

**RELIANCE**

MUTUAL  
FUND

# Markets for You

01 Sep 2017

**Indices Performance**

Global Indices	31-Aug	Prev_Day	Abs. Change	% Change <sup>#</sup>
Dow Jones	21,948	21,892	56	0.25
Nasdaq	6,429	6,368	60	0.95
FTSE	7,431	7,365	65	0.89
Nikkei	19,646	19,507	140	0.72
Hang Seng	27,970	28,095	-124	-0.44
Indian Indices	31-Aug	Prev_Day	Abs. Change	% Change <sup>#</sup>
S&P BSE Sensex	31,730	31,646	84	0.27
Nifty 50	9,918	9,884	34	0.34
Nifty 100	10,287	10,258	29	0.28
Nifty Bank	24,318	24,309	10	0.04
SGX Nifty	9,918	9,875	43	0.44
S&P BSE Power	2,261	2,244	17	0.76
S&P BSE Small Cap	15,992	15,868	124	0.78
S&P BSE HC	13,149	13,211	-62	-0.47

**P/E Dividend Yield**

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
31-Aug	23.72	1.23	25.62	0.94
Month Ago	23.70	1.20	25.69	0.95
Year Ago	20.84	1.37	24.09	1.22

**Nifty 50 Top 3 Gainers**

Company	31-Aug	Prev_Day	% Change <sup>#</sup>
Wipro	299	291	2.71
Bajaj Auto	2815	2751	2.33
Tata Power	79	78	2.06

**Nifty 50 Top 3 Losers**

Company	31-Aug	Prev_Day	% Change <sup>#</sup>
Bharti Infratel	375	385	-2.48
Bosch	21987	22465	-2.13
Coal India	237	242	-1.82

**Advance Decline Ratio**

	BSE	NSE
Advances	1490	1004
Declines	1087	679
Unchanged	131	78

**Institutional Flows (Equity)**

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	98	44222
MF Flows**	447	68447

\*31<sup>st</sup> Aug 2017; \*\*29<sup>th</sup> Aug 2017

**Economic Indicator**

YoY(%)	Current	Quarter Ago	Year Ago
WPI	1.88% (Jul-17)	3.85% (Apr-17)	0.63% (Jul-16)
IIP	-0.10% (Jun-17)	4.10% (Mar-17)	8.00% (Jun-16)
GDP	5.70% (Jun-17)	6.10% (Mar-17)	7.90% (Jun-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 ended in mixed as renewed geopolitical tensions between the U.S. and North Korea outweighed upbeat Chinese and U.S. economic data. Chinese manufacturing sector expanded at a faster rate in Aug 2017 as the latest survey from the National Bureau of Statistics showed that Purchasing Managers' Index score of 51.7 against 51.4 in Jul 2017. Private sector employment in the U.S. also increased by more than anticipated in the month of Aug. Today (As of Sep 1), Asian markets opened in green following higher close in Wall Street amid strong U.S. economic data. Both Nikkei Average and Hang Seng were up 0.24% and 0.43%, respectively (as at 8.a.m. IST).

- As per the last close, European market ended higher following strong Chinese manufacturing data in Aug 2017 and upbeat economic reports from U.S. However, profit warning by a French retailer and cautiousness ahead of U.S. jobs report for Aug capped the gains.

- As per the last close, U.S markets ended higher following upbeat U.S. personal income in Jul 2017 and employment benefits. However, investors were also cautious ahead of jobs report data due on Sep 1.

**Indian Equity Market**

- After witnessing initial pressure, Indian equity markets managed to end the last trading session of the month in the green. The initial cautious stance ahead of the gross domestic product data, scheduled post market hours, was outweighed by the positive vibes generated by upbeat data from China and the U.S. Commencement of the European trading session on a positive note too buoyed investor sentiment.

- Key benchmark indices S&P BSE Sensex and Nifty 50 went up 0.27% and 0.34% to close at 31,730.49 and 9,917.90, respectively. Meanwhile, S&P BSE Mid-Cap and S&P BSE Small-Cap rose 0.22% and 0.78%, respectively.

- The market breadth on BSE was positive with 1,490 scrips advancing and 1,087 scrips declining. A total of 131 scrips remained unchanged.

- On the BSE sectoral front, barring S&P BSE Healthcare, S&P BSE Bankex, S&P BSE Metal, and S&P BSE Telecom, all the indices closed in the green. S&P BSE Realty was the top gainer, up 1.11%, followed by S&P BSE Energy and S&P BSE Consumer Discretionary Goods & Services, which went up 1.02% and 0.86%, respectively. S&P BSE Power and S&P BSE Utilities were up 0.76% and 0.68%, respectively.

**Domestic News**

- India's Gross Domestic Product (GDP) grew 5.7% YoY in the Jun quarter of 2017, slower than 7.9% a year ago and 6.1% in the previous quarter. Slower growth in private consumption and contraction in capital investment were the major factors behind easing growth. Gross Value Added (GVA) growth came in at 5.6%, against 7.6% in the same quarter of the previous year because of slow growth of the manufacturing sector. Manufacturing sector grew 1.2% in the Jun quarter compared with 10.7% in the year-ago period.

- Government data showed core sector output grew 2.4% YoY in Jul 2017, better than revised 0.8% in the previous month. Growth was driven up mainly by higher electricity and steel production. Electricity output increased 5.4% YoY in Jul 2017, better than 2.2% rise in Jun. Steel production growth accelerated to 9.2% in the reported period from 5.8% growth a month ago. For Apr to Jul 2017, the output grew 2.5% YoY.

- India's fiscal deficit stood at Rs. 5.05 lakh crore till Jul of FY18 or 92.4% of the budgeted target for the current fiscal year. During the corresponding period of last year, the deficit was 73.7% of the full-year target. Net tax receipts from Apr to Jul were Rs. 2.58 lakh crore. Government has targeted to lower its fiscal deficit to 3.2% of gross domestic product in FY18 from 3.5% in the previous year.

- According to the Annual Report released by the Reserve Bank of India, fiscal consolidation would come under risk at the central as well as state level owing to the immediate impact of the goods and service tax, loan waivers, and pay revisions. This would thereby put pressure on the overall growth matrix. The central government has already shifted its deadline for achieving a fiscal deficit target of 3% of GDP to FY19 from FY18. This is a deviation from the roadmap proposed by the Fiscal Responsibility and Budget Management Review Committee.

FII Derivative Trade Statistics		31-Aug		
(Rs Cr)	Buy	Sell	Open Int.	
Index Futures	4787.45	4022.16	27684.22	
Index Options	46914.88	46507.64	89956.21	
Stock Futures	21932.76	21869.54	56925.22	
Stock Options	4041.48	4157.39	11336.41	
Total	77676.57	76556.73	185902.06	

Derivative Statistics- Nifty Options			
	31-Aug	Prev_Day	Change
Put Call Ratio (OI)	1.27	1.19	0.08
Put Call Ratio(Vol)	0.99	1.01	-0.02

Debt Watch				
	31-Aug	Wk. Ago	Mth. Ago	Year Ago
Call Rate	5.83%	5.90%	6.10%	6.39%
CBLO	5.67%	5.96%	6.18%	6.35%
Repo	6.00%	6.00%	6.25%	6.50%
Reverse Repo	5.75%	5.75%	6.00%	6.00%
91 Day T-Bill	6.08%	6.13%	6.12%	6.52%
364 Day T-Bill	6.24%	6.22%	6.22%	6.65%
10 Year Gilt	6.53%	6.54%	6.47%	7.11%
G-Sec Vol. (Rs.Cr)	32284	36130	36804	70245
1 Month CP Rate	6.39%	6.38%	6.45%	6.84%
3 Month CP Rate	6.57%	6.55%	6.60%	7.00%
5 Year Corp Bond	7.12%	7.14%	7.15%	7.53%
1 Month CD Rate	6.04%	6.06%	6.22%	6.50%
3 Month CD Rate	6.15%	6.19%	6.21%	6.65%
1 Year CD Rate	6.47%	6.49%	6.52%	7.25%

Currency Market			
Currency	31-Aug	Prev_Day	Change
USD/INR	64.02	63.94	0.07
GBP/INR	82.70	82.62	0.07
EURO/INR	76.04	76.45	-0.41
JPY/INR	0.58	0.58	0.00

Commodity Prices				
Commodity	31-Aug	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	47.21	47.19	50.16	44.63
Brent Crude(\$/bl)	53.48	52.07	52.18	46.20
Gold (\$/oz)	1322	1286	1269	1308
Gold(Rs./10 gm)	29399	28879	28513	30814

Source: ICRON Research

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

**Derivatives Market**

- Nifty Aug 2017 settled at spot closing of 9,917.90. Nifty Sep 2017 Futures were at 9,937.20, a premium of 19.30 points below the spot closing. The turnover on NSE's Futures and Options segment went up from Rs. 7,30,518.89 crore on Aug 30 to Rs. 11,70,781.30 crore on Aug 31.
- The Put-Call ratio stood at 0.83 against previous session's close of 0.91.
- The Nifty Put-Call ratio stood at 1.27 against previous session's close of at 1.19.
- The open interest on Nifty Futures stood at 28.31 million as against previous session's close of 26.92 million.

**Indian Debt Market**

- Bond yields fell marginally as investors were optimistic towards the country's gross domestic product data for Jun quarter due to release after market hours.
- Yield on the 10-year benchmark paper (6.79% GS 2027) fell 1 bps to close at 6.53% from previous close of 6.54%. During the session, bond yields traded in the range of 6.53% and 6.55%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 2,035 crore (gross) on Aug 31 compared with borrowings of Rs. 2,575 crore (gross) on Aug 30. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 47,350 crore on Aug 30.
- Banks did not borrow under the central bank's Marginal Standing Facility on Aug 29 and Aug 30.

**Currency Market Update**

- The Indian rupee rose against the U.S. dollar following selling of the greenback by foreign banks and gains in the domestic equity market. The rupee rose 0.18% to close at 63.90 from the previous closing of 64.02
- The euro weakened against the U.S. dollar amid reports that policymakers of the European Central Bank were concerned by the strength of the euro and as a result could go slower in tightening its monetary policy. Euro was trading at \$1.1866, down 0.13% compared with the previous close of \$1.1881.

**Commodity Market Update**

- Gold prices traded lower ahead of the release of a slew of U.S. economic data.
- Brent crude prices snapped as demand in the U.S. went down after hurricane Harvey damaged a huge part of the country's oil refineries.

**International News**

- A report from payroll processor ADP showed that U.S. private sector employment came in better than market expectations and grew by 237,000 jobs in Aug 2017, up from upwardly revised increase of 201,000 jobs (178,000 jobs originally reported) in Jul 2017. The goods-producing sector witnessed the best performance driven by solid increases in both construction and manufacturing sectors.
- According to a report from the Commerce Department, U.S. gross domestic product grew 3.0% in the second quarter surpassing the previous expectation of 2.6%.



Thank you for  
your time.