

RELIANCE

MUTUAL
FUND

Markets for You

21 Jun 2017

Indices Performance

Global Indices	20-Jun	Prev_Day	Abs. Change	% Change [#]
Dow Jones	21,467	21,529	-62	-0.29
Nasdaq	6,188	6,239	-51	-0.82
FTSE	7,473	7,524	-51	-0.68
Nikkei	20,230	20,068	163	0.81
Hang Seng	25,843	25,925	-82	-0.31
Indian Indices	20-Jun	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	31,298	31,312	-14	-0.04
Nifty 50	9,654	9,658	-4	-0.04
Nifty 100	9,976	9,978	-1	-0.01
Nifty Bank	23,698	23,742	-44	-0.19
SGX Nifty	9,668	9,681	-13	-0.13
S&P BSE Power	2,232	2,237	-5	-0.21
S&P BSE Small Cap	15,680	15,654	26	0.16
S&P BSE HC	14,084	14,081	3	0.02

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
20-Jun	22.90	1.24	24.36	1.10
Month Ago	21.99	1.33	24.91	1.22
Year Ago	19.57	1.46	22.62	1.27

Nifty 50 Top 3 Gainers

Company	20-Jun	Prev_Day	% Change [#]
Tata Power	82	78	5.19
Tata Motors	467	452	3.33
Tata Motors-DVR	288	283	1.87

Nifty 50 Top 3 Losers

Company	20-Jun	Prev_Day	% Change [#]
ICICI Bank	292	321	-8.78
Power Grid	208	212	-1.93
Eicher Motors	27917	28445	-1.86

Advance Decline Ratio

	BSE	NSE
Advances	1205	729
Declines	1469	954
Unchanged	154	75

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-172	52894
MF Flows**	214	36940

 *20th Jun 2017; **16th Jun 2017

Economic Indicator

YoY(%)	Current	Quarter Ago	Year Ago
WPI	2.17% (May-17)	5.51% (Feb-17)	-0.90% (May-16)
IIP	3.10% (Apr-17)	3.80% (Jan-17)	6.50% (Apr-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

- Most of the major Asian markets closed in the negative as investors turned cautious ahead of U.S. index provider MSCI's decision on China A-shares and dipping oil prices. MSCI is going to decide whether to allot China A-shares a slot in its Emerging Market Index. However, Japanese markets ended in the green as the yen weakened vis-à-vis the U.S. dollar, after a U.S. Federal Reserve official stated that growing income would raise U.S. inflation. Today (As on Jun 21), Asian market opened lower due to fall in crude oil prices after news of an increase in production in Libya and Nigeria. Both Nikkei Average and Hang Seng were trading down 0.23% and 0.75%, respectively (as at 8.00 a.m IST).
- As per the last close, European market closed lower after dovish comments from Bank of England's Governor and steep drop in crude oil prices. According to the Governor, the time is not right to raise interest rates due to weak wage growth and inflationary pressures.
- As per the last close, U.S. market closed lower due to significant fall in global crude oil prices amid signs of rising production in Nigeria and Libya.

Indian Equity Market

- Indian equity markets closed flat due to lack of any major domestic or global cues. Meanwhile, investors remained on the sidelines amid uncertainty over transition to Goods & Service Tax (GST), after the finance minister confirmed that GST will be officially rolled out on the midnight of June 30. The finance minister added that the economy is expected to grow under GST regime but one must be prepared for short-term challenges.
- Both the key benchmark indices, namely S&P BSE Sensex and Nifty 50, slipped 0.04% each to close at 31,297.53 and 9,653.50, respectively. Meanwhile, S&P BSE Mid-Cap and S&P BSE Small-Cap went up 0.19% and 0.16%, respectively.
- The overall market breadth on BSE was weak with 1,469 scrips declining and 1,205 scrips advancing. A total of 154 scrips remained unchanged.
- On the BSE sectoral front, majority of the indices closed in the green. S&P BSE IT was the top gainer, up 0.97%, followed by S&P BSE Consumer Durables and S&P BSE Teck, which went up 0.97% and 0.75%, respectively. S&P BSE Industrials and S&P BSE Oil & Gas rose 0.70% and 0.54%, respectively.

Domestic News

- According to a major credit rating agency, housing credit growth declined to 16% to Rs. 14.4 trillion in FY17 from 19% in FY16. The decline reflects lack of new project launches and deferment of home purchase decisions by investors in an expectation of a decline in real estate price.
- The Securities and Exchange Board of India (SEBI) has brought in disclosure norms for municipalities proposing to issue debt securities on private placement basis. Per the norms, municipalities need to disclose all the financial (price sensitive information) and non-financial information to the stock exchanges. Also, the issuer will have to disclose the intention to raise funds through debt securities.
- The government and the Reserve Bank of India (RBI) are in discussions and are exploring ways that will postpone the full implementation of international capital norms or Basel-III norms for Indian banks that are faltering in bad debt. Per the norms laid down by RBI, Indian lenders have to maintain a minimum common equity ratio of 8% and total capital ratio of 11.5% by 2019. The extension of the timeline would provide relief to the banks as they grapple with bad loans and raise capital.
- Per media reports, a company that will not transfer the benefits of lowered prices to the consumer after the rollout of the Goods and Services Tax (GST) might lose its registration. National Anti-profiteering Authority that is yet to be set up will have the authority to cancel the registration of the company. Besides asking the company to return the money to the customers along with 18% interest calculated from the time money has been charged, the authority can also impose a penalty.
- The cabinet secretariat has shifted the Faster Adoption and Manufacturing of Hybrid & Electric Vehicles programme (FAME), the electric vehicles programme, from the department of heavy industries to Niti Ayog. This is expected to help to bring in-line the efforts of different departments' of the government to move towards an all-electric fleet by 2030.

FII Derivative Trade Statistics		20-Jun		
(Rs Cr)	Buy	Sell	Open Int.	
Index Futures	1542.42	1397.00	23212.30	
Index Options	33685.55	32952.95	69358.87	
Stock Futures	5717.97	6655.32	75057.36	
Stock Options	5188.95	5074.47	8640.56	
Total	46134.89	46079.74	176269.09	

Derivative Statistics- Nifty Options			
	20-Jun	Prev_Day	Change
Put Call Ratio (OI)	1.21	1.22	-0.01
Put Call Ratio(Vol)	1.08	1.13	-0.06

Debt Watch				
	20-Jun	Wk. Ago	Mth. Ago	Year Ago
Call Rate	6.08%	6.04%	6.06%	6.30%
CBLO	6.20%	6.12%	6.05%	6.23%
Repo	6.25%	6.25%	6.25%	6.50%
Reverse Repo	6.00%	6.00%	6.00%	6.00%
91 Day T-Bill	6.20%	6.26%	6.23%	6.77%
364 Day T-Bill	6.38%	6.30%	6.47%	6.83%
10 Year Gilt	6.45%	6.49%	6.70%	7.49%
G-Sec Vol. (Rs.Cr)	55434	78177	42883	50313
1 Month CP Rate	6.56%	6.54%	6.54%	7.65%
3 Month CP Rate	6.70%	6.68%	6.75%	7.84%
5 Year Corp Bond	7.27%	7.23%	7.45%	8.09%
1 Month CD Rate	6.28%	6.28%	6.30%	6.85%
3 Month CD Rate	6.35%	6.36%	6.43%	6.95%
1 Year CD Rate	6.66%	6.72%	6.84%	7.45%

Currency Market			
Currency	20-Jun	Prev_Day	Change
USD/INR	64.47	64.38	0.09
GBP/INR	82.15	82.21	-0.05
EURO/INR	71.96	72.10	-0.15
JPY/INR	0.58	0.58	0.00

Commodity Prices				
Commodity	20-Jun	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	43.29	46.36	50.27	49.35
Brent Crude(\$/bl)	43.02	46.39	52.42	48.07
Gold(\$/oz)	1243	1265	1255	1290
Gold(Rs./10 gm)	28531	28720	28659	29856

Source: ICRON Research

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Mutual Fund Investments are subject to market risks, read all scheme related documents carefully.

Derivatives Market

- Nifty Jun 2017 Futures were at 9,674.45, a premium of 20.25 above the spot closing of 9,653.50. Turnover on NSE's Futures and Options segment went down from Rs. 4,29,603.92 crore on Jun 19 to Rs. 3,34,664.77 crore on Jun 20.
- The Put-Call ratio stood at 0.98 compared with the previous session's close of 0.94.
- The Nifty Put-Call ratio stood at 1.21 compared with the previous session's close of 1.22.
- The open interest on Nifty Futures stood at 23.20 million as against previous session's close of 23.16 million.

Indian Debt Market

- Bond yields continued to fall for the second consecutive session due to increased demand for bonds ahead of the release of Monetary Policy Committee's latest meeting minutes on Jun 21.
- Yield on the 10-year benchmark paper (6.79% GS 2027) fell 2 bps to close at 6.45% from the previous close of 6.47%. During the session, bond yields traded in the range of 6.44% and 6.48%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 2,145 crore (gross) on Jun 20, down from Rs. 2,365 crore (gross) borrowing on Jun 19. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 4,970 crore on Jun 19.
- Banks borrowed Rs. 175 crore under the central bank's Marginal Standing Facility on Jun 19, as against no borrowing on Jun 16.

Currency Market Update

- The Indian rupee weakened against the greenback on concerns that the U.S. Federal Reserve may continue to increase interest rates further. Worries regarding the near term impact of Goods and Services Tax also weighed on market sentiment. The rupee closed at 64.50 per dollar, down 0.11% from the previous close of 64.43.
- The euro inched down against the greenback on concerns that the U.S. Federal Reserve may continue to increase interest rates further. Euro was trading at \$1.1142, down 0.05% from the previous close of \$1.1148.

Commodity Market Update

- Gold prices got support as different views of U.S. Federal Reserve (Fed) policy makers on interest rates raised concern on Fed's next policy move.
- Brent crude prices slipped due to persisting concerns on supply glut ahead of the weekly information on U.S. stockpiles.

International News

- According to the Bank of England's (BoE) governor, it is not the right time to raise interest rates given the mixed signals on consumer spending and business investment, subdued domestic inflationary pressures, and weak wage growth. However, BoE chief plans to keep an eye as to which extent weaker consumption growth is offset by other components of demand.
- A report from Destatis showed that producer prices in Germany grew 2.8% on YoY basis in May 2017, which missed market's expectations and was slower than growth of 3.4% in Apr 2017. This marked the weakest growth since Jan 2017.



Thank you for
your time.