

RELIANCE

MUTUAL
FUND

Markets for You

14 May 2018

Indices Performance

Global Indices	11-May	Prev_Day	Abs. Change	% Change [#]
Dow Jones	24,831	24,740	92	0.37
Nasdaq	7,403	7,405	-2	-0.03
FTSE	7,725	7,701	24	0.31
Nikkei	22,758	22,497	261	1.16
Hang Seng	31,122	30,809	313	1.02
Indian Indices	11-May	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	35,536	35,246	290	0.82
Nifty 50	10,807	10,717	90	0.84
Nifty 100	11,132	11,053	79	0.72
Nifty Bank	26,413	26,131	282	1.08
SGX Nifty	10,827	10,745	82	0.76
S&P BSE Power	2,151	2,159	-8	-0.39
S&P BSE Small Cap	17,818	17,840	-21	-0.12
S&P BSE HC	13,370	13,474	-105	-0.78

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
11-May	23.62	1.14	26.82	1.19
Month Ago	23.37	1.15	25.86	1.23
Year Ago	23.08	1.32	23.93	1.22

Nifty 50 Top 3 Gainers

Company	11-May	Prev_Day	% Change [#]
Asian Paints	1286	1218	5.65
HPCL	319	308	3.52
Aurobindo Pharma	611	594	2.87

Nifty 50 Top 3 Losers

Company	11-May	Prev_Day	% Change [#]
Bharti Airtel	387	412	-6.19
Sun Pharma	472	497	-5.06
Ambuja Cem	217	220	-1.32

Advance Decline Ratio

	BSE	NSE
Advances	1108	709
Declines	1555	1083
Unchanged	142	71

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-171	4816
MF Flows**	660	49757

*11th May 2018; **10th May 2018

Economic Indicator

YoY(%)	Current	Quarter Ago	Year Ago
CPI	4.28%	5.21%	3.89%
	(Mar-18)	(Dec-17)	(Mar-17)
IIP	4.40%	7.10%	4.10%
	(Mar-18)	(Dec-17)	(Mar-17)
GDP	7.20%	6.50%	6.80%
	(Dec-17)	(Sep-17)	(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 largely remained positive, barring Chinese markets. The tepid U.S. inflation data eased worries regarding faster pace of interest rate hike by U.S. Fed. Easing geopolitical concerns further contributed to the upside after U.S. President said that he was optimistic of making meaningful endeavour to curtail North Korea's nuclear ambitions at an upcoming summit in Singapore on June 12. Today (as of May 14), Asian markets opened on a mixed note following similar movement on the Wall Street overnight. Hang Seng and Nikkei grew 1.12% and 0.08% (as at 8.a.m. IST), respectively.
- As per the last close, European markets witnessed a mixed performance amid fall in U.S. dollar index from its 2018 peak and fall in global crude oil prices from recent highs.
- As per the last close, U.S markets ended on a mixed note. Market opened on a positive note mirroring the momentum seen in the previous two session but gain erased as market participants seemed cautious about continuous rise in stock prices.

Indian Equity Market

- Positive cues from Asian peers drove the gains for the Indian equity markets. Slightly less than expected U.S. inflation data for Apr 2018 lowered the pressure of rate hike at a faster pace by the U.S. Federal Reserve, thereby leading to gains in Asian markets. However, investors remained cautious ahead of key inflation data due next week and Karnataka election results on May 12, thereby capping the gains.
- Key benchmark indices, S&P BSE Sensex and Nifty 50 grew 0.82% and 0.84% to close at 35,535.79 and 10,806.50, respectively. S&P BSE Mid-Cap grew 0.40% and S&P BSE Small-Cap fell 0.12%.
- The overall market breadth on BSE was weak with 1,555 scrips declining and 1,108 scrips advancing. A total of 142 scrips remained unchanged.
- On the BSE sectoral front, S&P BSE Telecom was the major loser, down 4.25%, followed by S&P BSE Consumer Durables that fell 1.19%. S&P BSE Healthcare and S&P BSE Realty fell 0.78% and 0.60%, respectively. S&P BSE Metal was the major gainer, up 1.56% followed by S&P BSE Bankex that grew 1.13%. S&P BSE Oil & Gas and S&P BSE Capital Goods grew 1.07% and 1.00%, respectively.

Domestic News

- India's Index of Industrial Production (IIP), marked a five-month low, grew 4.4% in Mar 2018 as against downwardly revised growth of 7.0% (7.1% originally reported) in Feb 2018. It remained unchanged YoY. The manufacturing sector surged 4.4% in Mar from 3.3% growth YoY. However, IIP growth for the Apr 2017-Mar 2018 period slowed to 4.3% from 4.6% in the same period of the previous fiscal.
- According to media reports, government has revised the ordinance for making changes to the Insolvency and Bankruptcy Code (IBC). The revised note is expected to restrict the wide exemption that was proposed earlier for micro, small and medium enterprises (MSMEs) under the provisions of Section 29A, that disqualifies certain persons from bidding for an insolvent company. It shall now allow promoters who were earlier disqualified to submit resolution plan and participate in the bidding. However, along with certain other criteria, keeping the essence of the ordinance intact, the promoters should be released from imprisonment six years before the date of submission of a resolution plan.
- According to the CEO of National Housing Bank (NHB), easy access to institutional financing, and higher limit on external commercial borrowings (ECB) will attract more investments and sustainable growth in affordable housing section in India. Also, the foreign direct investment (FDI) and foreign institutional investors (FIIs) will play a key role in boosting supply of houses and infra projects in urban areas.
- Tata Motors reported growth in global sales by 38.81% to 1,02,297 units in Apr 2018 as against 73,691 units in Apr 2017. The increase came as the company's commercial vehicle sales doubled in Apr 2018 from an year ago.
- Nestle India announced rise in profit by 36% to Rs. 424.03 crore in the quarter ended Mar 2018 from Rs. 311.83 crore profit recorded in Mar 2017. Company's revenue from operations rose to Rs. 2,757.24 crore from Rs. 2,601.46 crore in quarter ended Mar 2017.

FII Derivative Trade Statistics	11-May		
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	1561.03	1450.50	15446.22
Index Options	71988.18	68875.18	66453.08
Stock Futures	8560.05	8877.84	82791.02
Stock Options	5615.12	5653.94	8254.54
Total	87724.38	84857.46	172944.86

Derivative Statistics- Nifty Options	11-May	Prev_Day	Change
Put Call Ratio (OI)	1.66	1.57	0.09
Put Call Ratio(Vol)	1.24	1.05	0.19

Debt Watch	11-May	Wk. Ago	Mth. Ago	Year Ago
Call Rate	5.92%	5.92%	5.87%	6.02%
CBLO	5.36%	5.93%	5.86%	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	6.25%	6.23%	6.07%	6.27%
364 Day T-Bill	6.66%	6.60%	6.41%	6.46%
10 Year Gilt	7.73%	7.73%	7.54%	6.94%
G-Sec Vol. (Rs.Cr)	19290	14125	43870	26424
FBIL MIBOR	6.03%	6.00%	6.00%	6.25%
3 Month CP Rate	7.95%	7.65%	6.90%	6.78%
5 Year Corp Bond	8.51%	8.45%	8.17%	7.50%
1 Month CD Rate	6.64%	6.62%	6.40%	6.23%
3 Month CD Rate	7.45%	7.17%	6.69%	6.43%
1 Year CD Rate	7.94%	7.84%	7.33%	6.75%

Currency Market	11-May	Prev_Day	Change
USD/INR	67.22	67.38	-0.16
GBP/INR	90.88	91.39	-0.51
EURO/INR	80.09	79.89	0.20
JPY/INR	0.61	0.61	0.00

Commodity Prices	11-May	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	70.64	69.66	66.76	47.76
Brent Crude(\$/bl)	78.36	75.74	72.90	48.39
Gold(\$/oz)	1318	1315	1353	1224
Gold(Rs./10 gm)	31379	31003	31023	27970

Source: Thomson Reuters Eikon

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Derivatives Market

- Nifty May 2018 Futures were at 10820.10 points, a premium of 13.60 points, above the spot closing of 10,806.50. The turnover on NSE's Futures and Options segment went down to Rs. 3,87,111.61 crore on May 11 from Rs. 11,46,073.95 crore on May 10.
- The Put-Call ratio stood at 0.89 against previous session's close of 1.09.
- The Nifty Put-Call ratio stood at 1.66 against the previous session's close of 1.57.
- India VIX moved down 2.65% to 14.0425 from 14.4550 in the previous trading session.
- Open interest on Nifty Futures stood at 26.13 million as against the previous session's close of 25.07 million.

Indian Debt Market

- Bond yields rose following lack of demand in auction for the third consecutive week leading to devolvement of short-tenure bonds.
- Yield on the 10-year benchmark paper (7.17% GS 2028) increased 1 bps to close at 7.73% from the previous close of 7.72%. During the session, bond yields traded in the range of 7.70% and 7.76%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 7,231 crore (gross) on May 11 compared with Rs. 5,608 crore on May 10. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 11,780 crore on May 10.
- Banks did not borrow under the central bank's Marginal Standing Facility on May 9 and May 10.
- RBI conducted the auction of 14-day variable rate repo auction for a notified amount of Rs. 22,500 crore for which Rs. 10,112 crore was accepted at a cut-off rate of 6.01%.

Currency Market Update

- The Indian rupee changed little against the U.S. dollar as initial rise was neutralized due to greenback purchases by several state-run banks, likely on behalf of importer clients. Rupee fell 0.03% to close at 67.33 per dollar from the previous close of 67.31 at previous close.
- Euro rose against the U.S. dollar for the second consecutive day as market participants booked profits on greenback after its recent rise. Euro was trading at \$1.1938 compared with its previous close of \$1.1913.

Commodity Market Update

- Gold prices gained following concerns of the U.S. Federal Reserve's rate hike decision after the U.S. CPI data for Apr came lower-than-expected.
- Brent Crude prices remained at elevated level on concerns over global oil supplies following U.S. sanctions on Iran.

International News

- A report from the Labor Department showed that U.S. consumer price index grew 0.2% in Apr 2018 as against a decline of 0.1% in Mar 2018. The slight rise in consumer prices was partly due to surge in energy prices that grew 1.4% in Apr as against a decline of 2.8% in Mar. Core consumer prices (excluding food and energy prices) edged up 0.1% in Apr as against a gain of 0.2% in Mar.
- A report from the People's Bank of China showed that the bank lent CNY 1.18 trillion loans in Apr 2018 as against CNY 1.12 trillion in Mar 2018. Aggregate financing came in at CNY 1.56 trillion. M2 grew 8.3%, lower than market expectation of growth of 8.5%.

Thank you for
your time.