

RELIANCE

MUTUAL
FUND

Markets for You

19 Jul 2017

Indices Performance

Global Indices	18-Jul	Prev_Day	Abs. Change	% Change [#]
Dow Jones	21,575	21,630	-55	-0.25
Nasdaq	6,344	6,314	30	0.47
FTSE	7,390	7,404	-14	-0.19
Nikkei	20,000	Closed	NA	NA
Hang Seng	26,525	26,471	54	0.21
Indian Indices	18-Jul	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	31,711	32,075	-364	-1.13
Nifty 50	9,827	9,916	-89	-0.90
Nifty 100	10,162	10,250	-88	-0.86
Nifty Bank	24,022	24,015	7	0.03
SGX Nifty	9,848	9,951	-103	-1.04
S&P BSE Power	2,280	2,294	-14	-0.60
S&P BSE Small Cap	15,818	15,910	-92	-0.58
S&P BSE HC	14,759	14,733	26	0.18

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
18-Jul	23.26	1.23	25.10	1.06
Month Ago	22.37	1.32	24.00	1.11
Year Ago	20.29	1.40	23.34	1.22

Nifty 50 Top 3 Gainers

Company	18-Jul	Prev_Day	% Change [#]
Eicher Motors	28599	28060	1.92
Asian Paints	1147	1125	1.88
HCL Tech	881	868	1.45

Nifty 50 Top 3 Losers

Company	18-Jul	Prev_Day	% Change [#]
ITC	285	325	-12.49
Aurobindo Pharma	734	752	-2.30
RIL	1520	1552	-2.05

Advance Decline Ratio

	BSE	NSE
Advances	962	601
Declines	1730	1106
Unchanged	143	69

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	376	54763
MF Flows**	513	45617

*18th Jul 2017; **13th Jul 2017

Economic Indicator

YoY(%)	Current	Quarter Ago	Year Ago
WPI	0.90%	5.11%	-0.09%
	(Jun-17)	(Mar-17)	(Jun-16)
IIP	1.70%	0.80%	8.00%
	(May-17)	(Feb-17)	(May-16)
GDP	6.10%	7.00%	9.20%
	(Mar-17)	(Dec-16)	(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

- Most of the Asian markets ended mixed mainly as the U.S. President's reform prospects looked doubtful after two Senators resisted the Republican healthcare bill. On the other hand, data from the Department of Statistics showing Hong Kong's jobless rate dipped unexpectedly 3.10% in the Apr-Jun period, as against 3.20% in the Mar-May period, supported markets' growth. Today (As on Jul 19), Asian market opened mixed on dimmed prospects for U.S. health-care reform. Both Nikkei Average and Hang Seng was up 0.01% and 0.20%, respectively (as at 8.00 a.m IST).
- As per the last close, European market closed lower following mixed corporate earnings for the Jun quarter of 2017 and euro currency touched 14-month high against the U.S. dollar. The implementation of the U.S. President's healthcare bill came to a standstill after two more Republican Senators opposed the bill.
- As per the last close, U.S. market closed on a mixed note following the Jun quarter earnings of big companies. While Airline, Telecom, natural gas, and tobacco stocks fell, considerable strength was visible among internet stocks.

Indian Equity Market

- Indian equity markets ended in the red following a steep decline in one of the FMCG major's after the goods and services tax (GST) council raised the tax on cigarettes. Meanwhile, investor sentiment was hurt by negative European and mixed Asian peers as delay for a healthcare overhaul in the U.S. raised doubts over prospects for a range of reforms backed by the U.S. President. However, losses were capped following buying interests in IT, pharma, and auto stocks, and after data showed that foreign portfolio investors bought shares worth a net Rs. 58.38 crore during the day.
- Key benchmark indices S&P BSE Sensex and Nifty 50 fell down 1.13% and 0.90% to close at 31,710.99 and 9,827.15, respectively. S&P BSE Small-Cap and S&P BSE Mid-Cap fell 0.58% and 0.60%, respectively.
- On the BSE sectoral front, indices closed on a negative note. The highest loser was S&P BSE FMCG, down 6.12%, trailed by S&P BSE Energy (-1.13%), S&P BSE Realty (-1.10%), S&P BSE Utilities (-0.83%), S&P BSE Oil & Gas (-0.79%), S&P BSE Consumer Durables (-0.66%), and S&P BSE Power (-0.60%).

Domestic News

- According to the Union Minister of State for Agriculture, the government has no proposal under consideration to write-off farmers' debt. However, the minister informed that the government has put a facility in place for farmers to avail concessional debt. The announcement comes after state governments of Uttar Pradesh, Punjab, Maharashtra, and Karnataka have announced loan waiver this year.
- The Goods and Services Tax (GST) Council increased the cess on cigarettes. The exact amount of the cess would depend on the length of the cigarettes. Presently, cigarettes are taxed at the peak rate of 28% along with a cess of 5%. This was lower than what it was before the rollout of GST on Jul 1. The government detected this anomaly and was of the view that it would have cost the government Rs 5,000 crore in tax and resulted in windfall gains for companies in the sector. The tax raise will give Rs 5,000 crore extra revenue to the central government's exchequer, which will be used for compensating states.
- According to the World Bank, Indian economy is expected to grow 7.2% this fiscal up from 6.8% in 2016 and at a higher rate of 7.5% the year after. The World Bank also projected world GDP at 2.7% in 2017 and 2.9% in 2018-19.
- Hindustan Unilever Ltd reported a 9% QoQ increase in net profit to Rs. 1,283 crore for the quarter ended Jun 30, as against Rs. 1,174 crore in the same quarter last year. Revenue for the quarter increased 5% QoQ to Rs. 9,094 crore. Majority of the contribution came from the personal care segment that increased 3.5% QoQ.
- Flipkart is likely to start pilot programmes for online grocery sales foray in different cities before launching it nationwide. Currently, the company is running a pilot programme in Bengaluru to fine-tune its entry into the estimated \$600 million online grocery market.
- UltraTech Cement reported 15% QoQ increase in consolidated net profit to Rs. 898 crore for the quarter ended Jun 30, as against Rs. 780 crore in the same quarter last year. The company's consolidated total income grew about 7% to Rs. 8,095 crore in the quarter ended Jun 30.

FII Derivative Trade Statistics		18-Jul		
(Rs Cr)	Buy	Sell	Open Int.	
Index Futures	1542.63	1263.88	21952.83	
Index Options	32368.61	31392.92	78858.08	
Stock Futures	7275.59	7203.29	66553.69	
Stock Options	5063.88	5110.72	6850.10	
Total	46250.71	44970.81	174214.70	

Derivative Statistics- Nifty Options			
	18-Jul	Prev_Day	Change
Put Call Ratio (OI)	1.34	1.53	-0.19
Put Call Ratio(Vol)	1.14	1.48	-0.34

Debt Watch				
	18-Jul	Wk. Ago	Mth. Ago	Year Ago
Call Rate	6.07%	6.04%	6.09%	6.39%
CBLO	6.18%	6.19%	6.21%	6.42%
Repo	6.25%	6.25%	6.25%	6.50%
Reverse Repo	6.00%	6.00%	6.00%	6.00%
91 Day T-Bill	6.11%	6.24%	6.25%	6.52%
364 Day T-Bill	6.35%	6.30%	6.33%	6.75%
10 Year Gilt	6.46%	6.48%	6.49%	7.29%
G-Sec Vol. (Rs.Cr)	39867	64538	41372	59744
1 Month CP Rate	6.43%	6.51%	6.53%	7.04%
3 Month CP Rate	6.54%	6.70%	6.69%	7.45%
5 Year Corp Bond	7.22%	7.27%	7.27%	7.88%
1 Month CD Rate	6.25%	6.28%	6.29%	6.46%
3 Month CD Rate	6.26%	6.32%	6.36%	6.67%
1 Year CD Rate	6.60%	6.68%	6.68%	7.27%

Currency Market			
Currency	18-Jul	Prev_Day	Change
USD/INR	64.33	64.37	-0.04
GBP/INR	84.29	84.22	0.07
EURO/INR	74.15	73.69	0.45
JPY/INR	0.57	0.57	0.00

Commodity Prices				
Commodity	18-Jul	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	46.35	45.01	44.68	45.18
Brent Crude(\$/bl)	47.86	46.92	44.89	45.29
Gold(\$/oz)	1242	1217	1253	1328
Gold(Rs./10 gm)	28188	27772	28657	30840

Source: ICRON Research

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Derivatives Market

- Nifty Jul 2017 Futures were at 9,846.30 points, a premium of 17.20 points above the spot closing of 9,827.15. The turnover on NSE's Futures and Options segment went up from Rs. 3,73,908.05 crore on Jul 17 to Rs. 5,75,904.46 crore on Jul 18.
- The Put-Call ratio stood at 1.07 compared with the previous session's close of 1.11.
- The Nifty Put-Call ratio stood at 1.36 compared with the previous session's close of 1.53.
- The open interest on Nifty Futures stood at 22.40 million as against previous session's close of 24.21 million.

Indian Debt Market

- Bond yields closed steady as market participants remained on the sidelines amid lack of fresh domestic triggers, and awaited further cues ahead of the weekly debt auction due Jul 21.
- Yield on the 10-year benchmark paper (6.79% GS 2027) remained steady at 6.46%. During the session, bond yields traded in the range of 6.44% and 6.46%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 2,920 crore (gross) on Jul 18, compared with Rs. 2,600 crore (gross) borrowing on Jul 17. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 5,105 crore on Jul 17.
- Banks did not borrow under the central bank's Marginal Standing Facility on Jul 17, compared with that of Jul 14 when they borrowed Rs. 600 crore.

Currency Market Update

- The Indian rupee rose marginally against the greenback on hopes that the U.S. Federal Reserve may keep interest rates unchanged in 2017, and as U.S. President failed to pass a key healthcare bill. However, dollar purchases by state-run banks capped the gains.
- The euro strengthened against the greenback after the U.S. President failed to pass healthcare bill, and amid hopes that the U.S. Federal Reserve may keep interest rates unchanged this year.

Commodity Market Update

- Gold prices rose to a two-week high as concerns over imminent rate hike by the U.S. Federal Reserve continued to ease.
- Brent crude prices traded higher as investors remained optimistic ahead of the meeting of the Organization of the Petroleum Exporting Countries (OPEC) and non-OPEC producers in Saint Petersburg on Jul 22.

International News

- According to the Office for National Statistics, consumer price index in the U.K. grew 2.6% YoY in Jun 2017, which was lower than 2.9% rise in May 2017. Core inflation that excludes energy, food, alcoholic beverages and tobacco slowed to 2.4% from 2.6% a month ago. However, on monthly basis overall consumer prices remained flat in Jun.
- A report from the Office for National Statistics showed that house price index grew 4.7% on a YoY basis in May 2017 slower than 5.3% growth in Apr 2017.
- According to a survey data from the Mannheim-based Centre for European Economic Research/ZEW, economic sentiment in Germany came in lower than expected and further declined to 17.5 in Jul 2017 from 18.6 in Jun 2017. The current economic situation decreased 1.6 points to 86.4 in Jul.

Thank you for
your time.