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Markets for You

29 May 2019

Indices Performance

Global Indices	28-May	Prev_Day	Abs. Change	% Change [#]
Dow Jones	25,348	25,586	-238	-0.93
Nasdaq	7,607	7,637	-30	-0.39
FTSE	7,269	7,278	-9	-0.12
Nikkei	21,260	21,183	78	0.37
Hang Seng	27,391	27,288	103	0.38
Indian Indices	28-May	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	39,750	39,683	66	0.17
Nifty 50	11,929	11,925	4	0.03
Nifty 100	12,033	12,024	9	0.08
Nifty Bank	31,598	31,648	-50	-0.16
SGX Nifty	11,946	11,911	35	0.29
S&P BSE Power	2,027	2,018	9	0.45
S&P BSE Small Cap	15,020	14,959	61	0.41
S&P BSE HC	13,371	13,361	10	0.08

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
28-May	29.08	1.19	29.69	1.22
Month Ago	27.91	1.18	29.34	1.12
Year Ago	23.14	1.14	27.23	1.20

Nifty 50 Top 3 Gainers

Company	28-May	Prev_Day	% Change [#]
Zee Ente.	382	361	5.76
Yes Bank	153	147	4.09
Infosys	728	708	2.82

Nifty 50 Top 3 Losers

Company	28-May	Prev_Day	% Change [#]
Bharti Infratel	269	280	-3.77
Hero Moto	2743	2821	-2.77
Grasim Indus	911	935	-2.60

Advance Decline Ratio

	BSE	NSE
Advances	1424	976
Declines	1188	827
Unchanged	149	114

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	2934	69409
MF Flows**	190	3857

*28th May 2019; **24th 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 were mostly higher on the back of European Union election results and U.S. President's softer approach on trade. The U.S. President in his meeting with Japan's Prime Minister said a trade deal between the two nations would be done in Aug 2019. He added that U.S. may make a deal with Beijing in the future. Today (as of May 29), Asian markets opened on a lower note following decline on the Wall Street overnight. Both Nikkei and Hang Seng were trading lower 1.34% and 0.52%, respectively (as at 8 a.m. IST).
- As per the last close, European markets declined on lingering worries about U.S.-China trade dispute and concerns over high budget deficit in Italy.
- As per the last close, U.S markets fell on lingering concerns about the economic impact of the ongoing trade dispute between the U.S. and China. Concerns resurfaced after the U.S. President expressed optimism about the trade deal but also warned that U.S. tariffs on Chinese goods could go up substantially and easily.

Indian Equity Market

- Indian equity markets gained and registered record highs for the third consecutive session. Investor sentiment is riding the election results of a clear win to the ruling government. This has given them confidence that the reforms undertaken in the previous term will continue and new ones will be introduced.
- Key benchmark indices S&P BSE Sensex and Nifty 50 gained 0.17% and 0.03%, respectively, to close at 39,749.73 and 11,928.75, respectively. S&P BSE Mid-Cap and S&P BSE Small Cap gained 0.09% and 0.41%, respectively.
- The overall market breadth on BSE was strong with 1424 scrips advancing and 1188 scrips declining. A total of 149 scrips remained unchanged.
- On the BSE sectoral front, S&P BSE Information Technology was the major gainer, up 1.64%, followed by S&P BSE Teck and S&P BSE Energy, up 1.36% and 1.17%, respectively. S&P BSE Metal and S&P BSE Oil & Gas gained 0.95% and 0.55%, respectively. S&P BSE Utilities and S&P BSE Power gained 0.49% and 0.45%, respectively.

Domestic News

- According to a report, weakness in consumer spending and softening commodity prices have led Indian businesses to deliver a six-quarter low revenue growth of 10.7% for the Jan-Mar period. Operating margins also narrowed 0.78% to 16.8% during the period but were up 0.93% on lower commodity prices and price hikes, said the report by a major domestic rating agency. The agency analysed the results of 304 listed entities while arriving at the aggregate.
- The government has decided to review the role of the National Statistical Commission (NSC) and empower it through a legislation to give it more power and resources. This comes in the wake of criticism over the quality of official data on economic growth and employment. NSC is the apex advisory body on statistical matters and has been defunct since Jan 2019, with no new independent members appointed by the government. The Ministry of Statistics and Programme Implementation (MoSPI) has suggested a National Statistical Commission Bill to strengthen its existing institutional and legal framework, which has been found to be inadequate for producing India's official statistics. This plan is in line with the proposed National Policy on Official Statistics.
- According to media news, a section of farmers is getting ready to defy the ban on the cultivation of genetically modified crops like Bt brinjal and herbicide resistant Bt (HTBT) cotton, without caring for legal action. On June 10, these farmers will openly plant HTBT cotton seeds at Akot in Akola district of Vidarbha. In Apr 2019, anti-GM activists had exposed a plot of illegally planted Bt brinjal in Haryana. While that crop has been destroyed by the administration, farmer organisations have been demanding compensation.
- The government could introduce an electronic invoice mechanism under goods and services tax (GST), but could restrict it to large companies in the initial phase, said media reports, citing government officials. This would mean top companies may soon have to rely on a common goods and services tax portal to issue invoices to their customers. After the successful implementation of the e-way bill system, the government is upbeat on opting for the e-invoicing as it looks to curb tax evasion. E-invoicing will allow the government to capture transactions on a real-time basis. For companies, it will make compliance, as well as getting their tax credits, easier.

FII Derivative Trade Statistics		28-May		
(Rs Cr)	Buy	Sell	Open Int.	
Index Futures	6044.13	6631.38	27698.56	
Index Options	158031.70	156622.01	73332.92	
Stock Futures	28627.90	29002.38	94272.19	
Stock Options	6429.49	6416.93	8302.56	
Total	199133.22	198672.70	203606.23	

Derivative Statistics- Nifty Options			
	28-May	Prev_Day	Change
Put Call Ratio (OI)	1.28	1.26	0.01
Put Call Ratio(Vol)	0.98	0.91	0.08

Debt Watch				
	28-May	Wk. Ago	Mth. Ago	Year Ago
Call Rate	5.87%	5.94%	6.12%	5.86%
T-Repo	5.96%	5.98%	6.01%	NA
Repo	6.00%	6.00%	6.00%	6.00%
Reverse Repo	5.75%	5.75%	5.75%	5.75%
91 Day T-Bill	6.17%	6.35%	6.37%	6.25%
364 Day T-Bill	6.29%	6.40%	6.46%	6.19%
10 Year Gilt	7.15%	7.30%	7.41%	7.74%
G-Sec Vol. (Rs.Cr)	62378	23486	35362	35810
FBIL MIBOR*	6.00%	6.05%	6.22%	6.02%
3 Month CP Rate	6.85%	7.20%	7.50%	8.25%
5 Year Corp Bond	8.21%	8.31%	8.52%	8.68%
1 Month CD Rate	6.47%	6.92%	7.22%	6.77%
3 Month CD Rate	6.62%	7.07%	7.11%	7.91%
1 Year CD Rate	7.20%	7.53%	7.47%	8.23%

Currency Market			
Currency	27-May	Prev_Day	Change
USD/INR	69.43	69.61	-0.18
GBP/INR	88.48	88.30	0.18
EURO/INR	77.82	77.97	-0.15
JPY/INR	0.63	0.64	0.00

Commodity Prices				
Commodity	28-May	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	58.86	62.97	63.24	67.87
Brent Crude(\$/bl)	71.23	73.93	70.72	77.14
Gold(\$/oz)	1279	1275	1286	1298
Gold(Rs./10 gm)	31710	31540	31764	30901

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 11,940.75, a premium of 12.00 points, above the spot closing of 11,928.75. The turnover on NSE's Futures and Options segment increased to Rs. 10,58,882.72 crore on May 28, 2019, compared with Rs. 8,80,648.43 crore on May 27, 2019.
- The Put-Call ratio stood at 0.96 compared with the previous session's close of 0.94.
- The Nifty Put-Call ratio stood at 1.24 compared with the previous session's close of 1.26.
- Open interest on Nifty Futures stood at 25.40 million as against the previous session's close at 23.59 million.

Indian Debt Market

- Bond yields fell on hopes that the Monetary Policy Committee would lower interest rates in Jun. Expectations that the Reserve Bank of India could continue to infuse liquidity into the Indian banking system also added to the gains.
- Yield on the 10-year benchmark paper (7.26% GS 2029) declined 2 bps to 7.15% compared with the previous close of 7.17% after trading in a range of 7.13% to 7.18%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 11,446 crore (gross) on May 28, 2019, compared with Rs. 18,331 crore (gross) as on May 27, 2019. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 8,572 crore on May 27, 2019.
- Banks borrowed Rs. 100 crore under the central bank's Marginal Standing Facility on May 27, 2019 compared with borrowing of Rs. 1,615 crore on May 24, 2019.

Currency Market Update

- The Indian rupee weakened against the U.S. dollar following increase in global crude oil prices. Month end dollar demand from oil importers and the ongoing trade tensions further strengthened the greenback. The rupee closed at 69.69 a dollar, down 0.28% compared with the previous close of 69.53.
- The euro inched down against the greenback after U.S. consumer confidence rose more than expected in May. Worries regarding the ongoing trade tensions and political risks in Europe further strengthened the greenback.

Commodity Market Update

- Gold prices were nearly steady as the U.S.-China trade conflict does not seem to end soon.
- Brent crude prices saw a steep surge of more than 5% over tightened supplies amid OPEC-led production cut plan.

International News

- Bank of Japan said producer prices in Japan increased 0.9% YoY in Apr 2019, falling short of expectations. Producer prices had increased 1.1% in Mar 2019. On a monthly basis, producer prices slipped 0.2% after advancing 0.7% a month earlier. Individually, prices were up for leading and office space rental - while they were lower for transportation, employment agencies, software development, engineering, communications and advertising.
- European Commission survey data showed euro zone economic confidence improved for the first time in almost a year in May 2019, driven by industry and services. The economic sentiment index rose unexpectedly to 105.1 in May from a revised 103.9 in the previous month.

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