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Markets for You

11 Jun 2019

Indices Performance

Global Indices	10-Jun	Prev_Day	Abs. Change	% Change [#]
Dow Jones	26,063	25,984	79	0.30
Nasdaq	7,823	7,742	81	1.05
FTSE	7,376	7,332	44	0.59
Nikkei	21,134	20,885	250	1.20
Hang Seng	27,579	26,965	613	2.27
Indian Indices	10-Jun	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	39,785	39,616	169	0.43
Nifty 50	11,923	11,871	52	0.44
Nifty 100	12,007	11,957	50	0.42
Nifty Bank	31,034	31,067	-33	-0.10
SGX Nifty	11,928	11,916	12	0.10
S&P BSE Power	2,003	1,995	8	0.38
S&P BSE Small Cap	14,585	14,657	-73	-0.49
S&P BSE HC	13,091	13,039	52	0.40

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
10-Jun	28.27	1.20	29.49	1.22
Month Ago	28.44	1.23	28.14	1.17
Year Ago	22.91	1.15	27.27	1.23

Nifty 50 Top 3 Gainers

Company	10-Jun	Prev_Day	% Change [#]
Tech Mahindra	768	751	2.32
TCS	2232	2182	2.28
Infosys	754	739	1.95

Nifty 50 Top 3 Losers

Company	10-Jun	Prev_Day	% Change [#]
BPCL	390	403	-3.31
Yes Bank	136	140	-2.86
Coal India	259	266	-2.35

Advance Decline Ratio

	BSE	NSE
Advances	985	701
Declines	1636	1143
Unchanged	162	98

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-385	77581
MF Flows**	80	1254

*10th Jun 2019; **7th Jun 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 markets edged higher as weak U.S. jobs data continued to boost speculation over probable rate cut by U.S. Federal Reserve. Buying interest found additional support after U.S. President announced that the government would drop plans for tariffs on Mexico in return for more stringent efforts to control illegal border crossings. Today (as of Jun 11), Asian markets opened higher following overnight gains in U.S. Wall Street after U.S. President suspended tariffs on all Mexican goods. Both Nikkei and Hang Seng were trading up 0.18% and 0.05%, respectively (as at 8.a.m. IST).
- As per the last close, European markets closed higher after U.S. President indefinitely suspended tariffs on all Mexican goods. Unexpected growth in China's export for the month of May 2019 despite higher U.S. tariffs further boosted the markets.
- As per the last close, U.S markets closed higher after U.S. President announced that no tariffs would be imposed on Mexican goods as U.S. and Mexico have reached a deal.

Indian Equity Market

- Indian equity markets gained on positive global cues. The U.S. administration said it has "indefinitely suspended" tariffs on all Mexican goods, ending investors' worries over the trade war engulfing more countries. Also, China's exports unexpectedly gained in May 2019 in spite of the higher U.S. tariffs.
- Key benchmark indices S&P BSE Sensex and Nifty 50 gained 0.43% and 0.44%, respectively, to close at 39,784.52 and 11,922.70, respectively. S&P BSE Mid-Cap gained 0.11% and S&P BSE Small Cap lost 0.49%.
- The overall market breadth on BSE was weak with 985 scrips advancing and 1636 scrips declining. A total of 162 scrips remained unchanged.
- On the BSE sectoral front, S&P BSE Information Technology was the major gainer, up 1.78%, followed by S&P BSE Teck, up 1.61%, and S&P BSE Fast Moving Consumer Goods, up 1.1%. S&P BSE Capital Goods and S&P BSE Telecom gained 0.74% and 0.61%, respectively. S&P BSE Oil & Gas was the major loser, down 1.2%, followed by S&P BSE Energy and S&P BSE Finance, down 0.38% and 0.22%, respectively.

Domestic News

- The Reserve Bank of India (RBI) came out with revised norms regarding resolution of non-performing assets or stressed assets. According to the new norms, RBI mandated that in case a borrower defaults on its payments, banks need to conduct a prima facie review of the borrower's account within 30 days from the date of default. During this period, banks may decide as to what resolution strategy it needs to adopt and how it will be implemented. Banks can also initiate legal proceedings for insolvency or recovery. Earlier RBI mandated banks to recognize stressed assets immediately on default which was rejected by the Supreme Court on grounds that the time given by RBI was insufficient to tackle bad debt.
- According to a major global credit rating agency, RBI's new framework for resolution of stressed assets is credit positive for the Indian economy as it harps on timely resolution of non-performing assets and building up provisions against such bad assets. However, the credit rating agency also warned that slower than expected progress under the Insolvency and Bankruptcy Code may hinder the timely resolution of non performing assets and thus the cleanup of the balance sheets of banks may take another two to three years.
- According to media reports, the Ministry of Micro, Small and Medium Enterprises (MSMEs) is considering up setting up enterprise facilitation centres across the country. The objective of the move is to make MSMEs more competitive by providing them assistance and helping them integrate with the big enterprises. Such enterprises will provide information to MSMEs and detect difficulties that are faced by them. All this will help MSMEs in reducing the risk and secure funding from banks.
- The Commerce and Industry Minister expressed concerns over the slowdown in global trade and investment as it has an impact on the economic growth of the country. The minister on a separate not also advocated for a reciprocal market access for Indian products.

FII Derivative Trade Statistics		10-Jun		
(Rs Cr)	Buy	Sell	Open Int.	
Index Futures	2978.60	3265.88	20805.09	
Index Options	208836.10	208384.34	53655.65	
Stock Futures	12487.66	12180.47	85898.03	
Stock Options	5251.77	5195.98	4284.18	
Total	229554.13	229026.67	164642.95	

Derivative Statistics- Nifty Options			
	10-Jun	Prev_Day	Change
Put Call Ratio (OI)	1.36	1.32	0.04
Put Call Ratio(Vol)	0.95	0.86	0.09

Debt Watch				
	10-Jun	Wk. Ago	Mth. Ago	Year Ago
Call Rate	5.69%	5.85%	5.95%	6.02%
T-Repo	5.71%	5.79%	5.96%	NA
Repo	5.75%	6.00%	6.00%	6.25%
Reverse Repo	5.50%	5.75%	5.75%	6.00%
91 Day T-Bill	5.87%	6.04%	6.43%	6.45%
364 Day T-Bill	6.02%	6.13%	6.50%	6.99%
10 Year Gilt	7.08%	6.98%	7.41%	7.95%
G-Sec Vol. (Rs.Cr)	56839	75172	25102	36801
FBIL MIBOR*	5.80%	6.00%	6.05%	6.11%
3 Month CP Rate	6.65%	6.75%	7.70%	7.80%
5 Year Corp Bond	8.11%	7.95%	8.57%	8.75%
1 Month CD Rate	5.68%	6.32%	6.78%	7.12%
3 Month CD Rate	6.37%	6.38%	7.29%	7.09%
1 Year CD Rate	7.15%	7.04%	7.63%	8.39%

Currency Market			
Currency	07-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	0.64	0.64	-0.31

Commodity Prices				
Commodity	10-Jun	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	53.28	53.20	61.60	65.77
Brent Crude(\$/bl)	65.75	64.45	72.07	74.20
Gold(\$/oz)	1328	1325	1286	1298
Gold(Rs./10 gm)	32527	32206	31751	31027

Source: Thomson Reuters Eikon *As on previous trading day

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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 11,933.80, a premium of 11.10 points, above the spot closing of 11,922.70. The turnover on NSE's Futures and Options segment increased to Rs. 9,48,238.46 crore on Jun 10, 2019, compared with Rs. 9,43,058.86 crore on Jun 7, 2019.
- The Put-Call ratio stood at 0.99 compared with the previous session's close of 0.85.
- The Nifty Put-Call ratio stood at 1.36 compared with the previous session's close of 1.32.
- Open interest on Nifty Futures stood at 19.53 million, same as in the previous session's close.

Indian Debt Market

- Bond yields saw a steep surge with rise in crude oil prices after the Organization of the Petroleum Exporting Countries (OPEC) expressed their intentions to extend the production cut beyond Jun 2019 to support the commodity's price.
- Yield on the 10-year benchmark paper (7.26% GS 2029) rose 11 bps to 7.08% compared with the previous close of 6.97% after trading in a range of 6.97% to 7.08%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 8,872 crore (gross) on Jun 10, 2019, compared with Rs. 7,117 crore (gross) as on Jun 7, 2019. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 24,416 crore on Jun 7, 2019.
- Banks borrowed Rs. 2,654 crore under the central bank's Marginal Standing Facility on Jun 7, 2019 compared with borrowings of Rs. 2,231 crore on Jun 6, 2019.

Currency Market Update

- The Indian rupee depreciated against the greenback after state-run banks stepped up dollar purchases following surge in crude oil prices.
- The euro was down after U.S. and Mexico found a resolution to their tariff war, which boosted dollar and weighed on the single currency. In addition, European Central Bank's discussion on a policy rate cut should the bloc economy slowdown also adversely impacted the common currency.

Commodity Market Update

- Gold prices were down following China's better-than-expected trade numbers amid the ongoing U.S.-China trade conflict.
- Brent crude prices extended gains from the prior session, receiving support from OPEC and its allies' production cut stance, which is expected to extend beyond Jun 2019.

International News

- A report from the U.S. Federal Reserve showed that consumer credit in U.S. grew more than expected in Apr-19. Consumer credit surged up by \$17.5 billion in Apr-19 after climbing by an upwardly revised \$11.0 billion in Mar-19 (\$10.3 billion increase originally reported for the previous month).
- Data from the People's Bank of China showed that China's foreign exchange reserves increased in May. Foreign exchange reserves grew \$6 billion to \$3.101 trillion in May.

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