

**RELIANCE**

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FUND

# Markets for You

20 Jun 2018

**Indices Performance**

Global Indices	19-Jun	Prev_Day	Abs. Change	% Change <sup>#</sup>
Dow Jones	24,700	24,987	-287	-1.15
Nasdaq	7,726	7,747	-21	-0.28
FTSE	7,604	7,631	-27	-0.36
Nikkei	22,278	22,680	-402	-1.77
Hang Seng	29,468	Closed	NA	NA
Indian Indices	19-Jun	Prev_Day	Abs. Change	% Change <sup>#</sup>
S&P BSE Sensex	35,287	35,548	-262	-0.74
Nifty 50	10,710	10,800	-89	-0.83
Nifty 100	11,022	11,113	-91	-0.82
Nifty Bank	26,266	26,409	-144	-0.54
SGX Nifty	10,710	10,762	-52	-0.48
S&P BSE Power	1,994	2,014	-21	-1.02
S&P BSE Small Cap	16,614	16,831	-217	-1.29
S&P BSE HC	14,228	14,312	-84	-0.59

**P/E Dividend Yield**

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
19-Jun	22.63	1.26	26.38	1.23
Month Ago	23.49	1.18	26.27	1.21
Year Ago	22.93	1.24	24.37	1.10

**Nifty 50 Top 3 Gainers**

Company	19-Jun	Prev_Day	% Change <sup>#</sup>
GAIL	343	338	1.38
Bajaj Finance	2271	2243	1.22
ITC	266	265	0.57

**Nifty 50 Top 3 Losers**

Company	19-Jun	Prev_Day	% Change <sup>#</sup>
Vedanta	224	232	-3.40
Indian Oil	169	174	-3.05
HPCL	313	322	-2.83

**Advance Decline Ratio**

	BSE	NSE
Advances	676	420
Declines	1951	1381
Unchanged	151	79

**Institutional Flows (Equity)**

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-407	-4095
MF Flows**	421	62860

\*19<sup>th</sup> Jun 2018; \*\*18<sup>th</sup> 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 as concerns over looming trade war intensified after U.S. President threatened new tariffs on \$200 billion worth of Chinese goods. Meanwhile, Beijing vowed to retaliate with strong countermeasures against U.S. companies. Today (as of June 20), Asian markets opened little changed following losses on the Wall Street overnight. Both Nikkei and Hang Seng fell 0.04% and 0.02%, respectively (as at 8 a.m. IST).
- As per the last close, European markets fell due to negative impact of mounting trade concerns between the U.S. and China. Meanwhile, European Central Bank President reiterated that the bank will adopt a patient approach to tightening policy and stands ready to adjust all its policy tools when needed.
- As per the last close, U.S markets dropped on rising fear of a trade war between the U.S. and China. The U.S. President directed its Trade Representative to identify \$200 billion worth of Chinese goods for additional tariffs at a rate of 10%.

**Indian Equity Market**

- Escalating trade war concerns led to Indian equity markets closing lower for the second consecutive day of the week. Weakness in global markets after the U.S. President threatened additional tariffs on Chinese goods worth \$200 billion weighed on the market sentiment. Decline in metal and oil and gas stocks amid trade conflicts negatively impacted the indices.
- Key benchmark indices S&P BSE Sensex and Nifty 50 fell 0.74% and 0.83% to close at 35,286.74 and 10,710.45, respectively. S&P BSE Mid-Cap and S&P BSE SmallCap fell 0.98% and 1.29%.
- The overall market breadth on BSE was weak with and 1,951 scrips declining and 676 scrips advancing. A total of 151 scrips remained unchanged.
- On the BSE sectoral front, S&P BSE Metal was the major loser, down 1.69% followed by S&P BSE Energy that fell 1.67%. S&P BSE Basic Materials and S&P BSE Realty fell 1.62% and 1.33%, respectively. S&P BSE Oil & Gas and S&P BSE Information Technology fell 1.22% and 1.21%, respectively.

**Domestic News**

- The interim Finance Minister stated that, India's economy can grow in double digits by the fourth quarter of the current fiscal following improvement in demand. The finance minister further added that the government has taken several steps to promote the ease of doing business and maintain stability of the economy.
- According to a major credit rating agency, non-financial corporates in India might experience modest improvement in their leverage levels in FY19 driven by higher revenue and earnings growth. The agency expects revenue and EBITDA of non-financial corporates to grow 10% and 8%, respectively for FY19. Revenue and EBITDA for these companies grew 13% and 12%, respectively in FY18.
- According to the media reports, the Reserve Bank of India has been asked by the digital payments industry to postpone the implementation of stringent customer verification rules until mobile wallet providers are allowed to access the Aadhaar database for user authentication. As per the media reports, Payments Council of India told RBI that the payment companies would be committed to the KYC guidelines once they receive global authentication agency licences that will allow them to authenticate customers using Aadhaar.
- According to media reports, Strides Pharma Global which is a wholly owned subsidiary of Strides Shasun has received approval from the U.S. Food and Drug Administration (USFDA) for a generic version of fungal infection drug.
- According to media reports, operations of Goa Carbon at its Paradeep unit in Odisha have been put on temporary halt due to the obstructions by the contract workers. As per reports, the workers are demanding that their retirement age should be raised from 58 years to 60 years. The management of the company has initiated the discussion with the contractor and the workers to resolve the issue and to resume the work.
- According to media reports, Global Cloud Xchange (GCX) which is a subsidiary of Reliance Communications announced the completion of India data centre for Eagle Subsea Network that is scheduled to be fully operational by 2020.

FII Derivative Trade Statistics			
	19-Jun		
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	972.57	1548.64	21941.53
Index Options	46669.42	46157.73	71485.80
Stock Futures	9423.63	9581.19	85420.91
Stock Options	6631.61	6702.40	9910.75
Total	63697.23	63989.96	188758.99

Derivative Statistics- Nifty Options			
	19-Jun	Prev_Day	Change
Put Call Ratio (OI)	1.47	1.52	-0.05
Put Call Ratio(Vol)	0.96	1.10	-0.14

Debt Watch				
	19-Jun	Wk. Ago	Mth. Ago	Year Ago
Call Rate	6.17%	6.10%	5.97%	6.09%
CBLO	6.25%	6.12%	5.98%	6.17%
Repo	6.25%	6.25%	6.00%	6.25%
Reverse Repo	6.00%	6.00%	5.75%	6.00%
91 Day T-Bill	6.45%	6.53%	6.30%	6.20%
364 Day T-Bill	7.07%	6.98%	6.80%	6.35%
10 Year Gilt	7.86%	7.97%	7.83%	6.47%
G-Sec Vol. (Rs.Cr)	24210	21448	37693	40041
FBI MIBOR	6.30%	6.21%	6.04%	6.25%
3 Month CP Rate	7.55%	7.75%	8.30%	6.71%
5 Year Corp Bond	8.78%	8.79%	8.55%	7.53%
1 Month CD Rate	7.08%	7.07%	6.90%	6.29%
3 Month CD Rate	6.99%	7.17%	7.70%	6.34%
1 Year CD Rate	8.06%	8.40%	8.14%	6.67%

Currency Market			
Currency	19-Jun	Prev_Day	Change
USD/INR	68.15	68.02	0.13
GBP/INR	90.31	90.25	0.06
EURO/INR	79.16	78.85	0.30
JPY/INR	0.62	0.62	0.01

Commodity Prices				
Commodity	19-Jun	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	65.09	66.38	71.18	44.19
Brent Crude(\$/bl)	74.39	73.95	79.37	45.12
Gold( \$/oz)	1274	1296	1292	1243
Gold(Rs./10 gm)	30757	30858	30921	28558

Source: Thomson Reuters Eikon

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#### Derivatives Market

- Nifty June 2018 Futures were at 10719.85 points, a premium of 9.40 points, above the spot closing of 10,710.45. The turnover on NSE's Futures and Options segment went down to Rs. 6,67,240.74 crore on June 19 from Rs. 4,67,439.80 crore on June 18.
- The Put-Call ratio stood at 0.95 against previous session's close of 0.89.
- The Nifty Put-Call ratio stood at 1.47 against the previous session's close of 1.52.
- India VIX moved up 4.66% to 12.9575 from 12.3800 in the previous trading session.
- Open interest on Nifty Futures stood at 25.97 million as against the previous session's close at 25.98 million.

#### Indian Debt Market

- Bond yields fell as market participants resorted to short covering that provided some support to market sentiment. However, overall market sentiment remained subdued amid escalating trade tussle between U.S. and China.
- Yield on the 10-year benchmark paper (7.17% GS 2028) inched down 2 bps to close at 7.86% from the previous close of 7.88%. During the session, bond yields traded in the range of 7.85% and 7.90%.
- Banks borrowed Rs. 75 crore under the central bank's Marginal Standing Facility on Jun 18 compared with that of Jun 15 when banks borrowed Rs. 60 crore.
- RBI conducted a 14-day variable rate repo auction for a notified amount of Rs. 22,000 crore for which Rs. 22,006 crore was allotted at a cut-off rate of 6.26%.

#### Currency Market Update

- The rupee weakened against the greenback following losses in the domestic equity market as market participants remained wary of escalation in trade-related tensions between U.S. and China. The rupee fell 0.58% to close at 68.38 per dollar from the previous close of 67.99 per dollar.
- The euro slumped against the greenback as the investor risk sentiment took a hit after the U.S. President threatened to impose more tariffs on imports from China. Euro was trading at \$1.1563, down 0.51% from the previous close of 1.1622.

#### Commodity Market Update

- Gold prices moved down on stronger dollar against the euro.
- Brent crude prices gained following lower output from Venezuela, Libya and potential shortfalls from Iran.

#### International News

- According to a report from the National Association of Home Builders, U.S. NAHB/Wells Fargo Housing Market Index missed market expectations and fell to 68 in Jun 2018 from 70 in May 2018. The decline reflects fall in all three of the components that make up the index, namely current sales conditions, component gauging expectations and metric charting buyer traffic.
- Ifo institute expects Germany's economy to expand 1.8% each in 2018 and 2019, as against previous expectation of growth of 2.6% and 2.1%, in 2018 and 2019, respectively. On the fiscal front, Ifo stated that the fiscal stimuli will be approximately EUR 18 billion in 2019, or 0.5% of Gross Domestic Product (GDP). Meanwhile, it expects the government surplus to be EUR 38 billion in 2018 and 2019, or 1.1% of GDP.

Thank you for  
your time.