

RELIANCE

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FUND

Markets for You

20 Jul 2017

Indices Performance

Global Indices	19-Jul	Prev_Day	Abs. Change	% Change [#]
Dow Jones	21,641	21,575	66	0.31
Nasdaq	6,385	6,344	41	0.64
FTSE	7,431	7,390	41	0.55
Nikkei	20,021	20,000	21	0.10
Hang Seng	26,672	26,525	147	0.56
Indian Indices	19-Jul	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	31,955	31,711	244	0.77
Nifty 50	9,900	9,827	72	0.74
Nifty 100	10,247	10,162	85	0.83
Nifty Bank	24,153	24,022	131	0.54
SGX Nifty	9,920	Closed	NA	NA
S&P BSE Power	2,301	2,280	21	0.94
S&P BSE Small Cap	15,975	15,818	157	0.99
S&P BSE HC	15,022	14,759	263	1.78

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
19-Jul	23.46	1.22	25.28	1.01
Month Ago	22.93	1.24	24.37	1.10
Year Ago	20.31	1.40 N.A)	N.A)	

Nifty 50 Top 3 Gainers

Company	19-Jul	Prev_Day	% Change [#]
Aurobindo Pharma	766	734	4.30
Bharti Airtel	421	408	3.17
Hindalco	213	207	2.92

Nifty 50 Top 3 Losers

Company	19-Jul	Prev_Day	% Change [#]
Ultratech Cem	4206	4331	-2.89
ACC	1735	1760	-1.42
Bharti Infratel	415	418	-0.73

Advance Decline Ratio

	BSE	NSE
Advances	1717	1121
Declines	985	544
Unchanged	151	91

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	376	55139
MF Flows**	163	45781

*19th Jul 2017; **14th 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 closed in the positive primarily on hopes that the Chinese administration could improve initiatives to transform state-owned companies. Investors looked ahead to monetary policy decisions from European and Japanese central banks, due later during the week, which also added to the gains. Meanwhile, there were doubts over the U.S. President's capacity to pull off tax reforms. Today (As on Jul 20), Asian market mostly opened higher ahead of the Bank of Japan, Bank of Indonesia and the European Central Bank policy meeting. While Nikkei Average was trading higher 0.33%, Hang Seng was down 0.06% (as at 8.00 a.m IST).

- As per the last close, European market closed on a positive note due to encouraging corporate earnings reports for the Jun quarter. However, investors were cautious ahead of the Bank of Japan and European Central Bank policy meeting.

- As per the last close, U.S. market closed higher on bigger than expected rebound in housing starts in the Jun 2017. Better than expected second quarter results of a U.S. financial giant, boosted gains further.

Indian Equity Market

- Indian equity markets closed on a positive note after strong buying interest was seen in a major pharma company on hopes of higher overseas sale, and better than expected quarterly results reported by a major FMCG company.

- Key benchmark indices S&P BSE Sensex and Nifty 50 went up 0.77% and 0.74% to close at 31,955.35 and 9,899.60, respectively. Meanwhile, S&P BSE Mid-Cap and S&P BSE Small-Cap rose 1.01% and 0.99%, respectively.

- On the BSE sectoral front, all the indices closed in the green. S&P BSE Telecom was the top gainer, up 3.08%, followed by S&P BSE Metal and S&P BSE Healthcare, which rose 1.95% and 1.78%, respectively. S&P BSE Realty and S&P BSE FMCG rose 1.50% and 1.49%, respectively. Buying interest was seen in the pharma sector following a series of U.S. Food and Drug Administration approvals, which offered bargaining opportunity to investors.

Domestic News

- According to media reports, the ministry of finance is working on the capital infusion strategy for the state-run banks under the Indradhanus scheme and due announcement will be made soon in this regard. The government under the Indradhanus scheme has assigned Rs. 10,000 crore for the current fiscal.

- According to a major credit rating agency, transition to the new realty regulatory framework under RERA (Real Estate Regulatory Authority) is expected to slow down new project launches and increase working capital requirements of developers that may adversely affect their operational performance during the fiscal. However, the rating agency added that in the long term RERA may result in increased consumer confidence and improved demand prospects.

- According to media reports, the World Bank will help the government to come up with a makeover blueprint for the Indian Railways. World Bank will extend help to the Indian Railways which is investing Rs. 5 lakh crore for investment and planning, digitisation and technology development, besides establishing a Railway University and the Rail Tariff Authority.

- The Union cabinet approved the 51% stake-sale in state-run Hindustan Petroleum Corporation Limited (HPCL) to Oil and Natural Gas Corporation (ONGC). The objective of the move is to create a giant oil company and compete with global rivals.

- Bajaj Finance reported a 42% QoQ increase in profit to Rs. 602 crore for the quarter ended Jun 30. Revenue in the quarter increased 39% to Rs. 3,165 crore from Rs. 2,282 crore in 2017. The increase came due to strong growth in the company's core business, evident from a surge in net interest income and assets under management.

- Ashok Leyland has announced to form a strategic alliance with SUN Mobility in order to develop electric mobility solutions. The alliance will develop Ashok Leyland's electric vehicles and will support them with smart batteries and a network of quick interchange battery stations.

FII Derivative Trade Statistics		19-Jul		
(Rs Cr)	Buy	Sell	Open Int.	
Index Futures	1933.68	1608.48	21736.71	
Index Options	53482.34	52885.84	83388.53	
Stock Futures	8249.78	9621.34	64185.26	
Stock Options	7014.35	7210.54	7281.71	
Total	70680.15	71326.20	176592.21	

Derivative Statistics- Nifty Options			
	19-Jul	Prev_Day	Change
Put Call Ratio (OI)	1.46	1.34	0.12
Put Call Ratio(Vol)	1.30	1.14	0.15

Debt Watch				
	19-Jul	Wk. Ago	Mth. Ago	Year Ago
Call Rate	6.08%	6.05%	6.09%	6.39%
CBLO	6.17%	6.17%	6.17%	6.47%
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%	6.20%	6.20%	6.54%
364 Day T-Bill	6.29%	6.31%	6.35%	6.73%
10 Year Gilt	6.45%	6.46%	6.47%	7.28%
G-Sec Vol. (Rs.Cr)	62542	75720	40041	133221
1 Month CP Rate	6.41%	6.51%	6.53%	7.04%
3 Month CP Rate	6.54%	6.65%	6.71%	7.35%
5 Year Corp Bond	7.22%	7.25%	7.26%	7.85%
1 Month CD Rate	6.22%	6.28%	6.29%	6.49%
3 Month CD Rate	6.25%	6.31%	6.34%	6.66%
1 Year CD Rate	6.54%	6.66%	6.67%	7.29%

Currency Market			
Currency	19-Jul	Prev_Day	Change
USD/INR	64.32	64.33	-0.01
GBP/INR	83.86	84.29	-0.44
EURO/INR	74.23	74.15	0.08
JPY/INR	0.57	0.57	0.00

Commodity Prices				
Commodity	19-Jul	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	47.05	45.43	44.19	44.59
Brent Crude(\$/bl)	47.93	46.67	45.12	45.64
Gold(\$/oz)	1240	1220	1243	1332
Gold(Rs./10 gm)	28198	27878	28558	30851

Source: ICRON Research

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Derivatives Market

- Nifty Jul 2017 Futures were at 9,919.15 points, a premium of 19.55 points above the spot closing of 9,899.60. The turnover on NSE's Futures and Options segment went down from Rs. 5,75,904.46 crore on Jul 18 to Rs. 5,44,812.69 crore on Jul 19.
- The Put-Call ratio remained unchanged compared with the previous session's close at 1.07.
- The Nifty Put-Call ratio stood at 1.46 compared with the previous session's close of 1.36.
- The open interest on Nifty Futures stood at 22.06 million as against previous session's close of 22.40 million.

Indian Debt Market

- Bond yields fell after hopes of a rate cut by the Monetary Policy Committee in Aug 2017 offset the concerns of fresh supply of papers this week.
- Yield on the 10-year benchmark paper (6.79% GS 2027) fell 1 bps to 6.45% from 6.46% on Jul 18. During the session, bond yields traded in the range of 6.44% and 6.45%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 1,820 crore (gross) on Jul 19, down from Rs. 2,920 crore (gross) borrowing on Jul 18. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 7,905 crore on Jul 18.
- Banks borrowed 10 crore under the central bank's Marginal Standing Facility on Jul 18, as against no borrowings on Jul 17.

Currency Market Update

- The Indian rupee strengthened against the greenback following increased sales by a large private bank, and gains in domestic equity market. However, gains were capped by persistent U.S. dollar purchases by state-run banks. The rupee rose 0.06% to close at 64.28 per dollar from the previous close of 64.32.
- The euro weakened against the greenback as investors were cautious ahead of European Central Bank's policy meeting scheduled on Jul 20, 2017. Euro was trading at \$1.1532, down 0.17% compared with the previous close of \$1.1552.

Commodity Market Update

- Gold prices moved down after it reached to a two-week high on the previous trading day. Stronger dollar weighed on the prices.
- Brent crude prices gained ahead of the weekly crude stockpiles data from the U.S. Energy Information Administration.

International News

- According to a report by the National Association of Home Builders, NAHB /Wells Fargo Housing Market Index missed market expectations and further fell to 64 in Jul 2017 from revised 66 in Jun 2017. All the three components that contribute to the index i.e. component gauging current sales, index charting sales expectations and component measuring buyer traffic declined in the month under review.
- A report from the Labor Department showed that U.S. import prices fell in line with market expectations. Import prices fell 0.2% in Jun 2017 as against revised fall of 0.1% in May 2017. The decline reflects a steep fall in prices for fuel imports. However, excluding fuel prices, import prices rose 0.1% in Jun after coming unchanged in the previous month.



Thank you for
your time.