

**RELIANCE**

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FUND

# Markets for You

11 Jul 2018

## Indices Performance

Global Indices	10-Jul	Prev_Day	Abs. Change	% Change <sup>#</sup>
Dow Jones	24,920	24,777	143	0.58
Nasdaq	7,759	7,756	3	0.04
FTSE	7,692	7,688	4	0.05
Nikkei	22,197	22,052	145	0.66
Hang Seng	28,682	28,689	-6	-0.02
Indian Indices	10-Jul	Prev_Day	Abs. Change	% Change <sup>#</sup>
S&P BSE Sensex	36,240	35,935	305	0.85
Nifty 50	10,947	10,853	94	0.87
Nifty 100	11,219	11,120	99	0.89
Nifty Bank	26,895	26,753	141	0.53
SGX Nifty	10,963	10,880	83	0.76
S&P BSE Power	1,941	1,925	17	0.86
S&P BSE Small Cap	16,484	16,314	170	1.04
S&P BSE HC	14,188	14,208	-20	-0.14

## P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
10-Jul	23.17	1.21	27.05	1.19
Month Ago	22.91	1.15	27.27	1.23
Year Ago	23.29	1.23	24.87	1.09

## Nifty 50 Top 3 Gainers

Company	10-Jul	Prev_Day	% Change <sup>#</sup>
GAIL	364	347	4.76
Hindalco	229	222	3.15
RIL	1026	997	2.87

## Nifty 50 Top 3 Losers

Company	10-Jul	Prev_Day	% Change <sup>#</sup>
HPCL	268	273	-1.63
Indian Oil	155	157	-1.30
IndusInd Bank	1935	1958	-1.18

## Advance Decline Ratio

	BSE	NSE
Advances	1678	1243
Declines	971	542
Unchanged	127	81

## Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-742	-5729
MF Flows**	14	69998

\*10<sup>th</sup> Jul 2018; \*\*9<sup>th</sup> Jul 2018

## Economic Indicator

YoY(%)	Current	Quarter Ago	Year Ago
CPI	4.87%	4.44%	2.18%
	(May-18)	(Feb-18)	(May-17)
IIP	4.90%	7.40%	3.20%
	(Apr-18)	(Jan-18)	(Apr-17)
GDP	7.70%	7.00%	6.10%
	(Mar-18)	(Dec-17)	(Mar-17)

Since May-17, MOSPI has revised base year of IIP &amp; WPI from 2004-05 to 2011-12, and for CPI from 2010 to 2012

## Global Indices

- Asian markets went up backed by recent strength in global crude oil prices and optimism over upcoming corporate earnings season. Today (as of July 11), Asian markets opened on a negative note on concerns over trade war between the U.S. and China. Both Nikkei and Hang Seng fell 1.80% and 1.84%, respectively (as at 8 a.m. IST).
- As per the last close, European markets went up on optimism for strong corporate results and put aside concerns over global trade and some disappointing economic data.
- As per the last close, U.S markets increased on optimism about the Jun quarter of 2018 earnings season, which overshadowed ongoing worries about trade war.

## Indian Equity Market

- Indian equity markets closed in the green following optimism over corporate earnings for the quarter ended Jun 2018. Further, positive global cues amid confidence that the upcoming earnings season will offset the trade tensions added to the gains. Additionally, gains in stock of an Indian conglomerate after international brokerages showed positivity on the prospects of the stock supported buying interest.
- Key benchmark indices S&P BSE Sensex and Nifty 50 grew 0.85% and 0.87% to close at 36,239.62 and 10,947.25, respectively. S&P BSE Mid-Cap and S&P BSE Small Cap grew 1.01% and 1.04%.
- The overall market breadth on BSE was strong with and 1,678 scrips advancing and 971 scrips declining. A total of 127 scrips remained unchanged.
- On the BSE sectoral front, S&P BSE Energy stood as the major gainers, up 2.01% followed by S&P BSE Realty that grew 1.79%. S&P BSE Telecom and S&P BSE Metal grew 1.75% and 1.58%, respectively. S&P BSE Healthcare fell 0.14%.

## Domestic News

- According to the Society of Indian Automobile Manufacturers (SIAM), domestic passenger vehicle sales rose 37.54% to 2,73,759 units in June against 1,99,036 units in the same period last year. Further, domestic car sales were up 34.21% to 1,83,885 units as against 1,37,012 units in June 2017 while, sales of commercial vehicles were up 41.72% to 80,624 units in June.
- According to Department of Industrial Policy and Promotion (DIPP), Andhra Pradesh has secured the top position in the third edition of the government's Ease of Doing Business index for states followed by Telangana (98.33%) and Haryana (98.07%) at the second and third position. However, Mumbai (Maharashtra) and New Delhi (Delhi), the two cities that World Bank takes into consideration for its annual Ease of Doing Business Index, didn't perform well on this state index.
- The government will focus on states to adopt zero-budget natural farming (ZBNF), using of natural farming methods where the cost of growing and harvesting crops is almost zero. This new method will lower the cost of farming, thereby significantly increasing the profit margins for farmers.
- According to the Directorate General of Anti-dumping and Allied Duties (DGAD), India has imposed anti-dumping duty on a Chinese polyester yarn used in automobile and other industries of up to \$528 per tonne for 5 years. This is done to provide a level playing field to domestic players and protect them against below-cost imports.
- As per media reports, the government is analysing various schemes by government or private players to deliver pension, provident fund and health insurance benefits for all workers in the country including self-employed and agricultural workers. The worker will get option to choose at least one from multiple schemes offered to avail the benefits. This will give flexibility to the workers and will also lower the compliance cost as they will have to file only one compliance for one account under the social security code.

FII Derivative Trade Statistics		10-Jul		
(Rs Cr)	Buy	Sell	Open Int.	
Index Futures	2569.64	1700.11	21677.01	
Index Options	37638.91	36631.42	55232.16	
Stock Futures	9224.34	9315.11	79726.58	
Stock Options	4886.44	4836.27	5085.61	
Total	54319.33	52482.91	161721.36	

Derivative Statistics- Nifty Options			
	10-Jul	Prev_Day	Change
Put Call Ratio (OI)	1.66	1.53	0.13
Put Call Ratio(Vol)	1.01	1.02	-0.01

Debt Watch				
	10-Jul	Wk. Ago	Mth. Ago	Year Ago
Call Rate	6.15%	6.11%	6.02%	6.10%
CBLO	6.24%	6.00%	5.07%	6.15%
Repo	6.25%	6.25%	6.25%	6.25%
Reverse Repo	6.00%	6.00%	6.00%	6.00%
91 Day T-Bill	6.40%	6.35%	6.45%	6.25%
364 Day T-Bill	7.11%	7.11%	6.99%	6.33%
10 Year Gilt	7.90%	7.88%	7.95%	6.47%
G-Sec Vol. (Rs.Cr)	15049	18157	36801	80618
FBIL MIBOR	6.26%	6.25%	6.05%	6.20%
3 Month CP Rate	7.15%	7.30%	7.80%	6.70%
5 Year Corp Bond	8.86%	8.83%	8.75%	7.48%
1 Month CD Rate	6.32%	6.55%	7.12%	6.29%
3 Month CD Rate	6.77%	6.78%	7.09%	6.33%
1 Year CD Rate	8.10%	8.11%	8.39%	6.68%

Currency Market			
Currency	10-Jul	Prev_Day	Change
USD/INR	68.79	68.66	0.14
GBP/INR	91.11	91.47	-0.36
EURO/INR	80.78	80.78	0.00
JPY/INR	0.62	0.62	0.00

Commodity Prices				
Commodity	10-Jul	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	74.06	74.14	65.77	44.35
Brent Crude(\$/bl)	77.41	75.46	74.20	46.81
Gold( \$/oz)	1255	1252	1298	1214
Gold(Rs./10 gm)	30399	30282	31027	27719

Source: Thomson Reuters Eikon

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#### Derivatives Market

- Nifty July 2018 Futures were at 10,947.85, a premium of 0.60 points, above the spot closing of 10,947.25. The turnover on NSE's Futures and Options segment went up to Rs. 5,86,440.62 crore on Jul 10 from Rs. 4,56,283.66 crore on Jul 9.
- The Put-Call ratio stood at 0.94 against previous session's close of 0.99.
- The Nifty Put-Call ratio stood at 1.66 against the previous session's close of 1.53.
- India VIX moved up 0.42% to 12.4425 from 12.3900 in the previous trading session.
- Open interest on Nifty Futures stood at 24.84 million as against the previous session's close at 23.74 million.

#### Indian Debt Market

- Bond yields rose following gains in crude oil prices that increased inflation fears and a state debt auction that added to supply.
- Yield on the 10-year benchmark paper (7.17% GS 2028) rose 1 bps to close at 7.90% as against its previous close of 7.89%. During the session, bond yields traded in the range of 7.89% and 7.91%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 8,688 crore (gross) on Jul 10, compared with Rs. 7,806 crore (gross) borrowed on Jul 9. Sale of securities under the Reserve Bank of India's (RBI) reverse repo window stood at Rs. 8,559 crore on Jul 9.
- Banks borrowed Rs. 303 crore under the central bank's Marginal Standing Facility on Jul 9 compared with borrowing of Rs. 3,912 crore on Jun 6.

#### Currency Market Update

- The rupee weakened against the greenback following increase in global crude oil prices and dollar demand from oil importers. The rupee fell 0.16% to close at 68.83 compared to the previous close of 68.72.
- The euro weakened against the greenback as market participants focused on the positive outlook for second-quarter corporate earnings in U.S. which is scheduled to kick off later this week which strengthened the greenback. Euro was last seen trading at \$1.1707, down 0.36% from the previous close of \$1.1749.

#### Commodity Market Update

- Gold prices traded lower as greenback gained against the euro.
- Brent Crude prices traded higher due to intensifying concerns over potential supply shortages as hundreds of workers on Norwegian oil and gas offshore rigs were set for strike on Jul 10.

#### International News

- According to a report from the Federal Reserve, U.S. consumer credit surged by \$24.6 billion in May 2018 as against an upwardly revised increase of \$10.3 billion (\$9.2 billion increase originally reported) in Apr 2018. Revolving credit grew by \$9.7 billion and non-revolving credit surged by \$14.8 billion in May.
- According to a report from the Office for National Statistics, U.K.'s Gross domestic product grew 0.3% MoM in May 2018 as against an increase of 0.2% in Apr 2018 and a flat reading in Mar 2018. This marked the strongest growth since Nov 2017. The gained momentum led to expectations that Bank of England will raise interest rates in Aug 2018.

Thank you for  
your time.