

**RELIANCE**

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# Markets for You

14 Jun 2018

Indices Performance

Global Indices	13-Jun	Prev_Day	Abs. Change	% Change <sup>#</sup>
Dow Jones	25,201	25,321	-120	-0.47
Nasdaq	7,696	7,704	-8	-0.11
FTSE	7,704	7,704	0	0.00
Nikkei	22,966	22,878	88	0.38
Hang Seng	30,725	31,103	-378	-1.22
Indian Indices	13-Jun	Prev_Day	Abs. Change	% Change <sup>#</sup>
S&P BSE Sensex	35,739	35,693	47	0.13
Nifty 50	10,857	10,843	14	0.13
Nifty 100	11,186	11,177	9	0.08
Nifty Bank	26,643	26,607	36	0.13
SGX Nifty	10,848	10,860	-12	-0.11
S&P BSE Power	2,052	2,057	-5	-0.26
S&P BSE Small Cap	17,029	17,066	-37	-0.21
S&P BSE HC	13,835	13,756	80	0.58

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
13-Jun	23.42	1.14	27.54	1.22
Month Ago	23.62	1.14	26.82	1.19
Year Ago	22.49	1.32	24.27	1.19

Nifty 50 Top 3 Gainers

Company	13-Jun	Prev_Day	% Change <sup>#</sup>
Dr.Reddy	2256	2191	3.00
Cipla	582	567	2.65
TCS	1824	1781	2.42

Nifty 50 Top 3 Losers

Company	13-Jun	Prev_Day	% Change <sup>#</sup>
Tata Steel	568	580	-2.14
Aurobindo Pharma	585	596	-1.79
Adani Ports & SEZ	383	389	-1.56

Advance Decline Ratio

	BSE	NSE
Advances	1272	856
Declines	1414	940
Unchanged	148	81

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-1322	-1472
MF Flows**	98	61325

\*13<sup>th</sup> Jun 2018; \*\*12<sup>th</sup> Jun 2018

Economic Indicator

YoY(%)	Current	Quarter Ago	Year Ago
CPI	4.87% (May-18)	4.44% (Feb-18)	2.18% (May-17)
IIP	4.90% (Apr-18)	7.40% (Jan-18)	3.20% (Apr-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 largely remained low amid cautious stance ahead of the central banks meeting in the U.S., Europe and Japan. The U.S. Federal Reserve is widely expected to raise interest rates by 25 basis points at the end of its two-day policy meeting, scheduled later during the day. Today (as of Jun 14), Asian markets opened lower following rate hike by the U.S. Federal Reserve by 25 basis points and indication of two more rate hike in 2018. Both Nikkei and Hang Seng were trading down 0.34% and 0.13%, respectively (as at 8.a.m. IST).
- As per the last close, European markets closed almost higher as investors waited for the latest monetary policy decision from the U.S. Federal Reserve which was due after market hours.
- As per the last close, U.S markets closed lower after the U.S. Federal Reserve raised interest rate by 25 bps to a range of 1.75% to 2% and predicted two more rate hikes in 2018.

Indian Equity Market

- Indian equity markets ended with marginal gains ahead of the policy review from major central banks across the globe. Further, the Consumer Price Index (CPI)-based inflation grew 4.87% in May 2018 and stood above the Reserve Bank of India's (RBI) medium-term target. This raised concerns of more rate hike by the central bank. Improved industrial production data for Apr 2018 provided some support.
- Key benchmark indices S&P BSE Sensex and Nifty 50 both gained 0.13% to close at 35,739.16 and 10,856.70, respectively. S&P BSE Mid-Cap and S&P BSE Small-Cap fell 0.46% and 0.21% respectively.
- The overall market breadth on BSE was weak with 1414 scrips declining and 1272 scrips advancing. A total of 148 scrips remained unchanged.
- On the BSE sectoral front, indices witnessed a mixed trend as S&P BSE IT (1.29%) stood as the major gainer followed by S&P BSE TECK (0.94%) and S&P BSE HC (0.58%). Meanwhile, S&P BSE Telecom (-1.26%) stood as the major loser followed by S&P BSE CG (-0.66%) and S&P BSE Industrials (-0.42%).

Domestic News

- Under Credit Linked Subsidy Scheme, the government has raised the carpet area of houses eligible for subsidy by 33% for the Middle-Income Group (MIG) segment. This comes as a major boost to affordable housing. The carpet area has been increased from up to 120 square metre to up to 160 square metre for MIG I, and from up to 150 square metre to up to 200 square metre for MIG II. The raise is expected to permit more MIG customers to qualify for subsidy and avail the benefits provided under Pradhan Mantri Awas Yojana (Urban).
- National Stock Exchange has launched 'Tri-Party Repo Market' platform in its debt segment. The platform is expected to facilitate repurchase (repo) of corporate debt securities. The platform is a kind of repo contract, wherein a third entity known as tri-party agent (apart from the borrower and lender) will act as an intermediary and enable services like collateral selection and payment and settlement.
- Securities and Exchange Board of India has set up a panel that will find ways to ease listing for startups. The panel will review the existing Institutional Trading Platform framework and find out areas that require further changes. Also, any other issues might be assessed that are applicable to the framework.
- The Governor of the Reserve Bank of India has mentioned to a panel of Parliamentary Standing Committee on Finance, that no central bank nominee should be on the boards of public sector banks (PSBs) to avoid any conflict of interest. Also, the governor stated that the main role of any director on the bank's board, including nominee director, is to ensure that the bank is managed efficiently and professionally.
- The Securities and Exchange Board of India (SEBI) has formed an expert panel that will consider rules for direct listing of Indian companies abroad. Listing of equity share capital of companies incorporated in India is currently not permitted on foreign exchanges and vice versa.

FII Derivative Trade Statistics		13-Jun	
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	1748.40	2242.72	20022.40
Index Options	64868.93	65721.38	70194.37
Stock Futures	10207.99	9762.94	84444.20
Stock Options	5971.25	6086.56	8420.14
Total	82796.57	83813.60	183081.11

Derivative Statistics- Nifty Options			
	13-Jun	Prev_Day	Change
Put Call Ratio (OI)	1.62	1.59	0.03
Put Call Ratio(Vol)	1.16	1.03	0.13

Debt Watch				
	13-Jun	Wk. Ago	Mth. Ago	Year Ago
Call Rate	6.08%	5.88%	5.92%	6.04%
CBLO	6.14%	5.71%	5.36%	6.12%
Repo	6.25%	6.25%	6.00%	6.25%
Reverse Repo	6.00%	6.00%	5.75%	6.00%
91 Day T-Bill	6.43%	6.52%	6.25%	6.26%
364 Day T-Bill	7.02%	6.99%	6.66%	6.30%
10 Year Gilt	7.93%	7.92%	7.73%	6.49%
G-Sec Vol. (Rs.Cr)	27689	25056	19290	78177
FBIL MIBOR	6.25%	5.96%	6.03%	6.24%
3 Month CP Rate	7.75%	7.80%	7.95%	6.68%
5 Year Corp Bond	8.72%	8.67%	8.50%	7.56%
1 Month CD Rate	6.99%	7.35%	6.64%	6.28%
3 Month CD Rate	7.16%	7.54%	7.45%	6.36%
1 Year CD Rate	8.44%	8.32%	7.94%	6.72%

Currency Market			
Currency	13-Jun	Prev_Day	Change
USD/INR	67.63	67.46	0.17
GBP/INR	90.33	90.06	0.27
EURO/INR	79.39	79.35	0.04
JPY/INR	0.61	0.61	0.00

Commodity Prices				
Commodity	13-Jun	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	66.63	64.75	70.64	46.36
Brent Crude(\$/bl)	74.16	72.32	78.36	46.39
Gold( \$/oz)	1299	1296	1318	1265
Gold(Rs./10 gm)	30385	30660	31379	28720

Source: Thomson Reuters Eikon

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#### Derivatives Market

- Nifty June 2018 Futures were at 10844.85 points, a discount of 11.85 points, below the spot closing of 10,856.70. The turnover on NSE's Futures and Options segment went up to Rs. 6,93,000.92 crore on June 13 from Rs. 6,13,694.61 crore on June 12.
- The Put-Call ratio stood at 0.97 against previous session's close of 0.88.
- The Nifty Put-Call ratio stood at 1.62 against the previous session's close of 1.59.
- India VIX moved down 1.64% to 12.5200 from 12.7300 in the previous trading session.
- Open interest on Nifty Futures stood at 25.59 million as against the previous session's close at 24.73 million.

#### Indian Debt Market

- Bond yields fell likely due to short covering by foreign banks before the U.S. Federal Reserve's monetary policy meeting outcome later during the day.
- Yield on the 10-year benchmark paper (7.17% GS 2028) fell 4 bps to close at 7.93% from the previous close of 7.97%. During the session, bond yields traded in the range of 7.92% and 7.97%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 3,841 crore (gross) on Jun 13, compared with Rs. 3,728 crore (gross) on Jun 12. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 10,094 crore on Jun 12.
- Banks did not borrow under the central bank's Marginal Standing Facility on Jun 12 as compared with borrowing of Rs. 15 crore on Jun 11.

#### Currency Market Update

- The rupee weakened against the greenback on concerns that the U.S. Federal Reserve might increase interest rates in its monetary policy review due Jun 13, 2018. However, selling of the U.S. dollar by state run banks restricted further losses. The rupee fell 0.24% to close at 67.64 per dollar from the previous close of 67.48 per dollar.
- The euro rose against the greenback ahead of the outcome of the U.S. Federal Reserve monetary policy review due later in the day. Euro was trading at \$1.1768, up 0.21% from the previous close of 1.1743.

#### Commodity Market Update

- Gold prices traded almost on a flat note as investors remained cautious ahead of the U.S. Fed's monetary policy decision meeting.
- Brent Crude prices traded lower after report from American Petroleum Institute showed that crude oil inventories grew in the week to Jun 8 to 433.70 million.

#### International News

- A report from the Labor department showed that U.S. Consumer prices grew 0.2% in May 2018, similar to increase witnessed in Apr 2018. Energy prices grew 0.9% in May as against a gain of 1.4% in Apr. Core consumer prices excluding food and energy prices grew 0.2% in May after edging up 0.1% in Apr.
- A report from the Office for National Statistics showed that U.K. house price index grew 3.9% YoY in Apr 2018, as against an increase of 4.2% in Mar 2018. The average U.K. house price was GBP 227,000 in Apr 2018, up GBP 9,000 from Apr 2017 but down GBP 3,000 from Mar 2018.



Thank you for  
your time.