

RELIANCE

MUTUAL
FUND

Markets for You

04 Sep 2019

Indices Performance

Global Indices	03-Sep	Prev_Day	Abs. Change	% Change [#]
Russell 3000	1,281	1,294	-13	-1.01
Nasdaq	7,874	7,963	-89	-1.11
FTSE	7,268	7,282	-14	-0.19
Nikkei	20,625	20,620	5	0.02
Hang Seng	25,528	25,627	-99	-0.39
Indian Indices	03-Sep	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	36,563	37,333	-770	-2.06
Nifty 50	10,798	11,023	-225	-2.04
Nifty 100	10,925	11,155	-230	-2.06
Nifty 500	8,802	8,978	-175	-1.95
Nifty Bank	26,824	27,428	-604	-2.20
S&P BSE Power	1,845	1,888	-43	-2.29
S&P BSE Small Cap	12,370	12,535	-165	-1.32
S&P BSE HC	12,772	12,875	-103	-0.80

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
3-Sep	25.51	1.28	26.54	1.42
Month Ago	26.11	1.25	27.09	1.34
Year Ago	24.76	1.15	28.16	1.16

Nifty 50 Top 3 Gainers

Company	03-Sep	Prev_Day	% Change [#]
Tech Mahindra	705	694	1.56
NA	NA	NA	NA
NA	NA	NA	NA

Nifty 50 Top 3 Losers

Company	03-Sep	Prev_Day	% Change [#]
Tata Steel	331	345	-3.91
IndusInd Bank	1344	1396	-3.71
Tata Motors	113	117	-3.47

Advance Decline Ratio

	BSE	NSE
Advances	799	544
Declines	1637	1259
Unchanged	172	124

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	575	49211
MF Flows**	306	40410

*3rd Sep 2019; **28th Aug 2019

Economic Indicator

YoY(%)	Current	Quarter Ago	Year Ago
CPI	3.15% (Jul-19)	2.99% (Apr-19)	4.17% (Jul-18)
IIP	2.00% (Jun-19)	2.70% (Mar-19)	7.00% (Jun-18)
GDP	5.00% (Jun-19)	5.80% (Mar-19)	8.00% (Jun-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 as investors traded cautiously as a result of the prospect of more Brexit-related market unrest and the uncertainty regarding trade talks between the U.S. and China. Today (as of Sep 4), Asian markets were mixed as investors took stock of overnight release of U.S. factory activity data for Aug 2019 showing contraction for the first time since early 2016. Nikkei was trading down 0.01% and Hang Seng was trading up 1.18% (as at 8.a.m. IST).
- European markets inched down on Brexit uncertainties and trade war concerns. British opposition lawmakers have vowed to seize control of the House of Commons and stop the U.K. leaving the European Union without a deal on Oct 31. The U.K. Prime Minister also faced chances of losing a vote on Brexit in parliament.
- U.S. markets declined as sentiment was soured because of the onset of trade tariffs by the U.S. and China on each other's goods. Weak manufacturing data added to investor woes.

Indian Equity Market

- Indian equity markets ended deep in the red as investors reacted to a series of dismal economic data released over the holiday-extended weekend. Monday (Sep 2, 2019) was a public holiday on the occasion of Ganesh Chaturthi. Official figures released on Aug 30, 2019, after market hours, showed India's Jun 2019 quarter gross domestic product (GDP) came in at more than six-year low. GDP has fallen for the fifth consecutive quarter. On top of this, core sector data and manufacturing PMI, released on Sep 2, dropped as well. Manufacturing PMI touched a 15-month low. Adding to the woes was the steep fall in rupee on the back of downbeat macroeconomic data and continued outflows by foreign portfolio investors.
- Key benchmark indices S&P BSE Sensex and Nifty 50 lost 2.06% and 2.04% to close at 36,562.91 and 10,797.90, respectively. S&P BSE MidCap and S&P BSE SmallCap lost 1.65% and 1.32%, respectively.
- On the BSE sectoral front, all sectors lost. S&P BSE Metal was the major loser, down 3.23%, followed by S&P BSE Energy and S&P BSE Consumer Durables, down 2.98% and 2.78%, respectively. S&P BSE Basic Materials and S&P BSE Telecom lost 2.72% and 2.55%, respectively.

Domestic News

- Government data showed that the growth in the index of eight core industries grew 2.1% in Jul 2019 against a revised growth of 0.7% in Jun 2019 (0.2% growth originally reported), and 7.3% in the same period of the previous year. Crude oil growth fell the most by 4.4%, followed by coal, refinery products and natural gas, down 1.4%, 0.9% and 0.5%, respectively. The cement sector witnessed the maximum growth of 7.9% followed by steel and electricity, which grew 6.6% and 4.2%, respectively.
- Nikkei India Manufacturing Purchasing Managers' Index (PMI) fell to 51.4 in Aug 2019 from 52.5 in Jul 2019 as sales expanded at the slowest rate in 15 months and output growth and job creation were subdued. Also, factories decreased input buying for the first time since May 2018. Manufactured goods inventories decreased further in Aug, which is the 25th month of continuous depletion.
- A panel appointed by the Reserve Bank of India (RBI) has proposed that a self-regulatory body make suitable benchmarks for trading corporate loans in the secondary market, among others. The task force has suggested that a self-regulatory body (SRB) of market participants be made to develop appropriate benchmark rates for secondary market purchase and sale of corporate loans. The SRB is expected to also finalise detailed modalities and formulate guidelines. This comes after corporate bonds were bought under the secondary market.
- Huawei Technologies Co. Ltd has said that if India bans the company, it will delay the rollout of 5G services in the country by two-three years, media reports showed. Huawei is facing global scrutiny over network security concerns. The U.S. has been pushing allies to ban the company from 5G networks on suspicions of espionage.
- In the first four months of FY20, Maruti Suzuki India Ltd stands as India's largest utility vehicle manufacturer with a market share of 25.46%. The launch of multi-purpose vehicle XL6 has supported Maruti's position as it faces stiff competition from Hyundai Motor India Ltd and Mahindra and Mahindra Ltd.

FII Derivative Trade Statistics		03-Sep	
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	5361.26	4497.14	13257.72
Index Options	198645.23	197138.81	53941.44
Stock Futures	14553.51	13443.57	88043.61
Stock Options	5538.07	5539.31	2268.07
Total	224098.07	220618.83	157510.84

Derivative Statistics- Nifty Options			
	03-Sep	Prev_Day	Change
Put Call Ratio (OI)	1.38	1.04	0.34
Put Call Ratio(Vol)	0.84	0.79	0.05

Debt Watch				
	03-Sep	Wk. Ago	Mth. Ago	Year Ago
Call Rate	5.34%	5.35%	5.60%	6.33%
T-Repo	5.24%	5.21%	5.58%	NA
Repo	5.40%	5.40%	5.75%	6.50%
Reverse Repo	5.15%	5.15%	5.50%	6.25%
91 Day T-Bill	5.39%	5.42%	5.55%	6.79%
364 Day T-Bill	5.68%	5.60%	5.80%	7.32%
10 Year Gilt	6.52%	6.53%	6.35%	8.00%
G-Sec Vol. (Rs.Cr)	31532	68807	73832	34881
FBIL MIBOR*	5.45%	5.40%	5.70%	6.45%
3 Month CP Rate	5.85%	5.90%	6.03%	7.70%
5 Year Corp Bond	7.45%	7.69%	7.79%	8.77%
1 Month CD Rate	5.27%	5.33%	5.64%	6.97%
3 Month CD Rate	5.41%	5.70%	6.09%	7.27%
1 Year CD Rate	6.49%	6.45%	6.79%	8.04%

Currency Market			
Currency	03-Sep	Prev_Day	Change
USD/INR	72.19	71.76	0.43
GBP/INR	86.72	87.43	-0.71
EURO/INR	79.00	79.24	-0.24
JPY/INR	0.68	0.67	0.00

Commodity Prices				
Commodity	03-Sep	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	53.86	54.94	55.62	69.88
Brent Crude(\$/bl)	58.07	58.53	60.26	77.88
Gold(\$/oz)	1547	1542	1440	1200
Gold(Rs./10 gm)	39007	38404	35341	30226

Source: Thomson Reuters Eikon

*As on previous trading day

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Derivatives Market

- Nifty Sep 2019 Futures stood at 11,058.90, a premium of 35.65 points above the spot closing of 11,023.25. The turnover on NSE's Futures and Options segment fell to Rs. 9,28,907.05 on August 30, 2019, compared with Rs.28,04,687.29 crore on August 29, 2019.
- The Put-Call ratio stood at 0.83, compared with the previous session's close of 0.78.
- The Nifty Put-Call ratio stood at 1.38 compared with the previous session's close of 1.00.
- Open interest on Nifty Futures stood at 18.19 million, compared with the previous session's close of 26.23 million.

Indian Debt Market

- Bond yields decreased as expectations of monetary easing increased after the economy's economic growth rate tumbled to more than a six-year low. The country's GDP for the Apr-Jun 2019 period grew 5%, which is below the median forecast of 5.7% and much lower than 5.8% reported in the Jan-Mar 2019 quarter.
- Yield on the 10-year benchmark paper (7.26% GS 2029) declined 4 bps to 6.52% compared with the previous close of 6.56% after trading in a range of 6.47% to 6.54%.
- Banks borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 3,754 crore (gross) on Sep 3, 2019 compared with borrowings of Rs. 3,834 crore (gross) on Aug 30, 2019. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 41,664 crore on Aug 30, 2019.

Currency Market Update

- The Indian rupee plunged to its lowest level since Nov 13, 2018 following losses in the domestic equity market as escalating trade tension between U.S. and China weighed on the market sentiment.
- The euro inched up against the greenback as the latter came under pressure after the U.S. manufacturing Purchasing Managers' Index contracted in Aug 2019. However, growing possibility of a rate cut by the European Central Bank capped the gains.

Commodity Market Update

- Gold prices grew following weak U.S. manufacturing activity data in Aug that raised concerns of an economic downturn.
- Brent crude prices fell amid worries over the impact of U.S.-China trade war and weak U.S. manufacturing activity data in Aug that raised concerns about a weakening global economy.

International News

- A Commerce Department report showed a slight uptick in U.S. construction spending in Jul 2019 following a smaller than previously estimated slump in Jun 2019. The Commerce Department said construction spending inched up by 0.1% to an annual rate of \$1.289 trillion in Jul after sliding 0.7% to a Jun rate of \$1.288 trillion.
- A report released by the Institute for Supply Management showed U.S. manufacturing activity contracted for the first time in three years in Aug 2019. The ISM said its purchasing managers index fell to 49.1 in Aug after dipping to 51.2 in Jul 2019. A reading below 50 indicates a contraction in manufacturing activity.



Thank you for
your time.