



Nippon *india* Mutual Fund

Wealth sets you free

(Formerly Reliance Mutual Fund)

Markets for You

27 Aug 2020

Good gets *better*

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

Indices Performance

Global Indices	26-Aug	Prev_Day	Abs. Change	% Change#
Russell 3000	1,808	1,772	36	2.01
Nasdaq	11,665	11,466	199	1.73
FTSE	6,046	6,037	9	0.14
Nikkei	23,291	23,297	-6	-0.03
Hang Seng	25,492	25,486	6	0.02
Indian Indices	26-Aug	Prev_Day	Abs. Change	% Change#
S&P BSE Sensex	39,074	38,844	230	0.59
Nifty 50	11,550	11,472	77	0.67
Nifty 100	11,694	11,626	69	0.59
Nifty 500	9,567	9,509	58	0.61
Nifty Bank	23,414	23,092	322	1.39
S&P BSE Power	1,740	1,740	-1	-0.05
S&P BSE Small Cap	14,973	14,871	102	0.69
S&P BSE HC	19,153	19,169	-16	-0.08

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
26-Aug	28.27	0.98	32.64	1.45
Month Ago	25.37	1.02	29.35	1.43
Year Ago	26.21	1.24	27.36	1.34

Nifty 50 Top 3 Gainers

Company	26-Aug	Prev_Day	% Change#
Tata Motors	138	127	8.50
Hero Moto	3161	2970	6.43
IndusInd Bank	568	537	5.81

Nifty 50 Top 3 Losers

Company	26-Aug	Prev_Day	% Change#
Bharti Airtel Limited	515	529	-2.68
UltraTech Cement Limited	4080	4172	-2.22
Britannia Industries Limited	3829	3897	-1.73

Advance Decline Ratio

	BSE	NSE
Advances	1661	1102
Declines	1187	782
Unchanged	173	118

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	1754	32565
MF Flows**	28	23218

 *26th Aug 2020; **25th 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 25 Aug, 2020

Global Indices

- Asian markets witnessed a mixed trend as investors remained on side-lines ahead of U.S. Federal Reserve Chair's speech on Aug 27 at the annual Jackson Hole symposium for clues on the U.S. central bank's view on inflation and monetary policy. Today (as on August 27), Asian markets were mixed ahead of the upcoming comments from U.S. Federal Reserve Chairman. Both Nikkei and Hang Seng were trading lower 0.17% and 0.20%, respectively (as at 8 a.m. IST).
- European markets rose amid optimism about progress in U.S.-China trade talks and on hopes of stimulus. Germany's coalition parties' decided n to extend economic measures at a cost of up to 10 billion euros and French government is set to present its 100 billion euro stimulus plan next week.
- U.S. markets rose partially due to optimism about the outlook for the U.S. economy after upbeat durable goods orders in Jul 2020. A U.S. biotechnology company announced promising results from a small trial of its coronavirus vaccine candidate in elderly patients, added to the positive sentiment.

Indian Equity Market

- Indian equity markets edged higher after government hinted at a fresh set of stimulus measures, including a review of GST on two-wheelers, once COVID-19 subsides. There have been projections of an extended economic downturn in the wake of the pandemic, which calls for additional stimulus measures.
- Key benchmark indices S&P BSE Sensex and Nifty 50 gained 0.59% and 0.67% to close at 39,073.92 and 11,549.60 respectively.
- The overall market breadth on BSE was strong with 1,661 scrips advancing and 1,187 scrips declining. A total of 173 scrips remained unchanged.
- On the BSE sectoral front, S&P BSE Energy was the major gainer, up 2.09% followed by S&P BSE Auto, up 1.5% and S&P BSE Bankex, up 1.5%. S&P BSE Telecom was the major loser, down 2.01% followed by S&P BSE Capital Goods, down 0.44% and S&P BSE Basic Materials, down 0.19%.

Domestic News

- According to a report from a major financial service company, government's debt rose from 70% in FY18 to 75% of GDP in FY20 and is forecast to hit 91% in FY21. The company expects government debt to stay at more than 90% up to FY23 until FY30 gradually reduces to 80%. This surge in the debt-to - GDP ratio of government would limit its ability to substantially increase its spending and boost economic development in the decade of 2020, as it has done in the past few years.
- According to reports, digital transactions worth Rs. 7,092 trillion are expected to be carried out by 2025, a 27% CAGR due to outbreak of Covid-19, which would gradually lead to a change in consumer behaviour as they tend more towards digital.
- According to a report by Niti Aayog, Gujarat has topped the Niti Aayog's Export Preparedness Index 2020 followed by Maharashtra and Tamil Nadu. The CEO of Niti Aayog also mentioned that a key component for long-term economic growth is rapid export growth. A favorable environment helps a country to make a major contribution to global supply chains and benefit internationally from interconnected production networks.
- According to media reports, the government proposes to bring within the scope of the proposed social security code at least half a dozen social security schemes, including old age pension and insurance schemes. The move aims to universalize by putting all current programs under one umbrella without any extra costs to the exchequer and is projected to cover more than 20% of the population's edge.
- Bharat Petroleum Corporation has resumed work on as many as 2,118 projects involving a capital expenditure of around Rs. 50,300 crore over three years. Of the total estimated capital investment, Rs. 9,597 crore is targeted for FY21, of which it has already spent Rs 1,650 crore.
- Joint managing director of TVS Motor said the government's proposed goods and services tax (GST) rate cut decision is a welcome move and it will certainly push the demand, if implemented.



FII Derivative Trade Statistics				
(Rs Cr)	26-Aug	Buy	Sell	Open Int.
Index Futures	6509.96	6654.05	10938.14	
Index Options	202660.52	202152.29	59720.07	
Stock Futures	41097.03	41424.56	90996.33	
Stock Options	5670.23	5525.66	5491.20	
Total	255937.74	255756.56	167145.74	

Derivative Statistics- Nifty Options			
	26-Aug	Prev_Day	Change
Put Call Ratio (OI)	1.69	1.52	0.17
Put Call Ratio(Vol)	1.03	1.04	-0.01

Debt Watch				
	26-Aug	Wk. Ago	Mth. Ago	Year Ago
Call Rate	3.44%	3.42%	3.42%	5.36%
T-Repo	3.04%	3.20%	3.18%	5.20%
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%	3.18%	3.26%	5.42%
364 Day T-Bill	3.53%	3.51%	3.45%	5.65%
10 Year Gilt	6.16%	6.01%	5.82%	6.48%
G-Sec Vol. (Rs.Cr)	31017	33929	41818	56940
FBIL MIBOR ^[1]	3.77%	3.68%	3.84%	5.45%
3 Month CP Rate	3.45%	3.45%	3.65%	5.90%
5 Year Corp Bond	6.92%	6.72%	6.43%	7.64%
1 Month CD Rate	3.13%	3.16%	3.26%	5.47%
3 Month CD Rate	3.44%	3.24%	3.30%	5.74%
1 Year CD Rate	3.83%	3.80%	3.85%	6.54%

Currency Market			
Currency	26-Aug	Prev_Day	Change
USD/INR	74.35	74.40	-0.04
GBP/INR	97.76	97.46	0.31
EURO/INR	87.88	87.86	0.02
JPY/INR	0.70	0.70	0.00

Commodity Prices				
Commodity	26-Aug	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	43.16	42.86	41.21	53.51
Brent Crude(\$/bl)	46.53	45.83	43.72	58.93
Gold(\$/oz)	1953	1930	1901	1526
Gold(Rs./10 gm)	51018	53185	50960	38578

Source: Refinitiv

^[1] Data as on 25 Aug, 2020

Disclaimer:

The information herein is meant only for general reading purposes and contains all factual and statistical information pertaining to Industry and markets which have been obtained from independent third party sources and which are deemed to be reliable. The information provided cannot be considered as guidelines, recommendations or as a professional guide for the readers. It may be noted that since Nippon Life India Asset Management Limited (NAM India) (formerly Reliance Nippon Life Asset Management Limited) has not independently verified the accuracy or authenticity of such information or data, or for that matter the reasonableness of the assumptions upon which such data and information has been processed or arrive data; NAM India does not in any manner assures the accuracy or authenticity of such data and information. Some of the statements & assertions contained in these materials may reflect NAM India's views or opinions, which in turn may not have been formed on the basis of such data or information. The Sponsor(s), the Investment Manager, the Trustee or any of their respective directors, employees, affiliates or representatives do not assume any responsibility for, or warrant the accuracy, completeness, adequacy and reliability of such data or information. Whilst no action has been solicited based upon the information provided herein, due care has been taken to ensure that the facts are accurate and opinions given are fair and reasonable, to the extent possible. This information is not intended to be an offer or solicitation for the purchase or sale of any financial product or instrument. Recipients of this information should rely on information/data arising out of their own investigations. Before making any investments, the readers are advised to seek independent professional advice, verify the contents in order to arrive at an informed investment decision. None of the Sponsor(s), the Investment Manager, the Trustee, their respective directors, employees, affiliates or representatives shall be liable in any way for any direct, indirect, special, incidental, consequential, punitive or exemplary damages, including on account of lost profits arising from the information contained in this material.

Readers are requested to click here for ICRA Analytics Ltd disclaimer

Derivatives Market

- Nifty Aug 2020 Futures stood at 11,548.20, a discount of 1.40 points below the spot closing of 11,549.60. The turnover on NSE's Futures and Options segment rose to Rs. 18,47,582.19 crore on August 26, 2020, compared with Rs. 17,51,531.87 crore on August 25, 2020.
- The Put-Call ratio stood at 0.9 compared with the previous session's close of 0.83.
- The Nifty Put-Call ratio stood at 1.69 compared with the previous session's close of 1.52.
- Open interest on Nifty Futures stood at 13.56 million, compared with the previous session's close of 11.81 million.

Indian Debt Market

- Bond yields rose as market participants preferred to remain on the sidelines and awaited the outcome of the Reserve Bank of India's special open market operation which is due on Aug 27, 2020.
- Yield on the present 10-year benchmark paper (5.79% GS 2030) rose 4 bps to close at 6.20% compared to the previous day's closing of 6.16% after trading in a range of 6.14% to 6.22%.
- Yield on the upcoming new 10-year benchmark paper (5.77% GS 2030) rose 6 bps to close at 6.19% compared to the previous days close of 6.13% after moving in a range of 6.10% to 6.19%.
- Data from RBI showed that reserve money increased at an annualized rate of 15.0% in the week to Aug 21, 2020, compared with an increase of 11.9% a year earlier. The currency in circulation rose 22.8% during the week compared with an increase of 12.9% a year earlier.

Currency Market Update

- The Indian rupee in the spot trade inched up against the greenback following gains in the domestic equity market.
- The euro fell against the greenback as market participants preferred to remain on the side-lines and preferred to exercise caution ahead of a key speech by the U.S. Federal Reserve Chief. Euro closed at \$1.1819, down 0.12% compared with the previous close of \$1.1833.

Commodity Market Update

- Gold prices rose as market participants awaited speech from the U.S. Federal Reserve chief and worries over global economic outlook due to COVID-19 pandemic.
- Brent crude prices fell on concerns over COVID-19 pandemic which hit the demand outlook of the commodity.

International News

- As per the Commerce Department report, U.S. durable goods orders surged 11.2% in Jul 2020, faster than revised 7.7% rise (7.6% jump originally reported) in Jun 2020. The rise reflected sharp increase in orders for transportation equipment that jumped 35.6% in Jul 2020, higher than 19.7% rise in Jun 2020.
- Survey data from the statistical office Insee showed, France's consumer sentiment index was unchanged at 94.0 in Aug 2020. Households' opinion balance on their past financial situation gained 1 point to -14.
- Japan's leading index (measures future economic activity) improved to 84.4 (initial estimate was 85.0) in Jun 2020 from 78.3 in May 2020. The coincident index rose to 76.6 (initial estimate was 76.4) in Jun 2020 from 72.9 in the prior month.





Nippon *india* Mutual Fund

Wealth sets you free

(Formerly Reliance Mutual Fund)

**Thank you for
your time.**

Good gets *better*

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