

RELIANCE

MUTUAL
FUND

Markets for You

08 May 2018

Indices Performance

Global Indices	07-May	Prev_Day	Abs. Change	% Change [#]
Dow Jones	24,357	24,263	95	0.39
Nasdaq	7,265	7,210	56	0.77
FTSE	Closed	7,567	NA	NA
Nikkei	22,467	Closed	NA	NA
Hang Seng	29,994	29,927	68	0.23
Indian Indices	07-May	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	35,208	34,915	293	0.84
Nifty 50	10,716	10,618	97	0.92
Nifty 100	11,085	10,987	99	0.90
Nifty Bank	25,852	25,645	207	0.81
SGX Nifty	10,738	10,685	53	0.49
S&P BSE Power	2,202	2,191	11	0.50
S&P BSE Small Cap	18,092	17,991	100	0.56
S&P BSE HC	13,771	13,845	-73	-0.53

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
7-May	23.46	1.15	26.60	1.20
Month Ago	23.24	1.15	25.65	1.24
Year Ago	22.58	1.39	23.59	1.24

Nifty 50 Top 3 Gainers

Company	07-May	Prev_Day	% Change [#]
GAIL	344	330	4.26
M&M	886	854	3.66
Axis Bank	536	520	3.04

Nifty 50 Top 3 Losers

Company	07-May	Prev_Day	% Change [#]
Lupin	774	796	-2.73
Dr.Reddy	2070	2107	-1.76
TCS	3421	3481	-1.72

Advance Decline Ratio

	BSE	NSE
Advances	1405	970
Declines	1272	834
Unchanged	164	86

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-1579	5916
MF Flows**	294	46287

*7th May 2018; **4th 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 following lower-than-expected U.S. non-farm payroll data. Optimism over U.S.-China trade talk, strong crude oil prices and positive cues from U.S. market over the weekend also helped sentiments. However, setback has witnessed on U.S.'s pending decision to re-impose sanctions on Iran. Today (As of May 08), Asian markets opened in green following gains in the U.S. Wall Street. Both Nikkei and Hang Seng rose 0.31% and 0.92%, respectively (as at 8.a.m. IST).
- As per the last close, European markets ended higher following strong corporate earnings from few companies and deal between two major coffee companies. Rise in crude oil prices and gains in the U.S. Wall Street further added to the positive sentiments.
- As per the last close, U.S markets ended higher as it continued to benefit from decline in the U.S. unemployment rate in Apr 2018 and increase in crude oil prices. However, gains were capped after reports that the U.S. President will announce his decision on the Iran deal on May 8.

Indian Equity Market

- Positive cues from global peers helped Indian equity markets to close in the green. Weaker than expected U.S. jobs data for Apr 2018 eased fears of faster rate hikes by the U.S. Federal Reserve, thereby helping global markets. Announcement of purchase of government bonds worth up to Rs. 10,000 crore on May 17, 2018 added to the gains.
- Key benchmark indices S&P BSE Sensex and Nifty 50 grew 0.84% and 0.92% to close at 35,208.14 and 10,715.50, respectively. S&P BSE Mid-Cap and S&P BSE Small-Cap grew 0.55% and 0.56%.
- On the BSE sectoral front, S&P BSE Metal was the major gainer, up 1.68%, followed by S&P BSE Oil & Gas that grew 1.64%. S&P BSE Realty and S&P BSE Energy grew 1.51% and 1.47%, respectively. S&P BSE Healthcare and S&P BSE Information Technology fell 0.53% and 0.01%, respectively.
- Among the 31-stock sensitive Sensex pack, Mahindra & Mahindra was the major gainer, up 3.68%, followed by Axis Bank and Tata Steel that grew 2.82% and 2.52%, respectively. ICICI Bank grew 2.30% and State Bank of India and Reliance grew 1.88% each.

Domestic News

- According to the media reports, the Reserve Bank of India (RBI) would soon exempt banks from valuing their government bond investments that are a part of the regulatory required Liquidity Coverage Ratio (LCR) at the market value. This would likely give banks more flexibility in accounting their losses in government securities and help them to save hundreds of crores in provisions and finally boosting their profits.
- Labour ministry is planning to run and administer its flagship provident fund and medical insurance in a public-private-partnership mode. These schemes are currently run by the Employees Provident Fund Organisation and the Employee State Insurance Corporation. The ministry expects that private intermediaries would be needed as the schemes have increased from its current coverage by 10 times to around 50 crore workers. The proposed intermediate agencies will work on behalf of the state social security boards and would work in areas of fund management, point of presence, service delivery, and benefit disbursement.
- According to the Asian Development Bank (ADB), if India's projected GDP growth remains stable over 7%, then the size of the economy can double within a decade. It has further mentioned that the country will remain as the fastest growing Asian nation with 7.3% growth in 2018-19, and 7.6% in 2019-20 and the economy should put more focus on increasing domestic demand by reducing the income inequality.
- Cognizant posted fall in net profit by 6.64% to \$520 million in the quarter ended Mar 2018 as per GAAP standards as against \$557 million profit recorded in Mar 2017. The company's revenue grew 10.3% YoY to \$3.91 billion as against \$3.55 billion in the same quarter last year. The company projects revenue to be in the range of \$4 billion to \$4.04 billion in the second quarter of 2018.
- Nestle has announced to pay \$7.15 billion to Starbucks Corp. in order to sell its products in retail and food-service channels. Both the companies are joining hands to revive their coffee empires.

FII Derivative Trade Statistics 07-May

(Rs Cr)	Buy	Sell	Open Int.
Index Futures	1510.09	2003.10	14050.38
Index Options	41059.22	39942.85	61422.43
Stock Futures	8655.97	8911.25	80893.70
Stock Options	5107.03	5062.17	6064.23
Total	56332.31	55919.37	162430.74

Derivative Statistics- Nifty Options

	07-May	Prev_Day	Change
Put Call Ratio (OI)	1.56	1.49	0.07
Put Call Ratio(Vol)	0.98	0.98	0.00

Debt Watch

	07-May	Wk. Ago	Mth. Ago	Year Ago
Call Rate	5.94%	6.02%	5.89%	6.02%
CBLO	6.00%	5.53%	5.79%	6.07%
Repo	6.00%	6.00%	6.00%	6.25%
Reverse Repo	5.75%	5.75%	5.75%	6.00%
91 Day T-Bill	6.22%	6.19%	6.08%	6.23%
364 Day T-Bill	6.48%	6.45%	6.45%	6.43%
10 Year Gilt	7.62%	7.77%	7.17%	6.94%
G-Sec Vol. (Rs.Cr)	25757	23708	55428	39811
FBIL MIBOR	6.00%	6.00%	6.00%	6.24%
3 Month CP Rate	7.70%	7.40%	6.85%	6.76%
5 Year Corp Bond	8.42%	8.45%	7.89%	7.51%
1 Month CD Rate	6.65%	6.69%	6.11%	6.21%
3 Month CD Rate	7.16%	7.07%	6.66%	6.42%
1 Year CD Rate	7.76%	7.71%	7.12%	6.71%

Currency Market

Currency	07-May	Prev_Day	Change
USD/INR	67.11	66.77	0.34
GBP/INR	90.85	90.58	0.26
EURO/INR	80.12	79.97	0.15
JPY/INR	0.61	0.61	0.00

Commodity Prices

Commodity	07-May	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	70.69	68.51	62.02	46.18
Brent Crude(\$/bl)	Closed	76.66	65.70	46.69
Gold(\$/oz)	1314	1315	1333	1228
Gold(Rs./10 gm)	31191	31033	30396	28227

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 10739.85 points, a premium of 24.35 points, above the spot closing of 10,715.50. The turnover on NSE's Futures and Options segment went up to Rs. 3,69,960.32 crore on May 5 from Rs. 3,67,606.45 crore on May 4.
- The Put-Call ratio stood at 0.99 against previous session's close of 0.92.
- The Nifty Put-Call ratio stood at 1.56 against the previous session's close of 1.49.
- Open interest on Nifty Futures stood at 24.74 million as against the previous session's close of 24.49 million.

Indian Debt Market

- Bond yields fell following surprise announcement by the government to conduct an open market purchase of bonds for an aggregate amount of Rs. 100 billion on May 17. However, significant fall in Indian rupee capped the gains.
- Yield on the 10-year benchmark paper (7.17% GS 2028) fell 11 bps to close at 7.62% from the previous close of 7.73%. During the session, bond yields traded in the range of 7.55% and 7.65%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 14,502 crore (gross) on May 07 compared with Rs. 4,810 crore on May 04. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 5,366 crore on May 04.
- Banks borrowed Rs. 430 crore under the central bank's Marginal Standing Facility on May 04 compared with Rs. 160 crore borrowed on May 03.

Currency Market Update

- The Indian rupee weakened against the U.S. dollar as market sentiment dampened following increase in global crude oil prices. Greenback demand from corporates also hurt the domestic currency. However, dollar sales by the central bank restricted further losses.
- Euro fell against the U.S. dollar as market participants perceived that the U.S. Federal Reserve would aggressively increase interest rates in 2018.

Commodity Market Update

- Gold prices inched down as the U.S. dollar gained strength against the euro.
- Brent crude prices traded at elevated levels on concerns of re-imposition of U.S. sanctions on Iran, which may disrupt oil supply from the Middle-East region.

International News

- According to data from Destatis, Germany factory orders fell 0.9% MoM in Mar 2018 as against 0.2% fall in Feb 2018. The fall in factory orders came due to weak foreign demand. However, on a yearly basis, factory orders rose 3.1% against 3% rise in Feb 2018.
- According to data from IHS Markit, Germany's construction Purchasing Managers' Index rose to 50.9 in Apr 2018 from 47.0 in Mar 2018. The month reading of Apr recovered from previous month that witnessed disruption to building work due to severe weather conditions.
- According to data from Sentix, eurozone's investor sentiment index unexpectedly decreased for the fourth consecutive month to 19.2 in May 2018 from 19.6 in Apr 2018. Similarly, the current situation index marginally fell to 42.8 in Apr from 43.0 in May.



Thank you for
your time.