

Markets for You

17 Aug 2020

Good gets *better*

Indices Performance

Global Indices	14-Aug	Prev_Day	Abs. Change	% Change#
Russell 3000	1,703	1,707	-3	-0.20
Nasdaq	11,019	11,043	-23	-0.21
FTSE	6,090	6,186	-96	-1.55
Nikkei	23,289	23,250	40	0.17
Hang Seng	25,183	25,231	-48	-0.19
Indian Indices	14-Aug	Prev_Day	Abs. Change	% Change#
S&P BSE Sensex	37,877	38,310	-433	-1.13
Nifty 50	11,178	11,300	-122	-1.08
Nifty 100	11,338	11,459	-121	-1.06
Nifty 500	9,214	9,308	-93	-1.00
Nifty Bank	21,679	22,196	-517	-2.33
S&P BSE Power	1,578	1,584	-5	-0.34
S&P BSE Small Cap	13,855	13,940	-84	-0.61
S&P BSE HC	19,114	18,971	143	0.75

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
14-Aug	26.46	1.02	31.09	1.47
Month Ago	23.95	1.07	27.85	1.51
Year Ago	26.11	1.25	27.24	1.34

Nifty 50 Top 3 Gainers

Company	14-Aug	Prev_Day	% Change#
JSW Steel	265	259	2.61
Coal India	132	129	2.25
Sun Pharma	531	521	2.03

Nifty 50 Top 3 Losers

Company	14-Aug	Prev_Day	% Change#
Eicher Motors	20144	21673	-7.05
Tata Motors	125	131	-4.99
Axis Bank	436	448	-2.73

Advance Decline Ratio

	BSE	NSE
Advances	1045	701
Declines	1679	1202
Unchanged	139	84

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	497	15196
MF Flows**	-513	26306

 *14th Aug 2020; **12th 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 & WPI from 2004-05 to 2011-12, and for CPI from 2010 to 2012

Global Indices

- Asian markets witnessed a mixed trend with investors tracking the developments on the stalled U.S. stimulus talks and a series of economic data from China, which portrayed weak recovery in the region. Today (as on Aug 17), markets are trading mixed as investors tracked developments on the trade deal between the U.S. and China. While Nikkei is down 0.41%, Hang Seng is up 0.55% (as at 8:00 AM IST).
- European markets closed lower following weak Chinese data, the U.S. fiscal stimulus stalemate and new quarantine rules in the U.K. that raised uncertainty about the evolution of coronavirus pandemic.
- U.S. markets largely remained low, struggling with lingering concerns over stalled coronavirus stimulus negotiations and simmering U.S.-China tensions.

Indian Equity Market

- Indian equity markets went down as retail price inflation accelerated higher than expectations in Jul, dashing hopes of any interest rate cuts for now. Investors also turned cautious as Supreme Court adjourned hearing on the issue of adjusted gross revenue (AGR) dues from telecom companies to Aug 17.
- Key benchmark indices S&P BSE Sensex and Nifty 50 lost 1.13% and 1.08% to close at 37,877.34 and 11,178.40 respectively.
- The overall market breadth on BSE was weak with 1,045 scrips advancing and 1,679 scrips declining. A total of 139 scrips remained unchanged.
- On the BSE sectoral front, S&P BSE Metal was the major gainer, up 0.78% followed by S&P BSE Healthcare, up 0.75% and S&P BSE Consumer Durables, up 0.06%. S&P BSE Auto was the major loser, down 2.5% followed by S&P BSE Bankex, down 2.18% and S&P BSE Finance, down 1.88%.

Domestic News

- Government data showed that the wholesale price index (WPI) based inflation contracted 0.58% in Jul 2020 as compared to a contraction of 1.81% in the previous month and a growth of 1.17% in the same month of the previous year. WPI contracted for the fourth consecutive month. The WPI Food Index however grew 4.32% in Jul 2020 from 3.05% in the previous month and 2.73% in the same month of the previous year. Under Food articles, WPI based inflation was maximum for potatoes which stood at 69.07% followed by pulses for which inflation stood at 10.24%.
- Government data showed that India's trade deficit narrowed to \$ 4.83 billion in Jul 2020 from \$ 13.43 billion in the same month of the previous year. Exports contracted 10.21% to \$ 23.64 billion in Jul 2020 while imports contracted 28.40% to \$ 28.47 billion in the same month. Gold imports increased 4.17% over the month while import of project goods grew 79.90% in the same period. Some of the major commodities which witnessed positive growth in exports during Jul 2020 are other cereals (204.99%) followed by rice (47.99%), iron ore (39.61%) and oil seeds (32.61%).
- Capital market regulator Securities and Exchange Board of India mandated that stock exchanges shall impose a fine of Rs. 1,000 per day per complaint if the listed entity fails to redress complaints made by investors within the stipulated time.
- Fortis Healthcare (FHL), a leading hospital chain will now don a new identity, Parkway, a brand owned by major IHH in Malaysia's healthcare sector. Its diagnostic arm SRL will also look for a new brand name and logo. This is being done to reinforce the complete disassociation of the company from its former promoters.
- Hindalco Industries reported a consolidated loss of Rs. 709 crore in the quarter ended Jun 2020 as against profit after tax (PAT) of Rs. 1,063 crore in the same quarter last year. Its consolidated revenue from operations in quarter ended Jun 2020 dropped to Rs. 25,283 crore as against Rs. 29,972 crore same quarter last year.



FII Derivative Trade Statistics		14-Aug		
(Rs Cr)	Buy	Sell	Open Int.	
Index Futures	3085.99	2319.11	8903.06	
Index Options	306351.94	304921.90	43213.94	
Stock Futures	13236.26	13765.24	90892.87	
Stock Options	4981.43	5064.09	6251.75	
Total	327655.62	326070.34	149261.62	

Derivative Statistics- Nifty Options			
	14-Aug	Prev_Day	Change
Put Call Ratio (OI)	1.31	1.33	-0.01
Put Call Ratio(Vol)	1.08	1.00	0.08

Debt Watch				
	14-Aug	Wk. Ago	Mth. Ago	Year Ago
Call Rate	3.45%	3.44%	3.46%	5.33%
T-Repo	3.18%	3.18%	3.11%	5.35%
Repo	4.00%	4.00%	4.00%	5.40%
Reverse Repo	3.35%	3.35%	3.35%	5.15%
91 Day T-Bill	3.07%	3.25%	3.17%	5.40%
364 Day T-Bill	3.34%	3.47%	3.34%	5.74%
10 Year Gilt	5.97%	5.89%	5.83%	6.63%
G-Sec Vol. (Rs.Cr)	51709	36416	55946	53470
FBIL MIBOR	3.80%	3.82%	3.89%	5.45%
3 Month CP Rate	3.60%	3.70%	3.75%	6.00%
5 Year Corp Bond	6.67%	6.54%	6.39%	7.92%
1 Month CD Rate	3.10%	3.16%	3.19%	5.50%
3 Month CD Rate	3.29%	3.31%	3.27%	5.54%
1 Year CD Rate	3.81%	3.75%	3.88%	6.73%

Currency Market			
Currency	14-Aug	Prev_Day	Change
USD/INR	74.77	74.84	-0.06
GBP/INR	97.73	97.85	-0.11
EURO/INR	88.39	88.55	-0.16
JPY/INR	0.70	0.70	0.00

Commodity Prices				
Commodity	14-Aug	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	42.00	41.11	40.25	55.11
Brent Crude(\$/bl)	45.56	44.54	43.92	57.35
Gold(\$/oz)	1944	2035	1808	1516
Gold(Rs./10 gm)	52688	55922	48998	37574

Source: Refinitiv

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Derivatives Market

- Nifty Aug 2020 Futures stood at 11,186.70, a premium of 8.30 points above the spot closing of 11,178.40. The turnover on NSE's Futures and Options segment fell to Rs. 13,91,793.75 crore on August 14, 2020, compared with Rs. 33,70,833.70 crore on August 13, 2020.
- The Put-Call ratio stood at 0.98 compared with the previous session's close of 0.81.
- The Nifty Put-Call ratio stood at 1.31 compared with the previous session's close of 1.33.
- Open interest on Nifty Futures stood at 11.33 million, compared with the previous session's close of 11.4 million.

Indian Debt Market

- Bond yields rose to its highest level since Jun 3, 2020. It also witnessed the biggest single session rise since May 11, 2020. Yields went up after consumer price index based inflation or retail inflation remained above the upper tolerance level of 6% set by the Reserve Bank of India (RBI), for the fourth consecutive month in Jul 2020 which lowered the possibility of further easing of monetary policy in the coming months.
- Yield on the present 10-year benchmark paper (5.79% GS 2030) rose 7 bps to close at 5.97% compared to the previous day's closing of 5.90% after trading in a range of 5.93% to 5.99%.
- Yield on the upcoming new 10-year benchmark paper (5.77% GS 2030) rose 8 bps to close at 5.95% compared to the previous closing of 5.87% after moving in a range of 5.90% to 5.96%.
- Banks did not borrow under the central bank's Marginal Standing Facility on Aug 13, 2020 and Aug 12, 2020.

Currency Market Update

- The Indian rupee in the spot trade inched down against the greenback due to likely intervention by the RBI.
- The euro rose against the greenback as the latter remained under pressure with policymakers in U.S. failing to make any progress on the new stimulus package which is expected to help the U.S. economy combat the COVID-19 pandemic. Euro closed at \$1.1841, up 0.25% compared with the previous close of \$1.1812.

Commodity Market Update

- Gold prices fell as a rise in U.S. Treasury yields dented the safe haven appeal of the yellow metal.
- Brent crude prices fell on concerns that recovery in demand would take time on account of COVID-19 pandemic.

International News

- According to preliminary data by the University of Michigan, U.S. consumer sentiment index inched up to 72.8 in Aug 2020 from 72.5 in Jul 2020. On the other hand, the current economic conditions index fell to 82.5 in Aug from 82.8 in the previous month.
- According to the flash estimates from Eurostat, eurozone employment fell 2.8% QoQ in quarter ended Jun 2020 as against 0.2% fall in the quarter ended Mar 2020. Employment declined at a record rate in the second quarter as the introduction of containment measures for coronavirus pulled the currency bloc into a historic recession.
- According to the Commerce Department, U.S. retail sales rose 1.2% in Jul 2020 after rising by upwardly revised 8.4% 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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