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**CAPITAL MARKET REVIEW**

1. **Trends in Resource Mobilisation by Corporates**

**Exhibit 1: Funds Mobilisation by Corporates (₹ crore)**

|  |  |  |
| --- | --- | --- |
| **Particulars** | **Jun-19** | **Jul-19** |
| ***A. Funds Mobilisation through Public Issue (I+II)*** | **1,505** | **2,188** |
| ***I. Equity Public Issue*** | **569** | **2,188** |
| a. IPOs (i+ii) | 547 | 500 |
| i. Main Board | 475 | 459 |
| ii. SME Platform | 72 | 41 |
| b. FPOs | 12 | 0 |
| c. Equity Right Issue | 10 | 1,689 |
| ***II. Debt Public Issue*** | 936 | 0 |
| ***B. Funds Mobilisation through Private Placement*** | **64,578** | **52,576** |
| 1. QIP/IPP | 0 | 2,100 |
| 2. Preferential Allotment | 15,478 | 4,396 |
| 3. Private Placement of Debt | 49,100 | 46,080 |
| **Total Funds Mobilised (A+B)** | **66,083** | **54,764** |

**Notes: Current month data are provisional**

**Source: SEBI, NSE, BSE and MSEI**

* During July 2019, there were five public equity issuance (out of four issuance were at SME platform) mobilizing **`** 500 crore as compared to eight issues amounting **`** 547 crore in June 2019.
* There were three right issues raised **`** 1,689 crore in July 2019 as against single right issue which has raised **`** 10 crore in June 2019.
* During July 2019, the amount raised through private placement of equity (i.e. preferential allotment and QIP route) stood at **`** 6,496 crore comparing with **`** 15,478 crore in June 2019.
* During July 2019, there was no fund mobilised from the Primary Market through Public Issue of Corporate Bonds comparing with **`** 936 crore in June 2019.During July 2019, Private Placement of Corporate Debt Reported to BSE and NSE decreased by 6.2 per cent to **`** 46,080 crore over **`** 49,100 crore in June 2019.

1. **Trends in the Secondary Market**

**Exhibit 2: Snapshot of Indian Capital Market**

|  |  |  |  |
| --- | --- | --- | --- |
| **Description** | **Jun-19** | **Jul-19** | **Change during the Month** |
| **Index in Equity Market** |  |  |  |
| Sensex | 39,395 | 37,481 | -4.9 |
| Nifty 50 | 11,789 | 11,118 | -5.7 |
| Nifty 500 | 9,658 | 9,045 | -6.3 |
| BSE 500 | 15,292 | 14,324 | -6.3 |
| Nifty Bank | 31,105 | 28,876 | -7.2 |
| Nifty IT | 15,936 | 15,620 | -2.0 |
| BSE Healthcare | 12,889 | 12,704 | -1.4 |
| BSE FMCG | 11,362 | 11,062 | -2.6 |
| **Market Capitalisation (` crore)** | |  |  |
| BSE | 1,51,97,087 | 1,41,47,125 | -6.9 |
| NSE | 1,50,31,415 | 1,40,05,417 | -6.8 |
| **P/E Ratio** |  |  |  |
| Sensex | 28.5 | 26.6 | -6.4 |
| Nifty 50 | 29.0 | 27.4 | -5.4 |
| **No of Listed Companies** |  |  |  |
| BSE | 5301 | 5312 | 0.2 |
| NSE | 1945 | 1950 | 0.3 |
| **Gross Turnover in Equity Segment (` crore)** | |  |  |
| BSE | 46,958 | 48,249 | 2.7 |
| NSE | 5,96,030 | 7,12,821 | 19.6 |
| **Gross Turnover in Equity Derivatives Segment (` crore)** | | |  |
| BSE | 2 | 1 | -48.7 |
| NSE | 2,58,23,902 | 2,85,39,462 | 10.5 |
| **Gross Turnover in Currency Derivatives Segment (` crore)** | | |  |
| BSE | 5,83,043 | 6,29,036 | 7.9 |
| NSE | 5,91,129 | 6,36,914 | 7.7 |
| MSEI | 2,032 | 2,125 | 4.6 |
| **Gross Turnover in Interest Rate Derivatives Segment (` crore)** | | | |
| BSE | 8,395 | 16,198 | 93.0 |
| NSE | 36,063 | 46,067 | 27.7 |

**Source: NSE, BSE and MSEI**

* Bears dominated the Indian market in July 2019 with the Nifty 50 losing 671 points (5.7 per cent) and Sensex declining by 1914 points (4.9 per cent).
* Both Nifty and Sensex index touched their July’s 2019 high at 11947 and 39908 respectively on July 04 2019.
* Both Nifty and Sensex index touched their July’s low at 11085 and 37397 respectively on July 30 2019.

**Figure 1: Movement of Sensex and Nifty during July 2019**

**Note: Nifty 50 and Sexsex indices have been normalised with base 100 on July 01, 2019.**

* The market capitalisation of BSE stood at **`** 1,41,47,125 crore as on July 31 2019, decreased by 6.9 per cent over previous month.
* The market capitalisation of NSE stood at **`** 1,40,05,417 crore as on July 31 2019, decreased by 6.8 per cent over previous month.

**Figure 2: Trends in Average Daily Values of Nifty 50 and NSE Equity Cash Segment Turnover**

* During July 2019, the gross turnover in the equity segment of BSE increased by 2.7 per cent to **`** 48,249 crore from **`** 46,958 crore in June 2019.
* During July 2019, the gross turnover in the equity segment of NSE too increased by 19.6 per cent to **`** 7,12,821 crore from **`** 5,96,030 crore in June 2019.
* The P/E ratios of S&P BSE Sensex and Nifty 50 index were 26.6 and 27.4 respectively, at the end of July 2019 compared to the reading of 28.5 and 29 respectively a month ago.

**Figure 3: Trends in Average Daily Values of Sensex and BSE Equity Cash Segment Turnover**

* In the month of July 2019, all the major sectoral indices closed negative. Among BSE indices, S&P BSE Consumer Durables decreased by 14.5 per cent, followed by S&P BSE Metal (12.8 per cent), S&P BSE Capital Goods (11.6 per cent), S&P BSE PSU (11 per cent) and S&P BSE Small Cap (10.9 per cent).

**Figure 4: Performance of BSE Indices during July 2019**

* Among select NSE sectoral indices, Nifty PSU Bank index declined highest by 14 per cent during July 2019, followed by Nifty Small 100 index (10.9 per cent), Nifty Midcap 50 (10.6 per cent), Nifty Midcap 100 (9.8 per cent), Nifty Bank (7.2 per cent) and Nifty MNC (7 per cent).

**Figure 5: Performance of NSE Indices during July 2019**

1. **Trends in Depository Accounts**

At the end of July 2019, there were 188 lakh demat accounts at NSDL and 183 lakh demat accounts at CDSL. Till the end of July 2019, 5,672 listed companies were signed up with NSDL 5,603 listed companies were signed up with CDSL to make their shares available in dematerialised form.

1. **Trends in Derivatives Segment**
2. **Equity Derivatives**

**Exhibit 4: Trends in Equity Derivatives Market**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Description** | **NSE** | | | **BSE** | | |
| **Jun-19** | **Jul-19** | **Percentage Change Over Month** | **Jun-19** | **Jul-19** | **Percentage Change Over Month** |
| **A. Turnover (` crore)** | | | | | | |
| (i) Index Futures | 4,53,616 | 5,08,570 | 12.1 | 0.4 | 0.2 | -50.0 |
| (ii) Options on Index |  |  |  |  |  |  |
| *Put* | 1,05,68,663 | 1,17,75,969 | 11.4 | 0.0 | 0.0 | NA |
| *Call* | 1,20,62,972 | 1,37,80,664 | 14.2 | 0.0 | 0.0 | NA |
| (iii) Stock Futures | 10,74,674 | 13,13,831 | 22.3 | 1.3 | 0.7 | -48.3 |
| (iv) Options on Stock |  |  |  |  |  |  |
| *Put* | 2,95,240 | 4,34,765 | 47.3 | 0.0 | 0.0 | NA |
| *Call* | 5,10,274 | 7,25,663 | 42.2 | 0.0 | 0.0 | NA |
| **Total** | **2,49,65,438** | **2,85,39,462** | **14.3** | **1.7** | **0.9** | **48.7** |
| **B. No. of Contracts** | | | | | | |
| (i) Index Futures | 60,04,647 | 68,96,920 | 14.9 | 4 | 2 | -50.0 |
| (ii) Options on Index |  |  |  |  |  |  |
| *Put* | 15,25,02,324 | 17,23,86,260 | 13.0 | 0 | 0 | NA |
| *Call* | 17,15,31,270 | 19,74,67,318 | 15.1 | 0 | 0 | NA |
| (iii) Stock Futures | 1,90,02,686 | 2,20,36,758 | 16.0 | 16 | 9 | -43.8 |
| (iv) Options on Stock |  |  |  |  |  |  |
| *Put* | 53,35,151 | 71,95,115 | 34.9 | 0 | 0 | NA |
| *Call* | 86,43,189 | 1,14,66,085 | 32.7 | 0 | 0 | NA |
| **Total** | **36,30,19,267** | **41,74,48,456** | **15.0** | **20** | **11** | **-45.0** |
| **C. Open Interest in Terms of Value ( ` crore)** | | | | | | |
| (i) Index Futures | 28,376 | 24,964 | -12.0 | 0 | 0 | NA |
| (ii) Options on Index |  |  |  |  |  |  |
| *Put* | 60,266 | 76,833 | 27.5 | 0 | 0 | NA |
| *Call* | 53,128 | 78,627 | 48.0 | 0 | 0 | NA |
| (iii) Stock Futures | 1,09,872 | 1,06,895 | -2.7 | 0.5 | 0.2 | -66.7 |
| (iv) Options on Stock |  |  |  |  |  |  |
| *Put* | 6,300 | 10,075 | 59.9 | 0 | 0 | NA |
| *Call* | 9,535 | 15,095 | 58.3 | 0 | 0 | NA |
| **Total** | **2,67,478** | **3,12,489** | **16.8** | **0.5** | **0.2** | **-66.7** |
| **D. Open Interest in Terms of No of Contracts** | | | | | | |
| (i) Index Futures | 3,46,401 | 3,22,404 | -6.9 | 0 | 0 | NA |
| (ii) Options on Index |  |  |  |  |  |  |
| *Put* | 7,41,211 | 10,24,819 | 38.3 | 0 | 0 | NA |
| *Call* | 6,77,085 | 10,82,249 | 59.8 | 0 | 0 | NA |
| (iii) Stock Futures | 17,52,939 | 18,40,334 | 5.0 | 6 | 3 | -50.0 |
| (iv) Options on Stock |  |  |  |  |  |  |
| *Put* | 1,04,016 | 1,78,461 | 71.6 | 0 | 0 | NA |
| *Call* | 1,59,749 | 2,76,598 | 73.1 | 0 | 0 | NA |
| **Total** | **37,81,401** | **47,24,865** | **25.0** | **6** | **3** | **-50.0** |

**Source: NSE and BSE**

* Among the three exchanges in the equity derivative market ecosystem, viz., NSE, BSE and MSEI, NSE has a market share of almost 100 per cent during July 2019.
* The notional monthly turnover in the equity derivatives segment of NSE increased by 14.3 per cent from **`** 249.7 lakh crore in June 2019 to **`** 285.4 lakh crore in July.
* Index options accounted for 89.5 per cent of the total notional turnover in the F&O segment of NSE during the month compared to 90.7 per cent during last month.
* During the month the notional turnover of index futures increased by 12.1 per cent to **`** 5,08,570 crore.
* The notional turnover of stock futures increased by 22.3 per cent to **`** 13,13,831 crore.
* The notional turnover in index options (call and put together) increased by 12.9 per cent to 2,55,56,633 crore in July 2019 from **`** 2,26,31,635 crore in June 2019.
* The notional turnover in stock options (call and put together) increased by 44.1 per cent to 11,60,428 crore from **`** 8,05,514 crore during the period.
* As on July 31, 2019 the open interest at NSE stood at **`** 3,12,489 crore from **`** 2,67,478 crore, an increase of 16.8 per cent over previous month.
* In July 2019, the equity derivatives segment turnover of BSE was ₹0.9 crore compared to ₹ 1.7 crore in June 2019.

**Figure 6: Trends of Equity Derivatives Segment at NSE (₹ crore)**

1. **Currency Derivatives at NSE, BSE and MSEI**

* During July 2019, the monthly turnover of currency derivatives in India (NSE, BSE and MSEI together) stood at **`** 12.7 lakh crore from **`** 11.8lakh crore in June 2019.
* The trading volume Currency Derivatives at NSE increased by 7.7 per cent to **`** 6,36,914 crore in July from **`** 5,91,129 crore in June 2019.
* The trading volume Currency Derivatives at BSE increased by 7.9 per cent to **`** 6,29,036 from **`** 5,83,043 crore during the same period.
* The trading volume Currency Derivatives at MSEI stood at **`** 2,125 crore in July from **`** 2,032 crore in June 2019.

**Figure 7: Trends of Currency Derivatives at NSE, MSEI and BSE (₹ crore)**

1. **Interest Rate Futures at NSE and BSE**

* During July 2019, the monthly turnover of interest rate futures at NSE increased by 27.7 per cent to **`** 46,067 crore from **`** 36,063 crore in June 2019.
* The monthly turnover of interest rate futures at BSE increased by 93 per cent to **`** 16,198 crore from **`** 8,395 crore during the same period.

**Figure 8: Trends of Interest Rate Futures at NSE and BSE (₹** **crore)**

1. **Trading in Corporate Debt Market**

* During July 2019, BSE noted 5,255 trades of corporate debt with a traded value of ₹ 65,646 crore as compared to 3,662 trades of corporate debt with a traded value of ₹ 56,679 crore in June 2019.
* At NSE, 6,886 trades were noted with a traded value of ₹ 1,18,102 crore in July 2019 as compared to 5,845 trades were noted with a traded value of ₹ 1,14,725 crore in June 2019.

**Figure 9: Trends in Reported Turnover of Corporate Bonds (₹** **crore)**

1. **Trends in Institutional Investment**
2. **Trends in Investment by Mutual Funds**

* The mutual fund industry saw a net inflow of **`** 87,088 crore in July 2019 compared to an outflow of **`**1,59,814 crore in June 2019.
* In terms of category of scheme, during July 2019, open ended schemes mobilised **`** 90,127 crore of which **`**61,846 mobilised through growth/equity oriented schemes, followed by **`** 12,621 crore through other schemes (exchange traded funds (ETFs)), **`** 8,113 crore through Growth/Equity Oriented Schemes, **`** 7,393 crore through Hybrid Schemes and **`** 155 crore through Solution Oriented Schemes.
* On the other hand, there was an outflow of **`** 2,870 crore from closed ended schemes of which **`**2,850 crore from open ended Income/Debt Oriented Schemes. Further, there was a net outflow of **`**169 crore from interval schemes.
* The net assets under management of all mutual funds increased by 1.2 per cent to ₹ 24.5 lakh crore at the end of July 2019 from ₹ 24.3 lakh crore at the end of June 2019.
* As on July 31, 2019, there were a total of 1,929 mutual fund schemes in the market, of which 1,170 were income / debt oriented schemes (311 open ended and 859 closed ended), 440 were growth / equity oriented schemes (316 open ended and 124 closed ended), 135 were open ended other schemes, 128 were open ended Hybrid schemes, 30 were open ended Solution Oriented Schemes and 26 interval schemes.
* In the secondary market transaction, during July 2019, mutual funds made an investment of **`** 67,883 crore (**`**15,084 crore in equity and **`** 52,799 crore in debt) compared to an investment of **`** 49,803 crore (**`** 6,232 crore in the equity and **`** 43,571 crore in the debt) in June 2019.

**Figure 10: Trends in Mutual Funds Investment (₹ crore)**

1. **Trends in Investment by the Foreign Portfolio Investors (FPIs)**

* During July 2019, FPIs liquidated of **`** 12,419 crore from equity market as against **`** 2,596 crore investment in June 2019.
* FPIs invested **`** 9,433 crore in debt securities compared to an investment of **`**  8,319 crore during the same period.
* FPIs had withdrawn **`** 17 crore from hybrid securities in July 2019 as against **₹** 2,196 crore investment in June 2019.
* FPIs were a net seller of **`** 3,003 crore for July 2019 compared to an investment of **`** 13,111 crore in June 2019.
* The assets of the FPIs in India, as reported by the custodians, at the end of July 2019 was ₹ 32,03,385 crore, out of which the notional value of offshore derivative instruments (including ODIs on derivatives) was ₹ 80,324 crore (or 2.5 per cent of total assets of FPIs).

**Figure 11: Trends in FPIs Investment (₹ crore)**

1. **Trends in Portfolio Management Services**

* During July 2019, the total AUM of the portfolio management industry decreased by 2.1 per cent to ₹ 16.1 lakh crore from ₹ 16.4 lakh crore in June 2019. Of the total AUM of ₹ 16.1 lakh crore at the end of July 2019, AUM of fund managers of EPFO/PFs contributed ₹ 10.4 lakh crore in the total AUM (or 64.5 per cent of total AUM).
* In terms of number of clients in PMS industry at the end of July 2019, discretionary services category topped with 1,38,829 clients, followed by non-discretionary category with 6,853 clients and advisory category with 4,038 clients.

1. **Trends in Substantial Acquisition of Shares and Takeovers**

During July 2019, five open offers with offer value of ₹ 2,863 crore was made to the shareholders as against four open offers with offer value of ₹ 5,181 crore made in June 2019. Out of five, four open offers were for change in control of management and one was Substantial Acquisition.

**Figure 12: Details of Open Offers Made under the SEBI (SAST) Regulations**

1. **Commodities Derivatives Markets**

**A. Market Trends**

During July 2019, MCX icomdex composite index, witnessed a fall of 0.1 per cent (M-o-M) driven by decrease in prices of base metals (zinc, lead and aluminium), energy (crude oil and natural gas) and agri. (cotton and CPO) segments. In bullion segment, both gold and silver witnessed a firm trend during the month. On Y-o-Y basis, MCX icomdex composite index decreased by 3.7 per cent, mainly on account of substantial decline in prices of mentha oil, natural gas, CPO, crude oil and cotton over the past year.

During the month, MCX icomdex crude oil composite index, decreased by 2.2 per cent on account of decrease in futures prices of natural gas (3.4 per cent) and crude oil (1.5 per cent). Witnessing a similar trend, the downtrend in MCX icomdex base metal index (-2.1 per cent) was due to decrease in futures prices of all the base metals except nickel and copper which increased by 9.8 per cent and 7.6 per cent respectively. MCX icomdex bullion index increased by 3.1 per cent as futures prices of gold and silver increased by 0.9 per cent and 10.1 per cent respectively, during the month. Among the Agri. segment, futures prices of cotton and CPO declined by 3.7 per cent and 0.1 per cent respectively, which was partially offset by rise in futures prices of cardamom (27.5 per cent) and mentha oil (3.0 per cent).

NKrishi index increased by 4.0 per cent (M-o-M) as 7 out of 10 constituent commodities (guar seed, chana, turmeric, cottonseed oilcake, jeera, barley and castorseed) witnessed an uptrend in futures prices. On Y-o-Y basis, the NKrishi index registered a gain of 11.4 per cent at the end of July 2019 mainly on account of significant increase in prices of six of its actively traded constituent commodities viz. cottonseed oilcake (82.2 per cent), coriander (28.0 per cent), castorseed (21.7 per cent), barley (13.6 per cent), soybean (6.0 per cent) and chana (1.5 per cent). Monthly trends in MCX icomdex composite Index and NKrishi Index are provided in Table 65.

**Figure 13: Movement of Commodity Derivatives Market Indices**

**Source: MCX and NCDEX**

**Exhibit 4: Snapshot of Indian Commodity Derivative Markets**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Items** | **2018-19** | **Jun -2019** | **Jul-2019** | **Percentage variation over previous year** |
| **A. Indices** | | | | |
| Nkrishi | 3414 | 3497 | 3637 | 4.0 |
| MCX iCOMDEX | 600 | 592 | 592 |  |
| **B. Total Turnover (in Rs. crore)** | | | | |
| **All-India** | **73,77,944** | **6,39,067** | **7,96,415** | **24.6** |
| MCX, of which | 67,72,372 | 5,91,520 | 7,44,876 | 25.9 |
| *Futures* | *65,91,428* | *5,76,903* | *7,23,833* | *25.5* |
| *Options* | *1,80,944* | *14,617* | *21,043* | *44.0* |
| NCDEX, of which | 5,31,588 | 40,098 | 43,911 | 9.5 |
| *Futures* | *5,31,414* | *40,097* | *43,908* | *9.5* |
| *Options* | *174* | *1* | *3* | *200.0* |
| ICEX | 37,376 | 2,627 | 2,349 | -10.6 |
| BSE | 32,804 | 4,388 | 4,776 | 8.8 |
| NSE | 3,444 | 434 | 503 | 15.9 |

During July 2019, average daily volatility in MCX icomdex composite and NCDEX NKrishi indices was recorded at 0.5 per cent each. The daily volatility and price variation over the previous month for benchmark commodity indices are shown in the Figure 14 below:

**Figure 14: Variation (point-to-point) and daily volatility of commodity indices in July 2019 (per cent)**

**Source: MCX and NCDEX**

**B. Turnover**

During July 2019, the aggregate turnover of all commodity exchanges increased by 24.6 per cent to ₹7,96,415 crore as turnover at all the exchanges except ICEX increased significantly during the month. The agricultural segment contributed 7.0 per cent to the total turnover, while non-agricultural segment accounted for 93.0 per cent.

The total turnover (futures & options) at MCX increased by 25.9 per cent to ₹7,44,876 crore during July 2019. The turnover in futures segment increased by 25.5 per cent as except agri., value traded of other three segments viz. base metal, bullion and energy increased during the month. While turnover in bullion futures rose by 46.2 per cent that in metal and energy increased by 17.6 per cent and 15.7 per cent in July. The notional turnover of options contracts traded at MCX increased by 44.0 per cent during the month as options turnover of bullion and energy segment increased by 75.7 per cent and 3.8 per cent, respectively. The options contracts contributed 2.8 per cent to the total turnover at MCX.

During the month, the total turnover (futures & options contracts) at NCDEX increased by 9.5 per cent to ₹43,911 crore, due to increase in volumes and traded value of all the traded commodities except barley, castorseed, chana, jeera, and maize. Turnover in options segments at NCDEX increased from ₹0.7 crore to ₹2.6 crore in July 2019. Out of the five permitted commodities, trading took place only in guarseed options contracts during the month.

During the month, futures trading in moong and paddy basmati rice commenced at NCDEX on 8th and 10th July 2019 and recorded a total turnover of ₹56 crore and ₹2 crore respectively.

In July 2019, commodity futures turnover at ICEX decreased by 10.6 per cent to ₹2,349 crore due to decline in volume and traded value of gems and stones segment by 36.8 per cent and 36.7 per cent respectively. The Exchange launched futures trading in paddy basmati rice on 11th July, 2019 and recorded a total turnover of ₹139 crore.

The total turnover at BSE and NSE increased by 8.8 per cent and 16.0 per cent respectively. Turnover in BSE increased due to increase in volume and traded value in agri. segment, whereas, at NSE, turnover increased in both the bullion and energy segments.

The turnover of agricultural and non-agricultural commodities at exchanges is shown in Figures 15, 16 and the details are given in Tables 66 to 70.

**Figure 15: Trends in turnover of agricultural commodity derivatives (₹crore)**

**Source: MCX, NCDEX, BSE & ICEX**

**Figure 16: Trends in turnover of non-agricultural commodity derivatives - futures and options**

**Note:-Values represented on the bars pertains to MCX Options (LHS).**

**Source: MCX, ICEX, BSE & NSE**

The following chart provides a snapshot of the percentage gain/loss in futures prices in near month contracts of the commodities traded at the exchanges.

**Figure 17: Movement of Near Month futures prices (M-o-M) for commodities traded on domestic exchanges during July 2019 (per cent)**

**Source: MCX, NCDEX, ICEX, BSE and NSE**

**REVIEW OF THE GLOBAL FINANCIAL MARKETS**

Signs of a further slowdown in the global economy became more prominent during July 2019. The business environment across the globe turned hostile by elevated trade tensions and geo-political uncertainty. Nevertheless, global business activities during the month was marginally up compared to the previous month as reflected by the survey indicators. Trade tensions between the largest two economies in the world intensified with the US announcing of 10 per cent tariff on US$300 billion of goods from China from September 1, in addition to 25 per cent tariff on US$250 billion worth of imports. China also threatened to take retaliatory measures if the planned September 1 tariff hikes on additional Chinese imports is brought into effect. Meanwhile the USA has accused China of currency manipulation and and the US Treasury labeled China a currency manipulator. Central banks across the world are easing monetary policy, and are maintaining accommodative.

The US economy continued to grow albeit at a slower tempo. As per the advanced estimates by the Bureau of Economic Analysis, the US economy grew at an annualised rate of 2.1 per cent quarter-on-quarter (Q-o-Q) during the second quarter of 2019. The growth rate in the previous quarter was 3.1 per cent. The Federal Reserve (Fed) on July 31, 2019 announced that it has cut interest rates by 25 basis points and there would not be a long series of rate cuts in near future.

Impact of intensifying Brexit-related uncertainties on business investment and weaker global growth on net trade has been affecting the UK’s economy. Uncertainty over the UK’s future trading relationship with the European Union has become more entrenched. Although the Q-o-Q growth rate of GDP increased to 0.5 per cent in the first quarter of 2019, it is expected to have a flat trend in the second quarter.

The outlook for the Eurozone remained grim. The Eurozone economy expanded by just 0.2 per cent Q-o-Q in the second quarter of 2019, slowing from a growth rate of 0.4 per cent in the previous quarter. The European Central Bank underlined the need for a highly accommodative stance of monetary policy for a prolonged period of time as realised and projected inflation rates have been persistently below target levels.

Japan's economy has been on a moderate expanding trend despite being affected by the slowdown in overseas economies for the time being. The Bank of Japan made no changes to policy or guidance but indicated a more proactive stance in case the yen appreciates to a level that threatened to impact the real economy.

As regards major emerging markets, India has experienced mild slowdown in growth rate during the first quarter of 2019. A lot of headwinds affected India’s growth like weakening global economic activity amid geo-political uncertainty, subdued demand conditions, rising gold prices, etc. Retail inflation, measured by y-o-y change in the CPI, edged up to 3.2 per cent in June from 3.0 per cent in April-May. On the other hand, the wholesale price inflation (WPI) came in at a 2-year low of 1.1 per cent mainly due to a sharp decline in inflation for manufactured items. The Reserve Bank of India (RBI) lowered its growth projection of real GDP to 6.9 per cent for 2019-20 from the earlier projection of 7.0 per cent. WPI registered altime low?

The Chinese economy has been hit by the ongoing trade war with the US. China’s GDP grew at a pace of 6.2 per cent Y-o-Y during the second quarter of 2019 which is the weakest growth rate in at least 27 years. There are fears of an economic slowdown globally if the U.S.-China trade war persists.

The Brazilian economy continued to flounder in the second quarter of 2019, after GDP contracted by 0.2 per cent (Q-o-Q) for the first time since the 2015–2016 recession in the first quarter. Factors like Argentina’s crisis, a slowing global economy and falling exports due to problems in the mining sector thwarted the growth.

Russia’s growth performance and prospects have weakened since in recent quarters due to factors like fall in oil prices, geopolitical tensions, raised uncertainty which dampened domestic and foreign private investment. The Russian economy has contracted by 0.4 per cent Q-o-Q in the first quarter of 2019 after witnessing 0.1 per cent growth in the previous quarter. Donot go too far away period for reference?

**Equity Markets:**

The general trend in July 2019 showed that the developed markets mostly witnessed positive returns while emerging markets mostly faced negative returns. The US-China trade war intensified with the US announcing new tariffs on Chinese imports applicable from September 01, 2019. As a result, investors in the US broadly shifted to perceived safe havens such as US Treasuries. Nevertheless, US shares rose modestly in July 2019. Markets in the UK, in spite of facing rising uncertainty relating to Brexit, recorded positive return. Japanese markets also performed well during the month. Markets in the Eurozone, on the other hand, remained flat.

As regards the emerging market economies (EMEs), the MSCI Emerging Markets index decreased in value and underperformed the MSCI World. Markets in India, China, Russia and South Africa witnessed negative return. Currencies of these economies remained weak against US dollar.

Among the developed market indices, the FTSE 100 index of the UK increased by 2.2 per cent at the end of July 2019 from its previous month’s closing, followed by Nasdaq Composite index of the US (2.1 per cent), Nikkei 225 index of Japan (1.2 per cent) and Dow Jones Industrial Average index of the USA (1.0 per cent). On the other hand, the Kospi index of South Korea fell by 5.0 per cent followed by Hang Seng index of Hong Kong (2.7 per cent) and Dax index of Germany (1.7 per cent). As regards major emerging economies, the iBovespa index of Brazil increased by 0.8 per cent. On the other hand, Nifty 50 of India fell by 5.7 per cent followed by the S&P BSE Sensex (4.9 per cent) and the JSE Africa All Shares of South Africa (2.4 per cent).

**Table A2: Performance of Stock Indices**

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Country** | **Name of the Index** | **Closing Value as on** | **Closing Value before** | | | | **Annualised Volatility (%)** | **P/E Ratio** |
| **July 31, 2019** | **1-Month** | **3-Month** | **6-Month** | **1-Year** |
| **BRICS Nations** | | | | | | | | |
| Brazil | BRAZIL IBOVESPA | 101812.1 | 100967.2 | 96353.3 | 97393.7 | 79220.4 | 18.5 | 18.2 |
| Russia | RUSSIAN TRADED | 2017.3 | 2044.5 | 1842.2 | 1784.3 | 1702.8 | 16.1 | 5.6 |
| India | Nifty 50 | 11118.0 | 11788.9 | 11748.2 | 10831.0 | 11356.5 | 12.1 | 27.4 |
| India | S&P BSE SENSEX | 37481.1 | 39394.6 | 39031.6 | 36256.7 | 37606.6 | 12.0 | 26.6 |
| China | SHANGHAI SE COMPOSITE | 2932.5 | 2978.9 | 3078.3 | 2584.6 | 2876.4 | 20.6 | 14.2 |
| South Africa | FTSE/JSE AFRICA ALL SHR | 56784.6 | 58203.8 | 58528.4 | 54156.8 | 57432.5 | 12.1 | 17.1 |
| **Developed Markets** | | | | | | | | |
| USA | NASDAQ COMPOSITE | 8175.4 | 8006.2 | 8095.4 | 7281.7 | 7671.8 | 15.4 | 31.9 |
| USA | DOW JONES INDUS. AVG | 26864.3 | 26600.0 | 26592.9 | 24999.7 | 25415.2 | 11.8 | 17.6 |
| France | CAC 40 | 5518.9 | 5539.0 | 5586.4 | 4992.7 | 5511.3 | 12.1 | 18.6 |
| Germany | DAX | 12189.0 | 12398.8 | 12344.1 | 11173.1 | 12805.5 | 13.7 | 19.3 |
| UK | FTSE 100 | 7586.8 | 7425.6 | 7418.2 | 6968.9 | 7748.8 | 10.5 | 18.5 |
| Hong Kong | HANG SENG | 27777.8 | 28542.6 | 29699.1 | 27942.5 | 28583.0 | 14.7 | 10.9 |
| South Korea | KOSPI | 2024.6 | 2130.6 | 2203.6 | 2204.9 | 2295.3 | 12.1 | 17.1 |
| Japan | NIKKEI 225 | 21521.5 | 21275.9 | 22258.7 | 20773.5 | 22553.7 | 14.1 | 20.3 |
| Singapore | Straits Times STI | 3300.8 | 3321.6 | 3400.2 | 3190.2 | 3319.9 | 9.9 | 13.4 |
| Taiwan | TAIWAN TAIEX | 10823.8 | 10730.8 | 10967.7 | 9932.3 | 11057.5 | 10.4 | 15.6 |

**Source:** Bloomberg, BSE and NSE

**Chart 1: Stock Market Trend in Select Developed Markets**

**Source:** Bloomberg

**Note:** All indices have been indexed with base as January 01, 2019

**Chart 2: Stock Market Trend in Select Emerging Markets**

**Source:** Bloomberg

**Note:** All indices have been indexed with base as January 01, 2019.

**Fund Mobilisation by Issuance of Equity and Bond:**

As per the data available from World Federation of Exchanges, during June 2019, US$ 51.0 billion was mobilized through Korea Exchange (of which US$ 50.9 billion was mobilized through issuance of equity and US$ 0.1 billion through issuance of bond) followed by LSE Group (US$ 38.7 billion) and BME Spanish Exchanges (US$ 27.5 billion). As regards BRICS nations, US$ 35.7 billion was mobilized through National Stock Exchange of India followed by Moscow Exchange (US$ 20.9 billion) and Shenzhen Stock Exchange (US$ 5.7 billion) (Table A3).

**Table A3: Fund Mobilisation by Issuance of Equity and Bond in Major Exchanges**

(US$ Million)

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Exchange** | **May-19** | | | **June-19** | | |
| **Equity** | **Bond** | **Total** | **Equity** | **Bond** | **Total** |
| Nasdaq - US | 3,131 | NA | 3,131 | 3,649 | NA | 3,649 |
| NYSE | 21,989 | NA | 21,989 | 8,780 | NA | 8,780 |
| LSE Group | 2,464 | 44,383 | 46,847 | 4,404 | 34,312 | 38,716 |
| Euronext | 2,940 | NA | 2,940 | 7,448 | NA | 7,448 |
| Deutsche Boerse AG | 60 | 30,201 | 30,261 | 1,536 | 25,598 | 27,134 |
| BME Spanish Exchanges | 896 | 26,141 | 27,038 | 921 | 26,625 | 27,546 |
| Japan Exchange Group | 395 | 5,540 | 5,936 | - | NA | - |
| Singapore Exchange | 1,069 | 9,614 | 10,683 | 98 | 19,846 | 19,945 |
| ASX Australian Securities Exchange | 2,406 | NA | 2,406 | 4,252 | NA | 4,252 |
| Hong Kong Exchanges and Clearing | 1,853 | 13,196 | 15,048 | 5,094 | 14,340 | 19,435 |
| Korea Exchange | 62 | 41,376 | 41,438 | 116 | 50,914 | 51,030 |
| B3 - Brasil Bolsa Balcão | - | - | - | - | NA | - |
| Moscow Exchange | NA | 25,270 | 25,270 | NA | 20,917 | 20,917 |
| BSE India Limited | 34 | 3,460 | 3,494 | - | NA | - |
| National Stock Exchange of India Limited | 10,102 | 31,613 | 41,715 | 4,339 | 31,443 | 35,782 |
| Shanghai Stock Exchange | 3,406 | NA | 3,406 | 3,694 | NA | 3,694 |
| Shenzhen Stock Exchange | 3,932 | 2,456 | 6,387 | 4,614 | 1,059 | 5,673 |
| Johannesburg Stock Exchange | 183 | 4,503 | 4,686 | 136 | 3,352 | 3,488 |

**Note:** Fund mobilisation data for equities are (i) excluding investment funds and (ii) including Alternative and SME Markets except the following exceptions:

1. Australian Securities Exchange: including investment funds
2. BME: Including investment companies listed (open-end investment companies).
3. Bolsa de Valores de Lima: Includes 26 foreign companies with shares negotiated under a special modality
4. Euronext: includes Belgium, England, France, Netherlands and Portugal
5. Korea Exchange: including Kosdaq market data
6. LSE Group: includes London Stock Exchange and Borsa Italiana
7. Nasdaq Nordic Exchanges include Copenhagen, Helsinki, Iceland, Stockholm, Tallinn, Riga and Vilnius Stock Exchanges
8. NSE India: including “Emerge” market data
9. Singapore Exchange: market capitalization includes domestic listings and a substantial number of foreign listings, defined as companies whose principal place of business is outside of Singapore. Inactive secondary foreign listings are excluded.

For Funds mobilised through issuance of bonds, due to different reporting rules & calculation methods, turnover figures are not entirely comparable. The sale & purchase of a share are counted as one transaction

NA = Not Available

**Source:** World Federation of Exchanges

**Market Capitalisation of Major Exchanges:**

Market capitalisation of the major economies exhibited mostly upward trend across the world during June 2019. Among developed nations, market cap of the Nasdaq Stock Exchange of the US went up by 7.3 per cent followed by the Euronext (7.0 per cent) and Korea Exchange (6.8 per cent). Among BRICS nations, market capitalisation of Johannesburg Stock Exchange grew by 8.7 per cent, followed by Moscow Exchange (7.3 per cent) and Shanghai Stock Exchange (3.6 per cent).

**Table A4: Domestic Market Capitalisation of Major Exchanges**

(US$ Million)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Country** | **Exchange** | **May-19** | **June-19** |
| **Developed Markets** | USA | Nasdaq - US | 10,860,571 | 11,658,201 |
| USA | NYSE | 22,820,667 | 24,230,840 |
| UK | LSE Group | 3,758,940 | 3,934,491 |
| Pan Europe\* | Euronext | 4,129,455 | 4,418,229 |
| Germany | Deutsche Boerse AG | 1,872,218 | 1,949,134 |
| Spain | BME Spanish Exchanges | 746,559 | 774,947 |
| Japan | Japan Exchange Group | 5,443,576 | 5,614,217 |
| Singapore | Singapore Exchange | 691,007 | 725,887 |
| Hong Kong | Hong Kong Exchanges and Clearing | 3,957,756 | 4,189,279 |
| South Korea | Korea Exchange | 1,341,237 | 1,432,601 |
| Australia | ASX Australian Securities Exchange | 1,400,177 | 1,454,171 |
| **BRICS** | Brazil | B3 - Brasil Bolsa Balcão | 981,186 | NA |
| Russia | Moscow Exchange | 670,582 | 719,545 |
| India | BSE India Limited | 2,215,951 | 2,207,916 |
| India | National Stock Exchange of India Limited | 2,192,188 | 2,183,846 |
| China | Shanghai Stock Exchange | 4,610,014 | 4,776,753 |
| China | Shenzhen Stock Exchange | 2,963,714 | 3,034,149 |
| South Africa | Johannesburg Stock Exchange | 898,993 | 977,496 |

**Notes:**

1. Euronext: includes Belgium, England, France, Netherlands and Portugal
2. Johannesburg Stock Exchange: figures include the market capitalization of all listed companies, but exclude listed warrants, convertibles and investment funds
3. Korea Exchange: including Kosdaq market data
4. LSE Group: includes London Stock Exchange and Borsa Italiana
5. NSE India: including “Emerge” market data
6. Singapore Exchange: market capitalization includes domestic listings and a substantial number of foreign listings, defined as companies whose principal place of business is outside of Singapore.

**Source:** World Federation of Exchanges, BSE

**Equity Derivatives:**

As per the latest data available from the World Federation of Exchanges, during June 2019 the following performance was recorded in equity derivatives markets across the globe (Table A5 and A6):

**Single Stock Options:**

* Amongst exchanges in the Americas, Chicago Board Options Exchange recorded trading of 61.9 million contracts, followed by NASDAQ of the USA (53.0 million contracts) and the New York Stock Exchange (32.1 million contracts).
* Amongst exchanges in the Europe - Africa - Middle East, Tehran Stock Exchange recorded trading of 92.5 million contracts, followed by EUREX (13.9 million contracts) and Euronext (5.2 million contracts).
* Amongst exchanges in the Asia Pacific, the National Stock Exchange of India recorded trading of 14.5 million contracts, followed by Hong Kong Exchanges and Clearing (7.2 million contracts) and Australian Securities Exchange (6.1 million contracts).

**Single Stock Futures:**

* Amongst exchanges in the Americas, Bolsa de Valores de Colombia recorded trading of 50.0 thousand contracts, followed by MexDer (3.4 thousand contracts).
* Amongst exchanges in the Europe - Africa - Middle East, EUREX recorded trading of 26.4 million contracts, followed by Moscow Exchange (19.5 million contracts) and Borsa Istanbul (11.7 million contracts).
* Amongst exchanges in the Asia Pacific, Korea Exchange recorded trading of 44.0 million contracts, followed by National Stock Exchange of India (19.7 million contracts) and Thailand Futures Exchange (6.2 million contracts).

**Index Options:**

* Amongst exchanges in the Americas, Chicago Board Options Exchange recorded trading of 36.7 million contracts, followed by CME Group (12.2 million contracts) and Nasdaq of the US (0.2 million contracts).
* Amongst exchanges in the Europe - Africa - Middle East, EUREX recorded trading of 31.9 million contracts, followed by Tel-Aviv Stock Exchange (1.9 million contracts) and Moscow Exchange (1.5 million contracts).
* Amongst exchanges in the Asia Pacific, National Stock Exchange of India recorded trading of 334.4 million contracts, followed by Korea Exchange (49.1 million contracts) and TAIFEX (12.5 million contracts).

**Index Futures:**

* Amongst exchanges in the Americas, CME Group recorded trading of 65.2 million contracts, followed by CBOE Futures Exchange (4.1 million contracts) and MexDer (0.2 million contracts).
* Amongst exchanges in the Europe - Africa - Middle East, EUREX recorded trading of 55.8 million contracts, followed by Moscow Exchange (8.6 million contracts) and Borsa Istanbul (5.2 million contracts).
* Amongst exchanges in the Asia Pacific, Japan Exchange Group recorded trading of 27.2 million contracts, followed by Singapore Exchange (15.4 million contracts) and Hong Kong Exchanges and Clearing (9.0 million contracts).

**Currency Derivatives:**

As per the latest data available from the World Federation of Exchanges, during June 2019, exchanges across the world showed the following trend in trading of currency derivatives (Table A7):

**Currency Options:**

* Amongst exchanges in the Americas, CME Group recorded trading of 1.0 million contracts, followed by MexDer (5.1 thousand contracts) and ICE Futures US (1.7 thousand contracts).
* Amongst exchanges in the Europe - Africa - Middle East, Johannesburg Stock Exchange recorded trading of 3.7 million contracts, followed by Moscow Exchange (1.7 million contracts) and Tel-Aviv Stock Exchange (1.1 million contracts).
* Amongst exchanges in the Asia Pacific, National Stock Exchange of India recorded trading of 41.5 million contracts, followed by TAIFEX (17.1 thousand contracts) and Hong Kong Exchanges and Clearing (1.2 thousand contracts).

**Currency Futures:**

* Amongst exchanges in the Americas, CME Group recorded trading of 20.3 million contracts, followed by Bolsa de Comercio de Buenos Aires (1.3 million contracts) and MexDer (0.8 million contracts).
* Amongst exchanges in the Europe - Africa - Middle East, Moscow Exchange recorded trading of 29.9 million contracts, followed by Borsa Istanbul (6.0 million contracts) and Johannesburg Stock Exchange (4.8 million contracts).
* Amongst exchanges in the Asia Pacific, National Stock Exchange of India recorded trading of 42.6 million contracts, followed by Korea Exchange (7.2 million contracts) and Singapore Exchange (2.0 million contracts).

**Interest Rate Derivatives:**

As per the latest data available from the World Federation of Exchanges, during June 2019, exchanges across the world showed the following trend in trading of interest rate derivatives (Table A8):

**Interest Rate Options:**

* Among exchanges in the Americas, CME Group recorded trading of 85.4 million contracts.
* Among exchanges in the Europe, Africa and Middle East, EUREX recorded trading of 4.3 million contracts followed by Nasdaq Nordic Exchanges (0.6 million contracts) and Johannesburg Stock Exchange (26.5 thousand contracts).
* Among exchanges in the Asia Pacific, Australian Securities Exchange recorded trading of 85 thousand contracts, followed by Japan Exchange Group (46.0 thousands contracts).

**Interest Rate Futures:**

* Among exchanges in the Americas, CME Group recorded trading of 171.6 million contracts, followed by MexDer (26.7 thousand contracts) and Bolsa de Valores de Colombia (17.1 thousand contracts).
* Among exchanges in the Europe - Africa - Middle East, EUREX recorded trading of 51.3 million contracts, followed by Nasdaq Nordic Exchanges (0.8 million contracts) and Johannesburg Stock Exchange (0.1 million contracts).
* Among exchanges in the Asia Pacific, Australian Securities Exchange recorded trading of 18.5 million contracts, followed by Korea Exchange (4.9 million contracts) and National Stock Exchange (1.8 million contracts).

**Commodity Derivatives:**

As per the latest data available from the World Federation of Exchanges, during June 2019, exchanges across the world showed the following trend in trading of commodity derivatives (Table A9):

**Commodity Options:**

* Among exchanges in the Americas, CME Group recorded trading of 15.9 million contracts, followed by ICE Futures US (1.0 million contracts).
* Among exchanges in the Europe - Africa - Middle East, Moscow Exchange recorded trading of 0.6 million contracts, followed by London Metal Exchange (0.5 million contracts) and EUREX (0.1 million contracts).
* Among exchanges in the Asia – Pacific, Dalian Commodity Exchange recorded trading of 1.4 million contracts, followed by Zhengzhou Commodity Exchange (0.7 million contracts) and Singapore Exchange (0.5 million contracts).

**Commodity Futures:**

* Among exchanges in the Americas, CME Group recorded trading of 90.1 million contracts, followed by ICE Futures US (7.9 million contracts).
* Among exchanges in the Europe - Africa - Middle East, Moscow Exchange recorded trading of 53.3 million contracts, followed by London Metal exchange (14.1 million contracts) and Borsa Istanbul (4.2 million contracts).
* Among exchanges in the Asia – Pacific, Dalian Commodity Exchange recorded trading of 112.0 million contracts, followed by Zhengzhou Commodity Exchange (106.3 million contracts) and Shanghai Futures Exchange (104.5 million contracts).

**Table A5: Stock Options and Stock Futures Traded in Major Exchanges**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Exchange** | **June 2019** | | | | | |
| **Stock options** | | | **Single stock futures** | | |
| **Number of contracts traded** | **Notional turnover** | **Open interest** | **Number of contracts traded** | **Notional turnover** | **Open interest** |
| **Americas** | | | | | | |
| Bolsa de Comercio de Buenos Aires | 3,420,912 | - | - | - | - | - |
| Bolsa de Valores de Colombia | - | - | - | 50,049 | 83 | 25,294 |
| Chicago Board Options Exchange | 61,850,328 | NA | 158,384,000 | NA | NA | NA |
| MexDer | 41,200 | 6 | 32,700 | 3,418 | 1 | 1,609 |
| Nasdaq - US | 52,982,808 | NA | NA | NA | NA | NA |
| NYSE | 32,090,679 | 9,767 | NA | NA | NA | NA |
| **Total region** | **150,385,927** |  |  | **53,467** |  |  |
| **Asia - Pacific** | | | | | | |
| Australian Securities Exchange | 6,054,725 | 12,968 | 6,643,760 | 531,301 | 763 | 661,012 |
| Hong Kong Exchanges and Clearing | 7,224,979 | 24,586 | 7,727,260 | 77,933 | 313 | 15,155 |
| Japan Exchange Group | 17,739 | NA | 133,270 | NA | NA | NA |
| Korea Exchange | 1,792,453 | NA | 349,201 | 44,028,164 | 20,898 | 4,239,640 |
| National Stock Exchange of India | 14,520,777 | 122,046 | 263,765 | 19,739,114 | 162,646 | 1,752,940 |
| TAIFEX | 19,008 | 52 | 5,059 | 1,407,935 | 11,747 | 123,148 |
| Thailand Futures Exchange | NA | NA | NA | 6,163,346 | NA | 2,770,290 |
| **Total region** | **29,629,681** |  |  | **71,947,793** |  |  |
| **Europe - Africa - Middle East** | | | | | | |
| Athens Derivatives Exchange | 2,070 | 1 | 2,221 | 1,461,162 | 363 | 392,279 |
| BME Spanish Exchanges | 2,039,391 | 1,968 | 7,157,080 | 2,963,645 | 1,482 | 1,848,780 |
| Borsa Istanbul | 425,936 | 33 | 439,325 | 11,690,267 | 1,680 | 933,349 |
| Budapest Stock Exchange | - | - | - | 8,232 | 54 | 6,366 |
| Dubai Gold & Commodities Exchange | NA | NA | NA | 147,654 | 256 | 503 |
| EUREX | 13,925,640 | 59,082 | 52,124,900 | 26,431,740 | 79,527 | 7,659,140 |
| Euronext | 5,167,998 | 21,151 | 13,337,700 | 347,382 | 1,214 | 248,036 |
| Johannesburg Stock Exchange | 729,002 | 2,277 | 1,232,160 | 1,723,916 | 568 | 1,331,500 |
| Moscow Exchange | 388,134 | 135 | 387,304 | 19,469,524 | 6,604 | 1,505,990 |
| Nasdaq Nordic Exchanges | 1,391,678 | 2,189 | - | 456,188 | 164 | - |
| Oslo Bors | 73,583 | 146 | 208,559 | 107,623 | 60 | 88,583 |
| Tehran Stock Exchange | 92,491,561 | 3 | NA | NA | NA | NA |
| Tel-Aviv Stock Exchange | 56,832 | 401 | 81,259 | NA | NA | NA |
| Warsaw Stock Exchange | - | - | - | 126,484 | 249 | 23,236 |
| **Total region** | **116,691,825** |  |  | **64,933,817** |  |  |
| **Total** | **296,707,433** |  |  | **136,935,077** |  |  |

**NA:** Not Available

**Source:** World Federation of Exchanges

**Table A6: Index Options and Index Futures Traded in Major Exchanges**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Exchange** | **June 2019** | | | | | |
| **Stock index options** | | | **Stock index futures** | | |
| **Number of contracts traded** | **Notional turnover** | **Open interest** | **Number of contracts traded** | **Notional turnover** | **Open interest** |
| **Americas** | | | | | | |
| Bolsa de Comercio de Buenos Aires | - | - | - | 66,965 | 66 | - |
| Bolsa de Valores de Colombia | NA | NA | NA | 854 | 10 | 336 |
| CBOE Futures Exchange | NA | NA | NA | 4,130,824 | NA | 402,113 |
| Chicago Board Options Exchange | 36,676,164 | NA | 26,365,300 | NA | NA | NA |
| CME Group | 12,238,831 | 2,170,250 | 3,853,530 | 65,159,536 | 7,973,020 | 3,971,410 |
| ICE Futures US | NA | NA | NA | NA | 357,270 | 1,624,730 |
| MexDer | 920 | 20 | 756 | 153,345 | 3,473 | 39,364 |
| Nasdaq - US | 203,553 | NA | NA | NA | NA | NA |
| **Total region** | **49,119,468** |  |  | **69,511,524** |  |  |
| **Asia - Pacific** | | | | | | |
| Australian Securities Exchange | 843,593 | 38,016 | 820,966 | 2,153,723 | 241,143 | 390,782 |
| Bursa Malaysia Derivatives | 1,217 | 0 | 537 | 166,067 | 3,283 | 19,983 |
| China Financial Futures Exchange | NA | NA | NA | 5,012,876 | 735,404 | 297,686 |
| Hong Kong Exchanges and Clearing | 3,323,080 | 342,439 | 2,883,640 | 9,018,083 | 1,026,720 | 622,476 |
| Japan Exchange Group | 2,473,296 | NA | 1,912,670 | 27,211,257 | 1,357,030 | 1,484,560 |
| Korea Exchange | 49,093,518 | 2,790,050 | 3,134,960 | 8,803,565 | 374,906 | 635,134 |
| National Stock Exchange of India | 334,355,881 | 3,397,790 | 1,418,300 | 6,309,990 | 69,356 | 346,401 |
| Singapore Exchange | 998,273 | NA | 1,880,550 | 15,433,302 | NA | 2,401,000 |
| TAIFEX | 12,542,144 | 214,761 | 562,865 | 5,300,063 | 229,411 | 153,721 |
| Thailand Futures Exchange | 191,112 | NA | 33,373 | 3,809,259 | NA | 347,251 |
| **Total region** | **403,822,114** |  |  | **83,218,185** |  |  |
| **Europe - Africa - Middle East** | | | | | | |
| Athens Derivatives Exchange | 10,277 | 50 | 5,003 | 63,674 | 308 | 16,241 |
| BME Spanish Exchanges | 418,047 | 4,290 | 987,880 | 628,874 | 52,983 | 151,979 |
| Borsa Istanbul | 22,205 | 48 | 30,415 | 5,239,509 | 10,820 | 429,480 |
| Budapest Stock Exchange | - | - | - | 17,851 | 26 | 15,345 |
| EUREX | 31,858,765 | 1,220,240 | 48,707,600 | 55,760,739 | 2,577,310 | 10,309,500 |
| Euronext | 1,386,350 | 86,165 | 778,656 | 3,175,633 | 234,440 | 746,785 |
| Johannesburg Stock Exchange | 270,568 | 909 | 916,143 | 2,615,736 | 61,932 | 559,284 |
| Moscow Exchange | 1,590,334 | 4,230 | 377,148 | 8,648,406 | 22,018 | 476,742 |
| Nasdaq Nordic Exchanges | 649,361 | 11,105 | - | 3,099,279 | 53,060 | - |
| Oslo Bors | 27,566 | 260 | 80,073 | 208,575 | 1,942 | 44,997 |
| Tehran Stock Exchange | NA | NA | NA | 384 | 1 | NA |
| Tel-Aviv Stock Exchange | 1,904,275 | 83,390 | 139,543 | NA | NA | NA |
| Warsaw Stock Exchange | 32,509 | 200 | 15,922 | 358,321 | 4,362 | 46,787 |
| **Total region** | **38,170,257** |  |  | **79,816,981** |  |  |
| **Total** | **491,111,839** |  |  | **232,546,690** |  |  |

**NA:** Not Available

**Source:** World Federation of Exchanges

**Table A7: Currency Options and Futures Traded in Major Exchanges**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Exchange** | **June 2019** | | | | | |
| **Currency options** | | | **Currency futures** | | |
| **Number of contracts traded** | **Notional turnover** | **Open interest** | **Number of contracts traded** | **Notional turnover** | **Open interest** |
| **Americas** | | | | | | |
| Bolsa de Comercio de Buenos Aires | - | - | - | 1,288,122 | 1,372 | - |
| Bolsa de Valores de Colombia | 257 | 0 | 810 | 34,796 | 1,406 | 2,403 |
| CME Group | 1,029,475 | 122,350 | 564,122 | 20,280,312 | 1,960,147 | 1,765,688 |
| ICE Futures US | 1,785 | 172 | 2,944 | 703,950 | 55,009 | 87,963 |
| MexDer | 5,093 | 52 | 5,793 | 796,849 | 8,157 | 430,734 |
| **Total region** | **1,036,610** |  |  | **23,104,029** |  |  |
| **Asia - Pacific** | | | | | | |
| Hong Kong Exchanges and Clearing | 1,181 | 118 | 2,990 | 206,770 | 20,541 | 33,590 |
| Korea Exchange | NA | NA | NA | 7,156,104 | 72,790 | 740,025 |
| National Stock Exchange of India | 41,517,032 | 42,042 | 1,707,420 | 42,625,152 | 43,571 | 2,331,102 |
| Singapore Exchange | NA | NA | - | 2,001,678 | NA | 146,762 |
| TAIFEX | 17,106 | 464 | 3,340 | 92,746 | 2,458 | 5,424 |
| Thailand Futures Exchange | NA | NA | NA | 98,805 | NA | 34,958 |
| **Total region** | **41,535,319** |  |  | **52,181,255** |  |  |
| **Europe - Africa - Middle East** | | | | | | |
| Borsa Istanbul | 125,803 | 129 | 89,881 | 6,001,647 | 6,138 | 3,189,561 |
| Budapest Stock Exchange | 2,850 | 3 | 13,800 | 486,473 | 536 | 523,771 |
| Dubai Gold & Commodities Exchange | 1,191 | 0 | 388 | 1,516,233 | 7,959 | 299,586 |
| Johannesburg Stock Exchange | 3,650,366 | 78,290 | 7,439,097 | 4,833,284 | 5,228 | 1,477,066 |
| Moscow Exchange | 1,650,568 | 1,673 | 1,461,850 | 29,931,343 | 31,077 | 2,771,146 |
| Tel-Aviv Stock Exchange | 1,061,471 | 10,821 | 423,669 | NA | NA | NA |
| **Total region** | **6,492,249** |  |  | **42,768,980** |  |  |
| **Total** | **49,064,178** |  |  | **118,054,264** |  |  |

**NA:** Not Available

**Source:** World Federation of Exchanges

**Table A8: Interest Rate Options and Futures Traded in Major Exchanges**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Exchange** | **June 2019** | | | | | |
| **Interest rate options** | | | **Interest rate futures** | | |
| **Number of contracts traded** | **Notional turnover** | **Open interest** | **Number of contracts traded** | **Notional turnover** | **Open interest** |
| **Americas** | | | | | | |
| Bolsa de Valores de Colombia | NA | NA | NA | 17,115 | 1,476 | 8,355 |
| CME Group | 85,387,963 | 17,840,700 | 73,034,000 | 171,646,347 | 33,566,800 | 30,063,800 |
| MexDer | NA | NA | NA | 26,723 | 157 | 57,677 |
| **Total region** | **85,387,963** |  |  | **171,690,185** |  |  |
| **Asia - Pacific** | | | | | | |
| Australian Securities Exchange | 85,143 | 5,985 | 12,010 | 18,541,450 | 4,721,750 | 4,633,880 |
| China Financial Futures Exchange | NA | NA | NA | 683,149 | 98,553 | 91,221 |
| Hong Kong Exchanges and Clearing | NA | NA | NA | 10 | 2 | 25 |
| Japan Exchange Group | 46,024 | NA | 7,473 | 1,168,068 | NA | 105,080 |
| Korea Exchange | NA | NA | NA | 4,866,429 | 495,935 | 522,701 |
| National Stock Exchange of India | NA | NA | NA | 1,775,758 | 5,239 | 141,713 |
| Singapore Exchange | NA | NA | NA | 68,436 | NA | 19,738 |
| **Total region** | **131,167** |  |  | **27,103,300** |  |  |
| **Europe - Africa - Middle East** | | | | | | |
| EUREX | 4,266,721 | 771,108 | 1,830,470 | 51,262,983 | 8,529,930 | 5,886,270 |
| Johannesburg Stock Exchange | 26,470 | 198 | 125,372 | 121,876 | 868 | 820,047 |
| Moscow Exchange | NA | NA | NA | 67,309 | 45 | 104,658 |
| Nasdaq Nordic Exchanges | 609,925 | 65,672 | - | 804,370 | 86,608 | - |
| Warsaw Stock Exchange | - | - | - | - | - | 101 |
| **Total region** | **4,903,116** |  |  | **52,256,538** |  |  |
| **Total** | **90,422,246** |  |  | **251,050,023** |  |  |

**NA:** Not Available

**Source:** World Federation of Exchanges

**Table A9: Commodity Options and Futures Traded in Major Exchanges**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Exchange** | **June 2019** | | | | | |
| **Commodities options** | | | **Commodities futures** | | |
| **Number of contracts traded** | **Notional turnover** | **Open interest** | **Number of contracts traded** | **Notional turnover** | **Open interest** |
| **Americas** | | | | | | |
| Bolsa de Valores de Colombia | NA | NA | NA | 79 | 0 | 268 |
| CME Group | 15,893,901 | 790,222 | 11,472,100 | 90,124,411 | 4,594,820 | 16,314,400 |
| ICE Futures US | 1,005,874 | 25,795 | 1,012,510 | 7,927,153 | 168,126 | 1,741,490 |
| **Total region** | **16,899,775** |  |  | **98,051,643** |  |  |
| **Asia - Pacific** | | | | | | |
| Australian Securities Exchange | 4,158 | 1,149 | 36,203 | 27,961 | 1,961 | 90,909 |
| Bursa Malaysia Derivatives | 1,100 | NA | 4,950 | 727,134 | 8,926 | 220,975 |
| Dalian Commodity Exchange | 1,354,649 | 97 | 448,041 | 112,005,060 | 875,294 | 6,514,320 |
| Hong Kong Exchanges and Clearing | NA | NA | NA | 71,661 | 3,103 | 1,599 |
| Indonesia Commodity and Derivatives Exchange | NA | NA | NA | 7,443 | NA | 181 |
| Multi Commodity Exchange of India | 194,087 | 2,124 | 10,496 | 24,504,670 | 83,816 | 256,595 |
| NZX Limited | 10,460 | 37 | 18,754 | 29,241 | 109 | 47,856 |
| Shanghai Futures Exchange | NA | NA | NA | 104,544,994 | 1,028,370 | 5,300,490 |
| Singapore Exchange | 471,486 | NA | 1,236,310 | 1,699,661 | NA | 850,686 |
| TAIFEX | 5,544 | 46 | 1,579 | 19,917 | 319 | 1,225 |
| Thailand Futures Exchange | NA | NA | NA | 949,597 | NA | 47,242 |
| Zhengzhou Commodity Exchange | 696,229 | 106 | 270,459 | 106,343,058 | 571,501 | 4,923,880 |
| **Total region** | **2,737,713** |  |  | **350,930,397** |  |  |
| **Europe - Africa - Middle East** | | | | | | |
| Borsa Istanbul | NA | NA | NA | 4,245,624 | 1,019 | 440,135 |
| Dubai Gold & Commodities Exchange | NA | NA | NA | 66,700 | 821 | 2,516 |
| EUREX | 106,007 | 471 | 432,626 | 370,723 | 16,328 | 2,172,260 |
| Euronext | 74,788 | 858 | 232,066 | 954,058 | 11,132 | 403,038 |
| Johannesburg Stock Exchange | 17,080 | 13 | 21,557 | 388,484 | 6,881 | 119,623 |
| London Metal Exchange | 465,698 | 36,440 | 327,240 | 14,097,524 | 1,027,880 | 2,146,250 |
| LSE Group | NA | NA | NA | 115 | 3 | 182 |
| Moscow Exchange | 595,085 | 385 | 227,408 | 53,321,796 | 34,587 | 1,002,520 |
| **Total region** | **1,258,658** |  |  | **73,445,024** |  |  |
| **Total** | **20,896,146** |  |  | **522,427,064** |  |  |

NA: Not Available

**Source: World Federation of Exchanges**

**Debt Market:**

The Federal Reserve, for the first time since the financial crisis, lowered the target range for the federal funds rate to 2.0 - 2.25 per cent during its July meeting. Bond markets in the emerging markets fared well on the prospect of lower US rates along with bond markets in selected developed nations. The price of their government bonds increased which was reflected in the falling of yield.

The 10-year US Treasury yield at the end of July 2019 remained flat compared to its previous month’s value. There was a run towards safe havens with the yen and US 10-year treasury bonds witnessing a jump in prices. Yield of the German Bund fell by 11 bps. The UK 10-year yield fell by about 22 bps, whereas yield of Japan’s 10-year government bond remained flat. Among the emerging markets bond yields fell substantially for Indian 10-year bonds by 51 bps. Yields of 10-year government bonds fell by 22 bps in Brazil and by 11 bps in Russia.

**Chart 3: Movement of 10 year Government Bond Yields in Developed Nations**

**Source:** Bloomberg

**Chart 4: Movement of 10 year Government Bond Yields in BRIC Nations**

**Source:** Bloomberg

As of May 2019, China and Japan accounted for 17.0 per cent and 16.8 per cent of total foreign holding of US Treasury Securities. India accounted for 2.4 per cent of total foreign holding of US Treasury Securities (Table A9).

**Table A9: Major Foreign Holders of US Treasury Securities (US$ billion)**

|  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Country\Month** | **2018** | | | | | **2019** | | | | | |
| **Aug** | **Sep** | **Oct.** | **Nov.** | **Dec.** | **Jan.** | **Feb.** | **Mar.** | **Apr.** | **May** |
| China, Mainland | 1165.1 | 1151.4 | 1138.9 | 1121.4 | 1123.6 | 1126.7 | 1130.9 | 1120.5 | 1113 | 1110.2 |
| Japan | 1029.9 | 1028 | 1018.5 | 1036.6 | 1042.3 | 1070.2 | 1072.4 | 1078.1 | 1064 | 1101 |
| United Kingdom | 272.6 | 276.3 | 263.9 | 258.9 | 271.8 | 273.6 | 283.8 | 317.1 | 300.8 | 323.1 |
| Brazil | 317.8 | 317 | 313.9 | 311.4 | 303.2 | 305.1 | 307.7 | 311.7 | 306.7 | 305.7 |
| Ireland | 311.6 | 290.4 | 287.3 | 279.6 | 280 | 270.2 | 274.1 | 277.6 | 269.7 | 270.7 |
| Switzerland | 232 | 226.9 | 225.2 | 227.5 | 234.9 | 230.9 | 225.9 | 226.4 | 226.9 | 231.4 |
| Luxembourg | 224 | 227.2 | 225.4 | 225.7 | 229.2 | 224.9 | 226.8 | 230.2 | 223.7 | 229.6 |
| Cayman Islands | 197.7 | 200.4 | 208.3 | 207.6 | 211.9 | 209.4 | 210.1 | 219.5 | 217.2 | 216.1 |
| Hong Kong | 193.2 | 192.3 | 185 | 189.2 | 196.2 | 200.8 | 202.4 | 207.6 | 205.9 | 204 |
| Belgium | 154.3 | 164.7 | 169.7 | 173 | 185.8 | 192.1 | 182 | 186.6 | 179.8 | 190.5 |
| Saudi Arabia | 169.5 | 176.1 | 171.3 | 169.9 | 171.6 | 162.6 | 167 | 170 | 176.6 | 179 |
| Taiwan | 163.2 | 166.5 | 162.4 | 155.4 | 157.3 | 168.3 | 164.9 | 168.8 | 171.1 | 172 |
| **India** | **140.6** | **144** | **138.2** | **138.5** | **141.3** | **144.9** | **144.3** | **152** | **155.3** | **156.9** |
| Singapore | 129.9 | 134.5 | 133 | 128.8 | 121.1 | 128.1 | 130.6 | 138.8 | 139.3 | 150.4 |
| France | 113.6 | 97.7 | 109.4 | 131.6 | 110.9 | 112.6 | 115.9 | 109.6 | 124.7 | 125.1 |
| Korea | 110.2 | 110.8 | 111.1 | 110.2 | 114.9 | 117.3 | 115.5 | 119.9 | 115.1 | 117.3 |
| Canada | 96.2 | 94.1 | 101.9 | 106.3 | 110.1 | 113.8 | 112.2 | 99.7 | 102.1 | 100.5 |
| Norway | 66.7 | 63.6 | 61.3 | 47.3 | 84.9 | 90.8 | 97.1 | 99.5 | 97.1 | 99.3 |
| Thailand | 63.3 | 66.1 | 65.3 | 64.9 | 72 | 83.7 | 90.9 | 84.4 | 82.2 | 81.4 |
| Germany | 73.3 | 68.3 | 77.5 | 77.7 | 69.8 | 78 | 81.1 | 78.1 | 72.8 | 77.8 |
| Bermuda | 65.5 | 64.5 | 62.6 | 64.3 | 65.5 | 66.1 | 66.6 | 68.1 | 66.4 | 69.1 |
| U A E | 59 | 60 | 57.7 | 56.3 | 56.8 | 56 | 54.5 | 55.6 | 55.7 | 53.2 |
| Mexico | 40.7 | 39.3 | 41.5 | 45.7 | 46.9 | 41.2 | 40.5 | 44.7 | 47.7 | 49.9 |
| Sweden | 44.6 | 44.6 | 43.4 | 44.5 | 43.8 | 43.4 | 48.3 | 47.9 | 46.5 | 48.5 |
| Netherlands | 43.4 | 43 | 43 | 42.8 | 43.7 | 43 | 42.9 | 44.5 | 45 | 44.4 |
| Italy | 37.3 | 39.6 | 39.6 | 40.4 | 40.3 | 41.2 | 42.1 | 44 | 43.7 | 42.5 |
| Spain | 37.5 | 37.3 | 35.3 | 34.9 | 34.7 | 36.6 | 37.7 | 40.9 | 41 | 42 |
| Kuwait | 43.5 | 43.8 | 44.1 | 43.9 | 41.3 | 40.8 | 42.3 | 40.2 | 40.2 | 41.4 |
| Australia | 38.4 | 36.8 | 38.9 | 41.3 | 39.7 | 42.6 | 41.8 | 39.3 | 39.1 | 39.7 |
| Israel | 30.5 | 31.2 | 30.8 | 29 | 29.1 | 30.1 | 35.4 | 34.8 | 36.2 | 36.1 |
| Iraq | 29.8 | 29.4 | 31.1 | 32.1 | 34.6 | 34 | 34.7 | 36.2 | 35.4 | 34.4 |
| Poland | 39.9 | 40.1 | 40 | 40.2 | 39.6 | 33.8 | 32.8 | 33.9 | 37.2 | 34.1 |
| Philippines | 31.2 | 27.4 | 27.5 | 26.3 | 23.6 | 21.1 | 21.2 | 25.1 | 27.3 | 30.7 |
| All Other | 512.7 | 492.7 | 497.3 | 496.9 | 492.7 | 503.5 | 508.6 | 521.9 | 528.1 | 531.1 |
| Grand Total | **6278.6** | **6225.9** | **6200.3** | **6199.9** | **6264.9** | **6337.2** | **6385.1** | **6473.4** | **6433.6** | **6539.1** |
| Of which: |  |  |  |  |  |  |  |  |  |  |
| For. Official | 4021.1 | 4010.1 | 3947.1 | 3901.2 | 3949.7 | 3980 | 4024.6 | 4069.3 | 4062.5 | 4103.9 |
| Treasury Bills | 329.3 | 316.7 | 306.6 | 311.8 | 310.4 | 305.1 | 315.3 | 313.4 | 302.3 | 292.7 |
| T-Bonds & Notes | 3691.8 | 3693.4 | 3640.5 | 3589.4 | 3639.3 | 3674.9 | 3709.2 | 3756 | 3760.2 | 3811.3 |

**Note:**

1. The data in this table are collected primarily from U.S.-based custodians and broker-dealers. Since U.S. securities held in overseas custody accounts may not be attributed to the actual owners, the data may not provide a precise accounting of individual country ownership of Treasury securities
2. Estimated foreign holdings of U.S. Treasury marketable and non-marketable bills, bonds, and notes reported under the Treasury International Capital (TIC) reporting system are based on monthly data on holdings of Treasury bonds and notes as reported on TIC Form SLT, Aggregate Holdings of Long-Term Securities by U.S. and Foreign Residents and on TIC Form BL2, Report of Customers' U.S. Dollar Liabilities to Foreign Residents.

**Source:** Department of the Treasury/Federal Reserve Board

**Currency Market:**

Currency markets across the globe were volatile owing to some international developments. The People’s Bank of China, set its reference rate for the currency at 6.9225, which is the lowest rate since December 2018. Following this, the US Treasury designated China as a currency manipulator. On the other hand, the dollar index crossed the 102 mark during July 2019 reflecting its strengthening against a basket of foreign currencies. The US may spend considerably in forex reserves to keep the dollar from strengthening, and hurting its economy further. The INR did not fluctuate much during the month under review.

**Chart 5: Movement of the Major Currencies against US$**

**Note:** All currencies have been normalised keeping December 31, 2018 as base.

**Source:** Bloomberg

**Chart 6: Movement of the US Dollar Index and MSCI EM Currency Index**

**Note:**

1. All currencies have been normalised keeping December 31, 2018 as base.
2. The U.S. Dollar Index is an index of the value of the United States dollar relative to a basket of foreign currencies. The Index goes up when the U.S. dollar gains value compared to other currencies. The index is maintained and published by Intercontinental Exchange. It is a weighted geometric mean of the dollar's value relative to following select currencies: Euro, Japanese yen, Pound sterling, Canadian dollar, Swedish krona, Swiss franc.
3. The MSCI Emerging Markets (EM) Currency Index tracks the performance of twenty-five emerging-market currencies relative to the US Dollar.

**Source:** Bloomberg

**HIGHLIGHTS OF DEVELOPMENTS IN INTERNATIONAL SECURITIES MARKET**

1. **IOSCO issues Statement on Benchmarks Transition**

The Board of the International Organization of Securities Commissions (IOSCO) published the Statement on Communication and Outreach to Inform Relevant Stakeholders Regarding Benchmarks Transition. The Statement seeks to inform relevant market participants of how an early transition to Risk Free Rates (RFRs) can mitigate potential risks arising from the expected cessation of LIBOR. IOSCO wishes to raise awareness of the impact of LIBOR’s likely cessation and the need for relevant stakeholders to transition from the widely used USD LIBOR to RFRs – particularly to the new US Secured Overnight Financing Rate (SOFR). Raising awareness is important to facilitate prudent risk management across corporate and financial institutions and mitigate potential financial stability and conduct risks. This Statement is important for all market participants that have significant exposure to the USD LIBOR benchmark through, for example, the trading of financial instruments and other arrangements that reference this benchmark directly. It is also relevant to participants that reference another rate which, in turn, uses USD LIBOR as an input for its calculation.

Source: <https://www.iosco.org/news/pdf/IOSCONEWS541.pdf>

1. **FCA provides clarity on current cryptoassets regulation**

The FCA issued the Final Guidance as consulted on with some amendments to provide greater clarity on what is and isn’t regulated. This includes making the important distinction as to which cryptoassets fall inside the regulatory perimeter clearer. Consumers should be mindful of the absence of certain regulatory protections when considering purchasing unregulated cryptoassets. Unregulated cryptoassets (e.g. Bitcoin, Ether, XRP etc.) are not covered by the Financial Services Compensation Scheme and consumers do not have recourse to the Financial Ombudsman Service. Consumers should be cautious when investing in such cryptoassets and should ensure they understand and can bear the risks involved with assets that have no intrinsic value.

Source: <https://www.fca.org.uk/news/press-releases/fca-provides-clarity-current-cryptoassets-regulation>

1. **FCA proposes ban on sale of crypto-derivatives to retail consumers**

The FCA considers these products are ill-suited to retail consumers who cannot reliably assess the value and risks of derivatives or ETNs that reference certain cryptoassets (crypto-derivatives). This is due to:

* inherent nature of the underlying assets, which have no reliable basis for valuation
* the prevalence of market abuse and financial crime in the secondary market for cryptoassets (eg cyber theft)
* extreme volatility in cryptoasset prices movements, and
* inadequate understanding by retail consumers of cryptoassets and the lack of a clear investment need for investment products referencing them

These features mean retail consumers might suffer harm from sudden and unexpected losses if they invest in these products. The FCA is therefore consulting on banning the sale, marketing and distribution to all retail consumers of all derivatives (ie contract for difference - CFDs, options and futures) and ETNs that reference unregulated transferable cryptoassets by firms acting in, or from, the UK. This consultation fulfils the FCA’s commitment in the UK Cryptoasset Taskforce Final Report to explore a potential ban. Most consumers cannot reliably value derivatives based on unregulated cryptoassets. Prices are extremely volatile and as we have seen globally, financial crime in cryptoasset markets can lead to sudden and unexpected losses. It is therefore clear to us that these derivatives and exchange traded notes are unsuitable investments for retail consumers.'The FCA has also issued consumer warnings to inform consumers about the risks associated with direct and indirect investments in cryptoassets.

Source: <https://www.fca.org.uk/news/press-releases/fca-proposes-ban-sale-crypto-derivatives-retail-consumers>

1. **Special Judicial Police Launched for Investigation of Unfair Trading Activities in Capital Markets**

A special judicial police squad for investigation of unfair trading activities in capital markets was launched on July 18, 2019. The newly-created squad comprises 16 special judicial police officers - one FSC public official and 15 FSS employees, designated by the chief prosecutor of the Seoul Southern District Prosecutors’ Office on the recommendation by the FSC Chairman. The special judicial police will handle capital markets unfair trading cases under the command of Seoul Southern District Prosecutors’ Office, among those referred to the Prosecutors’ Office as ‘fast-track’ cases designated by the Chairman of the Securities and Futures Commission (SFC).1In order to ensure due process, the designated special judicial police officer should follow prosecutors’ directions in their overall duties including compulsory investigations. Upon the closure of an investigation, the Prosecutors’ Office will inform SFC Chairman of investigation results.

Source: <http://meng.fsc.go.kr/common/pdfjs/web/viewer.html?file=/upload/press1/20190718211326_4b0bdd34.pdf>

1. **CFTC Charges Trader with Spoofing in Financial Futures Markets**

**Washington, DC** — The U.S. Commodity Futures Trading Commission today issued an order filing and settling charges against Benjamin Cox, a trader and CFTC-registered floor broker based in Chicago, Illinois, for engaging in spoofing in the Chicago Mercantile Exchange (CME) E-mini S&P 500 and E-mini Nasdaq 100 futures markets.

James McDonald, CFTC’s Director of Enforcement, said, “As this case shows, the CFTC will vigorously pursue actions against individuals, as well as entities, who engage in the unlawful practice of spoofing.  We will continue to work closely with our regulatory partners, as we did in this case, to protect the integrity of our markets.”

The CFTC order requires Cox to pay a $150,000 civil monetary penalty, suspends him from trading on or subject to the rules of any CFTC-designated exchange and all other CFTC registered entities and in all commodity interests for a period of three months, and orders him to cease and desist from violating the Commodity Exchange Act’s prohibition of spoofing and other disruptive practices.

The CFTC order finds that during the period from April 2014 through, at least, February 2018 (relevant period), Cox manually placed orders in the E-mini S&P 500 and E-mini Nasdaq 100 futures markets with the intent to cancel the orders before their execution.  Typically, while Cox had one or more smaller bids or offers resting in a futures market (genuine orders), he placed relatively large bids or offers on the opposite side of the same market, which he intended to cancel before execution (spoof orders). Cox placed the spoof orders to induce other market participants to fill his genuine orders on the opposite side of the market.  Typically, once the genuine orders were filled, Cox cancelled the spoof orders. Cox repeated this trading pattern multiple times during the relevant period, primarily in the E-mini S&P 500 market and occasionally in the E-mini Nasdaq 100 market.

The CFTC’s investigation was conducted in conjunction with a related inquiry by the CME Group, which today also announced a disciplinary action against Cox.  The CFTC thanks CME Group for its assistance in this matter.

This case is brought in connection with the CFTC Division of Enforcement’s Spoofing Task Force, and the staff members responsible for this matter are Brandon Wozniak, Lara Turcik, K. Brent Tomer, Lenel Hickson, Jr., and Manal M. Sultan.

1. **CFTC Orders Principal of Binary Options Trading Firm to Pay $200,000 for Illegal Off Exchange Trading and Registration Violations**

**Washington, DC**–The U.S. Commodity Futures Trading Commission today issued an order filing and settling charges against **Curtis Dalton** of Middleton, Massachusetts, requiring him to pay $200,000 for offering illegal off-exchange retail commodity transactions to U.S. and overseas customers while failing to be registered by the CFTC as required.

The transactions offered by Dalton consisted of binary options in foreign currencies, which were required to be traded on a designated contract market, an exempt board of trade, or a bona fide foreign board of trade.  Instead, these contracts were traded on a binary options trading platform operated by an unregistered British Virgin Islands company located in Cyprus.  In soliciting and accepting orders for such contracts, Dalton illegally operated as an unregistered futures commission merchant.

Director of Enforcement James McDonald said, “The requirement that these contracts be offered by registered entities on a bona fide exchange is part of the CFTC’s comprehensive regulatory regime to protect the public from unscrupulous trading outfits.  We remind customers that they should do their homework on any firm they intend to use to trade in our markets.”

In addition to requiring payment of a $200,000 civil monetary penalty, the CFTC order prohibits Dalton from ever trading for others or soliciting and accepting funds from others for the purpose of trading any commodity interests.

The CFTC staff members responsible for this matter are Alan Edelman, Diana Dietrich, Daniel Jordan, Michael Loconte, and Rick Glaser.

1. **Ninth Circuit Rules in Favor of CFTC in Fraud Case Against Monex Deposit Company and its Principals**

**Washington, DC –**On Thursday, July 25, the U.S. Court of Appeals for the Ninth Circuit reinstated its anti-fraud enforcement action against **Monex Deposit Company** and its affiliated companies and principals (defendants). The Ninth Circuit held that the district court erred in dismissing the case, and ruled that the CFTC’s charges of fraud and illegal off-exchange commodity trading could proceed. The CFTC complaint charges the defendants with defrauding thousands of retail customers nationwide out of hundreds of millions of dollars, while executing thousands of illegal, off-exchange leveraged commodity transactions.  *See*[Release No. 7609-17](https://www.cftc.gov/PressRoom/PressReleases/pr7609-17).

The decision reverses a March 2018 ruling by the district court, which dismissed the case based on its holding that the CFTC lacked authority over the alleged fraud because defendants make “actual delivery” of precious metal to customers.  The district court also held that the Commodity Exchange Act (Act) does not prohibit fraud in connection with a contract of sale of a commodity in interstate commerce unless the defendant has also attempted to commit market manipulation.

The Ninth Circuit reversed both rulings.  A unanimous panel held that the term “actual delivery” under the Act “unambiguously requires the transfer of some degree of possession or control” to customers, and as alleged in the complaint, the defendants’ delivery of metal to its customers “amounts to sham delivery, not actual delivery.”  The Ninth Circuit further ruled that the Act prohibits fraud regardless of whether there has also been market manipulation, and that the Commission can take appropriate enforcement action when such fraud occurs.

“I congratulate our appellate and enforcement teams for their many months of hard work on this case. Not only is this outcome a victory for the victims of this fraudulent scheme—who were in many cases elderly Americans who lost their life savings—it reinforces the broad anti-fraud authority Congress gave our agency under the Dodd-Frank Act,” said CFTC Chairman Heath P. Tarbert.  “The CFTC will continue to stand up for everyday Americans who rely on the financial products we regulate.”

“We are very pleased with the Ninth Circuit’s decision,” said CFTC Deputy General Counsel for Litigation Robert A. Schwartz, who argued the case.  “This is the right result, and it is important for the CFTC’s continuing efforts to protect customers and fight fraud in commodity markets.  We look forward to resuming this enforcement action in the district court.”

In its continuing litigation, the CFTC seeks disgorgement of ill-gotten gains, restitution for the benefit of defrauded customers, civil monetary penalties, permanent registration and trading bans, and a permanent injunction from future violations of federal commodities laws, as charged.

The CFTC Office of General Counsel staff members responsible for the appeal are Robert A. Schwartz and Anne Stukes.  Division of Enforcement staff members responsible for this action are Carlin Metzger, Bridget Weyls, Joseph Konizeski, Jon Kramer, Matthew Rowland, Jeffrey Gomberg, Scott Williamson, and former staff Michael Frisch, Eric Schleef, and Rosemary Hollinger. The CFTC Office of General Counsel also thanks the Division of Market Oversight for its assistance.

1. **Warning on Fraudulent Website Soliciting Bitcoin Investments**

Singapore, 31 July 2019… It has come to the attention of the Monetary Authority of Singapore (MAS) that a website has been soliciting investments in Bitcoins by using fabricated comments attributed to Emeritus Senior Minister Goh Chok Tong [[1]](https://www.mas.gov.sg/news/media-releases/2019/warning-on-fraudulent-website-soliciting-bitcoin-investments#1) .

The website’s article on Bitcoins references statements purportedly made by ESM Goh which are either false or have been taken out of context and used in a misleading way. The site asks readers to make a minimum initial deposit of $250 into a purported trading platform, Bitcoin Loophole, which would automatically initiate trades on one’s behalf. It also requests for credit card or bank account details.

Members of the public are advised to exercise extreme caution and avoid providing any financial or personal information on the forms linked from the website. Anyone who suspects that an investment could be fraudulent or misused for other unlawful activities should report such cases to the Police.

In the past year, there have been websites fraudulently using the names and photographs of Ministers and other prominent public personalities to solicit Bitcoin investments. Please refer to earlier advisories issued by MAS on [29 January 2019](https://www.mas.gov.sg/news/media-releases/2019/warning-on-fraudulent-websites-soliciting-cryptocurrency-investments), [19 September 2018](https://www.mas.gov.sg/news/media-releases/2018/second-fraudulent-website-soliciting-bitcoin-investments) and [18 September 2018](https://www.mas.gov.sg/news/media-releases/2018/warning-on-fraudulent-website-soliciting-bitcoin-investments).

1. **Court Convicts Three Individuals for Insider Trading and Orders Forfeiture of Criminal Proceeds**

Singapore, 10 July 2019… Mr Leong Chee Wai, Mr E Seck Peng Simon and Mr Toh Chew Leong were today convicted and sentenced to 36 months, 30 months and 20 months imprisonment respectively. They were charged with a total of 333 counts of insider trading offences. The individuals had carried out a front-running arrangement over a period of 7 years resulting in profits of S$8.07 million. This is the first case of front-running prosecuted as an insider trading offence in Singapore, which carries a more severe penalty.

The State Court also ordered that the sums of approximately S$310,000, S$770,000 and S$1,350,000 be forfeited to the State from Mr Leong, Mr E and Mr Toh respectively [[1]](https://www.mas.gov.sg/news/media-releases/2019/court-convicts-three-individuals-for-insider-trading-and-orders-forfeiture-of-criminal-proceeds#1) . These monies, suspected to be criminal proceeds, were seized from the individuals in the course of investigations conducted by the Monetary Authority of Singapore (MAS).

Mr Leong, Mr E and Mr Toh, were representatives of Capital Market Services Licence holders [[2]](https://www.mas.gov.sg/news/media-releases/2019/court-convicts-three-individuals-for-insider-trading-and-orders-forfeiture-of-criminal-proceeds#2) when they committed the offences.  In light of the convictions, MAS served notices of its intention to impose Prohibition Orders (POs) on the three individuals from performing regulated activities under the SFA. MAS seeks to ban Mr Leong and Mr E for a period of 15 years, and Mr Toh for a period of 13 years. The lengths of the proposed POs take into account the duration of misconduct, as well as the amount of illicit profits made and surrendered.

Ms Loo Siew Yee, Assistant Managing Director (Policy, Payments & Financial Crime), MAS, said, “The three individuals had colluded to misuse confidential information for personal gain, thereby undermining market integrity. MAS will pursue insider trading charges against individuals involved in front running in appropriate cases and ensure that those guilty of such misconduct are kept out of the industry as warranted.”

**Background of the case**

Mr Leong and Mr Toh were senior equity dealers with First State Investments (Singapore) (FSIS) [[3]](https://www.mas.gov.sg/news/media-releases/2019/court-convicts-three-individuals-for-insider-trading-and-orders-forfeiture-of-criminal-proceeds#3) , where they were tasked to execute trading orders placed by FSIS’ portfolio managers.  Mr E was a remisier with UOB Kay Hian Pte Ltd (UOBKH) [[4]](https://www.mas.gov.sg/news/media-releases/2019/court-convicts-three-individuals-for-insider-trading-and-orders-forfeiture-of-criminal-proceeds#4) .

Starting from March 2007, Mr Leong and Mr E colluded to profit from the price-sensitive confidential information that Mr Leong received on intended orders by FSIS. Under this arrangement, Mr Leong informed Mr E about FSIS’ intended orders and Mr E used his personal trading account to place orders in the same counters, ahead of FSIS’ orders, thus front-running FSIS’ orders. As FSIS’ orders typically involved large quantities of shares, the orders had significant price impact on the market. When FSIS’ orders generated favourable price movements, Mr E unwound his position by trading in the opposite direction of FSIS’ orders. This led to insider trading profits which were split equally between Mr Leong and Mr E.

Mr Toh joined FSIS’ dealing desk in July 2004, and subsequently joined Mr Leong and Mr E in the front-running arrangement from August 2008.  The profits generated from the insider trading were then split equally among the three of them.

Under the front-running arrangement, Mr Leong and Mr E made profits of about S$2,685,625 each, while Mr Toh made a profit of about S$2,365,040, from the trades in 100 counters listed on the SGX-ST and in overseas countries including Hong Kong and Australia.  
   
In addition, Mr Toh and Mr E separately used the information on FSIS’ intended orders to trade in contract for differences (CFDs) on the counters that FSIS was intending to trade in. The CFDs trades were carried out in their own trading accounts and the profits from these trades were not shared with others.  Mr Toh made insider trading profits of about S$273,398 and Mr E, S$59,492.

The investigations conducted by MAS arose from a referral by the Singapore Exchange Securities Trading Ltd (SGX-ST).  In the course of MAS’ investigations, we had also obtained the assistance of The Australian Securities and Investments Commission.  Please refer to Annex A for details of the charges against the three individuals and Annex B for the relevant regulations and laws.

1. **FCA advised that LIBOR (the London Interbank Offered Rate) will end in 2021**

LIBOR has been the UK’s standard benchmark interest rate for corporate lending, leasing and residential loans since the mid1980s, and has been adopted globally. LIBOR is currently determined by the ICE Benchmark Administration (IBA), which consults with a panel of banks to obtain estimates of the current costs of borrowing. Using this information, the IBA is able to provide a forward looking rate which is used to calculate interest rates on loans.

Despite recent reforms to LIBOR, the FCA (Financial Conduct authority) considers that the lack of underlying transaction data means that the validity of the opinion based submissions of panel banks remains questionable.

According to FCA, LIBOR isn’t being eliminated. Technically LIBOR could still be available after 2021, but regulators will no longer force or encourage banks to continue supporting the benchmark after that date.  The FCA has asked banks to voluntarily sustain LIBOR until 2021.

Whereas LIBOR was adopted globally, market developments suggest the transition is now towards different countries applying their own local reference rate. In the U.S., there is SOFR (Secured Overnight Financing Rate), Japan has TONA (Tokyo Overnight Average) and the European Bank has developed the Euro Short-Term Rate (ESTER).  In April 2017, the Bank of England’s Working Group on Sterling Risk-Free Reference Rates (RFR) adopted the SONIA (Sterling Overnight Index Average) benchmark as their preferred RFR and since then it has been working with the FCA on how to transition to using SONIA across British Sterling markets.

SONIA, the Sterling Overnight Index Average, is the effective interest rate paid by banks for unsecured transactions taking place “overnight” (in off-market hours) in the British Sterling market. It is “risk free” or “nearly risk-free” and doesn’t factor in any credit risk taken by lenders.  The advantage of SONIA is that it does not rely on submissions made by panel banks but is instead based on a weighted average of actual overnight funding on the wholesale money markets. SONIA is therefore much more in tune with actual market conditions. Regulators anticipate that the switch from LIBOR to SONIA will create more predictability in the UK debt market.

1. [**SEC to ease burden on companies that violate securities laws**](https://webmail.sebi.gov.in/owa/redir.aspx?C=S4Gxens_k1VZlSTEanLp6aUs6a8voynXhWnFAeJcVUFOxmvHFiLXCA..&URL=https%3a%2f%2feveningstandard.podbean.com%2fe%2fsec-to-ease-burden-on-companies-that-violate-securities-laws%2f)

Companies that violate US securities laws will be given quicker access to waivers they need to lift restrictions on raising money. That’s according to the chairman of the Securities and Exchange Commission Jay Clayton.

US securities laws include a variety of automatic penalties that kick in when the SEC imposes certain punishments in fraud cases. The restrictions can include stripping companies of the right to raise money from the public or removing legal protections for statements they make about their future prospects.

Waivers drew controversy after the financial crisis as it emerged that the Obama administration was granting repeated reprieves to big banks. That’s despite multiple settlements involving violations of US securities laws. Kara Stein, the former Democratic commissioner, was a fierce critic of waivers until her departure from the SEC earlier this year

1. **CFTC agrees to limit rules for overseas clearing houses**

The main US derivatives markets regulator (i.e. CFTC) has agreed to rein in its rules for regulating overseas clearing houses, in a move CFTC hopes will ease a stand-off with counterparts in Europe. It also agreed to let overseas clearing houses that are exempt from US standards accept business from US citizens.

1. **Global regulators delay new derivatives rule to September 2021**

Global regulators have delayed by a year the final phase of new rules that require smaller fund managers to set aside cash or margin to cover their derivatives transactions for the first time,  after industry bodies said those affected needed more time to prepare.

On 23rd July, the Basel Committee of global banking regulators and its counterpart for securities markets, IOSCO, said in a joint statement that progress has been made in rolling out the new rules for derivatives that do not pass through a clearing house. However, the final phase of the rollout, covering over about a thousand smaller asset managers and other market participants whose exposures to non-cleared derivatives exceed 8 billion euros ($8.94 billion), has been postponed by 12 months to September 2021.

**POLICY DEVELOPMENTS**

1. **Modification of circular dated September 24, 2015 on ‘Format for compliance report on Corporate Governance to be submitted to Stock Exchange (s) by Listed Entities**

In view of the recommendations made by The Committee on Corporate Governance under the Chairmanship of Shri Uday Kotak, SEBI revised the format for quarterly compliance report on Corporate Governance needs be submitted to Stock Exchange (s) by Listed Entities

**Source: SEBI/HO/CFD/CMD1/CIR/P/2019/78 July 16, 2019**

1. **Modification of circular dated July 18, 2017 on ‘Disclosure of divergence in the asset classification and provisioning by banks’**

In line with the revised RBI requirements, SEBI has revised the Disclosure of divergence in the asset classification and provisioning by all banks which have listed specified securities. The banks shall disclose to the stock exchanges divergences in the asset classification and provisioning, if either or both of the following conditions are satisfied: a. the additional provisioning for NPAs assessed by RBI exceeds 10 per cent of the reported profit before provisions and contingencies for the reference period, and b. the additional Gross NPAs identified by RBI exceed 15 per cent of the published incremental Gross NPAs for the reference period.

**Source: CIR/CFD/CMD1/ 79 /2019 July 17, 2019**

1. **Procedure and formats for limited review / audit report of the listed entity and those entities whose accounts are to be consolidated with the listed entity**

SEBI issued circular w.r.t. partial modification of Circular No. CIR/CFD/CMD1/44/2019 dated March 29 2019 in line with the certain updates suggested by the Institute of Chartered Accountants of Indiawith respect to the limited review report. The Circular shall be applicable with respect to the financial results for the quarter ending September 30, 2019 and after.

**Source: CIR/CFD/CMD1/ 80 /2019 July 19, 2019**

1. **Standardizing Reporting of violations related to code of conduct under SEBI (Prohibition of Insider Trading) Regulation, 2015**

With an objective to standardize the process relating to dealing with violation of the respective code of conduct in accordance with Clause 12 of Schedule B and Clause 10 of Schedule C of the Regulations, all listed companies, intermediaries and fiduciaries are required to report such violations by the designated persons and immediate relatives of the designated persons in the standardize format to SEBI and maintain a database of the violation of code of conduct by the designated persons and immediate relatives of the designated persons that would entail initiation of appropriate action against them.

1. **Guidelines for Liquidity Enhancement Scheme (LES) in Commodity Derivatives Contracts**

SEBI vide circular SEBI/HO/CDMRD/DMP/CIR/P/2018/55 dated March 26, 2018 had issued guidelines for LES in Commodity Derivatives Contracts subject to certain conditions stipulated vide Circular No. CIR/MRD/DP/14/2014 dated April 23, 2014. SEBI has decided to exempt the exchanges which are their first five years of operation from the date of SEBI’s approval for commencement / recommencement of their business, from the applicability of clauses 5.1 and 5.2 of said SEBI circular No. CIR/MRD/DP/14/2014 dated April 23, 2014.

**Source: SEBI/HO/CDMRD/DNPMP/CIR/P/2019/84 July 26, 2019**

1. **Staggered Delivery Period in Commodity futures contracts**

SEBI vide circular SEBI/HO/CDMRD/DRMP/CIR/P/2016/90 dated September 21, 2016 had specified the staggered delivery framework for commodity futures contracts. SEBI observed that currently there is no uniformity in the length of staggered delivery period for commodity futures contracts across exchanges even for the same commodities. Based on the representations received from exchanges and deliberations, SEBI revised the norms for staggered delivery.

**Source: SEBI/HO/CDMRD/DNPMP/CIR/P/2019/83July 26, 2019**

1. **Streamlining the Process of Public Issue of Equity Shares and convertibles-Implementation of Phase II of Unified Payments Interface with Application Supported by Block Amount**

SEBI introduced the use of Unified Payments Interface (UPI) as a payment mechanism with Application Supported by Block Amount (ASBA) for applications in public issues by retail individual investors through intermediaries (Syndicate members, Registered Stock Brokers, Registrar and Transfer agent and Depository Participants). The Implementation of the same was to be carried out in a phased manner to ensure gradual transition to UPI with ASBA. The implementation of Phase II has become effective from July 1, 2019. SEBI has given details of the process of Applications through UPI in IPOs on SEBI website—www.sebi.gov.in.

*Disclaimer: The summary has been prepared for the convenience of readers. In case of any ambiguity please refer to the original circular.*

**Regulatory Actions taken by SEBI**

* SEBI passed order dated July 05, 2019 against Hora Finance Investment imposing a penalty of **`** 6,00,000/- (Rupees Six Lakh only) under Section 15HA of the SEBI Act, for violation of regulations 3(a), 4(1), 4(2)(a) of the PFUTP Regulations, 2003.
* SEBI passed an order, dated 08 July 2019, in the matter of Sumeet Industries Limited imposing a total penalty of **`** 10,00,000 (Rupees Ten Lakh Only) on Purshottam Madanlal Khandelwal for the violation of Regulations 3 (a), (b), (c), (d) and 4(1), 4(2)(a) and (e) of PFUTP Regulations.
* SEBI passed an order, dated 09 July 2019, in the matter of dealing in illiquid stock options at BSE imposing a total penalty of **`** 50,00,000 (Rupees Fifty Lakh Only) on DB (International) Stock Brokers Ltd for the violation of Regulations 3(a), 4(1) and 4(2)(a) of PFUTP Regulations.
* SEBI passed an order, dated 10 July 2019, in the matter of dealing in illiquid stock options at BSE imposing a total penalty of **`** 65,00,000 (Rupees Sixty Five Lakh Only) on Deepakkumar Subhaschandra Mehta for the violation of Regulations 3(a), 4(1) and 4(2)(a) of PFUTP Regulations.
* SEBI passed an order, dated 10 July 2019, in the matter of Faze Three Ltd. imposing a total penalty of **`** 10,00,000 (Rupees Ten Lakh Only) on Ajay Anand and others for the violation of regulation 3(2) read with regulation 13(1) of SAST Regulations.
* SEBI passed an order, dated 10 July 2019, in the matter of Korp Securities Ltd. imposing a total penalty of **`** 45,00,000 (Rupees Fourty Five Lakh Only) on Korp Securities Ltd.for the violation of Regulations 3(a),(b),(c),(d),4(1) and 4(2)(a) of PFUTP Regulations, Clause A(1), (2), & (5) of Code of Conduct for Stock Brokers under the Regulation 9 of Stock Broker and Sub-brokers Regulations and failure to comply with the directions issued by SEBI vide orders dated January 19, 2010 and January 25, 2010.
* SEBI passed an order, dated 11 July 2019, in the matter of Superior Industrial Enterprise Ltd imposing a total penalty of **`** 1,00,000 (Rupees One Lakh Only) on Anant Agarwal for the violation of Regulation 13 (4A) read with Regulation 13(5) of PIT Regulations.
* SEBI passed an order, dated 11 July 2019, in the matter of Superior Industrial Enterprise Ltd imposing a total penalty of **`** 2,00,000 (Rupees Two Lakh Only) on Sanjeev Agrawal and Deepti Agarwal for the violation of Regulation 13 (4A) read with Regulation 13(5) of PIT Regulations.
* SEBI passed an order, dated 11 July 2019, in the matter of its dealings in illiquid stock options at the BSE Limited imposing a total penalty of **`** 5,00,000 (Rupees Five Lakh Only) on Ganpati Multi Commodity Business India Private Limited for the violation of Regulations 3 (a), (b), (c), (d) and 4 (1), 4 (2) (a) of PFUTP Regulations.
* SEBI passed an order, dated 11 July 2019, in the matter of its dealings in illiquid stock options at the BSE Limited imposing a total penalty of **`** 5,00,000 (Rupees Five Lakh Only) on Amit Auto Credit Company Private Limited for the violation of Regulations 3 (a), (b), (c), (d) and 4 (1), 4 (2) (a) of PFUTP Regulations.
* SEBI passed an order, dated 12 July 2019, in the matter of its dealings in illiquid stock options at the BSE Limited imposing a total penalty of **`** 9,00,000 (Rupees Nine Lakh Only) on Vijay Shree Builders Pvt. Ltd. for the violation of Regulations 3 (a), (b), (c), (d) and 4 (1), 4 (2) (a) of PFUTP Regulations.
* SEBI passed an order, dated 12 July 2019, in the matter of its dealings in illiquid stock options at the BSE Limited imposing a total penalty of **`** 9,00,000 (Rupees Nine Lakh Only) on Zealous Financial Services Pvt. Ltd. for the violation of Regulations 3 (a), (b), (c), (d) and 4 (1), 4 (2) (a) of PFUTP Regulations.
* SEBI passed an order, dated 12 July 2019, in the matter of its dealings in illiquid stock options at the BSE Limited imposing a total penalty of **`** 14,00,000 (Rupees Fourteen Lakh Only) on Evergrowing Iron & Finvest Pvt Ltd for the violation of Regulations 3 (a), (b), (c), (d) and 4 (1), 4 (2) (a) of PFUTP Regulations.
* SEBI passed an order, dated 12 July 2019, in the matter of its dealings in illiquid stock options at the BSE Limited imposing a total penalty of **`**  5,00,000 (Rupees Five Lakh Only) on Evergrowing Iron & Finvest Pvt Ltd for the violation of Regulations 3(a), 4(1) and 4(2)(a) of PFUTP Regulations.
* SEBI passed an order, dated 12 July 2019, in respect of AC Agarwal Share Brokers Private Limited imposing a penalty of **`**  5,00,000 (Rupees Five Lakh Only) on AC Agarwal Share Brokers Private Limited.
* SEBI passed an order, dated 15 July 2019, in illiquid stock options at Bombay Stock Exchange Limited imposing a total penalty of Rs 5,00,000 (Rupees Five Lakh Only) on GKS Properties Private Limited for the violation of Regulations 3 (a), (b), (c), (d) and 4 (1), 4 (2) (a) of PFUTP Regulations.
* SEBI passed an order, dated 16 July 2019, in respect of Ellenbarrie Tea Co Ltd imposing a total penalty of Rs 1,00,000 (Rupees One Lakh Only) on Ellenbarrie Tea Co Ltd for its failure to obtain SCORES authentication.
* SEBI passed an order, dated 16 July 2019, in respect of Hari Textile Mills Ltd imposing a total penalty of Rs 1,00,000 (Rupees One Lakh Only) on Hari Textile Mills Ltd for the violation of its failure to obtain SCORES authentication.
* SEBI passed an order, dated 16 July 2019, in the matter of Illiquid Stock Options at BSE imposing a total penalty of Rs 5,00,000 (Rupees Five Lakh Only) on Anantnath Vincom Private Limited for the violation of Regulation 3(a), (b), (c), (d), 4(1) and 4(2)(a) of PFUTP Regulations.
* SEBI passed an order, dated 17 July 2019, in the matter of Arihant Capital Market Ltd imposing a total penalty of Rs 6,00,000 (Rupees Six Lakh Only) on Arihant Capital Market Ltd for the violation of clause 12(e) of the Annexure to SEBI circular no. MIRSD/SE/Cir-19/2009 dated December 3, 2009 and also Circular SMD/ SED/ CIR/ 93/ 23321 dated November 18, 1993.
* SEBI passed an order, dated 17 July 2019, in the matter of Illiquid Stock Options at BSE imposing a total penalty of Rs 5,00,000 (Rupees Five Lakh Only) on Aroma Chemicals for the violation of Regulation 3(a), (b), (c), (d), 4(1) and 4(2)(a) of PFUTP Regulations.
* SEBI passed an order, dated 17 July 2019, in the matter of Illiquid Stock Options at BSE imposing a total penalty of Rs 5,00,000 (Rupees Five Lakh Only) on Assam Valley Finance and Investments Pvt Ltd for the violation of Regulation 3(a), (b), (c), (d), 4(1) and 4(2)(a) of PFUTP Regulations.
* SEBI passed an order, dated 17 July 2019, in the matter of Illiquid Stock Options at BSE imposing a total penalty of Rs 5,00,000 (Rupees Five Lakh Only) on Arpna Capital Services Private Limited for the violation of Regulation 3(a), (b), (c), (d), 4(1) and 4(2)(a) of PFUTP Regulations.
* SEBI passed an order, dated 17 July 2019, in respect of Exhibitors Syndicate Ltd imposing a total penalty of Rs 1,00,000 (Rupees One Lakh Only) on Exhibitors Syndicate Ltd for its failure to obtain SCORES authentication.
* SEBI passed an order, dated 18 July 2019, in the matter of M/s Kelvin Fincap Limited (formerly known as Dahyabhai Sons Ltd.) imposing a total penalty of Rs 15,00,000 (Rupees Fifteen Lakh Only) on Kelvin Fincap Ltd., for the violation of Clause 30(a) and (b), Clause 35 and Clause 36(7)(i) of the Listing Agreement read with Section 21 of SCRA.
* SEBI passed an order, dated 18 July 2019, in respect of SKSE Securities Ltd imposing a total penalty of Rs 10,00,000 (Rupees Ten Lakh Only) on SKSE Securities Ltd. for the violation of provisions of SEBI Circular ref. no., SEBI/MIRSD/SE/Cir-19/2009 dated December 3, 2009.
* SEBI passed an order, dated 22 July 2019, in the matter of Trading in Illiquid Stock Options on BSE imposing a total penalty of Rs 8,60,000 (Rupees Eight Lakh Sixty Thousand Only) on Sanket Lalit Parikh for the violation of Regulations 3(a), (b), (c), (d), 4(1) and 4(2)(a) of PFUTP Regulations.
* SEBI passed an order, dated 23 July 2019, in the matter of Trading in Illiquid Stock Options on BSE imposing a total penalty of Rs 5,00,000 (Rupees Five Lakh Only) on Dinesh Kumar Somani for the violation of Regulations 3(a), 4(1) and 4(2)(a) of PFUTP Regulations.
* SEBI passed an order, dated 23 July 2019, in the matter of Trading in Illiquid Stock Options on BSE imposing a total penalty of Rs 5,00,000 (Rupees Five Lakh Only) on Kusum Traders for the violation of Regulations 3(a), 4(1) and 4(2)(a) of PFUTP Regulations.
* SEBI passed an order, dated 23 July 2019, in the matter of Trading in Illiquid Stock Options on BSE imposing a total penalty of Rs 5,00,000 (Rupees Five Lakh Only) on Citrus Securities Private Limited for the violation of Regulations 3(a), 4(1) and 4(2)(a) of PFUTP Regulations.
* SEBI passed an order, dated 24 July 2019, in respect of Hindustan Mercantile Ltd imposing a total penalty of Rs 1,00,000 (Rupees One Lakh Only) on Hindustan Mercantile Ltd for the violation of the provisions of the SEBI Circular No. CIR/OIAE/1/2013 dated April 17, 2013.
* SEBI passed an order, dated 24 July 2019, in the matter of Sand Plast India Ltd imposing a total penalty of Rs 25,00,000 (Rupees Twenty Five Lakh Only) on Upturn Securities Pvt. Ltd and Suresh Pukhraj Jain for the violation of Regulation 3 (a),(b),(c),(d), 4(1), 4(2)(a) and 4(2)(b) of PFUTP Regulations.
* SEBI passed an order, dated 24 July 2019, in the matter of dealings in Illiquid Stock Options at BSE imposing a total penalty of Rs 25,00,000 (Rupees Twenty Five Lakh Only) on Suruchi Foods Private Limited for the violation of Regulation 3 (a),(b),(c),(d), 4(1), 4(2)(a) and 4(2)(b) of PFUTP Regulations.
* SEBI passed an order, dated 24 July 2019, in the matter of Kelvin Fincap Ltd in the matter of M/s Kelvin Fincap Limited imposing a total penalty of Rs 2,00,000 (Rupees Two Lakh Only) on Purva Sharegistry (India) Pvt Ltd for the violation of Regulation 53A of DP Regulation read with Regulation 98 of DP Regulation, 2018 and Clauses 1,2 and 3 of Code of Conduct under Schedule III read with Regulation 13 of RSTA.
* SEBI passed an order, dated 24 July 2019, in the matter of NCL Research & Financial Services Limited imposing a total penalty of Rs 8,00,000 (Rupees Eight Lakh Only) on B. Jayanthi for the violation of Regulations 3(a), (b), (c), (d), 4(1) and 4(2)(a) & (e) of PFUTP Regulations.
* SEBI passed an order, dated 25 July 2019, in the matter of dealings in illiquid stock options at BSE imposing a total penalty of Rs 5,00,000 (Rupees Five Lakh Only) on Shree Rupandham Steel Private Ltd. for the violation of Regulations 3(a), (b), (c), (d), 4(1) and 4(2)(a) of PFUTP Regulations.
* SEBI passed an order, dated 25 July 2019, imposing a total penalty of Rs 2,00,000 (Rupees Two Lakh Only) on RR Equity Brokers Private Limited for the violation of SEBI Circular No. MIRSD/SE/Cir-19/2009 dated December 03, , Clause A(5) of the Code of Conduct read with Regulation 9(f) of the Stock Broker Regulations and SEBI Circular No. SMD/SED/CIR/93/23321 dated November 18, 1993.
* SEBI passed an order, dated 25 July 2019, in the matter of its dealings in illiquid stock options at the BSE Limited imposing a total penalty of Rs 5,00,000 (Rupees Five Lakh Only) on Gandiv Investment Private Limited for the violation of Regulations 3 (a), (b), (c), (d) and 4 (1), 4 (2) (a) of PFUTP Regulations.
* SEBI passed an order, dated 25 July 2019, in the illiquid stock options at the Bombay Stock Exchange Limited imposing a total penalty of Rs 7,00,000 (Rupees Seven Lakh Only) on Ginni Vinimay Private Limited for the violation of Regulations 3 (a), (b), (c), (d) and 4 (1), 4 (2) (a) of PFUTP Regulations.
* SEBI passed an order, dated 25 July 2019, in the illiquid stock options at the Bombay Stock Exchange Limited imposing a total penalty of Rs 5,00,000 (Rupees Five Lakh Only) on Laxmi Business & Cement Company Private Limited for the violation of Regulation 3(a), 4(1) and 4(2)(a) of the PFUTP Regulations.
* SEBI passed an order, dated 25 July 2019, in the illiquid stock options at the Bombay Stock Exchange Limited imposing a total penalty of Rs 5,00,000 (Rupees Five Lakh Only) on Madhushree Finvest Pvt Ltd for the violation of Regulation 3(a), 4(1) and 4(2)(a) of the PFUTP Regulations.
* SEBI passed an order, dated 25 July 2019, in respect of Hindustan Building Society Limited imposing a total penalty of Rs 1,00,000 (Rupees One Lakh Only) on Hindustan Building Society Limited for the violation of Circular No. CIR/OIAE/1/2013 dated April 17, 2013
* SEBI passed an order, dated 25 July 2019, in respect of Jyoti (India) Limited imposing a total penalty of Rs 1,00,000 (Rupees One Lakh Only) on Jyoti (India) Limited for the violation of Circular No. CIR/OIAE/1/2013 dated April 17, 2013.
* SEBI passed an order, dated 25 July 2019, in the matter of Dealing in Illiquid options on the BSE imposing a total penalty of Rs 7,00,000 (Rupees Seven Lakh Only) on Jindal Exports and Imports Pvt Ltd for the violation of regulations 3(a), 4(1), 4(2)(a) of the PFUTP Regulations.
* SEBI passed order dated July 05, 2019 against Corporate Capital Ventures Private Limited (CCV) directing not take up any new assignment relating to merchant banking activities in the securities market for violating Regulation 106P(1) of the ICDR Regulations, 2009 in the matter of ICL Multitrading India Ltd.
* SEBI passed an order, dated 09 July 2019, in the matter of Rossell India Limited granting exemption to the Harsh Mohan Gupta Promoters Family Trust, from complying with the requirements of Regulations 3(1), 4 and 5 of the Takeover Regulations with respect to the proposed acquisitions in the Rossell India Limited.
* SEBI passed an order, dated 10 July 2019, in the matter of Celestial Biolabs Limited directing CBL and others not to buy, sell or otherwise deal in the securities market in any manner whatsoever or access the securities market, directly or indirectly, for a period of five years.
* SEBI passed an order, dated 11 July 2019, in the matter of Togo Retail Marketing Limited (TRML) - Equity Shares directing TRML and others to refund to the investors, the money collected by the Company, with an interest of 15 per cent per annum, from the eighth day of collection of funds, till the date of actual payment.
* SEBI passed an order, dated 18 July 2019, in the matter of Lifeline Drugs and Pharma Limited (now known as Arihant Multi Commercial Ltd) restraining Anil Vishnu Bharti and others from accessing the securities market and further prohibit them from buying, selling or otherwise dealing in securities, directly or indirectly, or being associated with the securities market in any manner, whatsoever, for a period of six months from the date of the order for the violation of 3(a),(b), (c),(d), 4(1), 4(2) (a) & 4(2) (e) of SEBI PFUTP Regulations.
* SEBI passed an order, dated 23 July 2019, in the matter of Hotel Leela Venture Limited (HLVL) directing HLVL to provide additional disclosures in the Postal Ballet Notice regarding each of the sale transactions including Asset Sale Transaction and Additional IP Transaction, details of valuation of these transactions etc in the Postal Ballot Notice. Also, it is directed that The Additional IP Transaction concerning the ‘related party transaction’ involving transfer of ‘Jamavar’ trademark, shall separately be put to vote by HLVL before its shareholders afresh, in case such valuation in respect of the ‘Jamavar’ trademark exceeds 10% of the annual consolidated turnover of HLVL, as per the last audited financial statements. HLVL was also directed to make all material disclosures including the litigation relating to the claim of AAI with respect to the Leela Hotel, Mumbai, in the Postal Ballot Notice and in the financial statements in the Annual Report.
* SEBI passed an order, dated 24 July 2019, in the matter of M/s. Banas Finance Ltd restraining Pradeep Dhanuka from accessing the Securities Market and further prohibited from buying, selling or otherwise dealing in securities, directly or indirectly in any manner, for a period of three years.
* SEBI passed an order, dated 25 July 2019, in the matter of Lynx Optics Ltd. restraining and prohibiting the Noticee Company, from accessing the Securities Market and further prohibit it from buying, selling or otherwise dealing in securities, directly or indirectly in any manner, till the Noticee Company resolves the investor grievances pending against it.

*Disclaimer: The summary has been prepared for the convenience of readers. In case of any ambiguity, please refer to the original order.*