

**RELIANCE**

MUTUAL  
FUND

# Markets for You

10 Jul 2019

Indices Performance

Global Indices	09-Jul	Prev_Day	Abs. Change	% Change <sup>#</sup>
Russell 3000	1,305	1,299	5	0.40
Nasdaq	8,142	8,098	43	0.54
FTSE	7,536	7,549	-13	-0.17
Nikkei	21,565	21,534	31	0.14
Hang Seng	28,116	28,332	-215	-0.76
Indian Indices	09-Jul	Prev_Day	Abs. Change	% Change <sup>#</sup>
S&P BSE Sensex	38,731	38,721	10	0.03
Nifty 50	11,556	11,559	-3	-0.02
Nifty 100	11,656	11,650	6	0.05
Nifty 500	9,456	9,448	8	0.08
Nifty Bank	30,569	30,604	-35	-0.11
S&P BSE Power	2,031	2,010	20	1.01
S&P BSE Small Cap	13,802	13,795	8	0.05
S&P BSE HC	12,781	12,554	227	1.81

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
9-Jul	27.87	1.21	28.41	1.27
Month Ago	28.16	1.21	29.36	1.23
Year Ago	23.02	1.22	26.82	1.20

Nifty 50 Top 3 Gainers

Company	09-Jul	Prev_Day	% Change <sup>#</sup>
Bajaj Finance	3603	3413	5.56
Sun Pharma	386	367	5.34
Indian Oil	151	144	5.10

Nifty 50 Top 3 Losers

Company	09-Jul	Prev_Day	% Change <sup>#</sup>
GAIL	147	302	-51.31
Titan Industries	1099	1252	-12.26
United Phos	640	662	-3.33

Advance Decline Ratio

	BSE	NSE
Advances	1172	882
Declines	1270	919
Unchanged	160	100

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-330	75206
MF Flows**	-239	8536

\*9<sup>th</sup> Jul 2019; \*\*8<sup>th</sup> Jul 2019

Economic Indicator

YoY(%)	Current	Quarter Ago	Year Ago
CPI	3.05%	2.57%	4.87%
	(May-19)	(Feb-19)	(May-18)
IIP	3.40%	1.60%	4.50%
	(Apr-19)	(Jan-19)	(Apr-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 broadly down as investors remained cautious ahead of U.S. Federal Reserve chairman's two-day testimony to Congress, scheduled on Jul 10 and 11, 2019. Investors are keeping their ears to the ground for any rate-hike cues in the testimony. After the strong jobs report, the chairman's tone could be dovish. Today (as of July 10), Asian markets opened on a mixed note ahead of the Congressional testimony by U.S. Federal Reserve Chairman. Both Nikkei and Hang Seng were trading higher 0.09% and 0.49%, respectively (as at 8 a.m. IST).
- As per the last close, European markets fell on lowered expectation about a near-term interest rate cut in the U.S, major German Bank's decision to cut jobs and a profit warning from German chemicals major. Market participants remained cautious ahead of the U.S. Federal Reserve Chairman's testimony to Congress on Wednesday.
- As per the last close, U.S markets closed on a mixed note as market participants largely seemed reluctant to make significant moves ahead of Congressional testimony by U.S. Federal Reserve Chairman.

Indian Equity Market

- Indian equity markets were flat as investors remained cautious of some of the budget proposals and the impending earnings season. Global cues were weak too as the strong U.S. jobs report has dimmed the hopes of the U.S. Federal Reserve cutting interest rates at its next meeting.
- Key benchmark indices S&P BSE Sensex gained 0.03% and Nifty 50 lost 0.02%, respectively, to close at 38,730.82 and 11,555.90, respectively. S&P BSE Mid-Cap and S&P BSE Small Cap gained 0.63% and 0.05%, respectively.
- The overall market breadth on BSE was weak with 1172 scrips advancing and 1270 scrips declining. A total of 160 scrips remained unchanged.
- On the BSE sectoral front, S&P BSE Realty was the major gainer, up 2.81%, followed by S&P BSE Healthcare, up 1.81%, and S&P BSE Energy, up 1.77%. S&P BSE Capital Goods and S&P BSE Oil & Gas gained 1.65% and 1.11%, respectively. S&P BSE Consumer Durables was the major loser, down 6.76%, followed by S&P BSE Consumer Discretionary Goods & Services and S&P BSE IT, down 1.01% and 0.98%, respectively.

Domestic News

- The government aims to raise up to Rs. 150 billion by reducing its stake in 18 state firms to 75%, media reports stated. This is being done to increase revenues and keep fiscal deficit under control. The finance minister has set a target of Rs 1.05 trillion from the sale of stakes in state-run companies, compared with Rs. 850 billion set in the previous year, in the budget.
- The Basel Committee on Banking Supervision has said that the Reserve Bank of India's (RBI) norms on large exposures for banks are stricter than Basel requirements in some areas. The committee is the primary global standard setter for the prudential regulation of banks.
- The Telecom Regulatory Authority of India (TRAI) has stuck to its recommendation on the reserve price of spectrum, including 5G band, said media news. The Digital Communications Commission (DCC) had asked TRAI to reconsider its spectrum recommendations to ensure competition and greater participation of larger set of players in auctions slated for 2019. The 5G band is aimed by the government to be put up for auctions later in 2019.
- Steel minister told the Parliament that finished steel imports increased 4.7% to 7.83 million tonne (MT) in 2018-19. The country had imported 7.48 MT of finished steel in 2017-18. In 2018-19, finished steel import stood at 7.83 MT, an increase of 4.7% in comparison to 2017-18.
- A major global rating agency has said a higher disinvestment and dividend target for state-owned firms could strain their credit profiles. It added that steps toward private participation in rail infrastructure could create growth opportunities for corporates.
- Reserve Bank of India governor has said the central bank will discuss issuance of overseas sovereign bonds with the government. After the customary post-budget meeting with the finance minister, he said the system has sufficient liquidity and the budget has made provision for the non-banking financial sector.

FII Derivative Trade Statistics		09-Jul		
(Rs Cr)	Buy	Sell	Open Int.	
Index Futures	4340.36	7242.32	17890.99	
Index Options	197371.12	194300.76	41339.59	
Stock Futures	12939.83	13837.35	83179.41	
Stock Options	7042.20	7106.46	2981.61	
Total	221693.51	222486.89	145391.60	

Derivative Statistics- Nifty Options			
	09-Jul	Prev_Day	Change
Put Call Ratio (OI)	0.91	0.88	0.03
Put Call Ratio(Vol)	0.74	0.68	0.05

Debt Watch				
	09-Jul	Wk. Ago	Mth. Ago	Year Ago
Call Rate	5.62%	5.71%	5.69%	6.18%
T-Repo	5.70%	5.49%	5.74%	NA
Repo	5.75%	5.75%	5.75%	6.25%
Reverse Repo	5.50%	5.50%	5.50%	6.00%
91 Day T-Bill	5.85%	5.94%	5.91%	6.34%
364 Day T-Bill	6.03%	6.11%	6.05%	7.13%
10 Year Gilt	6.59%	6.85%	6.97%	7.89%
G-Sec Vol. (Rs.Cr)	56708	42158	48346	12798
FBIL MIBOR*	5.79%	5.90%	5.80%	6.19%
3 Month CP Rate	6.80%	6.90%	6.60%	7.15%
5 Year Corp Bond	7.88%	8.02%	7.91%	8.86%
1 Month CD Rate	5.93%	5.91%	5.77%	6.33%
3 Month CD Rate	6.77%	6.38%	6.13%	7.01%
1 Year CD Rate	6.94%	7.50%	7.12%	8.15%

Currency Market			
Currency	09-Jul	Prev_Day	Change
USD/INR	68.73	68.70	0.03
GBP/INR	85.88	86.06	-0.18
EURO/INR	77.05	77.11	-0.06
JPY/INR	0.63	0.63	0.00

Commodity Prices				
Commodity	09-Jul	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	57.54	55.97	53.90	73.88
Brent Crude(\$/bl)	64.89	62.86	65.54	76.87
Gold(\$/oz)	1398	1418	1340	1257
Gold(Rs./10 gm)	34075	33577	32607	30622

Source: Thomson Reuters Eikon

\*As on previous trading day

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**Derivatives Market**

- Nifty Jul 2019 Futures stood at 11,552.60, a discount of 3.30 points, below the spot closing of 11,555.90. The turnover on NSE's Futures and Options segment decreased to Rs. 11,41,869.90 crore on Jul 9, 2019, compared with Rs. 11,59,947.41 crore on Jul 8, 2019.
- The Put-Call ratio stood at 0.81 compared with the previous session's close of 0.79.
- The Nifty Put-Call ratio stood at 0.91 compared with the previous session's close of 0.88.
- Open interest on Nifty Futures stood at 20.94 million, compared with the previous session's close of 20.15.

**Indian Debt Market**

- Bond yield rose as market participants sold notes to capitalize on the recent rally after the government proposed to raise funds through bond sales in the overseas market and keep the fiscal deficit target under check.
- Yield on the 10-year benchmark paper (7.26% GS 2029) went up 3 bps to 6.59% compared with the previous close of 6.56% after trading in a range of 6.55% to 6.61%.
- Banks borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 3,267 crore (gross) on Jul 9, 2019, compared with Rs. 9,992 crore (gross) as on Jul 8, 2019. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 14,018 crore on Jul 8, 2019.
- Banks borrowed Rs. 526 crore under the central bank's Marginal Standing Facility on Jul 8, 2019 compared with borrowings of Rs. 1,150 crore on Jul 5, 2019.

**Currency Market Update**

- The Indian rupee rose following greenback sales by foreign banks. Investors are now awaiting the U.S. Federal officials' speech this week for cues on its rate cut plan, particularly after the Fed Chair's last speech where he was not as dovish. The rupee closed at 68.54 a dollar, up 0.17% compared with the previous close 68.66.
- The euro declined as dollar strengthened since prospects of deep rate cuts by the U.S. Federal Reserve weakened after U.S. jobs report came in stronger than expected. The euro was last seen trading at 1.1198, down 0.14% compared with the previous close of 1.1214.

**Commodity Market Update**

- Gold prices slipped ahead of the U.S. Federal Reserve officials' speech.
- Brent crude prices stood above the \$65-a-barrel mark on rising supply concerns. OPEC's production cut extension to the second half of the year supported the commodity.

**International News**

- A U.S. Federal Reserve report showed consumer credit in the U.S. increased by more than expected in May 2019. The Fed said consumer credit surged up by \$17.1 billion in May after jumping by \$17.5 billion in Apr 2019.
- Data from the British Retail Consortium showed U.K. retail sales logged its worst Jun on record. Like-for-like sales decreased 1.6% YoY in June. Total sales were down 1.3%.
- The firing of the central bank governor by Turkey's President sent the Turkish Lira spiralling down against the U.S. dollar.



Thank you for  
your time.