

RELIANCE

MUTUAL
FUND

Markets for You

24 May 2018

Indices Performance

Global Indices	23-May	Prev_Day	Abs. Change	% Change [#]
Dow Jones	24,887	24,834	52	0.21
Nasdaq	7,426	7,378	48	0.64
FTSE	7,788	7,877	-89	-1.13
Nikkei	22,690	22,960	-271	-1.18
Hang Seng	30,666	Closed	NA	NA
Indian Indices	23-May	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	34,345	34,651	-306	-0.88
Nifty 50	10,430	10,537	-106	-1.01
Nifty 100	10,751	10,853	-102	-0.94
Nifty Bank	25,685	25,778	-93	-0.36
SGX Nifty	10,428	10,540	-112	-1.06
S&P BSE Power	2,085	2,087	-2	-0.08
S&P BSE Small Cap	16,977	17,057	-80	-0.47
S&P BSE HC	12,781	12,830	-48	-0.37

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
23-May	22.28	1.19	25.86	1.23
Month Ago	23.48	1.14	26.27	1.21
Year Ago	22.36	1.32	24.80	1.22

Nifty 50 Top 3 Gainers

Company	23-May	Prev_Day	% Change [#]
SBI	263	254	3.66
Tech Mahindra	697	686	1.61
Cipla	532	524	1.60

Nifty 50 Top 3 Losers

Company	23-May	Prev_Day	% Change [#]
HPCL	287	312	-7.97
Vedanta	253	270	-6.41
Tata Steel	540	577	-6.37

Advance Decline Ratio

	BSE	NSE
Advances	1068	698
Declines	1587	1117
Unchanged	122	66

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-1428	1875
MF Flows**	-23	53132

*23rd May 2018; **18th May 2018

Economic Indicator

YoY(%)	Current	Quarter Ago	Year Ago
CPI	4.58% (Apr-18)	5.07% (Jan-17)	2.99% (Mar-17)
IIP	4.40% (Mar-18)	7.10% (Dec-17)	4.10% (Mar-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 stock markets mostly traded lower on negative cues from overnight U.S. markets after U.S. President raised his concerns over the U.S.-China trade talks and upcoming summit with North Korea. Stronger yen and fall in crude oil prices further weighed on the sentiments. However, respite was seen following Chinese Finance Ministry's statement that the country is likely to cut import duties on passenger vehicles from Jul 1. Today (as of May 24), Asian markets opened lower as investors remained cautious amid ongoing trade talks between the U.S. and China. Both Nikkei and Hang Seng grew 1.26% and 0.08%, respectively (as at 8.a.m. IST).
- As per the last close, European markets ended lower following uncertainty over the political situation in Italy. Weak private sector activity data from eurozone in May 2018 and ongoing trade talks between the U.S. and China further added to losses.
- As per the last close, U.S markets ended higher after the minutes from the U.S. Federal Reserve showed that the central bank will be comfortable if inflation temporarily run above its target of 2%.

Indian Equity Market

- Stock specific weaknesses kept domestic equity markets under pressure. Stocks of oil companies fell amid concerns that the government may ask them to share the burden of higher petrol and diesel prices. Decline in one of the mining majors following protests in its copper plant also weighed on the indices. Furthermore, soft global cues after the U.S. President showed dissatisfactions towards U.S.-China trade talks dented market sentiments.
- Key benchmark indices, S&P BSE Sensex and Nifty 50 fell 0.88% and 1.01% to close at 34,344.91 and 10,430.35, respectively. S&P BSE Mid-Cap and S&P BSE Small-Cap fell 0.24% and 0.47%, respectively.
- The overall market breadth on BSE was strong with 1,587 scrips declining and 1,068 scrips advancing. A total of 122 scrips remained unchanged.
- On the BSE sectoral front, S&P BSE Metal was the major loser, down 3.93%, followed by S&P BSE Oil & Gas that fell 3.45%. S&P BSE Energy and S&P BSE Basic Materials fell 2.52% and 2.11%, respectively. S&P BSE Consumer Durables was the major gainer, up 0.29% followed by S&P BSE Capital Goods that grew 0.06%.

Domestic News

- According to the ministry of finance, India's net direct tax collection in FY18 stood at Rs. 10.03 lakh crore. This corresponds to an increase of 18% on a yearly basis. India's net direct tax collection rate was thus the fastest in the last seven fiscal years.
- According to media reports, the government is considering raising import duty on wheat to 40% from 20%. The objective of the move is to protect local farmers from cheap imports. As per the government's third advance estimate, India is expected to produce a record 98.61 million tonnes of wheat in 2017-18 crop year. According to reports, millers in South India are prominent buyers of wheat from Russia, Australia and Ukraine and an increase in import duty will deter them to import wheat from overseas.
- According to media reports, the central government will come out with a model law on contract farming and services in agriculture crops, livestock, dairy and poultry products. The objective of the move is to ensure better price for farmers and thereby help farmers double their income by 2022. Contract farming is a pre-production agreement between farmers and sponsors.
- According to media reports, Tata Motors reported 49.82% decline in consolidated net profit to Rs 2,176.16 crore for the quarter ended Mar, 2018. Tata Motors had witnessed a net profit of Rs. 4,336.43 crore in the same period of the previous year.
- According to media reports, Dr Reddy's Laboratories reported a 3.29% fall in its consolidated net profit to Rs. 302.20 crore for the fourth quarter ended Mar, 2018 that can be attributed to persisting headwinds in the U.S.
- According to media reports, Sun Pharma has received approval from the U.S. health regulator for YONSA which will be used for treatment of a form of prostate cancer.
- According to media reports, L&T Construction has received an order worth Rs. 1,425 crore in the domestic market.

FII Derivative Trade Statistics		23-May		
(Rs Cr)	Buy	Sell	Open Int.	
Index Futures	1180.59	1988.88	21764.20	
Index Options	81733.37	81817.91	73096.79	
Stock Futures	12214.39	12234.40	84290.64	
Stock Options	10483.89	10530.38	10296.96	
Total	105612.24	106571.57	189448.59	

Derivative Statistics- Nifty Options			
	23-May	Prev_Day	Change
Put Call Ratio (OI)	1.18	1.23	-0.05
Put Call Ratio(Vol)	0.79	0.78	0.01

Debt Watch				
	23-May	Wk. Ago	Mth. Ago	Year Ago
Call Rate	5.97%	5.89%	5.90%	6.06%
CBLO	6.01%	5.96%	5.99%	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	6.35%	6.32%	6.15%	6.25%
364 Day T-Bill	6.82%	6.74%	6.45%	6.46%
10 Year Gilt	7.85%	7.90%	7.74%	6.67%
G-Sec Vol. (Rs.Cr)	21519	17636	29374	63204
FBIL MIBOR	6.10%	6.05%	6.00%	6.25%
3 Month CP Rate	8.40%	8.00%	7.15%	6.74%
5 Year Corp Bond	8.65%	8.59%	8.44%	7.42%
1 Month CD Rate	6.83%	6.66%	6.58%	6.28%
3 Month CD Rate	7.84%	7.33%	6.69%	6.42%
1 Year CD Rate	8.25%	8.07%	7.45%	6.87%

Currency Market			
Currency	23-May	Prev_Day	Change
USD/INR	68.21	68.02	0.20
GBP/INR	91.43	91.25	0.18
EURO/INR	80.24	80.07	0.17
JPY/INR	0.62	0.61	0.00

Commodity Prices				
Commodity	23-May	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	71.80	71.38	67.56	51.07
Brent Crude(\$/bl)	79.68	79.18	75.43	52.83
Gold(\$/oz)	1293	1290	1324	1251
Gold(Rs./10 gm)	31176	30954	31213	28853

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 10426.60 points, a discount of 3.75 points, below the spot closing of 10,430.35. The turnover on NSE's Futures and Options segment went up to Rs. 8,83,831.89 crore on May 23 from Rs. 7,02,865.80 crore on May 22.
- The Put-Call ratio stood at 0.83 against previous session's close of 0.78.
- The Nifty Put-Call ratio stood at 1.18 against the previous session's close of 1.23.
- India VIX moved up 4.88% to 14.2675 from 13.5575 in the previous trading session.
- Open interest on Nifty Futures stood at 24.78 million as against the previous session's close at 24.61 million.

Indian Debt Market

- Bond yields rose due to decline in rupee following renewed concerns over U.S. and China trade talks and as investors remained cautious ahead of the release of the minutes of U.S. Federal Reserve's May 2018's policy meeting.
- However, expectations of announcement of another open market purchase of notes this week capped the losses.
- Yield on the 10-year benchmark paper (7.17% GS 2028) rose 4 bps to close at 7.85% from the previous close of 7.81%. During the session, bond yields traded in the range of 7.82% and 7.87%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 14,767 crore (gross) on May 23 compared with Rs. 16,812 crore (gross) on May 22. Sale of securities under RBI's reverse repo window stood at Rs. 7,853 crore on May 22.

Currency Market Update

- The Indian rupee plunged against the greenback as obstructions in trade talks between the U.S. and China renewed fears of trade war. The rupee fell 0.56% to close at 68.42 per dollar from the previous close of 68.04.
- Euro fell against the greenback following preliminary data showing slowdown in European business activity in May 2018. Also, political uncertainty in Italy weighed on the euro. Euro was last seen trading at \$1.1700, down 0.66% compared with the previous close of \$1.1778.

Commodity Market Update

- The safe-haven appeal of the metal gained on concerns over geopolitical tensions after the U.S. President raised his concerns on U.S.-China trade talk and upcoming summit with North Korea.
- Brent crude prices fell after U.S. oil inventories declined by 1.3 million barrels for the week ending May 18.

International News

- Preliminary data from IHS Markit showed that the composite output index of the euro zone economy fell to an 18-month low of 54.1 in May from 55.1 in Apr. The manufacturing Purchasing Managers' Index (PMI) fell more-than-expected to 55.5 from 56.2 in Apr while the services PMI came in at 53.9.
- Data from the Office for National Statistics showed that U.K. inflation slowed to a 13-month low in Apr 2018. Consumer Prices grew 2.4% on a yearly basis in Apr 2018, slower than 2.5% in Mar 2018. On a monthly basis consumer prices grew 0.4%. Core inflation excluding energy, food, alcoholic beverages and tobacco, slowed to 2.1% from 2.3% in the previous month.



Thank you for
your time.