

RELIANCE

MUTUAL
FUND

Markets for You

18 Jul 2019

Indices Performance

| Global Indices | 17-Jul | Prev_Day | Abs. Change | % Change [#] |
|-------------------|--------|----------|-------------|-----------------------|
| Russell 3000 | 1,312 | 1,318 | -6 | -0.46 |
| Nasdaq | 8,185 | 8,223 | -38 | -0.46 |
| FTSE | 7,535 | 7,577 | -42 | -0.55 |
| Nikkei | 21,469 | 21,535 | -66 | -0.31 |
| Hang Seng | 28,593 | 28,620 | -26 | -0.09 |
| Indian Indices | 17-Jul | Prev_Day | Abs. Change | % Change [#] |
| S&P BSE Sensex | 39,216 | 39,131 | 85 | 0.22 |
| Nifty 50 | 11,688 | 11,663 | 25 | 0.21 |
| Nifty 100 | 11,798 | 11,773 | 25 | 0.21 |
| Nifty 500 | 9,543 | 9,530 | 14 | 0.14 |
| Nifty Bank | 30,736 | 30,571 | 165 | 0.54 |
| S&P BSE Power | 2,029 | 2,042 | -13 | -0.63 |
| S&P BSE Small Cap | 13,716 | 13,727 | -10 | -0.07 |
| S&P BSE HC | 13,152 | 13,174 | -22 | -0.17 |

P/E Dividend Yield

| Date | Sensex | | Nifty | |
|-----------|--------|------------|-------|------------|
| | P/E | Div. Yield | P/E | Div. Yield |
| 17-Jul | 28.11 | 1.20 | 28.58 | 1.28 |
| Month Ago | 27.75 | 1.23 | 28.87 | 1.25 |
| Year Ago | 23.08 | 1.20 | 27.35 | 1.19 |

Nifty 50 Top 3 Gainers

| Company | 17-Jul | Prev_Day | % Change [#] |
|----------------|--------|----------|-----------------------|
| Indiabulls HFC | 668 | 646 | 3.38 |
| United Phos | 660 | 642 | 2.78 |
| SBI | 372 | 364 | 2.21 |

Nifty 50 Top 3 Losers

| Company | 17-Jul | Prev_Day | % Change [#] |
|---------------|--------|----------|-----------------------|
| Yes Bank | 98 | 104 | -5.25 |
| Eicher Motors | 18434 | 19041 | -3.19 |
| GAIL | 143 | 147 | -2.68 |

Advance Decline Ratio

| | BSE | NSE |
|-----------|------|-----|
| Advances | 1106 | 876 |
| Declines | 1372 | 931 |
| Unchanged | 172 | 123 |

Institutional Flows (Equity)

| Description (Cr) | Inflow/Outflow | YTD |
|------------------|----------------|-------|
| FII Flows* | -358 | 72422 |
| MF Flows** | 604 | 10688 |

*17th Jul 2019; **15th 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 mostly fell after U.S. markets came down from record highs overnight because of mixed earnings reports and U.S. President's comments about the country's trade war with China. The President threatened to put tariffs on another \$325 billion Chinese imports as a trade deal with China is a long way. Today (as of Jul 18), Asian markets opened lower following losses in Wall Street in the last session. Concerns over U.S. and China trade dispute weighed on the indices. Nikkei and Hangseng were trading down 1.26% and 0.33%, respectively (as at 8.a.m. IST).
- As per the last close, European markets closed lower due to concerns over U.S. and China trade dispute as U.S. President has reportedly threatened to impose tariffs on another \$325 billion worth of Chinese goods. Further, investors remained cautious ahead of slew of corporate results.
- As per the last close, U.S markets closed lower following weak housing starts and pullback in building permits in Jun 2019. Further, investors remained cautious as they wait for the earnings season to pick up.

Indian Equity Market

- Indian equity markets eked out gains supported by corporate earning numbers. Buying interest in selected banks and information technology stocks contributed to the upside. However, global cues largely restricted gains following threats from U.S. President on imposition of tariffs on another \$325 billion worth Chinese goods.
- Key benchmark indices S&P BSE Sensex and Nifty 50 rose 0.22% and 0.21% to close at 39,215.64 and 11,687.50, respectively. S&P BSE Mid-Cap and S&P BSE Small Cap fell 0.15% and 0.07%, respectively.
- The overall market breadth on BSE was weak with 1,372 scrips declining and 1,106 scrips advancing. A total of 172 scrips remained unchanged.
- On the BSE sectoral front, S&P BSE information technology stood as the major gainer and grew 0.86%, followed by S&P BSE Teck that grew 0.77%. S&P FMCG and S&P BSE Bankex grew 0.70% and 0.52%, respectively. However, S&P BSE Auto was the major loser that fell 1.01% followed by S&P BSE Utilities that fell 0.81%. S&P BSE Oil & Gas and S&P BSE Energy fell 0.74% and 0.73%, respectively.

Domestic News

- The amendment bill of the Companies Act, 2013 has been cleared by the government. Bill would replace an ordinance issued in 2019. Proposed amendments will lead to further promotion of ease of doing business, de-clogging of National Company Law Tribunal and Special Courts, government said. The focus would be on serious cases of violations of the Act and ensuring enhanced compliance by corporates.
- Minister of State Finance said that around 2% of total loans sanctioned by banks to Pradhan Mantri Mudra Yojana beneficiaries turned into non-performing assets (NPAs) since the start of the scheme. Factors contributing for NPAs are first-time borrowers under Shishu category prioritising emergent needs, business failures, inefficiencies in lending practices, poor credit appraisal, wilful default by borrowers, among others.
- Government is framing a national retail trade policy and aims to take a decision in this regard at an early date, Minister of State for Commerce and Industry said. Department for Promotion of Industry and Internal Trade conducted interactions with industry, trade associations, ministries concerned and states to consider issues facing retail sector and possible solutions for resolving them.
- According to media reports, Wipro reported a 12.6% yearly increase in net profit at Rs. 2,387.60 crore for the quarter ended Jun-19 compared to Rs. 2,120.80 crore in the same period of the previous year. However, the profit fell 3.86% on a quarterly basis from the net profit of Rs. 2,483.50 in Mar-19.
- According to media reports, British energy magnate BP plc and its partner Reliance Industries will invest \$ 5 billion to start production in three sets of natural gas fields in the Krishna Godavari basin block in the Bay of Bengal by 2022.
- According to media reports, Kora Management which is based in U.S. is in advanced talks to buy 20% stake in Edelweiss Wealth Management for Rs. 2,000 crore.

| FII Derivative Trade Statistics | | 17-Jul | |
|---------------------------------|-----------|-----------|-----------|
| (Rs Cr) | Buy | Sell | Open Int. |
| Index Futures | 3285.26 | 3338.54 | 21282.27 |
| Index Options | 165602.53 | 165079.27 | 46015.97 |
| Stock Futures | 10586.13 | 10147.05 | 88052.94 |
| Stock Options | 5699.49 | 5604.26 | 4556.01 |
| Total | 185173.41 | 184169.12 | 159907.19 |

| Derivative Statistics- Nifty Options | | | |
|--------------------------------------|--------|----------|--------|
| | 17-Jul | Prev_Day | Change |
| Put Call Ratio (OI) | 1.34 | 1.34 | 0.00 |
| Put Call Ratio(Vol) | 1.02 | 0.95 | 0.07 |

| Debt Watch | | | | |
|--------------------|--------|---------|----------|----------|
| | 17-Jul | Wk. Ago | Mth. Ago | Year Ago |
| Call Rate | 5.56% | 5.62% | 5.78% | 6.12% |
| T-Repo | 5.51% | 5.70% | 5.62% | NA |
| Repo | 5.75% | 5.75% | 5.75% | 6.25% |
| Reverse Repo | 5.50% | 5.50% | 5.50% | 6.00% |
| 91 Day T-Bill | 5.74% | 5.95% | 5.93% | 6.53% |
| 364 Day T-Bill | 5.98% | 6.05% | 6.11% | 7.18% |
| 10 Year Gilt | 6.34% | 6.54% | 6.93% | 7.75% |
| G-Sec Vol. (Rs.Cr) | 99211 | 89059 | 52427 | 53995 |
| FBIL MIBOR* | 5.70% | 5.84% | 5.80% | 6.30% |
| 3 Month CP Rate | 6.30% | 6.80% | 6.70% | 7.65% |
| 5 Year Corp Bond | 7.70% | 7.83% | 8.04% | 8.71% |
| 1 Month CD Rate | 5.98% | 5.85% | 6.06% | 6.50% |
| 3 Month CD Rate | 6.52% | 6.78% | 6.56% | 7.05% |
| 1 Year CD Rate | 6.79% | 6.88% | 7.15% | 7.98% |

| Currency Market | | | |
|-----------------|--------|----------|--------|
| Currency | 17-Jul | Prev_Day | Change |
| USD/INR | 68.81 | 68.57 | 0.24 |
| GBP/INR | 85.39 | 85.77 | -0.37 |
| EURO/INR | 77.14 | 77.18 | -0.04 |
| JPY/INR | 0.64 | 0.63 | 0.00 |

| Commodity Prices | | | | |
|--------------------|--------|--------|----------|----------|
| Commodity | 17-Jul | Wk Ago | Mth. Ago | Year Ago |
| NYMEX Crude(\$/bl) | 56.47 | 60.25 | 51.89 | 67.98 |
| Brent Crude(\$/bl) | 63.81 | 67.00 | 64.00 | 70.31 |
| Gold(\$/oz) | 1427 | 1419 | 1339 | 1227 |
| Gold(Rs./10 gm) | 34428 | 34189 | 32733 | 30044 |

Source: Thomson Reuters Eikon

*As on previous trading day

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Derivatives Market

- Nifty Jul 2019 Futures stood at 11,675.80, a discount of 11.70 points, below the spot closing of 11,687.50. The turnover on NSE's Futures and Options segment rose to Rs. 10,19,814.41 crore on Jul 17, 2019, compared with Rs. 8,74,279.16 crore on Jul 16, 2019.
- The Put-Call ratio stood at 0.88 compared with the previous session's close of 0.88.
- The Nifty Put-Call ratio stood at 1.34, same as the previous session's close.
- Open interest on Nifty Futures stood at 19.99 million, compared with the previous session's close of 20.61 million.

Indian Debt Market

- Bond yield declined as market participants preferred to book profits to take advantage of the recent bond rally.
- Yield on the 10-year benchmark paper (7.26% GS 2029) rose 1 bps at 6.34% compared with the previous close of 6.33% after trading in a range of 6.25% to 6.42%.
- Banks borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 3,563 crore (gross) on Jul 17, 2019 compared with Rs. 3,632 crore (gross) borrowed on Jul 16, 2019. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 16,794 crore on Jul 16, 2019.
- Banks borrowed Rs. 315 crore under the central bank's Marginal Standing Facility on Jul 16, 2019 compared with borrowings of Rs. 1,150 crore on Jul 15, 2019.

Currency Market Update

- The Indian rupee depreciated on dollar strengthen after the release of robust U.S. retail sales data. The rupee closed at 68.81 a dollar compared with the previous close 68.71.
- The euro remained weak on expectations of policy rate cuts by the European Central Bank. In addition, the overall dollar strength following strong U.S. retail sales data and investors' inclination towards the currency also adversely impacted euro. The euro was last seen trading at 1.1209.

Commodity Market Update

- Gold prices were marginally down on greenback strength following release of strong U.S. retail sales data in Jun 2019.
- Brent crude prices declined following reports that the U.S. President is considering to hold discussion with Iran.

International News

- According to a report from the commerce department, U.S. retail sales surpassed market expectations and rose 0.4% in Jun 2019 and remained unchanged against downwardly revised growth (0.5% growth originally reported) in May 2019. Motor vehicles and parts dealers sales grew 0.7% in Jun.
- According to a report from the Commerce Department, U.S. business slightly came in lower than market expectations and rose 0.3% in May 2019 as against an increase of 0.5% in Apr 2019.
- A report from the National Association of Home Builders showed that NAHB/Wells Fargo Index inched up to 65 in Jul 2019 after falling to 64 in Jun.

Thank you for
your time.