

RELIANCE

MUTUAL
FUND

Markets for You

24 Jul 2018

Indices Performance

Global Indices	23-Jul	Prev_Day	Abs. Change	% Change [#]
Dow Jones	25,044	25,058	-14	-0.06
Nasdaq	7,842	7,820	22	0.28
FTSE	7,656	7,679	-23	-0.30
Nikkei	22,397	22,698	-301	-1.33
Hang Seng	28,256	28,224	32	0.11
Indian Indices	23-Jul	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	36,719	36,496	222	0.61
Nifty 50	11,085	11,010	75	0.68
Nifty 100	11,307	11,216	91	0.81
Nifty Bank	27,008	26,873	135	0.50
SGX Nifty	11,114	11,026	88	0.79
S&P BSE Power	1,920	1,892	28	1.48
S&P BSE Small Cap	15,867	15,721	146	0.93
S&P BSE HC	13,760	13,661	98	0.72

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
23-Jul	23.08	1.20	27.54	1.21
Month Ago	23.04	1.24	26.63	1.22
Year Ago	23.50	1.22	25.32	1.01

Nifty 50 Top 3 Gainers

Company	23-Jul	Prev_Day	% Change [#]
United Phos	632	550	15.01
Vedanta	212	202	4.55
Bharti Airtel	359	345	3.92

Nifty 50 Top 3 Losers

Company	23-Jul	Prev_Day	% Change [#]
Hero Moto	3165	3377	-6.26
Bajaj Auto	2684	2840	-5.47
Wipro	276	283	-2.31

Advance Decline Ratio

	BSE	NSE
Advances	1511	1093
Declines	1089	681
Unchanged	176	93

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	335	-6568
MF Flows**	-29	72228

*23rd 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 mostly traded in the red after the U.S. President hinted at imposing tariffs on all Chinese goods and further stated that the European Union (EU) and China are controlling their currencies to get more benefit from global trade. Additionally, the G20 finance ministers warned of increased risks to global economic growth. Bank of Japan is also expected to change to its ultra-loose monetary policy. Today (as of Jul 24), Asian markets opened higher following gains in the U.S. technology shares. Both Nikkei and Hang Seng were trading up 0.36% and 0.51%, respectively (as at 8.a.m. IST).

• As per the last close, European markets closed lower as trade concerns between the U.S. and China continued to weigh on the market. Weak quarterly earnings from some major companies also added to the losses.

• As per the last close, U.S markets closed almost following rise in technology stocks as investors awaited quarterly results of some major companies from the sector. However, unexpected drop in existing home sales in Jun 2018 capped the gains.

Indian Equity Market

• Indian Equity markets closed in the green following gains in FMCG stocks post rate cuts by Goods and Service Tax (GST) council. According to the media reports, the GST council has cut the rates for 88 items with effect from Jul 27, 2018. Gains were extended after the ruling party won the no-confidence motion in the Lok Sabha on Jul 20, 2018. However, weak global cues on intensifying trade war concerns restricted the gains.

• Key benchmark indices S&P BSE Sensex and Nifty 50 grew 0.61% and 0.68% to close at 36,718.60 and 11,084.75, respectively. S&P BSE Mid-Cap and S&P BSE Small Cap grew 1.29% and 0.93%.

• The overall market breadth on BSE was strong with 1,511 scrips advancing and 1,089 scrips declining. A total of 176 scrips remained unchanged.

• On the BSE sectoral front, S&P BSE Telecom stood as the major gainer, up 2.47% followed by S&P BSE FMCG that grew 2.29%. S&P BSE Basic Materials and S&P BSE Realty grew 2.16% and 1.90%. S&P BSE Metal and S&P BSE Power grew 1.62% and 1.48%. S&P BSE Energy stood as the only loser, down 0.38%.

Domestic News

• The Goods and Services Tax (GST) council met on July 21, 2018, and reduced tax on various items to boost consumption. Tax on ethanol for oil marketing companies reduced from 18% to 5%, consumer electronics from 28% to 18%, 5% ceiling on footwear increased from Rs. 500 to Rs. 1000, all leather items cut from 28% to 18%, among others. The council has simplified returns and approved quarterly returns for enterprises that have turnover less than Rs. 5 crore. Tax payments, however, will continue on a monthly basis.

• According to media reports, the GST council's decision to cut tax rates on various items will hit the government's revenues by Rs. 150 billion each year. This could also lead to the government missing its budget targets.

• According to the market regulator, Securities Exchange Board of India (SEBI), investments in domestic capital market through participatory notes (P-notes) have significantly fell to more than nine-year low of Rs. 83,688 crore in Jun 2018 from Rs 93,497 crore in the end of May 2018. The drastic reduction was due to stringent norms taken by SEBI to restrict black money.

• As per media reports, the commerce ministry is forming a strategy to strengthen the shipment of chemicals, plastics and allied products sector thereby pushing the growth of the country's overall exports. The ministry has formed a sub-group which will focus on the issues faced by the sector.

• According to media reports, Global retail major Walmart will make use of blockchain technology in procurement of farm and agricultural produce in Uttar Pradesh. This would help in the validation of transactions and efficient delivery management.

• According to media reports, Federal Bank has got regulatory approval to open offices in Bahrain, Kuwait and Singapore. However, Federal Bank is awaiting local clearances before it commences operations.

• According to media reports, revenue of L&T Technology Services in the quarter ended Jun 2018 grew 9% on a quarterly basis to Rs. 1,152.2 crore.

FII Derivative Trade Statistics		23-Jul	
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	2110.62	3096.11	27514.72
Index Options	45250.38	45532.14	75856.08
Stock Futures	14875.28	14281.02	79759.03
Stock Options	10894.43	11221.69	8385.27
Total	73130.71	74130.96	191515.10

Derivative Statistics- Nifty Options			
	23-Jul	Prev_Day	Change
Put Call Ratio (OI)	1.80	1.71	0.09
Put Call Ratio(Vol)	1.10	0.95	0.15

Debt Watch				
	23-Jul	Wk. Ago	Mth. Ago	Year Ago
Call Rate	6.23%	6.18%	6.25%	6.10%
CBLO	6.33%	6.23%	5.39%	5.62%
Repo	6.25%	6.25%	6.25%	6.25%
Reverse Repo	6.00%	6.00%	6.00%	6.00%
91 Day T-Bill	6.60%	6.53%	6.45%	6.12%
364 Day T-Bill	7.21%	7.19%	7.05%	6.22%
10 Year Gilt	7.81%	7.80%	7.82%	6.44%
G-Sec Vol. (Rs.Cr)	23443	29694	29154	87997
FBIL MIBOR	6.31%	6.30%	6.31%	6.21%
3 Month CP Rate	7.75%	7.50%	7.58%	6.58%
5 Year Corp Bond	8.76%	8.76%	8.71%	7.39%
1 Month CD Rate	6.63%	6.54%	6.93%	6.21%
3 Month CD Rate	6.99%	7.01%	6.93%	6.25%
1 Year CD Rate	7.95%	7.98%	8.04%	6.52%

Currency Market			
Currency	23-Jul	Prev_Day	Change
USD/INR	68.70	68.85	-0.14
GBP/INR	90.28	89.67	0.61
EURO/INR	80.56	80.31	0.25
JPY/INR	0.62	0.61	0.01

Commodity Prices				
Commodity	23-Jul	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	67.85	68.17	68.82	45.73
Brent Crude(\$/bl)	73.73	70.02	73.41	47.01
Gold(\$/oz)	1224	1240	1268	1254
Gold(Rs./10 gm)	29948	30172	30484	28320

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 11,099.4, a premium of 14.65 points, above the spot closing of 11,084.75. The turnover on NSE's Futures and Options segment went down to Rs. 6,85,818.85 crore on Jul 23 from Rs. 5,24,534.82 crore on Jul 20.
- The Put-Call ratio stood at 0.88 against previous session's close of 0.79.
- The Nifty Put-Call ratio stood at 1.80 against the previous session's close of 1.71.
- Open interest on Nifty Futures stood at 28.58 million as against the previous session's close at 27.99 million.

Indian Debt Market

- Bond yield rose as increase in crude oil prices triggered concerns of higher inflation ahead as well monetary tightening.
- Yield on the 10-year benchmark paper (7.17% GS 2028) went up 2 bps to close at 7.81% as against its previous close of 7.79%. During the session, bond yields traded in the range of 7.77% and 7.82%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 22,359 crore (gross) on Jul 23, compared with Rs. 16,381 crore (gross) borrowed on Jul 20. Sale of securities under the Reserve Bank of India's (RBI) reverse repo window stood at Rs. 11,456 crore on Jul 20.
- Banks borrowed Rs. 2,982 crore under the central bank's Marginal Standing Facility on Jul 20 compared with borrowing of Rs. 73 crore on Jul 19.

Currency Market Update

- The rupee rose initially against the greenback due to gains in the domestic equity market. However, all the gains were wiped out on renewed trade war concerns between U.S. and China. The rise in crude oil prices, too, had a negative impact on the Indian currency.
- The euro edged up against the greenback, benefitting from the U.S. President recent criticism on the global monetary policy, resulting in currency manipulation.

Commodity Market Update

- Gold prices traded lower as greenback gained against the euro.
- Brent Crude prices traded higher due to supply concerns after tensions intensified between Iran and the U.S. Also, 24-hour strike by offshore workers on three oil and gas platforms in the British North Sea added to the gains.

International News

- A survey by IHS Markit and financial information provider Ipsos Mori showed that British households' finance outlook turned positive for the first time since Mar 2016. The seasonally adjusted Household Finance Index, rose to 44.6 in Jul 2018 from 43.6 in Jun. Also, the index for measuring the outlook for financial well-being over the next twelve months grew to 51.3 in Jul from 48.2 in the previous month.
- According to media reports, the People's Bank of China injected record liquidity into the banking system via medium-term lending facility to alleviate funding pressure. China's central bank offered CNY 502 billion of MLF with a maturity of 1 year. This was the biggest injection via MLF since it was introduced in 2014.



Thank you for
your time.