

**RELIANCE**

MUTUAL  
FUND

# Markets for You

17 Jul 2019

**Indices Performance**

Global Indices	16-Jul	Prev_Day	Abs. Change	% Change <sup>#</sup>
Russell 3000	1,318	1,323	-5	-0.38
Nasdaq	8,223	8,258	-35	-0.43
FTSE	7,577	7,532	45	0.60
Nikkei	21,535	21,686	-151	-0.69
Hang Seng	28,620	28,555	65	0.23
Indian Indices	16-Jul	Prev_Day	Abs. Change	% Change <sup>#</sup>
S&P BSE Sensex	39,131	38,897	234	0.60
Nifty 50	11,663	11,588	74	0.64
Nifty 100	11,773	11,693	81	0.69
Nifty 500	9,530	9,469	61	0.64
Nifty Bank	30,571	30,446	125	0.41
S&P BSE Power	2,042	2,012	30	1.47
S&P BSE Small Cap	13,727	13,689	37	0.27
S&P BSE HC	13,174	13,012	162	1.24

**P/E Dividend Yield**

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
16-Jul	28.13	1.20	28.51	1.28
Month Ago	27.98	1.22	29.24	1.23
Year Ago	22.86	1.21	27.17	1.19

**Nifty 50 Top 3 Gainers**

Company	16-Jul	Prev_Day	% Change <sup>#</sup>
Yes Bank	104	93	11.43
Tata Motors	170	161	5.62
HPCL	296	286	3.30

**Nifty 50 Top 3 Losers**

Company	16-Jul	Prev_Day	% Change <sup>#</sup>
TCS	2106	2146	-1.85
M&M	623	632	-1.42
United Phos	642	647	-0.85

**Advance Decline Ratio**

	BSE	NSE
Advances	1140	871
Declines	1327	952
Unchanged	164	111

**Institutional Flows (Equity)**

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-190	72781
MF Flows**	537	10083

\*16<sup>th</sup> Jul 2019; \*\*12<sup>th</sup> 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 investors awaited earnings results of major U.S. companies and key economic data. The slow growth of the Chinese economy continued to worry investors. A day earlier, China reported GDP growth that was the slowest in 27 years. Today (as of Jul 17), Asian markets opened lower after U.S. President mentioned that U.S.-China trade talks still have a long way to go. Also, U.S. President indicated that U.S. may to impose tariffs on another \$325 billion worth of Chinese goods. Both Nikkei and Hang Seng was trading down 0.60% and 0.54%, respectively (as at 8.a.m. IST).

- As per the last close, European markets closed higher following release of strong quarterly earnings from some companies. However, uncertainty about a quick solution to the U.S.-China trade dispute weighed on investor's sentiments.

- As per the last close, U.S markets closed lower as comments from the U.S. President that U.S.-China trade talks still have a long way to go. The President also threatened to impose tariffs on another \$325 billion worth of Chinese goods.

**Indian Equity Market**

- Indian equity markets gained as investors welcomed an easing WPI inflation for Jun 2019. The market shrugged off weak trade data and business sentiment report.

- Key benchmark indices S&P BSE Sensex and Nifty 50 gained 0.60% and 0.64%, respectively, to close at 39,131.04 and 11,662.60, respectively. S&P BSE Mid-Cap and S&P BSE Small Cap gained 0.69% and 0.27%, respectively.

- The overall market breadth on BSE was weak with 1140 scrips advancing and 1327 scrips declining. A total of 164 scrips remained unchanged.

- On the BSE sectoral front, S&P BSE Realty was the major gainer, up 1.98%, followed by S&P BSE Oil & Gas, up 1.66%, and S&P BSE Consumer Durables, up 1.62%. S&P BSE Power and S&P BSE Utilities gained 1.47% and 1.43%, respectively. S&P BSE IT was the major loser, down 0.38%, followed by S&P BSE Teck, down 0.31%.

- S&P BSE Realty was the major gainer, up 1.98%, followed by S&P BSE Oil & Gas, up 1.66%, and S&P BSE Consumer Durables, up 1.62%. S&P BSE PSU and S&P BSE Capital Goods gained 1.36% and 1.29%, respectively. S&P BSE IT was the only loser, down 0.38%.

**Domestic News**

- Government data showed that India's trade deficit narrowed to \$15.28 billion in Jun 2019 from \$15.36 billion in May 2019 and \$16.60 billion in the same month of the previous year. This is the first contraction in nine months and worse data since Jan 2016. India's trade deficit narrowed as imports fell 9.1% in Jun 2019 and exports declined 9.7% as well. Oil imports declined 13.33% to \$11.03 billion and non-oil imports dropped 7.34% to \$29.26 billion.

- A survey by IHS Markit India Business Outlook has showed that business sentiment in India fell to its lowest level since June 2016. It said companies were worried over a slowing economy, government policies and water shortage. The net balance of private sector companies foreseeing output growth in the year ahead fell from 18% in Feb 2019 to 15% in Jun, matching the data of Jun 2016, and Oct 2009 when aggregate figures became available. According to the IHS Markit India Business Outlook, predictions of softer activity growth underpin the downward revisions of profit outlook, subdued hiring plans and relatively muted capital expenditure.

- HDFC AMC's net profit increased 42% to Rs. 291.79 crore for the Jun 2019 quarter compared with Rs. 205.26 crore in the same quarter. The rise was driven by an increase in assets under management.

- Vedanta Ltd plans to invest \$650 million in its new oil and gas blocks that it won in the government's last two rounds of auctions.

- Air India has said operation costs for one-way U.S. and Europe-bound flights could come down by Rs. 20 lakh and Rs. 5 lakh, respectively, with Pakistan opening its airspace for all commercial airlines. After Pakistan closed its airspace following the Balakot air strikes of Feb 26, 2019, Air India had suffered a financial loss of more than Rs. 491 crore as it had to re-route its various international flights.

FII Derivative Trade Statistics		16-Jul	
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	1870.29	1607.05	19929.49
Index Options	148874.19	148168.81	45453.66
Stock Futures	10299.84	9622.06	87392.47
Stock Options	5798.45	5855.83	4139.24
Total	166842.77	165253.75	156914.86

Derivative Statistics- Nifty Options			
	16-Jul	Prev_Day	Change
Put Call Ratio (OI)	1.34	1.20	0.15
Put Call Ratio(Vol)	0.95	0.88	0.07

Debt Watch				
	16-Jul	Wk. Ago	Mth. Ago	Year Ago
Call Rate	5.54%	5.62%	5.83%	6.18%
T-Repo	5.50%	5.70%	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%	5.85%	5.98%	6.53%
364 Day T-Bill	6.01%	6.03%	6.10%	7.19%
10 Year Gilt	6.43%	6.59%	6.92%	7.80%
G-Sec Vol. (Rs.Cr)	126301	56708	92107	29694
FBIL MIBOR*	5.75%	5.79%	5.80%	6.29%
3 Month CP Rate	6.35%	6.80%	6.70%	7.50%
5 Year Corp Bond	7.68%	7.88%	8.04%	8.76%
1 Month CD Rate	5.81%	5.93%	6.03%	6.54%
3 Month CD Rate	6.06%	6.77%	6.33%	7.01%
1 Year CD Rate	6.81%	6.94%	7.15%	7.98%

Currency Market			
Currency	16-Jul	Prev_Day	Change
USD/INR	68.57	68.58	-0.02
GBP/INR	85.77	86.20	-0.43
EURO/INR	77.18	77.31	-0.12
JPY/INR	0.63	0.63	0.00

Commodity Prices				
Commodity	16-Jul	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	57.41	57.54	52.42	68.17
Brent Crude(\$/bl)	65.46	64.89	64.57	70.02
Gold( \$/oz)	1406	1398	1341	1240
Gold(Rs./10 gm)	34583	34075	33061	30172

Source: Thomson Reuters Eikon

\*As on previous trading day

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**Derivatives Market**

- Nifty Jul 2019 Futures stood at 11,657.85, a discount of 3.20 points, below the spot closing of 11,661.05. The turnover on NSE's Futures and Options segment rose to Rs. 8,74,279.16 crore on Jul 16, 2019, compared with Rs. 7,72,192.42 crore on Jul 15, 2019.
- The Put-Call ratio stood at 0.88 compared with the previous session's close of 0.89.
- The Nifty Put-Call ratio stood at 1.34 compared with the previous session's close of 1.20.
- Open interest on Nifty Futures stood at 20.61 million, compared with the previous session's close of 19.89 million.

**Indian Debt Market**

- Bond yield saw a steep fall with strengthening rate cut bets. Expectations of deep rate cuts particularly rose after the budget proposal of issuing sovereign bonds in the overseas market. Besides, inflation below the central bank's target also lifted the market sentiment.
- Yield on the 10-year benchmark paper (7.26% GS 2029) declined 10 bps at 6.33% compared with the previous close of 6.43% after trading in a range of 6.31% to 6.42%.
- Banks borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 3,632 crore (gross) on Jul 16, 2019 compared with Rs. 3,629 crore (gross) borrowed on Jul 15, 2019. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 21,002 crore on Jul 15, 2019.

**Currency Market Update**

- The Indian rupee fell as state-run lenders stepped up greenback purchase. The rupee closed at 68.71 a dollar, down 0.26% compared with the previous close 68.54.
- The euro edged lower after Germany's ZEW economic sentiment survey showed higher than expected fall in Jul. The euro was last seen trading at 1.1222, down 0.31% compared with the previous close of 1.1257.

**Commodity Market Update**

- Gold prices were steady as market participants are awaiting the release of U.S. retail sales data to get cues on the economy's condition.
- Brent crude prices were marginally down after drillers resumed production in the Gulf of Mexico as hurricane Barry moved inland.

**International News**

- Office for National Statistics showed U.K. wages grew at the fastest pace in 11 years in the quarter to May 2019 and the jobless rate held firmly at a 44-year low amid relatively high vacancies. In the three months to May, average weekly earnings excluding bonuses climbed 3.6% from the previous year, the fastest rate of increase since 2008, and better than forecasts.
- Eurostat preliminary data showed euro zone's trade surplus grew in May 2019, led by a rebound in exports, while imports decreased. The seasonally adjusted trade surplus rose to EUR 20.2 billion from EUR 15.7 billion in Apr 2019. Exports grew 1.4% MoM, while imports fell 1%.



Thank you for  
your time.