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Sponsors: Reliance Capital  
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# Markets for You

20 May 2019

## Indices Performance

Global Indices	17-May	Prev_Day	Abs. Change	% Change <sup>#</sup>
Dow Jones	25,764	25,863	-99	-0.38
Nasdaq	7,816	7,898	-82	-1.04
FTSE	7,349	7,354	-5	-0.07
Nikkei	21,250	21,063	187	0.89
Hang Seng	27,946	28,275	-329	-1.16
Indian Indices	17-May	Prev_Day	Abs. Change	% Change <sup>#</sup>
S&P BSE Sensex	37,931	37,393	537	1.44
Nifty 50	11,407	11,257	150	1.33
Nifty 100	11,486	11,342	144	1.27
Nifty Bank	29,450	28,855	595	2.06
SGX Nifty	11,407	11,301	106	0.93
S&P BSE Power	1,862	1,862	0	0.00
S&P BSE Small Cap	13,887	13,817	70	0.51
S&P BSE HC	13,201	13,334	-133	-0.99

## P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
17-May	27.83	1.24	28.44	1.15
Month Ago	28.32	1.11	29.42	1.12
Year Ago	23.82	1.16	26.52	1.20

## Nifty 50 Top 3 Gainers

Company	17-May	Prev_Day	% Change <sup>#</sup>
Zee Ente.	372	346	7.65
Bajaj Finance	3301	3110	6.14
Bajaj Finserv	7993	7617	4.93

## Nifty 50 Top 3 Losers

Company	17-May	Prev_Day	% Change <sup>#</sup>
Lupin	753	783	-3.76
Yes Bank	134	138	-2.61
HPCL	275	281	-2.28

## Advance Decline Ratio

	BSE	NSE
Advances	1374	1022
Declines	1141	774
Unchanged	147	111

## Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-924	63345
MF Flows**	302	3901

\*17<sup>th</sup> May 2019; \*\*15<sup>th</sup> May 2019

## Economic Indicator

YoY(%)	Current	Quarter Ago	Year Ago
CPI	2.92% (Apr-19)	2.11% (Dec-18)	4.58% (Apr-18)
IIP	-0.10% (Mar-19)	2.50% (Dec-18)	5.30% (Mar-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 ended mixed as U.S.-China trade tensions continued to weigh on investor sentiment. Also, U.S. banning a Chinese telecom giant from buying U.S. technology without prior approval from the U.S. government soured sentiment. Today (as of May 20), Asian markets opened higher despite rising tensions between the U.S. and China. Both Nikkei and Hang Seng were trading up 0.52% and 0.14%, respectively (as at 8.a.m. IST).
- As per the last close, European markets closed lower amid trade tensions and collapse of Brexit talks. However, U.S. government's decision to delay tariffs on European auto imports for up to six months restricted the losses.
- As per the last close, U.S markets closed lower amid lingering concerns about the escalating trade dispute between the U.S. and China. However, U.S. government's decision to delay tariffs on European auto imports for up to six months restricted the losses.

## Indian Equity Market

- Indian equity markets gained as investors looked forward to exit polls. The last phase of elections will end on May 19 and exit polls will start coming from the same day evening. Investors are expecting a stable government will be formed after the elections. This factor once again overcame the weakness in global markets.
- Key benchmark indices S&P BSE Sensex and Nifty 50 gained 1.44% and 1.33%, respectively, to close at 37,930.77 and 11,407.15, respectively. S&P BSE Mid-Cap and S&P BSE Small Cap gained 1.08% and 0.51%, respectively.
- The overall market breadth on BSE was strong with 1374 scrips advancing and 1141 scrips declining. A total of 147 scrips remained unchanged.
- On the BSE sectoral front, S&P BSE Auto was the major gainer, up 2.45%, followed by S&P BSE Fast Moving Consumer Goods and S&P BSE Finance, up 2.31% and 2.25%, respectively. S&P BSE Bankex and S&P BSE S&P BSE Consumer Discretionary Goods & Services gained 2% and 1.67%, respectively. S&P BSE Healthcare was the major loser, down 0.99%, followed by S&P BSE Information Technology and S&P BSE Teck, down 0.84% and 0.46%, respectively.

## Domestic News

- According to media reports, the number of non banking financial companies which are partnering with the banks under Reserve Bank of India's loan co-origination scheme are going up gradually. The development comes as liquidity tightened in the banking system which made the non-banking financial companies to explore cheaper routes for raising of funds.
- The 15th Finance Commission chairman expressed concerns over private investments in the country that have remained subdued till date. He further underlined the importance of pursuing land and labour reforms as it would help boost the growth prospects of the country.
- According to Reserve Bank of India (RBI), non banking financial companies with an asset size of more than Rs. 5,000 crore need to appoint a chief risk officer. The objective of the move is to tighten regulations and increase risk management practices following a series of defaults at a major leasing and financial services company. RBI mandated that the chief risk officer should be appointed for a fixed period of time and cannot be removed without the approval of the board.
- As per reports, the Department for Promotion of Industry and Internal Trade has proposed relaxation in the income tax laws pertaining to sale of residential properties and carrying forward of losses for start up entities. The objective of the move is to help start ups in raising of funds. According to the new norms, entrepreneurs often sell their residential properties to support their business and the proceeds on sale of such residential properties will be exempted from capital gains tax if they are used to fund a start up.



FII Derivative Trade Statistics		17-May	
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	3748.54	4568.07	16885.14
Index Options	334808.87	336820.47	60511.06
Stock Futures	12174.37	11753.49	85914.70
Stock Options	4514.34	4346.67	7121.85
Total	355246.12	357488.70	170432.75

Derivative Statistics- Nifty Options			
	17-May	Prev_Day	Change
Put Call Ratio (OI)	1.36	1.35	0.02
Put Call Ratio(Vol)	0.71	0.84	-0.14

Debt Watch				
	17-May	Wk. Ago	Mth. Ago	Year Ago
Call Rate	5.99%	5.95%	6.04%	5.92%
T-Repo	5.95%	5.96%	5.96%	NA
Repo	6.00%	6.00%	6.00%	6.00%
Reverse Repo	5.75%	5.75%	5.75%	5.75%
91 Day T-Bill	6.32%	6.43%	6.33%	6.25%
364 Day T-Bill	6.43%	6.50%	6.40%	6.82%
10 Year Gilt	7.36%	7.41%	7.39%	7.88%
G-Sec Vol. (Rs.Cr)	32164	25102	25688	14113
FBIL MIBOR	6.05%	6.05%	6.09%	6.05%
3 Month CP Rate	7.25%	7.70%	7.00%	8.20%
5 Year Corp Bond	8.42%	8.57%	8.54%	8.61%
1 Month CD Rate	7.24%	6.78%	6.72%	6.78%
3 Month CD Rate	7.07%	7.29%	6.85%	7.46%
1 Year CD Rate	7.29%	7.63%	7.50%	8.09%

Currency Market			
Currency	17-May	Prev_Day	Change
USD/INR	70.17	70.25	-0.11
GBP/INR	89.73	90.19	-0.52
EURO/INR	78.43	78.72	-0.37
JPY/INR	0.64	0.64	-0.23

Commodity Prices				
Commodity	17-May	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	62.72	61.60	63.96	71.42
Brent Crude(\$/bl)	74.93	72.07	71.38	81.08
Gold( \$/oz)	1277	1286	1276	1290
Gold(Rs./10 gm)	31911	31751	31641	30826

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 May 2019 Futures were at 11,425.80, a premium of 18.65 points, above the spot closing of 11,407.15. The turnover on NSE's Futures and Options segment declined to Rs. 3,30,070.97 crore on May 17, 2019, compared with Rs. 19,86,219.46 crore on May 16, 2019.
- The Put-Call ratio stood at 0.69 compared with the previous session's close of 0.72.
- The Nifty Put-Call ratio stood at 1.36 compared with the previous session's close of 1.35.
- Open interest on Nifty Futures stood at 17.57 million as against the previous session's close at 17.57 million.

#### Indian Debt Market

- Bond yields eased as market participants purchased notes ahead of the results of the country's general election. The multi-phased poll will end on May 19, 2019, while the outcome will be announced on May 23, 2019.
- Yield on the 10-year benchmark paper (7.26% GS 2029) fell 2 bps to 7.36% compared with the previous close of 7.38% after trading in a range of 7.36% to 7.39%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 9,061 crore (gross) on May 17, 2019, compared with Rs. 6,136 crore (gross) as on May 16, 2019. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 11,385 crore on May 16, 2019.
- Banks borrowed Rs. 7 crore under the central bank's Marginal Standing Facility on May 16, 2019 compared with borrowings of Rs. 182 crore on May 15, 2019.

#### Currency Market Update

- The Indian rupee slipped against the greenback amid escalating U.S.-China trade conflict and rise in crude oil prices. The rupee closed at 70.19 a dollar, down 0.24% compared with the previous close of 70.03.
- The euro declined against the greenback ahead of the European parliamentary elections scheduled for next week. Investors risk appetite remained low, keeping the single currency under pressure. The euro was last seen trading at 1.1163, down 0.08% compared with the previous session's close of 1.1172.

#### Commodity Market Update

- Gold prices were down following the release of upbeat U.S. domestic data, which also boosted its equity market and investors' risk-taking appetite.
- Brent crude prices breached the \$75 per barrel mark as the geopolitical scenario in the Middle East continued to worsen.

#### International News

- A Labor Department report showed first-time claims for U.S. unemployment benefits dropped more than expected in the week ended May 11, 2019. The report said initial jobless claims slid to 212,000, a decrease of 16,000 from the previous week's unrevised level of 228,000.
- Eurostat data showed euro zone construction output fell in Mar 2019, after rising in the previous month, amid a decline in building activity and slower growth in civil engineering. Construction output declined a calendar and seasonally adjusted 0.3% MoM in Mar, after a 3.0% rise in Feb 2019.

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