

**RELIANCE**

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FUND

# Markets for You

24 Jun 2019

**Indices Performance**

Global Indices	21-Jun	Prev_Day	Abs. Change	% Change <sup>#</sup>
Russell 3000	1,290	1,293	-4	-0.29
Nasdaq	8,032	8,051	-20	-0.24
FTSE	7,408	7,451	-44	-0.59
Nikkei	21,259	21,463	-204	-0.95
Hang Seng	28,474	28,550	-77	-0.27
Indian Indices	21-Jun	Prev_Day	Abs. Change	% Change <sup>#</sup>
S&P BSE Sensex	39,194	39,602	-407	-1.03
Nifty 50	11,724	11,832	-108	-0.91
Nifty 100	11,802	11,901	-99	-0.83
Nifty 500	9,582	9,646	-64	-0.67
Nifty Bank	30,628	30,781	-153	-0.50
S&P BSE Power	2,016	2,014	2	0.10
S&P BSE Small Cap	14,084	14,065	19	0.14
S&P BSE HC	12,688	12,796	-108	-0.84

**P/E Dividend Yield**

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
21-Jun	27.96	1.22	28.99	1.24
Month Ago	28.71	1.20	29.18	1.12
Year Ago	22.71	1.25	26.43	1.23

**Nifty 50 Top 3 Gainers**

Company	21-Jun	Prev_Day	% Change <sup>#</sup>
United Phos	890	870	2.28
Tech Mahindra	740	726	2.05
Indiabulls HFC	612	600	2.04

**Nifty 50 Top 3 Losers**

Company	21-Jun	Prev_Day	% Change <sup>#</sup>
Yes Bank	110	115	-4.32
Maruti	6417	6617	-3.02
HDFC Ltd.	2141	2199	-2.66

**Advance Decline Ratio**

	BSE	NSE
Advances	1167	899
Declines	1333	920
Unchanged	149	112

**Institutional Flows (Equity)**

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-179	76926
MF Flows**	1074	5377

\*21<sup>st</sup> Jun 2019; \*\*20<sup>th</sup> Jun 2019

**Economic Indicator**

YoY(%)	Current	Quarter Ago	Year Ago
CPI	3.05% (May-19)	2.57% (Feb-19)	4.87% (May-18)
IIP	3.40% (Apr-19)	1.60% (Jan-19)	4.50% (Apr-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 because of escalating tensions between the U.S. and Iran as well as China and U.S. Iran shot down a U.S. military drone over the Strait of Hormuz. Media reports said the U.S. President changed his mind after initially approving a military strike against the country. Today (as of Jun 24), Asian markets opened higher following increase in crude oil prices. Both Nikkei and Hang Seng were trading up 0.04% and 0.11%, respectively (as at 8.a.m. IST).
- As per the last close, European markets closed lower amid increased tensions in the Middle East and uncertainty about the near-term outlook. However, data showing that euro area private sector expanded at the fastest pace in seven months in Jun 2019 restricted losses.
- As per the last close, U.S markets closed lower after the Commerce Department barred five more Chinese companies from buying U.S. components without approval. Investors were also cautious amid escalating tensions between the U.S. and Iran and ahead of G20 summit scheduled this week.

**Indian Equity Market**

- Indian equity markets fell amid concerns that higher oil prices and shortfall in monsoon rains could increase inflation and slow down economic growth further. A military confrontation between Tehran and Washington impacted markets the world. Also, media reports suggesting that the government may exceed the budget deficit target for FY20 soured sentiment.
- Key benchmark indices S&P BSE Sensex and Nifty 50 lost 1.03% and 0.91%, respectively to close at 39,194.49 and 11,724.10, respectively. S&P BSE Mid-Cap lost 0.38% and S&P BSE Small Cap increased 0.14%, respectively.
- The overall market breadth on BSE was weak with 1167 scrips advancing and 1333 scrips declining. A total of 149 scrips remained unchanged.
- On the BSE sectoral front, only two sectors gained. S&P BSE Basic Materials was the major gainer, up 0.14%, followed by S&P BSE Power, up 0.1%. S&P BSE Auto was the major loser, down 1.32%, followed by S&P BSE Energy and S&P BSE Telecom, down 1.13% and 1.08%, respectively. S&P BSE Fast Moving Consumer Goods and S&P BSE Healthcare lost 0.91% and 0.84%, respectively.

**Domestic News**

- The Mutual Fund Advisory Committee (MFAC) of the Securities and Exchange Board of India (SEBI) has proposed that the exposure limits of liquid funds to non-banking financial companies (NBFCs) and housing finance companies will be reduced in a phased manner, media reports said. This could mean liquid funds may soon be allowed to invest only up to 30% of their assets in securities issued by non-banks and mortgage lenders. Banks' refusal to lend has triggered a cash crunch at NBFCs, in turn raising concerns that they will struggle to repay liquid funds that have bought their debt papers.
- The U.S. administration refuted media reports saying U.S. is considering putting limits on H-1B work visas for nations that force foreign companies to store data locally. The State Department said they have no plans to cap H-1B work visas for the reason. The H-1B programme issues U.S. visas to skilled foreign workers and India is the largest recipient of these temporary visas, most of them to workers at big Indian technology firms.
- Media reports said the government could exceed the budget deficit target previously set for the FY20. This could be because a slowing economy is creating a big shortfall in tax collections and demands new stimulus plans. The new finance minister will present her first budget on Jul 5, 2019, for FY20.
- According to minister of road transport and highways, the government is planning to offer smaller bundles of road projects under the toll-operate-transfer (TOT) model as part of its asset monetisation plan. This will help attract smaller investors. The minister said they are actively scouting for ways to encourage private participation in the sector.

FII Derivative Trade Statistics		21-Jun	
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	4763.87	5000.86	23523.41
Index Options	440767.86	439259.62	58993.19
Stock Futures	14694.66	13618.94	87746.32
Stock Options	6700.17	6566.77	4666.82
Total	466926.56	464446.19	174929.74

Derivative Statistics- Nifty Options			
	21-Jun	Prev_Day	Change
Put Call Ratio (OI)	1.34	1.55	-0.21
Put Call Ratio(Vol)	0.98	1.03	-0.05

Debt Watch				
	21-Jun	Wk. Ago	Mth. Ago	Year Ago
Call Rate	5.78%	5.83%	5.94%	6.24%
T-Repo	5.66%	5.66%	5.98%	NA
Repo	5.75%	5.75%	6.00%	6.25%
Reverse Repo	5.50%	5.50%	5.75%	6.00%
91 Day T-Bill	5.93%	5.98%	6.35%	6.40%
364 Day T-Bill	6.03%	6.10%	6.40%	7.03%
10 Year Gilt	6.86%	6.92%	7.30%	7.77%
G-Sec Vol. (Rs.Cr)	68502	92107	23486	43995
FBIL MIBOR	5.90%	5.80%	6.05%	6.30%
3 Month CP Rate	6.95%	6.70%	7.20%	7.58%
5 Year Corp Bond	8.08%	8.04%	8.31%	8.65%
1 Month CD Rate	5.99%	6.03%	6.92%	6.85%
3 Month CD Rate	6.36%	6.33%	7.07%	7.12%
1 Year CD Rate	7.17%	7.15%	7.53%	8.04%

Currency Market			
Currency	21-Jun	Prev_Day	Change
USD/INR	69.63	69.56	0.07
GBP/INR	88.37	88.38	-0.01
EURO/INR	78.59	78.47	0.11
JPY/INR	64.90	64.69	0.21

Commodity Prices				
Commodity	21-Jun	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	57.30	52.42	62.97	65.68
Brent Crude(\$/bl)	67.43	64.57	73.93	72.61
Gold(\$/oz)	1399	1341	1275	1267
Gold(Rs./10 gm)	33909	33061	31540	30437

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 Jun 2019 Futures were at 11,753.45, a premium of 29.35 points, above the spot closing of 11,724.10. The turnover on NSE's Futures and Options segment decreased to Rs. 7,79,765.92 crore on Jun 21, 2019, compared with Rs. 26,32,425.19 crore on Jun 20, 2019.
- The Put-Call ratio stood at 0.92 compared with the previous session's close of 0.82.
- The Nifty Put-Call ratio stood at 1.34 compared with the previous session's close of 1.55.
- Open interest on Nifty Futures stood at 21.49 million, compared with the previous session's close of 21.63.

#### Indian Debt Market

- Bond yield went up as crude oil prices surged with rising geopolitical tension between the U.S. and Iran. Besides, media reports stating that the government may expand fiscal deficit target raised fiscal uncertainty and pushed the yield higher.
- Yield on the 10-year benchmark paper (7.26% GS 2029) moved up 7 bps to close at 6.86% compared with the previous close of 6.79%.
- Banks borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 5,123 crore (gross) on Jun 21, 2019, compared with Rs. 7,127 crore (gross) as on Jun 20, 2019. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 11,999 crore on Jun 20, 2019.
- Banks borrowed Rs. 1,836 crore under the central bank's Marginal Standing Facility on Jun 20, 2019 compared to that of Rs. 201 crore borrowed on Jun 19, 2019.

#### Currency Market Update

- The Indian rupee declined against the dollar after early gains due to greenback sales by private banks were eroded by surge in crude oil prices due to rising U.S.-Iran geopolitical tension. The rupee closed at 69.55 a dollar, down 0.16% compared with the previous close of 69.44.
- The euro edged higher against the greenback after German services and manufacturing sector and French business activities reported better-than-expected numbers in Jun. The euro was last seen trading at 1.1314, up 0.20% compared with the previous close of 1.1291.

#### Commodity Market Update

- Gold prices continue to surge with aggravating geopolitical tension between the U.S. and Iran.
- Brent crude prices surged amid geopolitical tension between the U.S. and Iran after Iranian forces shot down a U.S. military drone.

#### International News

- The Conference Board said its reading on leading U.S. economic indicators was unchanged in May 2019 with positive contributions from financial conditions and consumers' outlook offset by weakness in stock prices and the manufacturing sector. The Conference Board said its leading economic index was unchanged in May after inching up 0.1% in Apr 2019.
- According to a report released by the Federal Reserve Bank of Philadelphia, Philadelphia-area manufacturing activity was nearly stagnant in Jun 2019. The Philly Fed said its index for current general activity tumbled to 0.3 in Jun from 16.6 in May.

Thank you for  
your time.