

**RELIANCE**

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# Markets for You

21 Aug 2019

Indices Performance

Global Indices	20-Aug	Prev_Day	Abs. Change	% Change <sup>#</sup>
Russell 3000	1,285	1,293	-8	-0.60
Nasdaq	7,949	8,003	-54	-0.68
FTSE	7,125	7,190	-65	-0.90
Nikkei	20,677	20,563	114	0.55
Hang Seng	26,232	26,292	-60	-0.23
Indian Indices	20-Aug	Prev_Day	Abs. Change	% Change <sup>#</sup>
S&P BSE Sensex	37,328	37,402	-74	-0.20
Nifty 50	11,017	11,054	-37	-0.33
Nifty 100	11,116	11,159	-43	-0.39
Nifty 500	8,957	8,998	-41	-0.45
Nifty Bank	27,982	28,186	-204	-0.72
S&P BSE Power	1,894	1,911	-17	-0.90
S&P BSE Small Cap	12,570	12,649	-79	-0.62
S&P BSE HC	12,529	12,546	-17	-0.14

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
20-Aug	25.97	1.25	27.26	1.34
Month Ago	27.73	1.22	27.92	1.31
Year Ago	24.88	1.14	28.25	1.16

Nifty 50 Top 3 Gainers

Company	20-Aug	Prev_Day	% Change <sup>#</sup>
Maruti	6191	5983	3.48
Tata Motors	124	121	2.52
Infosys	793	778	1.94

Nifty 50 Top 3 Losers

Company	20-Aug	Prev_Day	% Change <sup>#</sup>
Yes Bank	71	77	-7.11
Ultratech Cem	4033	4158	-3.01
Indiabulls HFC	521	537	-2.88

Advance Decline Ratio

	BSE	NSE
Advances	875	641
Declines	1577	1185
Unchanged	131	112

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-265	56865
MF Flows**	391	35136

\*20<sup>th</sup> Aug 2019; \*\*19<sup>th</sup> Aug 2019

Economic Indicator

YoY(%)	Current	Quarter Ago	Year Ago
CPI	3.15% (Jul-19)	2.99% (Apr-19)	4.17% (Jul-18)
IIP	2.00% (Jun-19)	2.70% (Mar-19)	7.00% (Jun-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 were mostly higher as the U.S. again delayed a full ban on doing business with a Chinese tech major. Investors saw this as a possible breather in the U.S.-China trade dispute. Today (as of Aug 21), Asian markets opened lower as investors reacted to the fall in overnight U.S. markets on recession fears. While Nikkei was trading lower 0.39%, Hang Seng was up 0.04% (as at 8.a.m. IST).
- European markets ended lower as political instability concerns burdened investors after Italy's Prime Minister announced he would resign from the government.
- U.S. markets fell as recession fears made investors cautious. Media reports saying that the government was discussing a cut to payroll taxes to alleviate slower economic growth added to such fears.

Indian Equity Market

- Indian equity market ended a volatile session in the red. Sentiment was dampened as investors' hopes that the government will announce a revival package got dimmer. Markets were also hit by news of financial irregularities in a domestic multinational power company.
- Key benchmark indices S&P BSE Sensex and Nifty 50 lost 0.20% and 0.33% to close at 37,328.01 and 11,017.00, respectively. S&P BSE Mid-Cap and S&P BSE Small Cap lost 0.60% and 0.62%, respectively.
- The overall market breadth on BSE was weak with 875 scrips advancing and 1577 scrips declining. A total of 131 scrips remained unchanged.
- On the BSE sectoral front, S&P BSE IT was the major gainer, up 1.34%, followed by S&P BSE Auto and S&P BSE Teck, which gained 1.18% and 1.07%, respectively. S&P BSE Consumer Durables and S&P BSE Consumer Discretionary Goods & Services gained 0.36% and 0.32%, respectively. S&P BSE Metal was the major loser, down 1.71%, followed by S&P BSE Basic Materials and S&P BSE Energy, down 1.39% and 1.18%, respectively.

Domestic News

- Reserve Bank of India (RBI) deputy governor has asked bankers to ensure timely resolution of stressed assets under the new framework to get the best value. He underlined the need for dealing only in "genuine" cases. RBI will release the final guidelines for private and foreign bankers' compensation soon, he said. RBI's revised framework on resolution of stressed assets introduced on Jun 7, 2019, is "less intrusive" as it gives banks the leeway to draft their own resolution plans for a particular case, he added.
- The Central Board of Direct Taxes (CBDT) is seeking new ways to tax global tech companies that invoice their revenues out of India and maintain operations in the country with minimum profits. The tax department will consult the Organization for Economic Co-operation and Development at a conference next month, media reports said quoted a senior official. The move comes at a time when developed internet economies around the globe are exploring fresh methods of taxing big technology firms.
- Fortis Healthcare Ltd plans to cut a fifth of costs to save the country's second-largest hospital chain. A regulator has found Fortis was deceived of tens of millions of dollars by its former owners. Fortis' new chief executive officer is now looking to cut spending in everything from energy-efficient light fixtures to automating its business analysis unit and even renegotiating doctors' salaries. The aim is to reduce expenses by \$31 million over the coming two years.
- Maruti Suzuki India Ltd has launched a scheme offering free warranty for 5 years or 1 lakh kilometres to customers across India for its diesel vehicles. This comes amid demand at an all-time low.
- Shell India has offered to sell its 10% stake for over Rs. 700 crore held in the city gas distribution business of Mumbai-based Mahanagar Gas Ltd (MGL), through a block deal on the bourses, media reports said. When MGL was listed in Jul 2016, Shell had acquired a 34% stake in the company through its wholly-owned subsidiary BG Asia Pacific Holdings Pte. Last year, it offloaded 24% of its shareholding in two tranches. Shell India is the local arm of Netherlands-based Royal Dutch Shell Plc.

FII Derivative Trade Statistics	20-Aug		
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	3763.93	3836.21	22794.61
Index Options	162173.47	162975.14	58489.66
Stock Futures	10480.85	10807.84	91168.59
Stock Options	4801.19	4808.33	5630.33
Total	181219.44	182427.52	178083.19

Derivative Statistics- Nifty Options			
	20-Aug	Prev_Day	Change
Put Call Ratio (OI)	1.12	1.17	-0.05
Put Call Ratio(Vol)	0.83	1.00	-0.17

Debt Watch				
	20-Aug	Wk. Ago	Mth. Ago	Year Ago
Call Rate	5.28%	5.31%	5.70%	6.38%
T-Repo	5.22%	5.36%	5.70%	NA
Repo	5.40%	5.40%	5.75%	6.50%
Reverse Repo	5.15%	5.15%	5.50%	6.25%
91 Day T-Bill	5.40%	5.35%	5.64%	6.79%
364 Day T-Bill	5.71%	5.54%	5.89%	7.28%
10 Year Gilt	6.59%	6.53%	6.36%	7.84%
G-Sec Vol. (Rs.Cr)	54572	36129	57810	17078
FBIL MIBOR*	5.40%	5.40%	5.70%	6.46%
3 Month CP Rate	Closed	5.85%	6.35%	7.75%
5 Year Corp Bond	7.76%	7.74%	7.63%	8.66%
1 Month CD Rate	5.50%	5.53%	5.85%	6.53%
3 Month CD Rate	5.66%	5.74%	6.56%	7.18%
1 Year CD Rate	6.71%	6.67%	6.78%	8.01%

Currency Market			
Currency	20-Aug	Prev_Day	Change
USD/INR	71.65	71.34	0.31
GBP/INR	86.78	86.80	-0.02
EURO/INR	79.37	79.14	0.23
JPY/INR	0.67	0.67	0.00

Commodity Prices				
Commodity	20-Aug	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	56.13	57.00	55.39	66.45
Brent Crude(\$/bl)	59.32	60.04	61.18	70.30
Gold(\$/oz)	1507	1501	1425	1190
Gold(Rs./10 gm)	37688	37799	35091	29381

Source: Thomson Reuters Eikon

\*As on previous trading day

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**Derivatives Market**

- Nifty Aug 2019 Futures stood at 11,028.10, a premium of 11.10 points above the spot closing of 11,017.00. The turnover on NSE's Futures and Options segment increased to Rs. 10,69,260.44 on August 20, 2019, compared with Rs. 8,73,914.63 crore on August 19, 2019.
- The Put-Call ratio stood at 0.87 compared with the previous session's close of 0.93.
- The Nifty Put-Call ratio stood at 1.12 compared with the previous session's close of 1.17.
- Open interest on Nifty Futures stood at 21.77 million, compared with the previous session's close of 21.25 million.

**Indian Debt Market**

- Bond yields remained unchanged amid concerns over the government's fiscal package and weakness in the local currency.
- Yield on the 10-year benchmark paper (7.26% GS 2029) remained unchanged at 6.59% compared with the previous close after trading in a range of 6.58% to 6.64%.
- Banks borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 3,754 crore (gross) on Aug 20, 2019 compared with borrowings of Rs. 3,819 crore (gross) on Aug 19, 2019. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 23,937 crore on Aug 19, 2019.
- Banks did not borrow under the central bank's Marginal Standing Facility on Aug 19, 2019 compared with borrowings of Rs. 3,611 crore on Aug 16, 2019.

**Currency Market Update**

- The rupee fell against the U.S. dollar following losses in the domestic equity market and greenback purchases by foreign banks most likely for custodian clients.
- The euro rose against the greenback as the investor risk sentiment improved on hopes that central banks across the globe may adopt new stimulus measures to counter a possible global economic slowdown.

**Commodity Market Update**

- Gold prices rose as the greenback remained under pressure ahead of the release of the meeting minutes of the U.S. Federal Reserve monetary policy review which was held in Jul 2019 and Aug 2019.
- Brent crude prices fell after the Organization of the Petroleum Exporting Countries downgraded global oil demand growth in 2019.

**International News**

- According to market research group Kantar, U.K. grocery sales were flat YoY in the 12 weeks to Aug 11, 2019, suggesting that supermarkets are struggling to grow. In the 12 weeks to July 14, supermarket sales had dropped 0.5% YoY, marking the first fall since Jun 2016. Kantar said the tough comparisons with 2018's strong summer continues.
- Eurostat data showed euro zone construction output remained unchanged in Jun 2019 after easing for three straight months. Production was flat after decreasing 0.5% in May 2019 and 1.5% in Apr 2019. Building output gained 0.3%, while civil engineering fell 0.5%. On a yearly basis, construction output growth eased to 1% in Jun from 1.7% in May. This was the weakest expansion in five months.

Thank you for  
your time.