the U.S.-Japan trade negotiations on Japanese auto exports.
- Brent crude improved after witnessing a steep decline in the previous session. The U.S.'s sanction against Iran relating to the oil exports steadied the oil prices.

International News

- According to the European Central Bank (ECB), uncertainties emanating due to global factors, notably the threat of protectionism remain prominent. The ECB further added that global financial markets is witnessing significant volatility which needs to be monitored. On a separate note, ECB noted that uncertainty regarding the inflation outlook in the euro zone is receding and the same is expected to pick up towards the end of the year and increase gradually over the medium term.
- Data from the National Bureau of Statistics showed that consume price inflation grew 2.1% on a yearly basis in Jul 2018 from 1.9% in Jun 2018. However, inflation continues to remain well below the government's full year-target of around 3%.

Thank you for
your time.