

RELIANCE

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FUND

Markets for You

11 Jul 2017

Indices Performance

Global Indices	10-Jul	Prev_Day	Abs. Change	% Change [#]
Dow Jones	21,409	21,414	-6	-0.03
Nasdaq	6,176	6,153	23	0.38
FTSE	7,370	7,351	19	0.26
Nikkei	20,081	19,929	152	0.76
Hang Seng	25,500	25,341	159	0.63
Indian Indices	10-Jul	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	31,716	31,361	355	1.13
Nifty 50	9,771	9,666	105	1.09
Nifty 100	10,103	9,998	106	1.06
Nifty Bank	23,675	23,449	226	0.96
SGX Nifty	9,773	9,667	106	1.10
S&P BSE Power	2,254	2,232	22	0.99
S&P BSE Small Cap	15,899	15,831	68	0.43
S&P BSE HC	14,547	14,384	163	1.14

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
10-Jul	23.29	1.23	24.87	1.09
Month Ago	22.69	1.31	24.38	1.18
Year Ago	19.77	1.44	22.85	1.25

Nifty 50 Top 3 Gainers

Company	10-Jul	Prev_Day	% Change [#]
Bharti Airtel	406	386	5.13
TCS	2435	2332	4.42
Wipro	268	258	4.09

Nifty 50 Top 3 Losers

Company	10-Jul	Prev_Day	% Change [#]
M&M	1367	1376	-0.63
Zee Entertainment	506	507	-0.32
ITC	333	334	-0.30

Advance Decline Ratio

	BSE	NSE
Advances	1540	949
Declines	1112	674
Unchanged	158	60

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-420	53066
MF Flows**	232	42752

*10th Jul 2017; **6th Jul 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 markets witnessed a mixed trend amid cautious stance adopted by investors ahead of a series of Chinese economic data. Japanese markets went up due to weakness in Japanese yen. The U.S. non-farm payroll data for Jun 2017 generated mixed reactions among the investors. While, the positive data renewed concerns over imminent rate hike by the U.S. Fed, a section of investors interpreted the data as a sign of strength in the U.S. economy. Today (As on Jul 11), Asian market opened higher following cues from the overseas market. Also, weaker yen led to rise of Japanese Market. Both Nikkei Average and Hang Seng were trading up 0.18% and 0.62%, respectively (as at 8.00 a.m IST).
- As per the last close, European market closed higher after release of upbeat export data of Germany that boosted economic sentiment. However, investors were cautious ahead of U.S. Federal Reserve Chair's semi annual testimony before Congress on Jul 12.
- As per the last close, U.S. markets closed almost flat as investors were reluctant to make any significant step ahead of U.S. Federal Reserve Chair's semi annual testimony before Congress on Jul 12.

Indian Equity Market

- The Sensex touched a record high while Nifty settled above the 9,700-mark for the first time despite technical glitches in NSE's platform disrupted trade for over three hours. Markets gained amid optimism over the upcoming earnings season and expectation of good monsoon rainfall. Bourses also got support from the other global peers, which rose on the back of better-than-expected U.S. jobs data for Jun 2017.
- Key benchmark indices S&P BSE Sensex and Nifty 50 gained 1.13% and 1.09% to close at 31,715.64 and 9,771.05, respectively. S&P BSE Mid-Cap and S&P BSE Small-Cap went up 0.67% and 0.43%, respectively.
- On the BSE sectoral front, most of the indices closed in the green barring S&P BSE FNCG (-0.01%). S&P BSE Telecom (3.88%) stood as the major gainer followed by S&P BSE Teck (2.95%) and S&P BSE IT (2.92%). Auto sector (0.59%) gained although the industry data indicated 11.24% plunge in the domestic car sales number.

Domestic News

- According to a report from the Society of Indian Automobile Manufacturers (SIAM), domestic car sales plunged 11.24% to 136,895 units in Jun 2017 from 154,237 units in the year-ago period. Domestic passenger vehicle sales fell 11.21% to 198,399 units in Jun from 223,454 units in the year-ago period. Meanwhile, sales of commercial vehicles were up 1.44% on YoY basis to 56,890 units in Jun.
- Beginning Jan 2018, the government has made it mandatory for e-commerce companies to print not only the maximum retail price (MRP) on goods but also information like manufacturing date, expiry date, net quantity, country of origin, and consumer care details, in order to protect online consumers.
- In order to make norms stricter for participatory notes (P-Notes), the Securities and Exchange Board of India (SEBI) has posed restrictions on foreign portfolio investors from issuing participatory notes where the underlying asset is a derivative. Per the norms, if derivative is an underlying asset, P-Notes or Offshore Derivative Instruments can be issued only for the purpose of hedging with respect to the equity shares held. Meanwhile, the existing positions on unhedged P-Note derivatives have to be liquidated by the end of Dec 2020.
- Shriram group and IDFC expressed their intent to merge the two entities. They have entered into an agreement to evaluate the proposal for 90 days. As per the proposed plan, IDFC Ltd will be the holding company of the merged entity.
- Google has sought approval from the Reserve Bank of India (RBI) to integrate the Unified Payment Interface (UPI) within its Android Pay application. This marks Google's entry into India's fast growing digital payments space.
- According to media reports, Flipkart is expected to make a revised offer in the next few days for buying Snapdeal.
- Tata Motors-owned Jaguar Land Rover reported retail sales of 51,591 units for Jun 2017. This corresponds to an increase of 11% from the same month of the previous year.

FII Derivative Trade Statistics		10-Jul	
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	792.13	1553.21	20234.84
Index Options	23829.37	23395.06	59061.95
Stock Futures	6645.91	6453.71	70599.03
Stock Options	4244.68	4120.97	4519.01
Total	35512.09	35522.95	154414.83

Derivative Statistics- Nifty Options			
	10-Jul	Prev_Day	Change
Put Call Ratio (OI)	1.34	1.29	0.05
Put Call Ratio(Vol)	1.21	1.15	0.06

Debt Watch				
	10-Jul	Wk. Ago	Mth. Ago	Year Ago
Call Rate	6.10%	6.07%	6.13%	6.44%
CBLO	6.15%	6.06%	5.13%	5.75%
Repo	6.25%	6.25%	6.25%	6.50%
Reverse Repo	6.00%	6.00%	6.00%	6.00%
91 Day T-Bill	6.25%	6.28%	6.26%	6.55%
364 Day T-Bill	6.33%	6.33%	6.35%	6.82%
10 Year Gilt	6.47%	6.55%	6.50%	7.38%
G-Sec Vol. (Rs.Cr)	80618	60034	69544	97993
1 Month CP Rate	6.52%	6.54%	6.55%	7.50%
3 Month CP Rate	6.70%	6.70%	6.68%	7.77%
5 Year Corp Bond	7.30%	7.37%	7.28%	8.01%
1 Month CD Rate	6.29%	6.32%	6.27%	6.47%
3 Month CD Rate	6.33%	6.36%	6.37%	6.73%
1 Year CD Rate	6.68%	6.69%	6.76%	7.37%

Currency Market			
Currency	10-Jul	Prev_Day	Change
USD/INR	64.54	64.73	-0.19
GBP/INR	83.28	83.88	-0.61
EURO/INR	73.58	73.88	-0.30
JPY/INR	0.57	0.57	0.00

Commodity Prices				
Commodity	10-Jul	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	44.35	45.97	45.77	45.32
Brent Crude(\$/bl)	46.81	49.22	46.08	43.87
Gold(\$/oz)	1214	1220	1266	1366
Gold(Rs./10 gm)	27719	28292	28916	31204

Source: ICRON Research

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Derivatives Market

- Nifty Jul 2017 Futures were at 9,776.95 points, a premium of 5.90 points, over the spot closing 9,771.05. The turnover on NSE's Futures and Options segment went up from Rs. 2,55,722.14 crore on Jul 7 to Rs. 3,33,398.09 crore on Jul 10.
- The Put-Call ratio stood at 0.99 compared with the previous session's close of 0.94.
- The Nifty Put-Call ratio stood at 1.34 compared with the previous session's close of 1.31.
- The open interest on Nifty Futures stood at 22.00 million as against previous session's close of 22.09 million.

Indian Debt Market

- Bond yields fell on growing expectations that retail inflation will drop further in Jun 2017 which could make way for further monetary easing by the Monetary Policy Committee. Retail inflation data is due to be released on Jul 12. Market participants hope that prospects of good monsoon will keep food inflation low.
- Yield on the 10-year benchmark paper (6.79% GS 2027) plunged 6 bps to 6.47% from the previous close of 6.53%. During the session, bond yields traded in the range of 6.47% and 6.54%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 3,855 crore (gross) on Jul 10, compared with Rs. 1,415 crore (gross) borrowing on Jul 7. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 18,236 crore on Jul 7.

Currency Market Update

- The Indian rupee strengthened against the U.S. dollar following gains in the domestic equity market. However, greenback demand amid strong U.S. jobs data in Jun 2017 capped the gains.
- The euro weakened against the U.S. dollar after the release of better than expected U.S. jobs data in Jun 2017, hence increasing the possibility that the U.S. Federal Reserve would stick with its tightening plans for the rest of this year.

Commodity Market Update

- Gold prices slipped as market participants awaited comments from chief officials of the U.S. Federal Reserve due later during the week.
- Brent crude prices went down even after growing briefly, since supply glut tensions persisted. Rise in Libya and Nigeria's crude output added to the glut.

International News

- According to Sentix, euro zone's investor confidence fell slightly to 28.3 in Jul 2017 from 28.4 in Jun 2017.
- According to a data from Destatis, Germany's exports and imports both came in higher than market expectations in May 2017. On MoM basis, exports grew 1.4% in May higher than 0.9% in Apr 2017. Meanwhile, growth in imports stood steady at 1.2% on MoM basis. The trade surplus surged to EUR 20.3 billion in May from EUR 19.7 billion in Apr.
- According to the National Bureau of Statistics, China's inflation stood steady at 1.5% in Jun 2017. Food prices fell 1.2% while non-food prices grew 2.2% in Jun. Inflation was 1.4% in the first half of the year. The government targets approximately 3% inflation in 2017.



Thank you for
your time.