

RELIANCE

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FUND

Markets for You

04 Jun 2018

Indices Performance

Global Indices	01-Jun	Prev_Day	Abs. Change	% Change [#]
Dow Jones	24,635	24,416	219	0.90
Nasdaq	7,554	7,442	112	1.51
FTSE	7,702	7,678	24	0.31
Nikkei	22,171	22,202	-30	-0.14
Hang Seng	30,493	30,469	24	0.08
Indian Indices	01-Jun	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	35,227	35,322	-95	-0.27
Nifty 50	10,696	10,736	-40	-0.37
Nifty 100	11,014	11,064	-50	-0.45
Nifty Bank	26,693	26,956	-263	-0.98
SGX Nifty	10,684	10,732	-49	-0.45
S&P BSE Power	2,089	2,129	-40	-1.89
S&P BSE Small Cap	16,979	17,249	-270	-1.57
S&P BSE HC	12,945	13,003	-57	-0.44

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
1-Jun	23.23	1.14	27.09	1.23
Month Ago	23.83	1.12	26.66	1.19
Year Ago	22.57	1.29	24.34	1.19

Nifty 50 Top 3 Gainers

Company	01-Jun	Prev_Day	% Change [#]
Bajaj Auto	2897	2750	5.32
Maruti	8809	8537	3.18
Bharti Airtel	384	374	2.70

Nifty 50 Top 3 Losers

Company	01-Jun	Prev_Day	% Change [#]
Aurobindo Pharma	535	556	-3.77
Eicher Motors	29869	30781	-2.96
GAIL	341	351	-2.72

Advance Decline Ratio

	BSE	NSE
Advances	674	439
Declines	2024	1382
Unchanged	127	71

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-516	-1729
MF Flows**	365	59444

*1st Jun 2018; **30th May 2018

Economic Indicator

YoY(%)	Current	Quarter Ago	Year Ago
CPI	4.58% (Apr-18)	5.07% (Jan-17)	2.99% (Mar-17)
IIP	4.40% (Mar-18)	7.10% (Dec-17)	4.10% (Mar-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 traded low ahead of the U.S. non-farm payroll data and on concerns over probable trade war after the U.S. announced that it might impose tariffs on imported steel and aluminium from the EU, Canada and Mexico. However, improved economic data from China and Japan provided some support after survey data from IHS Markit indicated that China's manufacturing activity expanded at a steady pace in May and the latest survey from Nikkei showed that the manufacturing sector in Japan continued to expand in May. Today (As of June 04), Asian markets opened higher following gains on the Wall Street overnight. Both Nikkei and Hang Seng index were trading higher 1.27% and 1.12%, respectively (as at 8 a.m. IST).
- As per the last close, European market rose following as investor sentiment received a boost from the news that Italy has managed to form a new government and that Spain will get a new Prime Minister.
- As per the last close, U.S markets went up strongly following better than expected U.S. nonfarm payroll data for May 2018.

Indian Equity Market

- Indian equity markets initially opened on a positive note after India's gross domestic product for fourth quarter 2018 surged to 7.7%. However, the indices ended in the red following losses in financial stocks, slowdown in India's manufacturing sector activity in May 2018 and intensifying trade war concerns. However, gains in auto stocks after some auto majors gained on accelerated sales of two-wheelers and commercial vehicles in May 2018 restricted the losses.
- Key benchmark indices S&P BSE Sensex and Nifty 50 fell 0.27% and 0.37% to close at 35,227.26 and 10,696.20, respectively. S&P BSE Mid-Cap and S&P BSE SmallCap fell 1.01% and 1.57%.
- The overall market breadth on BSE was weak with 2,024 scrips declining and 674 scrips advancing. A total of 127 scrips remained unchanged.
- On the BSE sectoral front, S&P BSE Power was the major loser, down 1.89% followed by S&P BSE Utilities and S&P BSE Basic Materials that fell 1.68% and 1.26%, respectively. S&P BSE Realty and S&P BSE Information Technology fell 1.07% and 0.94%, respectively.

Domestic News

- The Nikkei Manufacturing Purchasing Managers' Index (PMI) fell to 51.2 in May 2018 from 51.6 in Apr 2018 due to weaker expansions in output and new orders and employment. This is the tenth consecutive month when index came in above the threshold of 50.0. The data indicates growth, however at a modest pace.
- The Unique Identification Authority of India (UIDAI) has reduced the daily minimum Aadhaar enrolment or updation target for stipulated bank branches by half, to eight. This will be effective from Jul 1, 2018 and marks a major sigh of relief for banks. Also, UIDAI stated that the banks attaining the fresh target for Jul 2018 will not have to face financial disincentives up to that month.
- According to the Finance Ministry, the government has collected Rs. 94,016 crore in the form of goods and services tax (GST) against an average collection of nearly Rs. 90,000 crore per month in FY 2017-18. The finance ministry further added that Rs. 15,866 crore was collected as CGST, Rs. 21,691 crore as SGST, Rs. 49,120 crore IGST (including Rs. 24,447 crore collected on imports) and cess as Rs. 7,339 crore (including Rs. 854 crore collected on imports).
- According to a major credit rating agency, losses by state-run banks have erased the \$13-billion capital infusion by the government. Also, the agency stated that the situation is not expected to improve in the FY19. It warned that the banks' viability ratings will be pressurized with big losses.
- According to media reports, domestic sales of Tata Motors grew 58% to 54,295 units in May 2018 which can be attributed to upbeat sales in the commercial and passenger vehicle segments. Tata Motors sold 34,461 units in the same month of the previous year.
- According to media reports, Oil and Natural Gas Corporation (ONGC) witnessed a 36% jump in profit in the quarter ended Mar 2018 due to higher global crude oil prices and lower statutory levies. ONGC acknowledged the fact that increase in global crude oil prices benefitted the company as it resulted in higher petrol and diesel prices in the country.

FII Derivative Trade Statistics		01-Jun		
(Rs Cr)	Buy	Sell	Open Int.	
Index Futures	6268.78	6911.84	14342.65	
Index Options	131500.42	130215.61	50044.53	
Stock Futures	33729.96	32522.24	76692.04	
Stock Options	5466.91	5366.37	416.87	
Total	176966.07	175016.06	141496.09	

Derivative Statistics- Nifty Options			
	01-Jun	Prev_Day	Change
Put Call Ratio (OI)	1.67	1.48	0.19
Put Call Ratio(Vol)	1.04	0.94	0.10

Debt Watch				
	01-Jun	Wk. Ago	Mth. Ago	Year Ago
Call Rate	5.98%	5.93%	6.02%	6.04%
CBLO	5.98%	5.08%	5.53%	6.04%
Repo	6.00%	6.00%	6.00%	6.25%
Reverse Repo	5.75%	5.75%	5.75%	6.00%
91 Day T-Bill	6.43%	6.20%	6.19%	6.25%
364 Day T-Bill	6.86%	6.25%	6.45%	6.41%
10 Year Gilt	7.85%	7.79%	7.77%	6.62%
G-Sec Vol. (Rs.Cr)	15457	30646	23708	73491
FBI MIBOR	6.05%	6.02%	6.00%	6.25%
3 Month CP Rate	8.05%	8.35%	7.40%	6.70%
5 Year Corp Bond	8.64%	8.65%	8.43%	7.43%
1 Month CD Rate	6.59%	6.79%	6.69%	6.23%
3 Month CD Rate	7.58%	7.83%	7.07%	6.39%
1 Year CD Rate	8.25%	8.22%	7.71%	6.81%

Currency Market			
Currency	01-Jun	Prev_Day	Change
USD/INR	67.18	67.45	-0.27
GBP/INR	89.14	89.79	-0.65
EURO/INR	78.41	78.79	-0.38
JPY/INR	0.62	0.62	0.00

Commodity Prices				
Commodity	01-Jun	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	65.81	67.87	68.51	48.27
Brent Crude(\$/bl)	74.48	77.14	76.66	50.05
Gold(\$/oz)	1293	1301	1315	1265
Gold(Rs./10 gm)	30764	31171	31033	28828

Source: Thomson Reuters Eikon

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Derivatives Market

- Nifty June 2018 Futures were at 10683.9 points, a discount of 12.30 points, over the spot closing of 10,696.20. The turnover on NSE's Futures and Options segment went down to Rs. 5,12,566.51 crore on June 1 from Rs. 18,34,938.48 crore on May 31.
- The Put-Call ratio stood at 0.83 against previous session's close of 0.89.
- The Nifty Put-Call ratio stood at 1.48 against the previous session's close of 1.67.
- India VIX moved up 1.26% to 13.3900 from 13.2225 in the previous trading session.
- Open interest on Nifty Futures stood at 20.12 million as against the previous session's close at 31.28 million.

Indian Debt Market

- Bond yields rose following increased possibility of rate hike by the Monetary Policy Committee (MPC) consequent to strong gross domestic product (GDP) data for quarter ended Mar 2018, especially at a time when the domestic inflation is at high rate.
- Yield on the 10-year benchmark paper (7.17% GS 2028) rose 2 bps to close at 7.85% from the previous close of 7.83%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 5,669 crore (gross) on Jun 1 compared with Rs. 3,768 (gross) on May 31. Sale of securities under RBI's reverse repo window stood at Rs. 3,722 crore on May 31.
- Banks borrowed Rs. 2,660 crore under the central bank's Marginal Standing Facility on May 31 as against borrowing of Rs. 6,862 crore on May 30.

Currency Market Update

- The Indian rupee rose against the U.S. dollar following upbeat domestic GDP data of quarter ended Mar 2018 and selling of greenback by exporters. The rupee rose 0.52% to close at 67.06 per dollar from the previous close of 67.41.
- Euro fell against the U.S. dollar following more than expected rise of employment in the U.S. for the month of May 2018. Euro was trading at \$1.1681 compared with the previous close of \$1.1690.

Commodity Market Update

- Gold prices fell ahead of the U.S. Federal Reserve's (Fed) policy decision in Jun.
- Brent crude prices fell ahead on concerns over higher crude supply from the OPEC and other non-OPEC members and ahead of the Baker Hughes' data on U.S. drilling activity.

International News

- According to a report from the Labor Department, U.S. non-farm payroll employment came in higher than market expectations and grew by 223,000 jobs in May 2018 as against an increase of downwardly revised 159,000 jobs (addition of 164,000 jobs originally reported) in Apr 2018.
- A report from the IHS Markit showed that Eurozone's factory Purchasing Managers' Index was in line with market expectations and came in at 55.5 in May 2018, down from 56.2 in Apr 2018. This marked a 15-month low.

Thank you for
your time.