

RELIANCE

MUTUAL
FUND

Markets for You

21 Aug 2017

Indices Performance

Global Indices	18-Aug	Prev_Day	Abs. Change	% Change [#]
Dow Jones	21,675	21,751	-76	-0.35
Nasdaq	6,217	6,222	-5	-0.09
FTSE	7,324	7,388	-64	-0.86
Nikkei	19,470	19,703	-232	-1.18
Hang Seng	27,048	27,344	-297	-1.08
Indian Indices	18-Aug	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	31,525	31,795	-271	-0.85
Nifty 50	9,837	9,904	-67	-0.67
Nifty 100	10,193	10,255	-62	-0.60
Nifty Bank	24,074	24,237	-163	-0.67
SGX Nifty	9,839	9,900	-61	-0.61
S&P BSE Power	2,285	2,295	-10	-0.42
S&P BSE Small Cap	15,618	15,695	-77	-0.49
S&P BSE HC	12,938	13,148	-210	-1.60

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
18-Aug	23.58	1.24	25.10	0.97
Month Ago	23.26	1.23	25.10	1.06
Year Ago	20.65	1.39	23.71	1.24

Nifty 50 Top 3 Gainers

Company	18-Aug	Prev_Day	% Change [#]
Bharti Infratel	395	379	4.20
HUL	1202	1177	2.12
Ultratech Cem	4014	3933	2.07

Nifty 50 Top 3 Losers

Company	18-Aug	Prev_Day	% Change [#]
Infosys	923	1021	-9.56
Sun Pharma	470	488	-3.71
Zee Entertainment	512	527	-2.88

Advance Decline Ratio

	BSE	NSE
Advances	931	589
Declines	1612	1102
Unchanged	115	61

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-1927	49647
MF Flows**	-38	57407

*18th Aug 2017; **10th Aug 2017

Economic Indicator

YoY(%)	Current	Quarter Ago	Year Ago
WPI	1.88% (Jul-17)	3.85% (Apr-17)	0.63% (Jul-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 due to ongoing geopolitical turmoil along with political concerns in the U.S. Stronger yen, weak cues from overnight U.S. market, and uncertainty over U.S. Federal Reserve's policy rate hike also weighed on sentiment. Today (As of Aug 21), Asian markets opened on mixed note. Investors absorbed political developments in Washington and U.S.-South Korea joint military drills kick off due to ramp up in geopolitical tensions. While Nikkei Average fell 0.33%, Hang Seng was up 0.46% (as at 8.a.m. IST).
- As per the last close, European market ended on a negative note amid deadly terror attack in Spain. Travel, leisure stocks and media were under heavy pressure following the attack. Also, negative economic data dampened investors' sentiment.
- As per the last close, U.S markets ended on a lower note on concerns about U.S. President's ability to implement his agenda and some uncertainty on near-term outlook amid heels of recent volatility. However, losses were restricted on reports of removal of White House chief strategist.

Indian Equity Market

- Indian equity market closed in the red as chief executive officer and managing director of one of the IT majors resigned. Also, the deadly attack in Spain and growing uncertainty over U.S. President's economic agenda negatively impacted the indices. Consistent capital outflows by foreign institutional investors and the end of the quarterly earnings season amid absence of any positive trigger weighed on market sentiment.
- Key benchmark indices S&P BSE Sensex as well as Nifty 50 fell 0.85% and 0.67% to close at 31,524.68 and 9,837.40, respectively. Both S&P BSE Small-Cap and S&P BSE Mid-Cap fell 0.49% and 0.13%, respectively.
- On the BSE sectoral front, indices closed on a negative note. Among the losers, comprised S&P BSE Information Technology, down 3.53%, trailed by S&P BSE Teck (-2.67%), S&P BSE Healthcare (-1.6%), S&P BSE Realty (-0.92%), S&P BSE Finance (-0.91%), and S&P BSE Metal (-0.73%). Meanwhile, the gainers were S&P BSE Telecom (1.52%), S&P BSE Oil & Gas (0.92%), S&P BSE FMCG (0.76%), S&P BSE Energy (0.58%), S&P BSE Consumer Durables (0.21%) and S&P BSE Basic Materials (0.05%).

Domestic News

- A major credit rating agency expects earnings of Indian steel companies to grow in the coming 12 months driven by the rising domestic demand and protectionist measures. Also, it changed its outlook for the Asian steel industry to 'stable' from 'negative'. The rating agency expects operating conditions in India to be a major supporter amongst most of the major Asian countries. It stated that India's healthy gross domestic product growth rate of 7.5% to 7.8% in 2017 and 2018, government's fiscal stimulus, and rising infrastructure spends are expected to strengthen the demand.
- The Telecom Regulatory Authority of India (TRAI) has issued strict guidelines in order to reduce call drops. A penalty of up to Rs. 10 lakh will be imposed on service providers in case they fail to meet the benchmark for three consecutive quarters. TRAI stated that it has proposed financial disincentive in the range of Rs. 1 lakh to Rs. 5 lakh. Also, according to TRAI, it is a graded penalty system that is based on the performance of a network.
- According to the agriculture ministry, on an annual basis, extreme weather conditions are resulting in expenditure for India in the range of \$9-\$10 billion. It expects climate change to severely impact agricultural productivity from 2020 to the end of the century. The ministry stated that productivity decrease of major crops would be marginal in the next few years, but it could rise to as much as 10%-40% by 2100 if farming does not adapt to the climate changes.
- The Chief Executive Officer (CEO) and Managing Director of Infosys resigned from his post. The move comes amid severe criticism by some shareholders over corporate governance.
- Bharti Airtel has announced to conduct a meeting in Sep 2017 with shareholders and creditors to discuss the company's amalgamation with Telenor Communications.
- Lakshmi Vilas Bank is planning to raise fresh equity capital of Rs. 1,000 crore by Sep 2017 through qualified institutional placement (QIP). However, market volatility could play a major role.

FII Derivative Trade Statistics			
	18-Aug		
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	1686.49	1939.30	24911.32
Index Options	79587.85	79769.70	89787.08
Stock Futures	9374.44	8648.02	57220.29
Stock Options	7184.72	7212.45	10334.71
Total	97833.50	97569.47	182253.40

Derivative Statistics- Nifty Options			
	18-Aug	Prev_Day	Change
Put Call Ratio (OI)	1.14	1.21	-0.08
Put Call Ratio(Vol)	1.10	1.10	0.00

Debt Watch				
	18-Aug	Wk. Ago	Mth. Ago	Year Ago
Call Rate	5.86%	5.85%	6.07%	6.36%
CBLO	5.08%	5.89%	6.18%	6.33%
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%	6.11%	6.11%	6.51%
364 Day T-Bill	6.23%	6.22%	6.35%	6.65%
10 Year Gilt	6.51%	6.50%	6.46%	7.14%
G-Sec Vol. (Rs.Cr)	49756	39777	39867	71974
1 Month CP Rate	6.39%	6.41%	6.43%	6.84%
3 Month CP Rate	6.55%	6.56%	6.54%	7.05%
5 Year Corp Bond	7.14%	7.11%	7.22%	7.56%
1 Month CD Rate	6.09%	6.13%	6.25%	6.50%
3 Month CD Rate	6.19%	6.19%	6.26%	6.66%
1 Year CD Rate	6.48%	6.49%	6.60%	7.21%

Currency Market			
Currency	18-Aug	Prev_Day	Change
USD/INR	64.10	Closed	NA
GBP/INR	82.62	Closed	NA
EURO/INR	75.21	Closed	NA
JPY/INR	0.59	Closed	NA

Commodity Prices				
Commodity	18-Aug	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	48.54	48.76	46.35	48.15
Brent Crude(\$/bl)	51.10	51.76	47.86	49.35
Gold(\$/oz)	1284	1289	1242	1352
Gold(Rs./10 gm)	29134	29002	28188	31073

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 9,854.40, a premium of 17.00 points above the spot closing of 9,837.40. The turnover on NSE's Futures and Options segment went down from Rs. 11,47,206.52 crore on Aug 17 to Rs. 4,61,058.12 crore on Aug 18.
- The Put-Call ratio stood at 0.88 against previous session's close of 0.81.
- The Nifty Put-Call ratio stood at 1.14 compared with the previous session's close of 1.12.
- The open interest on Nifty Futures stood at 26.99 million as against previous session's close of 26.83 million.

Indian Debt Market

- Bond yields fell as market participants resorted to bargain hunting. However, broader market sentiment remained subdued after the outcome of the weekly debt auction came below market expectations.
- Yield on the 10-year benchmark paper (6.79% GS 2027) fell 2 bps to 6.51% from 6.53% in the previous trading session. During the session, bond yields traded in the range of 6.49% and 6.53%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 3,155 crore (gross) on Aug 18, higher than Rs. 2,180 crore (gross) borrowing on Aug 16. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 11,425 crore on Aug 16.
- Banks borrowed Rs. 11 crore under the central bank's Marginal Standing Facility on Aug 16 as against borrowing of Rs. 950 crore on Aug 14.

Currency Market Update

- The Indian rupee was almost steady as gains from dollar sales by banks neutralised losses triggered by weak global risk appetite following a likely terrorist attack in Barcelona. The rupee rose 0.02% to close at 64.14 per dollar from the previous close of 64.15.
- Euro was rose marginally against the weak U.S. dollar due to political tensions in the U.S. Euro was trading at \$1.1735 compared with the previous close of \$1.1723.

Commodity Market Update

- Gold prices moved to a recent time high level following geopolitical tensions that supported the safe-haven appeal of the metal.
- Brent crude prices remained steady on concerns over rising U.S. production after government data revealed a weekly climb in domestic production.

International News

- According to report from the Federal Reserve, U.S. industrial production slightly missed market expectations and grew 0.2% in Jul 2017 as against a gain of 0.4% in Jun 2017. Lower than expected increase in production reflects modest decrease in manufacturing output. While utilities output surged 1.6%, mining output grew 0.5%.
- A report from Eurostat showed that euro zone's construction output fell 0.5% MoM in Jun 2017 after declining 0.2% in May 2017. This marked the second consecutive monthly decline. The downside reflected decline in civil engineering as well as building construction. On an annual basis, construction output grew 3.4% in Jun 2017 as against a gain of 2.7% in May 2017, thereby marking the fastest expansion in three months.

Thank you for
your time.