

RELIANCE

MUTUAL
FUND

Markets for You

14 Aug 2017

Indices Performance

Global Indices	11-Aug	Prev_Day	Abs. Change	% Change [#]
Dow Jones	21,858	21,844	14	0.07
Nasdaq	6,257	6,217	40	0.64
FTSE	7,310	7,390	-80	-1.08
Nikkei	Closed	19,730	NA	NA
Hang Seng	26,884	27,444	-560	-2.04
Indian Indices	11-Aug	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	31,214	31,531	-318	-1.01
Nifty 50	9,711	9,820	-109	-1.11
Nifty 100	10,037	10,134	-97	-0.95
Nifty Bank	23,986	24,217	-232	-0.96
SGX Nifty	9,739	9,853	-115	-1.16
S&P BSE Power	2,211	2,224	-13	-0.60
S&P BSE Small Cap	15,036	15,071	-35	-0.23
S&P BSE HC	12,808	12,779	29	0.22

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
11-Aug	23.13	1.26	24.80	0.99
Month Ago	23.31	1.23	24.91	1.09
Year Ago	20.50	1.40	23.49	1.26

Nifty 50 Top 3 Gainers

Company	11-Aug	Prev_Day	% Change [#]
Dr.Reddy	2011	1944	3.43
Aurobindo Pharma	705	685	2.88
GAIL	369	365	1.08

Nifty 50 Top 3 Losers

Company	11-Aug	Prev_Day	% Change [#]
Hindalco	221	238	-7.14
Vedanta Limited	279	299	-6.59
SBI	280	297	-5.58

Advance Decline Ratio

	BSE	NSE
Advances	911	631
Declines	1635	1090
Unchanged	121	43

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-984	56451
MF Flows**	470	57445

*11th Aug 2017; **9th Aug 2017

Economic Indicator

YoY(%)	Current	Quarter Ago	Year Ago
WPI	0.90% (Jun-17)	5.29% (Mar-17)	-0.09% (Jun-16)
IIP	-0.10% (Jun-17)	4.10% (Mar-17)	8.00% (Jun-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 as the rising geopolitical tensions between North Korea and the U.S. dented investor sentiment. Stronger yen, lower oil prices, and fall in overnight U.S. market further added to the losses. Today (As of Aug 14), Asian markets opened on mixed note. While Japan's upbeat Gross Domestic Product data for second quarter boosted investors' sentiment, they waited for stream of China data due today. Nikkei Average was trading down 0.90% and Hang Seng was trading up 0.97% (as at 8.a.m. IST).
- As per the last close, European market ended on a negative note amid escalating tensions between North Korea and U.S. Also, decline in crude oil prices led to weakness in energy and oil stocks.
- As per the last close, U.S. markets ended marginally higher on modest uptick in U.S. consumer prices in Jul 2017. However, buying interest got muted amid escalating war of words between U.S. and North Korea that continued to raise geopolitical concerns.

Indian Equity Market

- Indian equity markets ended the last trading session of the week on a negative note as escalating tensions between the U.S. and North Korea prompted investors to offload riskier assets like stocks. Cautious stance ahead of the industrial production data for Jun 2017, scheduled post market hours, also kept markets under pressure.
- Key benchmark indices S&P BSE Sensex and Nifty 50 went down 1.01% and 1.11% to close at 31,213.59 and 9,710.80, respectively. S&P BSE Mid-Cap and S&P BSE Small-Cap fell 0.20% and 0.23%, respectively.
- On the BSE sectoral front, barring S&P BSE Consumer Durables and S&P BSE Healthcare, all the indices closed in the red. S&P BSE Metal was the major loser, down 3.63%, followed by S&P BSE Auto and S&P BSE Realty, which fell 1.51% and 1.32%, respectively. S&P BSE Basic Material and S&P BSE Capital Goods slipped 1.30% and 1.20%, respectively.

Domestic News

- Government data showed that the Index of Industrial Production (IIP) contracted 0.1% YoY in Jun 2017, as against 8% growth in Jun 2016. The downside reflected 0.4% dip in manufacturing activities and marginal growth of 0.4% in mining activities.
- According to a report from the Society of Indian Automobile Manufacturers (SIAM), domestic car sales grew 8.52% to 1,92,773 units in Jul 2017 from 1,77,639 units in the year-ago period. Domestic passenger vehicle sales grew 15.12% to 2,98,997 units in Jul from 2,59,720 units in the year-ago period. Meanwhile, sales of commercial vehicles were up 13.78% on YoY basis to 59,000 units in Jul.
- The Reserve of India (RBI) has made it compulsory that issuer of commercial papers (CP) have to seek at least two ratings from rating agencies while adopting lower of the two for raising funds. The move comes on the wake to prevent shopping for favourable rates. Also, RBI stated that norms will be applicable for issuers who raise Rs. 1,000 crore in a calendar year. Simultaneously, RBI has relaxed minimum issuance size from Rs. 10 lakh proposed by in the draft paper on CPs to Rs. 5 lakhs.
- Sun Pharmaceutical Industries Ltd reported a consolidated net loss of Rs. 425 crore in the quarter ended Jun 30, compared with loss of Rs. 2,034 crore in year earlier. The consolidated total income of the pharmaceutical company decreased 24% to Rs. 6,361 crore from Rs. 8,413 crore in Jun 2016.
- State Bank of India, after merger with associate banks, has reported a net profit of Rs. 2,006 crore in the quarter ended Jun 30, as against loss of Rs. 374 crore a year earlier, mainly due to decline in provisions.
- Ashok Leyland has bagged orders worth Rs. 120 crore from Rivigo, a logistic company, in order to supply 500 fully-built vehicles.
- JSW Energy has announced to enter the electric vehicle and energy storage market with an objective to launch its first e-vehicle by 2020. The company is expected to incur capital expenditure in the range of Rs. 3,500- Rs. 4,000 crore over the next three years.

FII Derivative Trade Statistics		11-Aug		
(Rs Cr)	Buy	Sell	Open Int.	
Index Futures	2323.00	1852.33	21875.70	
Index Options	73708.60	71252.98	80642.39	
Stock Futures	10266.33	9906.98	54754.46	
Stock Options	9659.30	9906.18	8957.07	
Total	95957.23	92918.47	166229.62	

Derivative Statistics- Nifty Options			
	11-Aug	Prev_Day	Change
Put Call Ratio (OI)	1.06	1.09	-0.03
Put Call Ratio(Vol)	1.02	0.95	0.07

Debt Watch				
	11-Aug	Wk. Ago	Mth. Ago	Year Ago
Call Rate	5.85%	5.90%	6.04%	6.45%
CBLO	5.89%	5.24%	6.19%	6.49%
Repo	6.00%	6.00%	6.25%	6.50%
Reverse Repo	5.75%	5.75%	6.00%	6.00%
91 Day T-Bill	6.11%	6.10%	6.24%	6.56%
364 Day T-Bill	6.22%	6.19%	6.30%	6.68%
10 Year Gilt	6.50%	6.44%	6.48%	7.08%
G-Sec Vol. (Rs.Cr)	39777	60615	64538	96241
1 Month CP Rate	6.41%	6.41%	6.51%	6.85%
3 Month CP Rate	6.56%	6.55%	6.70%	7.04%
5 Year Corp Bond	7.11%	7.11%	7.27%	7.52%
1 Month CD Rate	6.13%	6.13%	6.28%	6.52%
3 Month CD Rate	6.19%	6.19%	6.32%	6.64%
1 Year CD Rate	6.49%	6.48%	6.68%	7.22%

Currency Market			
Currency	11-Aug	Prev_Day	Change
USD/INR	64.17	63.94	0.23
GBP/INR	83.27	83.01	0.26
EURO/INR	75.46	75.06	0.39
JPY/INR	0.59	0.58	0.01

Commodity Prices				
Commodity	11-Aug	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	48.76	49.52	45.01	43.46
Brent Crude(\$/bl)	51.76	52.97	46.92	43.77
Gold(\$/oz)	1289	1258	1217	1338
Gold(Rs./10 gm)	29002	28554	27772	31225

Source: ICRON Research

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Derivatives Market

- Nifty Aug 2017 Futures were at 9,741.05, a premium of 30.25 points above the spot closing of 9,710.80. The turnover on NSE's Futures and Options segment went down from Rs. 11,57,385.61 crore on Aug 10 to Rs. 5,71,218.61 crore on Aug 11.
- The Put-Call ratio stood at 0.85 against previous session's close of 0.77.
- The Nifty Put-Call ratio stood at 1.06 compared with the previous session's close of 1.09.
- The open interest on Nifty Futures stood at 24.81 million as against previous session's close of 23.96 million.

Indian Debt Market

- Bond yields rose as investors were cautious ahead of industrial production data for Jun 2017 due later in the day and retail inflation data for Jul 2017 due on Aug 14. Also, sale of bonds by the Reserve Bank of India (RBI) worth Rs. 150 billion with a cut-off price below market expectations further weighed on bond prices.
- Yield on the 10-year benchmark paper (6.79% GS 2027) rose 1 bps to 6.50% from 6.49% in the previous trading session. During the session, bond yields traded in the range of 6.48% and 6.52%.
- Banks borrowed Rs. 300 crore under the central bank's Marginal Standing Facility on Aug 10 as against borrowing of Rs. 200 crore on Aug 9.
- RBI conducted a 28-day variable rate reverse repo auction for a notified amount of Rs. 10,000 crore for which Rs. 5,530 crore was allotted at a cut-off rate of 5.99%.

Currency Market Update

- The Indian rupee weakened against the U.S. dollar following losses in the domestic equity market and greenback purchases by state-run banks. The Indian rupee fell 0.08% to close at 64.13 per dollar from the previous close of 64.08 per dollar.
- The euro strengthened against the U.S. dollar following less than expected rise in U.S. consumer prices in Jul 2017 raising doubts on one more interest rate hike this year. Euro was trading at \$1.1814, up 0.37% compared with the previous close of \$1.1770.

Commodity Market Update

- Gold prices moved up as growing geopolitical concerns between the U.S. and Korea continued to support the metal's safe-haven appeal.
- Brent crude prices dropped after IEA stated that market rebalancing was happening slowly owing to the OPEC' weak compliance with output curbs.

International News

- A report from the Labor Department showed that U.S. consumer price index inched up 0.1% in Jul 2017 after remaining unchanged in Jun 2017. Core consumer prices (excluding food and energy prices) grew 0.1% in Jul 2017, thereby matching the same gains witnessed in the three previous months.
- According to the Labor Department, U.S. producer prices missed market expectations and inched down 0.1% in Jul 2017 as against a growth of 0.1% in Jun 2017. While food prices stood unchanged in Jul after gaining 0.6% in Jun, energy prices dropped 0.3% after declining 0.5% in Jun. Core producer prices (excluding food and energy prices) also declined 0.1% in Jul after gaining 0.1% in Jun.

Thank you for
your time.