

RELIANCE

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FUND

Markets for You

18 Jun 2018

Indices Performance

Global Indices	15-Jun	Prev_Day	Abs. Change	% Change [#]
Dow Jones	25,090	25,175	-85	-0.34
Nasdaq	7,746	7,761	-15	-0.19
FTSE	7,634	7,766	-132	-1.70
Nikkei	22,852	22,739	113	0.50
Hang Seng	30,309	30,440	-131	-0.43
Indian Indices	15-Jun	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	35,622	35,600	22	0.06
Nifty 50	10,818	10,808	10	0.09
Nifty 100	11,136	11,140	-4	-0.03
Nifty Bank	26,417	26,562	-145	-0.55
SGX Nifty	10,803	10,829	-26	-0.24
S&P BSE Power	2,017	2,039	-22	-1.10
S&P BSE Small Cap	16,961	17,040	-79	-0.46
S&P BSE HC	14,301	14,038	263	1.88

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
15-Jun	23.23	1.15	27.44	1.22
Month Ago	24.02	1.15	26.81	1.19
Year Ago	22.49	1.32	24.19	1.19

Nifty 50 Top 3 Gainers

Company	15-Jun	Prev_Day	% Change [#]
Cipla	612	588	4.00
Dr.Reddy	2350	2269	3.55
Infosys	1281	1240	3.35

Nifty 50 Top 3 Losers

Company	15-Jun	Prev_Day	% Change [#]
Hindalco	237	245	-3.00
Indian Oil	168	172	-2.22
Ultratech Cem	3692	3767	-2.00

Advance Decline Ratio

	BSE	NSE
Advances	1083	682
Declines	1562	1099
Unchanged	141	90

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-748	-2045
MF Flows**	98	61325

*15th Jun 2018; **12th 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 under pressure as concerns over trade war resurfaced with U.S. imposing hefty tariffs on import of Chinese goods. Chinese markets fell to 20-month low amid worries over adverse impact of the above decision on the nation's economic growth. Meanwhile, Japanese markets rose on the back of Bank of Japan's decision to keep its monetary policy steady that was in line with expectation. Today (as of June 18), Asian markets opened lower due to trade war tensions between U.S. and China. Nikkei fell 0.69% (as at 8.a.m. IST). Hanseng remained closed.
- As per the last close, European markets closed lower after U.S. President announced plans to impose a 25% tariff on \$50 billion worth of Chinese goods, thereby igniting trade war concerns.
- As per the last close, U.S markets closed lower due to trade war concerns after U.S. President announced plans to impose 25% tariff on \$50 billion worth of Chinese goods. Also, weak industrial production data in May 2018 likely weighed on market sentiment.

Indian Equity Market

- After witnessing a volatile session, Indian equity markets ended with marginal gains on the last trading session of the week. Rise in domestic trade deficit to a four-month high level and renewed concerns over trade war between U.S. and China kept investors wary. However, market got some support after a major IT company announced that its board has approved a proposal of buyback upto 7.61 crore equity shares through tender offer.
- Key benchmark indices S&P BSE Sensex and Nifty 50 gained 0.06% and 0.09% to close at 35,622.14 and 10,817.70, respectively. S&P BSE Mid-Cap and S&P BSE Small-Cap fell 0.40% and 0.46% respectively.
- The overall market breadth on BSE was weak with 1562 scrips declining and 1083 scrips advancing. A total of 141 scrips remained unchanged.
- On the BSE sectoral front, most of the indices closed in the red barring S&P BSE IT (2.24%), S&P BSE HC (1.88%) and S&P BSE Teck (1.83%). Meanwhile, S&P BSE Metal (-1.53%) stood as the major loser followed by S&P BSE Realty (-1.17%) and S&P BSE Power (-1.1%).

Domestic News

- India's export during the month of May 2018 grew 20.18% YoY to \$ 28.86 billion from \$ 24.01 billion in May 2017. Meanwhile, imports grew 14.85% YoY to \$ 43.48 billion in May 2018 from \$37.86 billion in the same period of the previous year. Trade deficit widened to \$14.62 billion in May 2018 as against \$13.84 billion in May 2017 and \$13.72 billion in Apr 2018.
- The government announced that sale of pre-goods and service tax (GST) packaged goods has now been permitted with stickers of revised rates till Jul 31, 2018. The deadline has been extended several times and the latest was Apr 30, 2018. The government had permitted use of stickers with revised rates along with the printed MRP for pre-packaged items to reflect changes in selling price for three months till Sep 30, post implementation of GST on Jul 1, 2017.
- According to a media report, the Corporate Affairs Ministry is likely to ask all the unlisted companies with paid-up capital of more than Rs. 50 million to digitalize shares by June-end. Rest of the companies with less than paid-up capital of Rs. 50 million can do the same by September end. The aim is to make transactions more transparent. The government is also in discussion with the National Securities Depository Ltd. (NSDL) and the Central Securities Depository Ltd. (CSDL) to fix enrolment rates for these companies and has asked the registries to reduce joining fees.
- According to the media reports, Niti Aayog's proposal of reducing the Centre's stake in non-strategic public-sector companies to below 50% will not be accepted by the government. Niti Ayog had given this proposal earlier in Jun 2018 in order to give these companies functional autonomy to perform better.
- The Reserve Bank of India has brought in an interest rate option which is a derivative contract whose value is based on the rupee interest rate. The announcement was done in first bi-monthly policy for FY19 in Apr 2018.

FII Derivative Trade Statistics		15-Jun	
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	1866.21	3170.00	21327.38
Index Options	67161.37	63027.59	68999.04
Stock Futures	8917.21	9592.16	84301.18
Stock Options	6464.54	6543.00	9308.99
Total	84409.33	82332.75	183936.59

Derivative Statistics- Nifty Options			
	15-Jun	Prev_Day	Change
Put Call Ratio (OI)	1.57	1.55	0.02
Put Call Ratio(Vol)	1.02	1.14	-0.12

Debt Watch				
	15-Jun	Wk. Ago	Mth. Ago	Year Ago
Call Rate	6.10%	6.02%	5.87%	6.06%
CBLO	6.09%	5.07%	5.96%	6.19%
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%	6.45%	6.18%	6.24%
364 Day T-Bill	7.05%	6.99%	6.72%	6.37%
10 Year Gilt	7.89%	7.95%	7.90%	6.48%
G-Sec Vol. (Rs.Cr)	28561	36801	27501	56314
FBIL MIBOR	6.24%	6.05%	6.05%	6.25%
3 Month CP Rate	7.65%	7.80%	8.00%	6.67%
5 Year Corp Bond	8.78%	8.75%	8.57%	7.53%
1 Month CD Rate	7.00%	7.12%	6.62%	6.29%
3 Month CD Rate	7.04%	7.09%	7.45%	6.37%
1 Year CD Rate	8.46%	8.39%	7.90%	6.69%

Currency Market			
Currency	15-Jun	Prev_Day	Change
USD/INR	67.97	67.69	0.29
GBP/INR	90.00	90.68	-0.68
EURO/INR	78.61	79.93	-1.32
JPY/INR	0.61	0.62	0.00

Commodity Prices				
Commodity	15-Jun	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	65.01	65.77	71.29	44.42
Brent Crude(\$/bl)	71.11	74.20	79.93	45.05
Gold(\$/oz)	1279	1298	1290	1254
Gold(Rs./10 gm)	31068	31027	31342	28703

Source: Thomson Reuters Eikon

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Derivatives Market

- Nifty June 2018 Futures were at 10814.65 points, a discount of 3.05 points, below the spot closing of 10,817.70. The turnover on NSE's Futures and Options segment went down to Rs. 5,98,789.74 crore on June 15 from Rs. 14,18,956.96 crore on June 14.
- The Put-Call ratio stood at 0.91 against previous session's close of 0.85.
- The Nifty Put-Call ratio stood at 1.57 against the previous session's close of 1.55.
- India VIX moved down 0.66% to 12.0150 from 12.0950 in the previous trading session.
- Open interest on Nifty Futures stood at 25.70 million as against the previous session's close at 24.90 million.

Indian Debt Market

- Bond yields fell following decline in global crude oil prices. Oil prices fell from multi-year highs ahead of an OPEC meeting next week in which Saudi Arabia and Russia indicated they were prepared to increase production.
- Yield on the 10-year benchmark paper (7.17% GS 2028) fell 5 bps to close at 7.89% from the previous close of 7.94%. During the session, bond yields traded in the range of 7.84% and 7.94%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 3,841 crore (gross) on Jun 15, compared with Rs. 4,176 crore (gross) on Jun 14. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 19,274 crore on Jun 14.
- Banks did not borrow under the central bank's Marginal Standing Facility on Jun 15 as compared with Rs. 1 crore on Jun 13.

Currency Market Update

- The rupee weakened against the greenback after U.S. retail sales soared in May 2018 and witnessed the biggest gain in six months. The rupee fell 0.58% to close at 68.01 from the previous close of 67.62
- The euro rose against the greenback as the latter remained under pressure amid renewed concerns of a global trade war after the U.S. President announced hefty tariffs on \$50 billion of Chinese imports and Beijing threatened to respond in kind. Euro was last seen trading at \$1.1606, up 0.34% from the previous close of 1.1567.

Commodity Market Update

- Gold prices closed lower despite rising geopolitical tension as dollar touched a fresh 2018 high before turning negative amid profit booking.
- Brent Crude prices closed lower after reports showed that number of oil rigs in the U.S. increased for fourth consecutive week.

International News

- A report from the U.S. Federal Reserve showed that U.S. industrial production inched down 0.1% in May 2018 as against an upwardly revised gain of 0.9% (0.7% gain originally reported) in Apr 2018. The downside reflects decline in manufacturing output that fell 0.7% in May as against a gain of 0.6% in Apr.
- The Bank of Japan kept its monetary stimulus unchanged. Also, it decided to hold its target of raising the amount of outstanding JGB holdings at an annual pace of approximately JPY 80 trillion. Government bonds will be purchased by the bank so that the yield of 10-year JGBs will remain at around 0%.

Thank you for
your time.