

### Indices Performance

| Global Indices    | 06-Jul | Prev_Day | Abs. Change | % Change <sup>#</sup> |
|-------------------|--------|----------|-------------|-----------------------|
| Dow Jones         | 17,919 | 17,841   | 78          | 0.44                  |
| Nasdaq            | 4,859  | 4,823    | 36          | 0.75                  |
| FTSE              | 6,464  | 6,545    | -82         | -1.25                 |
| Nikkei            | 15,379 | 15,669   | -290        | -1.85                 |
| Hang Seng         | 20,495 | 20,751   | -255        | -1.23                 |
| Indian Indices    | 05-Jul | Prev_Day | Abs. Change | % Change <sup>#</sup> |
| S&P BSE Sensex    | 27,167 | 27,279   | -112        | -0.41                 |
| Nifty 50          | 8,336  | 8,371    | -35         | -0.42                 |
| Nifty 100         | 8,486  | 8,517    | -31         | -0.37                 |
| Nifty Bank        | 18,004 | 18,098   | -93         | -0.52                 |
| SGX Nifty         | 8,353  | 8,375    | -23         | -0.27                 |
| S&P BSE Power     | 2,004  | 2,018    | -14         | -0.71                 |
| S&P BSE Small Cap | 11,993 | 12,006   | -13         | -0.11                 |
| S&P BSE HC        | 15,791 | 15,759   | 32          | 0.21                  |

### P/E Dividend Yield

| Date      | Sensex |            | Nifty |            |
|-----------|--------|------------|-------|------------|
|           | P/E    | Div. Yield | P/E   | Div. Yield |
| 5-Jul     | 19.92  | 1.43       | 22.88 | 1.24       |
| Month Ago | 19.62  | 1.45       | 22.77 | 1.31       |
| Year Ago  | 22.66  | 1.29       | 23.52 | 1.43       |

### Nifty 50 Top 3 Gainers

| Company    | 05-Jul | Prev_Day | % Change <sup>#</sup> |
|------------|--------|----------|-----------------------|
| Bosch      | 22539  | 22249    | 1.30                  |
| Coal India | 322    | 318      | 1.26                  |
| PNB        | 114    | 113      | 1.15                  |

### Nifty 50 Top 3 Losers

| Company    | 05-Jul | Prev_Day | % Change <sup>#</sup> |
|------------|--------|----------|-----------------------|
| GAIL       | 387    | 397      | -2.58                 |
| Power Grid | 161    | 165      | -2.51                 |
| NTPC       | 153    | 156      | -2.15                 |

### Advance Decline Ratio

|           | BSE  | NSE |
|-----------|------|-----|
| Advances  | 1277 | 707 |
| Declines  | 1476 | 890 |
| Unchanged | 140  | 67  |

### Institutional Flows (Equity)

| Description (Cr) | Inflow/Outflow | YTD   |
|------------------|----------------|-------|
| FII Flows*       | 149            | 20534 |
| MF Flows**       | 267            | 10384 |

\*5<sup>th</sup> Jul 2016; \*\*4<sup>th</sup> Jul 2016

### Economic Indicator

| YoY(%) | Current            | Quarter Ago        | Year Ago           |
|--------|--------------------|--------------------|--------------------|
| WPI    | 0.79%<br>(May-16)  | -0.85%<br>(Feb-16) | -2.20%<br>(May-15) |
| IIP    | -0.80%<br>(Apr-16) | -1.50%<br>(Jan-16) | 3.00%<br>(Apr-15)  |
| GDP    | 7.90<br>(Mar-16)   | 7.20<br>(Dec-15)   | 6.70<br>(Mar -15)  |

### Global Indices

- Most of the Asian bourses closed in the negative terrain after the Bank of England warned about increasing risks in the financial market following 'Brexit'. But, Chinese market bucked the trend despite the nation's Premier hinted that it would be difficult for China to achieve a growth of 6.7% in the first quarter. Today (As on Jul 7), Asian markets were mostly opened higher following positive finish in Wall Street overnight. While Nikkei Average was trading down 0.14%, Hang Seng was up 0.47% (as at 8.00 a.m IST).
- As per the last close, European markets fell on persisting concerns about the impact of Britain's vote to leave the European Union. Downbeat German economic data increased losses.
- As per the last close, U.S. markets rose following faster than expected growth in the ISM based U.S. service sector in June and rise in crude oil prices. Market gained further after the release of the minutes of the Federal Reserve's latest monetary policy meeting, which showed policy makers were reluctant to make any monetary policy changes before the outcome of the Brexit.

### Indian Equity Market

- Indian equity market closed in the red amid renewed concerns over "Brexit" and after final reading of a private survey showed that growth rate in the Indian service sector slowed to a seven-month low level in Jun 2016.
- Key benchmark indices S&P BSE Sensex and Nifty 50 fell 0.41% and 0.42% to close at 27,166.87 points and 8,335.95 points, respectively. S&P BSE Mid-Cap and S&P BSE Small-Cap slipped 0.08% and 0.11%, respectively.
- The overall market on BSE was weak with 1,476 scrips declining and 1,277 scrips advancing. A total of 140 scrips remained unchanged.
- On the BSE sectoral front, majority of the indices closed in the red. S&P BSE Utilities was the major laggard, down 1.14%, followed by S&P BSE Auto and S&P BSE Telecom, which slipped 1.09% and 0.86%, respectively. S&P BSE Power and S&P BSE Realty went down 0.71% and 0.63%, respectively. S&P BSE Metal was the top gainer, up 0.40%, followed by S&P BSE Capital Goods and S&P BSE Energy, which went up 0.35% and 0.32%, respectively.

### Domestic News

- India's service sector growth slowed for the third consecutive month in Jun 2016. The Nikkei/Market Services Purchasing Managers' Index (PMI) fell to 50.3 in Jun from 51.0 in May 2016. Weak new business growth has led to the slower expansion in activity. Also, future expectations dipped to the lowest level since Feb 2016 and services confidence was weakest in the past four months.
- Data from Securities and Exchange Board of India showed that Indian companies amassed more than Rs. 1.34 lakh crore in the first quarter of FY17 through private placement of corporate bonds in order to meet their business requirements. Indian companies raised Rs. 1,41,623 crore in the same period of the previous year. Total issuances were 893 for the period of Apr-Jun of this fiscal, compared with 912 in the same period of FY16.
- According to a major credit rating agency, the growth of the Indian economy over the next two years may come under pressure due to subdued global demand and high leverage in some corporate sectors. The rating agency added that while impaired assets in the banking system could negatively affect credit supply, gradual implementation of reformatory measures could provide support to India's medium-term growth potential.
- Axis Bank has received government's approval to raise its foreign shareholding limit from existing 62% to 74%.
- Larsen & Toubro (L&T) has received export orders worth Rs. 480 crore from Mitsubishi Hitachi Power Systems Ltd through its two joint venture firms - L&T-MHPS Boilers Private Ltd. and L&T-MHPS Turbine Generators Private Ltd.

| FII Derivative Trade Statistics | 05-Jul          |                 |                  |
|---------------------------------|-----------------|-----------------|------------------|
| (Rs Cr)                         | Buy             | Sell            | Open Int.        |
| Index Futures                   | 1309.90         | 1234.18         | 14740.32         |
| Index Options                   | 16941.29        | 16207.84        | 47431.52         |
| Stock Futures                   | 4593.34         | 4090.16         | 48266.22         |
| Stock Options                   | 2312.83         | 2322.65         | 1916.28          |
| <b>Total</b>                    | <b>25157.36</b> | <b>23854.83</b> | <b>112354.34</b> |

| Derivative Statistics- Nifty Options | 05-Jul | Prev_Day | Change |
|--------------------------------------|--------|----------|--------|
| Put Call Ratio (OI)                  | 1.04   | 1.04     | -0.01  |
| Put Call Ratio(Vol)                  | 1.08   | 1.11     | -0.03  |

| Debt Watch         | 05-Jul | Wk. Ago | Mth. Ago | Year Ago |
|--------------------|--------|---------|----------|----------|
| Call Rate          | 6.25%  | 6.27%   | 6.28%    | 7.01%    |
| CBLO               | 6.18%  | 6.26%   | 6.37%    | 6.96%    |
| Repo               | 6.50%  | 6.50%   | 6.50%    | 7.25%    |
| Reverse Repo       | 6.00%  | 6.00%   | 6.00%    | 6.25%    |
| 91 Day T-Bill      | 6.54%  | 6.70%   | 6.78%    | 7.50%    |
| 364 Day T-Bill     | 6.80%  | 6.86%   | 6.89%    | 7.61%    |
| 10 Year Gilt       | 7.39%  | 7.45%   | 7.49%    | 7.80%    |
| G-Sec Vol. (Rs.Cr) | 128374 | 70133   | 33331    | 34820    |
| 1 Month CP Rate    | 7.54%  | 7.58%   | 7.75%    | 7.85%    |
| 3 Month CP Rate    | 7.83%  | 7.79%   | 7.99%    | 8.01%    |
| 5 Year Corp Bond   | 8.04%  | 8.08%   | 8.11%    | 8.54%    |
| 1 Month CD Rate    | 6.55%  | 6.82%   | 7.08%    | 7.55%    |
| 3 Month CD Rate    | 6.78%  | 6.84%   | 7.15%    | 7.73%    |
| 1 Year CD Rate     | 7.38%  | 7.46%   | 7.51%    | 8.06%    |

| Currency Market | 05-Jul | Prev_Day | Change |
|-----------------|--------|----------|--------|
| USD/INR         | 67.40  | 67.18    | 0.22   |
| GBP/INR         | 89.15  | 89.30    | -0.15  |
| EURO/INR        | 75.03  | 74.83    | 0.20   |
| JPY/INR         | 0.66   | 0.65     | 0.01   |

| Commodity Prices   | 05-Jul | Wk Ago | Mth. Ago | Year Ago |
|--------------------|--------|--------|----------|----------|
| NYMEX Crude(\$/bl) | 47.37  | 47.93  | 48.69    | 56.52    |
| Brent Crude(\$/bl) | 45.05  | 45.74  | 48.20    | 58.66    |
| Gold( \$/oz)       | 1364   | 1312   | 1244     | 1167     |
| Gold(Rs./10 gm)    | 31095  | 30698  | 28616    | 26148    |

Source: ICRON Research

#### Disclaimer:

The information herein is meant only for general reading purposes and contains all factual and statistical information pertaining to Industry and markets which have been obtained from independent third party sources and which are deemed to be reliable. The information provided cannot be considered as guidelines, recommendations or as a professional guide for the readers. It may be noted that since Reliance Nippon Life Asset Management Company Limited (RNLAM) (formerly Reliance Capital Asset Management Limited) has not independently verified the accuracy or authenticity of such information or data, or for that matter the reasonableness of the assumptions upon which such data and information has been processed or arrive data; RNLAM does not in any manner assure the accuracy or authenticity of such data and information. Some of the statements & assertions contained in these materials may reflect RNLAM's views or opinions, which in turn may have been formed on the basis of such data or information. The Sponsor(s), the Investment Manager, the Trustee or any of their respective directors, employees, affiliates or representatives do not assume any responsibility for, or warrant the accuracy, completeness, adequacy and reliability of such data or information. Whilst no action has been solicited based upon the information provided herein, due care has been taken to ensure that the facts are accurate and opinions given are fair and reasonable, to the extent possible. This information is not intended to be an offer or solicitation for the purchase or sale of any financial product or instrument. Recipients of this information should rely on information/data arising out of their own investigations. Before making any investments, the readers are advised to seek independent professional advice, verify the contents in order to arrive at an informed investment decision. None of the Sponsor(s), the Investment Manager, the Trustee, their respective directors, employees, affiliates or representatives shall be liable in any way for any direct, indirect, special, incidental, consequential, punitive or exemplary damages, including on account of lost profits arising from the information contained in this material.

Readers are requested to click here for ICRON disclaimer - <http://www.icraonline.com/legal/standard-disclaimer.html>

**Mutual Fund Investments are subject to market risks, read all scheme related documents carefully.**

#### Derivatives Market

- Nifty Jul 2016 Futures were at 8,354.00 points, a premium of 18.05 points, over the spot closing of 8,335.95 points. The turnover on NSE's Futures and Options segment went up from Rs. 1,77,852.53 crore on Jul 4 to Rs. 1,93,369.42 crore on Jul 5.
- The Put-Call ratio stood at 1.01, compared with the previous session's close of 0.99.
- The Nifty Put-Call stood at 1.04, compared with the previous session's close of 1.05.
- The open interest on Nifty Futures stood at 20.25 million, compared with the previous session's close of 20.38 million.

#### Indian Debt Market

- Bond yields fell on hopes that key central banks across the globe might ease their monetary policies to combat the consequences of Britain's exit from the European Union. Lower possibility of an interest rate hike by the U.S. Federal Reserve in the near term also boosted market sentiment.
- Yield on 10-year benchmark bond (7.59% GS 2026) fell 3 bps to close at 7.39% from the previous close of 7.42%. During the session, bond yields traded in the range of 7.38% to 7.43%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility stood at Rs. 2,373 crore (gross), compared with gross borrowings of Rs. 2,374 crore on Jul 4. Sale of securities under the Reserve Bank of India's (RBI) reverse repo window stood at Rs. 18,536 crore on Jul 4.

#### Currency Market Update

- The Indian rupee fell against the U.S. dollar following decline in domestic equity market due to concerns of foreign fund outflows. The rupee plunged by 0.28% to close at 67.46 compared with the previous close of 67.27.
- The euro weakened against the greenback on concerns that the exit of Britain from the European Union would adversely affect the growth prospects of the eurozone. Euro was trading down 0.08% at \$1.1066 compared with the previous close of \$1.1075.

#### Commodity Market Update

- Gold prices increased on renewed fears over the impact of Britain's exit from the European Union.
- Brent crude prices went down due to concerns over weak demand from refineries and global economic health following 'Brexit'.

#### International News

- The Bank of England declined its capital buffer requirements for banks to zero percent from 0.5% of banks' U.K. exposures with immediate effect to ensure stability in the financial system after 'Brexit'. The Financial Policy Committee of the bank expects buffer rate to remain at zero percent until at least Jun 2017. Besides, BoE in its bi-annual Financial Stability Report said to take more actions to ensure stability in the financial system during shocks.
- According to Caixin Economics, China's composite PMI dropped to 50.3 in Jun 2016 from 50.5 in May 2016. The index fell to its lowest level in four months despite acceleration in the service sector activity. Services business activity expanded at its fastest pace in 11 months. The slowdown in private sector activity was due to decline in manufacturing PMI index at the sharpest pace since Feb.