

RELIANCE

MUTUAL
FUND

Markets for You

15 Jun 2018

Indices Performance

Global Indices	14-Jun	Prev_Day	Abs. Change	% Change [#]
Dow Jones	25,175	25,201	-26	-0.10
Nasdaq	7,761	7,696	65	0.85
FTSE	7,766	7,704	62	0.81
Nikkei	22,739	22,966	-228	-0.99
Hang Seng	30,440	30,725	-285	-0.93
Indian Indices	14-Jun	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	35,600	35,739	-139	-0.39
Nifty 50	10,808	10,857	-49	-0.45
Nifty 100	11,140	11,186	-46	-0.41
Nifty Bank	26,562	26,643	-81	-0.30
SGX Nifty	10,829	10,848	-19	-0.18
S&P BSE Power	2,039	2,052	-13	-0.63
S&P BSE Small Cap	17,040	17,029	11	0.07
S&P BSE HC	14,038	13,835	203	1.47

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
14-Jun	23.33	1.14	27.42	1.22
Month Ago	24.17	1.14	26.82	1.19
Year Ago	22.64	1.31	24.29	1.19

Nifty 50 Top 3 Gainers

Company	14-Jun	Prev_Day	% Change [#]
Aurobindo Pharma	609	585	4.20
Lupin	900	872	3.18
Sun Pharma	559	546	2.37

Nifty 50 Top 3 Losers

Company	14-Jun	Prev_Day	% Change [#]
Infosys	1240	1275	-2.75
Adani Ports & SEZ	374	383	-2.19
Tech Mahindra	699	714	-2.10

Advance Decline Ratio

	BSE	NSE
Advances	1206	817
Declines	1423	955
Unchanged	130	90

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	175	-1297
MF Flows**	98	61325

 *14th Jun 2018; **12th Jun 2018

Economic Indicator

YoY(%)	Current	Quarter Ago	Year Ago
CPI	4.87%	4.44%	2.18%
	(May-18)	(Feb-18)	(May-17)
IIP	4.90%	7.40%	3.20%
	(Apr-18)	(Jan-18)	(Apr-17)
GDP	7.70%	7.00%	6.10%
	(Mar-18)	(Dec-17)	(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 came under selling pressure following U.S. Federal Reserve (Fed)'s hawkish stance on the future pace of rate hikes in 2018. The U.S. central bank raised interest rates in its recently concluded policy meeting. Concerns over trade war resurfaced after media reports stated that U.S. is preparing to proceed with tariffs on Chinese goods. Today (as of June 15), Asian markets opened on a positive note following gains on the European and U.S. markets in the last session. Both Nikkei and Hang Seng rose 0.24% and 0.11%, respectively (as at 8 a.m. IST).
- As per the last close, European markets ended on a higher note after the European Central Bank (ECB) revealed plans of ending its massive bond-buying program.
- As per the last close, U.S markets ended on a mixed note. Gains in technology and media stocks on a key deal making activity boosted the indices. However, decline in one of the industrial conglomerate major after its CEO stated that its commitment to create 1,000 jobs by the end of 2018 is now out of reach, weighed on market sentiment.

Indian Equity Market

- Indian equity markets closed in the red as concerns over foreign fund outflow reignited after U.S. Federal Reserve raised its key interest rate and adopted hawkish stance by forecasting faster pace of rate hike for the remaining part of 2018. Situation worsened after data showed that wholesale price inflation rose to 14-month high in May 2018.
- Key benchmark indices S&P BSE Sensex and Nifty 50 fell 0.39% and 0.45% to close at 35599.82 and 10808.05, respectively. Meanwhile, S&P BSE Mid-Cap and S&P BSE Small-Cap closed flat.
- The overall market breadth on BSE was weak with 1423 scrips declining and 1206 scrips advancing. A total of 130 scrips remained unchanged.
- On the BSE sectoral front, majority of the indices closed in the red. S&P BSE IT was the major loser, down 1.40%, followed by S&P BSE Teck and S&P BSE Consumer Durables, which fell 1.32% and 0.89%, respectively. S&P BSE Capital Goods and S&P BSE Oil & Gas slipped 0.81% and 0.69%, respectively. Meanwhile, S&P BSE Healthcare was the top gainer, up 1.47%, followed by S&P BSE Consumer Discretionary Goods & Services and S&P BSE Auto, both of which rose 0.05%.

Domestic News

- Government data showed that India's Wholesale Price Index-based inflation (WPI) sharply rose to 4.43% in May 2018 from a provisional 3.18% in Apr 2018 and 2.26% in May 2017. This marked a 14-month high. The WPI Food Index also increased to 1.12% in May 2018 from 0.67% in Apr 2018. The inflation for fuel items surged to 11.22% in May 2018 from 7.85% in Apr 2018.
- According to the preliminary numbers released by the Reserve Bank of India (RBI), Current Account Deficit (CAD), rose to \$ 13.0 billion or 1.9% of GDP in Q4 of 2017-18, up from \$2.6 billion or 0.4% of GDP in Q4 of 2016 - 17. In Q3 FY18, it stood at \$13.7 billion or 2.1% of GDP. Over the year, the CAD widened on account of a higher trade deficit (\$41.6 billion) brought about by a larger increase in merchandise imports relative to exports. Also, net services receipts increased by 8.8% on a y-o-y basis mainly due to rise in net earnings from software services and other business services.
- The Central Board of Direct Taxes (CBDT) has given proposal for amendments in two forms and one rule under to Income Tax Rules, 1962. It has proposed amendments in Form No.36 for filing an appeal to the Income Tax Appellate Tribunal and in Form 36A, which is a memorandum of cross-objections to the Income Tax Appellate Tribunal (ITAT). CBDT stated that the existing forms have not been revised for a long time and require rationalization to make them more informative.
- HDFC Bank's proposal to raise additional capital of Rs. 240 billion by selling equity to foreign investors has been approved by the Cabinet. The additional capital will be used to fund its business growth.
- IKEA is launching its first store in India at Hyderabad in Jul 2018. The company has started making effort to provide healthy service and good service in India.
- As per media reports, Tata Sons' are planning to raise \$1.5 billion overseas loan that will increase its debt by 50%. However, the company's debt equity ratio will remain below one, hence giving enough scope to raise funds.

FII Derivative Trade Statistics		14-Jun		
(Rs Cr)	Buy	Sell	Open Int.	
Index Futures	1890.18	2187.66	20987.60	
Index Options	55046.43	55291.21	71683.99	
Stock Futures	10305.39	10217.06	84429.21	
Stock Options	7022.85	7148.41	8762.28	
Total	74264.85	74844.34	185863.08	

Derivative Statistics- Nifty Options			
	14-Jun	Prev_Day	Change
Put Call Ratio (OI)	1.55	1.62	-0.08
Put Call Ratio(Vol)	1.14	1.16	-0.02

Debt Watch				
	14-Jun	Wk. Ago	Mth. Ago	Year Ago
Call Rate	6.09%	6.03%	5.91%	6.12%
CBLO	6.06%	5.95%	6.00%	6.11%
Repo	6.25%	6.25%	6.00%	6.25%
Reverse Repo	6.00%	6.00%	5.75%	6.00%
91 Day T-Bill	6.50%	6.48%	6.12%	6.27%
364 Day T-Bill	7.05%	6.99%	6.56%	6.32%
10 Year Gilt	7.94%	7.99%	7.83%	6.47%
G-Sec Vol. (Rs.Cr)	27770	43352	21083	45814
FBIL MIBOR	6.25%	6.11%	6.01%	6.22%
3 Month CP Rate	7.65%	7.80%	7.95%	6.68%
5 Year Corp Bond	8.74%	8.75%	8.52%	7.57%
1 Month CD Rate	6.99%	7.11%	6.61%	6.28%
3 Month CD Rate	7.38%	7.26%	7.41%	6.35%
1 Year CD Rate	8.46%	8.38%	7.89%	6.69%

Currency Market			
Currency	14-Jun	Prev_Day	Change
USD/INR	67.69	67.63	0.06
GBP/INR	90.68	90.33	0.35
EURO/INR	79.93	79.39	0.53
JPY/INR	0.62	0.61	0.00

Commodity Prices				
Commodity	14-Jun	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	66.91	65.96	70.96	44.74
Brent Crude(\$/bl)	73.86	74.32	79.16	44.91
Gold(\$/oz)	1302	1297	1312	1261
Gold(Rs./10 gm)	31049	30690	31427	28822

Source: Thomson Reuters Eikon

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Derivatives Market

- Nifty June 2018 Futures were at 10813.90 points, a premium of 5.85 points, over the spot closing of 10,808.05. The turnover on NSE's Futures and Options segment went up to Rs. 14,18,956.96 crore on June 14 from Rs. 6,93,000.92 crore on June 13.
- The Put-Call ratio stood at 0.85 against previous session's close of 0.97.
- The Nifty Put-Call ratio stood at 1.55 against the previous session's close of 1.62.
- India VIX moved down 4.31% to 12.0900 from 12.6350 in the previous trading session.
- Open interest on Nifty Futures stood at 24.90 million as against the previous session's close at 25.59 million.

Indian Debt Market

- Bond yields rose after the U.S. Federal Reserve increased interest rates by 25 basis points and also indicated on two more rate hike this year.
- Yield on the 10-year benchmark paper (7.17% GS 2028) rose 1 bps to close at 7.94% from the previous close of 7.93%. During the session, bond yields traded in the range of 7.90% and 7.96%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 4,176 crore (gross) on Jun 14, compared with Rs. 3,841 crore (gross) on Jun 13. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 8,779 crore on Jun 13.
- RBI conducted a 4-day variable rate reverse repo auction for a notified amount of Rs. 40,000 crore for which Rs. 32,037 crore was allotted at a cut-off rate of 6.24%.

Currency Market Update

- The rupee was almost unchanged against the greenback as market participants awaited the outcome of the European Central Bank monetary policy review due Jun 14, 2018. The rupee inched up 0.03% to close at 67.62 per dollar from the previous close of 67.64 per dollar.
- The euro plunged against the greenback after the European Central Bank in its monetary policy review kept interest rates on hold and decided to extend its massive bond buying program till the end of the year. Euro was at \$1.1631, down 1.34% from the previous close of 1.1789.

Commodity Market Update

- Gold prices inched up ahead of the ECB monetary policy review, trade tension between U.S.-China and weaker dollar against the euro.
- Brent crude prices gained following decline in US crude inventories that fell by 4.1 million barrels in the week to Jun 8, 2018 to 432.4 million barrels.

International News

- The U.S. Federal Reserve (Fed) raised its key interest rate by 25 basis points to a range of 1.75% to 2.0%. Meanwhile, it expects four interest rate hikes in 2018 as against previous expectation of three rate hikes. Additionally, three rate hikes are expected in 2019.
- A report from the Labor Department showed that U.S. producer price index for final demand came in higher than market expectations and surged by 0.5% in May 2018 after edging up 0.1% in Apr 2018. The surge reflects hike in energy prices. Core producer prices excluding food and energy prices grew 0.3% in May as against a gain of 0.2% in Apr.

Thank you for
your time.