

**RELIANCE**

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FUND

# Markets for You

25 May 2018

**Indices Performance**

Global Indices	24-May	Prev_Day	Abs. Change	% Change <sup>#</sup>
Dow Jones	24,812	24,887	-75	-0.30
Nasdaq	7,424	7,426	-2	-0.02
FTSE	7,717	7,788	-72	-0.92
Nikkei	22,437	22,690	-253	-1.11
Hang Seng	30,760	30,666	95	0.31
Indian Indices	24-May	Prev_Day	Abs. Change	% Change <sup>#</sup>
S&P BSE Sensex	34,663	34,345	318	0.93
Nifty 50	10,514	10,430	84	0.80
Nifty 100	10,827	10,751	77	0.71
Nifty Bank	26,017	25,685	332	1.29
SGX Nifty	10,514	10,428	86	0.82
S&P BSE Power	2,080	2,085	-5	-0.22
S&P BSE Small Cap	16,954	16,977	-23	-0.14
S&P BSE HC	12,908	12,781	127	0.99

**P/E Dividend Yield**

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
24-May	22.48	1.18	26.07	1.22
Month Ago	23.62	1.14	26.35	1.21
Year Ago	22.16	1.33	24.73	1.23

**Nifty 50 Top 3 Gainers**

Company	24-May	Prev_Day	% Change <sup>#</sup>
Bharti Airtel	372	357	4.23
TCS	3604	3495	3.11
Infosys	1221	1185	3.05

**Nifty 50 Top 3 Losers**

Company	24-May	Prev_Day	% Change <sup>#</sup>
Tata Motors	289	309	-6.72
ONGC	168	175	-4.39
GAIL	310	323	-4.16

**Advance Decline Ratio**

	BSE	NSE
Advances	1255	818
Declines	1391	970
Unchanged	133	80

**Institutional Flows (Equity)**

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-262	1612
MF Flows**	760	56282

\*24<sup>th</sup> May 2018; \*\*23<sup>rd</sup> 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 markets witnessed a mixed trend as the positive impact of dovish minutes of U.S. Federal Reserve's latest policy meeting was neutralised by media reports stating that U.S. is considering imposing new duties on automobile imports. Today (as of May 25), Asian markets opened mostly lower after the U.S. President canceled the summit with North Korea. Nikkei was up 0.19% and Hang Seng fell 0.40% (as at 8.a.m. IST).
- As per the last close, European markets ended lower after the U.S. President called off the summit with North Korea. Also, announcement from the U.S. that it plans to investigate whether imports of automobiles and parts harms U.S. national security weighed on the market.
- As per the last close, U.S markets ended lower after the U.S. President canceled the summit with North Korea and fall in crude oil prices. Lingering trade concerns after the Commerce Secretary initiated an investigation into whether imports of automobiles and parts threaten to impair U.S. national security further weighed on market.

**Indian Equity Market**

- Indian equity markets closed in the green after a weak rupee drove IT stocks higher. Decline in oil & gas stocks following concerns that the government would impose a windfall tax on oil producers to soften fuel prices capped the gains. Investors kept their eyes on global markets that remained mixed over the fate of trade talks between the U.S. and China coupled with uncertainty about the U.S.-North Korea summit.
- Key benchmark indices S&P BSE Sensex and Nifty 50 grew 0.93% and 0.80% to close at 34,663.11 and 10,513.85, respectively. S&P BSE Mid-Cap and S&P BSE Small-Cap fell 0.24% and 0.14%, respectively.
- The overall market breadth on BSE was weak with 1,391 scrips declining and 1,255 scrips advancing. A total of 133 scrips remained unchanged.
- On the BSE sectoral front, S&P BSE Oil & Gas was the major loser, down 1.72%, followed by S&P BSE Auto that fell 1.56%. S&P BSE Utilities and S&P BSE Industrials fell 1.03% and 0.72%, respectively. S&P BSE Information Technology was the major gainer, up 2.45% followed by S&P BSE Teck and S&P BSE Telecom that grew 2.37% and 2.23%, respectively.

**Domestic News**

- According to media reports, government tenders worth Rs. 13,000 crore were either cancelled or withdrawn. The development took place after the Department of Industrial Policy and Promotion changed regulations for promoting 'made in India' goods with a broader objective of boosting income and employment within the country.
- Data from a major domestic credit rating agency showed that non-performing assets (NPAs) of 26 banks (of which 14 are state-run banks and 12 are private banks) in the Indian banking system grew to Rs. 7.31 lakh crore in Mar 2018 from Rs. 4.82 lakh crore in the same period of the previous year. This corresponds to an increase of more than 50% during the same time period. State-run banks accounted for nearly Rs. 6.16 lakh crore of the total NPAs while the remaining Rs. 1.15 lakh crore came from private banks.
- According to the Financial Services secretary, the government will provide the required capital support to the state-run banks. The remark assumes significance after a major state-run bank reported record loss of Rs. 7,718 crore. The government is of the view that most of the state-run banks have reported losses in the fourth quarter of FY18 as they have made higher provisions for bad loans or non-performing assets.
- Jet Airways posted a net loss of Rs. 1,045 crore in the fourth quarter of FY18. It had registered a net profit of Rs. 601.71 crore in the same period of the previous year. Total expenses grew 25% to Rs. 7,091.15 crore, which can be attributed to a 56% increase in plane maintenance costs.
- Grasim Industries registered a net profit of Rs. 373 crore in the fourth quarter of FY18, an increase of 18% compared with the same period of the previous year. Revenue from operations grew 48% to Rs. 4,606 crore. However, stamp duty on acquisition of assets to the tune of Rs. 213 crore pulled down the company's profits.
- According to media reports, the Department of Telecom gave its approval for sale of standalone mobile towers of Idea Cellular for Rs. 4,000 crore to the Indian arm of American Tower Corporation.

**FII Derivative Trade Statistics 24-May**

(Rs Cr)	Buy	Sell	Open Int.
Index Futures	2181.34	3921.34	22383.16
Index Options	97626.28	97787.23	73702.70
Stock Futures	11379.95	11220.98	84191.18
Stock Options	10004.41	10006.21	10357.74
Total	121191.98	122935.76	190634.78

**Derivative Statistics- Nifty Options**

	24-May	Prev_Day	Change
Put Call Ratio (OI)	1.29	1.18	0.11
Put Call Ratio(Vol)	0.96	0.79	0.17

**Debt Watch**

	24-May	Wk. Ago	Mth. Ago	Year Ago
Call Rate	5.92%	5.92%	5.82%	6.07%
CBLO	5.95%	5.93%	5.95%	6.11%
Repo	6.00%	6.00%	6.00%	6.25%
Reverse Repo	5.75%	5.75%	5.75%	6.00%
91 Day T-Bill	6.20%	6.25%	6.15%	6.27%
364 Day T-Bill	6.80%	6.82%	6.45%	6.46%
10 Year Gilt	7.87%	7.88%	7.68%	6.68%
G-Sec Vol. (Rs.Cr)	17063	14113	42160	30687
FBIL MIBOR	6.10%	6.05%	6.02%	6.25%
3 Month CP Rate	8.40%	8.20%	7.25%	6.73%
5 Year Corp Bond	8.72%	8.61%	8.36%	7.45%
1 Month CD Rate	6.81%	6.78%	6.70%	6.24%
3 Month CD Rate	7.83%	7.46%	6.67%	6.41%
1 Year CD Rate	8.19%	8.09%	7.50%	6.86%

**Currency Market**

Currency	24-May	Prev_Day	Change
USD/INR	68.39	68.21	0.17
GBP/INR	91.44	91.43	0.01
EURO/INR	80.14	80.24	-0.10
JPY/INR	0.62	0.62	0.01

**Commodity Prices**

Commodity	24-May	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	70.72	71.42	67.64	50.94
Brent Crude(\$/bl)	79.89	81.08	76.60	52.93
Gold( \$/oz)	1304	1290	1330	1258
Gold(Rs./10 gm)	31164	30826	31131	28701

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 10,505.2 points, a discount of 8.65 points, below the spot closing of 10,513.85. The turnover on NSE's Futures and Options segment went up to Rs. 15,16,746.20 crore on May 24 from Rs. 8,83,831.89 crore on May 23.
- The Put-Call ratio stood at 0.84 against previous session's close of 0.83.
- The Nifty Put-Call ratio stood at 1.29 against the previous session's close of 1.18.
- Open interest on Nifty Futures stood at 24.46 million as against the previous session's close at 24.78 million.

**Indian Debt Market**

- Bond yields rose following subdued chances of open market purchase of notes by the central bank. Fall in demand ahead of fresh supply of bonds on May 25 also dampened investor sentiment.
- Yield on the 10-year benchmark paper (7.17% GS 2028) rose 2 bps to close at 7.87% from the previous close of 7.85%. During the session, bond yields traded in the range of 7.83% and 7.88%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 4,943 crore (gross) on May 24 compared with Rs. 14,767 crore (gross) on May 23. Sale of securities under RBI's reverse repo window stood at Rs. 11,705 crore on May 23.
- Banks did not borrow under the central bank's Marginal Standing Facility on May 23 as against borrowing of Rs. 150 crore on May 22.

**Currency Market Update**

- The Indian rupee gained against the greenback after minutes of U.S. Federal Reserve's latest policy meeting indicated that rate hike might occur moving forward, but not at aggressive pace. Gains in the domestic market also supported rupee. The rupee rose 0.11% to close at 68.34 per dollar from the previous close of 68.42.
- Euro rose against the greenback after minutes of the last U.S. Federal Reserve meeting indicated rate hike in future, but not aggressively. Euro was last seen trading at \$1.1732, up 0.31% compared with the previous close of \$1.1696.

**Commodity Market Update**

- Gold prices gained ahead of some key economic data releases in the U.S. and on persistent concerns over U.S.-China trade war.
- Brent crude prices eased after the U.S. oil inventories rose 5.8 million barrels in the week to May 18.

**International News**

- According to a report from the Commerce Department, U.S. new home sales fell 1.5% to an annual rate of 662,000 in Apr 2018 as against a gain of 2% to a revised rate of 672,000 (694,000 originally reported) in Mar 2018. New home sales witnessed steep fall in West. However, it grew in Northeast and South.
- According to the minutes of European Central Bank's rate-setting session on Apr 25-26, policymakers have agreed that the underlying growth momentum in the eurozone remained intact. However, uncertainty regarding the outlook has increased.
- A report from the Destatis showed that Germany's gross domestic product grew 0.3% sequentially in the first quarter 2018, down from 0.6% expansion witnessed in the previous quarter. This marked the lowest growth in more than a year period.



Thank you for  
your time.