

**RELIANCE**

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FUND

# Markets for You

05 Sep 2019

**Indices Performance**

Global Indices	04-Sep	Prev_Day	Abs. Change	% Change <sup>#</sup>
Russell 3000	1,295	1,281	13	1.05
Nasdaq	7,977	7,874	103	1.30
FTSE	7,311	7,268	43	0.59
Nikkei	20,649	20,625	24	0.12
Hang Seng	26,523	25,528	995	3.90
Indian Indices	04-Sep	Prev_Day	Abs. Change	% Change <sup>#</sup>
S&P BSE Sensex	36,725	36,563	162	0.44
Nifty 50	10,845	10,798	47	0.43
Nifty 100	10,964	10,925	39	0.36
Nifty 500	27,124	26,824	300	1.12
Nifty Bank	27,124	26,824	300	1.12
S&P BSE Power	1,855	1,845	10	0.54
S&P BSE Small Cap	12,406	12,370	36	0.29
S&P BSE HC	12,773	12,772	1	0.01

**P/E Dividend Yield**

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
4-Sep	25.78	1.27	26.61	1.42
Month Ago	26.11	1.25	27.09	1.34
Year Ago	24.47	1.17	28.01	1.16

**Nifty 50 Top 3 Gainers**

Company	04-Sep	Prev_Day	% Change <sup>#</sup>
Bharti Airtel	346	337	2.63
Tata Steel	339	331	2.37
HDFC Bank	2248	2211	1.66

**Nifty 50 Top 3 Losers**

Company	04-Sep	Prev_Day	% Change <sup>#</sup>
Tata Motors	110	113	-2.80
IndusInd Bank	1318	1344	-1.96
Tech Mahindra	703	705	-0.18

**Advance Decline Ratio**

	BSE	NSE
Advances	1194	936
Declines	1196	852
Unchanged	167	113

**Institutional Flows (Equity)**

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-3163	46048
MF Flows**	962	41372

\*4<sup>th</sup> Sep 2019; \*\*3<sup>rd</sup> Sep 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)	0.20% (Feb-19)	7.00% (Jun-18)
GDP	5.00% (Jun-19)	6.60% (Dec-18)	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 mostly high as investors welcomed encouraging Chinese service data and official withdrawal of the contentious extradition bill by the Hong Kong leader. Today (as of Sep 5), Asian markets were higher as investors kept their eyes on Hong Kong developments. Both Nikkei and Hang Seng were trading up 2.16% and 0.34%, respectively (as at 8.a.m. IST).
- European markets moved up after British legislators defeated the government in a vote to take control of parliamentary affairs. With this, the non-supporters of the U.K. Prime Minister have moved nearer to blocking a no-deal Brexit.
- U.S. markets gained as protests in Hong Kong between the government and pro-democracy supporters eased after the leader of the country officially withdrew a controversial bill. The development is being seen as positive because the long-drawn protest could have potentially disrupted the global economy and hindered U.S.-China trade talks.

**Indian Equity Market**

- Indian equity markets gained on upbeat global cues and a strengthening rupee. Investors welcomed positive political developments in Italy, Britain and Hong Kong. Encouraging economic data from China eased global growth concerns.
- Key benchmark indices S&P BSE Sensex and Nifty 50 gained 0.44% and 0.43% to close at 36,724.74 and 10,844.65, respectively. S&P BSE MidCap and S&P BSE SmallCap gained 0.14% and 0.29%, respectively.
- The overall market breadth on BSE was weak with 1,194 scrips advancing and 1,196 scrips declining. A total of 167 scrips remained unchanged.
- On the BSE sectoral front, S&P BSE Telecom was the major gainer, up 1.91%, followed by S&P BSE Metal, up 1.72%, and S&P BSE Bankex, up 1.06%. S&P BSE Auto was the major loser, down 1.74%, followed by S&P BSE Consumer Durables, down 1.31%, and S&P BSE Consumer Discretionary Goods & Services, down 0.92%.

**Domestic News**

- The seasonally adjusted Nikkei India Services Business Activity Index fell to 52.4 in Aug 2019 from 53.8 in Jul 2019. Job creation and output expansion was curtailed by weaker sales gains and rates of inflation came in at historically weak levels. Business sentiment, however, strengthened to one-year high because of supportive public policies and estimates of better demand. The seasonally adjusted Nikkei India Composite PMI Output Index that considers both the manufacturing sector and the services sector came in at 52.6 in Aug from 53.9 in Jul.
- The government is planning to invest Rs. 25,000 crore in the next five years to revamp the fisheries infrastructure sector in India. It will expand the scope of inland fisheries and increase productivity in aquaculture farms by monitoring disease and implementing traceability in order to double seafood exports.
- The National Company Law Appellate Tribunal (NCLAT) has observed that an applicant seeking to withdraw an insolvency petition can do so if it is supported by 90% voting share of the committee of creditors (CoC).
- The Central Board of Direct Taxes (CBDT) has entered into 26 advance pricing agreements in 2019 in order to increase certainty in international transactions and reduce the scope for litigation. One of these 26 agreements is a bilateral agreement (BAPA) with U.K. authorities, remaining 25 are unilateral advance pricing agreements (UAPAs). They cover various sectors and sub-sectors such as informational technology, banking, semiconductor, power, pharmaceutical, hydrocarbon, publishing and automobiles.
- According to a report by a global consultancy, highways construction in India could require about Rs. 19 lakh crore in the next five years. The agency said innovative financing mechanisms need to be put in place to address any funding gap. India has the second-largest road network in the world and the Ministry of Road Transport and Highways plans to develop around 60,000 km of highways in the next five years.

FII Derivative Trade Statistics		04-Sep	
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	4239.87	4026.35	13305.47
Index Options	160228.92	159088.58	54144.94
Stock Futures	10426.94	11330.63	86582.57
Stock Options	4602.11	4580.57	2569.59
<b>Total</b>	<b>179497.84</b>	<b>179026.13</b>	<b>156602.57</b>

Derivative Statistics- Nifty Options			
	04-Sep	Prev_Day	Change
Put Call Ratio (OI)	1.08	1.04	0.04
Put Call Ratio(Vol)	0.79	0.79	0.00

Debt Watch				
	04-Sep	Wk. Ago	Mth. Ago	Year Ago
Call Rate	5.35%	5.36%	5.60%	6.32%
T-Repo	5.22%	5.25%	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	5.37%	5.38%	5.55%	6.75%
364 Day T-Bill	5.67%	5.71%	5.80%	7.32%
10 Year Gilt	6.55%	6.57%	6.35%	8.06%
G-Sec Vol. (Rs.Cr)	33606	36101	73832	41362
FBIL MIBOR*	5.45%	5.45%	5.75%	6.50%
3 Month CP Rate	5.85%	5.90%	6.03%	7.70%
5 Year Corp Bond	7.44%	7.74%	7.79%	8.81%
1 Month CD Rate	5.19%	5.26%	5.64%	6.94%
3 Month CD Rate	5.63%	5.60%	6.09%	7.29%
1 Year CD Rate	6.49%	6.43%	6.79%	8.06%

Currency Market			
Currency	04-Sep	Prev_Day	Change
USD/INR	72.07	72.19	-0.12
GBP/INR	87.28	86.72	0.56
EURO/INR	79.11	79.00	0.11
JPY/INR	0.68	0.68	0.00

Commodity Prices				
Commodity	04-Sep	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	56.17	55.71	55.62	69.77
Brent Crude(\$/bl)	60.92	60.51	60.26	77.58
Gold( \$/oz)	1552	1539	1440	1191
Gold(Rs./10 gm)	39011	38795	35341	30191

Source: Thomson Reuters Eikon

\*As on previous trading day

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**Derivatives Market**

- Nifty Sep 2019 Futures stood at 10,886.30, a premium of 41.65 points above the spot closing of 10,844.65. The turnover on NSE's Futures and Options segment fell to Rs. 15,02,054.73 crore on Sep 4, 2019, compared with Rs. 9,31,077.92 crore on Sep 3, 2019.
- The Put-Call ratio stood at 0.87, compared with the previous session's close of 0.83.
- The Nifty Put-Call ratio stood at 1.08 compared with the previous session's close of 1.04.
- Open interest on Nifty Futures stood at 18.14 million, compared with the previous session's close of 18.64 million.

**Indian Debt Market**

- Bond yields increased as investors resorted to profit booking to capitalize on the recent rally after speculations on the government's growth program and fiscal spending weighed on sentiments.
- Yield on the 10-year benchmark paper (7.26% GS 2029) rose 3 bps to 6.55% compared with the previous close of 6.52% after trading in a range of 6.50% to 6.55%.
- Banks borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 3,754 crore (gross) on Sep 4, 2019 compared with borrowings of Rs. 3,754 crore (gross) on Sep 3, 2019. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 20,127 crore on Sep 3, 2019.
- Banks borrowed Rs. 900 crore under the central bank's Marginal Standing Facility on Sep 3, 2019 compared with borrowings of Rs. 55 crore on Aug 30, 2019.

**Currency Market Update**

- The Indian rupee rose against the U.S. dollar following selling of greenback by few private banks and a retreat in the dollar index. The rupee closed at 72.12 a dollar compared with the previous close 72.40.
- The euro strengthened against the U.S. dollar after comment from European policymakers raised doubts over the scale of a European Central Bank stimulus package expected next week. The euro closed at 1.1033 compared with the previous close of 1.0972.

**Commodity Market Update**

- Gold prices grew following decline in U.S. Treasury yields and U.S.-China trade tensions.
- Brent crude prices rebounded and grew on reports of China's upbeat services sector data in Aug 2019 and easing geopolitical concerns in Hongkong.

**International News**

- The U.S. Federal Reserve's Beige Book said the U.S. economy expanded at a modest pace through the end of Aug 2019. The Beige Book, which is a compilation of anecdotal evidence on economic conditions in the 12 Fed districts, will be used by Fed officials to make their decision on interest rates at a meeting on Sep 17 and 18, 2019.
- Data from IHS Markit showed U.K. service sector growth weakened in Aug 2019. The IHS Markit/Chartered Institute of Procurement & Supply Purchasing Managers' Index fell more than expected to 50.6 in Aug from 51.4 in Jul 2019.



Thank you for  
your time.