

RELIANCE

MUTUAL
FUND

Markets for You

12 Jul 2019

Indices Performance

Global Indices	11-Jul	Prev_Day	Abs. Change	% Change [#]
Russell 3000	1,315	1,312	2	0.19
Nasdaq	8,196	8,203	-6	-0.08
FTSE	7,510	7,531	-21	-0.28
Nikkei	21,644	21,533	110	0.51
Hang Seng	28,432	28,205	227	0.81
Indian Indices	11-Jul	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	38,823	38,557	266	0.69
Nifty 50	11,583	11,499	84	0.73
Nifty 100	11,679	11,594	85	0.73
Nifty 500	9,466	9,400	66	0.71
Nifty Bank	30,717	30,522	194	0.64
S&P BSE Power	2,027	2,014	13	0.63
S&P BSE Small Cap	13,755	13,699	56	0.41
S&P BSE HC	12,859	12,755	104	0.82

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
11-Jul	28.06	1.20	28.40	1.26
Month Ago	28.43	1.20	29.59	1.22
Year Ago	23.14	1.21	27.20	1.19

Nifty 50 Top 3 Gainers

Company	11-Jul	Prev_Day	% Change [#]
Zee Ente.	355	333	6.63
Hero Moto	2508	2400	4.49
IndusInd Bank	1541	1487	3.63

Nifty 50 Top 3 Losers

Company	11-Jul	Prev_Day	% Change [#]
Tech Mahindra	666	675	-1.36
Bajaj Auto	2712	2740	-1.05
ICICI Bank	427	431	-1.01

Advance Decline Ratio

	BSE	NSE
Advances	1235	931
Declines	1201	841
Unchanged	160	119

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-460	73870
MF Flows**	346	8965

*11th Jul 2019; **10th 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 gained as the U.S. Federal Reserve chairman gave dovish comments, strengthening hopes of U.S. rate cut later in the month. The chairman hinted in his testimony that the central bank could cut rates soon. The Fed's next meeting is scheduled on Jul 30-31, 2019. Today (as of July 12), Asian markets opened on a subdued note despite rise on the Wall Street overnight. While Nikkei was trading almost steady, Hang Seng was higher 0.29% (as at 8 a.m. IST).
- As per the last close, European markets fell on worries about global economic slowdown after the International Monetary Fund (IMF) and Bank of England spoke about risks from trade tensions, Brexit impact and Italy's big deficit budget.
- As per the last close, U.S. markets rose partially due to surge in share prices of a major U.S. healthcare giant, along with other health insurers on news that the U.S. President is abandoning a plan to eliminate rebates from government drug plans. Moreover, surprise uptick in U.S. consumer prices in June, added to the upside.

Indian Equity Market

- Indian equity markets gained on strong global cues as the U.S. Federal Reserve hinted that it would cut interest rates soon. The U.S. Fed could reduce key U.S. borrowing costs by 25 basis points at its meeting on Jul 30-31, though the decision thereafter will depend on economic data. Also, the rupee touched an 11-month high against the U.S. dollar on U.S. rate-cut hopes.
- Key benchmark indices S&P BSE Sensex and Nifty 50 gained 0.69% and 0.73%, respectively, to close at 38,823.11 and 11,582.90, respectively.
- The overall market breadth on BSE was weak with 1235 scrips advancing and 1201 scrips declining. A total of 160 scrips remained unchanged.
- On the BSE sectoral front, S&P BSE Auto was the major gainer, up 1.84%, followed by S&P BSE Metal, up 1.81%, and S&P BSE Telecom, up 1.46%. S&P BSE Realty and S&P BSE Consumer Discretionary Goods & Services gained 1.36% and 1.15%, respectively. S&P BSE Capital Goods was the major loser, down 0.23%, followed by S&P BSE Consumer Durables and S&P BSE IT, down 0.05% and 0.11%, respectively.

Domestic News

- Finance minister said the government is committed to follow the path of fiscal consolidation without compromising on public expenditure, according to media news. She was replying to the general discussion on Budget 2019-20 in the Lok Sabha and added that the government has set the fiscal deficit target at 3.3% of GDP for 2019-20.
- Media reports showed the government has identified 28 central PSUs for disinvestment this year. It also includes the national air carrier. The government is aiming to garner more than Rs. 1 lakh crore in 2019-22 from the sale of its shares in public sector undertakings. The finance minister in the budget estimated government's disinvestment proceeds to be Rs 1.05 lakh crore, which is an increase of 31% over the last year's figure. The government has identified 28 central PSUs for disinvestment this year. It also includes the national air carrier.
- As per the latest finance ministry data, deposits in bank accounts opened under the Jan Dhan scheme, which was launched around five years ago by the government, have crossed the Rs. 1 lakh crore mark. As per the latest finance ministry data, the total balance in over 36.06 crore Pradhan Mantri Jan Dhan Yojana (PMJDY) accounts was at Rs. 1,00,495.94 crore as on Jul 3, 2019. The deposits in the account of the beneficiaries, which has been steadily rising, was Rs. 99,649.84 crore on Jun 6 and Rs. 99,232.71 crore in the week before.
- The government has booked almost 1,800 cases for issuing fake GST invoices since 2017-18, media reports showed. The highest number of cases have been booked in 2018-19 when the authorities booked 1,220 cases involving an amount of nearly Rs. 9,500 crore. The government informed the Rajya Sabha that 1,796 cases for issuing fake GST invoices has been booked in three years to claim the Input Tax Credit (ITC) available under the GST.

FII Derivative Trade Statistics		11-Jul		
(Rs Cr)	Buy	Sell	Open Int.	
Index Futures	2861.01	2720.10	20479.87	
Index Options	252742.15	252344.11	44967.09	
Stock Futures	10396.27	10615.90	85054.31	
Stock Options	5814.61	5889.18	3585.35	
Total	271814.04	271569.29	154086.62	

Derivative Statistics- Nifty Options			
	11-Jul	Prev_Day	Change
Put Call Ratio (OI)	1.03	0.85	0.18
Put Call Ratio(Vol)	0.97	0.73	0.24

Debt Watch				
	11-Jul	Wk. Ago	Mth. Ago	Year Ago
Call Rate	5.58%	5.67%	5.70%	6.17%
T-Repo	5.66%	5.46%	5.67%	NA
Repo	5.75%	5.75%	5.75%	6.25%
Reverse Repo	5.50%	5.50%	5.50%	6.00%
91 Day T-Bill	5.80%	5.95%	5.95%	6.52%
364 Day T-Bill	5.95%	6.09%	6.03%	7.20%
10 Year Gilt	6.49%	6.75%	7.04%	7.87%
G-Sec Vol. (Rs.Cr)	92654	87530	51147	20274
FBIL MIBOR*	5.85%	5.90%	5.80%	6.26%
3 Month CP Rate	6.80%	6.90%	6.65%	7.55%
5 Year Corp Bond	7.79%	7.94%	8.07%	8.84%
1 Month CD Rate	5.80%	5.81%	5.68%	6.40%
3 Month CD Rate	6.90%	6.35%	6.31%	6.97%
1 Year CD Rate	6.89%	7.69%	7.25%	7.98%

Currency Market			
Currency	11-Jul	Prev_Day	Change
USD/INR	68.37	68.53	-0.16
GBP/INR	85.65	85.30	0.35
EURO/INR	77.04	76.79	0.25
JPY/INR	0.63	0.63	0.00

Commodity Prices				
Commodity	11-Jul	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	59.90	57.03	53.25	70.42
Brent Crude(\$/bl)	68.43	64.21	65.00	74.96
Gold(\$/oz)	1404	1415	1327	1242
Gold(Rs./10 gm)	34575	34134	32331	30403

Source: Thomson Reuters Eikon

*As on previous trading day

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Derivatives Market

- Nifty Jul 2019 Futures stood at 11,582.05, a discount of 0.85 points, below the spot closing of 11,582.90. The turnover on NSE's Futures and Options segment increased to Rs. 19,43,857.18 crore on Jul 11, 2019, compared with Rs. 12,87,147.73 crore on Jul 10, 2019.
- The Put-Call ratio stood at 0.92 compared with the previous session's close of 0.84.
- The Nifty Put-Call ratio stood at 1.03 compared with the previous session's close of 0.85.
- Open interest on Nifty Futures stood at 20.43 million, compared with the previous session's close of 21.19.

Indian Debt Market

- Bond yield declined following strength in the local currency after the U.S. Federal Reserve's Chairman signalled a policy rate cut. In addition, investors' expectation that the retail inflation would come in below the RBI's target also buoyed market sentiments.
- Yield on the 10-year benchmark paper (7.26% GS 2029) went down 5 bps to 6.49% compared with the previous close of 6.54% after trading in a range of 6.48% to 6.56%.
- Banks borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 3,632 crore (gross) on Jul 11, 2019, compared with Rs. 4,132 crore (gross) as on Jul 10, 2019. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 5,990 crore on Jul 10, 2019.
- Banks borrowed Rs. 50 crore under the central bank's Marginal Standing Facility on Jul 10, 2019 compared with borrowings of Rs. 2,550 crore on Jul 9, 2019.

Currency Market Update

- The Indian rupee appreciated against the greenback after the U.S. Federal Reserve Chairman's dovish remark, which raised optimism on deeper interest rate cuts in the U.S. The rupee closed at 68.44 a dollar compared with the previous close 68.57.
- The euro edged higher amid dollar weakness after the U.S. Federal Reserve Chairman hinted of interest rate cut, citing broader global outlook and U.S.-China trade tension. The euro was last seen trading at 1.1267, up 0.16% compared with the previous close of 1.1249.

Commodity Market Update

- Gold prices edged higher against the greenback after the latter weakened when the U.S. Fed Chairman indicated a policy rate cut.
- Brent crude prices surged after oil rigs at the Gulf of Mexico had to be evacuated ahead of a likely storm, which is forecast to churn into a hurricane.

International News

- The minutes of U.S. Federal Reserve's Jun 2019 meeting said many participants believe the case for lowering interest rates has strengthened. This mirrors Federal Reserve chairman's remarks in Congressional testimony earlier in the day.
- A report released by the Commerce Department showed wholesale inventories in the U.S. increased in line with estimates in May 2019. The Commerce Department said wholesale inventories rose 0.4% in May after climbing 0.8% in Apr 2019, matching expectations.

Thank you for
your time.