

RELIANCE

MUTUAL
FUND

Markets for You

11 Aug 2017

Indices Performance

Global Indices	10-Aug	Prev_Day	Abs. Change	% Change [#]
Dow Jones	21,844	22,049	-205	-0.93
Nasdaq	6,217	6,352	-135	-2.13
FTSE	7,390	7,498	-108	-1.44
Nikkei	19,730	19,739	-9	-0.05
Hang Seng	27,444	27,757	-313	-1.13
Indian Indices	10-Aug	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	31,531	31,798	-267	-0.84
Nifty 50	9,820	9,908	-88	-0.89
Nifty 100	10,134	10,255	-121	-1.18
Nifty Bank	24,217	24,375	-157	-0.65
SGX Nifty	9,853	9,912	-59	-0.60
S&P BSE Power	2,224	2,288	-64	-2.78
S&P BSE Small Cap	15,071	15,635	-563	-3.60
S&P BSE HC	12,779	13,195	-416	-3.15

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
10-Aug	23.62	1.25	25.06	0.98
Month Ago	23.29	1.23	24.87	1.09
Year Ago	20.58	1.40	23.44	1.28

Nifty 50 Top 3 Gainers

Company	10-Aug	Prev_Day	% Change [#]
Tech Mahindra	404	394	2.58
Infosys	981	969	1.23
Wipro	288	287	0.58

Nifty 50 Top 3 Losers

Company	10-Aug	Prev_Day	% Change [#]
Tata Motors	380	416	-8.62
Tata Motors-DVR	221	242	-8.59
Dr.Reddy	1944	2048	-5.07

Advance Decline Ratio

	BSE	NSE
Advances	303	187
Declines	2274	1532
Unchanged	106	32

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-429	57435
MF Flows**	648	56975

*10th Aug 2017; **8th Aug 2017

Economic Indicator

YoY(%)	Current	Quarter Ago	Year Ago
WPI	0.90%	5.29%	-0.09%
	(Jun-17)	(Mar-17)	(Jun-16)
IIP	1.70%	0.80%	8.00%
	(May-17)	(Feb-17)	(May-16)
GDP	6.10%	7.00%	9.20%
	(Mar-17)	(Dec-16)	(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 red on persisting geopolitical tensions and stronger yen. Unexpected fall in Japan's core machinery orders for the third consecutive month in Jun 2017 also weighed on market sentiment. Investors also preferred to be on the sidelines ahead of U.S. producer and consumer inflation data due this week for additional clues on the U.S. Federal Reserve's interest rate outlook. Today (As of Aug 11), Asian markets opened lower on geopolitical tensions involving North Korea and the U.S. While Nikkei Average market was closed, Hang Seng was lower 1.34% (as at 8.a.m. IST).
- As per the last close, European market continue to decline amid ongoing geopolitical concerns between the U.S. and North Korea. From the economic front, UK industrial production grew more than expected in Jun 2017.
- As per the last close, U.S markets fell for the third consecutive day amid geopolitical concerns due to continued increase in tensions between the U.S. and North Korea. Meanwhile, U.S. weekly jobless claims rose, which was expected to remain unchanged.

Indian Equity Market

- Indian equity markets remained weak amid selling pressure in realty and healthcare sectors. Lower than expected corporate earning numbers for Jun quarter weighed on market sentiment. Ongoing geopolitical tensions between the U.S. and North Korea added to the losses.
- Key benchmark indices S&P BSE Sensex and Nifty 50 slipped 0.84% and 0.89% to close at 31,531.33 and 9,820.25, respectively. S&P BSE Mid-Cap and S&P BSE Small-Cap slipped 2.64% and 3.60%, respectively.
- The overall market breadth on BSE was weak with 2,274 scrips declining and 303 scrips advancing. A total of 106 scrips remained unchanged.
- On the BSE sectoral front, barring S&P BSE IT and S&P BSE Teck, all the indices closed in the red. S&P BSE Realty was the major loser, down 5.12%, followed by S&P BSE Healthcare and S&P BSE Utilities, which fell 3.15% and 2.84%, respectively. S&P BSE Industrials and S&P BSE Auto fell 2.82% and 2.79%, respectively.

Domestic News

- The government and the Securities and Exchange Board of India is planning to link Aadhaar card with financial market transactions, thereby making Aadhaar compulsory for buying shares and mutual funds. This is expected to help in curbing practices such as conversion of black money into white through the stock market.
- According to a provisional data released by the Reserve Bank of India (RBI), digital transactions grew approximately 2% MoM and reached 859.2 million in Jul 2017. Transactions by wallets or prepaid payment instruments surged approximately 5% and reached 88.7 million.
- According to the Central Board of Direct Taxes, direct tax collections jumped 19% in the first four months of the current fiscal as substantial number of new tax payers have been brought under the tax net due to demonetisation. Collections of direct taxes rose to Rs. 1.90 lakh crore in Apr-Jul of 2017, while corporate income tax grew 7.2% on gross terms and personal income tax by 17.5% during the period.
- According to mid-year review, government's capital expenditure is expected to rise by 25% to Rs. 3.9 lakh crore by 2019-20. Out of this, 22% increase is expected alone in the defence outlay. Governments' capital expenditure is expected to be approximately Rs. 3.10 lakh crore in 2017-2018 and Rs. 3.41 lakh crore in 2018-2019.
- According to media reports, RBI might have to drain up to \$22 billion or Rs. 1.4 lakh crore in excess liquidity from the financial system. This is expected to come on the wake of surging foreign investments that is forcing the central bank to absorb the dollar inflows and sell rupees to cap gains in the local currency.
- Bharat Heavy Electricals Limited reported standalone net profit of Rs. 80.82 crore for the quarter ended Jun 30, 2017, up 3.92% from Rs. 77.77 crore in the year-ago period. As on Jun 30, 2017, the company had an outstanding order book position of Rs. 1,01,380 crore.

FII Derivative Trade Statistics		10-Aug		
(Rs Cr)	Buy	Sell	Open Int.	
Index Futures	1970.18	1550.27	21128.20	
Index Options	67160.76	65660.84	80233.20	
Stock Futures	7968.19	7816.81	55866.88	
Stock Options	7614.77	7732.05	8631.38	
Total	84713.90	82759.97	165859.66	

Derivative Statistics- Nifty Options			
	10-Aug	Prev_Day	Change
Put Call Ratio (OI)	1.09	1.13	-0.04
Put Call Ratio(Vol)	0.95	1.00	-0.05

Debt Watch				
	10-Aug	Wk. Ago	Mth. Ago	Year Ago
Call Rate	5.86%	5.83%	6.10%	6.46%
CBLO	5.94%	5.87%	6.15%	6.55%
Repo	6.00%	6.00%	6.25%	6.50%
Reverse Repo	5.75%	5.75%	6.00%	6.00%
91 Day T-Bill	6.12%	6.07%	6.25%	6.52%
364 Day T-Bill	6.19%	6.17%	6.33%	6.64%
10 Year Gilt	6.49%	6.43%	6.47%	7.10%
G-Sec Vol. (Rs.Cr)	45135	85796	80618	126512
1 Month CP Rate	6.41%	6.45%	6.52%	6.85%
3 Month CP Rate	6.56%	6.61%	6.70%	7.08%
5 Year Corp Bond	7.11%	7.07%	7.30%	7.54%
1 Month CD Rate	6.12%	6.14%	6.29%	6.50%
3 Month CD Rate	6.19%	6.20%	6.33%	6.63%
1 Year CD Rate	6.49%	6.48%	6.68%	7.22%

Currency Market			
Currency	10-Aug	Prev_Day	Change
USD/INR	63.94	63.75	0.19
GBP/INR	83.01	82.92	0.08
EURO/INR	75.06	74.86	0.20
JPY/INR	0.58	0.58	0.00

Commodity Prices				
Commodity	10-Aug	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	48.49	48.98	44.35	41.70
Brent Crude(\$/bl)	52.95	53.34	46.81	41.78
Gold(\$/oz)	1286	1268	1214	1346
Gold(Rs./10 gm)	28901	28374	27719	31180

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 9,854.75, a premium of 34.50 points above the spot closing of 9,820.25. The turnover on NSE's Futures and Options segment went up from Rs. 7,33,230.49 crore on Aug 9 to Rs. 11,57,385.61 crore on Aug 10.
- The Put-Call ratio stood at 0.77 against previous session's close of 0.83.
- The Nifty Put-Call ratio stood at 1.09 compared with the previous session's close of 1.13.
- India VIX moved up 2.60% to 13.8025 from 13.4525 in the previous trading session.
- The open interest on Nifty Futures stood at 23.96 million as against previous session's close of 24.68 million.

Indian Debt Market

- Bond yields rose as supply dynamics came into play after the Reserve Bank of India (RBI) conducted open market sales of debt securities to absorb excess liquidity from the system. Market participants also preferred to remain on the sidelines ahead of the weekly debt auction due Aug 11.
- Yield on the 10-year benchmark paper (6.79% GS 2027) rose 2 bps to 6.49% from 6.47% in the previous trading session. During the session, bond yields traded in the range of 6.46% and 6.50%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 2,355 crore (gross) on Aug 10, lower than Rs. 9,360 crore (gross) borrowing on Aug 9. Sale of securities under RBI's reverse repo window stood at Rs. 10,194 crore on Aug 9.
- Banks borrowed Rs. 200 crore under the central bank's Marginal Standing Facility on Aug 9 as against nil borrowing on Aug 8.

Currency Market Update

- The Indian rupee weakened against the U.S. dollar following losses in the domestic equity market amid growing tensions between North Korea and the U.S. The Indian rupee fell 0.38% to close at 64.08 per dollar from the previous close of 63.83 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. Euro was trading at \$1.1714, down 0.37% compared with the previous close of \$1.1757.

Commodity Market Update

- Gold prices gained owing to geopolitical concerns between the U.S. and North Korea.
- Brent crude prices climbed following drop in U.S. crude oil inventories.

International News

- Data from the U.S. Commerce Department showed that wholesale inventories increased more than expected by 0.7% in Jun 2017 after a revised growth of 0.6% in May 2017. Inventories of non-durable goods rose 1.0% in Jun due significant increases in inventories of drugs, farm products, and miscellaneous goods more which offset a steep drop in inventories of petroleum.
- U.K. industrial production grew more than expected in Jun 2017 due to higher oil and gas output. Industrial production rose 0.5% on a monthly basis in Jun after staying flat in May 2017. On a yearly basis, industrial production grew 0.3% in Jun 2017 from 0.2% fall in May 2017.

Thank you for
your time.