

RELIANCE

MUTUAL
FUND

Markets for You

22 May 2017

Indices Performance

Global Indices	19-May	Prev_Day	Abs. Change	% Change [#]
Dow Jones	20,805	20,663	142	0.69
Nasdaq	6,084	6,055	29	0.47
FTSE	7,471	7,436	34	0.46
Nikkei	19,591	19,554	37	0.19
Hang Seng	25,175	25,137	38	0.15
Indian Indices	19-May	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	30,465	30,435	30	0.10
Nifty 50	9,428	9,429	-2	-0.02
Nifty 100	9,747	9,757	-10	-0.11
Nifty Bank	22,770	22,699	71	0.31
SGX Nifty	9,462	9,441	21	0.22
S&P BSE Power	2,294	2,289	4	0.18
S&P BSE Small Cap	15,227	15,362	-134	-0.88
S&P BSE HC	14,858	14,905	-47	-0.31

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
19-May	21.99	1.33	24.91	1.22
Month Ago	22.36	1.39	23.08	1.26
Year Ago	18.58	1.53	21.33	1.38

Nifty 50 Top 3 Gainers

Company	19-May	Prev_Day	% Change [#]
ITC	286	278	2.99
Yes Bank	1430	1401	2.07
Axis Bank	502	492	1.97

Nifty 50 Top 3 Losers

Company	19-May	Prev_Day	% Change [#]
Asian Paints	1123	1151	-2.45
BPCL	702	715	-1.74
Hindalco	191	194	-1.55

Advance Decline Ratio

	BSE	NSE
Advances	911	545
Declines	1834	1144
Unchanged	166	72

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	360	46184
MF Flows**	230	25300

*19th May 2017; **15th May 2017

Economic Indicator

YoY(%)	Current	Quarter Ago	Year Ago
WPI	3.85% (Apr-17)	4.26% (Jan-17)	-1.09% (Apr-16)
IIP	2.70% (Mar-17)	2.60% (Dec-16)	5.50% (Mar-16)
GDP	7.00% (Dec-16)	7.40% (Sep-16)	6.90% (Dec -15)

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 rose as encouraging U.S. data helped investors shrug off concerns over deepening political turmoil in the U.S. While, a report showed that its index of leading U.S. economic indicators rose in line with market estimates in Apr 2017, data from the Labor Department showed an unexpected drop in first-time claims for U.S. unemployment benefits in the week ended May 13. Today (As on May 22), Asian market opened following continued strength in Wall Street. Both Nikkei Average and Hang Seng were trading up 0.25% and 0.62%, respectively (as at 8.00 a.m IST).
- As per the last close, European market closed higher following increase in global crude oil prices and approval of reform package by Greece's law makers. Also, U.S. President's first step toward renegotiating the North American Free Trade Agreement helped to ease concerns over the President's ability to deliver on his economic agenda.
- As per the last close, U.S. market closed higher as investors preferred to buy stocks which were at relatively low levels after substantial weakness that was seen for some period of time. Increase in crude oil prices also boosted market sentiments.

Indian Equity Market

- Indian equity markets closed marginally higher, amid volatility, as the two-day Goods and Services Tax (GST) Council meeting concluded, declaring the rates for a range of goods and services. As per the government's decision, rates for over 1,200 items, including products such as soaps, toothpaste, and hair oil, were reduced to 18%, from the earlier range of 22% to 24%. Taxes for most services were fixed at 18%.
- Key benchmark indices S&P BSE Sensex gained 0.10%, while Nifty 50 lost 0.02% to close at 30,464.92 and 9,427.90, respectively. S&P BSE MidCap and S&P BSE SmallCap lost 0.72% and 0.88%, respectively.
- On the BSE sectoral front, most indices closed in the red. The top loser was S&P BSE Consumer Durables, down 1.04%, while some of the other losers included S&P BSE Consumer Discretionary Goods & Services (-0.94%), S&P BSE Oil & Gas (-0.80%), S&P BSE IT (-0.70%), S&P BSE Energy (-0.65%), S&P BSE Basic Materials and S&P BSE Auto (both down 0.59%). Auto sector went down on reports that vehicles could turn more expensive. Cars could fall in the 28% bracket post GST implementation, exclusive of cess. Highest gainers of the session were S&P BSE FMCG (1.86%), S&P BSE Bankex (0.39%), Telecom (0.28%), S&P BSE Power (0.18%), and S&P BSE Realty (0.10%).

Domestic News

- The finance minister announced that the Goods and Services Tax (GST) Council has finalised on four tax brackets for services that range from 5% to 28% (5%, 12%, 18%, 28%). However, the minister stated that the council is yet to decide tax bracket for gold. Transport services (Railways, air) will come under the 5% category. Hotels and lodges with tariff below Rs. 1,000 will be exempt while those with Rs. 2,500-5,000 will come under the bracket of 18%. Luxury hotels will be levied at a rate of 28%. Tax rate for telecom and financial services is set at 18%.
- The Government of India announced that owing to the intense and bold policy reforms, inflow of foreign direct investment in India has surged 9% to a record level of \$43.48 billion in 2016-2017 as against \$40 billion investments in 2015-2016.
- According to a survey carried out by the Labour Bureau, covering eight key sectors of the non-farm economy, indicated that jobs increased by just 1.1% last year in India. Job growth is tracked by a quarterly survey of over 10,000 units, while unemployment is recorded in an annual survey of 7.8 lakh people and the quarterly survey started in Apr 2016.
- State Bank of India posted net profit of Rs. 2,814.82 crore for the quarter ended Mar 2017, up 123% YoY from Rs. 1,263.81 crore in the prior year quarter. Interest earned grew to Rs. 47,393 crore compared with Rs. 42,942 crore in the previous year period.
- Tata Power posted a consolidated net loss of Rs. 247 crore for the quarter ended Mar 2017, as against profit of Rs. 83 crore. The loss includes a charge related to a write-off of a major part of the company's investments in the equity shares of Tata Teleservices Ltd, in which Tata Power holds an interest. Excluding this charge, the company posted an adjusted profit of Rs. 389 crore.

FII Derivative Trade Statistics		19-May		
(Rs Cr)	Buy	Sell	Open Int.	
Index Futures	2234.13	2374.79	18783.91	
Index Options	49421.02	46735.94	72579.57	
Stock Futures	8948.44	10072.21	72787.28	
Stock Options	9831.44	10001.90	7769.43	
Total	70435.03	69184.84	171920.19	

Derivative Statistics- Nifty Options			
	19-May	Prev_Day	Change
Put Call Ratio (OI)	1.21	1.26	-0.05
Put Call Ratio(Vol)	1.22	1.37	-0.15

Debt Watch				
	19-May	Wk. Ago	Mth. Ago	Year Ago
Call Rate	6.06%	6.11%	5.97%	6.53%
CBLO	6.05%	5.64%	6.08%	6.50%
Repo	6.25%	6.25%	6.25%	6.50%
Reverse Repo	6.00%	6.00%	6.00%	6.00%
91 Day T-Bill	6.23%	6.28%	6.06%	6.81%
364 Day T-Bill	6.47%	6.47%	6.15%	6.93%
10 Year Gilt	6.85%	6.91%	6.85%	7.47%
G-Sec Vol. (Rs.Cr)	42883	54208	34681	37991
1 Month CP Rate	6.54%	6.59%	6.50%	7.76%
3 Month CP Rate	6.75%	6.81%	6.73%	8.01%
5 Year Corp Bond	7.45%	7.47%	7.44%	8.09%
1 Month CD Rate	6.30%	6.23%	6.12%	7.03%
3 Month CD Rate	6.43%	6.42%	6.37%	7.26%
1 Year CD Rate	6.84%	6.78%	6.68%	7.48%

Currency Market			
Currency	19-May	Prev_Day	Change
USD/INR	64.99	64.34	0.65
GBP/INR	84.18	83.31	0.88
EURO/INR	72.30	71.62	0.67
JPY/INR	0.58	0.58	0.01

Commodity Prices				
Commodity	19-May	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	50.27	47.78	50.44	48.11
Brent Crude(\$/bl)	52.42	48.29	51.67	47.20
Gold(\$/oz)	1255	1228	1279	1254
Gold(Rs./10 gm)	28659	28066	29322	29667

Source: ICRON Research

Disclaimer:

The information herein is meant only for general reading purposes and contains all factual and statistical information pertaining to Industry and markets which have been obtained from independent third party sources and which are deemed to be reliable. The information provided cannot be considered as guidelines, recommendations or as a professional guide for the readers. It may be noted that since Reliance Nippon Life Asset Management Company Limited (RNLAM) (formerly Reliance Capital Asset Management Limited) has not independently verified the accuracy or authenticity of such information or data, or for that matter the reasonableness of the assumptions upon which such data and information has been processed or arrive data; RNLAM does not in any manner assures the accuracy or authenticity of such data and information. Some of the statements & assertions contained in these materials may reflect RNLAM's views or opinions, which in turn may have been formed on the basis of such data or information. The Sponsor(s), the Investment Manager, the Trustee or any of their respective directors, employees, affiliates or representatives do not assume any responsibility for, or warrant the accuracy, completeness, adequacy and reliability of such data or information. Whilst no action has been solicited based upon the information provided herein, due care has been taken to ensure that the facts are accurate and opinions given are fair and reasonable, to the extent possible. This information is not intended to be an offer or solicitation for the purchase or sale of any financial product or instrument. Recipients of this information should rely on information/data arising out of their own investigations. Before making any investments, the readers are advised to seek independent professional advice, verify the contents in order to arrive at an informed investment decision. None of the Sponsor(s), the Investment Manager, the Trustee, their respective directors, employees, affiliates or representatives shall be liable in any way for any direct, indirect, special, incidental, consequential, punitive or exemplary damages, including on account of lost profits arising from the information contained in this material.

Readers are requested to click here for ICRON disclaimer - <http://www.icronline.com/legal/standard-disclaimer.html>

Mutual Fund Investments are subject to market risks, read all scheme related documents carefully.

Derivatives Market

- Nifty May 2017 Futures were at 9,445.75, a premium of 17.85 over the spot closing of 9,427.90. Turnover on NSE's Futures and Options segment went down from Rs. 8,65,003.26 crore on May 18 to Rs. 6,46,479.63 crore on May 19.
- The Put-Call ratio stood at 1.11 compared with previous day's close of 0.98.
- The Nifty Put-Call ratio stood at 1.21 compared with previous day's close of 1.26.
- The open interest on Nifty Futures stood at 22.22 million as against previous session's close of 22.65 million.

Indian Debt Market

- Bond yields rose as fresh supply of debt securities following the weekly debt auction weighed on market sentiment.
- Yield on the 10-year benchmark paper (6.97% GS 2026) rose 1 bps to close at 6.85% compared with the previous close of 6.84%. During the trading session, bond yields traded in the range of 6.84% and 6.89%.
- Banks borrowed Rs. 1,050 crore under the central bank's Marginal Standing Facility on May 18, while there was no borrowing on May 17.
- RBI conducted the auction of government securities namely 6.84% GS 2022, 6.79% GS 2029, 6.57% GS 2033, and 6.62% GS 2051 for a notified amount of Rs. 15,000 crore for which the full amount was accepted by RBI. The cut-off price stood at Rs. 99.96 (6.85%), Rs. 99.26 (6.88%), Rs. 92.67 (7.34%), and Rs. 89.19 (7.50%), respectively.

Currency Market Update

- The Indian rupee rose against the U.S. dollar following selling of the greenback by state-run banks. Intervention by the Reserve Bank of India also boosted the domestic currency. The rupee rose 0.31% to close at 64.64 compared with the previous close of 64.84.
- The euro surged against the greenback amid concerns over political turmoil in the U.S. and doubts over U.S. President's reform agenda. Euro was trading at \$1.1183, up 0.74% compared with the previous close of \$1.1101.

Commodity Market Update

- Gold prices continued with the upward trend amid political turmoil in the U.S.
- Brent crude prices remained strong on hopes that major oil producing countries will extend the supply-cut plan in the upcoming meeting on May 25.

International News

- According to the Conference Board, U.S. leading economic index increased 0.3% in Apr 2017, in line with market expectations as well as downwardly revised growth in Mar 2017. While coincident economic index rose 0.3% for the second consecutive month in Apr, lagging economic index grew 0.3% in Apr faster than 0.1% growth in Mar.
- According to the Labor Department, U.S. initial weekly jobless claims fell surprisingly by 4,000 to 232,000 in the week ended May 13, from the previous week's unrevised level of 236,000. Four-week moving average also fell by 2,750 to 240,750 from the previous week's unrevised average of 243,500.



Thank you for
your time.