

RELIANCE

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FUND

Markets for You

08 Jun 2017

Indices Performance

Global Indices	07-Jun	Prev_Day	Abs. Change	% Change [#]
Dow Jones	21,174	21,136	37	0.18
Nasdaq	6,297	6,275	22	0.36
FTSE	7,479	7,525	-46	-0.62
Nikkei	19,985	19,980	5	0.02
Hang Seng	25,974	25,997	-23	-0.09
Indian Indices	07-Jun	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	31,271	31,191	81	0.26
Nifty 50	9,664	9,637	27	0.28
Nifty 100	9,970	9,937	33	0.33
Nifty Bank	23,568	23,416	151	0.65
SGX Nifty	9,685	9,663	23	0.23
S&P BSE Power	2,202	2,193	9	0.41
S&P BSE Small Cap	15,426	15,311	115	0.75
S&P BSE HC	13,952	13,803	149	1.08

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
7-Jun	22.65	1.31	24.48	1.18
Month Ago	22.58	1.39	23.59	1.24
Year Ago	19.91	1.43	22.69	1.30

Nifty 50 Top 3 Gainers

Company	07-Jun	Prev_Day	% Change [#]
Aurobindo Pharma	598	585	2.20
RIL	1339	1313	2.00
ICICI Bank	325	319	1.80

Nifty 50 Top 3 Losers

Company	07-Jun	Prev_Day	% Change [#]
TCS	2615	2696	-3.00
Tech Mahindra	400	409	-2.14
Wipro	549	561	-1.99

Advance Decline Ratio

	BSE	NSE
Advances	1460	962
Declines	1200	691
Unchanged	143	102

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-3134	47287
MF Flows**	727	30161

*7th Jun 2017; **24th 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 remained mixed amid uncertainty over the outcome of a snap election in the U.K. scheduled on Jun 8, and ahead of former FBI Director's congressional testimony. Meanwhile, Chinese markets witnessed buying interest after the People's Bank of China injected liquidity into the system in order to ease liquidity strain. Today (As on Jun 08), Asian market opened on a mixed note ahead the trio events. While Nikkei Average was trading up 0.13%, Hang Seng was down 0.04% (as at 8.00 a.m IST).
- As per the last close, European market closed on a mixed note ahead of the three major political and economic events on Thursday. U.K. election, the European Central Bank's monetary policy announcement and the Former FBI Director's testimony before the Senate Intelligence Committee.
- As per the last close, U.S. market managed to close on a positive note amid lack of direction. Investors were cautious ahead of key events on Thursday, including the U.K. election, the ECB meeting and former U.S. FBI Director's congressional testimony.

Indian Equity Market

- Indian equity markets ended on a positive note after the Monetary Policy Committee (MPC) kept the benchmark rates unchanged in its second bi-monthly monetary policy review but lowered the statutory liquidity ratio by 50 basis points to 20% of Net Demand and Time Liabilities with effect from the fortnight beginning Jun 24, 2017. The central bank has also lowered inflation projections and indicated no major impact of the Goods and Services Tax on overall inflation. Meanwhile, the India Meteorological Department raised its monsoon forecast from its earlier estimate.
- Key benchmark indices S&P BSE Sensex and Nifty 50 gained 0.26% and 0.28% to close at 31,271.28 and 9,663.90, respectively. S&P BSE Mid-Cap and S&P BSE Small-Cap went up 0.46% and 0.75%, respectively.
- On the BSE sectoral front, all the indices closed in the green barring S&P BSE IT (-1.97%) and S&P BSE Teck (-1.52%). S&P BSE HC (1.08%) stood as the major gainer followed by S&P BSE Metal (0.97%) and S&P BSE Energy (0.89%). Rate-sensitive S&P BSE Bankex (0.73%), S&P BSE Auto (0.7%), and S&P BSE Realty (0.32%) also continued with gains.

Domestic News

- The Monetary Policy committee (MPC) in its second bi-monthly policy meeting has kept repo rate and reverse repo rate under the liquidity adjustment facility (LAF) unchanged at 6.25% and 6.00%. Six out of five members were in favour of the decision. MPC said to wait for more data to have a greater clarity on future monetary policy setting. The committee suggested that as the year progresses, underlying inflation pressures, especially input costs, wages and imported inflation, will have to be closely and continuously monitored. MPC has also reduced Statutory Liquidity Ratio (SLR) from 20.5% of Net Demand and Time Liabilities (NDTL) to 20.0% of NDTL with effect from the fortnight beginning Jun 24, 2017.
- The Reserve Bank of India (RBI) has projected consumer inflation in the range of 2% to 3.5% in the first half of FY17-18, and subsequently move up to a range of 3.5% to 4.5% in the second half of the current fiscal. The increase in retail inflation could be attributed to the risks associated with announcements of loan waivers in the agriculture sector. RBI also noted that the fall in inflation in Apr 2017 after rising in the previous two months has raised several issues that have to be factored into the inflation projections.
- RBI has slightly downgraded the economic growth projection for FY17-18 to 7.3%. Despite slower growth forecast, RBI hoped that remonetisation would boost consumer spending, especially in the cash-intensive segments. The central bank also said that the reductions in banks' lending rates post demonetisation should support both consumption and investment demand of households and stress-free corporates.
- Jaguar Land Rover (JLR) reported retail sales of 45,487 units for May 2017, up 1% from the same month last year.
- The Union cabinet has approved the initial public offer of Indian Renewable Energy Development Agency (IREDA). This will help IREDA mobilise funds for the clean energy sector.

FII Derivative Trade Statistics	07-Jun		
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	1121.88	1321.14	20796.73
Index Options	20944.43	20849.64	61992.63
Stock Futures	7309.52	7455.43	72557.03
Stock Options	4025.45	4004.11	6055.62
Total	33401.28	33630.32	161402.01

Derivative Statistics- Nifty Options	07-Jun	Prev_Day	Change
Put Call Ratio (OI)	1.20	1.19	0.01
Put Call Ratio(Vol)	1.12	1.10	0.03

Debt Watch	07-Jun	Wk. Ago	Mth. Ago	Year Ago
Call Rate	6.19%	6.02%	6.02%	6.43%
CBLO	6.27%	6.10%	6.07%	6.47%
Repo	6.25%	6.25%	6.25%	6.50%
Reverse Repo	6.00%	6.00%	6.00%	6.00%
91 Day T-Bill	6.29%	6.28%	6.23%	6.84%
364 Day T-Bill	6.43%	6.42%	6.43%	6.86%
10 Year Gilt	6.66%	6.79%	6.94%	7.48%
G-Sec Vol. (Rs.Cr)	109410	22735	39811	39042
1 Month CP Rate	6.53%	6.50%	6.54%	7.74%
3 Month CP Rate	6.68%	6.70%	6.76%	7.93%
5 Year Corp Bond	7.32%	7.43%	7.51%	8.11%
1 Month CD Rate	6.28%	6.21%	6.21%	7.00%
3 Month CD Rate	6.39%	6.40%	6.42%	7.07%
1 Year CD Rate	6.81%	6.83%	6.71%	7.50%

Currency Market	07-Jun	Prev_Day	Change
USD/INR	64.45	64.35	0.10
GBP/INR	83.25	83.16	0.09
EURO/INR	72.66	72.52	0.14
JPY/INR	0.59	0.59	0.00

Commodity Prices	07-Jun	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	45.75	48.24	46.18	50.32
Brent Crude(\$/bl)	46.72	49.04	46.69	49.45
Gold(\$/oz)	1286	1268	1228	1243
Gold(Rs./10 gm)	29232	28839	28227	28927

Source: ICRON Research

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

Derivatives Market

- Nifty Jun 2017 Futures were at 9,679.9, a premium of 16.00 above the spot closing of 9,663.90. Turnover on NSE's Futures and Options segment went up from Rs. 2,62,574.50 crore on Jun 6 to Rs. 4,41,669.98 crore on Jun 7.
- The Put-Call ratio stood at 0.96 compared with previous day's close of 1.00.
- The Nifty Put-Call ratio stood at 1.20 as against the previous day's close at 1.19.
- The open interest on Nifty Futures stood at 23.56 million as against previous session's close of 23.09 million.

Indian Debt Market

- Bond yields fell after the Monetary Policy Committee (MPC) in its second bi-monthly monetary policy review kept interest rates on hold but lowered its inflation projections. This fuelled hopes that MPC may lower interest rates in the near term.
- MPC lowered its inflation projection to 2.0%-3.5% for the first half of this fiscal year from the earlier 4.5%. The projection for the second half was brought down to 3.5%-4.5% from the earlier 5.0%.
- Yield on the existing 10-year benchmark paper (6.97% GS 2026) fell 10 bps to close at 6.66% compared with the previous close of 6.76%. During the trading session, bond yields traded in the range of 6.66% and 6.78%.
- Yield on the new 10-year benchmark paper (6.79% GS 2027) fell 8 bps close at 6.56% from the previous close of 6.64%. During the session, bond yields traded in the range of 6.56% and 6.67%.

Currency Market Update

- The Indian rupee rose against the greenback after the Monetary Policy Committee kept interest rates on hold in its second bi-monthly monetary policy review and lowered its inflation projections. The rupee rose 0.16% to close at 64.33 per dollar from the previous close of 64.43.
- The euro weakened against the greenback amid media reports that the European Central Bank, in its monetary policy review, might lower its inflation projections due to lower global crude oil prices. Euro was trading at \$1.1223, down 0.46% from the previous close of \$1.1275.

Commodity Market Update

- Gold prices dipped as the U.S. dollar went up against the euro on reports that the ECB could lower its inflation forecast.
- Brent crude prices grew after data from the API showed a draw of 4.62 million barrels in the U.S. oil inventories for the week to Jun 2, 2017.

International News

- Organisation for Economic Co-operation and Development (OECD) in its semi-annual Global Economic Outlook report upwardly revised its growth expectation from 3.3% to 3.5% in 2017 for the world economy. It is also higher than 3% growth rate experienced in 2016. OECD expects a growth rate of 3.6% in 2018.
- According to a report by Standard & Poor's, sovereign ratings of the U.S. were maintained at "AA+" with a "stable" outlook. However, the rating agency added that the rating of the country is constrained by high general government debt, relatively short-term-oriented policy-making, and uncertainty about policy formulation.

Thank you for
your time.