

RELIANCE

MUTUAL
FUND

Markets for You

06 Jul 2017

Indices Performance

Global Indices	05-Jul	Prev_Day	Abs. Change	% Change [#]
Dow Jones	21,478	Closed	NA	NA
Nasdaq	6,151	Closed	NA	NA
FTSE	7,368	7,357	10	0.14
Nikkei	20,082	20,032	49	0.25
Hang Seng	25,522	25,389	133	0.52
Indian Indices	05-Jul	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	31,246	31,210	36	0.11
Nifty 50	9,638	9,613	24	0.25
Nifty 100	9,966	9,933	33	0.34
Nifty Bank	23,353	23,214	138	0.60
SGX Nifty	9,649	9,628	21	0.22
S&P BSE Power	2,232	2,221	11	0.48
S&P BSE Small Cap	15,741	15,567	174	1.12
S&P BSE HC	14,220	14,122	98	0.69

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
5-Jul	22.93	1.25	24.53	1.11
Month Ago	22.65	1.30	24.45	1.18
Year Ago	19.77	1.44	22.88	1.24

Nifty 50 Top 3 Gainers

Company	05-Jul	Prev_Day	% Change [#]
Lupin	1084	1044	3.84
Vedanta Limited	261	255	2.41
M&M	1385	1355	2.20

Nifty 50 Top 3 Losers

Company	05-Jul	Prev_Day	% Change [#]
ITC	331	337	-1.84
Infosys	951	962	-1.17
Wipro	258	260	-0.85

Advance Decline Ratio

	BSE	NSE
Advances	1697	1122
Declines	978	576
Unchanged	141	74

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-1159	52754
MF Flows**	871	42044

*5th Jul 2017; **3rd Jul 2017

Economic Indicator

YoY(%)	Current	Quarter Ago	Year Ago
WPI	2.17%	5.51%	-0.90%
	(May-17)	(Feb-17)	(May-16)
IIP	3.10%	3.80%	6.50%
	(Apr-17)	(Jan-17)	(Apr-16)
GDP	6.10%	7.00%	9.20%
	(Mar-17)	(Dec-16)	(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

- Most of the Asian markets closed in the green on announcement that foreign investment would be allowed in the Chinese bond market. Japanese market also gained after a private survey showed that Japan's services sector expanded at a faster rate in Jun while weak yen supported the export oriented sector. However, geopolitical tensions, upcoming minutes of the Fed's Jun meeting, kept investors wary. Today (As on Jul 06), Asian market opened on a mixed note due to fall in crude oil prices. While Nikkei Average was trading lower 0.29%, Hang Seng was up 0.11% (as at 8.00 a.m IST).
- As per the last close, European market was little changed after hovering between small gains and losses. Geopolitical concerns negatively impacted investor sentiment.
- As per the last close, U.S. market witnessed a mixed performance as market participants were cautious ahead of the U.S. Fed minutes of the latest policy meeting on Thursday. Technology stocks rebounded after falling in the last three consecutive sessions while energy stocks fell following lower crude oil prices.

Indian Equity Market

- Indian equity markets closed in the green owing to growth in services sector activity that rose to an 8-month high in Jun 2017, and as domestic institutional investors continued to buy even in a range-bound trade.
- However, gains were restricted as foreign institutional investors preferred to stay cautious ahead of release of minutes of Federal Open Market Committee's latest policy meeting for further insights over any possibility of more than one hike in the U.S. rate against consensus. Also, expectations of subdued earnings numbers after the implementation of Goods and Service Tax (GST) dampened investors' sentiment.
- Key benchmark indices S&P BSE Sensex and Nifty 50 went up 0.11% and 0.25% to close at 31,245.56 and 9,637.60, respectively. S&P BSE Small-Cap and S&P BSE Mid-Cap grew 1.12% and 0.97%, respectively.
- On the BSE sectoral front, indices closed on a positive note. Among the gainers, S&P BSE Realty (1.54%) topped the chart, trailed by S&P BSE Basic Materials (1.30%), S&P BSE Metal (1.24%), S&P BSE Energy (1.03%), S&P BSE Industrials (0.99%), S&P BSE Oil & Gas (0.88%), and S&P BSE Capital Goods (0.79%).

Domestic News

- The Nikkei India Services Purchasing Managers' Index (PMI) that tracks services output on a monthly basis increased to 53.1 in Jun 2017 from 52.2 in May 2017. This marked an eight-month high score. The upside was driven by solid and accelerated upturn in new work orders that resulted in a faster increase in activity. Additionally, the headline measure averaged 51.8 in the first quarter, thereby marking the highest quarterly figure since Q2 FY16.
- The Central Board of Direct Taxes has relaxed norms that barred cash transactions exceeding Rs. 2 lakh. Now cash of more than Rs. 2 lakh can be used to pay credit card bills. This limit will also not be relevant for business correspondents appointed by banks, issuers of prepaid instruments and some loans. With effect from Apr 1, 2017, cash transactions of Rs. 2 lakh or above were banned in respect of a single transaction or transactions related to one event or occasion by an individual as per the Finance Act of 2017.
- More than 7.36 crore Permanent Account Number (PAN) holders have so far linked their unique alphanumeric number with Aadhaar. Out of this 7.36 crore, more than 1 crore linkings were done in Jun 2017 as the government had announced that the PAN-Aadhaar linking was compulsory from Jul 1 for filing of income tax returns and for obtaining a new PAN.
- Retailers with unsold pre-Goods and Service Tax (GST) stocks have been permitted by the government to stick new prices on them for sales. Till Sep 30, 2017, the companies can clear the unsold pre-GST goods with a revised Maximum Retail Price (MRP) that will be displayed along with printed sale price to reflect the changes post GST rollout. The old MRP will have to be clearly on display along with the revised MRP sticker. However, beginning Oct 1, 2017, all pre-packed goods will be allowed to have only one MRP including the GST.

FII Derivative Trade Statistics		05-Jul		
(Rs Cr)	Buy	Sell	Open Int.	
Index Futures	1233.82	1086.33	20295.71	
Index Options	41427.00	41118.25	54282.92	
Stock Futures	7279.91	7127.95	70087.85	
Stock Options	4168.71	4067.69	3129.60	
Total	54109.44	53400.22	147796.08	

Derivative Statistics- Nifty Options			
	05-Jul	Prev_Day	Change
Put Call Ratio (OI)	1.26	1.21	0.05
Put Call Ratio(Vol)	1.17	1.11	0.06

Debt Watch				
	05-Jul	Wk. Ago	Mth. Ago	Year Ago
Call Rate	6.03%	6.05%	6.07%	6.25%
CBLO	6.04%	6.19%	6.05%	6.18%
Repo	6.25%	6.25%	6.25%	6.50%
Reverse Repo	6.00%	6.00%	6.00%	6.00%
91 Day T-Bill	6.21%	6.27%	6.21%	6.54%
364 Day T-Bill	6.36%	6.37%	6.29%	6.80%
10 Year Gilt	6.55%	6.50%	6.65%	7.39%
G-Sec Vol. (Rs.Cr)	45261	52734	39770	128374
1 Month CP Rate	6.58%	6.58%	6.48%	7.54%
3 Month CP Rate	6.69%	6.69%	6.70%	7.83%
5 Year Corp Bond	7.32%	7.28%	7.43%	8.04%
1 Month CD Rate	6.32%	6.33%	6.28%	6.55%
3 Month CD Rate	6.37%	6.35%	6.39%	6.78%
1 Year CD Rate	6.70%	6.69%	6.80%	7.38%

Currency Market			
Currency	05-Jul	Prev_Day	Change
USD/INR	64.72	64.82	-0.10
GBP/INR	83.61	83.91	-0.31
EURO/INR	73.50	73.60	-0.10
JPY/INR	0.57	0.57	0.00

Commodity Prices				
Commodity	05-Jul	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	45.06	44.69	47.35	46.68
Brent Crude(\$/bl)	47.87	46.49	47.89	45.03
Gold(\$/oz)	1226	1249	1279	1356
Gold(Rs./10 gm)	28066	28797	29081	31095

Source: ICRON Research

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Derivatives Market

- Nifty Jul 2017 Futures were at 9,645.30 points, a premium of 7.70 points, over the spot closing 9,637.60. The turnover on NSE's Futures and Options segment went up from Rs. 4,22,587.83 crore on Jul 4 to Rs. 4,70,334.35 crore on Jul 5.
- The Put-Call ratio stood at 0.92 compared with the previous session's close of 0.95.
- The Nifty Put-Call ratio stood at 1.29 compared with the previous session's close of 1.24.
- The open interest on Nifty Futures stood at 21.88 million as against previous session's close of 21.56 million.

Indian Debt Market

- Bond yields stayed unchanged as market participants remained on the sidelines amid lack of any domestic triggers and ahead of the upcoming debt auction due later in the week.
- Yield on the 10-year benchmark paper (6.79% GS 2027) remained steady at 6.55% from the previous close. 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. 1,970 crore (gross) on Jul 5, down from Rs. 2,055 crore (gross) borrowing on Jul 4. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 27,347 crore on Jul 4.
- Banks borrowing under the central bank's Marginal Standing Facility was Rs. 275 crore on Jul 4 as against Rs. 30 crore borrowing on Jul 3.

Currency Market Update

- The Indian rupee inched down against the greenback following dollar demand from importers. Market participants also remained on the sidelines ahead of the minutes of the U.S. Federal Reserve's policy meeting held in Jun 2017 due later in the day. The rupee fell 0.08% to close at 64.78 per dollar from the previous close of 64.73.
- The euro weakened against the greenback as market participants remained on the sidelines ahead of the minutes of the U.S. Federal Reserve's Jun policy meeting due later in the day. Euro was trading at \$1.1326, down 0.14% compared with the previous close of \$1.1342.

Commodity Market Update

- Gold prices traded lower as investors remained cautious ahead of the release of the minutes of Fed's latest policy meeting.
- Brent crude prices traded lower amid cautious stance adopted by investors as Saudi Arabia, the United Arab Emirates, Egypt, and Bahrain scheduled meeting on whether to continue sanctions imposed on Qatar.

International News

- Data from Eurostat showed that retail sales in the euro zone grew more than expected in May 2017. On a monthly basis, retail sales increased 0.4% in May following a 0.1% rise in Apr 2017. On a yearly basis, retail sales growth held steady at 2.6% in May.
- A report from IHS Markit showed that private sector growth in the euro zone expanded more than initially estimated in Jun 2017. The composite output index fell to 56.3 in Jun, lowest in last four months, from 56.8 in May 2017. Meanwhile, the services Purchasing Managers' Index (PMI) also fell less than expected to 55.4 in Jun from 56.3 in May.

Thank you for
your time.