

RELIANCE

MUTUAL
FUND

Markets for You

09 Aug 2019

Indices Performance

Global Indices	08-Aug	Prev_Day	Abs. Change	% Change [#]
Russell 3000	1,297	1,270	28	2.18
Nasdaq	8,039	7,863	176	2.24
FTSE	7,286	7,199	87	1.21
Nikkei	20,593	20,517	77	0.37
Hang Seng	26,121	25,997	124	0.48
Indian Indices	08-Aug	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	37,327	36,691	637	1.74
Nifty 50	11,032	10,856	177	1.63
Nifty 100	11,144	10,971	174	1.58
Nifty 500	8,980	8,855	125	1.41
Nifty Bank	28,110	27,702	408	1.47
S&P BSE Power	1,929	1,904	26	1.35
S&P BSE Small Cap	12,574	12,482	92	0.74
S&P BSE HC	12,702	12,570	132	1.05

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
8-Aug	25.97	1.24	27.20	1.34
Month Ago	27.84	1.21	28.42	1.27
Year Ago	24.38	1.16	28.23	1.17

Nifty 50 Top 3 Gainers

Company	08-Aug	Prev_Day	% Change [#]
HCL Tech	1088	1023	6.41
Tata Motors	124	117	5.66
M&M	540	518	4.10

Nifty 50 Top 3 Losers

Company	08-Aug	Prev_Day	% Change [#]
Tata Steel	367	382	-3.80
Cipla	503	518	-2.94
Lupin	761	782	-2.68

Advance Decline Ratio

	BSE	NSE
Advances	1351	1057
Declines	1069	742
Unchanged	140	120

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-512	56159
MF Flows**	2898	23818

*8th 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 majorly gained after China reported better than expected export numbers for Jul 2019. Also, oil prices recovered from the nearly 5% drop in the previous session on expectations that producers could cut supply to support the market. Today (as of Aug 9), Asian markets traded higher as investors looked forward to the release of Chinese inflation data. Both Nikkei and Hang Seng were trading up 0.58% and 0.46%, respectively (as at 8.a.m. IST).
- European markets gained as a steep decline in bond yields steadied and eased concerns over slowing economic growth. Investors kept an eye on the yuan and China's central bank set the official reference rate for the Chinese currency at a level not as bad as expected.
- U.S. markets gained as global bond yields recovered from their steep fall and investors took stock of better than expected Chinese trade data.

Indian Equity Market

- Indian equity markets gained after media reports said the government could exempt foreign portfolio investors (FPIs) from an increase in taxes. The proposal to increase tax was announced in the Union Budget 2019-20 and since then equity markets have witnessed huge outflows by FPIs. Also, the Reserve Bank of India (RBI) cutting interest rates by a more than expected 35 basis points and promising liquidity support to the financial sector on Aug 7, 2019, at its policy meet supported sentiment.
- Key benchmark indices S&P BSE Sensex and Nifty 50 gained 1.74% and 1.63% to close at 37,327.36 and 11,032.45, respectively. S&P BSE Mid-Cap and S&P BSE Small Cap gained 0.42% and 0.74%, respectively.
- On the BSE sectoral front, all the sectors gained. S&P BSE Energy was the major gainer, up 3.15%, followed by S&P BSE Auto and S&P BSE IT, which gained 2.77% and 1.98%, respectively. S&P BSE Teck and S&P BSE Oil & Gas gained 1.94% and 1.81%, respectively. S&P BSE Telecom and S&P BSE Realty gained 1.74% and 1.65%, respectively.

Domestic News

- Media reports showed the tax department has sent notices to GST-registered businesses that have reported 20% or more decline in annual revenue. Notices related to mismatch in declaration between GSTR-3B (summary return) and GSTR-1 (outward supplies detail) have been a mainstay but now the department is comparing firms' earnings under GST with that of erstwhile service and excise regime.
- The Reserve Bank of India (RBI) has taken two important steps in its policy meet held recently to make access to credit easier for the crisis-ridden non-banking financial companies (NBFCs). These are – allowing banks to on-lend to priority sectors through NBFCs and relaxation in norms in banks' counter-party exposure limit to single NBFC. So, now if a bank lends to NBFCs for onward lending to the priority sectors, it will automatically be considered as priority sector lending for the bank. On-lending through non-banks to agriculture (investment credit) can be up to Rs. 10 lakh, micro and small enterprises up to Rs. 20 lakh and housing up to Rs. 20 lakh per borrower. On-lending to these three categories of NBFCs would be classified as priority sector lending. Detailed guidelines will be issued by month-end.
- American jeweller Tiffany & Co. plans to form a joint venture with a retail unit of Reliance Industries Ltd. to gain a foothold in the lucrative Indian market. The New York-based jeweller plans to open stores in Delhi and Mumbai by 2020.
- HCL Technologies' net profit declined 13.5% sequentially to Rs. 2,220 crore for the Apr-Jun 2019 quarter. The net profit was Rs. 2,568 in the previous quarter. Revenue grew 4.2% QoQ and 17.0% YoY in constant currency terms.
- Hindustan Petroleum Corp Ltd's net profit declined 53% to Rs. 811 crore in the Jun 2019 quarter mainly because of inventory losses caused by fall in oil prices and lower refinery margins. Net profit was Rs. 1,719 crore in the year-ago period.

FII Derivative Trade Statistics	08-Aug		
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	3860.29	4840.89	20508.80
Index Options	316650.05	315663.90	53210.86
Stock Futures	13956.43	13347.86	89246.37
Stock Options	5656.29	5660.09	4221.91
Total	340123.06	339512.74	167187.94

Derivative Statistics- Nifty Options	08-Aug	Prev_Day	Change
Put Call Ratio (OI)	0.98	1.12	-0.14
Put Call Ratio(Vol)	0.76	0.87	-0.11

Debt Watch	08-Aug	Wk. Ago	Mth. Ago	Year Ago
Call Rate	5.27%	5.56%	5.65%	6.43%
T-Repo	5.35%	5.59%	5.68%	NA
Repo	5.40%	5.75%	5.75%	6.50%
Reverse Repo	5.15%	5.50%	5.50%	6.25%
91 Day T-Bill	5.35%	5.53%	5.80%	6.65%
364 Day T-Bill	5.65%	5.88%	6.01%	7.27%
10 Year Gilt	6.40%	6.42%	6.56%	7.78%
G-Sec Vol. (Rs.Cr)	44834	55044	102561	20205
FBIL MIBOR*	5.75%	5.75%	5.69%	6.45%
3 Month CP Rate	5.85%	6.10%	6.85%	7.55%
5 Year Corp Bond	7.72%	7.84%	7.83%	8.64%
1 Month CD Rate	5.50%	5.44%	5.93%	6.63%
3 Month CD Rate	5.84%	6.20%	6.15%	7.18%
1 Year CD Rate	6.63%	6.62%	7.39%	7.99%

Currency Market	08-Aug	Prev_Day	Change
USD/INR	70.85	70.96	-0.11
GBP/INR	86.15	86.23	-0.07
EURO/INR	79.39	79.50	-0.11
JPY/INR	0.67	0.67	0.00

Commodity Prices	08-Aug	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	52.55	53.59	57.32	66.87
Brent Crude(\$/bl)	55.43	62.04	65.48	69.90
Gold (\$/oz)	1500	1445	1395	1213
Gold(Rs./10 gm)	37047	34572	34437	29418

Source: Thomson Reuters Eikon *As on previous trading day

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Derivatives Market

- Nifty Aug 2019 Futures stood at 11,063.95, a premium of 31.50 points above the spot closing of 11,032.45. The turnover on NSE's Futures and Options segment rose to Rs. 27,72,449.26 crore on Aug 8, 2019, compared with Rs. 15,34,441.36 crore on Aug 7, 2019.
- The Put-Call ratio stood at 0.76 compared with the previous session's close of 0.83.
- The Nifty Put-Call ratio stood at 1.25 compared with the previous session's close of 0.98.
- Open interest on Nifty Futures stood at 20.68 million, compared with the previous session's close of 20.81 million.

Indian Debt Market

- Bond yields continued to increase on account of ambiguity over future policy rate cuts, both in terms of quantum and timing, after the rate-cutting panel trimmed policy rates in its latest meet. The RBI governor said future rate cuts would be data driven.
- Yield on the 10-year benchmark paper (7.26% GS 2029) rose 3 bps to close at 6.40% compared with the previous close of 6.37% after trading in a range of 6.36% to 6.41%.
- Banks borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 5,444 crore (gross) on Aug 8, 2019 compared with borrowings of Rs. 3,504 crore (gross) on Aug 7, 2019. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 8,863 crore on Aug 7, 2019.
- Banks borrowed Rs. 50 crore under the central bank's Marginal Standing Facility on Aug 7, 2019 compared with borrowings of Rs. 1,350 crore on Aug 6, 2019.

Currency Market Update

- The rupee strengthened against the greenback following gains in the domestic equity market and selling of the greenback by foreign banks.
- The euro fell against the greenback after Italian Deputy Prime Minister indicated dissonance in the present government and added that the only way forward was to conduct new elections.

Commodity Market Update

- Gold prices fell as market participants preferred to book profits after the bullion surged to a more than six-year high.
- Brent crude prices rose amid reports that Saudi Arabia is planning keeping oil exports below 7 million barrels per day in Aug 2019 and Sep 2019 in order to bring back balance in the oil market.

International News

- Labor Department report said first-time claims for U.S. unemployment benefits unexpectedly showed a modest decrease in the week ended Aug 3, 2019. Initial jobless claims dipped to 209,000, a decrease of 8,000 from the previous week's revised level of 217,000.
- A Commerce Department report showed wholesale inventories in the U.S. were unchanged in Jun 2019 after climbing by 0.4% in May 2019.
- Government data showed China's exports rose in Jul 2019, against expectations of a decline. Exports grew 3.3% YoY after a 1.3% fall in Jun 2019. Imports dropped 5.6% annually after a 7.3% slump in the previous month.



Thank you for
your time.