

RELIANCE

MUTUAL
FUND

Markets for You

23 Aug 2017

Indices Performance

Global Indices	22-Aug	Prev_Day	Abs. Change	% Change [#]
Dow Jones	21,900	21,704	196	0.90
Nasdaq	6,297	6,213	84	1.36
FTSE	7,382	7,319	63	0.86
Nikkei	19,384	19,393	-9	-0.05
Hang Seng	27,402	27,155	247	0.91
Indian Indices	22-Aug	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	31,292	31,259	33	0.11
Nifty 50	9,766	9,754	11	0.11
Nifty 100	10,097	10,095	1	0.01
Nifty Bank	23,974	23,937	38	0.16
SGX Nifty	9,782	9,773	9	0.09
S&P BSE Power	2,225	2,250	-25	-1.10
S&P BSE Small Cap	15,389	15,468	-79	-0.51
S&P BSE HC	12,828	12,730	98	0.77

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
22-Aug	23.37	1.25	25.25	0.97
Month Ago	23.50	1.22	25.32	1.01
Year Ago	20.42	1.40	23.59	1.25

Nifty 50 Top 3 Gainers

Company	22-Aug	Prev_Day	% Change [#]
Dr.Reddy	1984	1931	2.75
BPCL	510	498	2.53
Indian Oil	423	413	2.42

Nifty 50 Top 3 Losers

Company	22-Aug	Prev_Day	% Change [#]
NTPC	168	172	-2.50
Hero Moto	3888	3972	-2.11
Eicher Motors	30977	31634	-2.08

Advance Decline Ratio

	BSE	NSE
Advances	879	542
Declines	1704	1132
Unchanged	123	73

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-1789	46008
MF Flows**	63	63801

*22nd Aug 2017; **21st 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

- Major Asian markets closed higher, even though investors awaited speeches from the U.S. Federal Reserve chair and European Central Bank president at the annual central banking conference due later during the week. Japanese markets went up despite reports that the country's supermarket sales remained flat in Jul 2017. Hang Seng grew although reports revealed that the economy's consumer price inflation gained marginally by 2% YoY in Jul, compared with 1.90% growth in Jun 2017. Today (As of Aug 23), Asian markets opened on higher note following the rally on Wall Street amid renewed hopes of U.S. tax reform. While Nikkei Average was up 0.54%, Hang Seng is yet to open (as at 8.a.m. IST).
- As per the last close, European market ended on a higher note as mining stocks gained on stronger corporate results and amid easing geopolitical tensions between North Korea.
- As per the last close, U.S markets ended on a higher note amid renewed hopes of U.S. tax reform and easing concerns about recent political turmoil in Washington. Also, defence stocks gained after U.S. Presidents' speech on the Afghanistan war.

Indian Equity Market

- After two consecutive days' of fall, the Indian equity market inched up following positive cues from the other global peers. However, upside was limited due to concerns over resignation of the Chief Executive Officer and Managing Director of a major IT company. Investors also remained watchful of U.S. Federal Reserve's annual symposium in Jackson Hole, which will be attended by central banks of more than 40 countries.
- BSE has decided to delist 200 firms effective from Aug 23 and the promoters will be barred from the markets for 10 years as trading in these shares have remained suspended for over a decade and most of them are under liquidation stage.
- Key benchmark indices S&P BSE Sensex and Nifty 50 gained 0.11% each to close at 31,291.85 and 9,765.55, respectively. S&P BSE Mid-Cap and S&P BSE Small-Cap moved down 0.41% and 0.51%, respectively.
- On the BSE sectoral front, indices closed in mixed as S&P BSE Oil & Gas (1.31%) stood as the major gainer followed by S&P BSE HC (0.77%), S&P BSE Energy (0.69%), and S&P BSE Finance (0.21%). Meanwhile, S&P BSE Realty (-1.14%) stood as the major loser followed by S&P BSE Power (-1.1%) and S&P BSE Utilities (-0.87%).

Domestic News

- Data from the Department of Industrial Policy and Promotion (DIPP) showed that India had received \$10.41 billion as Foreign Direct Investment (FDI) equity inflows during the period from Apr to Jun of FY18, which is 37% higher than \$7.59 billion received during same period last year. The top five sectors that attracted the highest foreign inflows include services, computer hardware and software, construction development, telecommunications, and automobile. The top five investing countries were Mauritius, Singapore, Japan, U.K., and Netherlands.
- According to media reports, the government has got as much as Rs. 42,000 crore as taxes in first filing under the new Goods and Services Tax (GST) regime. Revenues are expected to increase further after the filing cycle closes later this week. According to reports, Rs. 15,000 crore was collected as Integrated-GST, Rs. 5,000 crore through cess on demerit goods like cars and tobacco, and the remaining Rs. 22,000 crore was collected as Central-GST and State-GST that will be shared equally between the Central government and state governments.
- A major credit rating agency forecasted that microfinance institutions (MFIs) and small finance banks (SFBs) may need an external capital of Rs. 9,000 crore to Rs. 11,000 crore to grow (CAGR) 25% to 30% over the next three years. For the current fiscal, the rating agency forecasted a total capital requirement for MFIs and SFBs at Rs. 4,000-5,000 crore.
- According to the Securities and Exchange Board of India (SEBI) chief, the capital market regulator is keeping a close watch on the share price movement of Information Technology giant Infosys. Per media reports, SEBI has asked stock exchanges about the disclosures from the company relating to the recent events.
- The Indian government has granted Pfizer a patent for its vaccine Prevenar 13 that is used for the treatment of pneumococcal diseases among children. The approval comes a decade after the company applied for the patent in the country.

FII Derivative Trade Statistics				
(Rs Cr)	22-Aug	Buy	Sell	Open Int.
Index Futures	1885.32	1399.77	25772.42	
Index Options	54228.38	54034.61	90109.32	
Stock Futures	8413.81	8066.27	57000.19	
Stock Options	7557.21	8021.33	11381.04	
Total	72084.72	71521.98	184262.97	

Derivative Statistics- Nifty Options			
	22-Aug	Prev_Day	Change
Put Call Ratio (OI)	1.09	1.07	0.02
Put Call Ratio(Vol)	0.95	1.04	-0.09

Debt Watch				
	22-Aug	Wk. Ago	Mth. Ago	Year Ago
Call Rate	5.94%	5.86%	6.10%	6.39%
CBLO	6.00%	5.93%	5.62%	6.43%
Repo	6.00%	6.00%	6.25%	6.50%
Reverse Repo	5.75%	5.75%	6.00%	6.00%
91 Day T-Bill	6.13%	6.10%	6.12%	6.55%
364 Day T-Bill	6.25%	6.24%	6.22%	6.64%
10 Year Gilt	6.54%	6.52%	6.44%	7.16%
G-Sec Vol. (Rs.Cr)	25087	28910	87997	85737
1 Month CP Rate	6.38%	6.39%	6.44%	6.83%
3 Month CP Rate	6.55%	6.55%	6.58%	7.08%
5 Year Corp Bond	7.13%	7.10%	7.19%	7.58%
1 Month CD Rate	6.07%	6.12%	6.21%	6.50%
3 Month CD Rate	6.19%	6.19%	6.25%	6.66%
1 Year CD Rate	6.49%	6.47%	6.52%	7.20%

Currency Market			
Currency	22-Aug	Prev_Day	Change
USD/INR	64.11	64.03	0.08
GBP/INR	82.60	82.40	0.20
EURO/INR	75.65	75.21	0.44
JPY/INR	0.59	0.59	0.00

Commodity Prices				
Commodity	22-Aug	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	47.60	47.54	45.73	46.75
Brent Crude(\$/bl)	52.60	51.18	47.01	47.84
Gold(\$/oz)	1284	1282	1254	1338
Gold(Rs./10 gm)	28919	28901	28320	31267

Source: ICRON Research

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Derivatives Market

- Nifty Aug 2017 Futures were at 9,784.65, a premium of 19.10 points above the spot closing of 9,765.55. The turnover on NSE's Futures and Options segment went up from Rs. 5,04,350.08 on Aug 21 to Rs. 6,28,155.76 on Aug 22.
- The Put-Call ratio stood at 0.91 against previous session's close of 0.81.
- The Nifty Put-Call ratio stood at 1.09 compared with the previous session's close of 1.07.
- The open interest on Nifty Futures stood at 27.21 million as against previous session's close of 27.60 million.

Indian Debt Market

- Bond yields increased as the auction of state development loans witnessed lesser than expected demand. Also, market participants deferred buying amid absence of policy triggers.
- Yield on the 10-year benchmark paper (6.79% GS 2027) rose 3 bps to close at 6.54% from the previous close of 6.51%.
- RBI conducted the auction of state development loans (5-, 10-, and 20-year maturity) of 19 state governments for a notified amount of Rs. 20,288.42 crore for which the accepted amount stood at Rs. 18,288.42 crore. The cut-off yield stood in the range of 6.94% to 7.48%. Gujarat has retained additional amount of Rs. 300 crore. Maharashtra has retained an additional amount of Rs. 200 crore for the issuance of 5-year security. The lowest yield was noted for Maharashtra, and the highest yield was noticed for Kerala. West Bengal has not accepted any amount.

Currency Market Update

- The Indian rupee ended almost steady for the fifth consecutive session against the U.S. dollar, as fall due to greenback demand from importers neutralised gains in the domestic equity market. The rupee rose 0.05% to close at 64.10 per U.S. dollar from the previous close of 64.13.
- Euro fell against the U.S. dollar on expectations that the monetary policy stance to be announced by the European Central Bank at Jackson Hole symposium on Aug 25 will be a cautious one. Euro was trading at \$1.1762 compared with the previous close of \$1.1814.

Commodity Market Update

- Gold prices traded lower amid cautious stance ahead of annual meeting of top central banks across the globe later during the week.
- Brent crude prices traded lower on uncertainty on whether the OPEC and non-OPEC producers will extend or terminate the production cut at a meeting scheduled late in Nov.

International News

- A report from the Confederation of British Industry showed that U.K.'s balance of +13% of manufacturers reported an increase in order books in Aug 2017. Meanwhile, the net balance of export order books came in at 11%. While 42% of businesses stated that the volume of output was up over the past three months, 12% stated that it was down, thereby resulting in a balance of +30%.
- A report from the Centre for European Economic Research/ZEW showed that Germany's economic sentiment fell to 10.0 in Aug 2017 from 17.5 in Jul 2017.
- U.K.'s public sector net borrowing (PSNB) excluding public sector banks was surplus of GBP 0.2 billion in Jul 2017, thereby marking the first surplus since 2002. Borrowing was GBP 0.3 billion in Jul 2016.

Thank you for
your time.