

Markets for You

05 Aug 2020

Good gets *better*

Indices Performance

Global Indices	04-Aug	Prev_Day	Abs. Change	% Change [#]
Russell 3000	1,686	1,682	4	0.24
Nasdaq	10,941	10,903	38	0.35
FTSE	6,036	6,033	3	0.05
Nikkei	22,574	22,195	378	1.70
Hang Seng	24,947	24,458	489	2.00
Indian Indices	04-Aug	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	37,688	36,940	748	2.03
Nifty 50	11,095	10,892	204	1.87
Nifty 100	11,244	11,056	188	1.70
Nifty 500	9,075	8,932	143	1.60
Nifty Bank	21,491	21,072	418	1.99
S&P BSE Power	1,538	1,528	10	0.65
S&P BSE Small Cap	13,317	13,155	162	1.23
S&P BSE HC	18,630	18,388	242	1.32

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
4-Aug	26.27	1.03	30.39	1.49
Month Ago	24.19	1.06	27.78	1.51
Year Ago	26.11	1.25	27.09	1.34

Nifty 50 Top 3 Gainers

Company	04-Aug	Prev_Day	% Change [#]
Zee Ente.	143	135	6.22
HDFC Bank	1042	1002	3.96
JSW Steel	228	221	3.42

Nifty 50 Top 3 Losers

Company	04-Aug	Prev_Day	% Change [#]
Tech Mahindra	653	674	-3.11
IndusInd Bank	493	503	-2.08
HCL Tech	693	706	-1.88

Advance Decline Ratio

	BSE	NSE
Advances	1686	1222
Declines	948	641
Unchanged	148	92

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	7524	-4342
MF Flows**	-266	29898

*4th Aug 2020; **3rd Aug 2020

Economic Indicator

YoY(%)	Current	Quarter Ago	Year Ago
CPI	6.09% (Jun-20)	5.84% (Mar-20)	3.18% (Jun-19)
IIP	-34.71% (May-20)	5.20% (Feb-20)	4.50% (May-19)
GDP	3.10% (Mar-20)	4.10% (Dec-19)	5.70% (Mar-19)

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 Aug, 2020

Global Indices

- Asian markets closed higher as investors took positive cues tracking bigger than expected acceleration in the pace of growth in U.S. manufacturing activity in Jul. Today (as on Aug 5) markets are largely trading low amid uncertainty over the state of coronavirus relief stateside. Both Nikkei and Hang Seng are down 0.77% and 0.17% (as at 8:00 AM, IST), respectively.
- European markets witnessed a mixed trend as investors continued to track the latest batch of earnings reports, kept an eye on the U.S.-China tensions and awaited progress on U.S. stimulus.
- U.S. markets rose following comments from Senate Majority Leader regarding his support for the coronavirus relief bill agreement between Democrats and the White House, even though there are some problems with certain parts of it.

Indian Equity Market

- Indian equity markets rose, supported by positive global cues resulting from upbeat U.S. manufacturing data for Jul. Investors also keenly awaited the outcome of the MPC policy meet after the same commenced on Aug 4.
- Key benchmark indices S&P BSE Sensex and Nifty 50 gained 2.03% and 1.87% to close at 37,687.91 and 11,095.25 respectively. S&P BSE MidCap and S&P BSE SmallCap gained 1.02% and 1.23% respectively.
- The overall market breadth on BSE was strong with 1,686 scrips advancing and 948 scrips declining. A total of 148 scrips remained unchanged.
- On the BSE sectoral front, S&P BSE Energy was the major gainer, up 5.6% followed by S&P BSE Finance, up 2.09% and S&P BSE Realty, up 2.01%. S&P BSE IT was the major loser, down 0.73% followed by S&P BSE Teck, down 0.45%.

Domestic News

- Under the Mahatma Gandhi National Rural Employment Guarantee, demand for work fell by over 31% in Jul 2020 after rising in the last four consecutive months and touching a peak of 6.2 crore in Jun 2020. Employment provided under the scheme also fell by more than half. This indicates a rise in industrial activities as well as farm activities resulting in movement of workers back to towns and fields.
- Union Housing and Urban Affairs Secretary said that the central government will sign agreements with states within a month for the construction of affordable living spaces for the poor and migrant workers in urban areas under the Affordable Rental Housing Complexes scheme.
- According to the finance ministry's monthly economic report for Jul 2020, the Indian economy was past the worst of the pandemic high-frequency indicators show an improvement from the unprecedented trough the economy had hit in Apr 2020. However, the rising number of coronavirus cases and intermittent lockdowns have made recovery prospects fragile.
- The coal ministry issued a note citing an amendment made to the foreign direct investment (FDI) Policy in Apr 2020 that restricted entry of countries with which India shares its borders. 100% FDI is allowed under the automatic route for coal mining, including associated processing infrastructure.

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FII Derivative Trade Statistics		04-Aug		
(Rs Cr)	Buy	Sell	Open Int.	
Index Futures	2938.74	5553.62	8693.65	
Index Options	133616.40	133211.21	47322.42	
Stock Futures	13720.81	15287.50	84905.74	
Stock Options	4930.33	4860.83	3626.18	
Total	155206.28	158913.16	144547.99	

Derivative Statistics- Nifty Options			
	04-Aug	Prev_Day	Change
Put Call Ratio (OI)	1.42	1.10	0.32
Put Call Ratio(Vol)	0.87	0.90	-0.03

Debt Watch				
	04-Aug	Wk. Ago	Mth. Ago	Year Ago
Call Rate	3.39%	3.48%	3.50%	5.60%
T-Repo	3.18%	3.12%	3.07%	5.58%
Repo	4.00%	4.00%	4.00%	5.75%
Reverse Repo	3.35%	3.35%	3.35%	5.50%
91 Day T-Bill	3.27%	3.28%	2.99%	5.55%
364 Day T-Bill	3.47%	3.45%	3.41%	5.80%
10 Year Gilt	5.83%	5.85%	5.85%	6.35%
G-Sec Vol. (Rs.Cr)	28088	39387	36385	73832
FBIL MIBOR ^[1]	3.86%	3.90%	3.90%	5.75%
3 Month CP Rate	3.65%	3.65%	3.85%	6.03%
5 Year Corp Bond	6.45%	6.42%	6.51%	7.79%
1 Month CD Rate	3.16%	3.30%	3.29%	5.64%
3 Month CD Rate	3.33%	3.32%	3.25%	6.09%
1 Year CD Rate	3.76%	3.74%	3.94%	6.79%

Currency Market			
Currency	04-Aug	Prev_Day	Change
USD/INR	75.09	74.98	0.11
GBP/INR	98.12	97.98	0.15
EURO/INR	88.37	88.13	0.24
JPY/INR	0.71	0.71	0.00

Commodity Prices				
Commodity	04-Aug	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	41.62	40.84	40.52	55.62
Brent Crude(\$/bl)	44.54	43.73	43.96	60.26
Gold(\$/oz)	2018	1959	1775	1440
Gold(Rs./10 gm)	53772	52278	48227	35341

Source: Refinitiv

[1] Data as on 03 Aug, 2020

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Derivatives Market

- Nifty Aug 2020 Futures stood at 11,102.05, a premium of 6.80 points above the spot closing of 11,095.25. The turnover on NSE's Futures and Options segment rose to Rs. 14,46,632.04 crore on August 04, 2020, compared with Rs. 10,81,112.79 crore on August 03, 2020.
- The Put-Call ratio stood at 0.85 compared with the previous session's close of 0.88.
- The Nifty Put-Call ratio stood at 1.42 compared with the previous session's close of 1.1.
- Open interest on Nifty Futures stood at 11.51 million, compared with the previous session's close of 10.98 million.

Indian Debt Market

- Bond yields inched down as market participants resorted to short covering and awaited the outcome of the monetary policy review which is scheduled on Aug 6, 2020.
- Yield on the present 10-year benchmark paper (5.79% GS 2030) inched down 1 bps to close at 5.83% compared to the previous close of 5.84% after moving in a range of 5.82% to 5.85%.
- Yield on the upcoming new 10-year benchmark paper (5.77% GS 2030) inched down 1 bps to close at 5.77% compared to the previous closing of 5.78% after moving in a range of 5.77% to 5.78%.
- Banks did not borrow under the central bank's Marginal Standing Facility on Aug 3, 2020 compared to that of Jul 31, 2020 when banks borrowed Rs. 80 crore.

Currency Market Update

- The Indian rupee in the spot trade weakened against the greenback following speculative dollar buying by two large private banks.
- The euro rose against the U.S. dollar as the investor risk sentiment improved to some extent amid reports of agreement on the new stimulus aid which is expected to provide support to the U.S. economy that has been hit by the COVID-19 pandemic.

Commodity Market Update

- Gold prices surged to a record high and surpassed the 2,000 per ounce level amid reports of agreement on the new stimulus aid.
- Brent crude prices rose amid reports of agreement on a new economic stimulus package.

International News

- The Commerce Department showed U.S. factory orders rose 6.2% in Jun 2020, slower than revised 7.7% surge (8.0% spike originally reported) in May 2020. Orders for durable goods surged 7.6% in Jun 2020 after soaring by 15.0% in May 2020.
- The Ministry of Labor, Migration and Social Security showed, Spain's unemployment in Jul 2020 fell by 89,849 or 2.33% from Jun 2020 compared with a rise of 5,107 MoM in Jun 2020. The fall was its biggest since 1997, after the sharp increase in Mar and Apr 2020 amid the coronavirus pandemic.
- Survey data from IHS Markit showed, Ireland's AIB factory Purchasing Managers' Index, (PMI) (seasonally adjusted) rose to 57.3 in Jul 2020 from 51.0 in Jun 2020. This was the strongest improvement since Aug 2018.


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

Thank you for
your time.

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