

# Markets for You

06 Aug 2020

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**Indices Performance**

Global Indices	05-Aug	Prev_Day	Abs. Change	% Change <sup>#</sup>
Russell 3000	1,698	1,686	11	0.67
Nasdaq	10,998	10,941	57	0.52
FTSE	6,105	6,036	69	1.14
Nikkei	22,515	22,574	-59	-0.26
Hang Seng	25,103	24,947	156	0.63
Indian Indices	05-Aug	Prev_Day	Abs. Change	% Change <sup>#</sup>
S&P BSE Sensex	37,663	37,688	-25	-0.07
Nifty 50	11,102	11,095	6	0.06
Nifty 100	11,248	11,244	4	0.04
Nifty 500	9,089	9,075	14	0.15
Nifty Bank	21,510	21,491	19	0.09
S&P BSE Power	1,530	1,538	-7	-0.48
S&P BSE Small Cap	13,430	13,317	113	0.85
S&P BSE HC	18,611	18,630	-19	-0.10

**P/E Dividend Yield**

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
5-Aug	26.24	1.02	30.41	1.48
Month Ago	24.19	1.06	27.78	1.51
Year Ago	25.25	1.27	26.76	1.36

**Nifty 50 Top 3 Gainers**

Company	05-Aug	Prev_Day	% Change <sup>#</sup>
Hindalco	176	162	8.25
Eicher Motors	21959	21016	4.49
Tata Motors	115	111	3.54

**Nifty 50 Top 3 Losers**

Company	05-Aug	Prev_Day	% Change <sup>#</sup>
HDFC Bank	1028	1042	-1.35
Dr.Reddy	4601	4635	-0.73
Tech Mahindra	649	653	-0.63

**Advance Decline Ratio**

	BSE	NSE
Advances	1575	1192
Declines	1061	677
Unchanged	158	106

**Institutional Flows (Equity)**

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	876	-3466
MF Flows**	-266	29898

\*5<sup>th</sup> Aug 2020; \*\*3<sup>rd</sup> 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 04 Aug, 2020

**Global Indices**

- Majority of the Asian markets rose with investors keenly awaiting U.S. job report as well as negotiations on a U.S. COVID-19 relief bill. However, market participants maintained cautious stance following reports that the U.S. and China are planning to review the implementation of their phase one trade deal in mid-Aug. Today (as on Aug 6) markets are trading higher tracking overnight gains in U.S. and European markets. Both Nikkei and Hang Seng are trading up 0.08% and 0.18% (as at 8:00 AM IST), respectively.
- European markets closed higher following some corporate earnings announcements and on optimism the U.S. lawmakers will eventually agree on a stimulus package.
- U.S. markets edged higher amid optimism that U.S. lawmakers will eventually reach an agreement on a new coronavirus relief bill.

**Indian Equity Market**

- Indian equity markets closed flat as investors refrained from taking major bets ahead of the outcome of the MPC policy meeting, scheduled on Aug 6.
- Key benchmark indices S&P BSE Sensex lost 0.07% and Nifty 50 gained 0.06% to close at 37,663.33 and 11,101.65 respectively.
- The overall market breadth on BSE was strong with 1,575 scrips advancing and 1,061 scrips declining. A total of 158 scrips remained unchanged.
- On the BSE sectoral front, S&P BSE Metal was the major gainer, up 4.05% followed by S&P BSE Auto, up 1.86% and S&P BSE Basic Materials, up 1.69%. S&P BSE Energy was the major loser, down 0.87% followed by S&P BSE Power, down 0.48% and S&P BSE FMCG, down 0.24%.

**Domestic News**

- Results of a private survey showed that the IHS Markit India Services Business Activity Index stood at 34.2 in Jul 2020 as compared to 33.7 in Jun 2020. The domestic service sector remained restricted due to the COVID-19 pandemic which led to weak demand conditions and temporary suspension of company operations resulting in substantial drop in activity and new business. The Composite PMI Output Index which considers both the manufacturing sector and the services sector fell to 37.2 in Jul 2020 from 37.8 in Jun 2020 that can be attributed to a significant drop in new orders.
- Capital market regulator Securities and Exchange Board of India (SEBI) has decentralized the registration process of portfolio managers. The processing of registration applications for portfolio managers received on or after Aug 5, 2020 will be carried out at the respective regional offices or Head Office which is in Mumbai.
- The government lifted the ban on export of all ventilators. The ban was imposed on Mar 24, 2020 to ensure domestic availability of ventilators for combating the COVID-19 pandemic. The decision comes after the government took note of low rate of case fatality of COVID-19 patients and significant improvement in the domestic manufacturing capacity of ventilators.
- Bharti Airtel announced a multi-year strategic partnership agreement with Amazon Web Services (AWS) to offer a 'comprehensive range of creative cloud technologies to Indian customers of large enterprises and small and medium enterprise (SMEs).
- Godrej Properties reported a consolidated net loss of Rs. 20.23 crore in quarter ended Jun 2020 as against profit Rs. 90 crore in the year-ago period. Total income also declined to Rs 195.66 crore in the quarter ended Jun 2020 from Rs. 713.84 crore in the corresponding period of the previous year.

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FII Derivative Trade Statistics		05-Aug		
(Rs Cr)	Buy	Sell	Open Int.	
Index Futures	4621.89	3393.50	7904.91	
Index Options	177516.97	176672.43	48545.07	
Stock Futures	14556.12	14050.76	86640.02	
Stock Options	6153.47	6141.57	3877.70	
Total	202848.45	200258.26	146967.70	

Derivative Statistics- Nifty Options			
	05-Aug	Prev_Day	Change
Put Call Ratio (OI)	1.26	1.42	-0.16
Put Call Ratio(Vol)	1.01	0.87	0.14

Debt Watch				
	05-Aug	Wk. Ago	Mth. Ago	Year Ago
Call Rate	3.41%	3.47%	3.50%	5.56%
T-Repo	3.00%	3.16%	3.07%	5.56%
Repo	4.00%	4.00%	4.00%	5.75%
Reverse Repo	3.35%	3.35%	3.35%	5.50%
91 Day T-Bill	3.25%	3.29%	2.99%	5.60%
364 Day T-Bill	3.47%	3.50%	3.41%	5.80%
10 Year Gilt	5.83%	5.83%	5.85%	6.39%
G-Sec Vol. (Rs.Cr)	25267	33764	36385	46833
FBIL MIBOR <sup>[1]</sup>	3.86%	3.87%	3.90%	5.70%
3 Month CP Rate	3.65%	3.65%	3.85%	6.05%
5 Year Corp Bond	6.43%	6.35%	6.51%	7.82%
1 Month CD Rate	3.12%	3.23%	3.29%	5.74%
3 Month CD Rate	3.31%	3.33%	3.25%	6.05%
1 Year CD Rate	3.77%	3.77%	3.94%	6.64%

Currency Market			
Currency	05-Aug	Prev_Day	Change
USD/INR	74.91	75.09	-0.18
GBP/INR	98.00	98.12	-0.12
EURO/INR	88.53	88.37	0.16
JPY/INR	0.71	0.71	0.00

Commodity Prices				
Commodity	05-Aug	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	42.20	41.08	40.52	54.58
Brent Crude(\$/bl)	46.19	44.20	43.96	58.46
Gold( \$/oz)	2039	1970	1775	1464
Gold(Rs./10 gm)	55230	52853	48227	36289

Source: Refinitiv

[1] Data as on 04 Aug, 2020

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**Derivatives Market**

- Nifty Aug 2020 Futures stood at 11,118.00, a premium of 16.35 points above the spot closing of 11,101.65. The turnover on NSE's Futures and Options segment rose to Rs. 21,74,184.82 crore on August 05, 2020, compared with Rs. 14,46,632.04 crore on August 04, 2020.
- The Put-Call ratio stood at 0.95 compared with the previous session's close of 0.85.
- The Nifty Put-Call ratio stood at 1.26 compared with the previous session's close of 1.42.
- Open interest on Nifty Futures stood at 10.88 million, compared with the previous session's close of 11.51 million.

**Indian Debt Market**

- Bond yields remained steady amid low volume as market participants 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) closed at 5.83% unchanged from the previous close after moving in a range of 5.82% to 5.83%.
- Yield on the upcoming new 10-year benchmark paper (5.77% GS 2030) inched down 1 bps to close at 5.76% compared to the previous closing of 5.77% after moving in a range of 5.76% to 5.77%.
- Banks borrowed Rs. 53 crore under the central bank's Marginal Standing Facility on Aug 4, 2020 compared to that of Aug 3, 2020 when banks did not borrowed.

**Currency Market Update**

- The Indian rupee gained against the U.S dollar, as the U.S. dollar index resumed its fall amid decline in U.S. Treasury yields.
- Euro rose for the second consecutive day against the U.S. dollar as euro zone business activity returned to modest growth in Jul 2020. U.S. coronavirus relief package was stuck in Congress, pushing U.S. bond yields down as investors weighed prospects of further Fed easing.

**Commodity Market Update**

- Gold prices surged to a record high on expectations of more stimulus measures from policymakers in the U.S.
- Brent crude prices rose after data from the Energy Information Administration showed that U.S. crude inventories fell 7.4 million barrels in the week ending July 31.

**International News**

- According to the Commerce Department, U.S. trade deficit narrowed to \$50.7 billion in Jun 2020 from a revised \$54.8 billion in May 2020. The narrower deficit came as the value of exports rose 9.4% to \$158.3 billion as against 4.7% rise in the value of imports to \$208.9 billion.
- According to data from IHS Markit, U.K. IHS Markit/Chartered Institute of Procurement & Supply services Purchasing Managers' Index (PMI) rose to 56.5 in Jul 2020 from 47.1 in Jun 2020. The composite PMI rose to 57.0 in Jul from 47.7 in Jun.
- According to a report released by payroll processor ADP, U.S. private sector employment rose by 167,000 jobs in Jul 2020 after rising by an upwardly revised 4.314 million jobs in Jun 2020.



Thank you for  
your time.

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