

RELIANCE

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FUND

Markets for You

12 Jun 2017

Indices Performance

Global Indices	09-Jun	Prev_Day	Abs. Change	% Change [#]
Dow Jones	21,272	21,183	89	0.42
Nasdaq	6,208	6,322	-114	-1.80
FTSE	7,527	7,450	77	1.04
Nikkei	20,013	19,909	104	0.52
Hang Seng	26,030	26,063	-33	-0.13
Indian Indices	09-Jun	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	31,262	31,213	49	0.16
Nifty 50	9,668	9,647	21	0.22
Nifty 100	9,984	9,960	24	0.24
Nifty Bank	23,691	23,536	155	0.66
SGX Nifty	9,675	9,678	-3	-0.03
S&P BSE Power	2,209	2,208	1	0.03
S&P BSE Small Cap	15,549	15,473	77	0.50
S&P BSE HC	14,228	14,180	48	0.34

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
9-Jun	22.69	1.31	24.38	1.18
Month Ago	22.60	1.35	23.67	1.23
Year Ago	19.73	1.44	22.52	1.31

Nifty 50 Top 3 Gainers

Company	09-Jun	Prev_Day	% Change [#]
Vedanta	245	235	4.35
Maruti	7465	7250	2.97
Hindalco	202	198	1.86

Nifty 50 Top 3 Losers

Company	09-Jun	Prev_Day	% Change [#]
Tech Mahindra	387	397	-2.67
GAIL	381	389	-1.92
ITC	306	312	-1.80

Advance Decline Ratio

	BSE	NSE
Advances	1381	865
Declines	1310	802
Unchanged	167	79

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	2073	49449
MF Flows**	-1	33181

*9th 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 amid uncertainty over the fate of Brexit negotiation after the British Prime Minister failed to win a clear majority at the end of the election. Investors are also looking ahead to the U.S. Federal Reserve's meeting, scheduled on Jun 13-14. Meanwhile, Japanese markets witnessed modest gains following merger and acquisition news, and yen's weakness against the U.S. dollar. Today (As on Jun 12), Asian market fell after surprise hung parliament from the U.K. election. Both Nikkei Average and Hang Seng were trading down 0.68% and 0.41%, respectively (as at 8.00 a.m IST).
- As per the last close, European market rose after U.K. Prime Minister announced that she would form a government alliance with Northern Ireland's Democratic Unionist Party.
- As per the last close, U.S. market ended on a mixed note. Investors booked profits from the recent gains seen in technology stocks. On the other hand, energy stocks saw sharp gains. Financial stocks also rallied after House Republicans voted to pass a bill rolling back many of the banking regulations put in place in response to the 2008 financial crisis.

Indian Equity Market

- After trading in a subdued range, Indian equity markets closed higher towards the end ahead of macro-economic data scheduled in the coming week. Sentiment boosted after the Society of Indian Automobile Manufacturers (SIAM) reported that passenger vehicle sales surged by 8.63% on YoY basis in May 2017. Meanwhile, results of the U.K. elections indicated a possibility of hung parliament, leading to uncertainty over Brexit negotiations.
- Key benchmark indices S&P BSE Sensex and Nifty 50 gained 0.16% and 0.22% to close at 31,262.06 and 9,668.25, respectively. S&P BSE Mid-Cap and S&P BSE Small-Cap went up 0.28% and 0.50%, respectively.
- Most of the BSE sectoral indices closed in the green barring S&P BSE IT (-0.76%), S&P BSE FMCG (-0.72%), S&P BSE Teck (-0.59%), S&P BSE Consumer Durables (-0.55%), S&P BSE Utilities (-0.22%), and S&P BSE Oil & Gas (-0.18%). S&P BSE Realty (2.6%) stood as the major gainer followed by S&P BSE Metal (1.79%) and S&P BSE Auto (0.99%). S&P BSE Basic Materials (0.78%) and S&P BSE Consumer Discretionary Goods & Services (0.66%) also moved up. Auto sector gained after SIAM data indicated positive auto sales number in May 2017.

Domestic News

- According to Society of Indian Automobile Manufacturers (SIAM), passenger vehicle sales in India surged by 8.63% on YoY basis in May 2017 to 2,51,642 units from 2,31,640 units in the year-ago period. This marked the best-ever sales in May. The upside was driven by strong sales of utility vehicles and cars. Domestic passenger car sales grew 4.8% to 1,66,630 units, while utility vehicles grew by 18.80%, sales of vans increased by 9.50%.
- The Goods and Services Tax (GST) Council has formed 18 sectoral working groups to interact with sectors like telecom, textiles, gems and jewellery, and export and sort out their issues in a time-bound manner. These groups will have senior officers from the Centre and states. Besides interacting and examining representations received from trade and industry associations/ bodies of their respective sector, these groups will highlight specific issues for the smooth transition of the respective sectors to the GST regime and prepare sector-specific draft guidance.
- According to a survey done by the Reserve Bank of India, real gross domestic product and real gross value added are projected to grow by 7.4% and 7.2%, respectively, in FY18 and will consolidate further by 40 basis points (bps) and 50 bps, respectively, in the following year. The survey also projected retail inflation to rise to 5% by the fourth quarter of FY18.
- According to media reports, consumer price index likely grew 2.6% on a YoY basis in May 2017, down from 2.99% in Apr 2017, thereby marking a new record low. Per the media, this would create pressure on the Reserve Bank of India to cut interest rates later in the year. The fall reflects declines in the cost of pulses, cereals, and perishable goods.
- Hindustan Petroleum Corp Ltd (HPCL) has received clearance from the environment ministry for the expansion of Ramanmandi Bahadurgarh Petroleum Products Pipeline (RBPL). The project, which costs Rs. 230 crore, will cater to the demand of Bahadurgarh and other northern areas via Bathinda-based Guru Gobind Singh Refinery in Punjab.

FII Derivative Trade Statistics		09-Jun		
(Rs Cr)	Buy	Sell	Open Int.	
Index Futures	1291.92	959.86	21676.16	
Index Options	35863.71	36049.25	62293.81	
Stock Futures	6729.11	7080.69	73148.44	
Stock Options	4548.63	4528.82	6754.98	
Total	48433.37	48618.62	163873.39	

Derivative Statistics- Nifty Options			
	09-Jun	Prev_Day	Change
Put Call Ratio (OI)	1.21	1.19	0.02
Put Call Ratio(Vol)	1.06	1.06	0.00

Debt Watch				
	09-Jun	Wk. Ago	Mth. Ago	Year Ago
Call Rate	6.13%	6.05%	6.08%	6.42%
CBLO	5.13%	6.04%	6.22%	6.48%
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%	6.24%	6.23%	6.79%
364 Day T-Bill	6.35%	6.39%	6.48%	6.92%
10 Year Gilt	6.63%	6.75%	6.94%	7.49%
G-Sec Vol. (Rs.Cr)	69544	50720	30080	24157
1 Month CP Rate	6.55%	6.49%	6.59%	7.71%
3 Month CP Rate	6.68%	6.70%	6.78%	7.91%
5 Year Corp Bond	7.28%	7.40%	7.51%	8.10%
1 Month CD Rate	6.27%	6.23%	6.23%	7.02%
3 Month CD Rate	6.37%	6.38%	6.42%	7.01%
1 Year CD Rate	6.76%	6.80%	6.72%	7.47%

Currency Market			
Currency	09-Jun	Prev_Day	Change
USD/INR	64.26	64.36	-0.10
GBP/INR	81.75	83.43	-1.68
EURO/INR	71.98	72.51	-0.53
JPY/INR	0.58	0.59	0.00

Commodity Prices				
Commodity	09-Jun	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	45.77	47.63	45.79	50.47
Brent Crude(\$/bl)	46.08	48.10	46.27	50.43
Gold(\$/oz)	1266	1280	1221	1268
Gold(Rs./10 gm)	28916	28757	28100	29154

Source: ICRON Research

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Derivatives Market

- Nifty Jun 2017 Futures were at 9,682.90, a premium of 14.65 above the spot closing of 9,668.25. Turnover on NSE's Futures and Options segment went down from Rs. 7,30,067.15 crore on Jun 8 to Rs. 3,32,808.25 crore on Jun 9.
- The Put-Call ratio stood at 1.00 compared with previous day's close of 0.90.
- The Nifty Put-Call ratio stood at 1.21 as against the previous day's close at 1.19.
- The open interest on Nifty Futures stood at 23.65 million as against previous session's close of 23.76 million.

Indian Debt Market

- Bond yields fell after the outcome of the weekly debt auction came in better than market expectations. Hopes that the Monetary Policy Committee might lower interest rate also boosted market sentiment.
- Yield on the new 10-year benchmark paper (6.79% GS 2027) fell 3 bps close at 6.50% from the previous close of 6.53%. During the session, bond yields traded in the range of 6.49% and 6.54%.
- However, yield on the existing 10-year benchmark paper (6.97% GS 2026) stood at 6.63% same as the previous close. During the trading session, bond yields traded in the range of 6.62% and 6.64%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 2,370 crore (gross) on Jun 9, up from Rs. 2,340 crore gross borrowing on Jun 8. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 4,916 crore on Jun 8.

Currency Market Update

- The Indian rupee inched down against the greenback following dollar demand from importers. Investors also remained on the sidelines ahead of the outcome of U.S. Federal Reserve's monetary policy review due later in the week. The rupee inched down 0.05% to close at 64.24 per dollar from the previous close of 64.21.
- The euro weakened against the greenback on growing possibility that the U.S. Fed may increase interest rates in its policy review due next week. Euro was at \$1.1184 compared with the previous close of \$1.1212.

Commodity Market Update

- Gold prices snapped amid uncertainty over the fate of Brexit negotiation after the British Prime Minister failed to win a clear majority at the end of the election.
- Brent crude prices dipped as a result of a prevalent oversupply despite initiatives taken by the OPEC to curb oil glut.

International News

- The Office for National Statistics showed that industrial production in the U.K. increased marginally by 0.2% MoM in Apr 2017, slower than market expectation but better than 0.5% fall in Mar 2017. Manufacturing output rose 0.2% reversing the 0.6% fall in the previous month.
- The Office for National Statistics showed that U.K.'s visible trade deficit narrowed to GBP 10.38 billion in Apr 2017, better than market expectations and GBP 12.04 billion in Mar 2017. Total trade deficit fell to GBP 2.05 billion in Apr from GBP 3.89 billion in the previous month due to contraction in imports.

Thank you for
your time.