

**RELIANCE**

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FUND

# Markets for You

31 Jul 2017

**Indices Performance**

Global Indices	28-Jul	Prev_Day	Abs. Change	% Change <sup>#</sup>
Dow Jones	21,830	21,797	34	0.15
Nasdaq	6,375	6,382	-8	-0.12
FTSE	7,368	7,443	-75	-1.00
Nikkei	19,960	20,080	-120	-0.60
Hang Seng	26,979	27,131	-152	-0.56
Indian Indices	28-Jul	Prev_Day	Abs. Change	% Change <sup>#</sup>
S&P BSE Sensex	32,310	32,383	-73	-0.23
Nifty 50	10,015	10,021	-6	-0.06
Nifty 100	10,354	10,349	5	0.05
Nifty Bank	24,811	24,922	-111	-0.45
SGX Nifty	10,037	10,021	16	0.15
S&P BSE Power	2,296	2,296	0	-0.02
S&P BSE Small Cap	16,071	16,015	56	0.35
S&P BSE HC	14,414	14,669	-254	-1.73

**P/E Dividend Yield**

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
28-Jul	23.68	1.21	25.56	0.96
Month Ago	22.53	1.26	24.15	1.12
Year Ago	20.66	1.38	23.69	1.26

**Nifty 50 Top 3 Gainers**

Company	28-Jul	Prev_Day	% Change <sup>#</sup>
HDFC Ltd.	1785	1728	3.31
Yes Bank	1842	1786	3.14
Infosys	997	971	2.71

**Nifty 50 Top 3 Losers**

Company	28-Jul	Prev_Day	% Change <sup>#</sup>
Dr.Reddy	2465	2620	-5.93
Lupin	1064	1110	-4.16
Sun Pharma	551	572	-3.72

**Advance Decline Ratio**

	BSE	NSE
Advances	1240	779
Declines	1412	891
Unchanged	159	76

**Institutional Flows (Equity)**

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	2439	58526
MF Flows**	1105	49472

\*28<sup>th</sup> Jul 2017; \*\*26<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 closed in the negative as U.S. technology stocks' selloff led to investors booking profit. Japanese markets went down on data showing the country's overall nationwide consumer prices grew 0.40% in Jun 2017, the growth being in line with expectations. Singapore markets were hit as economy's producer price inflation climbed in Jun 2017, although import prices increased at a slower rate. Today (As on July 31), Asian markets opened mixed. Increase in crude oil prices boosted market sentiments. However, stronger yen and geopolitical tensions in Korean peninsula weighed on the Japanese market. Nikkei Average was trading lower 0.06% and Hang Seng was trading up 0.61% (as at 8.00 a.m IST).

• As per the last close, European market ended on a negative note on disappointing financial results and weak opening on Wall Street.

• As per the last close, U.S markets ended on a mixed note. Lower than expected corporate results by U.S. majors weighed on the market sentiments, while in line gross domestic product and upbeat consumer sentiment index boosted investor's sentiments.

**Indian Equity Market**

• After remaining steady in the last session, Indian equity markets ended in the red as disappointing quarterly earnings weighed on some bank and pharmaceutical stocks. Also, negative signals from Asian markets following plunge in U.S. tech stocks hampered investor sentiment. Meanwhile, the investors are waiting for the outcome of Reserve Bank of India's two-day monetary policy meeting scheduled to end on Aug 2.

• Key benchmark indices S&P BSE Sensex as well as Nifty 50 fell 0.23% and 0.06% to close at 32,309.88 and 10,014.50, respectively. S&P BSE Small-Cap and S&P BSE Mid-Cap went up 0.35% and 0.48%, respectively.

• The overall market breadth on BSE was weak with 1,412 scrips declining and 1,240 scrips advancing. A total of 159 scrips remained unchanged.

• On the BSE sectoral front, indices closed on a mixed note. Among the gainers were S&P BSE Information Technology (1.05%), S&P BSE Teck (0.8%), S&P BSE Finance (0.27%), S&P BSE FMCG (0.23%), S&P BSE Auto (0.21%), S&P BSE Industrials (0.20%), and S&P BSE Consumer Durables (0.17%).

**Domestic News**

• The Securities and Exchange Board of India (SEBI) has announced that an exchange can be set up by a domestic or foreign bourse in the International Financial Services Centre (IFSC) with at least 51% stake. Meanwhile, entities like insurers, commodity derivative exchanges, public financial institutions of Indian jurisdiction can hold up to 15% of the paid-up equity share capital of such stock exchange.

• The Reserve Bank of India has given final authorization to National Payments Corporation of India (NPCI) to function as the Bharat Bill Payment Central Unit (BBPCU) and operate the Bharat Bill Payment System (BBPS). In Aug 2016, 8 BBPS operating units had received in-principle approval from RBI and took part in the pilot. Post pilot run for almost a year, NPCI has now received the final clearance from RBI, thereby streamlining the technology and business processes.

• According to a major credit rating agency, the new regulations by the Securities and Exchange Board of India (SEBI) on foreign holdings of rupee-denominated corporate bonds are expected to lower down the options for companies to diversify their funding sources. SEBI had announced last week that foreign purchases of rupee-denominated corporate notes would only be allowed through auction once the foreign holdings reached 95% of Combined Corporate Debt Limit.

• According to the Minister of State for Finance, the government has saved Rs. 57,000 crore by eradicating corruption from various schemes. The minister stated that the government has been able to check corruption through the use of information, communication and technology.

• ITC Ltd reported 7.4% increase in net profit to Rs. 2,560.5 crore and increase in total income by 4.4% to Rs. 14,277.19 crore for the quarter ended Jun 30, 2017.

• Larsen & Toubro (L&T) reported consolidated profit of Rs. 893 crore for the quarter ended Jun 30, 2017, an increase of 46% from Rs. 610 crore a year earlier. The increase in profits is due to higher revenue from its infrastructure business.

FII Derivative Trade Statistics	28-Jul		
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	10946.94	8849.51	15298.30
Index Options	83301.47	85363.92	59071.68
Stock Futures	28796.76	29407.24	51437.80
Stock Options	5193.27	5026.55	347.96
Total	128238.44	128647.22	126155.74

Derivative Statistics- Nifty Options	28-Jul	Prev_Day	Change
Put Call Ratio (OI)	1.22	1.66	-0.44
Put Call Ratio(Vol)	0.83	1.21	-0.38

Debt Watch	28-Jul	Wk. Ago	Mth. Ago	Year Ago
Call Rate	6.08%	6.10%	6.05%	6.35%
CBLO	6.15%	5.62%	6.19%	6.52%
Repo	6.25%	6.25%	6.25%	6.50%
Reverse Repo	6.00%	6.00%	6.00%	6.00%
91 Day T-Bill	6.12%	6.12%	6.27%	6.55%
364 Day T-Bill	6.22%	6.22%	6.37%	6.66%
10 Year Gilt	6.46%	6.44%	6.50%	7.19%
G-Sec Vol. (Rs.Cr)	40832	87997	52734	148393
1 Month CP Rate	6.44%	6.44%	6.58%	7.03%
3 Month CP Rate	6.53%	6.58%	6.69%	7.25%
5 Year Corp Bond	7.18%	7.19%	7.28%	7.65%
1 Month CD Rate	6.23%	6.21%	6.33%	6.50%
3 Month CD Rate	6.24%	6.25%	6.35%	6.61%
1 Year CD Rate	6.53%	6.52%	6.69%	7.24%

Currency Market	28-Jul	Prev_Day	Change
USD/INR	64.15	64.12	0.03
GBP/INR	83.89	84.21	-0.32
EURO/INR	74.98	75.21	-0.23
JPY/INR	0.58	0.58	0.00

Commodity Prices	28-Jul	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	49.67	45.73	44.69	41.08
Brent Crude(\$/bl)	52.04	47.01	46.49	41.46
Gold( \$/oz)	1269	1254	1249	1335
Gold(Rs./10 gm)	28443	28320	28797	31025

Source: ICRON Research

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**Mutual Fund Investments are subject to market risks, read all scheme related documents carefully.**

**Derivatives Market**

- Nifty Aug 2017 Futures were at 10,042.25, a premium of 27.75 points above the spot closing of 10,014.50. The turnover on NSE's Futures and Options segment went down from Rs. 14,54,083.77 crore on Jul 27 to Rs. 3,75,568.29 crore on Jul 28.
- The Put-Call ratio stood at 0.84 compared with the previous session's close of 1.11.
- The Nifty Put-Call ratio stood at 1.22 compared with the previous session's close of 1.70.
- The open interest on Nifty Futures stood at 20.22 million as against previous session's close of 25.17 million.

**Indian Debt Market**

- Bond yields rose as investors booked profit ahead of Monetary Policy Committee's review meeting scheduled next week.
- Yield on the 10-year benchmark paper (6.79% GS 2027) rose 2 bps to 6.46% from 6.44% in the previous trading session. During the session, bond yields traded in the range of 6.43% and 6.47%.
- Banks' borrowings under the repo window of the LAF stood at Rs. 2,005 crore (gross) on Jul 28, down from Rs. 2,260 crore (gross) borrowing on Jul 27. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 10,003 crore on Jul 27.
- Banks didn't borrow under the central bank's Marginal Standing Facility on Jul 27 as against Rs. 75 crore borrowed on Jul 26.
- RBI conducted a 27-day variable rate reverse repo auction for a notified amount of Rs. 20,000 crore for which Rs. 20,009 crore was allotted at a cut-off rate of 6.22%.

**Currency Market Update**

- The Indian rupee fell marginally against the U.S. dollar following decline in the global equity and currency markets. The rupee was down 0.07% to close at 64.15 from the previous close of 64.11.
- Euro rose against the weak U.S. dollar after U.S. gross domestic product data came in line with market expectation, and following fresh U.S. political concerns.

**Commodity Market Update**

- Gold prices traded higher as investors remained optimistic ahead of the U.S. GDP data for the second quarter of 2017.
- Brent crude prices traded higher ahead of U.S. weekly rig count data. Investors continued to take positive cues from Saudi Arabia's pledge to curb crude exports beginning next month..

**International News**

- According to a report by the Commerce Department, new orders for manufactured durable goods in the U.S. rose more than market expectations in Jun 2017. Orders surged 6.5% in Jun after falling by 0.1% in May 2017. The upside reflects steep increase in orders for transportation equipment and non-defense aircraft and parts.
- According to the Labor department, initial jobless claims came in more than expected and grew to 244,000 for the week to Jul 22, 2017, from the previous week's revised level of 234,000. Meanwhile, continuing claims showed that the number of people receiving unemployment assistance fell by 13,000 to 1.964 million for the week to Jul 15, 2017.



Thank you for  
your time.