

**RELIANCE**

MUTUAL  
FUND

# Markets for You

27 Jun 2018

Indices Performance

Global Indices	26-Jun	Prev_Day	Abs. Change	% Change <sup>#</sup>
Dow Jones	24,283	24,253	30	0.12
Nasdaq	7,562	7,532	30	0.39
FTSE	7,538	7,510	28	0.37
Nikkei	22,342	22,338	4	0.02
Hang Seng	28,881	28,961	-80	-0.28
Indian Indices	26-Jun	Prev_Day	Abs. Change	% Change <sup>#</sup>
S&P BSE Sensex	35,490	35,470	20	0.06
Nifty 50	10,769	10,762	7	0.06
Nifty 100	11,054	11,045	9	0.08
Nifty Bank	26,602	26,610	-8	-0.03
SGX Nifty	10,760	10,759	1	0.01
S&P BSE Power	1,969	1,986	-16	-0.82
S&P BSE Small Cap	16,296	16,392	-97	-0.59
S&P BSE HC	14,129	14,212	-83	-0.58

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
26-Jun	22.69	1.25	26.02	1.23
Month Ago	22.81	1.16	26.24	1.21
Year Ago	22.80	1.25	24.37	1.11

Nifty 50 Top 3 Gainers

Company	26-Jun	Prev_Day	% Change <sup>#</sup>
Ambuja Cem	212	207	2.49
Coal India	265	259	2.37
Ultratech Cem	3840	3752	2.35

Nifty 50 Top 3 Losers

Company	26-Jun	Prev_Day	% Change <sup>#</sup>
Tata Motors	277	289	-4.34
RIL	979	1004	-2.54
Cipla	600	611	-1.95

Advance Decline Ratio

	BSE	NSE
Advances	850	552
Declines	1786	1237
Unchanged	127	85

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	320	-5013
MF Flows**	616	65170

\*26<sup>th</sup> Jun 2018; \*\*21<sup>st</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 witnessed a mixed trend amid ongoing concerns over deepening trade row between U.S. and China. Some positive vibes were generated after U.S. Treasury Secretary said that the reports stating restrictions on Chinese investment in U.S. technology companies are false. Today (as of June 27), Asian markets opened on a mixed note. Gains in energy stocks boosted the indices. However, trade war concerns restricted the gains. Nikkei and Hang Seng fell 0.53% and 0.32%, respectively (as at 8.a.m. IST).
- As per the last close, European markets closed on a mixed note. Bargain hunting led to gains. However, gains were capped as investors remained cautious due to global trade war concerns.
- As per the last close, U.S markets closed slightly higher due to gains in housing, utilities and energy stocks. However, gains were capped amid lingering trade war concerns and weak consumer confidence index data for Jun 2018. Weakness in gold, biotechnology, and banking stocks also weighed on the indices.

Indian Equity Market

- Indian equity markets closed almost flat due to mixed cues from the global markets following intensifying trade tensions between U.S. and other major economies. Decline in one of the auto majors due to lingering concerns over auto tariff threat by the U.S. weighed on the indices. Meanwhile, investors preferred to remain on the sidelines ahead of the June F&O expiry due on Jun 28, 2018.
- Key benchmark indices S&P BSE Sensex and Nifty 50 both grew 0.06% to close at 35,490.04 and 10,769.15, respectively. S&P BSE Mid-Cap and S&P BSE Small Cap fell 0.33% and 0.59%.
- The overall market breadth on BSE was weak with 1,786 scrips declining and 850 scrips advancing. A total of 127 scrips remained unchanged.
- On the BSE sectoral front, S&P BSE Energy was the major loser, down 1.15% followed by S&P BSE Power that fell 0.82%. S&P BSE Industrials and S&P BSE Realty fell 0.74% and 0.69%, respectively. S&P BSE Telecom was the major gainer that grew 1.09% followed by S&P BSE FMCG and S&P BSE Teck that grew 0.77% and 0.70%.

Domestic News

- According to an order issued by the Personnel Ministry, the centre has decided to discontinue overtime allowance (OTA) given to its employees. However, the same would not be revised for the operational staff. The operational staff would continue to receive the amount as per its order issued in 1991.
- China's central cabinet announced that beginning Jul 1, 2018, China will cut import tariffs on goods from India and certain Asia-Pacific countries. As per media reports, from current rate of 3%, the tariffs on soybean imported from India, South Korea, Bangladesh, Laos, and Sri Lanka will be lowered to 0%. Additionally, as per the reports, imported products such as chemicals, agricultural products, medical supplies, clothing, steel and aluminium will also get benefit of certain tariff reductions.
- Notices have been issued by the indirect tax department to the companies that passed off cash balance lying in their personal ledger account (PLA) to the transitional credit after the tax system moved to Goods and Services Tax (GST). PLA is a cash ledger account with the central government that is utilized by the companies to add money to settle specific tax liabilities. However, it cannot be used to pay tax under GST.
- With one unit each in the north and south India, the government is planning to set up at least two integrated steel plants to process scrapped steel. India generates more than 27 million tonnes of scrap every year and approximately 8.6 million tonnes of scrap is imported every year. The union minister for steel stated that the Ministry of Road Transport and Highways is preparing a blueprint for this policy.
- According to media reports, the Fifteenth Finance Commission will likely propose to restart performance-based incentives for states. For these incentives, the states will be assessed on certain parameters. The performance-based incentives were suggested by the 13th Finance Commission but omitted by the 14th Finance Commission.

FII Derivative Trade Statistics		26-Jun	
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	4823.82	6305.64	24971.02
Index Options	69911.65	69975.87	75374.01
Stock Futures	20954.84	21278.67	81805.34
Stock Options	6523.50	6464.44	10435.34
Total	102213.81	104024.62	192585.71

Derivative Statistics- Nifty Options			
	26-Jun	Prev_Day	Change
Put Call Ratio (OI)	1.53	1.48	0.04
Put Call Ratio(Vol)	0.94	0.92	0.02

Debt Watch				
	26-Jun	Wk. Ago	Mth. Ago	Year Ago
Call Rate	6.16%	6.17%	5.93%	6.08%
CBLO	6.18%	6.25%	5.08%	5.87%
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%	6.45%	6.20%	6.21%
364 Day T-Bill	7.00%	7.07%	6.25%	6.36%
10 Year Gilt	7.83%	7.86%	7.79%	6.46%
G-Sec Vol. (Rs.Cr)	19847	24210	30646	46122
FBIL MIBOR	6.34%	6.30%	6.02%	6.17%
3 Month CP Rate	7.50%	7.55%	8.35%	6.70%
5 Year Corp Bond	8.71%	8.78%	8.65%	7.48%
1 Month CD Rate	7.03%	7.08%	6.79%	6.31%
3 Month CD Rate	6.96%	6.99%	7.83%	6.34%
1 Year CD Rate	8.06%	8.06%	8.22%	6.65%

Currency Market			
Currency	26-Jun	Prev_Day	Change
USD/INR	68.17	68.15	0.02
GBP/INR	90.47	90.27	0.20
EURO/INR	79.74	79.35	0.39
JPY/INR	0.62	0.62	0.00

Commodity Prices				
Commodity	26-Jun	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	73.98	65.09	67.87	42.84
Brent Crude(\$/bl)	73.32	74.39	77.14	43.18
Gold( \$/oz)	1259	1274	1301	1256
Gold(Rs./10 gm)	30394	30757	31171	28753

Source: Thomson Reuters Eikon

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

#### Derivatives Market

- Nifty Jun 2018 Futures were at 10,766.90 points, a discount of 2.25 points, below the spot closing of 10,769.15. The turnover on NSE's Futures and Options segment went up to Rs. 9,31,576.17 crore on Jun 26 from Rs. 7,56,917.32 crore on Jun 25.
- The Put-Call ratio stood at 0.87 against previous session's close of 0.91.
- The Nifty Put-Call ratio stood at 1.53 against the previous session's close of 1.48.
- India VIX moved up 1.27% to 12.7425 from 12.5825 in the previous trading session.
- Open interest on Nifty Futures stood at 27.81 million as against the previous session's close at 27.04 million.

#### Indian Debt Market

- Bond yields edged higher following losses in the domestic currency. Media reports stating that the union cabinet may discuss raising minimum support prices of some crops by up to 15% in its next meeting fueled concerns of increase in domestic inflationary pressures which also weighed on the market sentiment. However, further losses were restricted as market participants resorted to short covering.
- Yield on the 10-year benchmark paper (7.17% GS 2028) inched up 1 bps to close at 7.83% as against its previous close of 7.82%. During the session, bond yields traded in the range of 7.81% and 7.85%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 4,841 crore (gross) on Jun 26, compared with Rs. 9,136 crore (gross) borrowed on Jun 25. Sale of securities under the Reserve Bank of India's (RBI) reverse repo window stood at Rs. 12,133 crore on Jun 25.

#### Currency Market Update

- The rupee fell against the greenback as concerns over U.S. President's protectionist trade measures weighed on market sentiment. However, modest gains in the domestic equity market restricted further losses. The rupee fell 0.18% to close at 68.24 per dollar from the previous close of 68.12 per dollar.
- The euro fell against the greenback as escalating concerns of a trade conflict between U.S. and China dampened investor risk sentiment. Euro was trading at \$1.1676, down 0.22% from the previous close of \$1.1702.

#### Commodity Market Update

- Gold prices traded lower despite fears of escalating trade tensions as greenback gained against the euro.
- Brent Crude prices traded higher on production problems at one of Canada's largest oil sands facilities and uncertainty over Libyan exports.

#### International News

- According to a report from the Commerce Department, U.S. new home sales surpassed market expectations and grew 6.7% to an annual rate of 689,000 in May 2018 as against a decline of 3.7% to a revised rate of 646,000 in Apr 2018. The increase reflected surge in home sales in the South that grew 17.9% to a rate of 409,000.
- According to a report from the U.K. Finance, number of mortgage approvals grew to 39,244 in May 2018 from 38,327 in Apr 2018. This marked the highest approvals since Jan 2018. Gross mortgage lending for the total market surged 8.8% YoY to GBP 22.2 billion in May.

Thank you for  
your time.