

**RELIANCE**

MUTUAL  
FUND

# Markets for You

23 Jul 2019

Indices Performance

Global Indices	22-Jul	Prev_Day	Abs. Change	% Change <sup>#</sup>
Russell 3000	1,312	1,305	7	0.50
Nasdaq	8,204	8,146	58	0.71
FTSE	7,515	7,509	6	0.08
Nikkei	21,417	21,467	-50	-0.23
Hang Seng	28,371	28,765	-394	-1.37
Indian Indices	22-Jul	Prev_Day	Abs. Change	% Change <sup>#</sup>
S&P BSE Sensex	38,031	38,337	-306	-0.80
Nifty 50	11,346	11,419	-73	-0.64
Nifty 100	11,456	11,519	-63	-0.55
Nifty 500	9,248	9,305	-57	-0.61
Nifty Bank	29,285	29,770	-485	-1.63
S&P BSE Power	2,006	2,004	2	0.10
S&P BSE Small Cap	13,157	13,310	-154	-1.15
S&P BSE HC	12,824	12,772	51	0.40

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
22-Jul	27.47	1.24	27.81	1.31
Month Ago	27.96	1.22	28.99	1.24
Year Ago	22.90	1.21	27.36	1.22

Nifty 50 Top 3 Gainers

Company	22-Jul	Prev_Day	% Change <sup>#</sup>
Yes Bank	91	83	9.49
Vedanta	167	161	3.72
Indiabulls HFC	656	635	3.30

Nifty 50 Top 3 Losers

Company	22-Jul	Prev_Day	% Change <sup>#</sup>
Bajaj Finserv	7162	7566	-5.34
HDFC Ltd.	2187	2304	-5.06
Eicher Motors	17072	17664	-3.35

Advance Decline Ratio

	BSE	NSE
Advances	768	541
Declines	1757	1283
Unchanged	155	101

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-1084	69851
MF Flows**	489	12366

\*22<sup>nd</sup> Jul 2019; \*\*19<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 ended largely lower as hopes that the U.S. Federal Reserve will aggressively cut rates disappeared and tensions grew in the Persian Gulf between Britain and Iran. Today (as of Jul 23), Asian markets opened mostly higher following overnight gains in the U.S. Wall Street. Both Nikkei and Hang Seng were trading up 0.86% and 0.14%, respectively (as at 8.a.m. IST).
- European markets inched up as investors took stock of a fresh set of earnings reports. Investors are looking forward to important central bank activities, with the European Central Bank's policy meet on Jul 25, 2019, and the U.S. Fed's, next week.
- U.S. markets inched up as the week will see a number of companies coming out with their earnings. Also, expectations of an aggressive policy easing from the U.S. Federal Reserve have dampened.

Indian Equity Market

- Indian equity markets fell in the midst of outflows of foreign funds, rupee depreciation and weak domestic and global cues. Weak corporate earnings back home and fading hopes of a rate cut by the U.S. Federal Reserve at its upcoming meeting dampened sentiment. The non-performing asset (NPA) problem of banks continues to mar the sector as the leading private sector bank of the country reported a high double digit increase in its NPAs, drumming the sector down.
- Key benchmark indices S&P BSE Sensex and Nifty 50 lost 0.80% and 0.64% to close at 38,031.13 and 11,346.20, respectively. S&P BSE Mid-Cap and S&P BSE Small Cap fell 0.60% and 1.15%, respectively.
- The overall market breadth on BSE was weak with 768 scrips advancing and 1757 scrips declining. A total of 155 scrips remained unchanged.
- On the BSE sectoral front, S&P BSE Energy was the major gainer, up 1.92%, followed by S&P BSE Metal and S&P BSE Oil & Gas, up 1.89% and 1.07%, respectively. S&P BSE Telecom and S&P BSE Basic Materials gained 0.61% and 0.6%, respectively. S&P BSE Finance was the major loser, down 2.28%, followed by S&P BSE FMCG and S&P BSE Bankex, down 1.43% and 1.42%, respectively.

Domestic News

- The Asian Development Bank (ADB) has lowered India's inflation forecast to 4.1% for FY20, backed by rupee gains and a lowered GDP projection. In addition, ADB said India will be the primary driver to reduce inflation for the South Asian area, media reports showed.
- According to the Indian Meteorological Department (IMD), the south-west monsoon showers have covered the entire country after a four-day delay from the normal schedule. However, the nice rain spell in the first two weeks of Jul 2019 has enhanced the level of the water reservoir, which is supposed to accelerate the sowing of kharif crops and narrow a gap in the acreage compared to last year's respective period.
- The government wants the Competition Commission of India (CCI) to investigate problems of cartelisation and thwarting competition in relation to the large four audit companies. These four global leaders are said to have 'abused' their dominant position, which the government wants to investigate, media reports said. The government's recent pressure arises in the midst of crackdown on audit firms for supposedly overlooking lapses in corporate governance in some companies.
- Reliance Industries Ltd's consolidated net profit increased 6.82% to Rs. 10,104 crore for the period ended Jun 30, 2019, from Rs. 9,459 crore in the same quarter last year. The consolidated revenue from operations grew 21.25% to Rs. 1.61 trillion during the quarter as against Rs. 1.33 trillion for the year-ago period.
- HDFC Bank Ltd's first quarter ended Jun 2019 net profit increased 21% to Rs. 5,568.16 crore from Rs. 4,601.44 crore in the year-ago period on account of higher other income. Other income, including core fee income, rose 27.2% to Rs. 4,970.3 crore during the quarter. Provisions during the quarter rose to Rs. 2,613.66 crore against Rs. 1,889.2 crore set aside as provisions in the Jan-Mar 2019 quarter.
- Kotak Mahindra Bank's Jun 2019 quarter net profit increased 33% to Rs. 1,360.20 crore from Rs. 1,024.94 crore in the year-ago profit due to higher net interest income and lower provisions.

FII Derivative Trade Statistics		22-Jul	
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	4730.91	5789.59	20487.92
Index Options	195836.13	196866.01	46447.41
Stock Futures	17295.31	17370.73	88365.27
Stock Options	8538.48	8688.54	4460.05
Total	226400.83	228714.87	159760.65

Derivative Statistics- Nifty Options			
	22-Jul	Prev_Day	Change
Put Call Ratio (OI)	1.01	1.05	-0.04
Put Call Ratio(Vol)	0.77	0.85	-0.08

Debt Watch				
	22-Jul	Wk. Ago	Mth. Ago	Year Ago
Call Rate	5.65%	5.59%	5.78%	6.20%
T-Repo	5.63%	5.54%	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	5.72%	5.75%	5.93%	6.58%
364 Day T-Bill	5.92%	5.98%	6.03%	7.21%
10 Year Gilt	6.42%	6.43%	6.86%	7.79%
G-Sec Vol. (Rs.Cr)	49665	67833	68502	21859
FBIL MIBOR*	5.70%	5.85%	5.90%	6.29%
3 Month CP Rate	6.25%	6.50%	6.95%	7.55%
5 Year Corp Bond	7.72%	7.73%	8.05%	8.73%
1 Month CD Rate	6.02%	5.91%	5.99%	6.62%
3 Month CD Rate	6.28%	6.05%	6.36%	6.97%
1 Year CD Rate	6.99%	6.80%	7.17%	7.98%

Currency Market			
Currency	22-Jul	Prev_Day	Change
USD/INR	69.02	68.82	0.20
GBP/INR	86.30	86.22	0.07
EURO/INR	77.42	77.52	-0.09
JPY/INR	0.64	0.64	0.00

Commodity Prices				
Commodity	22-Jul	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	55.84	59.27	57.30	70.26
Brent Crude(\$/bl)	62.10	67.15	67.43	71.83
Gold( \$/oz)	1425	1414	1399	1231
Gold(Rs./10 gm)	34932	34558	33909	29849

Source: Thomson Reuters Eikon

\*As on previous trading day

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**Derivatives Market**

- Nifty Jul 2019 Futures stood at 11,360.25, a premium of 23.10 points, above the spot closing of 11,337.15. The turnover on NSE's Futures and Options segment declined to Rs. 10,63,981.45 crore on Jul 22, 2019, compared with Rs. 11,25,854.80 crore on Jul 19, 2019.
- The Put-Call ratio stood at 0.81 compared with the previous session's close of 0.94.
- The Nifty Put-Call ratio stood at 1.01 compared with the previous session's close of 1.05.
- Open interest on Nifty Futures stood at 19.54 million, compared with the previous session's close of 20.27 million.

**Indian Debt Market**

- Bond yield rose following the central bank governor's comment, which lowered expectations of deep policy rate cuts. In addition, rise in crude oil prices amid escalating geopolitical tension in the Middle East following the detention of British tankers by Iranian military also pushed the yield higher.
- Yield on the 10-year benchmark paper (7.26% GS 2029) rose 6 bps at 6.42% compared with the previous close of 6.36% after trading in a range of 6.39% to 6.45%.
- Banks borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 3,632 crore (gross) on Jul 22, 2019 compared with Rs. 12,339 crore (gross) borrowed on Jul 19, 2019. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 23,896 crore on Jul 19, 2019.

**Currency Market Update**

- The Indian rupee weakened against the greenback following losses in the domestic equity market. The rupee closed at 68.91 a dollar, down 0.16% compared with the previous close 68.80.
- The euro was almost steady against the greenback as market participants preferred to remain cautious ahead of the outcome of the monetary policy reviews by the European Central Bank and the U.S. Federal Reserve. The euro closed at 1.1207, down 0.01% compared with the previous close of 1.1208.

**Commodity Market Update**

- Gold prices were almost steady ahead of the monetary policy review by the U.S. Federal Reserve scheduled at the end of the month.
- Brent crude prices surged after Iran took control of a British tanker at the Strait of Hormuz in the previous week.

**International News**

- The National Institute of Economic and Social Research said in a report that the U.K. economy may already have entered a recession and the outlook after Oct 2019 is very turbulent with the prospect of a serious downturn in the case of a disorderly no-deal Brexit. The think tank said there is one-in-four possibility that a technical recession has already occurred in the economy. The economy is predicted to expand 1.2% this year, assuming a no-deal Brexit is prevented, but this has been revised down from the earlier predicted 1.4%.
- IHS Markit survey data showed British households' expectations towards future finances remained positive in Jul 2019. The headline household finance index rose for the second straight month in Jul 2019, to 44.3 from 43.9 in Jun 2019.



Thank you for  
your time.