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# Markets for You

## Indices Performance

Global Indices	03-Jun	Prev_Day	Abs. Change	% Change <sup>#</sup>
Dow Jones	24,827	24,815	12	0.05
Nasdaq	7,333	7,453	-120	-1.61
FTSE	7,178	7,162	16	0.22
Nikkei	20,411	20,601	-190	-0.92
Hang Seng	26,894	26,901	-7	-0.03
Indian Indices	03-Jun	Prev_Day	Abs. Change	% Change <sup>#</sup>
S&P BSE Sensex	40,268	39,714	553	1.39
Nifty 50	12,089	11,923	166	1.39
Nifty 100	12,191	12,028	163	1.35
Nifty Bank	31,654	31,375	278	0.89
SGX Nifty	12,108	11,937	171	1.43
S&P BSE Power	2,020	2,010	10	0.49
S&P BSE Small Cap	14,938	14,867	71	0.48
S&P BSE HC	13,426	13,305	120	0.91

## P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
3-Jun	28.89	1.18	29.90	1.20
Month Ago	28.86	1.18	29.24	1.12
Year Ago	23.23	1.14	27.09	1.23

## Nifty 50 Top 3 Gainers

Company	03-Jun	Prev_Day	% Change <sup>#</sup>
Hero Moto	2840	2680	5.97
Bajaj Auto	3035	2926	3.72
Asian Paints	1459	1407	3.69

## Nifty 50 Top 3 Losers

Company	03-Jun	Prev_Day	% Change <sup>#</sup>
GAIL	357	361	-0.98
Tech Mahindra	758	760	-0.36
ICICI Bank	423	424	-0.19

## Advance Decline Ratio

	BSE	NSE
Advances	1170	892
Declines	1445	935
Unchanged	154	119

## Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	994	77045
MF Flows**	516	2529

\*3<sup>rd</sup> Jun 2019; \*\*31<sup>st</sup> May 2019

## Economic Indicator

YoY(%)	Current	Quarter Ago	Year Ago
CPI	4.58% (Apr-18)	5.07% (Jan-17)	2.99% (Mar-17)
IIP	4.40% (Mar-18)	7.10% (Dec-17)	4.10% (Mar-17)
GDP	7.70% (Mar-18)	7.00% (Dec-17)	6.10% (Mar-17)

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

## Global Indices

- Asian markets largely remained low as worries over U.S.-China trade worries kept investors wary. In addition, U.S. President's threat to impose tariffs on all Mexican imports weighed on investor sentiment. Today (as of June 04), Asian markets opened almost on a lower note as investors remained cautiously amid ongoing global trade tensions. Nikkei and Hangseng were trading down 0.33% and 0.07%, respectively (as at 8.a.m. IST).
- As per the last close, European markets closed almost higher post volatile session amid bargain hunting. Strength in chemicals and basic resources stocks boosted the indices. However, fall in eurozone's factory Purchasing Managers' Index in May weighed on market sentiment.
- As per the last close, U.S markets closed on a mixed note. Technology (Tech) stocks came under pressure on reports of antitrust investigations involving some top tech companies. Further, trade concerns continue to weigh on the markets. However, gains in gold, chemical and steel stocks boosted the indices.

## Indian Equity Market

- India equity markets closed in the green while surpassing the 40,000 mark, thereby marking a record high. Expectations of a rate cut in the upcoming bi-monthly monetary policy decision on Jun 6, 2019 boosted the indices. Further, decline in crude oil prices amid concerns of escalating trade war tensions buoyed market sentiment as it eased worries on fiscal deficit.
- Gains were extended on foreign fund inflows on expectations of more business-friendly measures post outcome of general elections last week. Also, market sentiment improved following surge in Nikkei Manufacturing PMI to 3-month high in May 2019. Further, market expectations that the government would take measures to boost economic growth supported buying interest.
- Key benchmark indices S&P BSE Sensex and Nifty 50 each grew 1.39% to close at 40,267.62 and 12,088.55, respectively. S&P BSE Mid-Cap and S&P BSE Small Cap grew 0.90% and 0.48%, respectively.
- The overall market breadth on BSE was weak with 1,445 scrips declining and 1,170 scrips advancing. A total of 154 scrips remained

## Domestic News

- The Nikkei India Manufacturing Purchasing Managers' Index (PMI) grew to 52.7 in May 2019 from 51.8 in Apr 2019. This marked a three-month high. The upside was driven by improved output and new orders amid strengthening demand conditions, thereby leading to further job creation in the sector. Manufacturing PMI has remained above the 50-point mark for the 22nd consecutive month.
- According to the Reserve Bank of India (RBI), around 6,800 cases of bank fraud involving Rs. 71,500 crore have been reported in FY19 whereas 5,916 cases were reported involving Rs. 41,167.03 crore in FY18. In the last 11 fiscal years, a total of 53,334 such cases were reported by banks involving a huge amount of Rs. 2.05 lakh crore.
- According to media reports, merger and acquisition (M&A) activity in the domestic country fell sharply in the quarter Jan-Mar 2019 due to subdued global deal market and uncertainty around general election results. According to a report, the M&A activity fell to 242 deals with \$9.9 billion from 260 deals with a disclosed deal value of \$21.6 billion in the year-ago period. However, the deal environment is expected to improve going forward and 66% of the Indian executives are expected to actively pursue M&A in next year.
- According to the media reports, the government is set to offer additional foodgrains at subsidised rates. Also, it is planning to add one kilo of sugar to the monthly ration for beneficiaries under the National Food Security Act (NFSA). Additionally, in the next few days, the Union Cabinet is expected to decide on providing additional 2 kg grains to every beneficiary on a monthly basis under NFSA. The move is expected to boost the monthly quota to 7 kgs. The announcement comes in order to offload massive stocks piled up in granaries due to a liberal support price regime.
- According to the media reports, a government official has stated that alternative mechanism first put in place by the previous ruling party's administration will soon be reactivated. This comes in order to accelerate strategic sales. The mechanism includes select ministers that have the power to decide on the timing, price and amount of shares of a state-run company to be put on the block for outright sale.

FII Derivative Trade Statistics 03-Jun			
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	4201.63	4606.22	18431.43
Index Options	182864.25	180171.24	49601.79
Stock Futures	18667.22	16236.23	86203.16
Stock Options	5339.81	5288.58	2964.94
<b>Total</b>	<b>211072.91</b>	<b>206302.27</b>	<b>157201.32</b>

Derivative Statistics- Nifty Options			
	03-Jun	Prev_Day	Change
Put Call Ratio (OI)	1.43	1.76	-0.33
Put Call Ratio(Vol)	1.00	1.03	-0.03

Debt Watch				
	03-Jun	Wk. Ago	Mth. Ago	Year Ago
Call Rate	5.85%	5.94%	6.03%	5.98%
T-Repo	5.79%	5.95%	5.83%	5.98%
Repo	6.00%	6.00%	6.00%	6.00%
Reverse Repo	5.75%	5.75%	5.75%	5.75%
91 Day T-Bill	6.04%	6.20%	6.44%	6.43%
364 Day T-Bill	6.13%	6.30%	6.51%	6.86%
10 Year Gilt	6.98%	7.17%	7.39%	7.85%
G-Sec Vol. (Rs.Cr)	75172	71666	29579	15457
FBIL MIBOR*	6.00%	6.00%	6.18%	6.05%
3 Month CP Rate	6.75%	6.85%	7.70%	8.05%
5 Year Corp Bond	7.97%	8.19%	8.48%	8.62%
1 Month CD Rate	6.32%	6.46%	7.03%	6.59%
3 Month CD Rate	6.38%	6.56%	7.23%	7.58%
1 Year CD Rate	7.04%	7.38%	7.64%	8.25%

Currency Market			
Currency	31-May	Prev_Day	Change
USD/INR	69.81	69.79	0.03
GBP/INR	88.01	88.17	-0.18
EURO/INR	77.73	77.71	0.02
JPY/INR	0.64	0.64	0.77

Commodity Prices				
Commodity	03-Jun	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	54.13	58.39	61.93	65.81
Brent Crude(\$/bl)	65.68	68.97	72.09	74.48
Gold( \$/oz)	1315	1285	1279	1293
Gold(Rs./10 gm)	32206	31708	31220	30764

Source: Thomson Reuters Eikon \*As on previous trading day

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### Derivatives Market

- Nifty Jun 2019 Futures were at 12,104.45, a premium of 15.90 points, above the spot closing of 12,088.55. The turnover on NSE's Futures and Options segment rose to Rs. 17,16,927.30 crore on Jun 3, 2019, compared with Rs. 8,68,177.30 crore on May 31, 2019.
- The Put-Call ratio stood at 0.89 compared with the previous session's close of 0.91.
- The Nifty Put-Call ratio stood at 1.76 compared with the previous session's close of 1.43.
- Open interest on Nifty Futures stood at 20.59 million as against the previous session's close at 18.79 million.

### Indian Debt Market

- Bond yields declined with plunge in crude oil prices and slowdown in the domestic economic growth. This raised expectations of monetary easing with the market anticipating a rate cut at the upcoming monetary policy meeting.
- Yield on the 10-year benchmark paper (7.26% GS 2029) decreased 5 bps to 6.98% compared with the previous close of 7.03% after trading in a range of 6.94% to 7.01%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 4,341 crore (gross) on Jun 3, 2019, compared with Rs. 9,956 crore (gross) as on May 31, 2019. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 12,091 crore on May 31, 2019.

### Currency Market Update

- The Indian rupee rose against the greenback following gains in the domestic equity market and fall in global crude oil prices. The rupee closed at 69.26 a dollar, up 0.60% compared with the previous close of 69.68.
- The euro rose against the U.S. dollar after data showed that the U.S. Manufacturing PMI fell to 52.1 in May 2019 from 52.8 in Apr 2019. The euro was last seen trading at 1.1205, up 0.34% compared with the previous close of 1.1167.

### Commodity Market Update

- Gold prices continued to edge higher after U.S. increased tariffs on Mexican imports.
- Brent crude prices plunged with deepening trade worries between U.S. and China. This raised concerns over global growth and dampens the demand outlook for oil.

### International News

- According to survey data from IHS Markit/Chartered Institute of Procurement & Supply, U.K. manufacturing Purchasing Managers' Index (PMI) unexpectedly plunged to 49.4 in May 2019 from 53.1 in Apr 2019. Overseas customers are switching their supply chains away from the U.K. due to uncertainty of Brexit.
- According to survey data from IHS Markit, China's manufacturing PMI remained steady at 50.2 in May 2019 compared with the previous month. Despite, escalating trade tension, manufacturing activity continued to log a moderate growth.

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