

RELIANCE

MUTUAL
FUND

Markets for You

29 Aug 2019

Indices Performance

Global Indices	28-Aug	Prev_Day	Abs. Change	% Change [#]
Russell 3000	1,278	1,272	6	0.45
Nasdaq	7,857	7,827	30	0.38
FTSE	7,115	7,090	25	0.35
Nikkei	20,479	20,456	23	0.11
Hang Seng	25,615	25,664	-49	-0.19
Indian Indices	28-Aug	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	37,452	37,641	-189	-0.50
Nifty 50	11,046	11,105	-59	-0.53
Nifty 100	11,155	11,214	-59	-0.53
Nifty 500	8,971	9,022	-51	-0.57
Nifty Bank	27,804	28,126	-322	-1.14
S&P BSE Power	1,892	1,921	-29	-1.52
S&P BSE Small Cap	12,508	12,589	-80	-0.64
S&P BSE HC	12,475	12,561	-86	-0.68

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
28-Aug	26.23	1.24	27.33	1.34
Month Ago	27.10	1.22	27.73	1.32
Year Ago	25.06	1.14	28.66	1.15

Nifty 50 Top 3 Gainers

Company	28-Aug	Prev_Day	% Change [#]
HCL Tech	1124	1093	2.82
BPCL	351	342	2.41
Infosys	803	785	2.27

Nifty 50 Top 3 Losers

Company	28-Aug	Prev_Day	% Change [#]
Yes Bank	60	65	-7.75
AGC Networks Limited	117	127	-7.31
Vedanta Limited	132	138	-4.16

Advance Decline Ratio

	BSE	NSE
Advances	933	691
Declines	1608	1145
Unchanged	143	100

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-1060	50528
MF Flows**	203	40076

*28th Aug 2019; **27th Aug 2019

Economic Indicator

YoY(%)	Current	Quarter Ago	Year Ago
CPI	3.15%	2.99%	4.17%
	(Jul-19)	(Apr-19)	(Jul-18)
IIP	2.00%	2.70%	7.00%
	(Jun-19)	(Mar-19)	(Jun-18)
GDP	5.80%	6.60%	8.10%
	(Mar-19)	(Dec-18)	(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 mixed as trade worries continued to rattle investors and recession fears resurfaced. Markets are fretting over recession as government bond yields once again touched record lows, a phenomenon that has preceded previous recessions. Today (as of Aug 29), Asian markets opened lower as investors closely watched the U.S. Treasury yields for cues. Both Nikkei and Hang Seng were trading lower 0.46% and 0.54%, respectively (as at 8.a.m. IST).
- European markets ended mostly down as the U.S. yield curve inverted to the lowest level since 2007. This led to aggravated recession worries.
- U.S. markets gained as the energy sector was strengthened by oil prices edging higher. Gains were limited as the U.S. yield curve inverting further, adding to fears of an imminent recession.

Indian Equity Market

- Indian equity markets ended in the red in volatile trade. Sentiment dampened as trade war worries led to foreign fund outflows and global cues remained weak. U.S. bond yields once again inverted, strengthening recession fears. Investors also remained cautious ahead of the expiry of August futures & options series due on Aug 29, 2019.
- Key benchmark indices S&P BSE Sensex and Nifty 50 lost 0.5% and 0.53% to close at 37,451.84 and 11,046.10, respectively. S&P BSE MidCap and S&P BSE SmallCap lost 0.92% and 0.64%, respectively.
- The overall market breadth on BSE was weak with 953 scrips advancing and 1,585 scrips declining. A total of 146 scrips remained unchanged.
- On the BSE sectoral front, S&P BSE Realty was the major gainer, up 1.86%, followed by S&P BSE IT, up 1.27%, and S&P BSE Teck, up 1.06%. S&P BSE Metal was the major loser, down 3.40%, followed by S&P BSE Auto, down 1.91%, and S&P BSE Power, down 1.52%.

Domestic News

- The government eased local sourcing norms for single-brand retail companies. Under the present norms, a single-brand retail company which has more than 51% FDI (Foreign Direct Investment) needs to source 30% of its goods from within India. Under the new norm this 30% can be met as an average over the first five years of operation and thereafter annually towards its Indian operations. In addition, the government also approved that single brand retail companies can start selling online before setting up physical stores, subject to the condition that they set one up within 2 years of starting online sales. The government also mandated that goods which shall be procured from India by a single-brand retailer for that brand will be counted towards local sourcing, irrespective of whether the goods procured are exported or sold in India. Further, the government permitted that sourcing of goods from India for global operations can be done directly by the entity which is undertaking single-brand retail or its group companies (resident or non-resident), or indirectly by them through a third party.
- The government gave approval for 100% FDI in contract manufacturing under automatic route. The objective of the move is to give a boost to domestic manufacturing. Furthermore, the government permitted 100% FDI in coal mining and associated infrastructure under automatic route as well. The government also announced 26% FDI with government approval in digital media. Under the present norms, 26% FDI is allowed through government approval route in the print media sector.
- Moody's Investors Service has downgraded YES Bank's long-term foreign-currency issuer rating, because of lower than expected amount of capital raised and a sharp fall in its stock price, media reports showed. The global rating agency said this "will challenge its ability to raise sufficient capital to maintain the rating at its previous level."

FII Derivative Trade Statistics		28-Aug		
(Rs Cr)	Buy	Sell	Open Int.	
Index Futures	8799.64	8144.65	25007.16	
Index Options	241140.90	241830.03	68378.54	
Stock Futures	42652.09	40867.78	95353.88	
Stock Options	5786.23	5719.88	5061.15	
Total	298378.86	296562.34	193800.73	

Derivative Statistics- Nifty Options			
	28-Aug	Prev_Day	Change
Put Call Ratio (OI)	1.23	1.21	0.03
Put Call Ratio(Vol)	0.92	0.84	0.08

Debt Watch				
	28-Aug	Wk. Ago	Mth. Ago	Year Ago
Call Rate	5.36%	5.32%	5.56%	6.35%
T-Repo	5.25%	5.23%	5.58%	NA
Repo	5.40%	5.40%	5.75%	6.50%
Reverse Repo	5.15%	5.15%	5.50%	6.25%
91 Day T-Bill	5.38%	5.45%	5.66%	6.77%
364 Day T-Bill	5.71%	5.70%	5.90%	7.28%
10 Year Gilt	6.57%	6.57%	6.53%	7.90%
G-Sec Vol. (Rs.Cr)	36101	57433	44495	26760
FBIL MIBOR*	5.45%	5.30%	5.75%	6.54%
3 Month CP Rate	5.90%	5.95%	6.35%	7.80%
5 Year Corp Bond	7.78%	7.77%	7.81%	8.69%
1 Month CD Rate	5.26%	5.56%	5.76%	6.62%
3 Month CD Rate	5.60%	5.77%	6.30%	7.30%
1 Year CD Rate	6.43%	6.70%	6.95%	8.00%

Currency Market			
Currency	28-Aug	Prev_Day	Change
USD/INR	71.70	71.82	-0.12
GBP/INR	88.02	87.75	0.27
EURO/INR	79.50	79.74	-0.24
JPY/INR	0.68	0.68	0.00

Commodity Prices				
Commodity	28-Aug	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	55.71	55.60	56.03	68.49
Brent Crude(\$/bl)	60.51	60.89	62.30	75.90
Gold(\$/oz)	1539	1502	1418	1201
Gold(Rs./10 gm)	38795	37550	34781	30097

Source: Thomson Reuters Eikon

*As on previous trading day

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Derivatives Market

- Nifty Aug 2019 Futures stood at 11,103.90, a discount of 1.45 points below the spot closing of 11,046.10. The turnover on NSE's Futures and Options segment increased to Rs. 14,63,804.79 on August 28, 2019, compared with Rs. 12,57,676.17 crore on August 27, 2019.
- The Put-Call ratio stood at 0.93 compared with the previous session's close of 0.87.
- The Nifty Put-Call ratio stood at 1.23 compared with the previous session's close of 1.23.
- Open interest on Nifty Futures stood at 22.61 million, compared with the previous session's close of 22.61 million.

Indian Debt Market

- Bond yields went up on concerns over expectations of increased government spending following the RBI's fund transfer. This increased worries over a fiscal slippage.
- Yield on the 10-year benchmark paper (7.26% GS 2029) rose 4 bps to 6.57% compared with the previous close of 6.53% after trading in a range of 6.50% to 6.58%.
- Banks borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 5,132 crore (gross) on Aug 28, 2019 compared with borrowings of Rs. 3,854 crore (gross) on Aug 27, 2019. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 14,067 crore on Aug 27, 2019.
- Banks borrowed Rs. 2 crore under the central bank's Marginal Standing Facility on Aug 27, 2019 compared with borrowings of Rs. 55 crore on Aug 26, 2019.

Currency Market Update

- The Indian weakened against the greenback on concerns that the ongoing trade tensions between U.S. and China would hurt global growth. Month end dollar demand from oil importers also weakened the rupee.
- The euro weakened against the greenback on concerns that the ongoing trade tensions between U.S. and China may lead to a global economic slowdown.

Commodity Market Update

- Gold prices fell on profit booking from the recent bullion rally.
- Brent Crude prices rose after data from the Energy Information Administration showed that U.S. crude oil inventories fell sharply by 10 million barrels in the week ended Aug 23.

International News

- Data from the European Central Bank showed euro zone bank lending to households increased the most in Jul 2019 since early 2009 and money supply growth accelerated. Loans to households rose 3.4% YoY in Jul, slightly faster than the 3.3% increase in Jun 2019. Loans to non-financial corporations grew at 3.9%.
- Survey data from the Recruitment & Employment Confederation showed British employers' confidence remained low but they plan to hire additional staff. The employers' confidence index fell 1 percentage point to a net -26 in May to Jul 2019 period. Forecast demand for permanent staff increased to +19 in the short-term and +21 in the medium-term in May-Jul. Nonetheless, nearly 46% of employers of permanent staff expressed concern about finding enough suitable candidates for hire.

Thank you for
your time.