

RELIANCE

MUTUAL
FUND

Markets for You

05 Jul 2017

Indices Performance

Global Indices	04-Jul	Prev_Day	Abs. Change	% Change [#]
Dow Jones	Closed	21,479	NA	NA
Nasdaq	Closed	6,110	NA	NA
FTSE	7,357	7,377	-20	-0.27
Nikkei	20,032	20,056	-23	-0.12
Hang Seng	25,389	25,784	-395	-1.53
Indian Indices	04-Jul	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	31,210	31,222	-12	-0.04
Nifty 50	9,613	9,615	-2	-0.02
Nifty 100	9,933	9,937	-4	-0.04
Nifty Bank	23,214	23,273	-59	-0.25
SGX Nifty	9,628	9,619	9	0.09
S&P BSE Power	2,221	2,228	-7	-0.29
S&P BSE Small Cap	15,567	15,573	-6	-0.04
S&P BSE HC	14,122	14,227	-105	-0.73

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
4-Jul	22.84	1.26	24.47	1.11
Month Ago	22.65	1.30	24.43	1.18
Year Ago	19.92	1.43	22.98	1.24

Nifty 50 Top 3 Gainers

Company	04-Jul	Prev_Day	% Change [#]
RIL	1422	1381	2.96
BPCL	657	649	1.21
HDFC Ltd.	1641	1622	1.17

Nifty 50 Top 3 Losers

Company	04-Jul	Prev_Day	% Change [#]
Indiabulls HFC	1051	1075	-2.25
Dr.Reddy	2624	2683	-2.19
Hero Moto	3703	3776	-1.93

Advance Decline Ratio

	BSE	NSE
Advances	1344	800
Declines	1315	867
Unchanged	134	82

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-896	53913
MF Flows**	1253	41173

*4th Jul 2017; **30th Jun 2017

Economic Indicator

YoY(%)	Current	Quarter Ago	Year Ago
WPI	2.17% (May-17)	5.51% (Feb-17)	-0.90% (May-16)
IIP	3.10% (Apr-17)	3.80% (Jan-17)	6.50% (Apr-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 equity markets closed lower following renewed instance of geopolitical tension, as North Korea launched another ballistic missile in the direction of Japan. Today (As on Jul 05), Asian market opened on a negative note due to geopolitical concerns. Both Nikkei Average and Hang Seng were trading lower 0.60% and 0.40%, respectively (as at 8.00 a.m IST).
- As per the last close, European market fell due to geopolitical concerns. Fresh tensions on the Korean peninsula pushed market participants to book profits after rising sharply on the previous day. On the economic front, euro zone producer prices rose but at the weakest pace in 2017 in May, mostly due to slowing energy price inflation. Survey results from IHS Markit and Chartered Institute of Procurement & Supply revealed that U.K. construction index fell faster than expected in Jun 2017, after touching 17-month high in May 2017.
- As per the last close, U.S. market was closed on occasion of Independence Day.

Indian Equity Market

- Indian equity markets dipped marginally following weak global cues triggered by geopolitical tensions. North Korea launched a missile that ended up in Japanese waters, intensifying worries ahead of the G-20 meet due later in the week. On the home front, profit booking in recent outperformers weighed on sentiment.
- Key benchmark indices S&P BSE Sensex and Nifty 50 went marginally down 0.04% and 0.02% to close at 31,209.79 and 9,613.30, respectively. S&P BSE MidCap and S&P BSE SmallCap dipped 0.34% and 0.04%, respectively.
- The overall market breadth on BSE was strong with 1,344 scrips advancing and 1,315 scrips declining. A total of 134 scrips remained unchanged.
- On the BSE sectoral front, most indices closed in the red. S&P BSE Healthcare, down 0.73%, was the highest loser. Some of the other major losers comprised S&P BSE Telecom (-0.68%), S&P BSE FMCG (-0.66%), S&P BSE Realty (-0.64%), S&P BSE Auto (-0.48%), and S&P BSE Capital Goods (-0.30%). Gainers included S&P BSE Energy (1.37%), S&P BSE Oil & Gas (0.56%), S&P BSE IT (0.33%), S&P BSE Teck (0.11%), and S&P BSE Metal (0.06%).

Domestic News

- In order to increase foreign capital inflows, the Reserve Bank of India (RBI) has raised the limit for foreign portfolio investors (FPIs) investment in government securities by 4.7% to Rs. 2.42 lakh crore for the quarter Jul 2017 to Sep 2017 from the existing limit of Rs. 2.31 lakh crore. Meanwhile, RBI increased the FPI investment limit in state development loans by Rs. 6,100 crore to Rs. 33,100 crore for the Sep quarter. With this, overall limit of FPI investment in government securities went up from Rs 2.58 lakh crore to Rs 2.75 lakh crore.
- Market regulator, Securities and Exchanges Board of India (SEBI) announced that the government will need to decide whether listed public sector companies should be exempted from the 25% minimum public shareholding rule. Also, SEBI stated that it will consider strict norms for credit ratings agencies as they have not been able to take action on time in case of stressed companies. Also, it stated that the National Stock Exchange should ideally file revised offer documents for its initial public offer.
- The Cabinet secretary reviewed implementation of the new indirect tax regime with secretaries and senior officials of various ministries and departments that focused on consumer impact of goods and service tax (GST) that rolled out on Jul 1, 2017. It asked that all departments should take the responsibility of implementation of GST in their respective sectors. Also, the government has asked them to make sure that there is no shortage of products and the benefits are shared with consumers. Also, it has asked all departments to keep a check on prices.
- According to a data from SEBI, trading in corporate debt securities at National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) has surged 66.5% to a record Rs. 4.34 lakh crore during the first quarter of FY18 from Rs. 2.61 lakh crore in the prior-year period. With trading in corporate bonds at more than 70%, NSE represented the largest share of trading in the first quarter.

FII Derivative Trade Statistics		04-Jul		
(Rs Cr)	Buy	Sell	Open Int.	
Index Futures	1338.21	1871.29	20398.18	
Index Options	43961.94	43203.66	52629.42	
Stock Futures	7589.57	6538.37	70374.16	
Stock Options	4278.52	4213.93	2523.23	
Total	57168.24	55827.25	145924.99	

Derivative Statistics- Nifty Options			
	04-Jul	Prev_Day	Change
Put Call Ratio (OI)	1.21	1.21	0.00
Put Call Ratio(Vol)	1.11	1.11	0.00

Debt Watch				
	04-Jul	Wk. Ago	Mth. Ago	Year Ago
Call Rate	6.04%	6.07%	6.05%	6.22%
CBLO	6.04%	6.19%	6.04%	5.96%
Repo	6.25%	6.25%	6.25%	6.50%
Reverse Repo	6.00%	6.00%	6.00%	6.00%
91 Day T-Bill	6.27%	6.25%	6.24%	6.50%
364 Day T-Bill	6.35%	6.34%	6.39%	6.83%
10 Year Gilt	6.55%	6.46%	6.62%	7.42%
G-Sec Vol. (Rs.Cr)	49477	31722	50720	59860
1 Month CP Rate	6.58%	6.58%	6.49%	7.54%
3 Month CP Rate	6.71%	6.70%	6.70%	7.83%
5 Year Corp Bond	7.35%	7.24%	7.40%	8.05%
1 Month CD Rate	6.31%	6.34%	6.23%	6.64%
3 Month CD Rate	6.37%	6.34%	6.38%	6.79%
1 Year CD Rate	6.70%	6.69%	6.80%	7.41%

Currency Market			
Currency	04-Jul	Prev_Day	Change
USD/INR	64.82	64.75	0.06
GBP/INR	83.91	84.17	-0.26
EURO/INR	73.60	73.86	-0.26
JPY/INR	0.57	0.58	0.00

Commodity Prices				
Commodity	04-Jul	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	Closed	44.20	47.63	48.97
Brent Crude(\$/bl)	49.39	46.16	48.10	47.41
Gold(\$/oz)	1224	1247	1280	1350
Gold(Rs./10 gm)	28149	28738	28757	31046

Source: ICRON Research

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Derivatives Market

- Nifty Jul 2017 Futures were at 9,624.05 points, a premium of 10.75 points, over the spot closing 9,613.30. The turnover on NSE's Futures and Options segment went up from Rs. 3,81,848.47 crore on Jul 3 to Rs. 4,22,587.83 crore on Jul 4.
- The Put-Call ratio stood at 0.95 compared with the previous session's close of 0.96.
- The Nifty Put-Call ratio stood at 1.24 compared with the previous session's close of 1.21.
- The open interest on Nifty Futures stood at 21.56 million as against previous session's close of 21.09 million.

Indian Debt Market

- Bond yields were little changed following rise in U.S. Treasury yields, which reduced the demand for emerging market debt such as India. U.S. yields rose due to better than expected U.S. manufacturing data, which increased expectations of another rate hike in 2017.
- Yield on the 10-year benchmark paper (6.79% GS 2027) remained steady at 6.55% from the previous close.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 2,055 crore (gross) on Jul 4, down from Rs. 1,915 crore (gross) borrowing on Jul 3. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 51,160 crore on Jun 30.
- Banks borrowing under the central bank's Marginal Standing Facility was Rs. 30 crore on Jul 03 as against Rs. 7,000 crore borrowing on Jun 30.

Currency Market Update

- The Indian rupee strengthened against the U.S. dollar and posted its biggest single day rise in almost five weeks following selling of the greenback by exporters. The rupee rose 0.22% to close at 64.73 per dollar from the previous close of 64.88.
- The euro fell against the greenback after data showed that activity in the U.S. manufacturing sector expanded in Jun from the previous month and registered its best performance since Aug 2014. Euro was at \$1.1344, down 0.14% compared with the previous close of \$1.1360.

Commodity Market Update

- Gold prices traded higher amid renewed signs of geo-political tensions after North Korea fired an intercontinental ballistic missile.
- Brent crude prices remained steady as market participants remained reluctant to take major trading stance ahead of the U.S. Independence Day holiday on Jul 4.

International News

- U.S. construction spending stood steady at an annual rate of \$1.23 in May 2017 after falling 0.7% in Apr 2017. While spending on public construction grew 2.1% to an annual rate of \$286.9 billion, spending on private construction dropped 0.6% to an annual rate of \$943.2 billion.
- A report from the Institute for Supply Management showed that U.S. manufacturing Purchasing Managers Index (PMI) came in better than expected and grew to 57.8 in Jun 2017 from 54.9 in May 2017. The upside reflected increase in production index, new orders index, and employment index.

Thank you for
your time.