

RELIANCE

MUTUAL
FUND

Markets for You

29 May 2017

Indices Performance

Global Indices	26-May	Prev_Day	Abs. Change	% Change [#]
Dow Jones	21,080	21,083	-3	-0.01
Nasdaq	6,210	6,205	5	0.08
FTSE	7,548	7,518	30	0.40
Nikkei	19,687	19,813	-126	-0.64
Hang Seng	25,639	25,631	8	0.03
Indian Indices	26-May	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	31,028	30,750	278	0.90
Nifty 50	9,595	9,510	85	0.90
Nifty 100	9,884	9,776	108	1.11
Nifty Bank	23,362	23,191	171	0.74
SGX Nifty	9,560	9,511	49	0.52
S&P BSE Power	2,239	2,204	36	1.61
S&P BSE Small Cap	15,086	14,849	238	1.60
S&P BSE HC	13,591	13,695	-104	-0.76

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
26-May	22.91	1.29	24.32	1.19
Month Ago	22.63	1.36	23.75	1.23
Year Ago	19.33	1.47	22.39	1.33

Nifty 50 Top 3 Gainers

Company	26-May	Prev_Day	% Change [#]
Tata Steel	512	485	5.58
Hindalco	198	191	4.12
Indiabulls HFC	1086	1046	3.87

Nifty 50 Top 3 Losers

Company	26-May	Prev_Day	% Change [#]
Sun Pharma	568	592	-4.04
Cipla	489	504	-3.00
Indian Oil	426	439	-2.94

Advance Decline Ratio

	BSE	NSE
Advances	1822	1251
Declines	851	426
Unchanged	175	74

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	789	51033
MF Flows**	288	30449

 *26th May 2017; **25th May 2017

Economic Indicator

YoY(%)	Current	Quarter Ago	Year Ago
WPI	3.85% (Apr17)	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

- Most Asian markets closed negatively, primarily following a decline in crude oil prices. Prices dropped on news that the Organization of the Petroleum Exporting Countries consented to extend production cuts by nine months to Mar 2018, although investors hoped for deeper cuts. Markets turned alert on reports that the U.S. President's advisor could allegedly undergo an FBI inspection in an investigation associated with Russia. A stronger Japanese yen further hindered gains. Today (As on May 29), Asian market were little changed as several major markets remain closed for public holidays. Both Nikkei Average and Hang Seng were trading up 0.12% and 0.05%, respectively (as at 8.00 a.m IST).
- As per the last close, European market closed with mixed results. Energy and automakers declined at the end of the session. Investors were not impressed by the outcome of Thursday's OPEC meeting.
- As per the last close, U.S. market was little changed after showing lack of direction throughout the session. Market participants remained uncertain about the near-term outlook for the markets following recent volatility.

Indian Equity Market

- Indian equity markets extended the previous session's rally with Sensex surpassing the 31,000-mark level for the first time and Nifty 50 hitting the 9,600-mark during intraday trade. Strong buying interest in index heavyweights across different sectors, coupled with expectation of normal monsoon buoyed investor sentiment. Encouraging corporate earning numbers from a major company in the FMCG sector furthered market's gains.
- Both the key benchmark indices, namely S&P BSE Sensex and Nifty 50 went up 0.90% each to close at 31,028.21 and 9,595.10, respectively. S&P BSE Mid-Cap and S&P BSE Small-Cap rose 2.06% and 1.60%, respectively.
- The market breadth on BSE was positive with 1,822 scrips advancing and 851 scrips declining. A total of 175 scrips remained unchanged.
- On the BSE sectoral front, barring S&P BSE Healthcare, all the indices closed in the green. S&P BSE Metal was the top gainer, up 3.40%, followed by S&P BSE Energy and S&P BSE Basic Materials, which went up 2.20% and 2.11%, respectively. S&P BSE Oil & Gas and S&P BSE Industrial rose 2.08% and 1.83%, respectively.

Domestic News

- The Reserve Bank of India (RBI) has permitted co-operative banks, who are already allowed to install ATMs and issue debit cards, to issue prepaid payment instruments like Mobile Wallets. However, RBI has formulated strict regulations that co-operative banks have to follow before issuing wallets for utility bill payments and other activities up to a limit of Rs. 10,000. Besides meeting the eligibility criteria and other guidelines, banks should be Core Banking System-compliant and have net non-performing assets less than 3%. Also, the bank should have earned profits in the previous financial year.
- According to a major credit rating agency, India's economic growth could slow down to 7.1% in terms of gross domestic product in the fourth quarter of fiscal 2017, and to 6.9% in terms of gross value added. Also, the agency stated that the numbers would improve once the new Wholesale Price Index and the Index of Industrial Production are incorporated.
- According to media reports, for the second consecutive year, India has retained the position as the world's top most greenfield Foreign Direct Investment (FDI) destination with \$62.3 billion investments in 2016. India is followed by China and the U.S.
- According to media reports, Employees' Provident Fund Organisation (EPFO) is expected to reduce workers and employer's compulsory contribution towards social security schemes to 10% of basic wages from current contribution of 12% of basis wages. The decision is expected to be taken at the meeting of EPFO scheduled on May 27, 2017, in Pune.
- ITC reported standalone net profit that grew 12.13% YoY to Rs. 2,669.47 crore in the quarter ended Mar 2017 as against Rs. 2,380.68 crore in the previous year period. The upside reflects 6.15% growth in revenue.
- L&T Hydrocarbon Engineering announced that it has signed a Memorandum of Agreement with the Institute of Chemical Technology (ICT) to build ethanol plants based on fully indigenous technology by ICT for producing second generation ethanol. L&T Hydrocarbon Engineering is a subsidiary of Larsen & Toubro.

FII Derivative Trade Statistics	26-May		
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	8505.83	8134.88	18202.68
Index Options	74677.90	72634.90	46631.81
Stock Futures	31100.42	30972.60	65739.95
Stock Options	4299.69	4072.57	97.81
Total	118583.84	115814.95	130672.25

Derivative Statistics- Nifty Options	26-May	Prev_Day	Change
Put Call Ratio (OI)	1.10	1.42	-0.33
Put Call Ratio(Vol)	0.98	1.10	-0.12

Debt Watch	26-May	Wk. Ago	Mth. Ago	Year Ago
Call Rate	6.03%	6.06%	5.99%	6.33%
CBLO	5.00%	6.05%	6.18%	6.52%
Repo	6.25%	6.25%	6.25%	6.50%
Reverse Repo	6.00%	6.00%	6.00%	6.00%
91 Day T-Bill	6.22%	6.23%	6.15%	6.82%
364 Day T-Bill	6.40%	6.47%	6.43%	6.92%
10 Year Gilt	6.79%	6.85%	6.96%	7.47%
G-Sec Vol. (Rs.Cr)	52225	42883	33885	28271
1 Month CP Rate	6.51%	6.54%	6.53%	7.73%
3 Month CP Rate	6.70%	6.75%	6.75%	7.98%
5 Year Corp Bond	7.43%	7.45%	7.46%	8.09%
1 Month CD Rate	6.20%	6.30%	6.14%	6.96%
3 Month CD Rate	6.40%	6.43%	6.38%	7.17%
1 Year CD Rate	6.87%	6.84%	6.70%	7.46%

Currency Market	26-May	Prev_Day	Change
Currency			
USD/INR	64.59	64.51	0.09
GBP/INR	83.18	83.77	-0.59
EURO/INR	72.33	72.47	-0.14
JPY/INR	0.58	0.58	0.00

Commodity Prices	26-May	Wk Ago	Mth. Ago	Year Ago
Commodity				
NYMEX Crude(\$/bl)	49.53	50.27	49.19	48.95
Brent Crude(\$/bl)	50.48	52.42	49.05	49.71
Gold(\$/oz)	1267	1255	1269	1220
Gold(Rs./10 gm)	28782	28659	28836	29003

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 assure 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.icraonline.com/legal/standard-disclaimer.html>

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

Derivatives Market

- Nifty Jun 2017 Futures were at 9,575.80, a discount of 19.30 over the spot closing of 9,595.10. Turnover on NSE's Futures and Options segment went down from Rs. 12,61,114.37 crore on May 25 to Rs. 3,60,975.06 crore on May 26.
- The Put-Call ratio stood at 0.80 compared with previous day's close of 0.93.
- The Nifty Put-Call ratio stood at 1.10 compared with previous day's close of 1.42.
- The open interest on Nifty Futures stood at 19.95 million as against previous session's close of 26.21 million.

Indian Debt Market

- Bond yields stood unchanged as gains from weakness in crude oil prices were offset by lower than expected cut-off of a government security.
- Yield on the 10-year benchmark paper (6.97% GS 2026) stood unchanged at 6.79%. During the trading session, bond yields traded in the range of 6.76% and 6.80%.
- Banks' borrowings under the repo window of the LAF stood at Rs. 1,621 crore (gross) on May 26, compared with the gross borrowing of Rs. 2,345 crore on May 25. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 24,419 crore on May 25.
- RBI conducted a 28-day variable rate reverse repo auction for a notified amount of Rs. 10,000 crore for which Rs. 6,100 crore was allotted at a cut-off rate of 6.24%.

Currency Market Update

- The Indian rupee gained against the U.S. dollar following strength in the domestic equity market. However, month-end dollar demand from oil importers capped the gains. The rupee rose 0.26% to close at 64.44 per dollar from the previous close of 64.61.
- The euro weakened against the greenback after data showed that the U.S. economy grew more than expected in the first quarter of 2017 and durable goods orders in the U.S. fell less than expected in Apr 2017. Euro was trading at \$1.1173, down 0.32% from the previous close of \$1.1209.

Commodity Market Update

- Gold prices traded higher as the political uncertainty in the U.S. continued to boost the safe haven appeal of the bullion.
- Brent crude prices traded lower as the major oil producers' agreement to extend production cut for nine months till Mar 2018 fell short of market's expectation for longer or deeper cuts.

International News

- U.S.' gross domestic product surpassed market expectations and grew 1.2% in the first quarter compared with the preliminary estimate of 0.7% growth. However, the pace was slower than 2.1% growth witnessed in fourth quarter 2016.
- According to the Ministry of Internal Affairs and Communications, overall consumer prices in Japan came in line with market expectations. On an annual basis, overall consumer prices grew 0.4%, up from 0.2% in Mar 2017. On monthly basis, overall CPI was up 0.1% and while core CPI was flat.



Thank you for
your time.