

RELIANCE

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FUND

Markets for You

25 Jul 2017

Indices Performance

Global Indices	24-Jul	Prev_Day	Abs. Change	% Change [#]
Dow Jones	21,513	21,580	-67	-0.31
Nasdaq	6,411	6,388	23	0.36
FTSE	7,378	7,453	-75	-1.01
Nikkei	19,976	20,100	-124	-0.62
Hang Seng	26,847	26,706	141	0.53
Indian Indices	24-Jul	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	32,246	32,029	217	0.68
Nifty 50	9,966	9,915	51	0.52
Nifty 100	10,304	10,258	46	0.45
Nifty Bank	24,421	24,257	164	0.68
SGX Nifty	9,958	9,923	36	0.36
S&P BSE Power	2,294	2,290	4	0.17
S&P BSE Small Cap	16,036	15,993	43	0.27
S&P BSE HC	14,775	14,838	-63	-0.42

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
24-Jul	23.49	1.21	25.45	1.00
Month Ago	22.80	1.25	24.37	1.11
Year Ago	20.34	1.40	23.43	1.21

Nifty 50 Top 3 Gainers

Company	24-Jul	Prev_Day	% Change [#]
Bharti Airtel	420	411	2.13
Wipro	292	286	1.92
RIL	1615	1585	1.91

Nifty 50 Top 3 Losers

Company	24-Jul	Prev_Day	% Change [#]
Dr.Reddy	2696	2763	-2.39
Vedanta Limited	265	268	-1.40
Axis Bank	535	541	-1.11

Advance Decline Ratio

	BSE	NSE
Advances	1303	819
Declines	1413	875
Unchanged	193	74

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-102	56229
MF Flows**	98	46163

*24th Jul 2017; **20th Jul 2017

Economic Indicator

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

- Asian markets traded in mixed amid political concerns in the U.S., and ahead of the U.S. Federal Reserve's (Fed) monetary policy meeting. However, downside was limited after Japan's flash manufacturing Purchasing Managers' Index (PMI) data continued to expand in Jul 2017 although at a slower pace. Expectations that China will increase fiscal spending to boost GDP growth also helped sentiment. Today (As on Jul 25), Asian market opened mixed. Weaker yen and rise in oil prices boosted Japanese market. However, investors were cautious ahead of the Fed monetary policy announcement on Jul 26. Nikkei Average was trading up 0.14% and Hang Seng was trading down 0.16% (as at 8.00 a.m IST).
- As per the last close, European market closed mostly lower following reports that the European Commission is investigating collusion between German carmakers weighing on the auto sector. Also, investors were cautious ahead of the Fed monetary policy announcement.
- As per the last close, U.S. markets closed mostly lower as investors were cautious ahead of the Fed monetary policy announcement and earning results from some reputed companies.

Indian Equity Market

- Indian equity markets ended higher, settling the session on record highs, mainly as investors turned positive on the Jun 2017 corporate results. While Nifty settled less than 50 points from the 10,000-mark, Sensex closed at a new high too. The International Monetary Fund maintaining India's economic growth projections at 7.20% in 2017-18, while raising it to 7.70% in 2018-19, also supported markets. Meanwhile, domestic markets ignored weakness in global markets ahead of the meeting between the Organization of the Petroleum Exporting Countries (OPEC) and non-OPEC producers due later in the day.
- Key benchmark indices S&P BSE Sensex and Nifty 50 went up 0.68% and 0.52% to close at 32,245.87 and 9,966.40, respectively. Both S&P BSE SmallCap and S&P BSE MidCap grew 0.27%.
- On the BSE sectoral front, most indices closed on a positive note. While gainers consisted of S&P BSE Telecom (1.39%), S&P BSE IT and S&P BSE Teck (both 1.05%), S&P BSE FMCG (0.95%), and S&P BSE Energy (0.80%), top losers included S&P BSE Metal (-0.58%), S&P BSE Healthcare (-0.42%), S&P BSE Realty (-0.19%), and S&P BSE Basic Materials (-0.03%).

Domestic News

- The International Monetary Fund (IMF) projected the growth of the Indian economy to pick up pace in 2017 and 2018. IMF kept its growth outlook for India at 7.2% in 2017-18 and 7.7% in 2018-19. IMF noted that growth slowed to 7.1% in 2016 following demonetisation, but expects acceleration in economic activity from the implementation of important structural reforms. However, IMF listed further reforms that needs to be undertaken which includes remonetisation, expansion of the manufacturing base, generation of employment reducing labour and product market rigidities to ease firm entry and exit. On a separate note, IMF projected a global growth rate of 3.5% this year which it expects to increase to 3.6% in 2018.
- The commerce minister expressed concerns regarding India's trade deficit with China. The minister added that the government is working to bring down the deficit and is discussing the issue with the Chinese authorities for greater access for Indian products and services in the Chinese market. The minister informed that China is at the top of the list of 25 countries with which India has trade deficit in last three years. Some other countries with which India has trade deficit include Switzerland, Saudi Arabia, Indonesia, and South Korea.
- According to the commerce minister, foreign direct investment (FDI) in India grew 23% to \$10.02 billion during the period from Apr to May of this fiscal. The minister added that India has received \$182.4 million FDI in food products during the same time period.
- The government is considering revamping the export framework in order to boost exports by domestic e-commerce companies and help them expand their global foot print. This is a part of the National Action Plan for Trade Facilitation adopted by the country.
- HDFC Bank posted net profit of Rs. 3,894 crore for the quarter ended Jun 2017, up 20.2% YoY from Rs. 3,239 crore in the year ago quarter. During the quarter, net interest income stood at Rs. 9,370 crore, up 20.4% YoY. The bank made provisions worth Rs. 1,559 crore for bad loans.

FII Derivative Trade Statistics		24-Jul		
(Rs Cr)	Buy	Sell	Open Int.	
Index Futures	1920.35	1704.85	22466.03	
Index Options	49193.98	52490.29	83720.31	
Stock Futures	11686.90	10654.10	61636.25	
Stock Options	10925.89	10975.86	8828.30	
Total	73727.12	75825.10	176650.89	

Derivative Statistics- Nifty Options			
	24-Jul	Prev_Day	Change
Put Call Ratio (OI)	1.48	1.41	0.07
Put Call Ratio(Vol)	1.21	1.09	0.13

Debt Watch				
	24-Jul	Wk. Ago	Mth. Ago	Year Ago
Call Rate	6.10%	6.07%	6.08%	6.41%
CBLO	6.23%	6.17%	5.87%	5.62%
Repo	6.25%	6.25%	6.25%	6.50%
Reverse Repo	6.00%	6.00%	6.00%	6.00%
91 Day T-Bill	6.10%	6.18%	6.21%	6.48%
364 Day T-Bill	6.23%	6.28%	6.36%	6.69%
10 Year Gilt	6.41%	6.46%	6.46%	7.25%
G-Sec Vol. (Rs.Cr)	78149	39571	46122	111730
1 Month CP Rate	6.41%	6.48%	6.55%	7.04%
3 Month CP Rate	6.54%	6.58%	6.70%	7.30%
5 Year Corp Bond	7.14%	7.23%	7.27%	7.78%
1 Month CD Rate	6.23%	6.26%	6.31%	6.45%
3 Month CD Rate	6.24%	6.30%	6.34%	6.67%
1 Year CD Rate	6.52%	6.59%	6.65%	7.30%

Currency Market			
Currency	24-Jul	Prev_Day	Change
USD/INR	64.45	64.32	0.13
GBP/INR	83.82	83.54	0.28
EURO/INR	75.13	74.88	0.25
JPY/INR	0.58	0.58	0.00

Commodity Prices				
Commodity	24-Jul	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	46.20	45.97	42.84	43.36
Brent Crude(\$/bl)	47.75	47.70	43.18	43.83
Gold(\$/oz)	1255	1234	1256	1322
Gold(Rs./10 gm)	28539	28036	28753	30754

Source: ICRON Research

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Derivatives Market

- Nifty Jul 2017 Futures were at 9,955.80, a discount of 10.60 points below the spot closing of 9,966.40. The turnover on NSE's Futures and Options segment went down from Rs. 5,73,583.47 crore on Jul 21 to Rs. 5,48,765.76 crore on Jul 24.
- The Put-Call ratio stood at 1.04 compared with the previous session's close of 1.01.
- The Nifty Put-Call ratio stood at 1.49 compared with the previous session's close of 1.41.
- The open interest on Nifty Futures stood at 23.31 million as against previous session's close of 22.45 million.

Indian Debt Market

- Bond yields fell on growing expectations that the Monetary Policy Committee will lower key policy repo rate in its upcoming monetary policy review due Aug 2, 2017 on the back of subdued domestic inflationary pressures.
- Yield on the 10-year benchmark paper (6.79% GS 2027) fell 3 bps to 6.41% from 6.44% in the previous trading session. During the session, bond yields traded in the range of 6.40% and 6.43%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 7,106 crore (gross) on Jul 24, down from Rs. 7,772 crore (gross) borrowing on Jul 21. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 23,568 crore on Jul 21.
- Banks borrowed Rs. 676 crore under the central bank's Marginal Standing Facility on Jul 21 as against borrowings of Rs. 300 crore on Jul 19.

Currency Market Update

- The Indian rupee stood almost steady against the U.S. dollar as dollar purchases by state-run banks offset greenback sales by foreign banks. The rupee inched down 0.04% to close at 64.34 per dollar from the previous close of 64.32.
- The euro weakened against the greenback after preliminary manufacturing and services Purchasing Managers' Index in U.S. for Jul 2017 came better than market expectations. Euro was trading at \$1.1642, inched down 0.16% compared with the previous close of \$1.1661.

Commodity Market Update

- Gold prices traded higher ahead of the U.S. Federal Reserve's meeting scheduled on Jul 25-26.
- Brent crude prices traded lower amid cautious stance ahead of the long awaited meeting between the OPEC and non-OPEC oil producers, scheduled later during the day at St. Petersburg, Russia.

International News

- According to the International Monetary Fund (IMF), global output growth projections remained steady at 3.5% and 3.6% for 2017 and 2018, respectively. IMF, in its World Economic Outlook Update, said that the pickup in global growth remains on track as anticipated in Apr 2017. While 2017 and 2018 growth forecast for the U.S. economy has been revised downward, forecast for the euro zone has been revised upward.
- According to flash data from IHS Markit, euro zone's private sector composite output index came lower than expected and touched six month low at 55.8 in Jul 2017 from 56.3 in Jun 2017.



Thank you for
your time.