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# Markets for You

## Indices Performance

Global Indices	07-Jun	Prev_Day	Abs. Change	% Change <sup>#</sup>
Dow Jones	25,984	25,721	263	1.02
Nasdaq	7,742	7,616	127	1.66
FTSE	7,332	7,260	72	0.99
Nikkei	20,885	20,774	111	0.53
Hang Seng	Closed	26,965	NA	NA
Indian Indices	07-Jun	Prev_Day	Abs. Change	% Change <sup>#</sup>
S&P BSE Sensex	39,616	39,530	86	0.22
Nifty 50	11,871	11,844	27	0.23
Nifty 100	11,957	11,933	24	0.20
Nifty Bank	31,067	30,857	209	0.68
SGX Nifty	11,916	11,885	32	0.27
S&P BSE Power	1,995	2,010	-15	-0.75
S&P BSE Small Cap	14,657	14,673	-16	-0.11
S&P BSE HC	13,039	13,108	-69	-0.53

## P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
7-Jun	28.16	1.21	29.36	1.23
Month Ago	28.16	1.21	28.73	1.14
Year Ago	23.12	1.14	27.27	1.23

## Nifty 50 Top 3 Gainers

Company	07-Jun	Prev_Day	% Change <sup>#</sup>
Bharti Infratel	280	274	2.25
IndusInd Bank	1552	1523	1.94
Tech Mahindra	751	738	1.73

## Nifty 50 Top 3 Losers

Company	07-Jun	Prev_Day	% Change <sup>#</sup>
Dr.Reddy	2581	2657	-2.88
Yes Bank	140	143	-2.44
Power Grid	192	195	-1.89

## Advance Decline Ratio

	BSE	NSE
Advances	1038	710
Declines	1452	1125
Unchanged	131	100

## Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-1566	77966
MF Flows**	-403	1174

\*7<sup>th</sup> Jun 2019; \*\*6<sup>th</sup> Jun 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 equity markets gained after media reports stated that U.S. could delay tariffs on Mexican imports. Sentiment was supported as investors looked forward to the U.S. jobs data for May 2019, scheduled to be released later in the day. The data would give markets some clue on the prospects for a near-term interest rate cut by the U.S. Federal Reserve. Today (as of Jun 10), Asian markets opened higher after U.S. President announced that no tariffs would be imposed on Mexican goods as U.S. and Mexico have reached a deal. Both Nikkei and Hang Seng were trading up 0.98% and 0.94%, respectively (as at 8.a.m. IST).
- As per the last close, European markets closed higher amid chances of rate cut by the U.S. Federal Reserve following disappointing jobs data in May 2019. Also, hopes that the U.S. will delay imposition of tariffs on Mexican goods further added to the gains.
- As per the last close, U.S markets closed higher as disappointing jobs data for the month of May 2019 increased the chances of rate cut by the U.S. Federal Reserve in the near term.

## Indian Equity Market

- Indian equity markets managed to end in the green in a volatile session. The sentiment remained subdued after the Reserve Bank of India a day before had reduced its growth forecast for the economy and not given any direction on the liquidity crunch in the system. Positive global cues supported the markets as media reports suggested that U.S. and Mexico are nearing a trade deal.
- Key benchmark indices S&P BSE Sensex and Nifty 50 increased 0.22% and 0.23% to close at 39,615.90 and 11,870.65, respectively. S&P BSE Mid-Cap and S&P BSE Small Cap fell 0.17% and 0.11%, respectively.
- The overall market breadth on BSE was weak with 1,038 scrips advancing and 1,452 scrips declining. A total of 131 scrips remained unchanged.
- On the BSE sectoral front, S&P BSE Telecom was the major gainer, up 0.79%, followed by S&P BSE Finance and S&P BSE Consumer Durables, up 0.66% and 0.64%, respectively. S&P BSE Utilities was the major loser, down 1.29%, followed by S&P BSE Power and S&P BSE Energy, which fell 0.75% and 0.57%, respectively. S&P BSE Realty and S&P BSE Healthcare fell 0.53% each.

## Domestic News

- The Reserve Bank of India (RBI) has issued revised circular on resolution of stressed loans. On Apr 2, 2019, the Supreme Court had squashed RBI's Feb 12, 2018 circular whereby it had made compulsory for the lenders to initiate resolution or restructuring of loans even if the default was recorded for a single day. It has now revised 1-day default norm. It has now stated that the lenders should review the accounts within 30 days of default and initiate a resolution plan before the default. Further, as per the revised circular, lenders should follow a policy approved by the board for resolution of bad loans. It has now permitted approval of 75% of creditors for the resolution as against earlier norm of 100%. Also, it has been made compulsory that an inter-creditor agreement should be signed by all lenders, that will provide for a majority decision making criteria and the lenders will have complete discretion to design, implement resolution plan.
- The Reserve Bank of India (RBI) mandated the minimum leverage ratio at 3.5% for all Indian banks and 4% for systemically important banks. The objective of the move is to maintain financial stability of the country and maintain synchronisation with Basel III standards. Instructions regarding the same would be issued by the end of Jun 2019.
- According to the media reports, Niti Ayog has identified more than 50 assets including land and industrial plants of state-owned enterprises that could be put on the block. A government official stated that they are looking at the asset monetisation and Niti Ayog has shared a list with the Department of Investment and Public Asset Management. The official stated that the list will help the admini
- According to Exim Bank, merchandise exports are likely to grow at a low 2.5% to \$84 billion in the quarter ended Jun 30, 2019. Non-oil exports are expected to grow 4.2% to \$73 billion in the same period.

FII Derivative Trade Statistics		07-Jun	
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	4026.31	5499.57	21166.51
Index Options	380490.89	375499.83	52575.67
Stock Futures	16081.25	16292.21	86608.68
Stock Options	5605.05	5634.65	3991.67
Total	406203.50	402926.26	164342.53

Derivative Statistics- Nifty Options			
	07-Jun	Prev_Day	Change
Put Call Ratio (OI)	1.32	1.05	0.28
Put Call Ratio(Vol)	0.86	0.86	0.01

Debt Watch				
	07-Jun	Wk. Ago	Mth. Ago	Year Ago
Call Rate	5.69%	5.92%	5.94%	6.03%
T-Repo	5.74%	5.94%	5.81%	5.95%
Repo	5.75%	6.00%	6.00%	6.25%
Reverse Repo	5.50%	5.75%	5.75%	6.00%
91 Day T-Bill	5.91%	6.10%	6.43%	6.48%
364 Day T-Bill	6.05%	6.23%	6.49%	6.99%
10 Year Gilt	6.97%	7.03%	7.38%	7.99%
G-Sec Vol. (Rs.Cr)	48346	86184	37555	43352
FBIL MIBOR	5.80%	6.00%	6.05%	6.11%
3 Month CP Rate	6.60%	6.80%	7.80%	7.80%
5 Year Corp Bond	7.91%	8.00%	8.50%	8.75%
1 Month CD Rate	5.77%	6.38%	6.88%	7.11%
3 Month CD Rate	6.13%	6.47%	7.22%	7.26%
1 Year CD Rate	7.12%	7.20%	7.44%	8.38%

Currency Market			
Currency	06-Jun	Prev_Day	Change
USD/INR	69.30	69.32	-0.03
GBP/INR	88.02	87.87	0.17
EURO/INR	78.07	77.82	0.32
JPY/INR	63.92	0.64	9868.81

Commodity Prices				
Commodity	07-Jun	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	53.90	53.44	61.36	65.96
Brent Crude(\$/bl)	65.54	68.02	70.87	74.32
Gold( \$/oz)	1340	1305	1284	1297
Gold(Rs./10 gm)	32607	32056	31496	30690

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 11,900.75, a premium of 30.10 points, above the spot closing of 11,870.65. The turnover on NSE's Futures and Options segment decreased to Rs. 9,43,058.86 crore on Jun 7, 2019, compared with Rs. 24,74,906.96 crore on Jun 6, 2019.
- The Put-Call ratio stood at 0.85 compared with the previous session's close of 0.80.
- The Nifty Put-Call ratio stood at 1.32 compared with the previous session's close of 1.05.
- Open interest on Nifty Futures stood at 19.53 million as against the previous session's close at 20.23 million.

**Indian Debt Market**

- Bond yields rose after market participant resorted to profit booking and crude oil prices surged. In addition, the weekly debt auction increased the overall supply and pushed the yield higher.
- Yield on the 10-year benchmark paper (7.26% GS 2029) rose 4 bps to 6.97% compared with the previous close of 6.93% after trading in a range of 6.95% to 6.99%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 7,117 crore (gross) on Jun 7, 2019, compared with Rs. 4,256 crore (gross) as on Jun 6, 2019. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 18,387 crore on Jun 6, 2019.
- Banks borrowed Rs. 2,231 crore under the central bank's Marginal Standing Facility on Jun 6, 2019 compared with borrowings of Rs. 1,950 crore on Jun 4, 2019.

**Currency Market Update**

- The Indian rupee was initially up in early hours of trade on dollar weakness. However, the domestic currency relinquished all gains on dollar demand by importers. The rupee closed at 69.47 a dollar, down 0.30% compared with the previous close of 69.27.
- The euro was marginally down following the European Central Bank's policy review where it ruled out all hopes of policy rate hike in the upcoming year. The euro was last seen trading at 1.1265, down 0.08% compared with the previous close of 1.1274.

**Commodity Market Update**

- Gold prices were steady to marginally lower ahead of the release of the U.S. job report.
- Brent crude prices extended gains from the prior session on support from OPEC and its allies' who signalled an extension of their production cut plan through the second half of the year.

**International News**

- Institute for Supply Management report showed an increase in its non-manufacturing index. The ISM non-manufacturing index climbed to 56.9 in May after falling to 55.5 in Apr 2019, with a reading above 50 indicating growth in service sector activity. The increase by the non-manufacturing index beat expectations.
- The European Central Bank (ECB) expects its interest rates to remain unchanged for a longer period than forecast earlier as downside risks to the euro area outlook intensify amid escalating global trade tensions. The Governing Council, led by ECB President, left the key interest rates unchanged.



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