

RELIANCE

MUTUAL  
FUND

# Markets for You

05 Jun 2017

**Indices Performance**

Global Indices	02-Jun	Prev_Day	Abs. Change	% Change <sup>#</sup>
Dow Jones	21,206	21,144	62	0.29
Nasdaq	6,306	6,247	59	0.94
FTSE	7,548	7,544	4	0.05
Nikkei	20,177	19,860	317	1.60
Hang Seng	25,924	25,809	115	0.44
Indian Indices	02-Jun	Prev_Day	Abs. Change	% Change <sup>#</sup>
S&P BSE Sensex	31,273	31,138	136	0.44
Nifty 50	9,654	9,616	37	0.39
Nifty 100	9,951	9,909	42	0.42
Nifty Bank	23,376	23,310	66	0.28
SGX Nifty	9,670	9,629	41	0.42
S&P BSE Power	2,231	2,215	16	0.73
S&P BSE Small Cap	15,311	15,234	77	0.50
S&P BSE HC	13,876	13,722	153	1.12

**P/E Dividend Yield**

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
2-Jun	22.65	1.30	24.43	1.18
Month Ago	22.87	1.37	23.66	1.23
Year Ago	19.64	1.45	22.76	1.31

**Nifty 50 Top 3 Gainers**

Company	02-Jun	Prev_Day	% Change <sup>#</sup>
Hero Moto	3850	3733	3.12
Cipla	530	516	2.81
Yes Bank	1482	1445	2.57

**Nifty 50 Top 3 Losers**

Company	02-Jun	Prev_Day	% Change <sup>#</sup>
GAIL	402	410	-1.95
BPCL	725	739	-1.92
Indiabulls HFC	1132	1145	-1.15

**Advance Decline Ratio**

	BSE	NSE
Advances	1464	997
Declines	1231	689
Unchanged	155	77

**Institutional Flows (Equity)**

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-451	50419
MF Flows**	356	32687

\*2<sup>nd</sup> Jun 2017; \*\*31<sup>st</sup> May 2017

**Economic Indicator**

YoY(%)	Current	Quarter Ago	Year Ago
WPI	3.85% (Apr17)	4.26% (Jan-17)	-1.09% (Apr-16)
IIP	2.70% (Mar-17)	2.60% (Dec-16)	5.50% (Mar-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 closed in the green mainly over positive economic data from the U.S. and Europe, which overshadowed the U.S. President's decision to pull out of the Paris Climate Accord. Investors turned their attention to the release of U.S. non-farm payroll data due later in the day, touted to have a crucial effect on the interest rate outlook. Today (As on Jun 05), Asian market opened mixed. Increase in crude oil prices boosted market sentiments. While attack in London weighed on investor's sentiments. Nikkei Average was trading up 0.07% and Hang Seng was trading down 0.14% (as at 8.00 a.m IST).
- As per the last close, European market closed higher following positive private sector employment and manufacturing data from the U.S. However, weaker than expected U.S. jobs report in May and fall in crude oil prices limited the gain.
- As per the last close, U.S. market closed higher despite much weaker than expected job growth in the month of May. However, the unemployment rate fell to its lowest level since hitting a matching rate in May 2001 boosted market sentiments.

**Indian Equity Market**

- Indian equity markets closed at record highs as positive global cues buoyed investor sentiment. Encouraging U.S. private sector jobs data for May instilled confidence among investors that the U.S. economy is strong enough to withstand another rate hike. Buoyant manufacturing sector data from the eurozone for Apr added to the gains. On domestic front, hopes of good southwest monsoon rains also lifted sentiment.
- Key benchmark indices S&P BSE Sensex and Nifty 50 rose 0.44% and 0.39% to close at 31,273.29 and 9,653.50, respectively. S&P BSE Mid-Cap and S&P BSE Small-Cap went up 0.72% and 0.50%, respectively.
- The overall market breadth on BSE was positive with 1,464 scrips advancing and 1,231 scrips declining. A total of 155 scrips remained unchanged.
- On the BSE sectoral front, majority of the indices closed in the green. S&P BSE Realty was the top gainer, up 1.22%, followed by S&P BSE Healthcare and S&P BSE Consumer Durables, which rose 1.12% and 1.10%, respectively. S&P BSE Telecom and S&P BSE FMCG rose 0.98% and 0.73%, respectively. However, S&P BSE Oil & Gas was the major loser, down 0.41%, followed by S&P BSE Metal and S&P BSE Energy, both of which slipped 0.23%.

**Domestic News**

- According to a member of NITI Aayog, India's manufacturing sector needs to grow at 12-14% in order to achieve the country's overall growth rate of 8%. He has further added that India needs to achieve a 25% contribution by the manufacturing sector to its GDP by 2022.
- An online registration mechanism for mutual funds in order to improve the way business is done has been launched. This move will help the existing and new fund houses to complete their registration with Securities and Exchange Board of India (SEBI) quickly as well as in a cost-effective manner. The portal has been made operational effectively.
- According to vice-chairman of the Niti Aayog, India's economy is expected to recover in the current quarter with softening of the impact of demonetisation. India's economy is expected to grow by 7.5% by Mar 2018, up from 7.1% in the year-ago period. Also, the economy is expected to grow 8% in FY19. Implementation of goods and services tax reform and address of the non-performing assets by the government are expected to be the growth drivers.
- Tata Motors announced that its total sales declined by 4.39% to 38,361 units in May 2017 from 40,123 units in the previous year period. The downside reflects decline in domestic sales of Tata Motors' commercial and passenger vehicles by 3.45%. Owing to continued strong demand for Tata Tiago, Tata Tigor, and Tata Hexa, sales of passenger vehicles in the domestic market grew 27%.
- Coal India Ltd. announced that its output fell 4.3% on a YoY basis to 40.74 million metric tonnes marking the lowest level over a period of three years. Also, this decline marked the second yearly decline for second straight month. The results reflect the company's attempts to cut inventories.
- Bharti Airtel announced that their proposed merger with Telenor India has received nod from the Securities and Exchange Board of India, BSE, and the National Stock Exchange of India. However, the approval from New Delhi bench of the National Company Law Tribunal is still awaited.

FII Derivative Trade Statistics		02-Jun	
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	1368.46	1023.89	21258.69
Index Options	41119.51	40974.43	58887.93
Stock Futures	6905.27	7454.76	73857.80
Stock Options	4072.65	3955.45	5338.24
Total	53465.89	53408.53	159342.66

Derivative Statistics- Nifty Options			
	02-Jun	Prev_Day	Change
Put Call Ratio (OI)	1.16	1.16	0.01
Put Call Ratio(Vol)	1.16	1.20	-0.04

Debt Watch				
	02-Jun	Wk. Ago	Mth. Ago	Year Ago
Call Rate	6.05%	6.03%	6.00%	6.28%
CBLO	6.04%	5.00%	6.15%	6.24%
Repo	6.25%	6.25%	6.25%	6.50%
Reverse Repo	6.00%	6.00%	6.00%	6.00%
91 Day T-Bill	6.24%	6.22%	6.18%	6.81%
364 Day T-Bill	6.39%	6.40%	6.42%	6.88%
10 Year Gilt	6.75%	6.79%	6.99%	7.49%
G-Sec Vol. (Rs.Cr)	50720	52225	31021	28491
1 Month CP Rate	6.49%	6.51%	6.53%	7.80%
3 Month CP Rate	6.70%	6.70%	6.75%	7.99%
5 Year Corp Bond	7.40%	7.43%	7.48%	8.13%
1 Month CD Rate	6.23%	6.20%	6.17%	7.03%
3 Month CD Rate	6.38%	6.40%	6.39%	7.15%
1 Year CD Rate	6.80%	6.87%	6.69%	7.47%

Currency Market			
Currency	02-Jun	Prev_Day	Change
USD/INR	64.42	64.47	-0.05
GBP/INR	82.92	82.87	0.05
EURO/INR	72.27	72.45	-0.18
JPY/INR	0.58	0.58	0.00

Commodity Prices				
Commodity	02-Jun	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	47.63	49.53	47.60	49.09
Brent Crude(\$/bl)	48.10	50.48	48.60	48.74
Gold(\$/oz)	1280	1267	1257	1210
Gold(Rs./10 gm)	28757	28782	28634	28678

Source: ICRON Research

#### Disclaimer:

The information herein is meant only for general reading purposes and contains all factual and statistical information pertaining to Industry and markets which have been obtained from independent third party sources and which are deemed to be reliable. The information provided cannot be considered as guidelines, recommendations or as a professional guide for the readers. It may be noted that since Reliance Nippon Life Asset Management Company Limited (RNLAM) (formerly Reliance Capital Asset Management Limited) has not independently verified the accuracy or authenticity of such information or data, or for that matter the reasonableness of the assumptions upon which such data and information has been processed or arrive data; RNLAM does not in any manner assures the accuracy or authenticity of such data and information. Some of the statements & assertions contained in these materials may reflect RNLAM's views or opinions, which in turn may have been formed on the basis of such data or information. The Sponsor(s), the Investment Manager, the Trustee or any of their respective directors, employees, affiliates or representatives do not assume any responsibility for, or warrant the accuracy, completeness, adequacy and reliability of such data or information. Whilst no action has been solicited based upon the information provided herein, due care has been taken to ensure that the facts are accurate and opinions given are fair and reasonable, to the extent possible. This information is not intended to be an offer or solicitation for the purchase or sale of any financial product or instrument. Recipients of this information should rely on information/data arising out of their own investigations. Before making any investments, the readers are advised to seek independent professional advice, verify the contents in order to arrive at an informed investment decision. None of the Sponsor(s), the Investment Manager, the Trustee, their respective directors, employees, affiliates or representatives shall be liable in any way for any direct, indirect, special, incidental, consequential, punitive or exemplary damages, including on account of lost profits arising from the information contained in this material.

Readers are requested to click here for ICRON disclaimer - <http://www.icronline.com/legal/standard-disclaimer.html>

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

#### Derivatives Market

- Nifty Jun 2017 Futures were at 9,652.60, a discount of 0.90 below the spot closing of 9,653.50. Turnover on NSE's Futures and Options segment went down from Rs. 8,27,706.13 crore on Jun 1 to Rs. 2,46,946.19 crore on Jun 2.
- The Put-Call ratio stood at 0.97 compared with previous day's close of 0.85.
- The Nifty Put-Call ratio remained unchanged from the previous day's close at 1.16.
- The open interest on Nifty Futures stood at 23.49 million as against previous session's close of 23.41 million.

#### Indian Debt Market

- Bonds yields rose as investor sentiment was hit due to weekly debt sale that led to the increase in supply of notes. However, the losses were restricted on expectation of a positive outlook by the Monetary Policy Committee next week.
- Yield on the existing 10-year benchmark paper (6.97% GS 2026) rose 1 bps to close at 6.75% compared with the previous close of 6.74%. During the trading session, bond yields traded in the range of 6.73% and 6.75%.
- Yield on the new 10-year benchmark paper (6.79% GS 2027) stood unchanged to close at 6.62%. During the session, bond yields traded in the range of 6.61% and 6.63%.
- Data from RBI showed that India's foreign exchange reserves fell to \$378.76 billion as of May 26 from \$379.31 billion in the previous week.

#### Currency Market Update

- The Indian rupee was little changed against the U.S. dollar as greenback purchases by banks ahead of a key U.S. monthly employment data offset gains triggered by strong domestic equity market. The rupee inched up 0.05% to close at 64.44 per dollar from the previous close of 64.47.
- Euro strengthened against the U.S. dollar after U.S. non-farm payroll data report for May 2017 came below market expectations. Euro was trading at \$1.1280 from the previous close of \$1.1211.

#### Commodity Market Update

- Gold prices went up after lower than expected U.S. non-farm jobs data for May 2017 raised the safe haven appeal of the metal.
- Brent crude prices snapped on growing U.S. supply, and the U.S. President's decision to exit the Paris Climate Accord that deepened worries of a continuing supply glut.

#### International News

- A report from Labor Department showed that non-farm payroll employment in the U.S. grew less than expected in May 2017. Non-farm payroll employment grew by 138,000 jobs in May after growing by a downwardly revised 174,000 jobs in Apr 2017. However, despite slower than expected job growth, the unemployment rate inched down to 4.3% from 4.4% in Apr.
- According to the Commerce Department, trade deficit widened more than expected in the U.S. and grew to \$47.6 billion in Apr 2017 from a revised figure of \$45.3 billion in Mar 2017. While the value of imports increased by 0.8%, value of exports declined by 0.3%.



Thank you for  
your time.