

RELIANCE

MUTUAL
FUND

Markets for You

26 Jul 2019

Indices Performance

Global Indices	25-Jul	Prev_Day	Abs. Change	% Change [#]
Russell 3000	1,317	1,327	-10	-0.73
Nasdaq	8,239	8,322	-83	-1.00
FTSE	7,489	7,501	-12	-0.17
Nikkei	21,757	21,710	47	0.22
Hang Seng	28,594	28,524	70	0.25
Indian Indices	25-Jul	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	37,831	37,848	-17	-0.04
Nifty 50	11,252	11,271	-19	-0.17
Nifty 100	11,352	11,360	-8	-0.07
Nifty 500	9,159	9,160	-1	-0.01
Nifty Bank	29,043	28,952	91	0.31
S&P BSE Power	2,001	2,004	-3	-0.14
S&P BSE Small Cap	13,031	13,044	-12	-0.09
S&P BSE HC	12,840	12,636	204	1.61

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
25-Jul	27.12	1.24	27.57	1.32
Month Ago	28.47	1.19	29.17	1.24
Year Ago	23.27	1.19	27.66	1.20

Nifty 50 Top 3 Gainers

Company	25-Jul	Prev_Day	% Change [#]
Lupin	773	738	4.74
Vedanta Limited	171	165	3.88
Cipla	537	519	3.45

Nifty 50 Top 3 Losers

Company	25-Jul	Prev_Day	% Change [#]
Tata Motors	144	151	-4.60
HPCL	267	279	-4.25
Bajaj Finserv Limited	6782	7065	-4.01

Advance Decline Ratio

	BSE	NSE
Advances	1070	809
Declines	1370	1021
Unchanged	163	109

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-1447	63729
MF Flows**	1559	17286

*25th Jul 2019; **24th 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 gained after disappointing economic data from Europe and the U.S. raised expectations of greater stimulus by the European Central Bank and the Federal Reserve, among others. The gains were limited by rising tensions between Tokyo and Seoul on news that North Korea fired two missiles from its east coast into the sea. Today (as of Jul 26), Asian markets opened weak on concerns that the U.S. Federal Reserve could be less aggressive than expected after U.S. reported a fresh set of weak economic data. Both Nikkei and Hang Seng were trading down 0.67% and 0.44%, respectively (as at 8.a.m. IST).
- U.S. markets were weak as a fresh set of strong economic data dimmed hopes of rate-cut by the U.S. Federal Reserve at its policy meet at month-end.
- European markets traded lower after the European Central Bank (ECB) gave mixed signals by keeping interest rates on hold and hinting at more monetary easing in the future. Expectations were for the central bank to cut rates.

Indian Equity Market

- Indian equity markets could not hold on to early gains and ended in the red once again. Derivative agreements expiry in Jul 2019 came in the way of market gains. Global cues were positive as markets gained on rising expectations that central banks will ease their monetary policies to support economic growth.
- Key benchmark indices S&P BSE Sensex and Nifty 50 lost 0.04% and 0.17% to close at 37,830.98 and 11,252.15, respectively. S&P BSE Mid-Cap gained 0.53% and S&P BSE Small Cap fell 0.09%.
- The overall market breadth on BSE was weak with 1070 scrips advancing and 1370 scrips declining. A total of 163 scrips remained unchanged.
- On the BSE sectoral front, S&P BSE Healthcare was the major gainer, up 1.61%, followed by S&P BSE IT and S&P BSE Teck, which gained 0.77% and 0.75%, respectively. S&P BSE Bankex and S&P BSE Consumer Durables gained 0.34% each. S&P BSE Energy was the major loser, down 1.91%, followed by S&P BSE Oil & Gas and S&P BSE Metal, down 1.28% and 0.83%, respectively. S&P BSE Industrials and S&P BSE Capital Goods lost 0.6% and 0.49%, respectively.

Domestic News

- The Prime Minister's Office (PMO) wants the finance ministry to reconsider the idea of issuing foreign currency overseas sovereign bonds, media reports said. The PMO has asked the finance ministry to go for wider consultation with stakeholders before proceeding with any plans.
- Niti Aayog CEO said India will slowly shift from a policy of import substitution to export-led growth. He said India has a huge potential to become a global manufacturing hub for electronics products, adding that The National Policy for Electronics 2019 has already identified exports of electronics from India to the world.
- The finance ministry will gradually relax the requirement of 100% physical examination of export consignments of "risky exporters" in case no discrepancies are seen in previous inspections, media reports said. In order to keep an eye on GST evasion, the Central Board of Indirect Taxes and Customs had identified 5,106 "risky exporters" who claimed GST refunds based on bogus invoices. It was decided that Risk Management Centre for Customs will insert alerts for all such risky exporters and make 100% examination mandatory of their export consignments.
- According to the India Meteorological Department, the country could get above-average rainfall in the next two weeks. India received below average rains in the past two weeks, the department said. The country has received 17% less rain than average since the monsoon season began on Jun 1, 2019.
- West Bengal finance minister has written to Union finance minister ahead of the Goods and Services Tax (GST) Council meeting. The meeting top agenda is a reduction in the tax rates for electric vehicles (EVs) and chargers. He highlighted that the automobile industry has invested Rs 1.7 lakh crore to upgrade technology to meet higher emission standards, and undue hurry to create the infrastructure to replace fossil-fuel vehicles with EVs would have a "disastrous impact" on auto companies.

FII Derivative Trade Statistics		25-Jul	
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	9281.04	10543.73	22720.83
Index Options	288441.91	290217.66	47216.95
Stock Futures	31412.35	31599.03	88945.59
Stock Options	3520.13	3491.20	3464.72
Total	332655.43	335851.62	162348.09

Derivative Statistics- Nifty Options			
	25-Jul	Prev_Day	Change
Put Call Ratio (OI)	0.88	0.96	-0.08
Put Call Ratio(Vol)	0.87	0.83	0.04

Debt Watch				
	25-Jul	Wk. Ago	Mth. Ago	Year Ago
Call Rate	5.61%	5.57%	5.78%	6.24%
T-Repo	5.61%	5.57%	5.47%	NA
Repo	5.75%	5.75%	5.75%	6.25%
Reverse Repo	5.50%	5.50%	5.50%	6.00%
91 Day T-Bill	5.73%	5.67%	5.94%	6.69%
364 Day T-Bill	5.90%	5.95%	6.08%	7.26%
10 Year Gilt	6.51%	6.39%	6.88%	7.79%
G-Sec Vol. (Rs.Cr)	63985	45062	51363	15005
FBIL MIBOR*	5.70%	5.75%	5.90%	6.39%
3 Month CP Rate	6.30%	6.30%	6.95%	7.85%
5 Year Corp Bond	7.83%	7.70%	8.06%	8.73%
1 Month CD Rate	5.76%	5.84%	6.02%	6.75%
3 Month CD Rate	6.29%	6.33%	6.30%	7.24%
1 Year CD Rate	6.77%	6.84%	7.23%	8.02%

Currency Market			
Currency	25-Jul	Prev_Day	Change
USD/INR	68.99	69.01	-0.02
GBP/INR	86.07	85.89	0.19
EURO/INR	76.82	76.96	-0.14
JPY/INR	0.64	0.64	0.00

Commodity Prices				
Commodity	25-Jul	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	55.85	55.05	57.60	70.78
Brent Crude(\$/bl)	63.31	60.84	67.68	74.31
Gold(\$/oz)	1414	1446	1423	1231
Gold(Rs./10 gm)	34943	34709	34329	29904

Source: Thomson Reuters Eikon

*As on previous trading day

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Derivatives Market

- Nifty Jul 2019 Futures settled at spot closing of 11,252.15. Nifty Aug 2019 Futures were at 11,301.05, a premium of 48.90 points, above the spot closing. The turnover on NSE's Futures and Options segment rose to Rs. 26,03,370.58 crore on Jul 25, 2019, compared with Rs. 15,69,829.93 crore on Jul 24, 2019.
- The Put-Call ratio stood at 0.81 compared with the previous session's close of 0.86.
- The Nifty Put-Call ratio stood at 0.88 compared with the previous session's close of 0.96.
- Open interest on Nifty Futures stood at 24.30 million, compared with the previous session's close of 21.91 million.

Indian Debt Market

- Bond yield rose as investor anxiety rose after a local media agency reported that the Prime Minister's Office is inclined to issue rupee-denominated bonds in the foreign market, instead of issuing foreign currency notes. In addition, the overall market sentiment has also been dampened by doubts over future rate cut plans.
- Yield on the 10-year benchmark paper (7.26% GS 2029) increased 7 bps at 6.51% compared with the previous close of 6.44% after trading in a range of 6.42% to 6.55%.
- Banks borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 8,289 crore (gross) on Jul 25, 2019 compared with Rs. 3,564 crore (gross) borrowed on Jul 24, 2019. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 17,265 crore on Jul 24, 2019.

Currency Market Update

- The Indian rupee weakened against the greenback likely on concerns over foreign fund outflows and weakness in domestic equity markets. Further, investors remained cautious ahead of outcome of European Central Bank's (ECB) policy meeting. The rupee closed at 69.04 a dollar compared with the previous close 68.98.
- The euro gained slightly after ECB kept the interest rates unchanged. The euro closed at 1.1145 compared with the previous close of 1.1139.

Commodity Market Update

- Gold prices fell following upbeat data of new durable goods order in U.S. in Jun and less than expected weekly jobless claims.
- Brent crude prices fell following preliminary reports that Germany's manufacturing and service PMI data fell in Jul, indicating deteriorating growth outlook.

International News

- A Labor Department report showed an unexpected pullback in initial jobless claims in the week ended Jul 20, 2019. Initial jobless claims fell to 206,000, a decrease of 10,000 from the previous week's unrevised level of 216,000.
- The European Central Bank (ECB) has left its interest rates unchanged and altered its forward guidance, signalling they will be reduced in future, and that policymakers are planning a comprehensive stimulus package. ECB president stressed on the need for significant stimulus for the euro area economy as policymakers assessed that the outlook was getting worse.

Thank you for
your time.