

RELIANCE

MUTUAL
FUND

Markets for You

09 Jun 2017

Indices Performance

| Global Indices | 08-Jun | Prev_Day | Abs. Change | % Change [#] |
|-------------------|--------|----------|-------------|-----------------------|
| Dow Jones | 21,183 | 21,174 | 9 | 0.04 |
| Nasdaq | 6,322 | 6,297 | 24 | 0.39 |
| FTSE | 7,450 | 7,479 | -29 | -0.38 |
| Nikkei | 19,909 | 19,985 | -75 | -0.38 |
| Hang Seng | 26,063 | 25,974 | 89 | 0.34 |
| Indian Indices | 08-Jun | Prev_Day | Abs. Change | % Change [#] |
| S&P BSE Sensex | 31,213 | 31,271 | -58 | -0.19 |
| Nifty 50 | 9,647 | 9,664 | -17 | -0.17 |
| Nifty 100 | 9,960 | 9,970 | -10 | -0.10 |
| Nifty Bank | 23,536 | 23,568 | -32 | -0.13 |
| SGX Nifty | 9,678 | 9,685 | -7 | -0.07 |
| S&P BSE Power | 2,208 | 2,202 | 6 | 0.25 |
| S&P BSE Small Cap | 15,473 | 15,426 | 47 | 0.30 |
| S&P BSE HC | 14,180 | 13,952 | 229 | 1.64 |

P/E Dividend Yield

| Date | Sensex | | Nifty | |
|-----------|--------|------------|-------|------------|
| | P/E | Div. Yield | P/E | Div. Yield |
| 8-Jun | 22.62 | 1.31 | 24.43 | 1.18 |
| Month Ago | 22.67 | 1.39 | 23.66 | 1.23 |
| Year Ago | 19.94 | 1.43 | 22.71 | 1.30 |

Nifty 50 Top 3 Gainers

| Company | 08-Jun | Prev_Day | % Change [#] |
|------------|--------|----------|-----------------------|
| Dr.Reddy | 2636 | 2541 | 3.76 |
| Sun Pharma | 529 | 512 | 3.38 |
| HDFC Ltd. | 1634 | 1599 | 2.14 |

Nifty 50 Top 3 Losers

| Company | 08-Jun | Prev_Day | % Change [#] |
|------------|--------|----------|-----------------------|
| TCS | 2522 | 2615 | -3.58 |
| GAIL | 389 | 403 | -3.48 |
| Indian Oil | 419 | 427 | -2.01 |

Advance Decline Ratio

| | BSE | NSE |
|-----------|------|-----|
| Advances | 1304 | 836 |
| Declines | 1383 | 825 |
| Unchanged | 169 | 87 |

Institutional Flows (Equity)

| Description (Cr) | Inflow/Outflow | YTD |
|------------------|----------------|-------|
| FII Flows* | 89 | 47376 |
| MF Flows** | -1 | 33181 |

*8th Jun 2017; **7th Jun 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 witnessed a mixed trend as the positive impact of encouraging Chinese trade data for May was neutralized by cautious stance adopted by investors ahead of the outcome of the U.K. election, scheduled later during the day. The FBI director's upcoming testimony before the Senate Intelligence Committee also remained in focus. Today (As on Jun 09), Asian market opened mixed. Japanese market gained following weaker yen. However, investors were awaiting U.K. election results that weighed on market sentiments. Nikkei Average was trading up 0.82% and Hang Seng was trading down 0.31% (as at 8.00 a.m IST).
- As per the last close, European market closed mixed. Investor's sentiments got boosted after the European Central Bank announced to keep rates unchanged. However, most of the gains were wiped off as investors were cautious about results of U.K. elections.
- As per the last close, U.S. market closed marginally higher following U.S. former FBI Director's congressional testimony before the Senate Intelligence Committee.

Indian Equity Market

- Indian equity markets closed marginally low ahead of the European Central Bank's (ECB) policy review and U.K. elections, along with U.S. Congressional testimony of former FBI director. However, downside was limited following RBI's latest policy review where it has lowered inflation projections. Implementation of GST from Jul 1 and higher monsoon forecast also helped sentiment.
- Key benchmark indices S&P BSE Sensex and Nifty 50 fell 0.19% and 0.17% to close at 31,213.36 and 9,647.25, respectively. S&P BSE Mid-Cap and S&P BSE Small-Cap went up 0.23% and 0.30%, respectively.
- The overall market breadth on BSE was weak with 1,383 scrips declining and 1,304 scrips advancing. A total of 169 scrips remained unchanged.
- On the BSE sectoral front, indices witnessed a mixed trend. While S&P BSE HC (1.64%), S&P BSE Metal (0.72%), and S&P BSE Basic Materials (0.38%) remained as top pick sectors, S&P BSE Oil & Gas (-1.38%) stood as the major loser followed by S&P BSE IT (-1.33%) and S&P BSE Teck (-1.19%).

Domestic News

- The Reserve Bank of India (RBI) has tightened rules for masala bond issuances. The forex department of the central bank moving forward will examine proposal of companies before they can issue masala bonds, which are used to raise funds from overseas markets. RBI also modified provisions for maturity period, all-in-cost ceiling, and recognised lenders (investors) of masala bonds. Earlier the minimum maturity period was of five years. Now for bonds issued to collect up to \$50 million the maturity period will be three years and for bonds raising over \$50 million (equivalent in Indian rupee) per financial year, the maturity period will be five years.
- According to a report by United Nations Conference on Trade and Development (UNCTAD), India may remain as the most favoured destination due to its attractiveness among multinational companies for cross-border mergers and acquisitions. However, UNCTAD underlined tax related concerns that may deter foreign investors.
- According to media reports, the ministry of finance is considering creating 12-13 large state-run banks in three years through mergers. The ministry in this regard will seek Competition Commission of India's views. The ministry is of the view that creating 3 to 4 big banks may lead to a greater degree of systematic risk.
- According to media reports, RBI has identified a few large accounts that are under stress which may be restructured or referred to the Insolvency and Bankruptcy Code (IBC). The central bank indicated that it may revise the existing debt restructuring norms on the basis of the feedback received from banks and investors.
- Alibaba Group announced that it will aim to grow its revenue by 45%-49% in FY18. The company will invest heavily in the digital media business in order to build a content generation platform including videos, movies, news, etc.
- Tejas Networks will launch its initial public offer to raise Rs. 776 crore on Jun 14. The company has fixed the price band of Rs. 250-257 per share.

| FII Derivative Trade Statistics | | 08-Jun | |
|---------------------------------|----------|----------|-----------|
| (Rs Cr) | Buy | Sell | Open Int. |
| Index Futures | 1199.74 | 1305.96 | 21596.45 |
| Index Options | 35448.03 | 35049.89 | 63056.67 |
| Stock Futures | 7230.38 | 7249.16 | 72944.00 |
| Stock Options | 4776.36 | 4786.00 | 6416.08 |
| Total | 48654.51 | 48391.01 | 164013.20 |

| Derivative Statistics- Nifty Options | | | |
|--------------------------------------|--------|----------|--------|
| | 08-Jun | Prev_Day | Change |
| Put Call Ratio (OI) | 1.19 | 1.20 | 0.00 |
| Put Call Ratio(Vol) | 1.06 | 1.12 | -0.06 |

| Debt Watch | | | | |
|--------------------|--------|---------|----------|----------|
| | 08-Jun | Wk. Ago | Mth. Ago | Year Ago |
| Call Rate | 6.13% | 6.04% | 6.10% | 6.47% |
| CBLO | 6.21% | 6.04% | 6.20% | 6.59% |
| Repo | 6.25% | 6.25% | 6.25% | 6.50% |
| Reverse Repo | 6.00% | 6.00% | 6.00% | 6.00% |
| 91 Day T-Bill | 6.26% | 6.25% | 6.23% | 6.79% |
| 364 Day T-Bill | 6.35% | 6.41% | 6.12% | 6.92% |
| 10 Year Gilt | 6.63% | 6.74% | 6.93% | 7.49% |
| G-Sec Vol. (Rs.Cr) | 79106 | 73491 | 34758 | 33411 |
| 1 Month CP Rate | 6.54% | 6.49% | 6.55% | 7.71% |
| 3 Month CP Rate | 6.68% | 6.70% | 6.78% | 7.91% |
| 5 Year Corp Bond | 7.30% | 7.43% | 7.52% | 8.11% |
| 1 Month CD Rate | 6.26% | 6.23% | 6.21% | 7.03% |
| 3 Month CD Rate | 6.38% | 6.39% | 6.42% | 7.05% |
| 1 Year CD Rate | 6.81% | 6.81% | 6.71% | 7.47% |

| Currency Market | | | |
|-----------------|--------|----------|--------|
| Currency | 08-Jun | Prev_Day | Change |
| USD/INR | 64.36 | 64.45 | -0.10 |
| GBP/INR | 83.43 | 83.25 | 0.18 |
| EURO/INR | 72.51 | 72.66 | -0.15 |
| JPY/INR | 0.59 | 0.59 | 0.00 |

| Commodity Prices | | | | |
|--------------------|--------|--------|----------|----------|
| Commodity | 08-Jun | Wk Ago | Mth. Ago | Year Ago |
| NYMEX Crude(\$/bl) | 45.63 | 48.27 | 46.41 | 51.18 |
| Brent Crude(\$/bl) | 45.94 | 50.05 | 45.82 | 50.57 |
| Gold(\$/oz) | 1279 | 1265 | 1226 | 1262 |
| Gold(Rs./10 gm) | 29161 | 28828 | 28161 | 29069 |

Source: ICRON Research

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Derivatives Market

- Nifty Jun 2017 Futures were at 9,669.7, a premium of 22.45 above the spot closing of 9,647.25. Turnover on NSE's Futures and Options segment went up from Rs. 4,41,669.98 crore on Jun 7 to Rs. 7,30,067.15 crore on Jun 8.
- The Put-Call ratio stood at 0.90 compared with previous day's close of 0.96.
- The Nifty Put-Call ratio stood at 1.19 as against the previous day's close at 1.20.
- The open interest on Nifty Futures stood at 23.76 million as against previous session's close of 23.56 million.

Indian Debt Market

- Bond yields fell as Monetary Policy Committee's downward revision of inflation projection continued to prompt investors to bet that interest rates would ease in near future.
- Yield on the existing 10-year benchmark paper (6.97% GS 2026) fell 3 bps to close at 6.63% compared with the previous close of 6.66%. During the trading session, bond yields traded in the range of 6.59% and 6.64%.
- Yield on the new 10-year benchmark paper (6.79% GS 2027) fell 3 bps close at 6.53% from the previous close of 6.56%. During the session, bond yields traded in the range of 6.49% and 6.55%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 2,340 crore (gross) on Jun 8, up from Rs. 13,445 crore gross borrowing on Jun 7. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 3,052 crore on Jun 7.

Currency Market Update

- The Indian rupee rose against the greenback due to selling of greenback by foreign banks. However, gains were limited as investors were cautious ahead of major events in the U.S. and Europe. The rupee rose 0.18% to close at 64.21 per dollar from the previous close of 64.33.
- The euro weakened against the greenback after the European Central Bank, in its monetary policy meeting, lowered inflation forecasts and indicated that quantitative easing programme could continue. Euro was trading at \$1.1232, down 0.20% from the previous close of \$1.1255.

Commodity Market Update

- Gold prices dropped as dollar strengthened against the euro after the ECB, in its policy meeting, lowered inflation estimates and mentioned that its quantitative easing programme could continue.
- Brent crude prices went down as data revealed a growth in U.S. crude oil stockpiles.

International News

- Data from the U.S. Labor Department showed that initial jobless claims for the week ended Jun 3 fell 10,000 to 245,000 from the previous week's revised level of 255,000.
- A report from the U.S. Federal Reserve showed that U.S. consumer credit increased less than expected in Apr 2017. Consumer credit grew \$8.2 billion in Apr after increasing by \$19.5 billion in Mar 2017.
- The European Central Bank (ECB) left key interest rates and monetary stimulus unchanged for the tenth successive policy session. The refinancing rate was held at a record low of 0% and the deposit rate at -0.40%. The marginal lending facility rate was kept at 0.25%.



Thank you for
your time.