

Markets for You

20 Aug 2020

Good gets *better*

Indices Performance

Global Indices	19-Aug	Prev_Day	Abs. Change	% Change [#]
Russell 3000	1,725	1,733	-8	-0.46
Nasdaq	11,146	11,211	-64	-0.57
FTSE	6,112	6,077	35	0.58
Nikkei	23,111	23,051	60	0.26
Hang Seng	25,179	25,367	-188	-0.74
Indian Indices	19-Aug	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	38,615	38,528	86	0.22
Nifty 50	11,408	11,385	23	0.20
Nifty 100	11,565	11,542	23	0.20
Nifty 500	9,413	9,382	31	0.33
Nifty Bank	22,286	22,171	115	0.52
S&P BSE Power	1,628	1,625	3	0.21
S&P BSE Small Cap	14,318	14,154	164	1.16
S&P BSE HC	19,061	19,093	-32	-0.17

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
19-Aug	27.74	1.00	32.09	1.44
Month Ago	24.72	1.04	28.55	1.47
Year Ago	26.16	1.24	27.35	1.34

Nifty 50 Top 3 Gainers

Company	19-Aug	Prev_Day	% Change [#]
Zee Ente.	197	174	13.14
GAIL	101	97	4.64
Tech Mahindra	727	713	1.91

Nifty 50 Top 3 Losers

Company	19-Aug	Prev_Day	% Change [#]
Bajaj Auto	3060	3105	-1.45
ONGC	80	81	-1.36
Nestle India Limited	16346	16555	-1.26

Advance Decline Ratio

	BSE	NSE
Advances	1778	1214
Declines	1016	665
Unchanged	160	101

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	1051	28374
MF Flows**	-570	24426

*19th Aug 2020; **17th 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

[1] Data as on 18 Aug, 2020

Global Indices

- Asian markets witnessed mixed trend amid persisting worries over COVID-19 and as investors keenly awaited the minutes of the FOMC's latest policy meeting. Today (as on Aug 20), markets are trading low with investors reacting to the overnight release of Jul meeting minutes from Fed. Both Nikkei and Hang Seng are down 0.33% and 1.37% (as at 8:00 AM), respectively.
- European markets edged higher amid bets for further stimulus measures and on optimism on the vaccine front.
- U.S. markets closed lower, weighed down by the minutes of the Fed's latest monetary policy meeting. The central bank said that the ongoing public health crisis will weigh heavily on economic activity, employment and inflation in the near term, and poses considerable risks to the economic outlook over the medium term.

Indian Equity Market

- Indian equity markets edged higher led by stock specific buying interests. Bourses managed to witness upswing despite the rising COVID-19 cases as the economy has been opening up after government allowed partial relaxations from COVID-19-induced lockdowns.
- Key benchmark indices S&P BSE Sensex and Nifty 50 gained 0.22% and 0.2% to close at 38,614.79 and 11,408.40 respectively.
- The overall market breadth on BSE was strong with 1,778 scrips advancing and 1,016 scrips declining. A total of 160 scrips remained unchanged.
- On the BSE sectoral front, S&P BSE Telecom was the major gainer, up 1.49% followed by S&P BSE Realty, up 1.37% and S&P BSE Industrials, up 0.94%. S&P BSE IT was the major loser, down 0.49% followed by S&P BSE FMCG, down 0.4% and S&P BSE Healthcare, down 0.17%.

Domestic News

- According to a domestic rating agency report, India's Gross Domestic Product (GDP) is forecasted to contract 20% in the Jun quarter of FY21 due to COVID-19 pandemic-induced disruptions. Gross Value Added (GVA) is forecasted to contract nearly 19.9% in the same quarter, led by broad based contraction across sectors, barring agriculture and public expenditure.
- The National Financial Reporting Authority, which has been given the authority to regulate auditors, has formed a technical advisory committee. The committee will advise on accounting and auditing standards, along with improving the drafting of audit quality review reports. The authority rules allow the regulator to constitute advisory committees, study groups and task forces for the effective performance of its roles and responsibilities.
- The World Bank in its India Development Update 2020 report said that it is likely to project a steeper contraction of India's economy compared with 3.2% projection for FY21 due to the increasing number of Covid-19 cases and the resultant regional lockdowns. The Bank also warned that credit risks play out as firms and households find it more difficult to service their interest and repayment obligations in a slowing economy.
- According to media reports, Muthoot Finance reported a 59% rise in net profit at Rs. 841 crore for the quarter ended Jun 2020 following a net profit of Rs. 530 crore in the same period of the previous year.
- According to media reports, Ruchi Soya reported 13% decline in its net profit to Rs. 12.25 crore for the quarter ended Jun 2020 following a net profit of Rs. 14.01 crore in the same period of the previous year.

Good gets better

FII Derivative Trade Statistics		19-Aug		
(Rs Cr)	Buy	Sell	Open Int.	
Index Futures	3226.72	3387.91	9571.40	
Index Options	172951.55	171909.02	53329.01	
Stock Futures	13903.31	13864.50	90684.15	
Stock Options	6233.56	6220.46	6952.08	
Total	196315.14	195381.89	160536.64	

Derivative Statistics- Nifty Options			
	19-Aug	Prev_Day	Change
Put Call Ratio (OI)	1.60	1.65	-0.05
Put Call Ratio(Vol)	1.18	0.99	0.20

Debt Watch				
	19-Aug	Wk. Ago	Mth. Ago	Year Ago
Call Rate	3.42%	3.49%	3.49%	5.30%
T-Repo	3.20%	3.19%	3.17%	5.18%
Repo	4.00%	4.00%	4.00%	5.40%
Reverse Repo	3.35%	3.35%	3.35%	5.15%
91 Day T-Bill	3.18%	3.26%	3.21%	5.45%
364 Day T-Bill	3.51%	3.52%	3.36%	5.73%
10 Year Gilt	6.01%	5.89%	5.80%	6.59%
G-Sec Vol. (Rs.Cr)	33929	31845	45761	38343
FBIL MIBOR ^[1]	3.79%	3.77%	3.92%	5.40%
3 Month CP Rate	3.45%	3.65%	3.65%	6.00%
5 Year Corp Bond	6.72%	6.57%	6.31%	7.95%
1 Month CD Rate	3.16%	3.09%	3.21%	5.36%
3 Month CD Rate	3.24%	3.30%	3.28%	5.54%
1 Year CD Rate	3.80%	3.80%	3.76%	6.56%

Currency Market			
Currency	19-Aug	Prev_Day	Change
USD/INR	74.76	74.82	-0.06
GBP/INR	99.14	98.44	0.70
EURO/INR	89.28	88.99	0.29
JPY/INR	0.71	0.71	0.00

Commodity Prices				
Commodity	19-Aug	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	42.86	42.55	40.50	56.19
Brent Crude(\$/bl)	45.83	45.89	44.27	59.83
Gold(\$/oz)	1930	1918	1809	1495
Gold(Rs./10 gm)	53185	53758	48942	37469

Source: Refinitiv

[1] Data as on 18 Aug, 2020

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Derivatives Market

- Nifty Aug 2020 Futures stood at 11,420.80, a premium of 12.40 points above the spot closing of 11,408.40. The turnover on NSE's Futures and Options segment rose to Rs. 15,89,921.82 crore on August 19, 2020, compared with Rs. 14,90,766.91 crore on August 18, 2020.
- The Put-Call ratio stood at 0.96 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 1.65.
- Open interest on Nifty Futures stood at 11.58 million, compared with the previous session's close of 11.92 million.

Indian Debt Market

- Bond yields rose with the benchmark yield touched 11-week high on lower probability of immediate support from the Reserve Bank of India to absorb bond supply.
- Yield on the present 10-year benchmark paper (5.79% GS 2030) rose 2 bps to close at 6.01% compared to the previous day's closing of 5.99% after trading in a range of 5.99% to 6.01%.
- Yield on the upcoming new 10-year benchmark paper (5.77% GS 2030) rose 1 bps to close at 5.97% compared to the previous day's close of 5.96% after moving in a range of 5.96% to 5.98%.
- Banks did not borrowed under the central bank's Marginal Standing Facility on Aug 18, 2020 as well as on Aug 17, 2020.

Currency Market Update

- The Indian rupee weakened against the U.S. dollar as likely intervention by the Reserve Bank of India in the spot market outweighed the impact of a fall in U.S. dollar index. The rupee fell to 74.82 per dollar, down 0.09% from the previous close of 74.76.
- Euro fell against the U.S dollar ahead of the release of minutes from the U.S. Federal Reserve's recent policy meeting.

Commodity Market Update

- Gold prices fell amid media reports that agreement on a smaller coronavirus relief bill worth around \$500 billion could be reached.
- Brent crude prices fell on persisting concerns over global growth due to COVID-19 pandemic.

International News

- Minutes of the U.S. Federal Reserve's monetary policy review held in Jul showed that policymakers expressed concerns about the coronavirus's continuing impact on the economy. The minutes also showed that the U.S. central bank might adopt aggressive stimulus measures for longer period of time than necessary.
- Data from Cabinet Office showed that the total value of core machine orders in Japan fell 7.6% on a monthly basis in Jun 2020 following an increase of 1.7% in May 2020.
- Data from Eurostat showed that inflation in eurozone rose marginally in Jul 2020. Inflation on a yearly basis rose to 0.4% in Jul 2020 from 0.3% in Jun 2020.
- Data from the Office for National Statistics showed that consumer price index based inflation in U.K. accelerated 1% on a yearly basis in Jul 2020.



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

Thank you for
your time.

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