

RELIANCE

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FUND

Markets for You

31 May 2018

Indices Performance

Global Indices	30-May	Prev_Day	Abs. Change	% Change [#]
Dow Jones	24,668	24,361	306	1.26
Nasdaq	7,462	7,397	66	0.89
FTSE	7,690	7,633	57	0.75
Nikkei	22,019	22,358	-340	-1.52
Hang Seng	30,057	30,485	-428	-1.40
Indian Indices	30-May	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	34,906	34,949	-43	-0.12
Nifty 50	10,614	10,633	-19	-0.18
Nifty 100	10,962	10,983	-22	-0.20
Nifty Bank	26,328	26,255	73	0.28
SGX Nifty	10,618	10,621	-3	-0.03
S&P BSE Power	2,137	2,133	4	0.20
S&P BSE Small Cap	17,348	17,380	-33	-0.19
S&P BSE HC	13,112	13,214	-102	-0.77

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
30-May	22.93	1.15	27.01	1.21
Month Ago	23.83	1.12	26.66	1.19
Year Ago	22.63	1.29	24.36	1.19

Nifty 50 Top 3 Gainers

Company	30-May	Prev_Day	% Change [#]
M&M	898	870	3.18
Coal India	289	282	2.37
Bajaj Finance	2119	2077	2.00

Nifty 50 Top 3 Losers

Company	30-May	Prev_Day	% Change [#]
HPCL	307	315	-2.60
Aurobindo Pharma	566	579	-2.27
Tata Motors	289	295	-1.95

Advance Decline Ratio

	BSE	NSE
Advances	1197	760
Declines	1495	1043
Unchanged	162	59

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	507	-133
MF Flows**	774	58263

*30th May 2018; **25th 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 selling pressure following renewed trade tensions between U.S. and China after the U.S. President hinted to impose 25% tariff on \$50 billion worth of Chinese goods. Political turmoil in Italy and cues from lower overnight U.S. markets further weighed on sentiment. Today (as of May 31), Asian markets opened higher following recovery in global markets after recent fears about Italy faded. Both Nikkei and Hang Seng were trading up 0.53% and 0.55%, respectively (as at 8.a.m. IST).
- As per the last close, European markets closed higher following reports that major parties in Italy are calling for Italian President to immediately dissolve parliament and conduct fresh elections by Jul 2018.
- As per the last close, U.S markets opened higher as increase in U.S. Treasury bond yields led to gains in banking stocks. Also, rise in oil prices helped gain energy stocks, thereby boosting the indices. Easing Italian credit fears further helped investor sentiment.

Indian Equity Market

- Indian equity markets closed in the red following weakness in global markets. Concerns over political uncertainty in Italy and Spain and renewed fears of a trade war between the U.S. and China weighed on investors. Further, investors remained cautious ahead of the India's GDP data to be released on May 31, 2018, post market hours.
- Key benchmark indices S&P BSE Sensex and Nifty 50 fell 0.12% and 0.18% to close at 34,906.11 and 10,614.35, respectively. S&P BSE Mid-Cap grew 0.03% and S&P BSE Small-Cap fell 0.19%.
- The overall market breadth on BSE was weak with 1,495 scrips declining and 1,197 scrips advancing. A total of 162 scrips remained unchanged.
- On the BSE sectoral front, S&P BSE Healthcare was the major loser, down 0.77% followed by S&P BSE Capital Goods and S&P BSE Industrials that fell 0.68% and 0.65%, respectively. S&P BSE Oil & Gas and S&P BSE Consumer Durables fell 0.62% and 0.45%, respectively. S&P BSE Utilities was the major gainer, up 0.25%, followed by S&P BSE Power and S&P BSE Metal that grew 0.20% and 0.15%.

Domestic News

- According to the Indian Meteorological Department (IMD), India will experience normal rainfall for the 2018 southwest monsoon season. The department also stated that the monsoon season rainfall across the country is expected to be 97% of the long period average (LPA).
- The Prime Minister (PM) of India has announced that the bilateral trade agreement between India and Indonesia will increase nearly three-fold to \$50 billion by 2025 as compared with \$12.9 billion in 2016 and \$18.13 billion in 2017. The PM added that India and Indonesia will upgrade their ties to Comprehensive Strategic Partnership.
- A major credit rating agency has reduced India's gross domestic product (GDP) forecast for 2018 from 7.5% to 7.3%, however retained the GDP rate at 7.5% for 2019. The cut in GDP rate is mainly due to increase in oil prices which will adversely impact the country's growth.
- Bank of Baroda expects to make business of around Rs. 4,000 crore by the end of FY20 through its fintech tie ups alone. The bank is amid implementing a transformation plan.
- Indian Overseas Bank's net loss deepened to Rs 3,606.73 crore in the quarter ended Mar 2018 as against net loss of Rs. 646.66 crore in the quarter ended Mar 2017. The loss widened following increase in provisions of bad loans and contingencies.
- Hero Electronix, a Hero Group company, has acquired Zenatix, thereby entering the Internet-of-things (IoT) space. The terms of the deal have not been disclosed. Zenatix is a Gurgaon-based enterprise IoT start-up.
- Bharat Petroleum Corporation Ltd reported standalone net profit of Rs. 2,673.64 crore for the quarter ended Mar 31, 2018, an increase of 45% from Rs. 1,841.68 crore registered in the same period previous year. Meanwhile, total income on standalone basis came in at Rs. 76,899.89 crore, up 15.3% YoY.

FII Derivative Trade Statistics 30-May

(Rs Cr)	Buy	Sell	Open Int.
Index Futures	8829.11	9165.17	26239.33
Index Options	111231.78	110036.48	75759.43
Stock Futures	29073.95	28667.43	86673.22
Stock Options	10093.83	10174.77	10742.11
Total	159228.67	158043.85	199414.09

Derivative Statistics- Nifty Options

	30-May	Prev_Day	Change
Put Call Ratio (OI)	1.39	1.40	-0.01
Put Call Ratio(Vol)	0.87	1.01	-0.14

Debt Watch

	30-May	Wk. Ago	Mth. Ago	Year Ago
Call Rate	5.90%	5.97%	6.02%	6.02%
CBLO	5.84%	6.01%	5.53%	6.06%
Repo	6.00%	6.00%	6.00%	6.25%
Reverse Repo	5.75%	5.75%	5.75%	6.00%
91 Day T-Bill	6.40%	6.35%	6.19%	6.26%
364 Day T-Bill	6.90%	6.82%	6.45%	6.43%
10 Year Gilt	7.78%	7.85%	7.77%	6.66%
G-Sec Vol. (Rs.Cr)	23584	21519	23708	20187
FBIL MIBOR	5.99%	6.10%	6.00%	6.25%
3 Month CP Rate	7.90%	8.40%	7.40%	6.70%
5 Year Corp Bond	8.63%	8.65%	8.45%	7.42%
1 Month CD Rate	6.82%	6.83%	6.69%	6.21%
3 Month CD Rate	7.33%	7.84%	7.07%	6.40%
1 Year CD Rate	8.25%	8.25%	7.71%	6.84%

Currency Market

Currency	30-May	Prev_Day	Change
USD/INR	67.63	67.82	-0.19
GBP/INR	89.70	90.17	-0.46
EURO/INR	78.20	78.70	-0.50
JPY/INR	0.62	0.62	0.00

Commodity Prices

Commodity	30-May	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	68.24	71.80	68.51	49.58
Brent Crude(\$/bl)	76.18	79.68	76.66	50.29
Gold(\$/oz)	1301	1293	1315	1263
Gold(Rs./10 gm)	30924	31176	31033	28849

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 10604.5 points, a discount of 9.85 points, below the spot closing of 10,614.35. Turnover on NSE's Futures and Options segment went up to Rs. 13,59,131.65 crore on May 30 from Rs. 10,00,152.35 crore on May 29.
- The Put-Call ratio stood at 0.84 against previous session's close of 0.95.
- The Nifty Put-Call ratio stood at 1.39 against the previous session's close of 1.40.
- Open interest on Nifty Futures stood at 28.13 million as against the previous session's close of 27.06 million.

Indian Debt Market

- Bond yields rose as market participants remained on the sidelines and awaited the outcome of the second bi-monthly monetary policy review due Jun 6, 2018. Market activity also remained subdued as banks were observing a two-day strike starting May 30.
- Yield on the 10-year benchmark paper (7.17% GS 2028) rose 2 bps to close at 7.78% from the previous close of 7.76%. During the session, bond yields traded in the range of 7.72% and 7.78%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 3,618 crore (gross) on May 30 compared with May 29 when banks borrowed the same amount. Sale of securities under RBI's reverse repo window stood at Rs. 23,017 crore on May 29.
- Banks did not borrow under the central bank's Marginal Standing Facility on May 29 as well as May 28.

Currency Market Update

- The Indian rupee rose against the greenback because of selling of the greenback by corporates and exporters. The rupee rose 0.64% to close at 67.43 per dollar from the previous close of 67.86 per dollar.
- The euro rose against the greenback on reports that Italy's biggest party would make a renewed attempt to form a coalition government to bring an end to months of political turmoil. Euro rose 0.82% and was trading at \$1.1633, up from the previous close of 1.1538.

Commodity Market Update

- Gold prices inched down ahead of the release of U.S. inflation data, scheduled later during the week.
- Brent crude prices recouped from around three-week lows seen in the previous trading session as investors became optimistic ahead of the weekly crude oil production data.

International News

- The Organization for Economic Cooperation & Development (OECD) expects the global economy to grow 3.8% in 2018 and 3.9% in 2019 as against its previous expectation of 3.9% for 2018 as well as 2019. The think tank stated that global economy is witnessing stronger growth supported by a rebound in trade, higher investment and buoyant job creation. However, it focused on significant risks owing to trade tensions, weaknesses in financial market and rising oil prices that are impacting the global economy.
- According to data from Destatis, Germany's unemployment rate fell 3.4% in Apr 2018 from 3.5% in Mar 2018 and 3.8% in Apr 2017. The number of unemployed decreased by 20,000 from the previous month to 1.47 million.



Thank you for
your time.