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Markets for You

03 Jun 2019

Indices Performance

Global Indices	31-May	Prev_Day	Abs. Change	% Change [#]
Dow Jones	24,815	25,170	-355	-1.41
Nasdaq	7,453	7,568	-115	-1.51
FTSE	7,162	7,218	-56	-0.78
Nikkei	20,601	20,943	-341	-1.63
Hang Seng	26,901	27,115	-214	-0.79
Indian Indices	31-May	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	39,714	39,832	-118	-0.30
Nifty 50	11,923	11,946	-23	-0.19
Nifty 100	12,028	12,038	-10	-0.08
Nifty Bank	31,375	31,537	-162	-0.51
SGX Nifty	11,937	11,947	-10	-0.08
S&P BSE Power	2,010	2,036	-26	-1.26
S&P BSE Small Cap	14,867	14,964	-97	-0.65
S&P BSE HC	13,305	13,326	-21	-0.16

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
31-May	29.01	1.19	29.49	1.22
Month Ago	28.96	1.19	29.33	1.12
Year Ago	23.19	1.14	27.19	1.23

Nifty 50 Top 3 Gainers

Company	31-May	Prev_Day	% Change [#]
Tech Mahindra	760	735	3.45
Asian Paints	1407	1375	2.38
TCS	2197	2146	2.34

Nifty 50 Top 3 Losers

Company	31-May	Prev_Day	% Change [#]
Yes Bank	148	155	-4.65
ITC	279	289	-3.50
Grasim Indus	886	911	-2.78

Advance Decline Ratio

	BSE	NSE
Advances	996	641
Declines	1592	1195
Unchanged	149	103

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-101	73979
MF Flows**	-1405	2471

*30th May 2019; **30th May 2019

Economic Indicator

YoY(%)	Current	Quarter Ago	Year Ago
CPI	2.92% (Apr-19)	2.11% (Dec-18)	4.58% (Apr-18)
IIP	-0.10% (Mar-19)	2.50% (Dec-18)	5.30% (Mar-18)
GDP	5.80% (Mar-19)	6.60% (Dec-18)	8.10% (Mar-18)

Since May-17, MOSPI has revised base year of IIP & WPI from 2004-05 to 2011-12, and for CPI from 2010 to 2012

Global Indices

- Asian equity markets were mostly lower because of escalating trade tensions and weak Chinese data. The U.S. President announced new tariffs on all goods coming from Mexico to curb illegal immigration to the U.S. The President said 5% increase in tariffs will begin from Jun 10, and the rate could slowly rise until the situation is resolved. Today (as of June 03), Asian markets opened on a lower note following declines in Wall Street in the last session and increasing concerns over global trade. Nikkei and Hangseng were trading down 1.03% and 0.32%, respectively (as at 8.a.m. IST).

- As per the last close, European markets closed lower after U.S. President announced plans to impose 5% tariff on all Mexican imports from Jun 10, 2019, thereby triggering worries of global recession.

- As per the last close, U.S markets closed lower after U.S. President revealed plans to use tariffs on Mexico beginning Jun 10, 2019. The announcement comes to compel Mexico to make efforts to stop the flow of illegal immigrants across the country. Further, downward revision to consumer sentiment index for May 2019 weighed on the indices.

Indian Equity Market

- Indian equity markets saw volatile trade wherein indices touched record highs during the session but still ended in the red. Investors became cautious ahead of the release of gross domestic data, scheduled later in the day. Global cues were also weak as the U.S. increased tariffs on Mexican imports to curb illegal immigration from the country.

- Key benchmark indices S&P BSE Sensex and Nifty 50 lost 0.30% and 0.19%, respectively, to close at 39,714.20 and 11,922.80, respectively. S&P BSE Mid-Cap gained 0.23%, while S&P BSE Small Cap lost 0.65%.

- The overall market breadth on BSE was weak with 996 scrips advancing and 1592 scrips declining. A total of 149 scrips remained unchanged.

- On the BSE sectoral front, S&P BSE Information Technology was the major gainer, up 1.19%, followed by S&P BSE Teck and S&P BSE Oil & Gas, up 1.07% and 0.88%, respectively. S&P BSE Power was the major loser, down 1.26%, followed by S&P BSE Metal and S&P BSE Fast Moving Consumer Goods, down 1.07% and 1.03%, respectively.

Domestic News

- Government data showed that the growth of the gross domestic product (GDP) of India's economy slowed to 5.8% in the quarter ended Mar 2019 from 6.6% in the previous quarter and 8.1% in the same period of the previous year. This was the slowest rate since the quarter ended Mar 2014. The growth of the economy thus slowed down from a growth rate of 8.0% in Q1FY19 to 7.0% in Q2FY19 and 6.6% in Q3FY19. For the entire fiscal, India's GDP grew 6.8%, slower than the growth of 7.2% in the previous fiscal which was also the slowest growth rate in the last five years. The gross value added (GVA), which is GDP less taxes, grew 5.7% in Q4FY19 from 6.3% in the previous quarter and 7.9% in the same period of the previous year.

- Government data showed that the Indian government was able to meet its interim budget fiscal deficit target of 3.4% for FY19 as India's fiscal deficit stood at 3.39% of GDP. This was made possible due to increase in non-tax revenue and lower expenditure. In absolute terms, non-Tax revenue for FY19 stood at Rs 2.46 lakh crore, a tad higher than Rs. 2.45 lakh crore in the revised estimates of budget. Total expenditure for FY19 stood at Rs. 23.11 lakh crore, lower than Rs. 24.57 lakh crore in the revised estimates of budget. The revenue deficit stood at 2.34 % of GDP while the effective revenue deficit was 1.33% of GDP. India's fiscal deficit for FY19 stood at Rs. 6.45 lakh crore as against Rs. 6.34 lakh crore in the revised estimates of budget.

- Government data showed that the growth in the index of eight core industries slowed to 2.6% in Apr-19 from 4.9% in the previous month and 4.7% in the same period of the previous year. The slowdown came as crude oil sector, natural gas sector and fertilizers sector witnessed a contraction of 6.9%, 0.8% and 4.4% respectively. The electricity sector witnessed a maximum growth of 5.8% followed by refinery products and coal which grew 5.8% and 2.8% respectively. The steel sector and the cement sector witnessed a growth of 1.5% and 0.8% respectively.

FII Derivative Trade Statistics		31-May	
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	9826.70	10560.87	34024.09
Index Options	188790.03	186297.03	72385.54
Stock Futures	35671.99	36463.73	90418.62
Stock Options	4943.62	4959.57	7019.97
Total	239232.34	238281.20	203848.22

Derivative Statistics- Nifty Options			
	31-May	Prev_Day	Change
Put Call Ratio (OI)	1.43	1.46	-0.03
Put Call Ratio(Vol)	1.00	0.94	0.06

Debt Watch				
	31-May	Wk. Ago	Mth. Ago	Year Ago
Call Rate	5.92%	5.88%	6.15%	5.94%
T-Repo	5.94%	5.92%	6.01%	NA
Repo	6.00%	6.00%	6.00%	6.00%
Reverse Repo	5.75%	5.75%	5.75%	5.75%
91 Day T-Bill	6.10%	6.21%	6.45%	6.40%
364 Day T-Bill	6.23%	6.34%	6.49%	6.90%
10 Year Gilt	7.03%	7.23%	7.41%	7.83%
G-Sec Vol. (Rs.Cr)	86184	58585	22574	19565
FBIL MIBOR	6.00%	6.05%	6.20%	5.99%
3 Month CP Rate	6.80%	6.90%	7.50%	7.95%
5 Year Corp Bond	8.06%	8.26%	8.46%	8.64%
1 Month CD Rate	6.38%	6.54%	7.36%	6.50%
3 Month CD Rate	6.47%	6.65%	7.40%	7.40%
1 Year CD Rate	7.20%	7.44%	7.63%	8.23%

Currency Market			
Currency	31-May	Prev_Day	Change
USD/INR	69.81	69.79	0.02
GBP/INR	88.01	88.17	-0.16
EURO/INR	77.73	77.71	0.02
JPY/INR	64.08	63.59	0.49

Commodity Prices				
Commodity	31-May	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	53.44	58.39	63.78	66.98
Brent Crude(\$/bl)	68.02	68.97	71.87	76.74
Gold(\$/oz)	1305	1285	1283	1298
Gold(Rs./10 gm)	32056	31591	31723	31026

Source: Thomson Reuters Eikon

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Mutual Fund Investments are subject to market risks, read all scheme related documents carefully.

Derivatives Market

- Nifty Jun 2019 Futures were at 11,916.50, a discount of 6.30 points, below the spot closing of 11,922.80. The turnover on NSE's Futures and Options segment decreased to Rs. 8,68,177.30 crore on May 31, 2019, compared with Rs. 23,70,654.07 crore on May 30, 2019.
- The Put-Call ratio stood at 0.91 compared with the previous session's close of 0.87.
- The Nifty Put-Call ratio stood at 1.43 compared with the previous session's close of 1.46.
- Open interest on Nifty Futures stood at 18.79 million as against the previous session's close at 26.68 million.

Indian Debt Market

- Bond yields declined with fall in crude oil prices which improved the inflation outlook. Besides, the outcome of the country's multi-phased general elections and hopes of liquidity infusion kept the bond market sentiment high.
- Yield on the 10-year benchmark paper (7.26% GS 2029) decreased 11 bps to 7.03% compared with the previous close of 7.14% after trading in a range of 7.03% to 7.10%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 9,956 crore (gross) on May 31, 2019, compared with Rs. 15,606 crore (gross) as on May 30, 2019.
- Banks did not borrow under the central bank's Marginal Standing Facility on May 30, 2019 compared with borrowing of Rs. 500 crore on May 29, 2019.

Currency Market Update

- The Indian rupee rose against the greenback following fall in global crude oil prices. However, renewed concerns of a global trade war capped the gains. The rupee closed at 69.68 a dollar, up 0.28% compared with the previous close of 69.87.
- The euro rose against the U.S. dollar amid reports that the senior policymakers in U.S. were discussing the possibility of rate cuts amid renewed concerns of a global trade war. The euro was last seen trading at 1.1151, up 0.19% compared with the previous close of 1.1130.

Commodity Market Update

- Gold prices edged higher on rising trade conflict between U.S. and China.
- Brent crude prices slipped with escalating trade tension between U.S. and China. Oil prices were last seen trading at \$68.37 per barrel, compared with the previous close of \$70.79 per ounce.

International News

- A Labor Department report showed a modest uptick in first-time claims for U.S. unemployment benefits in the week ended May 25, 2019. The report said initial jobless claims edged up to 215,000, an increase of 3,000 from the previous week's revised level of 212,000.
- Bank of England figures showed U.K. mortgage approvals increased more than expected in Apr 2019. The number of mortgage approvals for house purchase, a leading indicator of mortgage lending, rose to 66,261 from 62,559 in Mar 2019. The expected level was 63,500.

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Thank you for
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