

RELIANCE

MUTUAL
FUND

Markets for You

05 Jul 2019

Indices Performance

Global Indices	04-Jul	Prev_Day	Abs. Change	% Change [#]
Russell 3000	Closed	1,310	NA	NA
Nasdaq	Closed	8,170	NA	NA
FTSE	7,604	7,609	-6	-0.08
Nikkei	21,702	21,638	64	0.30
Hang Seng	28,796	28,855	-59	-0.21
Indian Indices	04-Jul	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	39,908	39,839	69	0.17
Nifty 50	11,947	11,917	30	0.25
Nifty 100	12,045	12,015	30	0.25
Nifty 500	9,777	9,757	20	0.20
Nifty Bank	31,472	31,382	90	0.29
S&P BSE Power	2,149	2,144	5	0.22
S&P BSE Small Cap	14,337	14,320	17	0.12
S&P BSE HC	12,888	12,936	-48	-0.37

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
4-Jul	28.86	1.17	29.37	1.23
Month Ago	28.76	1.19	29.73	1.21
Year Ago	22.81	1.23	26.02	1.21

Nifty 50 Top 3 Gainers

Company	04-Jul	Prev_Day	% Change [#]
United Phos	698	652	7.14
Bharti Airtel	363	353	2.70
Indiabulls HFC	704	691	1.87

Nifty 50 Top 3 Losers

Company	04-Jul	Prev_Day	% Change [#]
Yes Bank	96	100	-3.51
Tata Steel	495	510	-2.94
Titan Industries Limited	1290	1328	-2.87

Advance Decline Ratio

	BSE	NSE
Advances	1246	920
Declines	1200	863
Unchanged	173	127

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-1281	74381
MF Flows**	327	8514

*4th Jul 2019; **3rd Jul 2019

Economic Indicator

YoY(%)	Current	Quarter Ago	Year Ago
CPI	3.05% (May-19)	2.57% (Feb-19)	4.87% (May-18)
IIP	3.40% (Apr-19)	1.60% (Jan-19)	4.50% (Apr-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 mixed as weak U.S. economic data raised worries over the health of the economy but at the same time lifted hopes of a rate-cut soon by the U.S. Federal Reserve. Private sector job growth, trade balance and service sector growth came in downbeat. Today (as of Jul 05), Asian markets opened slightly on a subdued note as investors remained cautious ahead of the upcoming release of the U.S. nonfarm payrolls report. Nikkei was trading up only 0.03% and Hangseng was trading down 0.04% (as at 8.a.m. IST).
- As per the last close, European markets closed modestly higher on reports that top representatives from U.S. and China are planning to recommence talks in the week ended Jul 12. Further, European Commission reportedly decided to withhold disciplinary action against Italy over its fiscal policy, thereby boosting the indices. However, surprise decline in eurozone's retail sales in May and fall in Germany's construction PMI in Jun restricted the gains.
- As per the last close, U.S markets remained closed on account of public holiday.

Indian Equity Market

- Indian equity markets gained on the eve of the budget. The finance minister will present the Union Budget 2019-20 on Jul 5, 2019. Also, the Economic Survey 2019 has outlined a roadmap for India to become a \$5 trillion economy by 2024-25.
- Key benchmark indices S&P BSE Sensex and Nifty 50 grew 0.17% and 0.25% to close at 39,908.06 and 11,946.75, respectively. S&P BSE Mid-Cap lost 0.19% and S&P BSE Small Cap grew 0.12%.
- The overall market breadth on BSE was strong with 1,246 scrips advancing and 1,200 scrips declining. A total of 173 scrips remained unchanged.
- On the BSE sectoral front, S&P BSE Telecom stood as the major gainer and grew 1.53%, followed by S&P BSE Realty and S&P BSE Basic Materials that grew 0.88% and 0.5%, respectively. S&P BSE FMCG and S&P BSE Auto grew 0.37% each. S&P BSE Consumer Durables was the major loser that fell 1.58% followed by S&P BSE Metal and S&P BSE Healthcare that fell 1.12% and 0.37%, respectively.

Domestic News

- According to the government's economic survey presented in Parliament, India's economy is expected to rise to 7.0% in FY20 as against 6.8% in FY19. It also projected that in order to be a \$5 trillion economy by FY25 the economy needs to grow at 8% per year. The economic survey also expressed hopes that an improvement in consumer demand will boost investments moving ahead. However, the survey warned that the economy may face some hurdles in the form of increase in expenditure on the agriculture sector and slowdown in the economy growth which may adversely impact tax collections.
- According to economic survey, gross tax to GDP ratio fell to 10.9% in 2018-19. The ratio fell as indirect tax revenues fell short of budget estimates by approximately 16%.
- According to data from the India Meteorological Department (IMD), India's monsoon rains were below average for the fifth consecutive week. The country received 6% less rainfall than the 50-year average in the week ended on Jul 3, 2019. However, the deficit was the lowest since the start of the monsoon season on Jun 1, 2019.
- According to the commerce & industry minister, India will get additional revenue worth \$217 million from the retaliatory tariffs levied on 28 U.S. products. U.S. had imposed a global additional tariff of 25% and 10% on import of steel and aluminium products, respectively in Mar 2018.
- According to the commerce minister, India's trade deficit has widened with as many as 25 major countries including South Korea, Japan, Germany, Iraq and Saudi Arabia during the past three years. Despite positive growth of exports, India's trade deficit has surged due to higher imports of products such as crude oil, electronic goods, iron and steel, chemicals, coke, fertilisers, and machinery. These products contribute more than 70% share in total imports in 2018-19.

FII Derivative Trade Statistics	04-Jul		
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	1579.53	1572.16	16303.19
Index Options	181834.54	182077.87	36861.19
Stock Futures	8859.49	8398.04	84540.26
Stock Options	3038.75	3025.68	2523.85
Total	195312.31	195073.75	140228.49

Derivative Statistics- Nifty Options	04-Jul	Prev_Day	Change
Put Call Ratio (OI)	1.43	1.39	0.04
Put Call Ratio(Vol)	0.98	0.95	0.04

Debt Watch	04-Jul	Wk. Ago	Mth. Ago	Year Ago
Call Rate	5.67%	5.73%	5.87%	6.09%
T-Repo	5.46%	5.47%	5.79%	NA
Repo	5.75%	5.75%	6.00%	6.25%
Reverse Repo	5.50%	5.50%	5.75%	6.00%
91 Day T-Bill	5.95%	5.97%	6.05%	6.46%
364 Day T-Bill	6.09%	6.13%	6.16%	7.14%
10 Year Gilt	6.75%	6.90%	7.02%	7.85%
G-Sec Vol. (Rs.Cr)	87530	70107	44224	32259
FBIL MIBOR*	5.90%	5.90%	6.00%	6.25%
3 Month CP Rate	6.90%	7.00%	6.75%	7.20%
5 Year Corp Bond	7.94%	8.10%	8.01%	8.83%
1 Month CD Rate	5.81%	6.24%	6.15%	6.54%
3 Month CD Rate	6.35%	6.51%	6.43%	7.12%
1 Year CD Rate	7.69%	7.18%	7.16%	8.14%

Currency Market	04-Jul	Prev_Day	Change
USD/INR	68.85	68.88	-0.02
GBP/INR	86.57	86.61	-0.04
EURO/INR	77.69	77.73	-0.04
JPY/INR	0.64	0.64	0.00

Commodity Prices	04-Jul	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	Closed	59.15	53.45	74.14
Brent Crude(\$/bl)	64.21	68.22	65.00	76.58
Gold (\$/oz)	1415	1409	1325	1256
Gold(Rs./10 gm)	34134	33849	32407	30510

Source: Thomson Reuters Eikon

*As on previous trading day

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Derivatives Market

- Nifty Jul 2019 Futures stood at 11,979.65, a premium of 32.90 points, above the spot closing of 11,946.75. The turnover on NSE's Futures and Options segment increased to Rs. 19,71,511.37 crore on Jul 4, 2019, compared with Rs. 9,80,052.00 crore on Jul 3, 2019.
- The Put-Call ratio stood at 0.94 compared with the previous session's close of 0.91.
- The Nifty Put-Call ratio stood at 1.43 compared with the previous session's close of 1.39.
- Open interest on Nifty Futures stood at 19.38 million, compared with the previous session's close of 19.31.

Indian Debt Market

- Bond yield declined after worries over widening fiscal deficit alleviated. In addition, government official's remark on borrowings from overseas market raised expectations of foreign fund inflow and lifted the market sentiment.
- Yield on the 10-year benchmark paper (7.26% GS 2029) declined 8 bps to 6.75% compared with the previous close of 6.83% after trading in a range of 6.75% to 6.85%.
- Banks borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 3,497 crore (gross) on Jul 4, 2019, compared with Rs. 3,467 crore (gross) as on Jul 3, 2019. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 18,053 crore on Jul 3, 2019.
- Banks borrowed Rs. 340 crore under the central bank's Marginal Standing Facility on Jul 3, 2019 compared with no borrowings on Jul 2, 2019.

Currency Market Update

- The Indian rupee appreciated against the dollar on optimism of possible foreign funds inflow after a government official commented on borrowings from overseas market. The rupee closed at 68.50 a dollar, up 0.60% compared with the previous close 68.91.
- The euro rose on dollar weakness with rising expectations of monetary easing. However, the single currency remains under pressure following the IMF Managing Director's nomination as the chief of ECB since she is considered a policy dove.

Commodity Market Update

- Gold prices eased ahead of the U.S. job report, which will give an idea on the U.S. Federal Reserve's stance on policy rate cut.
- Brent crude prices remained below the \$65 per barrel mark amid indications of slowing demand from the U.S. Oil prices were last seen trading at \$64.80 per barrel.

International News

- A report from the commerce department showed that U.S. trade deficit widened to \$55.5 billion in May 2019 from revised figure of \$51.2 billion (\$50.8 billion originally reported) in Apr 2019. The value of imports grew 3.3% to \$266.2 billion in Jun after declining to \$257.6 billion in Apr. Exports grew 2% to \$210.6 billion in May after falling to \$206.4 billion in Apr.
- A report from the Eurostat showed that eurozone's retail sales surprisingly fell 0.3% MoM in May as against a revised decline of 0.1% in Apr. This marked the second consecutive decline. Retail sales growth eased to 1.3% on yearly basis from revised growth of 1.8% in Apr.



Thank you for
your time.