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Markets for You

10 May 2019

Indices Performance

Global Indices	09-May	Prev_Day	Abs. Change	% Change [#]
Dow Jones	25,828	25,967	-139	-0.54
Nasdaq	7,911	7,943	-33	-0.41
FTSE	7,207	7,271	-64	-0.87
Nikkei	21,402	21,603	-200	-0.93
Hang Seng	28,311	29,003	-692	-2.39
Indian Indices	09-May	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	37,559	37,789	-230	-0.61
Nifty 50	11,302	11,359	-58	-0.51
Nifty 100	11,416	11,471	-55	-0.48
Nifty Bank	28,885	28,994	-110	-0.38
SGX Nifty	11,317	11,408	-92	-0.80
S&P BSE Power	1,898	1,922	-24	-1.24
S&P BSE Small Cap	14,076	14,129	-53	-0.38
S&P BSE HC	13,818	13,856	-38	-0.28

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
9-May	28.15	1.23	28.24	1.16
Month Ago	28.22	1.13	29.13	1.13
Year Ago	23.47	1.15	26.66	1.19

Nifty 50 Top 3 Gainers

Company	09-May	Prev_Day	% Change [#]
Zee Ente.	358	332	7.93
Yes Bank	170	161	5.94
Bajaj Finance	2971	2921	1.71

Nifty 50 Top 3 Losers

Company	09-May	Prev_Day	% Change [#]
RIL	1256	1299	-3.31
BPCL	368	380	-3.09
Bharti Airtel	315	325	-2.79

Advance Decline Ratio

	BSE	NSE
Advances	1034	753
Declines	1437	1044
Unchanged	152	109

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-768	70026
MF Flows**	457	-1207

*9th May 2019; **8th May 2019

Economic Indicator

YoY(%)	Current	Quarter Ago	Year Ago
CPI	2.86% (Mar-19)	2.11% (Dec-18)	4.28% (Mar-18)
IIP	0.10% (Feb-19)	8.40% (Oct-18)	6.90% (Feb-18)
GDP	6.60% (Dec-18)	7.00% (Sep-18)	7.70% (Dec-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 equity markets shares declined as investors awaited with bated breath the result of U.S.-China's latest meeting, scheduled for May 9 and 10, 2019. The meeting has become crucial in the midst of comments by the U.S. President that he would be happy to keep tariffs on Chinese imports. At the same time, there are media reports that Beijing has announced it would take "necessary countermeasures." Today (as of May 10), Asian markets opened on a higher note despite increased U.S. tariffs on Chinese goods due later in the day. Both Nikkei and Hang Seng were trading higher 0.73% and 1.63%, respectively (as at 8 a.m. IST).
- As per the last close, European markets fell on trade tensions between the U.S. and China after U.S. President commented that China "broke the deal" in negotiations. Also worries about Brexit weighed on the market. The U.S. and Chinese officials are scheduled to meet for negotiations on Friday.
- As per the last close, U.S markets dropped amid renewed trade concerns following comments on Wednesday from the U.S. president ahead of two days of U.S.-China trade talks in Washington.

Indian Equity Market

- Indian equity markets fell for the seventh consecutive session as U.S.-China trade developments dominated sentiment. The two countries have gone back to exchange of strong words with the U.S. President saying he would be happy to increase tariff on Chinese imports and blaming China for breaking the 'deal'. Media reports said China plans to retaliate with countermeasures.
- Key benchmark indices S&P BSE Sensex and Nifty 50 lost 0.61% and 0.51%, respectively, to close at 37,558.91 and 11,301.80, respectively. S&P BSE Mid-Cap and S&P BSE Small Cap lost 0.19% and 0.38%, respectively.
- On the BSE sectoral front, S&P BSE Teck was the major gainer, up 0.44%, followed by S&P BSE Information Technology and S&P BSE Consumer Durables, down 0.43% and 0.3%, respectively. S&P BSE Realty and S&P BSE Fast Moving Consumer Goods fell 0.27% and 0.1%, respectively. S&P BSE Energy was the major loser, down 2.63%, followed by S&P BSE Metal and S&P BSE Telecom, down 1.49% and 1.3%, respectively. S&P BSE Power and S&P BSE Oil & Gas lost 1.24% and 1.11%, respectively.

Domestic News

- According to a major domestic rating agency, crisis at non-bank lenders has led securitisation volumes to reach an all-time high of almost Rs. 2 lakh crore in fiscal year 2018-19. This happened as liquidity-starved entities sold portfolios. The volumes of securitisation, where a lender sells a portfolio of future receivables, surged 140% to touch the Rs. 1.99 lakh crore mark. The market was buoyant in the second half of the fiscal, driven by the liquidity crisis which forced non-bank finance companies and housing finance companies to rely heavily on portfolio loan sell-downs to raise funds.
- The finance ministry has started preparing presentation of the full Budget 2019-20 by a new government in Jul 2019. The ministry has sent out communications to various industry bodies and other stakeholders inviting their suggestions on direct and indirect taxes related to various sectors. Observers said they expect changes in custom rates and direct taxes as the Goods and Services Tax (GST) has removed most indirect taxes from the purview of the budget.
- The tax department has asked builders to choose before May 10, 2019, the new Goods & Services Tax (GST) rate for ongoing realty projects. The concessional rate, which came into effect from Apr 1, 2019, was set at 1% for affordable houses and 5% for others, from the earlier 8% and 12%, respectively. Developers of under-construction projects could opt for the new or previous rate, but now they have been asked to exercise this option before May 10 in the prescribed format. This means, two people buying identical flats in the same apartment complex but in different buildings or towers could technically pay different GST rates. If the developer does not choose the rates before May 10, then the new GST rates will start automatically, the Central Board of Indirect Taxes and Customs said. The rules of the concessional scheme, including transitional ones, will apply, it said.
- According to media reports, the Ministry of Corporate Affairs on the basis of a report from Registrar of Companies is examining alleged diversion of funds from the books of Jet Airways Ltd. The Registrar of Companies, which is a wing of Ministry of Corporate Affairs, has found instances of Companies Act violation and some unexplained funds trail while examining Jet's books of accounts.
- Tata Motors has denied media reports of sale of Jaguar Land Rover to French automotive group PSA could be imminent.

FII Derivative Trade Statistics			
	09-May		
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	2823.12	3952.05	21680.12
Index Options	259310.51	260048.56	62373.99
Stock Futures	12209.32	13165.62	83559.28
Stock Options	4173.95	4293.67	5968.21
Total	278516.90	281459.90	173581.60

Derivative Statistics- Nifty Options			
	09-May	Prev_Day	Change
Put Call Ratio (OI)	1.02	1.04	-0.02
Put Call Ratio(Vol)	0.78	0.69	0.08

Debt Watch				
	09-May	Wk. Ago	Mth. Ago	Year Ago
Call Rate	5.98%	6.06%	5.97%	5.91%
T-Repo	5.97%	5.90%	5.95%	NA
Repo	6.00%	6.00%	6.00%	6.00%
Reverse Repo	5.75%	5.75%	5.75%	5.75%
91 Day T-Bill	6.43%	6.44%	6.17%	6.27%
364 Day T-Bill	6.51%	6.52%	6.32%	6.63%
10 Year Gilt	7.40%	7.39%	7.37%	7.71%
G-Sec Vol. (Rs.Cr)	27633	22988	33552	22921
FBIL MIBOR*	6.05%	6.20%	6.05%	6.04%
3 Month CP Rate	7.70%	7.70%	6.95%	7.80%
5 Year Corp Bond	8.49%	8.46%	8.44%	8.48%
1 Month CD Rate	6.92%	7.17%	6.61%	6.66%
3 Month CD Rate	7.27%	7.40%	6.72%	7.11%
1 Year CD Rate	7.53%	7.61%	7.19%	7.89%

Currency Market			
Currency	09-May	Prev_Day	Change
USD/INR	69.87	69.60	0.27
GBP/INR	90.99	90.90	0.09
EURO/INR	78.25	78.01	0.24
JPY/INR	0.64	0.63	0.00

Commodity Prices				
Commodity	09-May	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	61.53	61.70	64.00	71.11
Brent Crude(\$/bl)	70.66	70.70	71.66	78.59
Gold(\$/oz)	1284	1270	1304	1312
Gold(Rs./10 gm)	31730	31310	31886	31143

Source: Thomson Reuters Eikon *As on previous trading day

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

Derivatives Market

- Nifty May 2019 Futures were at 11,334.80, a premium of 33.00 points, above the spot closing of 11,301.80. The turnover on NSE's Futures and Options segment rose to Rs. 21,48,919.95 crore on May 9, 2019, compared with Rs. 13,24,483.37 crore on May 8, 2019.
- The Put-Call ratio stood at 0.71 compared with the previous session's close of 0.81.
- The Nifty Put-Call ratio stood at 1.02 compared with the previous session's close of 1.04.
- Open interest on Nifty Futures stood at 19.22 million as against the previous session's close at 20.44 million.

Indian Debt Market

- Bond yields rose due to the depreciation of the domestic currency. Market participants remain wary of the escalating trade tension between U.S. and China. They are closely tracking the two-day trade discussion at Washington.
- Yield on the 10-year benchmark paper (7.26% GS 2029) rose 2 bps to 7.40% compared with the previous session's close of 7.38% after trading in a range of 7.37% to 7.40%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 16,461 crore (gross) on May 9, 2019, compared with Rs. 6,031 crore (gross) as on May 8, 2019. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 13,453 crore on May 8, 2019.
- Banks borrowed Rs. 50 crore under the central bank's Marginal Standing Facility on May 8, 2019 compared with borrowings of Rs. 600 crore on May 7, 2019.

Currency Market Update

- The Indian rupee depreciated against the greenback as investors' appetite for riskier assets have been dented by the escalating trade conflict between U.S. and China. The rupee closed at 69.93 a dollar, down 0.32% compared with the previous close of 69.71.
- The euro declined against the greenback over U.S.-China trade war uncertainty as U.S. threatens to hike tariffs on \$200 billion worth of Chinese imports. The euro was last seen trading at 1.1186, down 0.04% compared with the previous close of 1.1191.

Commodity Market Update

- Gold prices continued to surge on escalating U.S.-China trade conflict. Gold prices were last seen trading at \$1,283.45 per ounce compared with the previous close of \$1,280.53.
- Brent crude prices lost its upward momentum on tension over escalating concerns over U.S.-China trade feud.

International News

- The National Bureau of Statistics data showed China's consumer price inflation rose to a six-month high in Apr 2019 and producer prices increased more than expected at the fastest pace in four months. The consumer price index rose 2.5% YoY in Apr, following a 2.3% increase in Mar 2019, in line with expectations. The latest inflation was the highest since Oct 2018.
- Official customs data showed China's exports fell unexpectedly in Apr 2019, while imports rebounded. This comes ahead of crucial trade talks between the country and the U.S. Exports fell 2.7% YoY in Apr, after a 14.2% rise in Mar 2019. Imports rose 4.0% annually in Apr, reversing a 7.6% decline in the previous month. The trade surplus was \$13.84 billion in Apr.

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Thank you for
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