

RELIANCE

MUTUAL
FUND

Markets for You

11 Jul 2019

Indices Performance

Global Indices	10-Jul	Prev_Day	Abs. Change	% Change [#]
Russell 3000	1,312	1,305	8	0.60
Nasdaq	8,203	8,142	61	0.75
FTSE	7,531	7,536	-6	-0.08
Nikkei	21,533	21,565	-32	-0.15
Hang Seng	28,205	28,116	88	0.31
Indian Indices	10-Jul	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	38,557	38,731	-174	-0.45
Nifty 50	11,499	11,556	-57	-0.49
Nifty 100	11,594	11,656	-62	-0.53
Nifty 500	9,400	9,456	-56	-0.59
Nifty Bank	30,522	30,569	-47	-0.15
S&P BSE Power	2,014	2,031	-16	-0.81
S&P BSE Small Cap	13,699	13,802	-103	-0.75
S&P BSE HC	12,755	12,781	-26	-0.20

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
10-Jul	27.84	1.21	28.20	1.27
Month Ago	28.27	1.20	29.49	1.22
Year Ago	23.17	1.21	27.05	1.19

Nifty 50 Top 3 Gainers

Company	10-Jul	Prev_Day	% Change [#]
Yes Bank	93	91	1.81
Coal India	233	230	1.63
Sun Pharma	392	386	1.50

Nifty 50 Top 3 Losers

Company	10-Jul	Prev_Day	% Change [#]
Bajaj Finance	3429	3603	-4.83
Indiabulls HFC	660	687	-4.00
BPCL	350	360	-2.92

Advance Decline Ratio

	BSE	NSE
Advances	920	593
Declines	1532	1192
Unchanged	132	123

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-877	74330
MF Flows**	86	8620

*10th Jul 2019; **9th 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 mixed as investors turned cautious before the U.S. Federal Reserve chairman's Congress testimony. Markets want to ascertain whether the U.S. central bank will meet dovish expectations after the country reported strong U.S. jobs data. Today (as of July 11), Asian markets opened on a higher note following rise on the Wall Street overnight. Both Nikkei and Hang Seng were trading higher 0.16% and 1.17%, respectively (as at 8 a.m. IST).
- As per the last close, European markets fell after the U.S. Federal Reserve (Fed) Chairman indicated at a possible interest rate cuts in a testimony to Congress. Investor sentiment dampened due to concerns over tensions between the U.S. and the U.K. after Britain's ambassador to Washington resigned.
- As per the last close, U.S. markets rose in reaction to the U.S. Fed Chairman's prepared remarks before the House Financial Services Committee. He said that trade tensions and concerns about global growth, have continued to weigh on the U.S. economic outlook since the central bank's June meeting.

Indian Equity Market

- Indian equity markets declined on the back of a couple of disappointing news and as investors looked forward to key global and domestic events scheduled in the week. The U.S. President yet again complained that India's tariffs on U.S. products were unacceptable, raising concerns of trade tiff between the two countries. This comes ahead of the Indo-U.S. trade talks on Jul 12, 2019. Investors have turned cautious awaiting U.S. Federal Reserve chairman's testimony before the Congress in the week. Domestic industrial production and consumer inflation data will release on Jul 12, 2019. Also, the first quarter earnings of India's biggest information technology company disappointed investors.
- Key benchmark indices S&P BSE Sensex and Nifty 50 lost 0.45% and 0.49%, respectively, to close at 38,557.04 and 11,498.90, respectively. S&P BSE Mid-Cap and S&P BSE Small Cap fell 0.75% each.
- On the BSE sectoral front, all the sectors lost. S&P BSE Capital Goods was the major loser, down 1.65%, followed by S&P BSE Realty, down 1.52%, and S&P BSE Industrials, down 1.51%. S&P BSE Metal and S&P BSE Auto lost 1.22% and 1.07%, respectively.

Domestic News

- According to media reports, domestic passenger vehicle (PV) sales declined 17.54% to 2,25,732 units in Jun 2019 from 2,73,748 units in the year-ago period, showed Society of Indian Automobile Manufacturers (SIAM) data. Domestic car sales were down 24.97% to 1,39,628 units compared with 1,83,885 units in Jun 2018. Motorcycle sales declined 9.57% in Jun to 10,84,598 units as against 11,99,332 units in the year-ago period. Total two-wheeler sales in Jun declined 11.69% to 16,49,477 units compared with 18,67,884 units in the year-ago month.
- The U.S. President has yet again complained that India's tariffs on U.S. products were unacceptable, media reports showed. The President did not say whether he would take any further action.
- Niti Aayog vice-chairman has said the target of achieving an economy of \$5 trillion within 2024-25 was 'eminently' doable and the private sector would have to take the lead, according to media reports. He said the government alone would not be able to meet the target and private investors would have to take the lead. The Niti Aayog vice-chairperson said initiatives mentioned in the budget such as disinvestment target, governmental support to non-banking financial companies and long-term plan to deepen the corporate bond markets show the government's willingness to work along with the private sector.
- According to media reports, the government has clarified its position on increasing surcharge on income tax paid by super-rich individuals in the Union Budget 2019-20. This comes amongst criticism from foreign portfolio investors (FPIs) over the new tax. The government said it is not targeting FPIs and foreign investors have an option to convert into a corporate entity to avail of lower rates available to such category. The report said around 40% FPIs automatically fall under the higher tax rate as they have been investing as a non-corporate entity such as trust or association of persons (AOPs), which are classified as an individual for the purpose of taxation.

FII Derivative Trade Statistics		10-Jul		
(Rs Cr)	Buy	Sell	Open Int.	
Index Futures	3884.81	5354.04	20340.96	
Index Options	227726.36	226959.37	43566.90	
Stock Futures	13263.58	13499.11	84859.06	
Stock Options	7241.77	7234.56	3452.18	
Total	252116.52	253047.08	152219.10	

Derivative Statistics- Nifty Options			
	10-Jul	Prev_Day	Change
Put Call Ratio (OI)	0.85	0.91	-0.06
Put Call Ratio(Vol)	0.73	0.74	-0.01

Debt Watch				
	10-Jul	Wk. Ago	Mth. Ago	Year Ago
Call Rate	5.62%	5.71%	5.69%	6.15%
T-Repo	5.70%	5.49%	5.71%	NA
Repo	5.75%	5.75%	5.75%	6.25%
Reverse Repo	5.50%	5.50%	5.50%	6.00%
91 Day T-Bill	5.95%	5.95%	5.87%	6.40%
364 Day T-Bill	6.05%	6.13%	6.02%	7.11%
10 Year Gilt	6.54%	6.83%	7.08%	7.90%
G-Sec Vol. (Rs.Cr)	89059	50727	56839	15049
FBIL MIBOR*	5.84%	5.93%	5.80%	6.25%
3 Month CP Rate	6.80%	6.90%	6.65%	7.15%
5 Year Corp Bond	7.85%	7.99%	8.09%	8.86%
1 Month CD Rate	5.85%	6.34%	5.68%	6.32%
3 Month CD Rate	6.78%	6.38%	6.37%	6.77%
1 Year CD Rate	6.88%	7.23%	7.15%	8.10%

Currency Market			
Currency	10-Jul	Prev_Day	Change
USD/INR	68.53	68.73	-0.20
GBP/INR	85.30	85.88	-0.58
EURO/INR	76.79	77.05	-0.26
JPY/INR	0.63	0.63	0.00

Commodity Prices				
Commodity	10-Jul	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	60.25	57.03	53.28	74.06
Brent Crude(\$/bl)	67.00	64.12	65.75	77.41
Gold(\$/oz)	1419	1419	1328	1255
Gold(Rs./10 gm)	34189	34134	32527	30399

Source: Thomson Reuters Eikon

*As on previous trading day

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Derivatives Market

- Nifty Jul 2019 Futures stood at 11,492.25, a discount of 6.65 points, below the spot closing of 11,498.90. The turnover on NSE's Futures and Options segment increased to Rs. 12,87,147.73 crore on Jul 10, 2019, compared with Rs. 11,41,869.90 crore on Jul 9, 2019.
- The Put-Call ratio stood at 0.84 compared with the previous session's close of 0.81.
- The Nifty Put-Call ratio stood at 0.85 compared with the previous session's close of 0.91.
- Open interest on Nifty Futures stood at 21.19 million, compared with the previous session's close of 20.94.

Indian Debt Market

- Bond yield declined on possible bond purchase by foreign participants. The bond market has turned attractive for them following the government's announcement of raising overseas funds. Besides, optimism of future policy rate cut also buoyed market sentiments.
- Yield on the 10-year benchmark paper (7.26% GS 2029) went down 5 bps to 6.54% compared with the previous close of 6.59% after trading in a range of 6.51% to 6.61%.
- Banks borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 4,132 crore (gross) on Jul 10, 2019, compared with Rs. 3,267 crore (gross) as on Jul 9, 2019. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 12,040 crore on Jul 9, 2019.

Currency Market Update

- The Indian rupee was steady to marginally down ahead of the U.S. Federal officials' testimony, which will give cues on future rate cut plan. The market expects policy rate cuts to get postponed, particularly after robust U.S. jobs report.
- The euro remained weak as dollar stood strong amid lowering expectations of aggressive rate cuts by the U.S. Federal Reserve. This also pushed the U.S. Treasury yield higher, while weighing down on the single currency.

Commodity Market Update

- Gold prices slipped as expectations of interest rate cut lowered. Market participants are now awaiting the U.S. Federal Reserve Chairman's speech to get cues on policy rate movement.
- Brent crude prices surge more than 2% following American Petroleum Institute's (API) report showing decline in U.S. crude stockpiles.

International News

- Figures from the Office for National Statistics showed U.K. gross domestic product grew in May 2019 after a decline in Apr 2019. GDP rose 0.3% MoM in May following a 0.4% decline in Apr. The expansion was in line with expectations. In Mar 2019, GDP edged up 0.1%.
- The National Bureau of Statistics said consumer prices in China were up 2.7% YoY in Jun 2019, in line with expectations and unchanged from the May reading. On a monthly basis, consumer prices were down 0.1% following the flat reading a month earlier. The bureau also said that producer prices were flat YoY in Jun.

Thank you for
your time.