

RELIANCE

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# Markets for You

05 Sep 2017

**Indices Performance**

Global Indices	04-Sep	Prev_Day	Abs. Change	% Change <sup>#</sup>
Dow Jones	Closed	21,988	NA	NA
Nasdaq	Closed	6,435	NA	NA
FTSE	7,411	7,439	-27	-0.36
Nikkei	19,508	19,691	-183	-0.93
Hang Seng	27,740	27,953	-213	-0.76
Indian Indices	04-Sep	Prev_Day	Abs. Change	% Change <sup>#</sup>
S&P BSE Sensex	31,702	31,892	-190	-0.60
Nifty 50	9,913	9,974	-62	-0.62
Nifty 100	10,290	10,352	-63	-0.61
Nifty Bank	24,237	24,434	-197	-0.81
SGX Nifty	9,942	10,043	-102	-1.01
S&P BSE Power	2,250	2,265	-15	-0.65
S&P BSE Small Cap	16,030	16,130	-100	-0.62
S&P BSE HC	13,365	13,391	-26	-0.20

**P/E Dividend Yield**

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
4-Sep	23.61	1.24	25.83	0.94
Month Ago	24.29	1.21	25.61	0.96
Year Ago	20.94	1.37	24.15	1.22

**Nifty 50 Top 3 Gainers**

Company	04-Sep	Prev_Day	% Change <sup>#</sup>
Coal India	247	239	3.29
Sun Pharma	501	486	2.98
Bosch	22469	22168	1.36

**Nifty 50 Top 3 Losers**

Company	04-Sep	Prev_Day	% Change <sup>#</sup>
Indian Oil	429	448	-4.29
ACC	1771	1818	-2.58
Adani Ports & SEZ	385	395	-2.54

**Advance Decline Ratio**

	BSE	NSE
Advances	972	581
Declines	1628	1126
Unchanged	222	73

**Institutional Flows (Equity)**

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-745	43920
MF Flows**	566	70195

\*4<sup>th</sup> Sep 2017; \*\*30<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	6.10% (Mar-17)	7.00% (Dec-16)	9.20% (Mar-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**

- Most of the major Asian markets snapped owing to renewed geopolitical tensions; North Korea reportedly carried out its sixth and most powerful nuclear test. Disappointing U.S. jobs report further weighed on sentiment. Data from the Labor Department showed jobs went up by 156,000 in Aug 2017, missing market expectations of 180,000 jobs. Today (As of Sep 5), Asian markets opened on a mixed note. Geopolitical tensions amid North Korea's recent nuclear test continued to keep the market under pressure. Investors remained cautious ahead of China Caixin services PMI. While Nikkei went down 0.28%, Hangseng went up 0.17% as at (8.a.m. IST).
- As per the last close, European market ended on a negative note amid North Korea's latest nuclear test prompted investors to rush to safe-haven assets. Meanwhile, on the economic front as per IHS Markit, U.K. construction activity growth eased to a one year low in Aug.
- As per the last close, U.S. market remained closed on account of Labor day.

**Indian Equity Market**

- Indian equity market closed in the red after North Korea reported that it tested a hydrogen bomb in spite of repeated U.S. warnings, thereby prompting investors to move to safe haven assets. Outflow of foreign funds from domestic market also weighed on market sentiment.
- Key benchmark indices S&P BSE Sensex as well as Nifty 50 fell 0.60% and 0.62% to close at 31,702.25 and 9,912.85, respectively. Both S&P BSE Small-Cap and S&P BSE Mid-Cap fell 0.62% and 0.68%, respectively.
- The overall market breadth on BSE was weak with 1,628 scrips declining and 972 scrips advancing. A total of 222 scrips remained unchanged.
- On the BSE sectoral front, indices closed on a negative note. The top losers comprised S&P BSE Realty, down 1.39%, trailed by S&P BSE Telecom (-1.32%), S&P BSE Industrials (-1.04%), S&P BSE Information Technology (-1.02%), S&P BSE Teck (-0.94%), and S&P BSE Oil and Gas, S&P BSE Bankex, and S&P BSE Auto (-0.78% each). Meanwhile, the only gainer was S&P BSE Metal (0.26%).

**Domestic News**

- Foreign portfolio investors (FPI) pulled out \$2 billion from stock markets, while they invested \$2.40 billion in debt market in Aug 2017. This was the seventh consecutive month in a row when investors made investment in the debt market. While there was a net inflow of Rs. 1.16 lakh crore for the period Feb to Jul 2017, FPIs withdrew more than Rs. 2,300 crore from the debt market in Jan 2017 only.
- According to the agriculture secretary, India's foodgrain production in the current kharif season is expected to remain around the last year's record level of 138.04 million tonnes which it attributed to goods monsoons. The agriculture secretary also ruled out any concerns due to floods in some states like Bihar, Assam, Gujarat, and Rajasthan even though it added that about 38 lakh hectares of land have been affected.
- The Securities and Exchange Board of India (SEBI) could make stringent rules to classify mutual fund schemes. This move will lead to merger of schemes and will help investors identify the right plan from within the product heap. The panel appointed by SEBI has identified a little more than 30 subcategories to classify schemes.
- According to a major domestic rating agency, housing finance companies (HFCs) are likely to need around Rs. 9,000-16,000 crore of external capital over the next three year to grow at 20-22%. The rating agency added that capital adequacies of HFCs is at comfortable levels due to relatively lower risk weights for home loans and commercial real estate loans.
- Oil and Natural Gas Corporation (ONGC) has announced to raise its first ever debt of Rs. 25,000 crore to part fund the acquisition of 51.11% government's stake in Hindustan Petroleum Corp Ltd (HPCL). ONGC has around Rs. 13,000 crore in cash and is therefore borrowing the rest to implement the acquisition.
- Ajanta Pharma announced that the U.S. Food and Drug Administration have given final approval for Entacapone tablets that are used in the treatment of Parkinson's disease.

FII Derivative Trade Statistics	04-Sep		
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	1437.02	1143.50	12331.77
Index Options	34058.82	32136.58	62885.29
Stock Futures	8030.14	7937.18	51604.66
Stock Options	4501.51	4490.77	2371.93
Total	48027.49	45708.03	129193.65

Derivative Statistics- Nifty Options			
	04-Sep	Prev_Day	Change
Put Call Ratio (OI)	1.30	1.38	-0.08
Put Call Ratio(Vol)	1.27	1.09	0.19

Debt Watch				
	04-Sep	Wk. Ago	Mth. Ago	Year Ago
Call Rate	5.86%	5.86%	5.90%	6.37%
CBLO	5.80%	5.82%	5.24%	5.12%
Repo	6.00%	6.00%	6.00%	6.50%
Reverse Repo	5.75%	5.75%	5.75%	6.00%
91 Day T-Bill	6.08%	6.13%	6.10%	6.53%
364 Day T-Bill	6.23%	6.22%	6.19%	6.64%
10 Year Gilt	6.50%	6.57%	6.44%	6.97%
G-Sec Vol. (Rs.Cr)	54777	44543	60615	58197
1 Month CP Rate	6.41%	6.39%	6.41%	6.79%
3 Month CP Rate	6.56%	6.55%	6.55%	6.98%
5 Year Corp Bond	7.12%	7.14%	7.11%	7.52%
1 Month CD Rate	6.10%	6.05%	6.13%	6.55%
3 Month CD Rate	6.15%	6.18%	6.19%	6.64%
1 Year CD Rate	6.49%	6.50%	6.48%	7.22%

Currency Market			
Currency	04-Sep	Prev_Day	Change
USD/INR	64.05	63.98	0.07
GBP/INR	82.97	82.66	0.30
EURO/INR	76.15	76.10	0.05
JPY/INR	0.59	0.58	0.00

Commodity Prices				
Commodity	04-Sep	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	Closed	46.35	49.52	44.34
Brent Crude(\$/bl)	53.09	52.11	52.97	45.55
Gold( \$/oz)	1334	1310	1258	1325
Gold(Rs./10 gm)	30165	29140	28554	30761

Source: ICRON Research

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

**Derivatives Market**

- Nifty Sep 2017 Futures were at 9,927.65, a premium of 14.80 points above the spot closing of 9,912.85. The turnover on NSE's Futures and Options segment went up from Rs. 3,26,441.18 crore on Sep 1 to Rs. 4,69,922.20 crore on Sep 4.
- The Put-Call ratio stood at 1.01 against previous session's close of 0.89.
- The Nifty Put-Call ratio stood at 1.30 against previous session's close of at 1.38.
- The open interest on Nifty Futures stood at 18.06 million as against previous session's close of 17.52 million.

**Indian Debt Market**

- Bond yields rose due to increased geopolitical tension after North Korea tested an advanced hydrogen bomb for a long-range missile. Profit booking by investors after sharp gains last week added to the losses.
- Yield on the 10-year benchmark paper (6.79% GS 2027) rose 2 bps to close at 6.50% from previous close of 6.48%. During the session, bond yields traded in the range of 6.48% and 6.53%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 2,045 crore (gross) on Sep 4 compared with borrowings of Rs. 2,365 crore (gross) on Sep 1. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 44,628 crore on Sep 1.
- Banks did not borrow under the central bank's Marginal Standing Facility on Sep 1 and Aug 31.

**Currency Market Update**

- The Indian rupee marginally weakened against the greenback following losses in the domestic equity market after North Korea tested an advanced hydrogen bomb for a long-range missile. The rupee fell 0.05% to close at 64.05 from the previous closing of 64.02.
- The euro strengthened against the greenback as the latter weakened after North Korea tested a hydrogen bomb, increasing the geopolitical tension between North Korea and the U.S. Euro was trading at \$1.1912, up 0.46% compared with the previous close of \$1.1857.

**Commodity Market Update**

- Gold prices traded higher as investors resorted to safe haven asset after North Korea tested hydrogen bomb over the weekend.
- Brent crude prices slipped amid concerns over supply glut as the impact of Hurricane Harvey receded.

**International News**

- A report from the University of Michigan showed that U.S. consumer sentiment for Aug 2017 came in at 96.8, down from the preliminary expectation of a reading of 97.6. However, the index was up from previous month's reading of 93.4.
- According to a report from the Institute for Supply Management, U.S. manufacturing Purchasing Managers' Index (PMI) surpassed market expectations and grew to 58.8 in Aug 2017 from 56.3 in Jul 2017. This marked the highest level since Apr 2011. The upside reflects growth in employment index and the production index.
- U.S. construction spending missed market expectations and fell 0.6% to an annual rate of \$1.212 trillion in Jul 2017, down from the revised estimate of \$1.219 trillion in Jun 2017.

Thank you for  
your time.