

RELIANCE

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# Markets for You

24 Aug 2017

Indices Performance

Global Indices	23-Aug	Prev_Day	Abs. Change	% Change <sup>#</sup>
Dow Jones	21,812	21,900	-88	-0.40
Nasdaq	6,278	6,297	-19	-0.30
FTSE	7,383	7,382	1	0.01
Nikkei	19,435	19,384	51	0.26
Hang Seng	Closed	27,402	NA	NA
Indian Indices	23-Aug	Prev_Day	Abs. Change	% Change <sup>#</sup>
S&P BSE Sensex	31,568	31,292	276	0.88
Nifty 50	9,853	9,766	87	0.89
Nifty 100	10,194	10,097	97	0.96
Nifty Bank	24,317	23,974	342	1.43
SGX Nifty	9,864	9,782	82	0.84
S&P BSE Power	2,239	2,225	13	0.60
S&P BSE Small Cap	15,576	15,389	187	1.21
S&P BSE HC	12,899	12,828	71	0.55

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
23-Aug	23.59	1.24	25.45	0.96
Month Ago	23.50	1.22	25.32	1.01
Year Ago	20.47	1.40	23.73	1.25

Nifty 50 Top 3 Gainers

Company	23-Aug	Prev_Day	% Change <sup>#</sup>
Indiabulls HFC	1222	1176	3.86
Adani Ports & SEZ	385	376	2.49
Tata Steel	635	620	2.42

Nifty 50 Top 3 Losers

Company	23-Aug	Prev_Day	% Change <sup>#</sup>
Tech Mahindra	430	439	-2.08
Tata Power	79	80	-1.62
Bharti Infratel	383	388	-1.30

Advance Decline Ratio

	BSE	NSE
Advances	1620	1125
Declines	965	556
Unchanged	129	76

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-728	45280
MF Flows**	63	63801

\*23<sup>rd</sup> Aug 2017; \*\*21<sup>st</sup> 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 on a mixed note after the U.S. President's words that he could stop the North American Free-Trade Agreement increased worries about global trade. Further, the U.S. President warned of closing the administration in case no funds to build the wall along the Mexican border are generated. However, Japanese markets climbed after Japan's manufacturing sector grew at a faster pace in Aug 2017. Today (As of Aug 24), Asian markets opened mixed after a threat from the U.S. President about a possible government shutdown. While Nikkei Average was down 0.11%, Hang Seng was up 0.58% (as at 8.a.m. IST).
- As per the last close, European market ended on a negative note despite better than expected euro zone economic data. Negative start on the Wall Street overnight impacted the market.
- As per the last close, U.S markets fell as comments by the U.S. President at a rally in Phoenix, Arizona, hurt investor sentiments. The U.S. president indicated to terminate the North American Free Trade Agreement, raising concerns about the impact on global trade.

Indian Equity Market

- After remaining range-bound during initial hours, the Indian equity market closed in the green for the second consecutive day. Market got support on news that the government may approve plans for mergers among state-owned banks at a cabinet meeting. News that a major IT company's reins could be taken over by one of its co-founders soothed investors' nerves. Renewed hopes of U.S. tax reform further helped gains.
- Key benchmark indices S&P BSE Sensex and Nifty 50 gained 0.88% and 0.89% to close at 31,568.01 and 9,852.50, respectively. S&P BSE Mid-Cap and S&P BSE Small-Cap moved up 1.38% and 1.21%, respectively.
- On the BSE sectoral front, most of the indices closed in the green barring S&P BSE CD (-0.75%) and S&P BSE FMCG (-0.04%). S&P BSE Realty (3.48%) stood as the major gainer followed by S&P BSE Metal (1.81%) and S&P BSE Telecom (1.78%). Bankex gained on news that the government may approve more mergers among state-owned banks. Realty sector gained after a major company said an audit committee would review the status of the proposed sale of compulsorily convertible preference shares to an affiliate of Singapore sovereign wealth fund GIC.

Domestic News

- The government is considering increasing the goods and services tax (GST) cess on luxury cars and SUVs to 25% from the present 15%. The objective of the move is to correct the reduction in tax burden on luxury cars following the rollout of GST on Jul 1. The move may be a dampener for the auto sector as car manufacturers had lowered prices to pass on the benefits to buyers after the roll out of GST.
- According to the chairman of GST-Network, (the company who is managing the tax filing under GST), 20 lakh businesses have paid taxes online so far. The Chairman further added that about 30 lakh businesses more are expected to pay before the deadline ends on Aug 25.
- The auto industry body, Society of Indian Automobile Manufacturers (SIAM) has asked the government to charge only 28% under GST for ambulances with the capacity of carrying up to 13 persons and exempt them subsequently from a compensation cess of 15%. Following the implementation of GST, the government has exempted compensation cess only for those ambulances that can carry up to nine persons. Ambulances that can carry up to 13 persons are placed under the highest tax bracket of 28% with an additional cess of 15%.
- Reliance Industries Ltd's annual naphtha exports is expected to rise by 500,000 tonnes in FY18, as the company has switched to ethane at its petrochemical projects.
- Glenmark Pharmaceuticals has received final approval from the U.S. health regulator for generic Triamcinolone Acetonide ointment, which is used for treating skin inflammation.
- Vedanta Resources has reported 48% rise in its quarterly core earnings as zinc production at its Indian unit surged.
- Tata Power has reported 329% rise in consolidated net profit to Rs. 142.18 crore in the quarter ended Jun 30 as against the corresponding three months a year ago.
- Hindustan Copper is planning to invest Rs. 5,000 crore over the next four years in order to make a strategic shift to value-added products.
- Bajaj Electricals is aiming a turnover of Rs. 5,000 crore in FY18 and to double it in the next four years.

FII Derivative Trade Statistics			
(Rs Cr)	23-Aug		
	Buy	Sell	Open Int.
Index Futures	1793.18	1583.83	25995.61
Index Options	72718.48	73279.00	94364.90
Stock Futures	9451.85	9283.58	57328.31
Stock Options	7682.58	7785.64	11426.04
Total	91646.09	91932.05	189114.86

Derivative Statistics- Nifty Options			
	23-Aug	Prev_Day	Change
Put Call Ratio (OI)	1.18	1.09	0.08
Put Call Ratio(Vol)	1.09	0.95	0.14

Debt Watch				
	23-Aug	Wk. Ago	Mth. Ago	Year Ago
Call Rate	5.92%	5.84%	6.10%	6.41%
CBLO	5.99%	5.84%	5.62%	6.46%
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%	6.13%	6.12%	6.55%
364 Day T-Bill	6.26%	6.24%	6.22%	6.64%
10 Year Gilt	6.54%	6.53%	6.44%	7.16%
G-Sec Vol. (Rs.Cr)	29351	33146	87997	72344
1 Month CP Rate	6.39%	6.39%	6.44%	6.86%
3 Month CP Rate	6.55%	6.55%	6.58%	7.07%
5 Year Corp Bond	7.13%	7.14%	7.19%	7.61%
1 Month CD Rate	6.07%	6.09%	6.21%	6.50%
3 Month CD Rate	6.19%	6.19%	6.25%	6.65%
1 Year CD Rate	6.49%	6.48%	6.52%	7.22%

Currency Market			
Currency	23-Aug	Prev_Day	Change
USD/INR	64.13	64.11	0.02
GBP/INR	82.23	82.60	-0.37
EURO/INR	75.41	75.65	-0.24
JPY/INR	0.59	0.59	0.00

Commodity Prices				
Commodity	23-Aug	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	48.40	46.75	45.73	47.49
Brent Crude(\$/bl)	52.62	50.28	47.01	48.31
Gold(\$/oz)	1290	1283	1254	1337
Gold(Rs./10 gm)	28975	28726	28320	31280

Source: ICRON Research

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#### Derivatives Market

- Nifty Aug 2017 Futures were at 9,862.30, a premium of 9.80 points above the spot closing of 9,852.50. The turnover on NSE's Futures and Options segment went up from Rs. 6,28,155.76 on Aug 22 to Rs. 7,15,860.83 on Aug 23.
- The Put-Call ratio stood at 0.96 against previous session's close of 0.91.
- The Nifty Put-Call ratio stood at 1.18 compared with the previous session's close of 1.09.
- The open interest on Nifty Futures stood at 26.64 million as against previous session's close of 27.21 million.

#### Indian Debt Market

- Bond yields stood steady as investors deferred purchases ahead of fresh supply of notes on Aug 24.
- Yield on the 10-year benchmark paper (6.79% GS 2027) stood steady at 6.54%. During the session, bond yields traded in the range of 6.53% and 6.55%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 16,878 crore (gross) on Aug 23, lower than Rs. 11,280 crore (gross) borrowing on Aug 22. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 3,298 crore on Aug 22.
- RBI conducted the auction of 91- and 182-days Treasury Bills for the notified amount of Rs. 10,000 crore and Rs. 7,000 crore, respectively. The cut-off for 91- and 182-days T-Bill stood at Rs. 98.50 (6.11%) and Rs. 96.99 (6.22%), respectively.

#### Currency Market Update

- The Indian rupee ended almost steady for the sixth consecutive session against the U.S. dollar, as investors were cautious ahead of a three-day summit of central bankers in Jackson Hole starting Aug 24.
- Euro rose against the U.S. dollar following strong private sector growth in Germany and France in Aug 2017. Strong data lifted confidence that eurozone's biggest economies are likely to maintain their robust momentum in the Sep quarter.

#### Commodity Market Update

- Gold prices traded higher with investors eagerly awaiting comments from the U.S. Federal Reserve chief on the monetary policy outlook.
- Brent crude prices traded lower after Libya's largest oilfield (Sharara oilfield) reopened on Aug 22 following a shutdown.

#### International News

- A flash report from IHS market showed that euro zone's composite output index surpassed market expectations and slightly grew to 55.8 in Aug 2017 from 55.7 in Jul 2017. While manufacturing Purchasing Managers' Index (PMI) grew to 57.4 in Aug from 56.6 in Jul, services PMI fell to 54.9 in Aug from 55.4 in Jul.
- According to a flash report from the IHS market, Germany's composite output index surged to 55.7 in Aug 2017 from 54.7 in Jul 2017, thereby marking consistent growth in a row since May 2013. While the flash services PMI grew to 53.4 in Aug, factory PMI surged to 59.4.
- According to Nikkei, Japan's manufacturing PMI score was 52.8 in Aug 2017, up from 52.1 in Jul 2017.



Thank you for  
your time.