

**RELIANCE**

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FUND

# Markets for You

06 Jun 2018

Indices Performance

Global Indices	05-Jun	Prev_Day	Abs. Change	% Change <sup>#</sup>
Dow Jones	24,800	24,814	-14	-0.06
Nasdaq	7,638	7,606	31	0.41
FTSE	7,687	7,741	-54	-0.70
Nikkei	22,540	22,476	64	0.28
Hang Seng	31,093	30,998	95	0.31
Indian Indices	05-Jun	Prev_Day	Abs. Change	% Change <sup>#</sup>
S&P BSE Sensex	34,903	35,012	-109	-0.31
Nifty 50	10,593	10,629	-35	-0.33
Nifty 100	10,893	10,940	-47	-0.43
Nifty Bank	26,251	26,258	-7	-0.02
SGX Nifty	10,597	10,616	-19	-0.18
S&P BSE Power	2,014	2,041	-27	-1.32
S&P BSE Small Cap	16,220	16,624	-404	-2.43
S&P BSE HC	12,706	12,886	-180	-1.40

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
5-Jun	22.71	1.16	26.83	1.25
Month Ago	23.50	1.16	26.36	1.21
Year Ago	22.65	1.30	24.45	1.18

Nifty 50 Top 3 Gainers

Company	05-Jun	Prev_Day	% Change <sup>#</sup>
Cipla	542	521	4.11
Bajaj Finance	2101	2063	1.83
Tata Steel	572	566	1.05

Nifty 50 Top 3 Losers

Company	05-Jun	Prev_Day	% Change <sup>#</sup>
Zee Ente.	544	560	-2.84
Coal India	285	293	-2.51
Indiabulls HFC	1145	1174	-2.47

Advance Decline Ratio

	BSE	NSE
Advances	483	308
Declines	2216	1533
Unchanged	107	50

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	2979	1375
MF Flows**	112	59484

\*5<sup>th</sup> Jun 2018; \*\*1<sup>st</sup> Jun 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 mixed as investors remained cautious of upcoming G-7 summit as well as meeting between North Korea and U.S.. Lower commodity prices further weighed on sentiments. However, improved Chinese service sector data and positive cues from overnight U.S. market provided some support. Today (As of June 06), Asian markets opened on a mixed note following similar movement on the Wall Street overnight. Both Nikkei and Hang Seng index were trading higher 0.08% and 0.56%, respectively (as at 8 a.m. IST).
- As per the last close, European market closed on a mixed session after moving in a sideways pattern during the session. Rise in technology stocks was neutralized by fall in banking shares.
- As per the last close, U.S markets remained mixed after showing lack of direction during the session on uncertainty about the near-term outlook for the markets amid U.S. trade tensions. Investors ignored upbeat data on ISM based U.S. services sector of May 2018.

Indian Equity Market

- Indian equity markets closed lower amid cautious stance ahead conclusion of the Monetary Policy Committee's policy review meeting, scheduled on Jun 6. Market sentiments turned sour after final reading of a private survey showed that the service sector contracted in May.
- Key benchmark indices S&P BSE Sensex and Nifty 50 fell 0.31% and 0.33% to close at 34,903.21 and 10,593.15, respectively. S&P BSE Small Cap and S&P BSE Mid Cap slipped 2.43% and 1.20%, respectively.
- The overall market breadth on BSE was weak with 2,216 scrips declining and 483 scrips advancing. A total of 107 scrips remained unchanged.
- On the BSE sectoral front, barring S&P BSE Energy and S&P BSE Oil & Gas, all the indices closed in the red. S&P BSE Telecom was the major laggard, down 3.08%, followed by S&P BSE Capital Goods and S&P BSE Industrials, which fell 1.96% and 1.80%, respectively. S&P BSE Teck and S&P BSE IT slipped 1.58% and 1.52%, respectively.

Domestic News

- The Nikkei/IHS Markit Services Purchasing Managers' Index (PMI) fell to 49.6 in May 2018 from 51.4 in Apr 2018. It contracted for the first time in three months in May 2018 as new business orders stagnated and cost pressures intensified due to increase in crude oil prices. The composite PMI that includes both manufacturing and services sectors stood at 50.4 in May from 51.9 in Apr.
- According to media reports, probably India is planning to create a centralised Authority for Advance Rulings (AAR) for the goods and services tax (GST). The announcement came in after different verdicts on similar issues created confusion over its application and the rate of tax.
- According to the Governor of the Reserve Bank of India (RBI), the U.S. Federal Reserve (Fed) should slow down its pace in contraction of its balance sheet, else, treasuries will absorb a large share of dollar liquidity. This will further lead to a crisis in the rest of the dollar bond markets.
- IL&FS has announced its partnership with VBHC Value Homes to develop affordable housing projects across various states of the country.
- Idea Cellular has received approval from the department of telecommunications (DoT) to increase foreign direct investment (FDI) limit to 100% in Vodafone Idea, merged entity of Vodafone India and Idea Cellular.
- Airtel Payment Bank is not permitted to use Aadhaar-linked, Know Your Customer authentication as the Reserve Bank of India is due to submit a report on the bank's allegations. As per the allegations, the payment bank has transferred government subsidy on LPG cylinders subsidies to accounts of Bharti Airtel Telecom customers without the approval.

FII Derivative Trade Statistics		05-Jun		
(Rs Cr)	Buy	Sell	Open Int.	
Index Futures	3599.06	3045.57	14443.08	
Index Options	68440.24	68883.96	58084.43	
Stock Futures	11832.82	13419.85	79104.90	
Stock Options	5374.75	5359.57	5376.64	
Total	89246.87	90708.95	157009.05	

Derivative Statistics- Nifty Options			
	05-Jun	Prev_Day	Change
Put Call Ratio (OI)	1.33	1.39	-0.06
Put Call Ratio(Vol)	0.89	0.90	0.00

Debt Watch				
	05-Jun	Wk. Ago	Mth. Ago	Year Ago
Call Rate	5.89%	5.89%	5.92%	6.07%
CBLO	5.70%	5.84%	5.93%	6.05%
Repo	6.00%	6.00%	6.00%	6.25%
Reverse Repo	5.75%	5.75%	5.75%	6.00%
91 Day T-Bill	6.45%	6.27%	6.23%	6.21%
364 Day T-Bill	6.00%	6.77%	6.60%	6.29%
10 Year Gilt	7.83%	7.76%	7.73%	6.65%
G-Sec Vol. (Rs.Cr)	21761	23959	14125	39770
FBIL MIBOR	5.99%	6.00%	6.00%	6.25%
3 Month CP Rate	8.10%	8.20%	7.65%	6.70%
5 Year Corp Bond	8.62%	8.62%	8.45%	7.71%
1 Month CD Rate	7.55%	6.51%	6.62%	6.28%
3 Month CD Rate	7.91%	7.65%	7.17%	6.39%
1 Year CD Rate	8.26%	8.24%	7.84%	6.80%

Currency Market			
Currency	05-Jun	Prev_Day	Change
USD/INR	67.18	67.05	0.13
GBP/INR	89.43	89.62	-0.19
EURO/INR	78.54	78.36	0.18
JPY/INR	0.61	0.61	0.00

Commodity Prices				
Commodity	05-Jun	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	65.51	66.80	69.66	47.35
Brent Crude(\$/bl)	72.10	74.80	75.74	47.89
Gold(\$/oz)	1296	1298	1315	1279
Gold(Rs./10 gm)	30623	31185	31003	29081

Source: Thomson Reuters Eikon

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#### Derivatives Market

- Nifty June 2018 Futures were at 10,596.45 points, a premium of 3.30 points, over the spot closing of 10,593.15. The turnover on NSE's Futures and Options segment went down to Rs. 6,15,927.64 crore on June 5 from Rs. 6,43,117.05 crore on June 4.
- The Put-Call ratio stood at 0.77 against previous session's close of 0.78.
- The Nifty Put-Call ratio stood at 1.33 against the previous session's close of 1.39.
- Open interest on Nifty Futures stood at 21.10 million as against the previous session's close at 20.97 million.

#### Indian Debt Market

- Bond yields fell on hopes that the Monetary Policy Committee (MPC) might keep interest rates on hold in the monetary policy meeting due on May 6 as it may wait to see how monsoon pans out.
- Yield on the 10-year benchmark paper (7.17% GS 2028) fell 5 bps to close at 7.83% from the previous close of 7.88%. During the session, bond yields traded in the range of 7.82% and 7.87%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 3,661 crore (gross) on Jun 5 compared with Rs. 3,753 (gross) on Jun 4. Sale of securities under RBI's reverse repo window stood at Rs. 77,125 crore on Jun 4.
- Banks did not borrow under the central bank's Marginal Standing Facility on Jun 4 as against borrowing of Rs. 60 crore on Jun 1.
- RBI conducted a 14-day variable rate repo auction for a notified amount of Rs. 22,000 crore for which Rs. 22,005 crore was allotted at a cut-off rate of 6.01%.

#### Currency Market Update

- The Indian rupee inched down against the greenback as market participants awaited the outcome of the second bi-monthly monetary policy review of FY19 due Jun 6, 2018. The rupee fell 0.05% to close at 67.15 per dollar from the previous close of 67.11 per dollar.
- The euro fell against the greenback as the investor risk sentiment dampened on increasing concerns of a global trade war. Euro fell 0.25% and was trading at \$1.1669, down 0.25% from the previous close of 1.1698.

#### Commodity Market Update

- Gold prices inched down on stronger dollar against the euro. However, investors remained cautious ahead of upcoming G-7 summit as well as meeting between North Korea and U.S.
- Brent crude prices fell ahead of U.S. crude oil inventories data.

#### International News

- According to a report from the Commerce Department, U.S. factory orders declined 0.8% in Apr 2018 as against an upwardly revised gain of 1.7% (1.6% gain originally reported) in Mar 2018. The decline reflects steep fall in orders for durable goods of 1.6% in Apr as against an increase of 2.7% in Mar 2018.
- A report from the Eurostat showed that Eurozone retail sales inched up 0.1% MoM in Apr 2018, down from 0.4% gain in Mar 2018. Sales of food, drinks and tobacco fell 0.7% and non-food product sales grew 1.7%.
- A report from the IHS Markit showed that U.K.'s IHS Markit/Chartered Institute of Procurement & Supply Purchasing Managers' Index surpassed market expectations and grew to 54.0 in May 2018 as against an increase of 52.8 in Apr 2018.

Thank you for  
your time.