

**RELIANCE**

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FUND

# Markets for You

21 Jun 2018

Indices Performance

Global Indices	20-Jun	Prev_Day	Abs. Change	% Change <sup>#</sup>
Dow Jones	24,658	24,700	-42	-0.17
Nasdaq	7,782	7,726	56	0.72
FTSE	7,627	7,604	24	0.31
Nikkei	22,555	22,278	277	1.24
Hang Seng	29,696	29,468	228	0.77
Indian Indices	20-Jun	Prev_Day	Abs. Change	% Change <sup>#</sup>
S&P BSE Sensex	35,547	35,287	261	0.74
Nifty 50	10,772	10,710	62	0.58
Nifty 100	11,076	11,022	54	0.49
Nifty Bank	26,558	26,266	292	1.11
SGX Nifty	10,780	10,710	70	0.65
S&P BSE Power	2,006	1,994	13	0.63
S&P BSE Small Cap	16,659	16,614	45	0.27
S&P BSE HC	14,272	14,228	45	0.32

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
20-Jun	22.80	1.25	26.52	1.22
Month Ago	23.49	1.18	26.27	1.21
Year Ago	22.90	1.24	24.36	1.10

Nifty 50 Top 3 Gainers

Company	20-Jun	Prev_Day	% Change <sup>#</sup>
RIL	1019	996	2.33
Vedanta	229	224	1.96
IndusInd Bank	1967	1932	1.86

Nifty 50 Top 3 Losers

Company	20-Jun	Prev_Day	% Change <sup>#</sup>
United Phos	652	674	-3.24
Indian Oil	165	169	-1.90
HPCL	308	313	-1.63

Advance Decline Ratio

	BSE	NSE
Advances	1317	897
Declines	1311	878
Unchanged	137	93

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-1411	-5506
MF Flows**	421	62860

\*20<sup>th</sup> Jun 2018; \*\*18<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 mostly gained ahead of the monetary policy meeting of the Bank of England and a key meeting between the Organization of the Petroleum Exporting Countries (OPEC) and Russia. Chinese market gained as the Chinese central bank injected funds into the financial system via its medium-term lending facility to offset liquidity. Today (as of June 21), Asian markets opened mostly positive despite mixed close on the Wall Street Overnight. Both Nikkei and Hang Seng rose 0.25% and 0.42%, respectively (as at 8.a.m. IST).
- As per the last close, European markets rose marginally as market participants bought stocks at lower prices after falling in the last two consecutive days. However, gains were limited due to the escalating trade dispute between the U.S. and China.
- As per the last close, U.S markets closed on a mixed note. Technology stocks rose after a major mass media company raised its offer to buy most of the media assets of one of its major competitor. However, gains were limited following decline in one of the Multinational Conglomerate Company and a major fast food chain share prices.

Indian Equity Market

- Indian equity markets edged up as concerns over U.S. and China trade war eased to some extent after media reports suggested that China may announce policy stimulus to mitigate the negative impact of trade policies. Meanwhile, market participants keenly awaited the minutes of the Monetary Policy Committee's latest policy meeting.
- Key benchmark indices S&P BSE Sensex and Nifty 50 rose 0.74% and 0.58% to close at 35,547.33 and 10,772.05, respectively. S&P BSE Mid-Cap and S&P BSE Small-Cap rose 0.23% and 0.27%, respectively.
- The overall market breadth on BSE was positive with 1,317 scrips advancing and 1,311 scrips declining. A total of 137 scrips remained unchanged.
- On the BSE sectoral front, majority of the indices closed in the green. S&P BSE Metal was the top gainer, up 1.09%, followed by S&P BSE Bankex and S&P BSE Energy, which rose 1.04% and 1.02%, respectively. S&P BSE Finance and S&P BSE Realty rose 1.00% and 0.83%, respectively. Meanwhile, S&P BSE FMCG was the major loser, down 0.36%, followed by S&P BSE Capital Goods and S&P BSE Oil & Gas, which slipped 0.28% and 0.27%, respectively.

Domestic News

- The Securities and Exchange Board of India (SEBI) is planning to refurbish Initial Public Offering (IPO) norms in order to lower any possible misuse. The norms would include recognizing a wider set of institutional investors such as alternative investment funds (AIFs), requiring financial disclosures for three years from five currently and lowering disclosure of the price band to two days before the issue opens from the current norm of five days. The SEBI board would meet on Jun 21 to discuss the changes.
- The government plans to build 30 GW offshore wind capacity by 2030. The move is expected to place India among leading markets in the segment. The Minister for Power and New & Renewable Energy stated that India's target of achieving 175 GW renewable energy target by 2022 is expected to exceed by additional 50 GW within the same time period.
- According to the Secretary of Department of Economic Affairs, India has the potential to become a \$10 trillion economy by 2030. He has further mentioned that India would shortly achieve the targeted 3% fiscal deficit level and that it will be more permanent and sustainable in nature.
- BHEL informed that it has received two orders worth Rs. 10 billion Telangana State Power Generation Corporation. Per the order, BHEL will supply and install emission control equipment at Kothagudem and Bhadradi thermal power stations.
- According to media reports, Cipla has received final approval from the U.S. Food and Drug Administration for an HIV treatment drug Efavirenz.
- According to media reports, Volvo has declared its goal to use at least 25% recycled plastics in cars by 2025.
- According to media reports, the Enforcement Directorate has summoned the top management of InterGlobe Aviation in a case of violations related to foreign exchange management act.
- According to media reports, the United Phosphorus Ltd. group is in exclusive talks to acquire Platform Specialty Products' agricultural pesticides business.

FII Derivative Trade Statistics		20-Jun	
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	2589.73	3300.08	22232.32
Index Options	67175.64	65480.54	75100.33
Stock Futures	10237.60	10519.73	84973.39
Stock Options	7708.87	7625.20	10321.31
Total	87711.84	86925.55	192627.35

Derivative Statistics- Nifty Options			
	20-Jun	Prev_Day	Change
Put Call Ratio (OI)	1.56	1.47	0.08
Put Call Ratio(Vol)	1.00	0.96	0.04

Debt Watch				
	20-Jun	Wk. Ago	Mth. Ago	Year Ago
Call Rate	6.24%	6.08%	5.97%	6.08%
CBLO	6.28%	6.14%	5.98%	6.20%
Repo	6.25%	6.25%	6.00%	6.25%
Reverse Repo	6.00%	6.00%	5.75%	6.00%
91 Day T-Bill	6.44%	6.43%	6.30%	6.20%
364 Day T-Bill	7.07%	7.02%	6.80%	6.38%
10 Year Gilt	7.83%	7.93%	7.83%	6.45%
G-Sec Vol. (Rs.Cr)	27777	27689	37693	55434
FBIL MIBOR	6.30%	6.25%	6.04%	6.25%
3 Month CP Rate	7.55%	7.75%	8.30%	6.70%
5 Year Corp Bond	8.71%	8.72%	8.55%	7.52%
1 Month CD Rate	6.86%	6.99%	6.90%	6.28%
3 Month CD Rate	6.89%	7.16%	7.70%	6.35%
1 Year CD Rate	8.10%	8.44%	8.14%	6.66%

Currency Market			
Currency	20-Jun	Prev_Day	Change
USD/INR	68.08	68.15	-0.07
GBP/INR	89.60	90.31	-0.71
EURO/INR	78.83	79.16	-0.33
JPY/INR	0.62	0.62	0.00

Commodity Prices				
Commodity	20-Jun	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	65.92	66.63	71.18	43.29
Brent Crude(\$/bl)	73.59	74.16	79.37	43.02
Gold( \$/oz)	1268	1299	1292	1243
Gold(Rs./10 gm)	30589	30385	30921	28531

Source: Thomson Reuters Eikon

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#### Derivatives Market

- Nifty Jun 2018 Futures were at 10790.65 points, a premium of 18.60 points, above the spot closing of 10,772.05. The turnover on NSE's Futures and Options segment went up to Rs. 8,87,651.18 crore on Jun 20 from Rs. 6,67,240.74 crore on Jun 19.
- The Put-Call ratio stood at 0.94 against previous session's close of 0.95.
- The Nifty Put-Call ratio stood at 1.56 against the previous session's close of 1.47.
- Open interest on Nifty Futures stood at 26.00 million as against the previous session's close of 25.97 million.

#### Indian Debt Market

- Bond yields fell after the Reserve Bank of India (RBI) announced to buy government securities to the tune of Rs. 10,000 crore through an open market operation on Jun 21, 2018, to inject liquidity into the banking system. However, further gains were capped as market participants remained on the sidelines and awaited the minutes of the Monetary Policy Committee's Jun meeting for further cues on the extent and pace of future rate hikes.
- Yield on the 10-year benchmark paper (7.17% GS 2028) dropped 3 bps to close at 7.83% from the previous close of 7.86%. During the session, bond yields traded in the range of 7.79% and 7.85%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 19,796 crore (gross) on Jun 20, compared with Rs. 12,201 crore (gross) on Jun 19. Sale of securities under RBI's reverse repo window stood at Rs. 7,890 crore on Jun 19.

#### Currency Market Update

- The rupee rose against the greenback following gains in the domestic equity market. Selling of the greenback by banks and exporters further boosted the domestic currency. The rupee rose 0.45% to close at 68.07 per dollar from the previous close of 68.38 per dollar.
- The euro inched down against the greenback after the U.S. Federal Reserve chief advocated the case for gradual U.S. interest rate increases as the economy improves further. Euro was trading at \$1.1581, down 0.06% from the previous close of 1.1588.

#### Commodity Market Update

- Gold prices inched down as the People's Bank of China hinted that policymakers would take necessary measures to stabilise the nation's stock markets if required.
- Brent crude prices gained after U.S. oil inventories fell by 3.0 million barrels for the week ended Jun 15.

#### International News

- According to a report from the Commerce Department, U.S. housing starts surpassed market expectations and grew 5% to an annual rate of 1.350 million in May 2018 as against a decline of 3.1% to a revised rate of 1.286 million (1.287 million originally reported) in Apr 2018. This marked the highest annual rate since Jul 2007. The increase reflects significant increases in both single-family and multi-family starts.
- A report from Westpac showed that the Westpac-Melbourne Institute Leading index fell to +0.11% in May 2018 from +0.83% in Apr 2018.

Thank you for  
your time.