

RELIANCE

MUTUAL
FUND

Markets for You

19 Jul 2018

Indices Performance

Global Indices	18-Jul	Prev_Day	Abs. Change	% Change [#]
Dow Jones	25,199	25,120	79	0.32
Nasdaq	7,854	7,855	-1	-0.01
FTSE	7,676	7,626	50	0.65
Nikkei	22,794	22,697	97	0.43
Hang Seng	28,117	28,182	-64	-0.23
Indian Indices	18-Jul	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	36,373	36,520	-147	-0.40
Nifty 50	10,980	11,008	-28	-0.25
Nifty 100	11,189	11,231	-42	-0.37
Nifty Bank	26,881	27,008	-127	-0.47
SGX Nifty	10,988	11,027	-39	-0.35
S&P BSE Power	1,896	1,916	-20	-1.04
S&P BSE Small Cap	15,815	15,966	-152	-0.95
S&P BSE HC	13,689	13,770	-81	-0.59

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
18-Jul	22.95	1.21	27.28	1.19
Month Ago	22.90	1.24	26.60	1.22
Year Ago	23.26	1.23	25.10	1.06

Nifty 50 Top 3 Gainers

Company	18-Jul	Prev_Day	% Change [#]
Indiabulls HFC	1200	1153	4.08
ONGC	160	156	2.66
BPCL	402	393	2.47

Nifty 50 Top 3 Losers

Company	18-Jul	Prev_Day	% Change [#]
Tata Steel	504	532	-5.28
Hindalco	212	220	-3.23
Vedanta	204	210	-3.05

Advance Decline Ratio

	BSE	NSE
Advances	851	499
Declines	1743	1299
Unchanged	133	79

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-585	-6659
MF Flows**	-29	72228

*18th Jul 2018; **16th 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 traded in mixed after the Federal Reserve in its testimony indicated a positive outlook for the U.S. economy. Upbeat U.S. economic data further boosted investors' confidence in the global growth trajectory. However, lower crude oil prices and persisting trade tensions limited the upside. Today (as of July 19), Asian markets opened higher taking cues from rise in Wall Street's last session on strong corporate earnings. Gains in mining and semiconductor sector boosted the indices. Nikkei and Hangseng grew 0.42% and 0.57%, respectively (as at 8.a.m. IST).
- As per the last close, European markets closed almost higher following weakness in Euro. Dollar has strengthened on upbeat comments by U.S. Federal Reserve's (Fed) Chair in the testimony before Congress. Investors remained focused towards earnings results and Fed's chairs' second day of testimony.
- As per the last close, U.S markets closed almost higher following strong earnings results from some of the U.S. majors. Gains in transportation, financial and steel stocks boosted the indices.

Indian Equity Market

- Indian Equity markets closed in the red after a no-confidence motion was moved by the opposition parties against the ruling government and was accepted by the Parliament. Weakness in rupee and decline in metal stocks due to slowdown in China's GDP in the second quarter added to the losses. However, gains in oil & gas stocks due to fall in crude oil prices restricted the losses.
- Key benchmark indices S&P BSE Sensex and Nifty 50 fell 0.40% and 0.25% to close at 36,373.44 and 10,980.45, respectively. S&P BSE Mid-Cap and S&P BSE Small Cap fell 1.27% and 0.95%.
- The overall market breadth on BSE was weak with 1,743 scrips declining and 851 scrips advancing. A total of 133 scrips remained unchanged.
- On the BSE sectoral front, S&P BSE Metal stood as the major loser, down 3.12% followed by S&P BSE Realty that fell 2.42%. S&P BSE Basic Materials and S&P BSE Telecom fell 1.89% and 1.85%. S&P BSE Auto and S&P BSE Industrials fell 1.36% and 1.23%. S&P BSE Oil & Gas stood as the major gainer, up 1.07% followed by S&P BSE Energy that grew 0.37%.

Domestic News

- As per media reports, central government employees and pensioners could get another salary hike as the government is going to change the index and base year for calculating dearness allowance (DA). Proposal is afloat to change the base year every six years to better reflect the increase in living expenses. DA was increased by 2% from Mar 2018 under the recommendations of the Pay Commission. Consumer price index for industrial workers (CPI-IW) is used to arrive at DA and the labour ministry is busy creating a new series of CPI-IW. DA is paid to government employees, public sector employees and pensioners to adjust the cost of living and is a percentage of the basic salary.
- In order to increase the returns of milk producers, the government has offered 10% incentive for dairy product exports. It is also thinking of including milk in mid-day meals. This comes as farmers have been protesting for an increase in the prices of milk and a Rs. 5 per litre government subsidy.
- The International Monetary Fund (IMF) has shown optimism on India's economy despite downgrading growth slightly for 2018-19 and 2019-20. The downgrade was done because of rising inflation and a tightening monetary policy. The bank said the economy is growing very strongly.
- The government has said it will look into the disinvestment plan for Air India later after issues like oil prices and foreign exchange stabilise. The government's plan to sell 76% stake in Air India and transfer management to private players could not fructify in May 2018.
- According to media reports, Reliance Industries Ltd is planning to raise around Rs. 40,000 crore in fresh debt in 2018-19. The company is expanding into the consumer businesses.
- The National Company Law Appellate Tribunal has reserved its order on Essar Steel bid by ArcelorMittal and Russia's VTB Capital-backed Numetal. The petition was filed by ArcelorMittal and Numetal.

FII Derivative Trade Statistics		18-Jul	
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	2267.07	2642.92	25380.99
Index Options	67224.13	66571.86	67628.57
Stock Futures	12754.66	12486.05	80897.25
Stock Options	8807.35	8803.20	7650.41
Total	91053.21	90504.03	181557.22

Derivative Statistics- Nifty Options			
	18-Jul	Prev_Day	Change
Put Call Ratio (OI)	1.65	1.68	-0.03
Put Call Ratio(Vol)	1.22	1.04	0.18

Debt Watch				
	18-Jul	Wk. Ago	Mth. Ago	Year Ago
Call Rate	6.14%	6.17%	6.17%	6.07%
CBLO	6.22%	6.25%	6.18%	6.18%
Repo	6.25%	6.25%	6.25%	6.25%
Reverse Repo	6.00%	6.00%	6.00%	6.00%
91 Day T-Bill	6.54%	6.52%	6.41%	6.11%
364 Day T-Bill	7.21%	7.20%	7.06%	6.35%
10 Year Gilt	7.75%	7.87%	7.88%	6.46%
G-Sec Vol. (Rs.Cr)	36816	20274	30799	39867
FBIL MIBOR	6.30%	6.30%	6.25%	6.25%
3 Month CP Rate	7.65%	7.55%	7.60%	6.54%
5 Year Corp Bond	8.73%	8.84%	8.78%	7.43%
1 Month CD Rate	6.48%	6.40%	6.78%	6.25%
3 Month CD Rate	7.06%	6.97%	7.06%	6.26%
1 Year CD Rate	8.00%	7.98%	8.07%	6.60%

Currency Market			
Currency	18-Jul	Prev_Day	Change
USD/INR	68.57	68.30	0.27
GBP/INR	89.73	90.52	-0.79
EURO/INR	79.74	80.10	-0.36
JPY/INR	0.61	0.61	0.00

Commodity Prices				
Commodity	18-Jul	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	68.73	70.42	65.91	46.35
Brent Crude(\$/bl)	69.61	74.96	74.34	47.86
Gold(\$/oz)	1226	1242	1278	1242
Gold(Rs./10 gm)	29729	30403	30693	28188

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 10,978.6, a discount of 1.85 points, below the spot closing of 10,980.45. The turnover on NSE's Futures and Options segment went up to Rs. 11,96,439.43 crore on Jul 18 from Rs. 7,46,544.77 crore on Jul 17.
- The Put-Call ratio stood at 0.99 against previous session's close of 0.93.
- The Nifty Put-Call ratio stood at 1.65 against the previous session's close of 1.68.
- Open interest on Nifty Futures stood at 26.64 million as against the previous session's close at 26.82 million.

Indian Debt Market

- Bond yields remained steady as profits taken by market participants nullified early gains that was led by the Central Bank's declaration of bond purchase.
- Yield on the 10-year benchmark paper (7.17% GS 2028) remained unchanged to close at 7.75% as against its previous close. During the session, bond yields traded in the range of 7.71% and 7.76%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 3,873 crore (gross) on Jul 18, compared with Rs. 4,158 crore (gross) borrowed on Jul 17. Sale of securities under the Reserve Bank of India's (RBI) reverse repo window stood at Rs. 11,570 crore on Jul 17.
- Banks borrowed Rs. 245 crore under the central bank's Marginal Standing Facility on Jul 17 compared with borrowing of Rs. 925 crore on Jul 16.

Currency Market Update

- The rupee tumbled to a one-week low against the greenback after the U.S. Federal Chief gave signals that the central bank would continue raising interest rates, which could further pressurize the Indian currency. The rupee fell 0.25% to close at 68.62 compared with the previous close of 68.45.
- The euro fell for the second straight day against the greenback after the U.S. Federal Chief indicated that the central bank was on track to steadily hike interest rates. Euro was last seen trading at \$1.1619, down 0.34% from the previous close of \$1.1659.

Commodity Market Update

- Gold prices traded lower as greenback gained against the euro following U.S. Federal Reserve Chairman's comments that increased the possibility of gradual rate hike by the Central Bank.
- Brent Crude prices traded lower after a rise in U.S. crude inventories indicated increase in global supply.

International News

- According to data from the Commerce Department, U.S. housing starts pulled back more than expected in Jun 2018. Housing starts fell 12.3% to an annual rate of 1.173 million. This comes after the county had reported a steep increase in new residential construction in May.
- The Federal Reserve chairman repeated in his testimony that a gradual increase in interest rates is the best option for the future. The chairman gave an optimistic valuation of the U.S. economy.
- As per data from National Association of Home Builders, homebuilder confidence was steady in Jul 2018, in line with expectations. The NAHB/Wells Fargo Housing Market Index was unchanged in Jul and had dropped to 68 in Jun 2018.

Thank you for
your time.