

RELIANCE

MUTUAL
FUND

Markets for You

29 Jun 2017

Indices Performance

Global Indices	28-Jun	Prev_Day	Abs. Change	% Change [#]
Dow Jones	21,455	21,311	144	0.68
Nasdaq	6,234	6,147	88	1.43
FTSE	7,388	7,434	-47	-0.63
Nikkei	20,130	20,225	-95	-0.47
Hang Seng	25,684	25,840	-156	-0.61
Indian Indices	28-Jun	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	30,834	30,958	-124	-0.40
Nifty 50	9,491	9,511	-20	-0.21
Nifty 100	9,797	9,810	-13	-0.14
Nifty Bank	23,236	23,216	20	0.08
SGX Nifty	9,509	9,505	4	0.04
S&P BSE Power	2,209	2,195	14	0.64
S&P BSE Small Cap	15,161	15,141	20	0.13
S&P BSE HC	13,998	13,981	17	0.12

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
28-Jun	22.53	1.26	24.15	1.12
Month Ago	22.91	1.29	24.32	1.19
Year Ago	19.18	1.49	22.31	1.28

Nifty 50 Top 3 Gainers

Company	28-Jun	Prev_Day	% Change [#]
Tech Mahindra	392	380	3.20
Yes Bank	1450	1416	2.42
Vedanta	243	237	2.28

Nifty 50 Top 3 Losers

Company	28-Jun	Prev_Day	% Change [#]
RIL	1399	1437	-2.69
Asian Paints	1109	1134	-2.20
Zee Entertainment	485	492	-1.47

Advance Decline Ratio

	BSE	NSE
Advances	1252	842
Declines	1358	813
Unchanged	179	81

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	942	54450
MF Flows**	272	38649

*28th Jun 2017; **22nd 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

• Asian markets closed lower as investors lost confidence after the U.S. Senate postponed a vote on healthcare bill until after the Jul 4 holiday, which boosted worries if the present government would be able to produce promised tax cuts and infrastructure spending. Sentiment dented further after the European Union regulators fined a technology major 2.40 billion euros for breaching anti-trust rules, a huge global cyberattack struck IT systems across several business units and regions, and lower crude prices. Today (As on Jun 29), Asian market opened higher following rise on the Wall Street overnight. Both Nikkei Average and Hang Seng were trading higher 0.38% and 0.83%, respectively (as at 8.00 a.m IST).

• As per the last close, European market closed lower as technology stocks fell after a worldwide cyber-attack. Investor sentiment were also impacted after the U.S. Senate decided to postpone voting on a new health-care bill.

• As per the last close, U.S. market closed higher as market participants bought stocks at lower levels following previous day's weakness.

Indian Equity Market

• Indian equity markets closed in the red for the third consecutive session as the banking sector continued to remain under pressure on Reserve Bank of India's order for higher provisioning for loans submitted under the insolvency process. Also, investors stayed on the sidelines ahead of Jun's futures & options expiry. Further, concerns of bloated valuations following a record-breaking rally lowered the risk appetite, thereby hurting investor sentiment.

• Key benchmark indices S&P BSE Sensex and Nifty 50 fell 0.40% and 0.21% to close at 30,834.32 and 9,491.25, respectively. S&P BSE Small-Cap and S&P BSE Mid-Cap grew 0.13% and 0.23%, respectively.

• On the BSE sectoral front, indices closed on a mixed note. The highest gainer was S&P BSE Metal, up 1.62%, trailed by S&P BSE Telecom (1.11%), S&P BSE Basic Materials (0.77%), S&P BSE Power (0.64%), S&P BSE Realty (0.56%), and S&P BSE Utilities (0.51%). However, top losers comprised S&P BSE Energy (-1.37%), S&P BSE Consumer Durables (1.22%), S&P BSE Oil & Gas (-0.79%), S&P BSE FMCG (-0.67%), and S&P BSE Capital Goods (-0.25%). Notably, S&P BSE Industrials remained unchanged.

Domestic News

• The government approved the recommendations of the 7th Central Pay Commission on allowances with 34 modifications. The move is expected to benefit 48 lakh central government employees. However, according to media reports, the increase in allowance that will come into effect from Jul 1 will impose an additional annual burden of Rs. 30,748 crore on the exchequer.

• Securities and Exchange Board of India (SEBI) has allowed companies' promoters to sell shares within two weeks from the offer-for-sale (OFS) transaction to their employees, thereby relaxing OFS norms. Currently, promoters are not allowed to buy or sell the company's shares for 12 weeks after the OFS. The modification in the norm is done in order to streamline the process of OFS that aims at encouraging greater participation by employees.

• Capital market regulator SEBI proposed relaxation in entry norms for foreign portfolio investors (FPIs) who are willing to invest directly in Indian markets rather than through participatory notes. SEBI also proposed doing away with the requirements of seeking its prior approval in case of change in local custodian or designated depository participants (DDP) and suggested that in the event of a change in the same the DDP should be permitted to rely on the registration granted by previous DDP at the time of transition. The move is expected to lower duplicate efforts and incremental documentation by FPIs as well as DDPs.

• The Union cabinet gave an in-principle approval to the divestment of Air India after choosing between the option of an outright sale and partial divestment.

• According to media reports, Allahabad bank obtained approval from its shareholders to raise equity capital aggregating up to Rs. 2,000 crore through different modes like QIP, FPO, or a rights issue.

• According to media reports, Volvo Group has started sourcing engines for industrial applications from its equal joint venture with Eicher Motors, and VE Commercial Vehicles. The Swedish automaker is also looking to shift sourcing of engines for non-automotive products to India in the long run.

FII Derivative Trade Statistics		28-Jun		
(Rs Cr)	Buy	Sell	Open Int.	
Index Futures	12895.41	12282.63	26246.69	
Index Options	82454.52	83053.24	76034.15	
Stock Futures	33963.88	34005.09	77323.58	
Stock Options	7240.67	7190.14	8532.47	
Total	136554.48	136531.10	188136.89	

Derivative Statistics- Nifty Options			
	28-Jun	Prev_Day	Change
Put Call Ratio (OI)	0.99	0.98	0.01
Put Call Ratio(Vol)	0.84	0.82	0.02

Debt Watch				
	28-Jun	Wk. Ago	Mth. Ago	Year Ago
Call Rate	6.05%	6.10%	6.03%	6.27%
CBLO	6.19%	6.23%	5.00%	6.26%
Repo	6.25%	6.25%	6.25%	6.50%
Reverse Repo	6.00%	6.00%	6.00%	6.00%
91 Day T-Bill	6.27%	6.23%	6.22%	6.70%
364 Day T-Bill	6.37%	6.36%	6.40%	6.86%
10 Year Gilt	6.50%	6.43%	6.65%	7.45%
G-Sec Vol. (Rs.Cr)	52734	78555	52225	70133
1 Month CP Rate	6.58%	6.55%	6.51%	7.58%
3 Month CP Rate	6.69%	6.71%	6.70%	7.79%
5 Year Corp Bond	7.28%	7.26%	7.43%	8.08%
1 Month CD Rate	6.33%	6.29%	6.20%	6.82%
3 Month CD Rate	6.35%	6.35%	6.40%	6.84%
1 Year CD Rate	6.69%	6.66%	6.87%	7.46%

Currency Market			
Currency	28-Jun	Prev_Day	Change
USD/INR	64.53	64.46	0.07
GBP/INR	82.66	82.08	0.58
EURO/INR	73.38	72.19	1.18
JPY/INR	0.57	0.58	0.00

Commodity Prices				
Commodity	28-Jun	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	44.69	42.43	49.53	47.88
Brent Crude(\$/bl)	46.49	43.66	50.48	45.73
Gold(\$/oz)	1249	1246	1267	1312
Gold(Rs./10 gm)	28797	28567	28782	30698

Source: ICRON Research

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Derivatives Market

- Nifty Jun 2017 Futures were at 9,495.60, a premium of 4.35 above the spot closing of 9,491.25. Turnover on NSE's Futures and Options segment went down from Rs. 8,26,122.80 crore on Jun 27 to Rs. 7,83,852.04 crore on Jun 28.
- The Put-Call ratio stood at 0.84 compared with the previous session's close of 0.88.
- The Nifty Put-Call ratio stood at 1.01 compared with the previous session's close of 0.98.
- The open interest on Nifty Futures stood at 25.84 million as against previous session's close of 25.43 million.

Indian Debt Market

- Bond yields rose for the fourth straight day as rise in global bond yields dampened the demand for emerging market debt.
- Yield on the 10-year benchmark paper (6.79% GS 2027) increased 4 bps to close at 6.50% from the previous close 6.46%. During the session, bond yields traded in the range of 6.47% and 6.50%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 2,052 crore (gross) on Jun 28, down from Rs. 2,145 crore (gross) borrowing on Jun 27. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 18,342 crore on Jun 27.
- Banks borrowed Rs. 100 crore under the central bank's Marginal Standing Facility on Jun 27, compared with a Rs. 250 crore borrowing on Jun 23.

Currency Market Update

- The Indian rupee inched down against the greenback following losses in the domestic equity market. The rupee ended at 64.55 per dollar, down 0.04% compared with the previous close of 64.53.
- The euro inched up against the greenback on growing possibility that the European Central Bank (ECB) may start tightening its monetary stimulus program. Euro was trading at \$1.1339, up 0.02% compared with the previous close of \$1.1337.

Commodity Market Update

- Gold prices rose following weakness in the greenback after a U.S. Senate vote on a healthcare bill was pushed to next month
- Brent crude prices fell after report by the American Petroleum Institute showed that U.S. crude inventories rose by 851,000 barrels in the week to Jun 23.

International News

- According to the Conference Board, U.S. consumer confidence index surpassed market expectations and grew to 118.9 in Jun 2017 from a downwardly revised score of 117.6 in May 2017. The upside reflects improvement in consumers' assessment of current conditions with present situation index surging to 146.3 in Jun from 140.6 in May.
- Deputy governor of the Bank of England has stated that this is not the correct time to adjust interest rates. According to the deputy governor, the 2% inflation target is not a "comfortable place", and tracking the evolution of the inflation level would be necessary.
- Germany's import price inflation grew 4.1% on YoY basis in May 2017 slower than 6.1% in Apr 2017. Excluding energy, imports prices grew 3.0% on YoY basis. Import prices fell 1% on MoM basis in May.

Thank you for
your time.