

RELIANCE

MUTUAL
FUND

Markets for You

29 Aug 2017

Indices Performance

Global Indices	28-Aug	Prev_Day	Abs. Change	% Change [#]
Dow Jones	21,808	21,814	-5	-0.02
Nasdaq	6,283	6,266	17	0.28
FTSE	Closed	7,401	NA	NA
Nikkei	19,450	19,453	-3	-0.01
Hang Seng	27,863	27,848	15	0.05
Indian Indices	28-Aug	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	31,751	31,596	155	0.49
Nifty 50	9,913	9,857	56	0.57
Nifty 100	10,276	10,212	64	0.63
Nifty Bank	24,377	24,274	103	0.42
SGX Nifty	9,910	9,896	14	0.14
S&P BSE Power	2,268	2,244	24	1.05
S&P BSE Small Cap	15,818	15,647	171	1.09
S&P BSE HC	13,296	13,226	70	0.53

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
28-Aug	23.76	1.23	25.61	0.94
Month Ago	23.68	1.21	25.56	0.96
Year Ago	20.33	1.41	23.50	1.25

Nifty 50 Top 3 Gainers

Company	28-Aug	Prev_Day	% Change [#]
Infosys	941	912	3.16
Indian Oil	441	428	2.92
NTPC	173	169	2.54

Nifty 50 Top 3 Losers

Company	28-Aug	Prev_Day	% Change [#]
Dr.Reddy	2049	2088	-1.86
Power Grid	217	221	-1.74
Tata Motors	379	384	-1.26

Advance Decline Ratio

	BSE	NSE
Advances	1612	1133
Declines	956	547
Unchanged	166	75

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-557	43808
MF Flows**	1566	67479

*28th Aug 2017; **24th 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 remained mostly positive with Chinese markets touching multi-month high after data showed that the Chinese industrial firms maintained a profit surge in Jul 2017, although the pace of growth eased from the previous month. Investor sentiment got further support following reports that China's securities regulator will continue to support the mixed ownership reform of state-owned enterprises. Today (As of Aug 29), Asian markets opened on a negative note on North Korean missile launch and rise in demand for traditional safe-haven assets. Both Nikkei and Hangseng fell 0.79% and 0.45%, respectively (as at 8.a.m.).
- As per the last close, European market ended on a negative note as value of euro surged after ECB President refrained from discussing euro at economic policy symposium in Jackson Hole. Also, fall in crude oil prices due to flooding by Hurricane Harvey led to indices decline.
- As per the last close, U.S markets ended on a mixed note. Oil refinery sector gained as a tropical storm instead of a hurricane led to the shutdown of refineries in Houston. Investors remained cautious ahead of the key economic data in the coming days.

Indian Equity Market

- Indian equity markets closed in the green amid buying interest in one of the major companies in the IT sector following the appointment of the co-founder as chairman of the company. Investors hoped that the appointment would provide the much needed stability to the company. Easing tension between Indian and Chinese military forces over Doklam provided additional support to the markets. Nonetheless, commencement of the European trading session on a weaker note restricted the gains.
- Key benchmark indices S&P BSE Sensex and Nifty 50 went up 0.49% and 0.57% to close at 31,750.82 and 9,912.80, respectively. S&P BSE Mid-Cap and S&P BSE Small-Cap rose 1.02% and 1.09%, respectively.
- The overall market breadth on BSE was positive with 1,612 scrips advancing and 956 scrips declining. A total of 166 scrips remained unchanged.
- On the BSE sectoral front, all the indices closed in the green. S&P BSE Consumer Durables was the top gainer, up 1.29%, followed by S&P BSE IT and S&P BSE Teck, which rose 1.25% and 1.14%, respectively. S&P BSE FMCG and S&P BSE Power went up 1.11% and 1.05%, respectively.

Domestic News

- According to media reports, the 71-day military standoff at Doklam between India and China came to an end. Foreign ministries of both the nations announced disengagement of the troops.
- According to a major domestic rating agency, the implementation of Goods and Services Tax (GST) will have a positive impact on state governments' finances in the medium to long term. The rating agency forecasted that GST revenues of all states combined will grow at 16.6% in 2017-18 over 2015-16.
- According to media reports, more than 3.6 million businesses have so far filed their first tax returns under the GST regime. According to estimates from the revenue department, collection of around Rs 65,000 crore has been made from maiden GST.
- The Ministry of Commerce released its consolidated foreign direct investment (FDI) policy. According to the policy, the government for the first time included start-ups, which can collect up to 100% of funds from Foreign Venture Capital Investor (FVCI). For that, start ups can issue equity or equity linked instruments or debt instruments to FVCI against receipt of foreign remittance. In addition, start-ups can issue convertible notes to person resident outside India which are subject to certain conditions.
- According to a major domestic credit rating agency, Rs. 48,000 crore renewable projects are in crisis due to revision of tariffs. It needs to be noted that bid tariffs were quoted were as low as Rs. 2.44/unit for solar power in May 2017, down 45% compared with Rs 4.43/unit in Mar 2016. Such aggressive bidding has resulted in power distribution companies calling for renegotiation of power purchase agreements which were signed in the past at higher tariffs.
- According to media reports, the Employees' Provident Fund Organisation's (EPFO) is considering crediting subscribers' share of its investments in ETFs to their provident fund accounts. As per estimates, EPFO's investment in ETFs is expected to touch Rs. 45,000 crore by the end of the current financial year. Subscribers will also have the option to redeem the ETF units while taking loans from the provident fund account.

FII Derivative Trade Statistics		28-Aug		
(Rs Cr)	Buy	Sell	Open Int.	
Index Futures	1429.98	1180.91	25765.59	
Index Options	55941.59	53877.83	94369.76	
Stock Futures	8437.32	8347.17	56933.37	
Stock Options	6281.03	6280.23	11823.56	
Total	72089.92	69686.14	188892.28	

Derivative Statistics- Nifty Options			
	28-Aug	Prev_Day	Change
Put Call Ratio (OI)	1.22	1.22	0.00
Put Call Ratio(Vol)	1.21	1.15	0.06

Debt Watch				
	28-Aug	Wk. Ago	Mth. Ago	Year Ago
Call Rate	5.86%	5.99%	6.08%	6.38%
CBLO	5.82%	5.98%	6.15%	6.44%
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%	6.12%	6.12%	6.50%
364 Day T-Bill	6.22%	6.21%	6.22%	6.70%
10 Year Gilt	6.57%	6.51%	6.46%	7.13%
G-Sec Vol. (Rs.Cr)	44543	21285	40832	50523
1 Month CP Rate	6.39%	6.40%	6.44%	6.79%
3 Month CP Rate	6.55%	6.54%	6.53%	6.99%
5 Year Corp Bond	7.14%	7.13%	7.18%	7.55%
1 Month CD Rate	6.05%	6.07%	6.23%	6.50%
3 Month CD Rate	6.18%	6.18%	6.24%	6.66%
1 Year CD Rate	6.50%	6.49%	6.53%	7.23%

Currency Market			
Currency	28-Aug	Prev_Day	Change
USD/INR	63.87	64.07	-0.20
GBP/INR	82.36	81.94	0.42
EURO/INR	76.22	75.58	0.64
JPY/INR	0.59	0.59	0.00

Commodity Prices				
Commodity	28-Aug	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	46.35	47.34	49.67	47.59
Brent Crude(\$/bl)	52.11	52.23	52.04	49.65
Gold(\$/oz)	1310	1291	1269	1321
Gold(Rs./10 gm)	29140	28944	28443	31066

Source: ICRON Research

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Derivatives Market

- Nifty Aug 2017 Futures were at 9,917.05, a premium of 4.25 points above the spot closing of 9,912.80. The turnover on NSE's Futures and Options segment went down from Rs. 10,13,214.64 crore on Aug 24 to Rs. 4,82,462.15 crore on Aug 28.
- The Put-Call ratio stood at 1.03 against previous session's close of 0.84.
- The Nifty Put-Call ratio remained unchanged from the previous session at 1.22.
- India VIX moved up 0.54% to 12.6400 from 12.5725 in the previous trading session.
- The open interest on Nifty Futures stood at 27.58 million as against previous session's close of 26.79 million.

Indian Debt Market

- Bond yields rose as traders deferred purchases amid lack of cues and ahead of a fresh supply of papers this week.
- Yield on the 10-year benchmark paper (6.79% GS 2027) rose 3 bps to 6.57% from 6.54% in the previous session. During the session, bond yields traded in the range of 6.53% and 6.58%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 2,575 crore (gross) on Aug 28, lower than Rs. 2,635 crore (gross) borrowing on Aug 24. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 9,046 crore on Aug 24.
- Banks did not borrow under the central bank's Marginal Standing Facility on Aug 23 and Aug 24.

Currency Market Update

- The Indian rupee rose against the U.S. dollar as the U.S. Federal Reserve chair didn't refer to the U.S. monetary policy in her speech in the Jackson Hole meet, which weighed on the greenback. The rupee rose 0.20% to close at 63.90 per U.S. dollar from the previous close of 64.03.
- The euro strengthened against the U.S. dollar after the U.S. Federal Reserve chair made no reference of U.S. monetary policy at the central bankers' meeting at Jackson Hole. Euro was trading at \$1.1934, up 0.08% compared with the previous close of \$1.1924.

Commodity Market Update

- Gold prices went up as the U.S. Federal Reserve chair did not refer to the country's monetary policy in her speech at the central bankers' meeting in the U.S.
- Brent crude prices remained under pressure after a hurricane hit the U.S. Gulf Coast over the weekend.

International News

- Data from the U.S. Commerce Department showed that durable goods orders plunged 6.8% in Jul 2017 after growing by 6.4% in Jun 2017. The decline in durable goods orders was due to a sharp drop in orders for transportation equipment, which fell 19.0% in Jul after rising 19.1% in Jun.
- According to a report from the European Central Bank, euro zone's broad monetary aggregate M3 grew 4.5% on YoY basis in Jul 2017 less than gain of 5% in Jun 2017. Narrower aggregate, including currency in circulation and overnight deposits, decreased at 9.1% in Jul on YoY basis as against 9.7% rise in Jun.

Thank you for
your time.