

RELIANCE

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Markets for You

23 Jul 2018

Indices Performance

Global Indices	20-Jul	Prev_Day	Abs. Change	% Change [#]
Dow Jones	25,058	25,065	-6	-0.03
Nasdaq	7,820	7,825	-5	-0.07
FTSE	7,679	7,684	-5	-0.07
Nikkei	22,698	22,765	-67	-0.29
Hang Seng	28,224	28,011	214	0.76
Indian Indices	20-Jul	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	36,496	36,351	145	0.40
Nifty 50	11,010	10,957	53	0.48
Nifty 100	11,216	11,161	55	0.50
Nifty Bank	26,873	26,790	84	0.31
SGX Nifty	11,026	10,980	46	0.42
S&P BSE Power	1,892	1,885	6	0.34
S&P BSE Small Cap	15,721	15,657	64	0.41
S&P BSE HC	13,661	13,518	143	1.06

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
20-Jul	22.90	1.21	27.36	1.22
Month Ago	22.80	1.25	26.52	1.22
Year Ago	23.37	1.23	25.22	1.01

Nifty 50 Top 3 Gainers

Company	20-Jul	Prev_Day	% Change [#]
Bajaj Finance	2721	2520	7.98
Aurobindo Pharma	584	568	2.81
Sun Pharma	560	545	2.78

Nifty 50 Top 3 Losers

Company	20-Jul	Prev_Day	% Change [#]
Bajaj Auto	2840	3115	-8.84
HPCL	275	284	-3.16
Indian Oil	161	166	-2.86

Advance Decline Ratio

	BSE	NSE
Advances	1135	811
Declines	1437	975
Unchanged	124	86

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-242	-6903
MF Flows**	-29	72228

*20th Jul 2018; **16th Jul 2018

Economic Indicator

YoY(%)	Current	Quarter Ago	Year Ago
CPI	5.00% (Jun-18)	4.28% (Mar-18)	1.46% (Jun-17)
IIP	3.20% (May-18)	6.90% (Feb-18)	2.90% (May-17)
GDP	7.70% (Mar-18)	7.00% (Dec-17)	6.10% (Mar-17)

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 markets mostly moved up after China's central bank has lowered its currency further to its lowest level in a year. Also, Japanese consumer price inflation rose 0.7% year-on-year in June. However, escalating trade war concerns across the globe limited the upside. Today (as of Jul 23), Asian markets opened mixed. Strong yen weighed on Nikkei, while gains in heavily weighted financials supported Hang Seng. Nikkei was trading lower 1.16% and Hang Seng was trading up 0.29% (as at 8.a.m. IST).
- As per the last close, European markets closed lower after the U.S. President indicated imposing tariffs on all Chinese imports to the U.S. The President also indicated gradually raising interest rates.
- As per the last close, U.S. markets closed lower after U.S. President indicated to impose tariffs on all Chinese imports. However, most of the losses were nullified following strong quarterly results from major U.S. companies.

Indian Equity Market

- Indian Equity markets closed modestly higher due to optimism that the ruling government may win the no-confidence vote scheduled post market hours. Financial stocks surged after Indian non-banking financial firm and its unit surged on strong quarterly results. The Indian rupee recovered from its all time low during the day, thereby adding to the gains.
- Key benchmark indices S&P BSE Sensex and Nifty 50 grew 0.40% and 0.48% to close at 36,496.37 and 11,010.20, respectively. S&P BSE Mid-Cap and S&P BSE Small Cap fell 0.73% and 0.41%.
- On the BSE sectoral front, S&P BSE Information Technology stood as the major gainer, up 1.51% followed by S&P BSE Teck that grew 1.38%. S&P BSE Healthcare and S&P BSE Telecom grew 1.06% and 1.04%. S&P BSE Capital Goods and S&P BSE Energy grew 0.94% and 0.87%. S&P BSE Oil & Gas stood as the major loser, down 0.65% followed by S&P BSE Metal that fell 0.55%. S&P BSE Auto and S&P BSE Basic Materials fell 0.40% and 0.19%, respectively. Auto stocks witnessed decline as shares of an auto major fell on lower than expected standalone net profit for the quarter ended Jun 2018.

Domestic News

- A National Appellate Tribunal could be set up by the GST council in Delhi. It will have three regional benches and members from the judiciary and tax departments. Under the GST regime, states have their own appellate authorities called Authority for Advance Ruling (AAR). The national tribunal will hear appeals against the state appellate authorities. The proposal is set to be placed before the GST council on Jul 21. The three regional benches will be at Mumbai, Chennai and Kolkata. This step is being considered to mitigate problems arising from contradictory orders of AAR in different states.
- The government has approved amendments to the Insolvency and Bankruptcy Code (IBC) and now lenders will have to adhere to an additional step in finalising resolution plans. The plans would now have to be cleared by the Competition Commission of India (CCI) before the Committee of Creditors (COC) finalises it. This will help avoid litigation that could hinder resolution at an advanced stage.
- In their meeting with government officials, real estate developers discussed issues such as reducing GST, tax concessions and ways to boost investment. Other than this, they looked into ways to increase the effectiveness of RERA and complete stalled projects. Another meeting will be held to take the discussion further.
- Wipro's consolidated net profit increased 2% to Rs. 2,120.8 crore for the quarter ended Jun 2018 compared with Rs. 2,076.7 crore in the year-ago period. Revenue from operations increased 2.5% to Rs. 13,977.7 crore against Rs. 13,626.1 crore in the corresponding period last year.
- Kansai Nerolac Paints' net profit went down a tad to Rs. 139.84 crore for the Jun quarter. The company had registered net profit of Rs. 140.81 crore in the year-ago period. Gross sales increased 4.89% to Rs. 1,513.26 crore against Rs. 1,442.75 crore in the corresponding period last year.
- JSW Cement will invest \$150 million for setting up a 1 million tonne per annum (mtpa) clinker unit in Fujairah, UAE. The company will also make a captive power plant to cater to the clinker unit. This is part of JSW Cement's aim to achieve 20 MTPA capacity by 2020.

FII Derivative Trade Statistics		20-Jul	
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	4366.31	3286.64	25967.91
Index Options	129161.99	127520.10	74382.52
Stock Futures	13467.18	13356.84	79721.58
Stock Options	10138.91	10041.99	8320.03
Total	157134.39	154205.57	188392.04

Derivative Statistics- Nifty Options			
	20-Jul	Prev_Day	Change
Put Call Ratio (OI)	1.71	1.64	0.07
Put Call Ratio(Vol)	0.95	1.07	-0.12

Debt Watch				
	20-Jul	Wk. Ago	Mth. Ago	Year Ago
Call Rate	6.20%	6.16%	6.24%	6.05%
CBLO	5.78%	6.23%	6.28%	6.16%
Repo	6.25%	6.25%	6.25%	6.25%
Reverse Repo	6.00%	6.00%	6.00%	6.00%
91 Day T-Bill	6.58%	6.53%	6.44%	6.10%
364 Day T-Bill	7.21%	7.19%	7.07%	6.21%
10 Year Gilt	7.79%	7.79%	7.83%	6.45%
G-Sec Vol. (Rs.Cr)	21859	37952	27777	32732
FBIL MIBOR	6.21%	6.29%	6.30%	6.25%
3 Month CP Rate	7.55%	7.55%	7.55%	6.56%
5 Year Corp Bond	8.72%	8.76%	8.71%	7.42%
1 Month CD Rate	6.62%	6.38%	6.86%	6.22%
3 Month CD Rate	6.97%	6.98%	6.89%	6.27%
1 Year CD Rate	7.98%	7.99%	8.10%	6.52%

Currency Market			
Currency	20-Jul	Prev_Day	Change
USD/INR	68.85	68.83	0.01
GBP/INR	89.67	89.93	-0.26
EURO/INR	80.31	80.12	0.20
JPY/INR	0.61	0.61	0.00

Commodity Prices				
Commodity	20-Jul	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	70.26	70.98	65.92	46.68
Brent Crude(\$/bl)	71.83	73.80	73.59	48.13
Gold(\$/oz)	1231	1241	1268	1244
Gold(Rs./10 gm)	29849	30080	30589	28165

Source: Thomson Reuters Eikon

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Mutual Fund Investments are subject to market risks, read all scheme related documents carefully.

Derivatives Market

- Nifty July 2018 Futures were at 11,024.85, a premium of 14.65 points, above the spot closing of 11,010.20. The turnover on NSE's Futures and Options segment went down to Rs. 5,24,534.82 crore on Jul 20 from Rs. 18,20,233.69 crore on Jul 19.
- The Put-Call ratio stood at 0.79 against previous session's close of 0.80.
- The Nifty Put-Call ratio stood at 1.71 against the previous session's close of 1.64.
- Open interest on Nifty Futures stood at 27.99 million as against the previous session's close at 26.76 million.

Indian Debt Market

- Bond yields remained unchanged as investors preferred to stay on sidelines ahead of Monetary Policy Committee scheduled on Aug 1. No major trigger in the market also led to subdued bond market activity.
- Yield on the 10-year benchmark paper (7.17% GS 2028) remained unchanged to close at 7.79% as against its previous close. During the session, bond yields traded in the range of 7.77% and 7.80%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 16,381 crore (gross) on Jul 20, compared with Rs. 3,796 crore (gross) borrowed on Jul 19. Sale of securities under the Reserve Bank of India's (RBI) reverse repo window stood at Rs. 10,480 crore on Jul 19.
- Banks borrowed Rs. 73 crore under the central bank's Marginal Standing Facility on Jul 19 compared with borrowing of Rs. 70 crore on Jul 18.

Currency Market Update

- The rupee fell initially against the greenback following persistent weakness in the Chinese yuan due to escalation in trade tensions between U.S. and China. However, the trend reversed due to intervention by the Reserve Bank of India.
- The euro rose against the greenback after the U.S. President expressed concerns regarding the strength of the greenback and the recent increase in interest rates by the U.S. Federal Reserve.

Commodity Market Update

- Gold prices gained on weaker dollar against the euro. Meanwhile, the U.S. President has raised his concerns over the rate hike decision of the U.S. Federal Reserve (Fed).
- Brent crude prices inched down on concerns over the ongoing trade tensions between U.S. and China.

International News

- Eurostat data showed deficit of euro area government continues to decrease in the first quarter. The decline came as revenue went up and expenditure fell. General government deficit to GDP decreased to 0.1% from 0.6% in the fourth quarter. Government revenue increased to 46.3% of GDP from 46.1%. Expenditure decreased to 46.4% against 46.8% in the previous quarter.
- European Central Bank data showed euro area current account surplus decreased in May 2018 to a seasonally adjusted EUR 22.44 billion against EUR 29.55 billion in Apr 2018. This level is lowest since Mar 2015. Goods and services trade surplus declined to EUR 21 billion and EUR 8 billion, respectively.



Thank you for
your time.