

RELIANCE

MUTUAL
FUND

Markets for You

04 May 2018

Indices Performance

Global Indices	03-May	Prev_Day	Abs. Change	% Change [#]
Dow Jones	23,930	23,925	5	0.02
Nasdaq	7,088	7,101	-13	-0.18
FTSE	7,503	7,543	-41	-0.54
Nikkei	Closed	22,473	NA	NA
Hang Seng	30,313	30,724	-411	-1.34
Indian Indices	03-May	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	35,103	35,176	-73	-0.21
Nifty 50	10,680	10,718	-38	-0.36
Nifty 100	11,051	11,106	-55	-0.49
Nifty Bank	25,605	25,568	37	0.14
SGX Nifty	10,690	10,745	-55	-0.51
S&P BSE Power	2,209	2,214	-5	-0.21
S&P BSE Small Cap	18,036	18,190	-154	-0.84
S&P BSE HC	13,992	14,016	-24	-0.17

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
3-May	23.74	1.15	26.51	1.20
Month Ago	23.04	1.16	25.43	1.25
Year Ago	22.69	1.39	23.65	1.23

Nifty 50 Top 3 Gainers

Company	03-May	Prev_Day	% Change [#]
Sun Pharma	536	515	4.04
Bharti Infratel	325	314	3.55
NTPC	174	170	2.29

Nifty 50 Top 3 Losers

Company	03-May	Prev_Day	% Change [#]
HCL Tech	926	1001	-7.48
United Phos	708	733	-3.48
Aurobindo Pharma	619	633	-2.31

Advance Decline Ratio

	BSE	NSE
Advances	780	467
Declines	1900	1334
Unchanged	119	76

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-346	7584
MF Flows**	359	46112

*3rd May 2018; **2nd May 2018

Economic Indicator

YoY(%)	Current	Quarter Ago	Year Ago
CPI	4.28% (Mar-18)	5.21% (Dec-17)	3.89% (Mar-17)
IIP	7.10% (Feb-18)	8.50% (Nov-17)	0.80% (Feb-17)
GDP	7.20% (Dec-17)	6.50% (Sep-17)	6.80% (Dec-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 traded in mixed after the U.S. Fed in its monetary policy meeting decided to maintain status-quo as widely expected and trade tension between U.S. and China eased after a senior U.S. official arrived in China for trade talks. However, negative cues from overnight U.S. market and probable rate hike by Fed in Jun, limited the upside. Japanese market remained closed due to public holiday. Today (as of May 4), Asian markets opened lower. Investors focused on trade talks between U.S. and China and awaited some key economic data scheduled later in the day. Hang seng fell 0.87% (as at 8.a.m. IST). Nikkei remained closed.

• As per the last close, European markets ended lower following unexpected decline in Eurozone's inflation in Apr 2018, thereby leading to questions about ECB's plan to scale back its stimulus program. Weak performance on Wall Street further weighed on investor sentiment.

• As per the last close, U.S markets ended almost on a lower note due to trade and geopolitical concerns. Widened trade deficit with China in Mar 2018 and reports showing bigger than expected slowdown in service sector growth in Apr 2018 added to the losses.

Indian Equity Market

• Indian equity markets closed in the red. Global markets remained subdued due to expectation of increase in interest rates by U.S Federal Reserve in coming months. Further, reports that the U.S. is considering taking action to confine some Chinese companies' ability to sell telecoms equipment in U.S. weighed on the market sentiment. Additionally, market participants awaited the outcome of trade negotiations between U.S. and China.

• Decline in IT stocks after an IT major plunged on announcement of subdued guidance for organic revenue growth added to the losses. Meanwhile, decline in a pharma major after it received seven observations for its Bangalore facility led to further losses.

• Key benchmark indices S&P BSE Sensex and Nifty 50 fell 0.21% and 0.36% to close at 35,103.14 and 10,679.65, respectively. S&P BSE Mid-Cap and S&P BSE Small-Cap fell 1.16% and 0.84%.

• The overall market breadth on BSE was weak with 1,900 scrips declining and 780 scrips advancing. A total of 119 scrips remained unchanged.

Domestic News

• Additional risk management measures have been put in place by the Securities and Exchange Board of India (SEBI) for the derivatives segment. To be effective from Jun 1, 2018, these measures are related to margin collection requirement and computation of liquid net worth for the equity derivatives segment. As per the provisions with regards to client's margin collection requirement, the clearing members or trading members should include initial margin, exposure margin or extreme loss margin, calendar spread margin and mark to market settlements. Also, SEBI stated that client margins need to be collected mandatorily and be conveyed to the exchange or clearing corporation.

• The union cabinet has approved the continuation of the Pradhan Mantri Swasthya Suraksha Yojana (PMSSY) beyond 12th Five Year Plan to 2019-20. This comes as a major boost to the expansion of health care infrastructure in the country. The PMSSY, the central sector scheme with an outlay of Rs. 14,832 crore has the objective of making alterations to the disparities with regards to the availability of affordable tertiary health care facilities in different parts of the country. Also, particularly in under-served states, it aims at enhancing facilities for quality medical education.

• Vedanta posted consolidated profit of Rs. 4,802 crore for the quarter ended Mar 31, 2018, up 81% YoY from Rs. 2,647 crore in the previous year period. Consolidated revenue for the quarter grew 17% to Rs. 27,630 crore driven by higher volume from oil & gas, aluminium, domestic copper business and improved commodity prices.

• Honda Motorcycle and Scooter India's volumes reached 681,888 units in Apr 2018, up 18% YoY. With this the company crossed the milestone of monthly sales of 6 lakh units for the first time.

• Edelweiss Financial Services' consolidated net profit surged 46% YoY to Rs. 248.22 crore for the quarter ended Mar 2018. The significant increase in consolidated net profit was driven by higher income from fee and insurance premium as well as fund-based activities.

FII Derivative Trade Statistics		03-May	
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	2133.20	2458.21	13300.41
Index Options	83378.96	83471.77	61455.30
Stock Futures	9685.56	10162.43	80039.55
Stock Options	6223.34	6230.17	4774.72
Total	101421.06	102322.58	159569.98

Derivative Statistics- Nifty Options			
	03-May	Prev_Day	Change
Put Call Ratio (OI)	1.50	1.52	-0.02
Put Call Ratio(Vol)	0.98	1.11	-0.12

Debt Watch				
	03-May	Wk. Ago	Mth. Ago	Year Ago
Call Rate	5.91%	5.88%	5.93%	5.99%
CBLO	5.90%	5.94%	5.68%	6.06%
Repo	6.00%	6.00%	6.00%	6.25%
Reverse Repo	5.75%	5.75%	5.75%	6.00%
91 Day T-Bill	6.23%	6.19%	5.83%	6.23%
364 Day T-Bill	6.58%	6.51%	6.39%	6.42%
10 Year Gilt	7.73%	7.76%	7.33%	6.95%
G-Sec Vol. (Rs.Cr)	21113	31280	39408	29801
FBIL MIBOR	6.00%	6.00%	6.00%	6.25%
3 Month CP Rate	7.60%	7.35%	6.75%	6.75%
5 Year Corp Bond	8.44%	8.41%	8.01%	7.52%
1 Month CD Rate	6.64%	6.61%	6.34%	6.18%
3 Month CD Rate	7.12%	7.07%	6.54%	6.40%
1 Year CD Rate	7.84%	7.60%	7.13%	6.70%

Currency Market			
Currency	03-May	Prev_Day	Change
USD/INR	66.61	66.66	-0.05
GBP/INR	90.60	90.66	-0.06
EURO/INR	79.86	80.01	-0.15
JPY/INR	0.61	0.61	0.00

Commodity Prices				
Commodity	03-May	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	68.40	68.17	63.40	47.74
Brent Crude(\$/bl)	74.44	76.13	66.28	48.11
Gold(\$/oz)	1311	1317	1332	1238
Gold(Rs./10 gm)	30905	31289	30684	28563

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 May 2018 Futures were at 10,706.50 points, a premium of 26.85 points, above the spot closing of 10,679.65. The turnover on NSE's Futures and Options segment went up to Rs. 11,81,312.07 crore on May 3 from Rs. 6,80,406.73 crore on May 2.
- The Put-Call ratio stood at 0.97 against previous session's close of 0.94.
- The Nifty Put-Call ratio stood at 1.50 against the previous session's close of 1.52.
- Open interest on Nifty Futures stood at 24.56 million as against the previous session's close of 24.55 million.

Indian Debt Market

- Bond yields closed unchanged as market participants remained cautious ahead of weekly auction of government securities on Friday. Meanwhile, the U.S. Federal Reserve kept interest rates steady as per market expectation.
- Yield on the 10-year benchmark paper (7.17% GS 2028) remained unchanged at 7.73% from the previous close. During the session, bond yields traded in the range of 7.68% and 7.75%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 4,735 crore (gross) on May 03 compared with Rs. 3,800 crore on May 02. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 11,148 crore on May 02.
- Banks borrowed Rs. 850 crore under the central bank's Marginal Standing Facility on May 02 compared with Rs. 3,115 crore borrowing on May 01.

Currency Market Update

- The Indian rupee closed almost steady against the greenback as market participants remained on the sidelines ahead of key U.S. non-farm payroll data for Apr 2018. The rupee inched up 0.02% to close at 66.64 from the previous close of 66.66.
- The euro rose against the greenback after the U.S. Federal Reserve kept its monetary policy on hold. However, gains were capped after euro zone inflation in Apr 2018 came below market expectations. Euro rose 0.20% and was trading at \$1.1974, up from the previous close of 1.1950.

Commodity Market Update

- Gold prices continued with the upwards trend ahead of U.S. employment report for Apr 2018.
- Brent Crude prices fell after the American Petroleum Institute (API) data indicated that U.S. oil inventories rose by 3.4 million barrels for the week ending Apr 27.

International News

- The U.S. Federal Reserve (Fed) in its monetary policy meeting decided to maintain the target range for the federal funds rate to 1.50%-1.75%. However, with Fed's expectation of two more rate hikes in 2018 driven by underlying strength in the U.S. economy, a rate hike is again expected in Jun 2018. Also, Fed indicated that wages and prices are now growing at 2% a year.
- According to data from IHS Markit, U.K. service Purchasing Managers' Index (PMI) rose but less than expected to 52.8 in Apr 2018 from 51.7 in Mar 2018.
- According to data from European Commission, euro area is projected to grow at 2.3% in 2018 and 2% in 2019, same as projected earlier.

Thank you for
your time.