

Markets for You

10 Aug 2020

Good gets *better*

Indices Performance

Global Indices	07-Aug	Prev_Day	Abs. Change	% Change [#]
Russell 3000	1,698	1,713	-15	-0.90
Nasdaq	11,011	11,108	-97	-0.87
FTSE	6,032	6,027	5	0.09
Nikkei	22,330	22,418	-88	-0.39
Hang Seng	24,532	24,931	-399	-1.60
Indian Indices	07-Aug	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	38,041	38,025	15	0.04
Nifty 50	11,214	11,200	14	0.12
Nifty 100	11,361	11,345	16	0.14
Nifty 500	9,199	9,169	30	0.32
Nifty Bank	21,754	21,643	111	0.51
S&P BSE Power	1,547	1,529	18	1.21
S&P BSE Small Cap	13,669	13,562	106	0.79
S&P BSE HC	18,761	18,821	-60	-0.32

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
7-Aug	26.37	1.02	30.72	1.47
Month Ago	24.33	1.06	28.22	1.49
Year Ago	25.57	1.26	26.74	1.36

Nifty 50 Top 3 Gainers

Company	07-Aug	Prev_Day	% Change [#]
Asian Paints	1806	1728	4.56
Bajaj Finance	3464	3345	3.56
United Phos	480	464	3.54

Nifty 50 Top 3 Losers

Company	07-Aug	Prev_Day	% Change [#]
Titan Industries Limited	1091	1120	-2.60
HCL Tech	690	705	-2.07
Infosys	951	971	-2.05

Advance Decline Ratio

	BSE	NSE
Advances	1631	1196
Declines	1074	663
Unchanged	148	112

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	576	-3109
MF Flows**	-266	29898

*7th Aug 2020; **3rd Aug 2020

Economic Indicator

YoY(%)	Current	Quarter Ago	Year Ago
CPI	6.09% (Jun-20)	5.84% (Mar-20)	2.99% (Mar-17)
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

Global Indices

- Asian markets fell amid heightened tension between U.S. and China after U.S. government banned U.S. transactions with two popular Chinese apps. Today (as on Aug 10), markets are trading lower as investors remained concerned over heightened U.S.-China tensions. Nikkei is closed due to public holiday, while Hang Seng is down 0.63% (as at 8:00 AM IST).
- European markets eked out small gains as investors found some relief amid rising tensions between the U.S. and China and the impasse over coronavirus relief package, as a result of stronger-than-expected U.S. jobs data.
- U.S. markets largely closed a tad higher as concerns over the uncertainty about a new coronavirus relief plan and spike in the virus cases worldwide was outweighed by data showing larger than expected increase in U.S. employment in Jul.

Indian Equity Market

- Indian equity markets closed a tad higher as gains in power, telecom and utilities sectors were restricted by losses in information technology and healthcare shares. Nonetheless, underlying sentiments remained cautious on pace of economic recovery as COVID-19 infection cases in the country increased by leaps and bounds.
- Key benchmark indices S&P BSE Sensex and Nifty 50 gained 0.04% and 0.12% to close at 38,040.57 and 11,214.05 respectively.
- The overall market breadth on BSE was strong with 1,631 scrips advancing and 1,074 scrips declining. A total of 148 scrips remained unchanged.
- On the BSE sectoral front, S&P BSE Power was the major gainer, up 1.21% followed by S&P BSE Telecom, up 0.99% and S&P BSE Utilities, up 0.9%. S&P BSE Consumer Durables was the major loser, down 1.73% followed by S&P BSE IT, down 1.15% and S&P BSE Teck, down 0.86%.

Domestic News

- The Reserve Bank of India (RBI) assigned priority sector lending (PSL) status to India's startup sector. The move is expected to help India's start up sector get better access to bank credit for working capital support.
- RBI has set up an expert committee that will suggest steps to the Central Bank as to how to deal with COVID-19 related stress assets. The Central Bank decided to provide a window under the Prudential Framework to enable the lenders to implement a resolution plan in order to mitigate the stress arising due to the COVID-19 pandemic.
- RBI announced an additional special liquidity facility of Rs. 5,000 crore each for the National Housing Bank (NHB) and the National Bank for Agriculture and Rural Development (NABARD) at the policy repo rate of 4%. In case of NHB, the move is expected to help the housing sector from liquidity disruption and improve the flow of finance to the sector through housing finance companies. The special liquidity facility given to NABARD is expected to ease the stress to some extent for smaller non-bank finance companies (NBFCs) and micro-finance institutions in obtaining access to liquidity.
- A restructuring framework is presently in place for Micro, Small and Medium Enterprises (MSMEs) that were in default but 'standard' as on Jan 1, 2020. RBI has now permitted lending institutions to restructure the debt under the existing framework for those MSME borrowers who are facing stress on account of COVID-19 pandemic, provided the borrower's account was classified as standard with the lender as on Mar 1, 2020.

Good gets better

FII Derivative Trade Statistics		07-Aug		
(Rs Cr)	Buy	Sell	Open Int.	
Index Futures	5636.69	5143.18	7957.72	
Index Options	487080.95	484961.52	40911.40	
Stock Futures	13431.46	14027.46	88865.96	
Stock Options	5040.98	5053.34	4521.49	
Total	511190.08	509185.50	142256.57	

Derivative Statistics- Nifty Options			
	07-Aug	Prev_Day	Change
Put Call Ratio (OI)	1.60	1.49	0.11
Put Call Ratio(Vol)	0.99	1.02	-0.04

Debt Watch				
	07-Aug	Wk. Ago	Mth. Ago	Year Ago
Call Rate	3.44%	3.48%	3.47%	5.50%
T-Repo	3.18%	3.16%	3.11%	5.52%
Repo	4.00%	4.00%	4.00%	5.40%
Reverse Repo	3.35%	3.35%	3.35%	5.15%
91 Day T-Bill	3.25%	3.27%	3.20%	5.31%
364 Day T-Bill	3.47%	3.46%	3.39%	5.80%
10 Year Gilt	5.89%	5.84%	5.79%	6.37%
G-Sec Vol. (Rs.Cr)	36416	33111	66639	100742
FBIL MIBOR	3.82%	3.86%	3.93%	5.75%
3 Month CP Rate	3.70%	3.65%	3.85%	5.95%
5 Year Corp Bond	6.54%	6.33%	6.39%	7.63%
1 Month CD Rate	3.16%	3.22%	3.20%	5.49%
3 Month CD Rate	3.31%	3.33%	3.24%	6.02%
1 Year CD Rate	3.75%	3.75%	3.92%	6.76%

Currency Market			
Currency	07-Aug	Prev_Day	Change
USD/INR	74.96	74.86	0.10
GBP/INR	98.39	98.54	-0.15
EURO/INR	88.78	89.07	-0.29
JPY/INR	0.71	0.71	0.00

Commodity Prices				
Commodity	07-Aug	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	41.11	40.05	40.54	51.09
Brent Crude(\$/bl)	44.54	43.74	44.36	54.17
Gold(\$/oz)	2035	1975	1794	1501
Gold(Rs./10 gm)	55922	53615	48235	37039

Source: Refinitiv

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Derivatives Market

- Nifty Aug 2020 Futures stood at 11,226.20, a premium of 12.15 points above the spot closing of 11,214.05. The turnover on NSE's Futures and Options segment fell to Rs. 9,91,308.23 crore on August 07, 2020, compared with Rs. 39,88,372.83 crore on August 06, 2020.
- The Put-Call ratio stood at 0.89 compared with the previous session's close of 0.87.
- The Nifty Put-Call ratio stood at 1.6 compared with the previous session's close of 1.49.
- Open interest on Nifty Futures stood at 11.37 million, compared with the previous session's close of 11.18 million.

Indian Debt Market

- Bond yields continue to rise as the expectations of easing in rates diminished after the Monetary Policy Committee (MPC) left key policy rates unchanged.
- Yield on the present 10-year benchmark paper (5.79% GS 2030) rose 3 bps to close at 5.89% compared with the previous close of 5.86%.
- Yield on the upcoming new 10-year benchmark paper (5.77% GS 2030) increased 3 bps to close at 5.84% compared to the previous closing of 5.81%.
- Banks did not borrowed under the central bank's Marginal Standing Facility on Aug 6, 2020 compared Rs. 45 crore on Aug 5, 2020.

Currency Market Update

- The Indian rupee in the spot trade was steady against the greenback as gains due to speculative dollar inflows were neutralized due to mounting concerns over escalating tensions between U.S. and China.
- The euro fell against the U.S. dollar after the U.S. nonfarm payroll employment data for Jul 2020 came better than market expectations.

Commodity Market Update

- Gold prices fell as investor risk sentiment improved to some extent after the U.S. nonfarm payroll employment data for Jul 2020 came better than market expectations.
- Brent crude prices fell amid persisting concerns over the COVID-19 pandemic.

International News

- According to the Labor Department report, U.S. nonfarm payroll surged by 1.8 million jobs in Jul 2020, slower than jumped by 4.8 million jobs in the prior month. Rise was seen amid a sharp increase in employment in the retail sector, which added 258,300 jobs. The unemployment rate fell to 10.2% in Jul 2020 from 11.1% in Jun 2020.
- Industrial production in Germany surged 8.9% MoM in Jun 2020, better than 7.4% rise in May 2020. Barring energy and construction, industrial production rose 11.1% MoM in Jun 2020.
- China's exports increased 7.2% YoY in Jul 2020. On the other hand, imports fell 1.4% YoY. Thus, trade surplus stood at \$62.33 billion in Jul 2020 from \$46.42 billion surplus in Jun 2020.



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

Thank you for
your time.

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