

RELIANCE

MUTUAL
FUND

Markets for You

15 Sep 2017

Indices Performance

Global Indices	14-Sep	Prev_Day	Abs. Change	% Change [#]
Dow Jones	22,203	22,158	45	0.20
Nasdaq	6,429	6,460	-31	-0.48
FTSE	7,295	7,380	-84	-1.14
Nikkei	19,807	19,866	-58	-0.29
Hang Seng	27,777	27,894	-117	-0.42
Indian Indices	14-Sep	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	32,242	32,186	56	0.17
Nifty 50	10,087	10,079	7	0.07
Nifty 100	10,480	10,468	12	0.12
Nifty Bank	24,912	24,832	80	0.32
SGX Nifty	10,079	10,109	-30	-0.30
S&P BSE Power	2,310	2,290	19	0.83
S&P BSE Small Cap	16,625	16,520	106	0.64
S&P BSE HC	13,790	13,505	285	2.11

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
14-Sep	24.06	1.20	26.25	0.93
Month Ago	23.48	1.24	25.02	0.98
Year Ago	20.82	1.38	23.92	1.23

Nifty 50 Top 3 Gainers

Company	14-Sep	Prev_Day	% Change [#]
Tata Motors-DVR	230	220	4.50
Sun Pharma	525	503	4.23
Axis Bank	520	499	4.10

Nifty 50 Top 3 Losers

Company	14-Sep	Prev_Day	% Change [#]
Wipro	283	296	-4.21
Vedanta	320	327	-2.26
GAIL	401	408	-1.73

Advance Decline Ratio

	BSE	NSE
Advances	1291	861
Declines	1326	817
Unchanged	151	71

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	2586	43591
MF Flows**	365	73169

*14th Sep 2017; **8th Sep 2017

Economic Indicator

YoY(%)	Current	Quarter Ago	Year Ago
WPI	3.24% (Aug-17)	2.26% (May-17)	1.09% (Aug-16)
IIP	1.20% (Jul-17)	3.20% (Apr-17)	4.40% (Jul-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

- Most of the Asian markets traded in the red following lower-than-estimated Chinese economic data. China's industrial output and retail sales grew 6.0% and 10.1% annually in Aug 2017, respectively, but both were weaker than expected. Japan's industrial output also declined in Jul 2017. Renewed geopolitical tension following North Korea threatening Japan and the U.S. also weighed on market sentiment. Today (As of Sep 15), Asian markets opened mostly lower after North Korea launched a missile in the direction of the east. Nikkei was trading marginally up 0.11% and Hangseng was trading down 0.75% (as at 8.a.m. IST).
- As per the last close, European market ended mostly lower amid geopolitical tension between U.S. and North Korea.
- As per the last close, U.S markets ended mixed. More than expected rise in U.S. inflation in Aug weighed on the market as it raised the possibility of tighter monetary policy from the U.S. Federal Reserve. However, announcement by two aerospace companies of raising production restricted the fall.

Indian Equity Market

- Indian equity markets climbed, pushed by gains in healthcare and banking stocks. Markets gained even though data showed the country's wholesale price index-based inflation increased to 3.24% YoY, triggered by higher prices of fuel and food. Weak Chinese data could not dampen sentiment either. Meanwhile, markets awaited data on U.S. inflation due later during the day; the data could throw light on the U.S. Federal Reserve's future interest rate decisions.
- Key benchmark indices S&P BSE Sensex and Nifty 50 went up 0.17% and 0.07% to close at 32,241.93 and 10,086.60, respectively. S&P BSE MidCap and S&P BSE Small-Cap went up 0.57% and 0.64%, respectively.
- The market breadth on BSE was weak with 1,291 scrips advancing and 1,326 scrips declining. A total of 151 scrips remained unchanged.
- On the BSE sectoral front, most indices closed in the positive. S&P BSE Healthcare, up 2.11%, was the major gainer, followed by S&P BSE Industrials (0.89%), S&P BSE Power (0.83%), S&P BSE Bankex (0.45%) and S&P BSE Finance (0.31%). Losers included S&P BSE Metal (-0.67%), S&P BSE Realty (-0.47%), S&P BSE Energy (-0.39%) and S&P BSE Oil & Gas (-0.31%).

Domestic News

- Government data showed that Wholesale Price Index (WPI) based inflation increased 3.24% YoY in Aug 2017 from 1.88% in the previous month and 1.09% in the same month of the previous year. This marked a 4-month high. The increase was because of increase in food inflation and prices of manufactured items. The build-up inflation rate in this fiscal so far came in at 1.41% compared with a build-up rate of 3.25% in the previous-year period. While vegetables price grew 44.91%, onion prices grew 88.46%. Prices of pulses and potato fell 30.16% and 43.82%, respectively.
- The Securities and Exchange Board of India has issued a new set of guidelines that will govern outsourcing by stock exchanges and clearing corporations. The guidelines set to safeguard capital markets from outside risks will ensure that exchanges and clearing corporations do not outsource their core and critical activities to third parties. Also, exchanges and clearing corporations will have to put in place a robust system to monitor outsourced activities.
- According to a major domestic rating agency, the government's decision to monetise 75 road projects through toll-operate-transfer (TOT) route is expected to bring in approximately Rs. 35,600 crore. The Cabinet Committee on Economic Affairs had authorised National Highways Authority of India in Aug 2016 to monetise public-funded national highway projects that are operational and are generating toll revenues for at least two years after the commercial operations date through the TOT model. According to the rating agency, the concession period for TOT projects is expected to be 30 years with permissible debt up to 80% of the concession fee.
- The Reserve Bank of India (RBI) is waiting for a notification from the government to come up with guidelines on peer to peer (P-2-P) lending. The consultation paper on P-2-P lending was released by RBI in Apr 2016, but the final guidelines are yet to come.

FII Derivative Trade Statistics		14-Sep	
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	1192.55	1724.32	18053.00
Index Options	45537.62	45630.23	78018.97
Stock Futures	7115.59	7052.67	57187.01
Stock Options	7292.55	7176.77	6380.93
Total	61138.31	61583.99	159639.91

Derivative Statistics- Nifty Options			
	14-Sep	Prev_Day	Change
Put Call Ratio (OI)	1.54	1.52	0.03
Put Call Ratio(Vol)	1.15	1.10	0.05

Debt Watch				
	14-Sep	Wk. Ago	Mth. Ago	Year Ago
Call Rate	5.83%	5.84%	5.86%	6.42%
CBLO	5.85%	5.83%	5.93%	6.48%
Repo	6.00%	6.00%	6.00%	6.50%
Reverse Repo	5.75%	5.75%	5.75%	6.00%
91 Day T-Bill	6.07%	6.09%	6.10%	6.50%
364 Day T-Bill	6.23%	6.22%	6.24%	6.64%
10 Year Gilt	6.59%	6.52%	6.52%	6.87%
G-Sec Vol. (Rs.Cr)	32368	36288	28910	65291
1 Month CP Rate	6.58%	6.48%	6.39%	6.85%
3 Month CP Rate	6.69%	6.64%	6.55%	6.99%
5 Year Corp Bond	7.15%	7.12%	7.10%	7.51%
1 Month CD Rate	6.10%	6.09%	6.12%	6.57%
3 Month CD Rate	6.14%	6.14%	6.19%	6.63%
1 Year CD Rate	6.50%	6.50%	6.47%	7.23%

Currency Market			
Currency	14-Sep	Prev_Day	Change
USD/INR	64.07	63.98	0.09
GBP/INR	84.69	85.15	-0.47
EURO/INR	76.14	76.66	-0.52
JPY/INR	0.58	0.58	0.00

Commodity Prices				
Commodity	14-Sep	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	49.81	49.05	47.54	43.57
Brent Crude(\$/bl)	57.65	54.70	51.18	45.94
Gold(\$/oz)	1329	1349	1282	1323
Gold(Rs./10 gm)	29972	30164	28901	31073

Source: ICRON Research

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Derivatives Market

- Nifty Sep 2017 Futures were at 10,114.45, a premium of 27.85 points above the spot closing of 10,086.60. The turnover on NSE's Futures and Options segment went up from Rs. 6,58,605.06 crore on Sep 13 to Rs. 10,03,147.09 crore on Sep 14.
- The Put-Call ratio remained unchanged from the previous session's close at 0.92.
- The Nifty Put-Call ratio stood at 1.54 against previous session's close at 1.52.
- India VIX moved down 2.42% to 11.4700 from 11.7550 in the previous trading session.
- The open interest on Nifty Futures stood at 21.87 million as against previous session's close of 21.52 million.

Indian Debt Market

- Bond yields stood steady as investors preferred to stay on the sidelines due to lack of any major trigger in the market.
- Yield on the 10-year benchmark paper (6.79% GS 2027) stood unchanged at 6.59% from the previous close. During the session, bond yields traded in the range of 6.58% and 6.60%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 2,005 crore (gross) on Sep 14 compared with borrowings of Rs. 2,135 crore (gross) on Sep 13. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 7,068 crore on Sep 13.
- Banks did not borrow under the central bank's Marginal Standing Facility on Sep 13 as well as on Sep 12.
- RBI conducted a 28-day variable rate reverse repo auction for a notified amount of Rs. 10,000 crore for which no amount was allotted.

Currency Market Update

- The Indian rupee weakened against the greenback as the later strengthened after U.S. producer prices grew in Aug 2017 following a decline in Jul 2017. The rupee fell 0.19% to close at 64.12 per dollar, compared with the previous day's close at 64.00.
- Euro inched down against the greenback after data showed U.S. consumer prices accelerated in Aug 2017, which increased possibility of further monetary policy tightening from the U.S. Federal Reserve this year. Euro was trading at \$1.1878, down 0.06% compared with the previous close of \$1.1885.

Commodity Market Update

- Gold prices dipped ahead of the release of U.S. inflation data due later during the day. The report could throw light on the U.S. Federal Reserve's future interest rate decisions.
- Brent crude prices gained on data showing a snap in inventories.

International News

- Data from the U.S. Labor Department showed that the U.S. consumer price index grew 0.4% in Aug 2017 after inching up by 0.1% in Jul 2017. The increase can be attributed to the spike in energy prices, which surged 2.8% in Aug 2017 after edging down by 0.1% in Jul 2017.
- The Bank of England retained its record low interest rate again at 0.25% with 7-2 vote. All the members voted to maintain the quantitative easing at GBP 435 billion. According to some members, a withdrawal of part of the stimulus injected in Aug 2016 would help to keep inflation rate moderate. Over the next three years, inflation is expected to overshoot the 2% target.

Thank you for
your time.