

# Markets for You

14 Aug 2020

Good gets *better*

**Indices Performance**

Global Indices	13-Aug	Prev_Day	Abs. Change	% Change#
Russell 3000	1,707	1,698	8	0.50
Nasdaq	11,043	11,012	30	0.27
FTSE	6,186	6,280	-95	-1.50
Nikkei	23,250	22,844	406	1.78
Hang Seng	25,231	25,244	-13	-0.05
Indian Indices	13-Aug	Prev_Day	Abs. Change	% Change#
S&P BSE Sensex	38,310	38,370	-59	-0.15
Nifty 50	11,300	11,308	-8	-0.07
Nifty 100	11,459	11,458	1	0.01
Nifty 500	9,308	9,285	23	0.25
Nifty Bank	22,196	22,264	-68	-0.30
S&P BSE Power	1,584	1,575	8	0.52
S&P BSE Small Cap	13,940	13,834	106	0.76
S&P BSE HC	18,971	19,096	-125	-0.65

**P/E Dividend Yield**

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
13-Aug	26.78	1.01	31.42	1.46
Month Ago	24.46	1.05	28.36	1.49
Year Ago	25.78	1.26	27.03	1.35

**Nifty 50 Top 3 Gainers**

Company	13-Aug	Prev_Day	% Change#
Tata Motors	131	125	4.63
Hindalco	184	176	4.41
L&T Ltd.	991	950	4.31

**Nifty 50 Top 3 Losers**

Company	13-Aug	Prev_Day	% Change#
Bharti Airtel	535	548	-2.25
Sun Pharma	521	532	-2.13
Eicher Motors	21673	22117	-2.01

**Advance Decline Ratio**

	BSE	NSE
Advances	1514	1087
Declines	1212	789
Unchanged	148	108

**Institutional Flows (Equity)**

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	3459	14699
MF Flows**	-66	28366

 \*13<sup>th</sup> Aug 2020; \*\*7<sup>th</sup> Aug 2020

**Economic Indicator**

YoY(%)	Current	Quarter Ago	Year Ago
CPI	6.93% (Jul-20)	7.22% (Apr-20)	3.15% (Jul-19)
IIP	-16.60% (Jun-20)	-18.30% (Mar-20)	1.30% (Jun-19)
GDP	3.10% (Mar-20)	4.10% (Dec-19)	5.70% (Mar-19)

Since May-17, MOSPI has revised base year of IIP &amp; WPI from 2004-05 to 2011-12, and for CPI from 2010 to 2012

[1] Data as on 12 Aug, 2020

**Global Indices**

- Most of the Asian markets edged higher, tracking overnight gains in the Wall Street. Nonetheless, investors remained worried over stalled U.S. stimulus talks. Today (as on Aug 14), markets are largely trading lower as investors remained on side lines after U.S. policymakers are unable to move forward with a coronavirus stimulus bill. Both Nikkei and Hang Seng are down 0.09% and 0.24% (as at 8:00 AM IST), respectively.
- European markets closed in the red amid uncertainty around U.S. Congress as negotiations for the next stimulus package have stalled.
- U.S. markets largely closed lower as the ongoing stalemate over a new stimulus bill raised concerns that the economic recovery, as implied by recent data, may stall.

**Indian Equity Market**

- Indian equity markets closed on a flattish note as investors remained cautious ahead of the retail price inflation numbers, which shall provide cues on the future interest rate stance of the central bank. Volatility, on the back of weekly expiry of index derivative contracts, also kept the benchmarks rangebound.
- Key benchmark indices S&P BSE Sensex and Nifty 50 lost 0.15% and 0.07% to close at 38,310.49 and 11,300.45 respectively.
- The overall market breadth on BSE was strong with 1,514 scrips advancing and 1,212 scrips declining. A total of 148 scrips remained unchanged.
- On the BSE sectoral front, S&P BSE Capital Goods was the major gainer, up 3.81% followed by S&P BSE Industrials, up 3.16% and S&P BSE Consumer Durables, up 2.07%. S&P BSE Telecom was the major loser, down 1.49% followed by S&P BSE Healthcare, down 0.65% and S&P BSE Bankex, down 0.26%.

**Domestic News**

- Government data showed that the consumer price index based inflation rose to 6.93% in Jul 2020 from 6.23% in the previous month. The Consumer Food Price Index also rose to 9.62% in Jul 2020 from 8.72% in the previous month. Retail inflation thus stood above the upper tolerance level of 6% set by the Reserve Bank of India for the fourth consecutive month. Also, out of the last eight months, retail inflation remained above 6% for seven months. Under the segment of food and beverages, meat and fish witnessed a maximum inflation of 18.81% in Jul 2020 followed by pulses and products, spices, oils and fats and vegetables for which retail inflation stood at 18.81%, 15.92%, 13.27%, 12.41% and 11.29% respectively. Retail inflation for personal care and effects also remained elevated as it stood at 13.63% in Jul 2020.
- Data from Reserve Bank of India showed that total retail payments within the domestic economy approximately grew 28% to Rs. 30.9 lakh crore in Jun 2020 from Rs. 24.2 lakh crore in May 2020. Total digital payments also approximately grew 23% to Rs. 113.4 lakh crore in Jun 2020 from Rs. 92.04 lakh crore in the previous month. Card payments which includes payments through debit card and credit card also approximately grew 31% to Rs. 1.05 lakh crore from Rs. 80,274 crore in the previous month.
- Tata Power reported 31% decline in its consolidated profit before tax (PBT) and exceptional items to Rs. 480 crore in the quarter ended Jun 2020. The company's net profit rose 10% to Rs. 268 crore in the quarter ended Jun 2020 as against net profit of Rs. 243 crore during the same period a year ago due to reduced expenses.
- Gail India Ltd reported 68% fall in consolidated profit before tax (PBT) in the quarter ended Jun 2020 to Rs. 728.74 crore compared to Rs 2,307.46 crore in same quarter last year. The company's revenue from operations also fell 34% for the quarter ended Jun 2020 to Rs. 12,180.62 crore as against Rs 18,481.56 crore in quarter ended Jun 2019.


**Good gets better**

FII Derivative Trade Statistics		13-Aug		
(Rs Cr)	Buy	Sell	Open Int.	
Index Futures	2520.57	3683.98	8730.82	
Index Options	195569.03	194790.29	52830.61	
Stock Futures	12654.23	13418.29	90573.15	
Stock Options	5348.66	5603.68	5911.90	
<b>Total</b>	<b>216092.49</b>	<b>217496.24</b>	<b>158046.48</b>	

Derivative Statistics- Nifty Options			
	13-Aug	Prev_Day	Change
Put Call Ratio (OI)	1.33	1.45	-0.12
Put Call Ratio(Vol)	1.00	0.98	0.02

Debt Watch				
	13-Aug	Wk. Ago	Mth. Ago	Year Ago
Call Rate	3.44%	3.41%	3.46%	5.31%
T-Repo	3.18%	2.90%	3.10%	5.36%
Repo	4.00%	4.00%	4.00%	5.40%
Reverse Repo	3.35%	3.35%	3.35%	5.15%
91 Day T-Bill	3.26%	3.22%	3.18%	5.35%
364 Day T-Bill	3.50%	3.46%	3.37%	5.54%
10 Year Gilt	5.90%	5.86%	5.79%	6.53%
G-Sec Vol. (Rs.Cr)	20587	43511	41354	36129
FBIL MIBOR <sup>[1]</sup>	3.77%	3.77%	3.87%	5.45%
3 Month CP Rate	3.60%	3.65%	3.75%	5.90%
5 Year Corp Bond	6.60%	6.46%	6.27%	7.74%
1 Month CD Rate	3.08%	3.14%	3.20%	5.53%
3 Month CD Rate	3.29%	3.30%	3.24%	5.74%
1 Year CD Rate	3.79%	3.74%	3.89%	6.67%

Currency Market			
Currency	13-Aug	Prev_Day	Change
USD/INR	74.84	74.83	0.01
GBP/INR	97.85	97.62	0.22
EURO/INR	88.55	87.78	0.77
JPY/INR	0.70	0.70	0.00

Commodity Prices				
Commodity	13-Aug	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	42.21	41.88	40.01	57.00
Brent Crude(\$/bl)	45.94	45.68	44.12	60.04
Gold( \$/oz)	1953	2063	1803	1501
Gold(Rs./10 gm)	52441	55560	49140	37799

Source: Refinitiv

[1] Data as on 12 Aug, 2020

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**Derivatives Market**

- Nifty Aug 2020 Futures stood at 11,317.35, a premium of 16.90 points above the spot closing of 11,300.45. The turnover on NSE's Futures and Options segment rose to Rs. 33,70,833.70 crore on August 13, 2020, compared with Rs. 16,67,098.85 crore on August 12, 2020.
- The Put-Call ratio stood at 0.81 compared with the previous session's close of 0.89.
- The Nifty Put-Call ratio stood at 1.33 compared with the previous session's close of 1.45.
- Open interest on Nifty Futures stood at 11.4 million, compared with the previous session's close of 11.63 million.

**Indian Debt Market**

- Bond yields closed steady as market participants preferred to remain on the sideline and awaited the release of retail inflation data for Jul 2020 after market hours which will help them to gauge as to what stance the Monetary Policy Committee might adopt moving ahead. Market participants also awaited the outcome of the weekly debt auction which is due on Aug 14, 2020.
- Yield on the present 10-year benchmark paper (5.79% GS 2030) closed unchanged at 5.90% compared to the previous closing of the same.
- Yield on the upcoming new 10-year benchmark paper (5.77% GS 2030) rose 2 bps to close at 5.87% compared to the previous closing of 5.85% after moving in a range of 5.85% to 5.87%.

**Currency Market Update**

- The Indian rupee in the spot trade was almost steady against the greenback as intervention by the Reserve Bank of India neutralized gains resulting from a weaker dollar index.
- The euro rose against the U.S. dollar as persisting uncertainty over additional stimulus for the U.S. economy to combat the COVID-19 pandemic kept the greenback under pressure.

**Commodity Market Update**

- Gold prices rose on concerns that the COVID-19 pandemic may lead to a slow recovery in the U.S. labour market.
- Brent crude prices inched up due to weakness in the greenback.

**International News**

- According to a report by the Labor Department, U.S. consumer price index rose more than expected by 0.6% in Jul 2020, matching the increase seen in Jun 2020. The stronger than expected consumer price growth was partly due to a continued spike in energy prices that rose 2.5% in Jul 2020 after increasing 5.1% in Jun 2020. Gasoline prices continued to lead the way higher.
- According to Destatis, Germany's consumer price index fell 0.1% YoY in Jul 2020 following 0.9% rise in Jun 2020. On a monthly basis, consumer prices fell 0.5% in Jul 2020.
- According to the Bank of Japan, producer prices in Japan rose 0.6% MoM in Jul 2020 following the 0.6% increase in Jun 2020. On a yearly basis, producer prices fell 0.9% following the 1.6% drop in the previous month.



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

Thank you for  
your time.

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