

RELIANCE

MUTUAL
FUND

Markets for You

06 Aug 2019

Indices Performance

Global Indices	05-Aug	Prev_Day	Abs. Change	% Change [#]
Russell 3000	1,245	1,288	-42	-3.29
Nasdaq	7,726	8,004	-278	-3.47
FTSE	7,224	7,407	-183	-2.47
Nikkei	20,720	21,087	-367	-1.74
Hang Seng	26,151	26,919	-767	-2.85
Indian Indices	05-Aug	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	36,700	37,118	-418	-1.13
Nifty 50	10,863	10,997	-135	-1.23
Nifty 100	10,970	11,100	-130	-1.17
Nifty 500	8,832	8,944	-112	-1.25
Nifty Bank	27,648	28,205	-557	-1.97
S&P BSE Power	1,889	1,938	-50	-2.56
S&P BSE Small Cap	12,285	12,496	-212	-1.69
S&P BSE HC	12,442	12,555	-114	-0.91

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
5-Aug	25.25	1.27	26.76	1.36
Month Ago	28.62	1.18	29.04	1.24
Year Ago	23.97	1.18	28.23	1.18

Nifty 50 Top 3 Gainers

Company	05-Aug	Prev_Day	% Change [#]
Bharti Airtel	358	344	4.12
TCS	2249	2205	1.96
Tech Mahindra	648	636	1.87

Nifty 50 Top 3 Losers

Company	05-Aug	Prev_Day	% Change [#]
Yes Bank	81	88	-8.15
UPL Limited	541	574	-5.68
Tata Motors	124	131	-5.32

Advance Decline Ratio

	BSE	NSE
Advances	698	497
Declines	1737	1354
Unchanged	128	92

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-2890	60706
MF Flows**	2898	23818

*5th Aug 2019; **31st Jul 2019

Economic Indicator

YoY(%)	Current	Quarter Ago	Year Ago
CPI	3.18% (Jun-19)	2.86% (Mar-19)	4.92% (Jun-18)
IIP	3.10% (May-19)	0.20% (Feb-19)	3.80% (May-18)
GDP	5.80% (Mar-19)	6.60% (Dec-18)	8.10% (Mar-18)

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 equity markets ended deep in red after China's central bank let yuan fall below the level of 7 against the U.S. dollar. This is a politically sensitive level and was seen by investors as an intentional measure taken by China to combat the U.S. Presidents' trade threats. Today (as of Aug 6), Asian markets opened lower on trade war worries after China confirmed that it is suspending U.S. agricultural product imports in response to U.S. tariffs. Both Nikkei and Hang Seng were trading down 2.13% and 2.36%, respectively (as at 8.a.m. IST).
- European markets fell after China devalued its currency in response to U.S. President's move of imposing 10% tariffs on China's remaining \$300 billion exports to the U.S. On top of this, media reports showed that China has stopped import of U.S. agricultural products.
- U.S. markets declined sharply as the trade war between U.S. and China intensified. China retaliated to the U.S. President's latest move of increasing tariffs by allowing yuan to fall to its lowest level against the dollar in more than 10 years.

Indian Equity Market

- Indian equity markets declined on political instability concerns as the government revoked the special status of Kashmir. Global sell-off on the back of trade-war worries led the rupee to plunge against the dollar. The global markets were hit by China allowing its yuan to fall below the politically sensitive point of 7 to the U.S. dollar. This led to speculations that Beijing is devaluing its currency to counter U.S. President's tariff threat.
- Key benchmark indices S&P BSE Sensex and Nifty 50 lost 1.13% and 1.23% to close at 36,699.84 and 10,862.60, respectively. S&P BSE Mid-Cap and S&P BSE Small Cap lost 1.26% and 1.69%, respectively.
- The overall market breadth on BSE was weak with 698 scrips advancing and 1737 scrips declining. A total of 128 scrips remained unchanged.
- On the BSE sectoral front, S&P BSE Telecom was the major gainer, up 1.56%, followed by S&P BSE Teck and S&P BSE IT, which gained 0.72% and 0.69%, respectively. S&P BSE Utilities was the major loser, down 2.73%, followed by S&P BSE Energy and S&P BSE Power, down 2.65% and 2.56%, respectively. S&P BSE Consumer Durables and S&P BSE Basic Materials lost 2.16% and 2.07%, respectively.

Domestic News

- The seasonally adjusted Nikkei India Services Business Activity Index rose to 53.8 in Jul 2019 from 49.6 in Jun 2019, thereby marking a 12-year high. The seasonally adjusted Nikkei India Composite PMI Output Index that considers both the manufacturing sector and the services sector came in at 53.9 in Jul against 50.8 in Jun. New business inflows rise at fastest pace since Oct 2016. This is the sharpest rise in employment in around eight-and-a-half years.
- Under the Bharatmala programme, the government is proposing to take up projects based on financial viability. The programme entails construction of 60,000 km of national highways across India. This is being done with the aim of asset monetisation. Projects to be taken up first will be the ones with high traffic density, and their ability to be monetised almost immediately after completion, and yield revenue.
- Nestle India's net profit increased 10.83% to Rs. 437.84 crore for the second quarter ended Jun 2019. The company follows Jan-Dec financial year and had posted a profit of Rs. 395.03 crore for the quarter ended Jun 2018. Net sales increased 11.35% to Rs. 2,982.83 crore as against Rs. 2,678.57 crore in the year-ago period.
- ITC Ltd's net profit increased 12.6% to Rs. 3,173.94 crore in the three months ended Jun 2019 from Rs. 2,818.68 crore in the year-ago period. Revenue from operations for the Jun quarter grew 5.7% to Rs. 11,502.82 crore.
- State Bank of India (SBI) registered a net profit of Rs. 2,312 crore for the Jun quarter. The bank had posted a net loss of Rs. 4,875 crore in the year-ago quarter because of lower provisions and higher other income.
- HDFC Ltd's net profit increased 46% to Rs. 3,203.10 crore for the first quarter ended Jun 30 compared with Rs. 2,190 crore in the year-ago period. Total income increased to Rs. 12,996.11 crore as against Rs. 9,951.98 crore in the same period of the preceding fiscal.

FII Derivative Trade Statistics	05-Aug		
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	5106.23	6120.89	17151.88
Index Options	243067.69	243529.49	47886.15
Stock Futures	15857.35	14745.15	87450.70
Stock Options	7706.55	7507.73	3922.80
Total	271737.82	271903.26	156411.53

Derivative Statistics- Nifty Options			
	05-Aug	Prev_Day	Change
Put Call Ratio (OI)	1.02	0.84	0.17
Put Call Ratio(Vol)	0.83	0.81	0.03

Debt Watch				
	05-Aug	Wk. Ago	Mth. Ago	Year Ago
Call Rate	5.56%	5.60%	5.56%	6.37%
T-Repo	5.56%	5.56%	5.58%	NA
Repo	5.75%	5.75%	5.75%	6.50%
Reverse Repo	5.50%	5.50%	5.50%	6.25%
91 Day T-Bill	5.60%	5.80%	5.85%	6.76%
364 Day T-Bill	5.80%	5.91%	6.05%	7.25%
10 Year Gilt	6.39%	6.41%	6.69%	7.76%
G-Sec Vol. (Rs.Cr)	46833	52731	126281	28593
FBIL MIBOR*	5.75%	5.75%	5.93%	6.46%
3 Month CP Rate	5.95%	6.25%	6.90%	7.60%
5 Year Corp Bond	7.86%	7.74%	7.89%	8.64%
1 Month CD Rate	5.74%	5.70%	5.90%	6.69%
3 Month CD Rate	6.05%	6.31%	6.28%	7.03%
1 Year CD Rate	6.64%	6.91%	7.42%	7.96%

Currency Market			
Currency	05-Aug	Prev_Day	Change
USD/INR	70.36	69.40	0.96
GBP/INR	85.26	84.09	1.17
EURO/INR	78.27	76.94	1.33
JPY/INR	0.66	0.65	0.02

Commodity Prices				
Commodity	05-Aug	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	54.58	56.85	57.03	68.44
Brent Crude(\$/bl)	58.46	61.58	64.82	73.12
Gold(\$/oz)	1464	1427	1400	1213
Gold(Rs./10 gm)	36289	34730	34655	29428

Source: Thomson Reuters Eikon

*As on previous trading day

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Derivatives Market

- Nifty Aug 2019 Futures stood at 10,896.80, a premium of 34.20 points above the spot closing of 10,862.60. The turnover on NSE's Futures and Options segment declined to Rs. 9,57,212.88 on Aug 5, 2019, compared with Rs. 11,42,376.65 crore on Aug 2, 2019.
- The Put-Call ratio stood at 0.77 compared with the previous session's close of 0.76.
- The Nifty Put-Call ratio stood at 1.01 compared with the previous session's close of 1.18.
- Open interest on Nifty Futures stood at 21.04 million, compared with the previous session's close of 20.25 million.

Indian Debt Market

- Bond yields increased tracking the depreciation of the local currency amid aggravating trade worries between the U.S. and China. In addition, the political disturbance in Jammu & Kashmir also adversely impacted investors sentiments.
- Yield on the 10-year benchmark paper (7.26% GS 2029) increased 4 bps to close at 6.39% compared with the previous close of 6.35% after trading in a range of 6.33% to 6.43%.
- Banks borrowings under the repo window of the LAF stood at Rs. 3,539 crore (gross) on Aug 5, 2019 compared with borrowings of Rs. 3,508 crore (gross) on Aug 2, 2019. Sale of securities under RBI's reverse repo window stood at Rs. 31,601 crore on Aug 2, 2019.
- Banks borrowed Rs. 2,505 crore under the central bank's Marginal Standing Facility on Aug 2, 2019 compared with borrowings of Rs. 250 crore on Aug 1, 2019.

Currency Market Update

- The rupee plunged and witnessed the biggest single session fall in almost six years against the greenback on concerns that trade tensions between U.S. and China may escalate further. The rupee closed at 70.74 a dollar, down 1.66% compared with the previous close 69.59.
- The euro rose against the greenback as the latter remained under pressure on concerns that the ongoing trade tensions between U.S. and China may escalate further. The euro was last seen trading at 1.1202, up 0.86% compared with the previous close of 1.1107.

Commodity Market Update

- Gold prices surged on concerns that trade tensions between U.S. and China may escalate further.
- Brent crude prices plummeted as the demand outlook of the commodity took a hit on worries on renewed trade tensions between U.S. and China.

International News

- Institute for Supply Management (ISM) report showed growth in U.S. services sector activity unexpectedly slowed in Jul 2019. The ISM non-manufacturing index fell to 53.7 in Jul after dropping to 55.1 in Jun 2019. A reading above 50 still indicates service sector growth.
- IHS Markit data showed China's private sector continued to log subdued growth with the Caixin composite output index inching to 50.9 in Jul 2019 from 50.6 in Jun 2019.
- IHS Markit data showed euro area private sector growth softened with the final composite output index falling to 51.5 in Jul 2019 from 52.2 in Jun 2019.



Thank you for
your time.