

RELIANCE

MUTUAL
FUND

Markets for You

13 Jul 2017

Indices Performance

Global Indices	12-Jul	Prev_Day	Abs. Change	% Change [#]
Dow Jones	21,532	21,409	123	0.57
Nasdaq	6,261	6,193	68	1.10
FTSE	7,417	7,330	87	1.19
Nikkei	20,098	20,195	-97	-0.48
Hang Seng	26,044	25,878	166	0.64
Indian Indices	12-Jul	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	31,805	31,747	58	0.18
Nifty 50	9,816	9,786	30	0.31
Nifty 100	10,147	10,106	41	0.40
Nifty Bank	23,695	23,585	111	0.47
SGX Nifty	9,871	9,791	80	0.82
S&P BSE Power	2,270	2,259	11	0.47
S&P BSE Small Cap	15,897	15,806	91	0.57
S&P BSE HC	14,516	14,453	63	0.43

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
12-Jul	23.31	1.23	24.98	1.09
Month Ago	22.49	1.32	24.25	1.19
Year Ago	20.33	1.40	23.37	1.22

Nifty 50 Top 3 Gainers

Company	12-Jul	Prev_Day	% Change [#]
ACC	1706	1651	3.34
Bharti Infratel	420	410	2.55
Ambuja Cem	261	255	2.29

Nifty 50 Top 3 Losers

Company	12-Jul	Prev_Day	% Change [#]
TCS	2439	2476	-1.47
M&M	1377	1390	-0.97
Hero Moto	3719	3748	-0.79

Advance Decline Ratio

	BSE	NSE
Advances	1455	980
Declines	1224	705
Unchanged	157	89

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	161	53388
MF Flows**	797	44339

*12th Jul 2017; **10th Jul 2017

Economic Indicator

YoY(%)	Current	Quarter Ago	Year Ago
WPI	2.17% (May-17)	5.51% (Feb-17)	-0.90% (May-16)
IIP	1.70% (May-17)	0.80% (Feb-17)	8.00% (May-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 ahead of U.S. Federal Reserve chief's testimony before the Congress, scheduled later during the day. Renewed controversy over the support of Russia for the U.S. Presidential election campaign also dented investor sentiment. Meanwhile, strength in global crude oil prices boosted energy stocks, which provided cushion to the market. Today (As on Jul 13), Asian market opened in green following higher close in Wall Street after U.S. Federal Reserve Chair indicated gradual increase in interest rate. Both Nikkei Average and Hang Seng were trading up 0.17% and 1.06%, respectively (as at 8.00 a.m IST).
- As per the last close, European market closed higher following increase in crude oil prices and the expected comments from U.S. Federal Reserve Chair on gradual rate hikes.
- As per the last close, U.S. markets closed higher after U.S. Federal Reserve Chair indicated gradual increase in interest rate and that the central bank is likely to begin a program to gradually reduce the size of its \$4.5 trillion balance sheet this year.

Indian Equity Market

- Indian equity markets ended in the green driven by oil & gas and energy stocks that surged on the wake of higher crude prices. However, gains were restricted as investors remained on the sidelines ahead of the consumer price inflation data for Jun 2017 and index of industrial production data for May 2017. Meanwhile, investors also have kept a watch on upcoming results of major IT companies.
- Key benchmark indices S&P BSE Sensex and Nifty 50 went up 0.18% and 0.31% to close at 31,804.82 and 9,816.10, respectively. S&P BSE Small-Cap and S&P BSE Mid-Cap grew 0.57% and 1.08%, respectively.
- The overall market breadth on BSE was strong with 1,455 scrips advancing and 1,224 scrips declining. A total of 157 scrips remained unchanged.
- On the BSE sectoral front, indices closed on a positive note. Among the gainers, the highest gainer was S&P BSE Oil & Gas, up 1.54%, trailed by S&P BSE Energy (1.24%), S&P BSE Telecom (1.12%), S&P BSE Basic Materials (0.73%), S&P BSE Utilities (0.66%), S&P BSE Finance (0.55%), and S&P BSE Industrials (0.53%). Meanwhile, the losers comprised S&P BSE Information Technology (-0.38%) and S&P BSE Teck (-0.06%).

Domestic News

- Government data showed that retail inflation fell to a record low of 1.54% in Jun 2017 from 2.18% in May 2017 and 5.77% in the same period of the previous year. This marks the lowest inflation rate since the series began in 2012. The consumer food price index contracted 2.12% in Jun compared with a contraction of 1.05% in May 2017 and expansion of 7.79% in Jun 2016. Retail inflation fell as prices of kitchen staples like vegetables, pulses and products, spices and egg declined sharply even though there was a marginal spike in fruit rates.
- Government data showed that the Index of Industrial Production (IIP) went up 1.7% YoY in May 2017, much lower than 8% growth in May 2016. The downside reflects dip in mining (-0.9%) and marginal growth in manufacturing activities (1.2%). According to use-based classification, growth in capital goods and consumer durables in May 2017 contracted from the year-ago period.
- The Securities and Exchange Board of India (SEBI) has amended the guidelines regarding the eligibility of foreign investors that are looking to operate at the International Financial Services Centre (IFSC). As per the amended rules, a trading member of a stock exchange in IFSC can carry out the due diligence for an eligible foreign investor (EFI), who is not registered with the regulator as a Foreign Portfolio Investor (FPI). The provision has been made for the account opening process of an EFI. After discussions with various market participants, SEBI also amended the guidelines for participation and functioning of EFLs and FPIs in IFSC.
- In the wake of recent major technical glitch at NSE, SEBI wants a special check of exchanges' trading systems, back-up arrangements and disaster recovery plans, including handling sudden surge in volumes. Also, the market regulator is working on tough checks against any possible cyber threat.
- SEBI has postponed the date for public comments on proposed norms on investment advisers to Jul 31, 2017, from Jul 14, 2017. In Jun 2017, SEBI had come out with a proposal to amend its norms for investment advisers, under which they will have to segregate their advisory and product distribution businesses.

FII Derivative Trade Statistics		12-Jul	
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	1639.44	1553.47	20308.49
Index Options	40584.13	39717.88	63080.88
Stock Futures	8963.64	7890.33	67447.93
Stock Options	5457.48	5405.28	5601.30
Total	56644.69	54566.96	156438.60

Derivative Statistics- Nifty Options			
	12-Jul	Prev_Day	Change
Put Call Ratio (OI)	1.40	1.37	0.03
Put Call Ratio(Vol)	1.34	1.23	0.11

Debt Watch				
	12-Jul	Wk. Ago	Mth. Ago	Year Ago
Call Rate	6.05%	6.03%	6.04%	6.34%
CBLO	6.17%	6.04%	6.18%	6.41%
Repo	6.25%	6.25%	6.25%	6.50%
Reverse Repo	6.00%	6.00%	6.00%	6.00%
91 Day T-Bill	6.20%	6.21%	6.24%	6.52%
364 Day T-Bill	6.31%	6.36%	6.36%	6.76%
10 Year Gilt	6.46%	6.55%	6.52%	7.34%
G-Sec Vol. (Rs.Cr)	75720	45261	45471	134201
1 Month CP Rate	6.51%	6.58%	6.53%	7.44%
3 Month CP Rate	6.65%	6.69%	6.68%	7.66%
5 Year Corp Bond	7.25%	7.32%	7.28%	7.96%
1 Month CD Rate	6.28%	6.32%	6.28%	6.48%
3 Month CD Rate	6.31%	6.37%	6.37%	6.68%
1 Year CD Rate	6.66%	6.70%	6.70%	7.33%

Currency Market			
Currency	12-Jul	Prev_Day	Change
USD/INR	64.50	64.50	-0.01
GBP/INR	82.69	83.09	-0.39
EURO/INR	73.97	73.44	0.54
JPY/INR	0.57	0.56	0.00

Commodity Prices				
Commodity	12-Jul	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	45.43	45.06	46.05	46.77
Brent Crude(\$/bl)	46.67	47.87	46.62	46.06
Gold(\$/oz)	1220	1226	1265	1331
Gold(Rs./10 gm)	27878	28066	28878	31139

Source: ICRON Research

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Derivatives Market

- Nifty Jul 2017 Futures were at 9,822.35 points, a premium of 6.25 points, over the spot closing of 9,816.10. The turnover on NSE's Futures and Options segment went up from Rs. 4,68,724.33 crore on Jul 11 to Rs. 5,54,923.26 crore on Jul 12.
- The Put-Call ratio stood at 0.97 compared with the previous session's close of 1.01.
- The Nifty Put-Call ratio stood at 1.40 compared with the previous session's close of 1.37.
- India VIX moved up 1.49% to 11.0525 from 10.8900 in the previous trading session.
- The open interest on Nifty Futures stood at 23.29 million .

Indian Debt Market

- Bond yields fell as investors stepped up purchases ahead of the release of the Jun retail inflation data. Market participants expect retail inflation to ease further that may pave the way for a possible rate cut next month.
- Yield on the 10-year benchmark paper (6.79% GS 2027) inched down 2 bps to 6.46% from the previous close of 6.48%. During the session, bond yields traded in the range of 6.45% and 6.48%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 1,995 crore (gross) on Jul 12, compared with Rs. 1,980 crore (gross) borrowing on Jul 11. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 13,922 crore on Jul 11.
- Banks did not borrow under the central banks Marginal Standing Facility on Jul 11 as against Rs. 1,660 crore borrowing on Jul 10.

Currency Market Update

- The Indian rupee strengthened against the U.S. dollar as foreign banks sold the greenback that was likely due to the portfolio investors deploying funds in the local debt market. The rupee rose 0.07% to close at 64.54 per dollar from the previous close of 64.59.
- The euro weakened against the U.S. dollar following the release of prepared remarks from the Federal Reserve who stated that the central bank would not need to raise interest rates much more. Euro was trading at \$1.1412, down 0.46% compared with the previous close of \$1.1465.

Commodity Market Update

- Gold prices went up amid controversy around Russian involvement in the U.S. Presidential campaign in 2016.
- Brent crude prices climbed after the American Petroleum Institute showed U.S. Brent crude stocks snapped higher than expected by 8.10 million barrels.

International News

- According to a report from the Commerce Department, wholesale inventories in the U.S. came in higher than market expectations and grew 0.4% in May 2017 as against a revised 0.4% decline in Apr 2017 (0.5% decline originally reported).
- According to the deputy governor of Bank of England, economy of U.K. could get hurt by the substantial reduction in trade between the European Union and the U.K., following Brexit, as it would force it to produce goods that are currently imported and raise costs. However, the deputy governor did make any reference to the interest rate outlook.



Thank you for
your time.