

**RELIANCE**

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FUND

# Markets for You

27 Jul 2018

**Indices Performance**

Global Indices	26-Jul	Prev_Day	Abs. Change	% Change <sup>#</sup>
Dow Jones	25,527	25,414	113	0.44
Nasdaq	7,852	7,932	-80	-1.01
FTSE	7,663	7,658	5	0.06
Nikkei	22,587	22,614	-27	-0.12
Hang Seng	28,781	28,921	-140	-0.48
Indian Indices	26-Jul	Prev_Day	Abs. Change	% Change <sup>#</sup>
S&P BSE Sensex	36,985	36,858	126	0.34
Nifty 50	11,167	11,132	35	0.32
Nifty 100	11,431	11,386	46	0.40
Nifty Bank	27,406	27,031	375	1.39
SGX Nifty	11,167	11,129	39	0.35
S&P BSE Power	1,945	1,917	28	1.44
S&P BSE Small Cap	16,306	16,255	51	0.31
S&P BSE HC	13,965	13,910	55	0.40

**P/E Dividend Yield**

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
26-Jul	23.34	1.18	27.75	1.20
Month Ago	22.69	1.25	26.02	1.23
Year Ago	23.58	1.21	25.57	1.00

**Nifty 50 Top 3 Gainers**

Company	26-Jul	Prev_Day	% Change <sup>#</sup>
Ambuja Cem	224	208	7.22
SBI	288	272	5.83
ICICI Bank	286	275	4.01

**Nifty 50 Top 3 Losers**

Company	26-Jul	Prev_Day	% Change <sup>#</sup>
Maruti	9396	9759	-3.72
Yes Bank	370	383	-3.43
Indian Oil	159	163	-2.64

**Advance Decline Ratio**

	BSE	NSE
Advances	1335	910
Declines	1238	879
Unchanged	138	106

**Institutional Flows (Equity)**

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-624	-6972
MF Flows**	-199	74115

\*26<sup>th</sup> Jul 2018; \*\*20<sup>th</sup> 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 stocks were mostly down as investors turned cautious over the trade war and its effect on the Chinese economy. U.S. President agreeing to remove new trade tariffs on European Union after his meeting with the European Commission president could not elevate investors' mood. Today (as of Jul 27), Asian markets opened mixed following a mixed session in the U.S. Wall Street. Nikkei was trading up 0.34% and Hang Seng was trading down 0.38% (as at 8.a.m. IST).

• As per the last close, European markets closed higher following ease in trade tension between the U.S. and Europe. Announcement by the European Central Bank to keep interest rates unchanged and maintain forward guidance on monetary stimulus also added to the gains.

• As per the last close, U.S markets closed mixed. News that U.S. President and European Commission has agreed to work towards eliminating trade barriers on industrial goods boosted the market. However, disappointing quarterly results by a social media giant weighed on the market.

**Indian Equity Market**

• Indian equity markets broke new ground yet again with benchmark indices Sensex and Nifty closing at 36,984.64 and 11,167.30, respectively. Persistent blue chip demand and optimism over corporate earnings were the main reasons behind the exuberance. Other factors that supported gains were capital infusion by DIIs and FIIs and the U.S. President relaxing his stand over tariffs on trade with the European Union.

• Key benchmark indices S&P BSE Sensex and Nifty 50 grew 0.34% and 0.32% to close at 36,984.64 and 11,167.30. S&P BSE Mid-Cap increased 0.76% and S&P BSE Small Cap grew 0.31%.

• The overall market breadth on BSE was strong with 1335 scrips advancing and 1238 scrips declining. A total of 138 scrips remained unchanged.

• On the BSE sectoral front, S&P BSE Utilities stood as the major gainer, up 1.66% followed by S&P BSE Power that grew 1.44%. S&P BSE Bankex and S&P BSE Finance grew 1.43% and 1.29%. S&P BSE Telecom and S&P BSE Realty grew 0.98% and 0.73%. S&P BSE Energy and S&P BSE Auto were the top two losers, down 0.18% and 0.3%, respectively.

**Domestic News**

• The findings of National Sample Survey Office (NSSO) could be released by Jun 2019. NSSO has done the 2017-18 consumer expenditure survey. The findings will form the base for calculating absolute poverty. NSSO is under the Ministry of Statistics and Programme Implementation and has done data collection.

• According to media reports, the government could set up an Asset Management Company (AMC) for assisting banks to sell non-core assets, which would include real estate. The government is doing this to boost capital. The AMC's role would be to acquire the asset, fix a valuation and then sell it via a bidding process.

• The chief economic adviser said GST slab of 28% could soon cease to exist, calling it "virtually a hollow shell". The outgoing official is of the opinion that the slab could phase out in the next year. The slab has been cut in the case of 191 goods over the last one year, including ACs, digital cameras, video recorders, dish-washing machines and automobiles. Only 35 items now fall under 28% GST.

• The government by early next will put drafts of new forms for filing GST returns in public domain. This is being done for stakeholder consultation. Under the new return filing system, taxpayers who don't have purchase or supplies in a quarter, can just send an SMS and their returns will be filed. These are called 'nil' fillers. The GST council had cleared the new return filing form last week and it will replace GSTR-1 and GSTR-3B returns.

• To understand the problems related to GST, state and union territory tax officers will approach trade and industry bodies and MSMEs. Their issues and grievances would be then place before the GST council on Aug 4 for mitigation. This is being done on the suggestion of the Central Board of Indirect Taxes and Customs (CBIC). The compiled suggestions and responses will be sent to CBIC, the apex body for indirect taxes, by Jul 27.

FII Derivative Trade Statistics	26-Jul		
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	6260.86	6467.51	29419.70
Index Options	73143.32	73350.93	75228.23
Stock Futures	33107.54	33104.20	83616.83
Stock Options	7001.94	6610.56	8246.80
Total	119513.66	119533.20	196511.56

Derivative Statistics- Nifty Options	26-Jul	Prev_Day	Change
Put Call Ratio (OI)	1.95	1.89	0.06
Put Call Ratio(Vol)	0.98	1.09	-0.11

Debt Watch	26-Jul	Wk. Ago	Mth. Ago	Year Ago
Call Rate	6.20%	6.13%	6.16%	6.11%
CBLO	6.23%	6.18%	6.18%	6.25%
Repo	6.25%	6.25%	6.25%	6.25%
Reverse Repo	6.00%	6.00%	6.00%	6.00%
91 Day T-Bill	6.70%	6.55%	6.44%	6.15%
364 Day T-Bill	7.24%	7.20%	7.00%	6.23%
10 Year Gilt	7.76%	7.79%	7.83%	6.45%
G-Sec Vol. (Rs.Cr)	36463	31971	19847	29750
FBIL MIBOR	6.39%	6.29%	6.34%	6.26%
3 Month CP Rate	7.80%	7.55%	7.50%	6.51%
5 Year Corp Bond	8.72%	8.74%	8.73%	7.40%
1 Month CD Rate	6.73%	6.46%	7.03%	6.24%
3 Month CD Rate	7.18%	7.07%	6.96%	6.23%
1 Year CD Rate	8.01%	7.97%	8.06%	6.52%

Currency Market	26-Jul	Prev_Day	Change
Currency			
USD/INR	68.70	68.80	-0.10
GBP/INR	90.66	90.58	0.08
EURO/INR	80.60	80.45	0.15
JPY/INR	0.62	0.62	0.00

Commodity Prices	26-Jul	Wk Ago	Mth. Ago	Year Ago
Commodity				
NYMEX Crude(\$/bl)	71.34	69.37	73.98	48.57
Brent Crude(\$/bl)	75.15	71.03	73.32	50.07
Gold( \$/oz)	1222	1222	1259	1261
Gold(Rs./10 gm)	29869	29742	30394	28327

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 settled at spot closing of 11,167.30. Nifty August 2018 Futures settled at 11,201.35, a premium of 34.05 point over the spot closing. The turnover on NSE's Futures and Options segment increased to Rs. 17,81,228.45 on Jul 26 from Rs. 9,05,673.15 on Jul 25.
- The Put-Call ratio stood at 0.92 against previous session's close of 0.91.
- The Nifty Put-Call ratio stood at 1.95 compared with the previous session's close of 1.89.
- Open interest on Nifty Futures stood at 29.48 million as against the previous session's close at 28.92 million.

**Indian Debt Market**

- Bond yields fell on hopes that the Monetary Policy Committee will maintain status quo in its monetary policy review due on Aug 1, 2018. Expectations that domestic inflationary pressures may come down in Jul also boosted market sentiments. Strength in the domestic currency against the greenback also added to the gains.
- Yield on the 10-year benchmark paper (7.17% GS 2028) went down 3 bps to close at 7.76% as against its previous close of 7.79%. During the session, bond yields traded in the range of 7.75% and 7.81%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 4,923 crore (gross) on Jul 26, compared with Rs. 16,156 crore (gross) borrowed on Jul 25.
- Banks borrowed Rs. 21 crore under the central bank's Marginal Standing Facility on Jul 25 compared with borrowing of Rs. 165 crore on Jul 24.

**Currency Market Update**

- The rupee rose against the greenback supported by gains in the domestic market and easing trade dispute after the U.S. and the European Union committed to work on reducing trade tariffs. The rupee rose 0.17% to close at 68.66 against the previous close of 68.78.
- The euro went down against the greenback on hopes that the European Central Bank will keep its monetary policy review on hold. Euro was last seen trading at \$1.1713, down 0.13% compared with the previous close of \$1.1728.

**Commodity Market Update**

- Gold prices edged lower despite the weakness in the greenback against the euro after the U.S. and the European Union came to terms on lowering the trade tariff.
- Brent crude prices rose following a drop in the U.S. inventory.

**International News**

- A report from the U.S. Commerce Department revealed a higher than expected fall in new home sales in the U.S. in Jun 2018. New home sales dropped 5.3% to an annual rate of 631,000 in Jun after growing 3.9% to a rate of 666,000 in May 2018.
- According to the Bank of Japan, producer prices in Japan grew 1.2% YoY in Jun 2018, which was better than that last two months growth rate of 1.0%. Month on month, producer prices inched up 0.2% after falling 0.1% in May 2018. The increase was driven by higher prices for communications, advertising and real estate.

Thank you for  
your time.