

**RELIANCE**

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FUND

# Markets for You

27 Jul 2017

Indices Performance

Global Indices	26-Jul	Prev_Day	Abs. Change	% Change <sup>#</sup>
Dow Jones	21,711	21,613	98	0.45
Nasdaq	6,423	6,412	11	0.16
FTSE	7,452	7,435	18	0.24
Nikkei	20,050	19,955	95	0.48
Hang Seng	26,941	26,852	89	0.33
Indian Indices	26-Jul	Prev_Day	Abs. Change	% Change <sup>#</sup>
S&P BSE Sensex	32,382	32,228	154	0.48
Nifty 50	10,021	9,965	56	0.56
Nifty 100	10,358	10,307	50	0.49
Nifty Bank	24,671	24,521	150	0.61
SGX Nifty	10,042	9,981	61	0.61
S&P BSE Power	2,303	2,289	14	0.61
S&P BSE Small Cap	16,099	16,054	44	0.28
S&P BSE HC	14,844	14,726	118	0.80

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
26-Jul	23.58	1.21	25.57	1.00
Month Ago	22.80	1.25	24.37	1.11
Year Ago	20.42	1.40	23.56	1.28

Nifty 50 Top 3 Gainers

Company	26-Jul	Prev_Day	% Change <sup>#</sup>
Yes Bank	1712	1618	5.82
IndusInd Bank	1580	1543	2.44
Vedanta	281	274	2.44

Nifty 50 Top 3 Losers

Company	26-Jul	Prev_Day	% Change <sup>#</sup>
Axis Bank	529	545	-2.95
Zee Entertainment	531	539	-1.49
Asian Paints	1134	1150	-1.40

Advance Decline Ratio

	BSE	NSE
Advances	1324	848
Declines	1365	842
Unchanged	172	66

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	321	56280
MF Flows**	1038	47412

\*26<sup>th</sup> Jul 2017; \*\*24<sup>th</sup> 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

- Most of the Asian markets moved up ahead of the policy meeting of the U.S. Federal Reserve (Fed), which will be closely watched for clues regarding future rate hikes. Upbeat earnings numbers from some U.S. companies and improved crude oil prices also helped sentiment. However, upside was limited on stronger yen and concerns over further regulatory tightening after the China Securities Regulatory Commission indicated that it would maintain "normalization" of initial public offerings. Today (As on Jul 27), Asian market opened mostly higher after the U.S. Fed kept interest rates steady. Both Nikkei Average and Hang Seng were trading up 0.17% each (as at 8.00 a.m IST).
- As per the last close, European market closed higher following stronger than expected U.K. economic growth for the second quarter of 2017 and a number of positive corporate earnings reports. Rise in crude oil prices boosted energy stocks.
- As per the last close, U.S. markets closed on a positive note on the back of strong quarterly earnings of some major companies and after the U.S. Federal Reserve (Fed) kept interest rates unchanged.

Indian Equity Market

- Indian equity markets closed in the green, while creating a record with Nifty closing beyond the 10,000-level for the first time ever. Sensex too, closed at fresh closing high for the session. Hopes of improved earnings, and bettering economic indicators pushed growth. Gains in metal stocks also supported sentiment.
- BSE tied up with Egyptian Exchange to collaborate in exchanging information across business areas. The two exchanges signed a memorandum of understanding in order to build opportunities for the improvement of their markets and business, and further strengthen international communications.
- Key benchmark indices S&P BSE Sensex and Nifty 50 went up 0.48% and 0.56% to close at 32,382.46 and 10,020.65, respectively. S&P BSE MidCap grew 0.18% while S&P BSE SmallCap grew 0.28%.
- On the BSE sectoral front, most indices closed in the positive. S&P BSE Metal, up 1.74%, was the top gainer, followed by S&P BSE Utilities (0.91%), S&P BSE Capital Goods (0.89%), S&P BSE Healthcare (0.80%), S&P BSE Bankex (0.74%), and S&P BSE Energy (0.73%). Metal sector was the highest gainer, boosted by gains of an industry major stock.

Domestic News

- According to the World Steel Association, the country's crude steel production declined marginally by 1.1% to 7.9 million tonnes (MT) in Jun 2017. The steel output in the same period of the previous year stood at 8 MT. According to the report, India has surpassed the U.S. to become the world's third largest steel producer.
- According to the finance minister, banks have an exposure of Rs. 97,681 crore in the debt-laden telecom sector. The minister added that for state-run banks, the gross Non Performing Asset (NPA) ratio and stressed advances ratio for the telecom sector stood at 3.68% and 11.29%, respectively, at the end of FY17.
- According to the labour minister, the Employees' Provident Fund Organisation is planning to pump in Rs. 22,500 crore in exchange traded funds in 2017-18. The move comes after the central board of trustees gave the go-ahead to increase the equity investment from 10% to 15%.
- Capital market regulator Securities and Exchange Board of India (SEBI) is considering making it mandatory for listed companies to inform stock exchanges if they fail to service debt on time. The objective of the move is to reign in greater fiscal discipline and keep shareholders better informed. SEBI is also considering the timeframe within which the information has to be declared to the stock exchanges. Presently, companies and banks don't have to disclose information related to defaults to bourses.
- HDFC reported standalone net profit of Rs. 1,556 crore for the quarter ended Jun 30, 2017, down 16.83% YoY from Rs. 1,871 crore in the year-ago period. Interest earned during the quarter under review stood at Rs. 8,128.77 crore, up 9% YoY.
- Bharti Airtel's net profit for the quarter ended Jun 30, 2017, fell 75% YoY to Rs. 367 crore from Rs. 1,462 crore in the year-ago period. Meanwhile, revenue dropped 14% YoY to Rs. 21,958 crore, mainly due to decline in data and voice rates.

FII Derivative Trade Statistics			
	26-Jul		
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	3314.01	4312.43	24950.29
Index Options	37552.07	37031.86	88861.61
Stock Futures	18700.88	18418.78	62568.23
Stock Options	6447.25	6533.55	9093.14
Total	66014.21	66296.62	185473.27

Derivative Statistics- Nifty Options			
	26-Jul	Prev_Day	Change
Put Call Ratio (OI)	1.60	1.47	0.13
Put Call Ratio(Vol)	1.11	1.15	-0.05

Debt Watch				
	26-Jul	Wk. Ago	Mth. Ago	Year Ago
Call Rate	6.11%	6.08%	6.08%	6.35%
CBLO	6.25%	6.17%	5.87%	6.48%
Repo	6.25%	6.25%	6.25%	6.50%
Reverse Repo	6.00%	6.00%	6.00%	6.00%
91 Day T-Bill	6.15%	6.11%	6.21%	6.56%
364 Day T-Bill	6.23%	6.29%	6.36%	6.70%
10 Year Gilt	6.45%	6.45%	6.46%	7.25%
G-Sec Vol. (Rs.Cr)	29750	62542	46122	81033
1 Month CP Rate	6.43%	6.41%	6.55%	7.00%
3 Month CP Rate	6.51%	6.54%	6.70%	7.29%
5 Year Corp Bond	7.17%	7.22%	7.27%	7.71%
1 Month CD Rate	6.24%	6.22%	6.31%	6.48%
3 Month CD Rate	6.23%	6.25%	6.34%	6.63%
1 Year CD Rate	6.52%	6.54%	6.65%	7.27%

Currency Market			
Currency	26-Jul	Prev_Day	Change
USD/INR	64.42	64.36	0.06
GBP/INR	83.83	83.88	-0.05
EURO/INR	74.92	75.06	-0.14
JPY/INR	0.58	0.58	0.00

Commodity Prices				
Commodity	26-Jul	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	48.57	47.05	42.84	42.11
Brent Crude(\$/bl)	50.07	47.93	43.18	43.25
Gold(\$/oz)	1261	1240	1256	1320
Gold(Rs./10 gm)	28327	28198	28753	30764

Source: ICRON Research

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#### Derivatives Market

- Nifty Jul 2017 Futures were at 10,023.05, a premium of 2.40 points above the spot closing of 10,020.65. The turnover on NSE's Futures and Options segment went up from Rs. 5,27,501.22 crore on Jul 25 to Rs. 6,94,741.04 crore on Jul 26.
- The Put-Call ratio stood at 0.97 compared with the previous session's close of 1.04.
- The Nifty Put-Call ratio stood at 1.64 compared with the previous session's close of 1.51.
- The open interest on Nifty Futures stood at 24.43 million as against previous session's close of 23.50 million.

#### Indian Debt Market

- Bond yields rose for the second consecutive day as investors were cautious ahead of the U.S. Federal Reserve's monetary policy statement due later in the day.
- Yield on the 10-year benchmark paper (6.79% GS 2027) rose 2 bps to 6.45% from 6.43% in the previous trading session.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 5,390 crore (gross) on Jul 26, down from Rs. 6,826 crore (gross) borrowing on Jul 25.
- Banks borrowed Rs. 255 crore under the central bank's Marginal Standing Facility on Jul 25 as against nil borrowings on Jul 24.
- RBI conducted a 28-day variable rate reverse repo auction for a notified amount of Rs. 10,000 crore for which Rs. 10,007 crore was allotted at a cut-off rate of 6.23%.

#### Currency Market Update

- The Indian rupee stood almost steady against the U.S. dollar as investors awaited the outcome of the U.S. Federal Reserve's monetary policy review later during the day. The rupee inched up 0.03% to close at 64.36 per dollar from the previous close of 64.38.
- The euro stood almost steady against the U.S. dollar as market participants preferred to remain on the sidelines ahead of the outcome of the U.S. Fed's monetary policy review due later in the day. Euro was trading at \$1.1647 compared with the previous close of \$1.1651.

#### Commodity Market Update

- Gold prices traded lower as investors remained cautious ahead of the outcome of the highly anticipated Federal Open Market Committee meeting, scheduled later during the day.
- Brent crude prices traded higher as investors remained optimistic ahead of the weekly data on the U.S. stockpiles.

#### International News

- According to the Conference Board, U.S. consumer confidence index surpassed market expectations and grew to 121.1 in Jul 2017 from a downwardly revised score of 117.3 in Jun 2017. The upside reflects improvement in consumers' assessment of current conditions with present situation index climbed to 147.8 in Jul from 143.9 in Jun.
- According to the Office for National Statistics, U.K.'s gross domestic product (GDP) in the second quarter 2017 expanded at a slightly faster rate and was in line with market expectations. GDP grew 0.3% sequentially faster than 0.2% growth in the fourth quarter of 2016. On an annual basis, GDP grew 1.7% as compared with 2% in the first quarter.

Thank you for  
your time.