

**RELIANCE**

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# Markets for You

13 Jul 2018

**Indices Performance**

Global Indices	12-Jul	Prev_Day	Abs. Change	% Change <sup>#</sup>
Dow Jones	24,925	24,700	224	0.91
Nasdaq	7,824	7,717	107	1.39
FTSE	7,651	7,592	59	0.78
Nikkei	22,188	21,932	256	1.17
Hang Seng	28,481	28,312	169	0.60
Indian Indices	12-Jul	Prev_Day	Abs. Change	% Change <sup>#</sup>
S&P BSE Sensex	36,548	36,266	282	0.78
Nifty 50	11,023	10,948	75	0.68
Nifty 100	11,270	11,207	63	0.56
Nifty Bank	27,027	26,816	210	0.78
SGX Nifty	11,040	10,967	73	0.67
S&P BSE Power	1,926	1,934	-8	-0.39
S&P BSE Small Cap	16,420	16,429	-9	-0.06
S&P BSE HC	14,158	14,134	24	0.17

**P/E Dividend Yield**

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
12-Jul	23.36	1.20	27.39	1.18
Month Ago	23.51	1.13	27.60	1.22
Year Ago	23.31	1.23	24.98	1.09

**Nifty 50 Top 3 Gainers**

Company	12-Jul	Prev_Day	% Change <sup>#</sup>
RIL	1082	1039	4.19
BPCL	377	367	2.96
Wipro	279	272	2.70

**Nifty 50 Top 3 Losers**

Company	12-Jul	Prev_Day	% Change <sup>#</sup>
United Phos	582	603	-3.56
Vedanta Limited	211	218	-3.07
Bajaj Auto	3097	3162	-2.05

**Advance Decline Ratio**

	BSE	NSE
Advances	1153	760
Declines	1496	1031
Unchanged	156	94

**Institutional Flows (Equity)**

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	920	-4550
MF Flows**	14	69998

\*12<sup>th</sup> Jul 2018; \*\*9<sup>th</sup> Jul 2018

**Economic Indicator**

YoY(%)	Current	Quarter Ago	Year Ago
CPI	5.00%	4.28%	1.46%
	(Jun-18)	(Mar-18)	(Jun-17)
IIP	3.20%	6.90%	2.90%
	(May-18)	(Feb-18)	(May-17)
GDP	7.70%	7.00%	6.10%
	(Mar-18)	(Dec-17)	(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 closed in the green on weaker yen and on better-than-expected economic data across the region. While, Japan's tertiary activity index increased for the second straight month in May, South Korea's unemployment rate decreased more than expected in Jun. However, trade concerns over U.S. and China restricted the upside. Today (as of July 13), Asian markets opened higher following rise on the Wall Street overnight. Both Nikkei and Hang Seng rose 1.33% and 0.53%, respectively (as at 8 a.m. IST).

• As per the last close, European markets recovered from the previous day's fall as market participants remained optimistic on a trade dispute resolution between the U.S. and China.

• As per the last close, U.S. markets rose partially due to optimism about the upcoming quarterly earnings season. Easing concerns over the economic impact of renewed global trade war, further contributed to the upside. Meanwhile, U.S. initial jobless claims fell by more than expected in the week ended July 7.

**Indian Equity Market**

• Indian Equity markets closed in the green following gains in oil & gas stocks after significant fall in crude oil prices. Optimism over upcoming corporate earnings season and strengthening of rupee added to the gains. Additionally, updated gross domestic product numbers by the World Bank that brings India ahead of France in terms of GDP in 2017 and makes it the world's sixth-biggest economy also helped improve market sentiment.

• Positive global cues amid reports that U.S. and China might begin discussions over trade to resolve dispute supported buying interest. Meanwhile, investors awaited release of CPI inflation for Jun 2018 and IIP data for May 2018 due on Jul 12, 2018.

• Key benchmark indices S&P BSE Sensex and Nifty 50 grew 0.78% and 0.68% to close at 36,548.41 and 11,023.20, respectively.

• On the BSE sectoral front, S&P BSE Energy stood as the major gainers, up 3.07% followed by S&P BSE Oil & Gas that grew 1.60%. S&P BSE Bankex and S&P BSE Finance grew 0.92% and 0.91%, respectively. S&P BSE Realty stood as the major loser, down 1.14% followed by S&P BSE Auto that fell 0.77%.

**Domestic News**

• Government data showed that growth of India's consumer price inflation or retail inflation grew to a 5 month high and rose to 5.00% in Jun from 4.87% in May and 1.46% in the same period of the previous year. The growth in Consumer Food Price Index also rose to 2.91% in Jun compared to 3.10% in the previous month and -2.12% in the same month of the previous year. Among the key components, growth in fuel and light inflation rose to 7.14% in Jun from 5.80% in May. The growth in clothing and footwear inflation also rose to 5.67% in Jun from 5.47% in May. Housing inflation also inched up to 8.45% in Jun from 8.40% in May.

• Government data showed that the growth of index of industrial production (IIP) plunged to a seven month low of 3.20% in May from a revised 4.80% (4.90% originally reported) in the previous month and 2.90% in the same month of the previous year. The growth of IIP from Apr to May also slowed to 4.0% from 3.1% in the same period of the previous year. The growth of manufacturing sector slowed to 2.8% in May from 2.6% in the same month of the previous year.

• According to a major domestic credit rating agency, the problem that the Indian farmers are facing currently is due to contraction in agricultural margin and not any rural distress that happens generally. Here agricultural margin implies the margin between wages and agricultural output. The rating agency noted that while the period from FY04 to FY08 witnessed low wage growth and relatively a high agriculture output, resulting in higher agricultural margin, the subsequent time periods from FY09 to FY13 and FY14 to FY18 had a lower agricultural margin. The rating agency added that the government's move to increase the minimum support prices of Kharif crops will provide some relief to farmers but also warned that the move may not be enough to take care of the same.

FII Derivative Trade Statistics		12-Jul		
(Rs Cr)	Buy	Sell	Open Int.	
Index Futures	2690.24	1982.17	23057.82	
Index Options	63954.49	64583.36	57401.04	
Stock Futures	13150.58	12384.20	80249.06	
Stock Options	9046.08	9112.86	5988.62	
Total	88841.39	88062.59	166696.54	

Derivative Statistics- Nifty Options			
	12-Jul	Prev_Day	Change
Put Call Ratio (OI)	1.73	1.67	0.06
Put Call Ratio(Vol)	1.02	1.12	-0.10

Debt Watch				
	12-Jul	Wk. Ago	Mth. Ago	Year Ago
Call Rate	6.14%	6.07%	6.10%	6.05%
CBLO	6.23%	5.92%	6.12%	6.17%
Repo	6.25%	6.25%	6.25%	6.25%
Reverse Repo	6.00%	6.00%	6.00%	6.00%
91 Day T-Bill	6.53%	6.30%	6.53%	6.20%
364 Day T-Bill	7.19%	7.16%	6.98%	6.31%
10 Year Gilt	7.78%	7.90%	7.97%	6.46%
G-Sec Vol. (Rs.Cr)	34222	15639	21448	75720
FBI MIBOR	6.30%	6.25%	6.21%	6.25%
3 Month CP Rate	7.55%	7.20%	7.75%	6.65%
5 Year Corp Bond	8.78%	8.89%	8.79%	7.46%
1 Month CD Rate	6.46%	6.30%	7.07%	6.28%
3 Month CD Rate	6.98%	6.94%	7.17%	6.31%
1 Year CD Rate	7.99%	8.15%	8.40%	6.66%

Currency Market			
Currency	12-Jul	Prev_Day	Change
USD/INR	68.63	68.83	-0.20
GBP/INR	90.67	91.35	-0.67
EURO/INR	80.17	80.79	-0.63
JPY/INR	0.61	0.62	-0.01

Commodity Prices				
Commodity	12-Jul	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	70.23	73.00	66.38	45.43
Brent Crude(\$/bl)	71.80	76.68	73.95	46.67
Gold(\$/oz)	1247	1257	1296	1220
Gold(Rs./10 gm)	30147	30467	30858	27878

Source: Thomson Reuters Eikon

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#### Derivatives Market

- Nifty July 2018 Futures were at 11,016.25, a discount of 6.95 points, below the spot closing of 11,023.20. The turnover on NSE's Futures and Options segment went up to Rs. 17,06,179.09 crore on Jul 12 from Rs. 7,90,508.41 crore on Jul 11.
- The Put-Call ratio stood unchanged at 0.96 against previous session's close of 0.94.
- The Nifty Put-Call ratio stood at 1.73 against the previous session's close of 1.67.
- Open interest on Nifty Futures stood at 26.66 million as against the previous session's close at 25.67 million.

#### Indian Debt Market

- Though investors awaited consumer price inflation for Jun 2018 scheduled post market hours on Jul 12, bond yields fell following significant decline in the global crude oil prices.
- Yield on the 10-year benchmark paper (7.17% GS 2028) fell 9 bps to close at 7.78% as against its previous close of 7.87%. During the session, bond yields traded in the range of 7.78% and 7.84%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 6,143 crore (gross) on Jul 12, compared with Rs. 6,646 crore (gross) borrowed on Jul 11. Sale of securities under the Reserve Bank of India's (RBI) reverse repo window stood at Rs. 6,878 crore on Jul 11.
- Banks borrowed Rs. 420 crore under the central bank's Marginal Standing Facility on Jul 11 compared with borrowing of Rs. 3,327 crore on Jul 10.

#### Currency Market Update

- The rupee rose for second consecutive day against the greenback following decline in global crude oil prices and gains in domestic equity market.
- The euro rose against the greenback following less than expected rise in U.S. consumer price inflation for Jun 2018. However, rise in global equity market boosted investor's appetite for greenback thereby restricting the gains of the common bloc currency.

#### Commodity Market Update

- Gold prices gained on concerns over escalating trade tensions between U.S. and China
- Brent crude prices plunged on news that the Libya's National Oil Corp would reopen its four export oil terminals.

#### International News

- Data from the U.S. Labour Department showed that the growth in consumer price index in U.S. inched up to 0.1% in Jun after growing by 0.2% in May. Food prices grew 0.2% in Jun after remaining unchanged in the previous month while energy prices fell 0.3% in Jun after growing 0.9% in May.
- Data from the U.S. Labour Department showed that initial jobless claims for the week ended Jul 7 fell 18,000 to 214,000 from the previous week's revised level of 232,000 (231,000 originally reported for the previous week).

Thank you for  
your time.