

RELIANCE

MUTUAL
FUND

Markets for You

18 Jul 2018

Indices Performance

| Global Indices | 17-Jul | Prev_Day | Abs. Change | % Change [#] |
|-------------------|--------|----------|-------------|-----------------------|
| Dow Jones | 25,120 | 25,064 | 56 | 0.22 |
| Nasdaq | 7,855 | 7,806 | 49 | 0.63 |
| FTSE | 7,626 | 7,600 | 26 | 0.34 |
| Nikkei | 22,697 | Closed | NA | NA |
| Hang Seng | 28,182 | 28,540 | -358 | -1.25 |
| Indian Indices | 17-Jul | Prev_Day | Abs. Change | % Change [#] |
| S&P BSE Sensex | 36,520 | 36,324 | 196 | 0.54 |
| Nifty 50 | 11,008 | 10,937 | 71 | 0.65 |
| Nifty 100 | 11,231 | 11,151 | 80 | 0.71 |
| Nifty Bank | 27,008 | 26,680 | 328 | 1.23 |
| SGX Nifty | 11,027 | 10,939 | 88 | 0.80 |
| S&P BSE Power | 1,916 | 1,897 | 19 | 1.01 |
| S&P BSE Small Cap | 15,966 | 15,790 | 176 | 1.12 |
| S&P BSE HC | 13,770 | 13,599 | 172 | 1.26 |

P/E Dividend Yield

| Date | Sensex | | Nifty | |
|-----------|--------|------------|-------|------------|
| | P/E | Div. Yield | P/E | Div. Yield |
| 17-Jul | 23.08 | 1.20 | 27.35 | 1.19 |
| Month Ago | 23.23 | 1.15 | 27.44 | 1.22 |
| Year Ago | 23.51 | 1.22 | 25.17 | 1.08 |

Nifty 50 Top 3 Gainers

| Company | 17-Jul | Prev_Day | % Change [#] |
|------------|--------|----------|-----------------------|
| HPCL | 281 | 264 | 6.41 |
| Indian Oil | 164 | 158 | 4.41 |
| Hindalco | 220 | 213 | 3.03 |

Nifty 50 Top 3 Losers

| Company | 17-Jul | Prev_Day | % Change [#] |
|---------------|--------|----------|-----------------------|
| HUL | 1682 | 1751 | -3.97 |
| Tech Mahindra | 647 | 657 | -1.60 |
| Bharti Airtel | 343 | 347 | -1.40 |

Advance Decline Ratio

| | BSE | NSE |
|-----------|------|------|
| Advances | 1429 | 1056 |
| Declines | 1146 | 761 |
| Unchanged | 145 | 82 |

Institutional Flows (Equity)

| Description (Cr) | Inflow/Outflow | YTD |
|------------------|----------------|-------|
| FII Flows* | -540 | -6074 |
| MF Flows** | 14 | 69998 |

*17th Jul 2018; **9th Jul 2018

Economic Indicator

| YoY(%) | Current | Quarter Ago | Year Ago |
|--------|-------------------|-------------------|-------------------|
| CPI | 5.00% (Jun-18) | 4.28% (Mar-18) | 1.46% (Jun-17) |
| IIP | 3.20% (May-18) | 6.90% (Feb-18) | 2.90% (May-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 mostly traded lower on worries over the U.S.-China trade war and as investors remained cautious ahead of the Congressional testimony of Federal Reserve (Fed) Chairman. Lower cues from overnight U.S. markets and fall in crude oil prices also weighed on the sentiments. Today (as of July 18), Asian markets opened higher following gains in Wall Street in the last session and upbeat comments from Fed Chairman during the congressional testimony. Nikkei and Hangseng grew 1.02% and 0.46%, respectively (as at 8.a.m. IST).
- As per the last close, European markets closed almost higher following gains in basic resources stocks. However, decline in telecom stocks capped the gains. Meanwhile, investors remained focused on testimony by Fed Chair before Congress.
- As per the last close, U.S markets closed higher after Fed Chairman came in with few surprises in the semiannual monetary policy testimony. The Chairman stated that the U.S. economy has grown at a solid pace so far in 2018 and expects job market to remain strong. Gains in technology stocks boosted the indices.

Indian Equity Market

- Indian Equity markets closed in the green due to gains in banking stocks following reports that six public sector banks might get a capital infusion of about Rs. 80 billion from the government. Further, gains in oil & gas stocks due to fall in oil prices boosted the indices. Additionally, rise in rupee added to the gains. However, gains were restricted on subdued global markets as investors awaited U.S. Federal Reserve's Chairman's testimony for clues on the outlook for U.S. interest rates.
- Key benchmark indices S&P BSE Sensex and Nifty 50 grew 0.54% and 0.65% to close at 36,519.96 and 11,008.05, respectively. S&P BSE Mid-Cap and S&P BSE Small Cap grew 2.14% and 1.12%.
- The overall market breadth on BSE was strong with 1,429 scrips advancing and 1,146 scrips declining. A total of 145 scrips remained unchanged.
- On the BSE sectoral front, S&P BSE Oil & Gas stood as the major gainer, up 2.19% followed by S&P BSE Metal that grew 1.91%. S&P BSE Energy and S&P BSE Basic Materials grew 1.84% and 1.52%, respectively. S&P BSE FMCG stood as the major loser, down 0.80% followed by S&P BSE Information Technology that fell 0.07%.

Domestic News

- The government has hiked the official maximum load carrying capacity of heavy vehicles by 20-25%. It has also scrapped the renewal of fitness certificates for freight carriers, which was compulsory annually. The changed rules apply to new vehicles.
- The Central Board of Indirect Taxes and Customs (CBIC) in its effort to clear pending GST refunds of exporters will organise a fortnight drive from July 16 to 30, the third of its kind. In the first two fortnights, CBIC had cleared Rs. 5,401 crore and Rs. 7,635 crore refunds under Integrated GST (IGST) paid and input tax credit (ITC) claims, respectively.
- The Directorate General of Trade Restrictions (DGTR) has decided to impose safeguard duty on solar panels and modules imported from China and Malaysia. The duty would be imposed for two years – 25% for the first year, 20% for the first half of the second year and 15% for the second half. This is being done to protect the interests of domestic manufacturers of solar panels.
- The Central Board of Indirect Taxes and Custom (CBIC) has notified that import duty has been doubled on more than 50 textile products, such as carpets and suits. The duty on these products now stands at 20%. This is being done to promote domestic manufacturing.
- According to media reports, the finance ministry has approved capital infusion of Rs. 11,336 crore in five public sector banks including PNB, Corporation Bank and Andhra Bank. This was done to help these banks meet regulatory capital requirements.
- HDFC AMC will open its initial public offer (IPO) on Jul 25, 2018. The AMC plans to raise Rs. 945.23 crore through the IPO. The offer will remain open till Jul 27. The HDFC group has so far filed three IPOs and this one will be the fourth.
- Aurobindo Pharma has entered into a definitive agreement with Apotex, a Canadian pharmaceutical company. The Hyderabad-based pharma company will take over the latter's commercial operations in five European countries in an all-cash deal of 74 million euros. The deal will be finalised in three to six months.

| FII Derivative Trade Statistics | | 17-Jul | | |
|---------------------------------|----------|----------|-----------|--|
| (Rs Cr) | Buy | Sell | Open Int. | |
| Index Futures | 2530.04 | 1934.93 | 24213.64 | |
| Index Options | 50892.25 | 49192.22 | 65196.18 | |
| Stock Futures | 12709.00 | 13173.88 | 80011.29 | |
| Stock Options | 9880.55 | 9950.89 | 7049.06 | |
| Total | 76011.84 | 74251.92 | 176470.17 | |

| Derivative Statistics- Nifty Options | | | |
|--------------------------------------|--------|----------|--------|
| | 17-Jul | Prev_Day | Change |
| Put Call Ratio (OI) | 1.68 | 1.62 | 0.06 |
| Put Call Ratio(Vol) | 1.04 | 1.13 | -0.09 |

| Debt Watch | | | | |
|--------------------|--------|---------|----------|----------|
| | 17-Jul | Wk. Ago | Mth. Ago | Year Ago |
| Call Rate | 6.12% | 6.15% | 6.10% | 6.07% |
| CBLO | 6.23% | 6.24% | 6.09% | 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% | 6.40% | 6.50% | 6.18% |
| 364 Day T-Bill | 7.18% | 7.11% | 7.05% | 6.28% |
| 10 Year Gilt | 7.75% | 7.90% | 7.89% | 6.46% |
| G-Sec Vol. (Rs.Cr) | 53995 | 15049 | 28561 | 39571 |
| FBIL MIBOR | 6.30% | 6.26% | 6.24% | 6.25% |
| 3 Month CP Rate | 7.65% | 7.15% | 7.65% | 6.58% |
| 5 Year Corp Bond | 8.71% | 8.86% | 8.78% | 7.44% |
| 1 Month CD Rate | 6.50% | 6.32% | 7.00% | 6.26% |
| 3 Month CD Rate | 7.05% | 6.77% | 7.04% | 6.30% |
| 1 Year CD Rate | 7.98% | 8.10% | 8.46% | 6.59% |

| Currency Market | | | |
|-----------------|--------|----------|--------|
| Currency | 17-Jul | Prev_Day | Change |
| USD/INR | 68.30 | 68.59 | -0.29 |
| GBP/INR | 90.52 | 90.85 | -0.33 |
| EURO/INR | 80.10 | 80.25 | -0.15 |
| JPY/INR | 0.61 | 0.61 | 0.00 |

| Commodity Prices | | | | |
|--------------------|--------|--------|----------|----------|
| Commodity | 17-Jul | Wk Ago | Mth. Ago | Year Ago |
| NYMEX Crude(\$/bl) | 67.98 | 74.06 | 65.01 | 45.97 |
| Brent Crude(\$/bl) | 70.31 | 77.41 | 71.11 | 47.70 |
| Gold(\$/oz) | 1227 | 1255 | 1279 | 1234 |
| Gold(Rs./10 gm) | 30044 | 30399 | 31068 | 28036 |

Source: Thomson Reuters Eikon

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Mutual Fund Investments are subject to market risks, read all scheme related documents carefully.

Derivatives Market

- Nifty July 2018 Futures were at 11023.75, a premium of 15.70 points, above the spot closing of 11,008.05. The turnover on NSE's Futures and Options segment went down to Rs. 7,46,544.77 crore on Jul 17 from Rs. 5,79,798.56 crore on Jul 16.
- The Put-Call ratio stood at 0.93 against previous session's close of 0.90.
- The Nifty Put-Call ratio stood at 1.68 against the previous session's close of 1.62.
- Open interest on Nifty Futures stood at 26.82 million as against the previous session's close at 26.13 million.

Indian Debt Market

- Bond yields declined after two straight days of increase as global crude oil prices fell and alleviated concerns of rise in domestic inflationary pressures to some extent.
- Yield on the 10-year benchmark paper (7.17% GS 2028) fell 5 bps to close at 7.75% as against its previous close of 7.80%. During the session, bond yields traded in the range of 7.73% and 7.79%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 4,158 crore (gross) on Jul 17, compared with Rs. 13,468 crore (gross) borrowed on Jul 16. Sale of securities under the Reserve Bank of India's (RBI) reverse repo window stood at Rs. 8,579 crore on Jul 16.
- Banks borrowed Rs. 925 crore under the central bank's Marginal Standing Facility on Jul 16 compared with borrowing of Rs. 115 crore on Jul 13.

Currency Market Update

- The rupee rose against the greenback following decline in crude oil prices. Gains were extended as market participants awaited the U.S. Federal Chief's testimony on the economy and monetary policy.
- The euro fell against the greenback as concerns over the trade dispute rose, weighing on investor sentiments. Market participants were also cautious ahead of U.S. Federal Chief's testimony that will provide clues on the interest rates changes and U.S. economy's momentum.

Commodity Market Update

- Gold prices traded lower as greenback gained against the euro.
- Brent Crude prices traded lower as worries eased over supply disruptions. According to the U.S. Energy Information Administration, production from seven major U.S. shale oil formations is expected to rise by 143,000 barrels per day (bpd) to 7.47 million bpd in Aug 2018.

International News

- Data from Office for National Statistics showed Britain's employment level set a new record in Mar to May 2018. Employment grew to 32.399 million, a rise of 137,000 sequentially. Unemployment remained unchanged and pay growth eased to its lowest level in six months.
- According to data from Istat, Italy's consumer price inflation rose less than expected in Jun 2018 at 1.3% YoY. But it was faster than the 1.0% rise in May. Inflation increased because of higher prices of unregulated energy and food products. Core inflation excluding energy and unprocessed food was stable at 0.8%.
- Data from Istat showed Italy's industrial orders recovered in May 2018 and sales grew at a faster pace. Industrial orders increased a seasonally adjusted 3.6% MoM in May, against a 0.6% fall in Apr 2018.



Thank you for
your time.