

RELIANCE

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Markets for You

07 May 2018

Indices Performance

Global Indices	04-May	Prev_Day	Abs. Change	% Change [#]
Dow Jones	24,263	23,930	332	1.39
Nasdaq	7,210	7,088	121	1.71
FTSE	7,567	7,503	64	0.86
Nikkei	Closed	Closed	NA	NA
Hang Seng	29,927	30,313	-387	-1.28
Indian Indices	04-May	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	34,915	35,103	-188	-0.53
Nifty 50	10,618	10,680	-61	-0.57
Nifty 100	10,987	11,051	-65	-0.58
Nifty Bank	25,645	25,605	40	0.16
SGX Nifty	10,646	10,690	-45	-0.42
S&P BSE Power	2,191	2,209	-18	-0.81
S&P BSE Small Cap	17,991	18,036	-45	-0.25
S&P BSE HC	13,845	13,992	-147	-1.05

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
4-May	23.50	1.16	26.36	1.21
Month Ago	22.78	1.18	25.14	1.27
Year Ago	22.83	1.38	23.77	1.23

Nifty 50 Top 3 Gainers

Company	04-May	Prev_Day	% Change [#]
Adani Ports & SEZ	408	397	2.83
GAIL	330	323	2.04
Tech Mahindra	663	653	1.49

Nifty 50 Top 3 Losers

Company	04-May	Prev_Day	% Change [#]
Sun Pharma	518	536	-3.37
Bajaj Auto	2889	2975	-2.91
ITC	277	285	-2.75

Advance Decline Ratio

	BSE	NSE
Advances	1075	697
Declines	1631	1101
Unchanged	119	86

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-90	7495
MF Flows**	359	46112

*4th 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 at subdued note as investors remained cautious of outcome of U.S. and China trade talks and upcoming U.S. employment data. Mixed cues from overnight U.S. market also weighed on the sentiments. However, downside was limited on improved crude oil prices. Today (As of May 07), Asian markets opened in red following concerns over U.S.-China trade talks and mixed U.S. jobs report for Apr 2018. Both Nikkei and Hang Seng fell 0.48% and 0.19%, respectively (as at 8.a.m. IST).
- As per the last close, European markets ended higher following decline in the U.S. unemployment rate to its lowest level in over seventeen years in Apr 2018. Strong quarterly earnings by few companies also added to gains.
- As per the last close, U.S markets ended higher after unemployment rate in the country fell to its lowest level in over seventeen years in Apr 2018 and increase in crude oil prices. Media reports that a billionaire investor bought 75 million shares of a tech giant added to the gains.

Indian Equity Market

- Indian equity markets closed on a lower note. Weak global cues contributed to the losses as investors remained focused on the U.S. China trade talks and remained cautious ahead of the release of U.S. jobs report for Apr 2018. Karnataka state elections scheduled to be held on May 12 also kept investors apprehensive. Decline in IT and pharma stocks added to the worries. However, increase of Nikkei Services Purchasing Managers' Index data to a three-month high in Apr 2018 capped the losses.
- Key benchmark indices S&P BSE Sensex and Nifty 50 fell 0.53% and 0.57% to close at 34,915.38 and 10,618.25, respectively. S&P BSE Mid-Cap and S&P BSE Small-Cap fell 0.35% and 0.25%.
- The overall market breadth on BSE was weak with 1,631 scrips declining and 1,075 scrips advancing. A total of 119 scrips remained unchanged.
- On the BSE sectoral front, S&P BSE Telecom was the major loser, down 1.24%, followed by S&P BSE Auto that fell 1.10%. S&P BSE Metal and S&P BSE Healthcare fell 1.05% each. S&P BSE FMCG and S&P BSE Power fell 0.83% and 0.81%, respectively. S&P BSE Consumer Durables was the only gainer, up 1.19%.

Domestic News

- Goods and Services tax (GST) council in its meeting on May 4 agreed to the proposal to convert the GST Network into a government-owned entity. The finance minister stated that the government will acquire the 50% stake in GST-Network and the states will hold the balance 50% on a collective basis. The finance minister also stated that a single monthly return filing system would come into effect in six months. However, the council currently deferred the decision on imposing cess on sugar.
- The Nikkei Services Purchasing Managers' Index (PMI), stood at 51.4 in Apr against 50.3 in Mar. This is the second consecutive month of rise. Rise in business activity at a faster pace, supported by new order growth helped the service sector to move up. Additionally, Nikkei India Composite PMI Output Index rose from 50.8 to a three-month high of 51.9 in Apr.
- Data from RBI showed that India's foreign exchange reserves fell for second consecutive week to \$420.37 billion as on Apr 27 from \$423.58 billion in the previous week. The decline reflects fall in foreign currency assets that fell by \$3.21 billion to \$395.28 billion. Meanwhile, gold reserves surged by \$26.6 million to \$21.51 billion.
- Philips Carbon Black, which according to media reports is India's largest carbon black producer, has decided to increase its existing capacity by 49% from the current 0.47 million tonnes (mt) to 0.70 mt in the next two years.
- According to media reports, Flipkart Online Services Pvt. Ltd. has approved an agreement to sell about 75% of the company to a Walmart Inc.-led group for approximately \$15 billion.
- According to media reports, Godrej Properties reported over two-fold jump in its quarterly consolidated net profit, YoY. In Q4 F18, its net profit stood at Rs. 1.41 billion compared with Rs. 625.9 million in Q4 FY17, on account of higher sales.
- Power Grid Corporation of India has entered into an agreement with the ministry of power to incur capital expenditure of Rs. 25,000 crore for the current fiscal.

FII Derivative Trade Statistics		04-May	
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	2147.56	1569.21	13558.81
Index Options	87035.87	85180.24	59754.84
Stock Futures	9462.30	9388.06	80403.63
Stock Options	6241.85	6034.78	5695.98
Total	104887.58	102172.29	159413.26

Derivative Statistics- Nifty Options			
	04-May	Prev_Day	Change
Put Call Ratio (OI)	1.49	1.50	-0.02
Put Call Ratio(Vol)	0.98	0.98	-0.01

Debt Watch				
	04-May	Wk. Ago	Mth. Ago	Year Ago
Call Rate	5.92%	6.02%	5.90%	5.98%
CBLO	5.93%	5.53%	5.68%	6.04%
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%	6.11%	6.23%
364 Day T-Bill	6.60%	6.45%	6.46%	6.39%
10 Year Gilt	7.73%	7.77%	7.29%	6.97%
G-Sec Vol. (Rs.Cr)	14125	23708	64712	29404
FBIL MIBOR	6.00%	6.00%	6.00%	6.25%
3 Month CP Rate	7.65%	7.40%	6.80%	6.75%
5 Year Corp Bond	8.46%	8.44%	8.00%	7.51%
1 Month CD Rate	6.62%	6.69%	6.26%	6.21%
3 Month CD Rate	7.17%	7.07%	6.67%	6.42%
1 Year CD Rate	7.84%	7.71%	7.20%	6.71%

Currency Market			
Currency	04-May	Prev_Day	Change
USD/INR	66.77	66.61	0.16
GBP/INR	90.58	90.60	-0.02
EURO/INR	79.97	79.86	0.11
JPY/INR	0.61	0.61	0.00

Commodity Prices				
Commodity	04-May	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	69.66	68.06	63.34	45.50
Brent Crude(\$/bl)	75.74	76.07	64.68	46.82
Gold(\$/oz)	1315	1322	1333	1227
Gold(Rs./10 gm)	31003	31190	30844	28184

Source: Thomson Reuters Eikon

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Derivatives Market

- Nifty May 2018 Futures were at 10658.75 points, a premium of 40.50 points, above the spot closing of 10,618.25. The turnover on NSE's Futures and Options segment went down to Rs. 3,67,606.45 crore on May 4 from Rs. 11,81,312.07 crore on May 3.
- The Put-Call ratio stood at 0.92 against previous session's close of 0.97.
- The Nifty Put-Call ratio stood at 1.49 against the previous session's close of 1.50.
- Open interest on Nifty Futures stood at 24.49 million as against the previous session's close of 24.56 million.

Indian Debt Market

- Bond yields stood unchanged as investors preferred to remain on sidelines ahead of U.S. employment data for Apr 2018 that is due after market hours on May 4.
- 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 7.72% and 7.76%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 4,810 crore (gross) on May 04 compared with Rs. 4,735 crore on May 03. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 11,122 crore on May 03.
- Banks borrowed Rs. 160 crore under the central bank's Marginal Standing Facility on May 03 compared with Rs. 850 crore borrowing on May 02.

Currency Market Update

- The Indian rupee weakened against the U.S. dollar due to continuous demand for greenback from oil importers. Investors also remained cautious ahead of the U.S. non-farm payroll data for Apr 2018. The rupee fell 0.33% to close at 66.86 per dollar from the previous close of 66.64.
- Euro fell against the U.S. dollar despite disappointing U.S. non-farm payroll data for Apr 2018. Euro was trading at \$1.1926 compared with the previous close of \$1.1987.

Commodity Market Update

- Gold prices traded lower following mixed reaction on the U.S. jobs report for Apr 2018.
- Brent Crude prices traded higher amid growing speculation over re-imposition of U.S. sanctions on Iran.

International News

- According to the U.S. Labor Department, non-farm payroll employment rose less than expected by 164,000 jobs in Apr 2018 after rising by an upwardly revised 135,000 jobs in Mar 2018. The job growth was due to employment increases in the professional and business services, manufacturing, healthcare, and mining sectors. However, the unemployment rate fell to 3.9% in Apr after staying steady at 4.1% for the preceding six consecutive months.
- According to the Commerce Department, U.S. factory orders grew more than expected by 1.6% in Mar 2018 same as upwardly revised data for Feb 2018.
- According to a report by Institute for Supply Management, U.S., non-manufacturing index fell more than expected to 56.8 in Apr 2018 from 58.8 in Mar 2018.



Thank you for
your time.