

Markets for You

08 Apr 2020

Good gets *better*

| Indices Performance | | | | |
|---------------------|--------|----------|-------------|-----------------------|
| Global Indices | 07-Apr | Prev_Day | Abs. Change | % Change [#] |
| Russell 3000 | 1,241 | 1,246 | -5 | -0.44 |
| Nasdaq | 7,887 | 7,913 | -26 | -0.33 |
| FTSE | 5,704 | 5,582 | 122 | 2.19 |
| Nikkei | 18,950 | 18,576 | 374 | 2.01 |
| Hang Seng | 24,253 | 23,749 | 504 | 2.12 |
| Indian Indices | 07-Apr | Prev_Day | Abs. Change | % Change [#] |
| S&P BSE Sensex | 30,067 | 27,591 | 2,476 | 8.97 |
| Nifty 50 | 8,792 | 8,084 | 708 | 8.76 |
| Nifty 100 | 8,935 | 8,240 | 694 | 8.43 |
| Nifty 500 | 7,149 | 6,638 | 511 | 7.69 |
| Nifty Bank | 19,063 | 17,249 | 1,813 | 10.51 |
| S&P BSE Power | 1,373 | 1,331 | 42 | 3.13 |
| S&P BSE Small Cap | 9,797 | 9,409 | 388 | 4.13 |
| S&P BSE HC | 13,504 | 12,395 | 1,109 | 8.95 |

| P/E Dividend Yield | | | | |
|--------------------|--------|------------|-------|------------|
| Date | Sensex | | Nifty | |
| | P/E | Div. Yield | P/E | Div. Yield |
| 7-Apr | 18.44 | 1.43 | 19.81 | 1.73 |
| Month Ago | 22.83 | 1.18 | 25.01 | 1.39 |
| Year Ago | 27.99 | 1.14 | 29.12 | 1.13 |

| Nifty 50 Top 3 Gainers | | | |
|------------------------|--------|----------|-----------------------|
| Company | 07-Apr | Prev_Day | % Change [#] |
| IndusInd Bank | 384 | 313 | 22.56 |
| Axis Bank | 389 | 325 | 19.48 |
| Hindalco | 104 | 89 | 17.06 |

| Nifty 50 Top 3 Losers | | | |
|-----------------------|--------|----------|-----------------------|
| Company | 07-Apr | Prev_Day | % Change [#] |
| NA | | | |
| NA | | | |
| NA | | | |

| Advance Decline Ratio | | |
|-----------------------|------|------|
| | BSE | NSE |
| Advances | 1843 | 1555 |
| Declines | 544 | 337 |
| Unchanged | 189 | 102 |

| Institutional Flows (Equity) | | |
|------------------------------|----------------|--------|
| Description (Cr) | Inflow/Outflow | YTD |
| FII Flows* | -2248 | -54080 |
| MF Flows** | 2709 | 39524 |

*7th Apr 2020; **30th Mar 2020

| Economic Indicator | | | |
|--------------------|-------------------|--------------------|-------------------|
| YoY(%) | Current | Quarter Ago | Year Ago |
| CPI | 6.58% (Feb-20) | 5.54% (Nov-19) | 2.57% (Feb-19) |
| IIP | 2.00% (Jan-20) | -6.60% (Oct-19) | 1.60% (Jan-19) |
| GDP | 4.70% (Dec-19) | 5.10% (Sep-19) | 5.60% (Dec-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

[1] Data as on 03 Apr 2020

Global Indices

- Asian markets ended the session in the green amid signs of slowdown of coronavirus spread and on expectations of more central bank and government stimulus round the globe to counter the economic fallout from the pandemic. Today (as on Apr 8), markets slipped in the early trade as various countries in the region put measures in place to battle the coronavirus pandemic. Both Nikkei and Hang Seng traded down 0.78% and 0.26% (as at 8.a.m. IST), respectively.
- European markets witnessed buying spree amid hopes that the region could be seeing a containment in the coronavirus outbreak. Meanwhile, investors are focusing on the upcoming meeting of the euro zone finance ministers, to discuss additional funding support for the 19-member currency bloc.
- U.S. markets fell as initial buying interest seen following news of slowdown in the spread of coronavirus was overshadowed after New York Governor revealed that coronavirus deaths in the state spiked by 731 on Apr 7, reflecting the biggest one-day increase.

Indian Equity Market

- Indian equity markets surged nearly 9% mid global optimism that the spread of the coronavirus is slowing down. Investors are now keenly awaiting government's plan to ease the lockdown. Investors are expecting that the government may consider a phased exit from the national lockdown.
- Key benchmark indices S&P BSE Sensex and Nifty 50 gained 8.97% and 8.76% to close at 30,067.21 and 8,792.20 respectively. S&P BSE MidCap and S&P BSE SmallCap gained 5.4% and 4.13% respectively.
- The overall market breadth on BSE was strong with 1,843 scrips advancing and 544 scrips declining. A total of 189 scrips remained unchanged.
- On the BSE sectoral front, all sectors gained. S&P BSE Bankex was the major gainer, up 10.7%, followed by S&P BSE Energy and S&P BSE Auto, up 10.02% and 9.49%, respectively. S&P BSE Telecom and S&P BSE Healthcare gained 9.4% and 8.95% respectively.

Domestic News

- According to a former finance secretary, central government may require to borrow 2-2.5% of GDP or about Rs. 4 to 5 lakh crore additionally to support people and businesses impacted by the coronavirus outbreak and nationwide lockdown. He suggested to borrow this amount directly from the RBI instead of borrowing from the market. Hence he added, the FRBM (Fiscal Responsibility and Budget Management) Act should be amended to enable this.
- The Reserve Bank of India has eased overdraft facilities to India states and Union Territories help them tide over their cash flow mismatches. States can now avail overdraft facilities of 21 working days as compared to the current 14 working days. In a quarter, State/ Union Territories overdraft facility has been increased to 50 working days from the current stipulation of 36 working days. The arrangement will remain valid till 30 Sep 2020.
- According to an International Labour Organisation (ILO) report, India's informal sector workers can be pushed into deep poverty as Covid-19 crisis led to lockdown and other containment measures, will affecting jobs and earnings. India is among the countries less prepared to handle the situation according to ILO.
- According to a Niti Aayog member, government has taken several measures to protect farmers from any adverse impact of the ongoing lockdown. The farm sector is expected to report a growth of little more than 3% in FY20.

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

| FII Derivative Trade Statistics | | 07-Apr | |
|---------------------------------|----------|----------|-----------|
| (Rs Cr) | Buy | Sell | Open Int. |
| Index Futures | 4168.69 | 3890.13 | 7545.53 |
| Index Options | 64623.32 | 64171.14 | 27862.73 |
| Stock Futures | 11348.85 | 11658.77 | 60684.07 |
| Stock Options | 714.03 | 689.82 | 716.76 |
| Total | 80854.89 | 80409.86 | 96809.09 |

| Derivative Statistics- Nifty Options | | | |
|--------------------------------------|--------|----------|--------|
| | 07-Apr | Prev_Day | Change |
| Put Call Ratio (OI) | 1.45 | 1.18 | 0.27 |
| Put Call Ratio(Vol) | 0.82 | 0.90 | -0.08 |

| Debt Watch | | | | |
|---------------------------|--------|---------|----------|----------|
| | 07-Apr | Wk. Ago | Mth. Ago | Year Ago |
| Call Rate | 4.20% | 4.29% | 4.98% | 5.98% |
| T-Repo | 2.69% | 0.55% | 4.88% | 5.77% |
| Repo | 4.40% | 4.40% | 5.15% | 6.00% |
| Reverse Repo | 4.00% | 4.00% | 4.90% | 5.75% |
| 91 Day T-Bill | 4.10% | 4.00% | 4.88% | 6.18% |
| 364 Day T-Bill | 4.50% | 4.45% | 5.00% | 6.30% |
| 10 Year Gilt | 6.42% | 6.14% | 6.18% | 7.35% |
| G-Sec Vol. (Rs.Cr) | 9911 | 27608 | 75493 | 39093 |
| FBIL MIBOR ^[1] | 4.61% | 4.81% | 5.15% | 6.04% |
| 3 Month CP Rate | 6.00% | 5.80% | 5.55% | 6.80% |
| 5 Year Corp Bond | 7.34% | 7.13% | 6.75% | 8.38% |
| 1 Month CD Rate | 4.16% | 4.69% | 5.16% | 6.54% |
| 3 Month CD Rate | 4.39% | 4.95% | 5.34% | 6.65% |
| 1 Year CD Rate | 5.13% | 5.12% | 5.66% | 7.11% |

| Currency Market | | | |
|-----------------|--------|----------|--------|
| Currency | 07-Apr | Prev_Day | Change |
| USD/INR | 75.84 | 75.83 | 0.02 |
| GBP/INR | 93.17 | 93.88 | -0.71 |
| EURO/INR | 82.13 | 82.22 | -0.08 |
| JPY/INR | 0.70 | 0.70 | -0.01 |

| Commodity Prices | | | | |
|--------------------|--------|--------|----------|----------|
| Commodity | 07-Apr | Wk Ago | Mth. Ago | Year Ago |
| NYMEX Crude(\$/bl) | 23.49 | 20.46 | 41.09 | 63.05 |
| Brent Crude(\$/bl) | 19.80 | 15.50 | 46.14 | 70.52 |
| Gold(\$/oz) | 1648 | 1571 | 1674 | 1291 |
| Gold(Rs./10 gm) | 40989 | 40989 | 44315 | 31615 |

Source: Refinitiv

[1] Data as on 03 Apr 2020

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Derivatives Market

- Nifty Apr 2020 Futures stood at 8,875.85, a premium of 83.65 points above the spot closing of 8,792.20. The turnover on NSE's Futures and Options segment rose to Rs. 7,65,848.37 crore on April 07, 2020, compared with Rs. 4,45,927.56 crore on April 03, 2020.
- The Put-Call ratio remained unchanged compared with the previous session's close of 0.79.
- The Nifty Put-Call ratio stood at 1.45 compared with the previous session's close of 1.18.
- Open interest on Nifty Futures stood at 10.97 million, compared with the previous session's close of 10.93 million.

Indian Debt Market

- Bond yields surged as heavy supply from both states and centre continues to hurt sentiment since trading volume struggled to rise.
- Yield on the new 10-year benchmark paper (6.45% GS 2029) increased 11 bps to close at 6.42% from the previous closing of 6.31% after moving in a range of 6.34% to 6.42%.
- RBI conducted auction of state development loans for 19 state governments for notified amount of Rs. 37,500.00 crore.
- Banks borrowed Rs. 5,250 crore under the central bank's Marginal Standing Facility on Apr 3, 2020 compared borrowings of Rs. 1,950 crore on Mar 31, 2020.

Currency Market Update

- The Indian rupee in spot trade rose against the greenback following gains in the domestic equity market. Intervention by the Reserve Bank of India also aided the domestic currency.
- The euro rose against the greenback as the investor risk sentiment improved to some extent on tentative indications that lockdowns may be slowing the spread of the coronavirus in some countries.

Commodity Market Update

- Gold prices fell after there were some tentative indications of progress against coronavirus outbreaks in some countries.
- Brent crude prices rose on hopes of an agreement for an output reduction of 10 million barrels per day.

International News

- The Office for National Statistics reported, UK labor productivity per hour grew 0.3% YoY in the Dec quarter of 2019, similar to the rate seen in the Sep quarter of 2019. Output rose for the second consecutive quarter.
- The average of household spending in Japan fell 0.3% YoY to 271,735 yen in Feb 2020 compared with 3.9% fall in Jan 2020. The average of monthly income per household rose 1.7% YoY to 537,666 yen.
- Data from Destatis showed, industrial production in Germany unexpectedly grew 0.3% sequentially in Feb 2020 but much lower than 3.2% rise in Jan 2020.
- The Reserve Bank of Australia board maintained its interest rate at a record low 0.25% and the targeted yield on three-year government bonds at around 0.25%.


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**Thank you for
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