

RELIANCE

MUTUAL
FUND

Markets for You

16 Jul 2019

Indices Performance

Global Indices	15-Jul	Prev_Day	Abs. Change	% Change [#]
Russell 3000	1,323	1,321	2	0.16
Nasdaq	8,258	8,244	14	0.17
FTSE	7,532	7,506	26	0.34
Nikkei	Closed	21,686	NA	NA
Hang Seng	28,555	28,472	83	0.29
Indian Indices	15-Jul	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	38,897	38,736	160	0.41
Nifty 50	11,588	11,553	36	0.31
Nifty 100	11,693	11,655	38	0.32
Nifty 500	9,469	9,458	11	0.12
Nifty Bank	30,446	30,601	-156	-0.51
S&P BSE Power	2,012	2,020	-7	-0.37
S&P BSE Small Cap	13,689	13,777	-87	-0.63
S&P BSE HC	13,012	12,923	89	0.69

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
15-Jul	28.01	1.20	28.33	1.29
Month Ago	27.98	1.22	29.24	1.23
Year Ago	23.41	1.20	27.38	1.18

Nifty 50 Top 3 Gainers

Company	15-Jul	Prev_Day	% Change [#]
Infosys	779	727	7.24
Sun Pharma	423	408	3.74
United Phos	647	630	2.75

Nifty 50 Top 3 Losers

Company	15-Jul	Prev_Day	% Change [#]
Indiabulls HFC	639	666	-4.05
IndusInd Bank	1475	1510	-2.28
L&T Ltd.	1441	1467	-1.79

Advance Decline Ratio

	BSE	NSE
Advances	864	605
Declines	1615	1241
Unchanged	154	88

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-723	72971
MF Flows**	537	10083

*15th Jul 2019; **12th Jul 2019

Economic Indicator

YoY(%)	Current	Quarter Ago	Year Ago
CPI	3.18% (Jun-19)	2.86% (Mar-19)	4.92% (Jun-18)
IIP	3.10% (May-19)	0.20% (Feb-19)	3.80% (May-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 China's GDP growth slowed to a 27-year low, coming in at 6.2% in the second quarter from a year earlier. The prolonged trade war with the U.S. seems to have taken a toll on the giant economy. On the other hand, news that U.S. may start approving licenses to certain companies to start selling some products of a Chinese tech company that U.S. had banned earlier supported sentiment. Today (as of Jul 16), Asian markets opened mixed as investors are awaiting the release of meeting minutes from the Reserve Bank of Australia. Nikkei was trading down 0.37% and Hang Seng was trading up 0.10% (as at 8.a.m. IST).

• As per the last close, European markets closed higher following some strong economic data from China. China's GDP growth slowed to the slowest pace in 27 years but was in line with market expectations.

• As per the last close, U.S markets closed higher following strong quarterly earnings from a major investment bank company. Investors were reluctant to make any significant move ahead of the release of quarterly results from a slew of other big companies.

Indian Equity Market

• Indian equity markets gained as a leading information technology company's first quarter earnings beat expectations and it hiked its forward guidance for 2019-20. This has soothed investor nerves who were worried over changing U.S. visa norms affecting the sector's growth.

• Key benchmark indices S&P BSE Sensex and Nifty 50 gained 0.41% and 0.31%, respectively, to close at 38,896.71 and 11,588.35, respectively. S&P BSE Mid-Cap and S&P BSE Small Cap lost 0.61% and 0.63%, respectively.

• The overall market breadth on BSE was weak with 864 scrips advancing and 1615 scrips declining. A total of 154 scrips remained unchanged.

• On the BSE sectoral front, S&P BSE IT was the major gainer, up 3.53%, followed by S&P BSE Teck, up 2.96%, and S&P BSE Healthcare, up 0.69%. S&P BSE Basic Materials and S&P BSE Auto gained 0.35% and 0.29%, respectively. S&P BSE Capital Goods was the major loser, down 1.46%, followed by S&P BSE Industrials and S&P BSE Telecom, down 0.99% and 0.96%, respectively.

Domestic News

• India's Wholesale Price Index (WPI) - based inflation slowed down to 2.02% in Jun 2019 from 2.45% in May 2019 and 5.68% in Jun 2018. Vegetable inflation came in at 24.7% in Jun 2019, down from 33.15% in May 2019. Inflation for fuel and power fell to -2.20% in Jun from 0.98% in the previous month. Sugar inflation came down to 4.01% in Jun as against 11.61% in May.

• Reserve Bank of India (RBI) figures showed the foreign exchange reserves continued to increase for the fourth successive week to reach a new lifetime high of \$429.911 billion. This came on the back of a steep increase in the value of gold and currency assets during the week to Jul 5, 2019, RBI was quoted by media reports. The reserves increased \$2.23 billion, while in the past week it had gone up \$1.262 billion to reach a new high of \$427.67 billion.

• Media reports showed Department of Financial Services (DFS) has informed that RBI is examining the priority sector lending norms for promoting export credit. Certain enabling guidelines are under consideration and when issued, those are expected to release extra Rs. 35,000-68,000 crore export credit under priority sector.

• DHFL said developments in last few quarters threaten its ability to continue as a going concern, media reports showed. It also said it is working with stakeholders and creditors to ensure resolution of liquidity issues, without any loss to the lenders. DHFL reported a loss of Rs. 2,223 crore for the Mar quarter of 2018-19 financial year. The company had registered a net profit of Rs. 134 crore in the year-ago period.

• According to media news, JSW Steel told the National Company Law Tribunal that the company is not backing out from the ongoing resolution process of Bhushan Power & Steel despite reports of alleged fraud by its former promoters.

• Shriram Transport Finance Company Ltd said it is looking to raise up to Rs. 10,000 crore through a public issue of secured redeemable non-convertible debentures (NCDs) of face value of Rs. 1,000 each, showed media reports.

FII Derivative Trade Statistics		15-Jul	
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	2810.31	2639.37	20067.81
Index Options	140532.49	139830.14	43779.97
Stock Futures	10823.52	10527.50	86875.68
Stock Options	5690.08	5699.82	4041.85
Total	159856.40	158696.83	154765.31

Derivative Statistics- Nifty Options			
	15-Jul	Prev_Day	Change
Put Call Ratio (OI)	1.20	1.15	0.05
Put Call Ratio(Vol)	0.88	0.87	0.00

Debt Watch				
	15-Jul	Wk. Ago	Mth. Ago	Year Ago
Call Rate	5.59%	5.65%	5.83%	6.16%
T-Repo	5.54%	5.68%	5.66%	NA
Repo	5.75%	5.75%	5.75%	6.25%
Reverse Repo	5.50%	5.50%	5.50%	6.00%
91 Day T-Bill	5.75%	5.80%	5.98%	6.53%
364 Day T-Bill	5.98%	6.01%	6.10%	7.19%
10 Year Gilt	6.43%	6.56%	6.92%	7.79%
G-Sec Vol. (Rs.Cr)	67833	102561	92107	37952
FBIL MIBOR*	5.85%	5.69%	5.80%	6.30%
3 Month CP Rate	6.50%	6.85%	6.70%	7.55%
5 Year Corp Bond	7.74%	7.83%	8.04%	8.76%
1 Month CD Rate	5.91%	5.93%	6.03%	6.38%
3 Month CD Rate	6.05%	6.15%	6.33%	6.98%
1 Year CD Rate	6.80%	7.39%	7.15%	7.99%

Currency Market			
Currency	15-Jul	Prev_Day	Change
USD/INR	68.58	68.59	0.00
GBP/INR	86.20	86.01	0.19
EURO/INR	77.31	77.29	0.01
JPY/INR	0.63	0.63	0.00

Commodity Prices				
Commodity	15-Jul	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	59.27	57.32	52.42	70.98
Brent Crude(\$/bl)	67.15	65.48	64.57	73.80
Gold(\$/oz)	1414	1395	1341	1241
Gold(Rs./10 gm)	34558	34437	33061	30080

Source: Thomson Reuters Eikon

*As on previous trading day

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Derivatives Market

- Nifty Jul 2019 Futures stood at 11,579.20, a discount of 9.15 points, below the spot closing of 11,588.35. The turnover on NSE's Futures and Options segment rose to Rs. 7,72,192.42 crore on Jul 15, 2019, compared with Rs. 7,56,685.48 crore on Jul 12, 2019.
- The Put-Call ratio stood at 0.89 compared with the previous session's close of 0.87.
- The Nifty Put-Call ratio stood at 1.20 compared with the previous session's close of 1.15.
- Open interest on Nifty Futures stood at 19.89 million, compared with the previous session's close of 20.07 million.

Indian Debt Market

- Bond yield eased as rate cut speculations firmed after the release of the country's core inflation reading, which lowered to 4.10% in Jun 2019 from 4.20% in the prior month. The retail inflation rate stood at 3.18%, below the central bank's target of 4%.
- Yield on the 10-year benchmark paper (7.26% GS 2029) declined 6 bps at 6.43% compared with the previous close of 6.49% after trading in a range of 6.43% to 6.48%.
- Banks borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 3,629 crore (gross) on Jul 15, 2019 compared with Rs. 3,632 crore (gross) borrowed on Jul 12, 2019. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 32,308 crore on Jul 12, 2019.
- Banks borrowed Rs. 1,200 crore under the central bank's Marginal Standing Facility on Jul 12, 2019 compared with borrowings of Rs. 1,100 crore on Jul 11, 2019.

Currency Market Update

- The Indian rupee appreciated on possible inflows of foreign funds in the domestic debt market. The overall market sentiment was high as core inflation eased for Jun 2019, which firmed rate cut bets. The rupee closed at 68.54 a dollar compared with the previous close 68.68.
- The euro gained as industrial production improved 0.9% in the eurozone for May 2019. The euro was last seen trading at 1.1274, up 0.04% compared with the previous close of 1.1269.

Commodity Market Update

- Gold prices stood firm following the release of Chinese GDP growth, which came in lowest in the past 27 years.
- Brent crude prices rose marginally with China's encouraging factory output and retail sales data for Jun 2019.

International News

- Preliminary estimates from the National Bureau of Statistics showed gross domestic product expanded 6.2% YoY in the second quarter, slower than the 6.4% growth registered a quarter ago. This is the country's slowest pace in 27 years in the second quarter, emphasizing the need for measures to stimulate domestic consumption and investment amid escalating trade disputes with the U.S.
- Data from property website Rightmove showed U.K. house prices declined for the first time in Jul 2019. House prices decreased 0.2% MoM in Jul, following a 0.3% rise in Jun 2019. On a yearly basis, house prices dropped 0.2% as Brexit uncertainty continued to weigh on buyers' confidence.



Thank you for
your time.