

RELIANCE

MUTUAL
FUND

Markets for You

18 Sep 2017

Indices Performance

Global Indices	15-Sep	Prev_Day	Abs. Change	% Change [#]
Dow Jones	22,268	22,203	65	0.29
Nasdaq	6,448	6,429	19	0.30
FTSE	7,215	7,295	-80	-1.10
Nikkei	19,910	19,807	102	0.52
Hang Seng	27,808	27,777	30	0.11
Indian Indices	15-Sep	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	32,273	32,242	31	0.10
Nifty 50	10,085	10,087	-1	-0.01
Nifty 100	10,475	10,480	-5	-0.05
Nifty Bank	24,844	24,912	-68	-0.27
SGX Nifty	10,104	10,079	25	0.24
S&P BSE Power	2,289	2,310	-21	-0.90
S&P BSE Small Cap	16,688	16,625	62	0.38
S&P BSE HC	13,763	13,790	-26	-0.19

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
15-Sep	24.13	1.20	26.24	0.94
Month Ago	23.48	1.24	25.02	0.98
Year Ago	20.81	1.38	23.97	1.23

Nifty 50 Top 3 Gainers

Company	15-Sep	Prev_Day	% Change [#]
ONGC	167	159	4.64
Bajaj Auto	3026	2928	3.32
Coal India	260	255	1.86

Nifty 50 Top 3 Losers

Company	15-Sep	Prev_Day	% Change [#]
Dr.Reddy	2211	2253	-1.87
IndusInd Bank	1699	1729	-1.70
ACC	1821	1845	-1.31

Advance Decline Ratio

	BSE	NSE
Advances	1107	690
Declines	1471	991
Unchanged	147	77

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-931	42660
MF Flows**	845	76033

*15th Sep 2017; **13th 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

- Asian markets witnessed a mixed trend as geopolitical tension renewed following North Korea's latest missile launch over Japan. However, weaker yen and improved crude oil prices limited the downside. Meanwhile, consumer inflation data in the U.S. for Aug 2017 came better than expected and raised expectations of another rate hike by the U.S. Federal Reserve. Today (As of Sep 18), Asian markets opened higher as investors expected to get some clues on the direction of monetary policy by the Federal Open Market Committee on Sep 21. Both Nikkei and Hangseng grew 0.52% and 0.69% respectively as at (8.a.m. IST)
- As per the last close, European market ended on negative note amid geopolitical concerns and disappointing U.S. economic data. Also, an explosion aboard a subway train in southwest London during rush hour negatively impacted market sentiments.
- As per the last close, U.S markets ended almost higher despite some disappointing economic data that was impacted by Hurricane Harvey. The investors likely expect that the impact of the hurricanes may lead to delay in increase in interest rates by the U.S. Federal Reserve.

Indian Equity Market

- Indian equity markets remained under pressure for major part of the session following renewed instance of geopolitical tension. North Korea fired another missile over Japan into the Pacific Ocean early on Sep 15, as a sign of defiance by North Korea despite tightening international sanctions by the U.S. Weakness in European markets further weighed on investor sentiment following an explosion on an underground train at a busy station in Southwest London. However, strong participation of domestic institutional investors helped markets to recover its losses to close flat or marginally higher.
- While S&P BSE Sensex went up 0.10% to close at 32,272.61, Nifty 50 closed flat at 10,085.40. S&P BSE Mid Cap fell 0.28%, whereas S&P BSE Small Cap went up 0.38%.
- On the BSE sectoral front, majority of the indices closed in the red. S&P BSE Power was the major loser, down 0.90%, followed by S&P BSE Telecom and S&P BSE Utilities, which slipped 0.56% and 0.54%, respectively. S&P BSE Realty and S&P BSE Capital Goods slipped 0.49% and 0.36%, respectively. Meanwhile, S&P BSE IT was the top gainer, up 1.04%, followed by S&P BSE Teck, which went up 0.77%.

Domestic News

- Data from Reserve Bank of India (RBI) showed that India's current account deficit (CAD) increased sharply to \$ 14.3 billion (2.4% of GDP) in Q1 of FY18 from \$ 3.4 billion (0.6% of GDP) in Q4 of FY17 and \$ 0.4 billion (0.1% of GDP) in the same period of the previous year. CAD increased on a yearly basis primarily due to a higher trade deficit (\$ 41.2 billion) brought about by a larger increase in merchandise imports relative to that of exports. In the financial account, net foreign direct investment almost doubled to \$ 7.2 billion in Q1 of 2017-18 almost doubled from its level in Q1 of 2016-17.
- According to a major credit rating agency, due to recovery in corporate credit quality, lower interest rates, improved capital structures and efficiency gains, total stressed loans in the banking system will not likely increase significantly. The agency expects stressed assets in the banking system to be approximately Rs. 11.5 lakh crore, or about 14% of total advances.
- According to the media reports, coal imports fell 24% YoY in Aug 2017 as Indian buyers preferred not to buy any fresh fossil fuel and chose to wait and watch ahead of an upcoming auction for the power sector. The imports also declined as the stocks at power plants have lessened owing to short supply and higher power generation.
- The finance ministry has signed an agreement with Japan to set up a training institute for Ahmedabad-Mumbai bullet train project along with others pacts and expects a total loan commitment of approximately Rs. 6,000 crore. The training institute is expected to help in developing the human resources equipped with high level knowledge for the operation of Ahmedabad-Mumbai High Speed Railway. Japan has committed loan of 10.45 billion Yen or approximately Rs. 606 crore for this training institute.
- The government has put on hold auctions for 1 gigawatt of wind power projects. The auctions were to be conducted by Solar Energy Corporation of India on Sep 19.

FII Derivative Trade Statistics	15-Sep		
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	813.96	1297.51	18439.15
Index Options	57139.47	56098.85	79646.33
Stock Futures	6507.74	6450.05	57799.89
Stock Options	7201.98	7085.00	6792.53
Total	71663.15	70931.41	162677.90

Derivative Statistics- Nifty Options			
	15-Sep	Prev_Day	Change
Put Call Ratio (OI)	1.53	1.54	-0.02
Put Call Ratio(Vol)	1.18	1.15	0.03

Debt Watch				
	15-Sep	Wk. Ago	Mth. Ago	Year Ago
Call Rate	5.85%	5.86%	5.86%	6.46%
CBLO	5.99%	5.87%	5.93%	6.49%
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%	6.08%	6.10%	6.49%
364 Day T-Bill	6.23%	6.24%	6.24%	6.62%
10 Year Gilt	6.60%	6.54%	6.52%	6.88%
G-Sec Vol. (Rs.Cr)	53484	52260	28910	57652
1 Month CP Rate	6.60%	6.49%	6.39%	6.85%
3 Month CP Rate	6.68%	6.64%	6.55%	6.99%
5 Year Corp Bond	7.18%	7.14%	7.10%	7.51%
1 Month CD Rate	6.10%	6.10%	6.12%	6.54%
3 Month CD Rate	6.14%	6.15%	6.19%	6.60%
1 Year CD Rate	6.52%	6.48%	6.47%	7.22%

Currency Market			
Currency	15-Sep	Prev_Day	Change
USD/INR	64.08	64.07	0.01
GBP/INR	86.12	84.69	1.43
EURO/INR	76.40	76.14	0.26
JPY/INR	0.58	0.58	0.00

Commodity Prices				
Commodity	15-Sep	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	49.85	47.39	47.54	43.80
Brent Crude(\$/bl)	57.27	55.09	51.18	46.12
Gold(\$/oz)	1319	1346	1282	1314
Gold(Rs./10 gm)	29925	30388	28901	31115

Source: ICRON Research

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Derivatives Market

- Nifty Sep 2017 Futures were at 10,101.95, a premium of 16.55 points above the spot closing of 10,085.40. The turnover on NSE's Futures and Options segment went down from Rs. 10,03,147.09 crore on Sep 14 to Rs. 4,10,128.92 crore on Sep 15.
- The Put-Call ratio stood at 1.03 against previous session's close at 0.92.
- The Nifty Put-Call ratio stood at 1.53 against previous session's close at 1.54.
- India VIX moved up 1.81% to 11.6775 from 11.4700 in the previous trading session.
- The open interest on Nifty Futures stood at 22.03 million as against previous session's close of 21.87 million.

Indian Debt Market

- Bond yields rose as faster than expected rise in retail inflation in Aug 2017 continued to weigh on domestic bond market. Also, lack of any major trigger in the market dampened investor sentiment.
- Yield on the 10-year benchmark paper (6.79% GS 2027) rose 1 bps to close at 6.60% from the previous close at 6.59%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 10,214 crore (gross) on Sep 15 compared with borrowings of Rs. 2,005 crore (gross) on Sep 14. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 17,832 crore on Sep 14.
- Banks borrowed Rs. 62 crore under the central bank's Marginal Standing Facility on Sep 14 as against no borrowing on Sep 13.
- 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 inched up against the greenback following modest foreign fund inflow into the domestic equity market due to ongoing IPOs. However, most of the gains were wiped out on concerns of a rate hike by the U.S. Federal Reserve in the near term. The rupee inched up 0.07% to close at 64.07, compared with the previous day's close at 64.12.
- Euro rose against the greenback after U.S. retail sales fell in Aug 2017 due to steep drop in auto sales. Euro was trading at \$1.1968, up 0.42% compared with the previous close of \$1.1918.

Commodity Market Update

- Gold prices went down on possibilities of the European Central Bank tightening its stimulus programme.
- Brent crude prices slipped owing to geopolitical tension driven by North Korea's latest missile launch.

International News

- According to a report from the Commerce Department, U.S. retail sales missed market expectations and fell 0.2% in Aug 2017 after rising by a downwardly revised 0.3% (0.6% originally reported) in Jul 2017. The decline reflects sharp fall in sales by motor vehicle and parts dealers.
- A report from Eurostat showed that euro zone's trade surplus (seasonally adjusted) fell to EUR 18.6 billion in Jul 2017 from EUR 21.7 billion in Jun 2017. While exports fell 1.1% MoM in Jul, imports grew 0.7%. Euro zone's trade surplus came in at EUR 23.2 billion (unadjusted basis) in Jul versus EUR 24.8 billion in the previous year period.

Thank you for
your time.