

RELIANCE

MUTUAL
FUND

Markets for You

12 Jul 2018

Indices Performance

Global Indices	11-Jul	Prev_Day	Abs. Change	% Change [#]
Dow Jones	24,700	24,920	-219	-0.88
Nasdaq	7,717	7,759	-43	-0.55
FTSE	7,592	7,692	-100	-1.30
Nikkei	21,932	22,197	-265	-1.19
Hang Seng	28,312	28,682	-371	-1.29
Indian Indices	11-Jul	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	36,266	36,240	26	0.07
Nifty 50	10,948	10,947	1	0.01
Nifty 100	11,207	11,219	-12	-0.11
Nifty Bank	26,816	26,895	-78	-0.29
SGX Nifty	10,967	10,963	4	0.04
S&P BSE Power	1,934	1,941	-7	-0.38
S&P BSE Small Cap	16,429	16,484	-54	-0.33
S&P BSE HC	14,134	14,188	-54	-0.38

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
11-Jul	23.14	1.21	27.20	1.19
Month Ago	23.37	1.14	27.47	1.22
Year Ago	23.31	1.23	24.91	1.09

Nifty 50 Top 3 Gainers

Company	11-Jul	Prev_Day	% Change [#]
TCS	1980	1875	5.59
Bharti Infratel	317	305	3.88
Bajaj Auto	3162	3094	2.19

Nifty 50 Top 3 Losers

Company	11-Jul	Prev_Day	% Change [#]
United Phos	603	637	-5.28
Coal India	265	278	-4.90
Hindalco	221	229	-3.60

Advance Decline Ratio

	BSE	NSE
Advances	1045	670
Declines	1581	1140
Unchanged	151	71

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	259	-5471
MF Flows**	14	69998

*11th Jul 2018; **9th Jul 2018

Economic Indicator

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

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 pressure after the U.S. proposed tariffs on an additional \$200 billion worth of Chinese goods and China has also threatened to take countermeasure on that. Fall in Core machine orders in Japan for May also dented sentiments. However, some respite was seen following positive cues from overnight U.S. markets. Today (as of July 12), Asian markets opened mostly higher despite concerns about renewed global trade war concerns. While Nikkei rose 0.60%, Hang Seng eased 0.04% (as at 8 a.m. IST).
- As per the last close, European markets fell on renewed trade war concerns after U.S. President ordered its Trade Representative to begin the process of imposing tariffs of 10% on an additional \$200 billion of Chinese imports.
- As per the last close, U.S. markets declined on concerns over the economic impact of renewed global trade war after the U.S. President's administration proposed new tariffs on China. Last Friday, U.S. imposed 25% tariff on \$34 billion worth of Chinese imports.

Indian Equity Market

- Gains remained muted in Indian equity markets. Positive impact of gains in the stocks of an IT major, following better than expected corporate earning numbers for Q1FY19, was largely neutralised by concerns over U.S. threats of tariffs on an additional \$200 billion worth of Chinese goods. The same raised probability of a full scale trade war between the two nations.
- Key benchmark indices S&P BSE Sensex and Nifty 50 edged up 0.07% and 0.01% to close at 36265.93 and 10948.30, respectively. Meanwhile, S&P BSE Mid-Cap and S&P BSE Small-Cap fell 0.67% and 0.33%, respectively.
- The overall market breadth on BSE was weak with 1581 scrips declining and 1045 scrips advancing. A total of 151 scrips remained unchanged.
- On the BSE sectoral front, majority of the indices closed in the red. S&P BSE Metal was the major loser, down 3.10%, followed by S&P BSE Basic Materials and S&P BSE Auto, which slipped 1.69% and 0.99%, respectively. S&P BSE Industrials and S&P BSE Telecom fell 0.83% and 0.66%, respectively.

Domestic News

- According to Global Innovation Index (GII) rankings, India has improved its position by three spots and has reached 57th position in 2018. The country has improved 24 spots since 2014-15. India stands as the top exporter of IT services globally. However, the country is still behind in ease of doing a business, political stability and safety, and female employees with advanced degrees in the workforce.
- According to updated data from World Bank, India replaced France and took the position of sixth biggest economy in 2017. India's gross domestic product (GDP) came in at \$2.597 trillion as against France's \$2.582 trillion in 2017. The main reason for growth last year was manufacturing and consumer spending. The U.S. holds the top position followed by China, Japan, Germany and U.K.
- According to media reports, goods and service tax (GST) council in its upcoming meeting in Jul 21 may decide on lowering the tax rate on several items which has low revenue implications as part of the tax rationalisation exercise. The council may consider reduction of levy on items which are linked with general health and employment generation for the unorganised sector.
- According to a report by Institute of International Finance, the global debt has increased by \$30 trillion to \$247 trillion in first quarter of 2018 from fourth quarter of 2016. Also, the global debt-to-gross domestic product (GDP) rose 318% in first quarter of 2018, the first quarterly increase since third quarter of 2016. Global growth losing pace and becoming more divergent, increase in U.S. rates and worries about credit risk are some of the major reasons for rise in global debt.

FII Derivative Trade Statistics		11-Jul		
(Rs Cr)	Buy	Sell	Open Int.	
Index Futures	3514.19	1742.84	23205.98	
Index Options	45916.63	46503.87	55037.82	
Stock Futures	10203.82	9909.07	80393.76	
Stock Options	6459.24	6532.22	5783.70	
Total	66093.88	64688.00	164421.26	

Derivative Statistics- Nifty Options			
	11-Jul	Prev_Day	Change
Put Call Ratio (OI)	1.67	1.66	0.01
Put Call Ratio(Vol)	1.12	1.01	0.11

Debt Watch				
	11-Jul	Wk. Ago	Mth. Ago	Year Ago
Call Rate	6.17%	6.09%	6.04%	6.04%
CBLO	6.25%	5.94%	6.06%	6.19%
Repo	6.25%	6.25%	6.25%	6.25%
Reverse Repo	6.00%	6.00%	6.00%	6.00%
91 Day T-Bill	6.52%	6.46%	6.55%	6.24%
364 Day T-Bill	7.20%	7.14%	6.98%	6.30%
10 Year Gilt	7.87%	7.85%	7.96%	6.48%
G-Sec Vol. (Rs.Cr)	20274	32259	23449	64538
FBIL MIBOR	6.30%	6.25%	6.15%	6.26%
3 Month CP Rate	7.55%	7.20%	7.75%	6.70%
5 Year Corp Bond	8.85%	8.83%	8.75%	7.47%
1 Month CD Rate	6.40%	6.54%	7.17%	6.28%
3 Month CD Rate	6.97%	7.12%	7.76%	6.32%
1 Year CD Rate	7.98%	8.14%	8.39%	6.68%

Currency Market			
Currency	11-Jul	Prev_Day	Change
USD/INR	68.83	68.79	0.03
GBP/INR	91.35	91.11	0.24
EURO/INR	80.79	80.78	0.01
JPY/INR	0.62	0.62	0.00

Commodity Prices				
Commodity	11-Jul	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	70.42	74.14	66.10	45.01
Brent Crude(\$/bl)	74.96	76.58	73.67	46.92
Gold(\$/oz)	1242	1256	1300	1217
Gold(Rs./10 gm)	30403	30510	30781	27772

Source: Thomson Reuters Eikon

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Derivatives Market

- Nifty July 2018 Futures were at 10,938.6, a discount of 9.70 points, below the spot closing of 10,948.30. The turnover on NSE's Futures and Options segment went up to Rs. 7,90,508.41 crore on Jul 11 from Rs. 5,86,440.62 crore on Jul 10.
- The Put-Call ratio stood unchanged at 0.94 against previous session's close.
- The Nifty Put-Call ratio stood at 1.67 against the previous session's close of 1.66.
- Open interest on Nifty Futures stood at 25.67 million as against the previous session's close at 24.84 million.

Indian Debt Market

- Bond yields fell following decline in the global crude oil prices. Investors are also awaiting consumer price inflation for Jun 2018 due on Jul 12.
- Yield on the 10-year benchmark paper (7.17% GS 2028) fell 3 bps to close at 7.87% as against its previous close of 7.90%. During the session, bond yields traded in the range of 7.86% and 7.91%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 6,646 crore (gross) on Jul 11, compared with Rs. 8,688 crore (gross) borrowed on Jul 10. Sale of securities under the Reserve Bank of India's (RBI) reverse repo window stood at Rs. 921 crore on Jul 10.
- Banks borrowed Rs. 3,327 crore under the central bank's Marginal Standing Facility on Jul 10 compared with borrowing of Rs. 303 crore on Jul 9.

Currency Market Update

- The rupee inched up against the greenback following decline in global crude oil prices. However, further gains were capped after the U.S. again threatened to impose tariffs on additional \$200 billion of Chinese goods.
- The euro weakened against the greenback as investor risk sentiment took a hit after the U.S. President threatened 10% tariffs on \$200 billion worth of Chinese imports.

Commodity Market Update

- Gold prices moved down on stronger greenback against the euro. Improved labour market condition in the U.S. also weighed on the bullion prices
- Brent crude prices moved down on concerns over trade dispute between U.S. and China.

International News

- A report from the Labor Department showed that U.S. producer price index for final demand grew 0.3% in Jun 2018 as against an increase of 0.5% in May 2018.
- According to a report from the Ministry of Economy, Trade and Industry, Japan's tertiary activity index inched up 0.1% MoM in May 2018 as against an increase of 1% in Apr 2018. Tertiary activity index grew 1.2% on a yearly basis in May as against an increase of 1.3% in Apr.
- A report from the Cabinet office showed that Japan's core machine orders fell 3.7% on month in May 2018 and came in at 907.9 billion yen as against an increase of 10.1% in Apr 2018. Meanwhile, machine orders surged 16.5% on a yearly basis in May as against an increase of 9.6% in Apr.

Thank you for
your time.