

Markets for You

01 Jul 2020

Good gets *better*

Indices Performance

| Global Indices | 30-Jun | Prev_Day | Abs. Change | % Change [#] |
|-------------------|--------|----------|-------------|-----------------------|
| Russell 3000 | 1,545 | 1,517 | 29 | 1.90 |
| Nasdaq | 10,059 | 9,874 | 185 | 1.87 |
| FTSE | 6,170 | 6,226 | -56 | -0.90 |
| Nikkei | 22,288 | 21,995 | 293 | 1.33 |
| Hang Seng | 24,427 | 24,301 | 126 | 0.52 |
| Indian Indices | 30-Jun | Prev_Day | Abs. Change | % Change [#] |
| S&P BSE Sensex | 34,916 | 34,962 | -46 | -0.13 |
| Nifty 50 | 10,302 | 10,312 | -10 | -0.10 |
| Nifty 100 | 10,487 | 10,497 | -10 | -0.09 |
| Nifty 500 | 8,475 | 8,488 | -13 | -0.16 |
| Nifty Bank | 21,370 | 21,359 | 11 | 0.05 |
| S&P BSE Power | 1,575 | 1,588 | -13 | -0.81 |
| S&P BSE Small Cap | 12,381 | 12,474 | -94 | -0.75 |
| S&P BSE HC | 16,263 | 16,463 | -200 | -1.21 |

P/E Dividend Yield

| Date | Sensex | | Nifty | |
|-----------|--------|------------|-------|------------|
| | P/E | Div. Yield | P/E | Div. Yield |
| 30-Jun | 22.55 | 1.13 | 26.32 | 1.55 |
| Month Ago | 20.33 | 1.17 | 22.38 | 1.59 |
| Year Ago | 28.46 | 1.19 | 28.98 | 1.24 |

Nifty 50 Top 3 Gainers

| Company | 30-Jun | Prev_Day | % Change [#] |
|-----------------------|--------|----------|-----------------------|
| Shree Cements Limited | 23051 | 22342 | 3.17 |
| Maruti | 5838 | 5679 | 2.81 |
| Nestle India Limited | 17174 | 16725 | 2.69 |

Nifty 50 Top 3 Losers

| Company | 30-Jun | Prev_Day | % Change [#] |
|------------|--------|----------|-----------------------|
| BPCL | 374 | 383 | -2.44 |
| Indian Oil | 85 | 87 | -2.01 |
| Power Grid | 175 | 178 | -1.91 |

Advance Decline Ratio

| | BSE | NSE |
|-----------|------|------|
| Advances | 1258 | 801 |
| Declines | 1513 | 1080 |
| Unchanged | 129 | 71 |

Institutional Flows (Equity)

| Description (Cr) | Inflow/Outflow | YTD |
|------------------|----------------|--------|
| FII Flows* | -104 | -18514 |
| MF Flows** | 714 | 36171 |

*30th Jun 2020; **26th Jun 2020

Economic Indicator

| YoY(%) | Current | Quarter Ago | Year Ago |
|--------|---------------------|-------------------|-------------------|
| CPI | 5.84% (Mar-20) | 7.35% (Dec-19) | 2.86% (Mar-19) |
| IIP | -55.50% (Apr-20) | 2.20% (Jan-20) | 3.20% (Apr-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 29 Jun, 2020

Global Indices

- Asian markets rose as investors shrugged off worries over spike in global coronavirus cases and took positive cues from official survey showing the manufacturing sector in China continued to expand in June. Today (as on Jul 1) markets traded higher tracking overnight gains in U.S. markets. Both Nikkei and Hang Seng are up 0.15% and 0.52% (as at 8:00 AM IST), respectively.
- European markets largely remained low as investors remained cautious, tracking news about coronavirus spread, U.S.-China trade tensions, and the latest batch of economic data from across the globe.
- U.S. markets rose despite the continued spike in new coronavirus cases across several states. Investors took positive cues from report showing bigger than expected improvement in U.S. consumer confidence in Jun.

Indian Equity Market

- Indian equity markets dipped marginally as investors remained worried that the rapid increase in covid-19 cases in several parts of India, shall result in the nation stopping short of reopening schools, colleges and coaching institutions.
- Key benchmark indices S&P BSE Sensex and Nifty 50 lost 0.13% and 0.1% to close at 34,915.80 and 10,302.10 respectively.
- The overall market breadth on BSE was weak with 1,258 scrips advancing and 1,513 scrips declining. A total of 129 scrips remained unchanged.
- On the BSE sectoral front, S&P BSE Auto was the major gainer, up 1.05% followed by S&P BSE Basic Materials, up 0.44% and S&P BSE Consumer Discretionary Goods & Services, up 0.19%. S&P BSE Oil & Gas was the major loser, down 1.51% followed by S&P BSE Energy, down 1.3% and S&P BSE Telecom, down 1.26%.

Domestic News

- Core output, which constitutes 8 sectors of the economy contracted 23.4% in May 2020, slower than 37% in Apr 2020. Factories remained constrained by a lack of labour and cash in the wake of the nationwide coronavirus (Covid-19) lockdown. Out of 8 core sectors, 7 continued to contract in May 2020. Steel and cement output fell sharply by 48.4% and 22.2%, respectively.
- According to quarterly report on Public Debt Management, government's total liabilities rose 0.8% QoQ to Rs. 94.62 lakh crore as on Mar 31, 2020 from Rs. 93.9 lakh crore as on Dec 31, 2019. Public debt accounted for 90.9% of total outstanding liabilities as on Mar 31, 2020.
- Government data showed, India's fiscal deficit stood at Rs 4.66 lakh crore or 58.6% of the budgeted target for the FY21 in the first two months till May 2020. During the similar period, net tax receipts were Rs. 33,850 crore and total expenditure was at Rs. 5.12 lakh crore. The data indicated the government was front-loading its budgeted spending to fight the impact of pandemic.
- According to a global rating agency, India's growth forecast for FY22 fiscal trimmed to 8% from 9.5% projected last month. Moreover, it retained its projection of Indian economy contracting by 5% in the current fiscal.
- Oil and Natural Gas Corporation (ONGC) has posted a pre-tax loss of Rs. 10,529 crore for fourth quarter FY20 as against Rs. 11,691 crore during fourth quarter of FY19. This is the first ever quarterly loss for ONGC amid drop in crude oil prices, the impact of lockdown and exchange loss.
- Swiggy, food delivery platform, launched its own digital wallet called 'Swiggy Money' in partnership with ICICI Bank to enable single-click checkout experience. It will allow customers to store money and be used for all food orders.

Good gets better

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

| FII Derivative Trade Statistics | | 30-Jun | | |
|---------------------------------|------------------|------------------|------------------|--|
| (Rs Cr) | Buy | Sell | Open Int. | |
| Index Futures | 4562.33 | 5804.23 | 7228.77 | |
| Index Options | 168116.14 | 168341.38 | 40984.43 | |
| Stock Futures | 12810.85 | 13601.29 | 82667.11 | |
| Stock Options | 3311.87 | 3439.41 | 3978.23 | |
| Total | 188801.19 | 191186.31 | 134858.54 | |

| Derivative Statistics- Nifty Options | | | |
|--------------------------------------|--------|----------|--------|
| | 30-Jun | Prev_Day | Change |
| Put Call Ratio (OI) | 1.19 | 1.30 | -0.11 |
| Put Call Ratio(Vol) | 0.98 | 0.89 | 0.09 |

| Debt Watch | | | | |
|---------------------------|--------|---------|----------|----------|
| | 30-Jun | Wk. Ago | Mth. Ago | Year Ago |
| Call Rate | 3.65% | 3.52% | 3.62% | 5.94% |
| T-Repo | 3.07% | 2.81% | 3.14% | 5.85% |
| Repo | 4.00% | 4.00% | 4.00% | 5.75% |
| Reverse Repo | 3.35% | 3.35% | 3.35% | 5.50% |
| 91 Day T-Bill | 3.12% | 3.25% | 3.22% | 6.02% |
| 364 Day T-Bill | 3.46% | 3.49% | 3.40% | 6.08% |
| 10 Year Gilt | 5.99% | 6.03% | 5.98% | 6.88% |
| G-Sec Vol. (Rs.Cr) | 39172 | 21271 | 38268 | 45259 |
| FBIL MIBOR ^[1] | 3.85% | 3.91% | 4.04% | 5.97% |
| 3 Month CP Rate | 3.75% | 3.95% | 4.35% | 7.00% |
| 5 Year Corp Bond | 6.62% | 6.69% | 6.86% | 8.10% |
| 1 Month CD Rate | 3.29% | 3.22% | 4.02% | 6.07% |
| 3 Month CD Rate | 3.23% | 3.34% | 3.76% | 6.41% |
| 1 Year CD Rate | 4.05% | 4.07% | 3.99% | 7.16% |

| Currency Market | | | |
|-----------------|--------|----------|--------|
| Currency | 30-Jun | Prev_Day | Change |
| USD/INR | 75.53 | 75.57 | -0.04 |
| GBP/INR | 92.69 | 93.58 | -0.89 |
| EURO/INR | 84.67 | 85.12 | -0.45 |
| JPY/INR | 0.70 | 0.71 | 0.00 |

| Commodity Prices | | | | |
|--------------------|--------|--------|----------|----------|
| Commodity | 30-Jun | Wk Ago | Mth. Ago | Year Ago |
| NYMEX Crude(\$/b) | 39.22 | 40.35 | 35.52 | 58.17 |
| Brent Crude(\$/bl) | 42.50 | 44.41 | 33.60 | 68.96 |
| Gold(\$/oz) | 1781 | 1767 | 1726 | 1409 |
| Gold(Rs./10 gm) | 48379 | 47942 | 40989 | 34006 |

Source: Refinitiv

[1] Data as on 29 Jun, 2020

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Derivatives Market

- Nifty Jul 2020 Futures stood at 10,240.25, a discount of 61.85 points below the spot closing of 10,302.10. The turnover on NSE's Futures and Options segment rose to Rs. 10,79,854.64 crore on June 30, 2020, compared with Rs. 9,56,204.21 crore on June 29, 2020.
- The Put-Call ratio stood at 0.93 compared with the previous session's close of 0.86.
- The Nifty Put-Call ratio stood at 1.19 compared with the previous session's close of 1.3.
- Open interest on Nifty Futures stood at 12.44 million, compared with the previous session's close of 12.31 million.

Indian Debt Market

- Bond yields fell after the Reserve Bank of India announced special open market operation on Jun 29 after market hours to ease supply concerns in the debt market.
- Yield on the 10-year benchmark paper (5.79% GS 2030) fell 1 bps to close at 5.89% from the previous close of 5.90% after moving in a range of 5.86% to 5.89%.
- Yield on the old 10-year benchmark paper (6.45% GS 2029) fell 2 bps to close at 5.99% from the previous close of 6.01% after moving in a range of 5.96% to 6.00%.
- Banks borrowed Rs. 78 crore under the central bank's Marginal Standing Facility on Jun 29, 2020 as against borrowing of Rs. 65 crore on Jun 26, 2020.

Currency Market Update

- The Indian rupee rose marginally against the U.S. dollar as the Reserve Bank of India absorbed most of the greenback inflows to shore up reserves.
- Euro fell marginally against the U.S. dollar on renewed concerns about the spread of the novel coronavirus as countries around the world as some U.S. states imposed new lockdowns. Euro closed at \$1.1231, marginally down 0.08% compared with the previous close \$1.1240.

Commodity Market Update

- Gold prices rose as its safe haven appeal improved following an increase in new coronavirus infection cases across the globe.
- Brent crude prices rose amid signs of recovery in demand.

International News

- According to preliminary data from Eurostat, eurozone inflation rose to 0.3% YoY in Jun 2020 from 0.1% in May 2020. Inflation rose in Jun as prices of energy decreased at a slower rate.
- According to the Ministry of Economy, Trade and Industry, Japan's industrial production plunged 25.9% YoY in May 2020 following the 15.0% fall in Apr 2020. On monthly basis, industrial production fell 8.4% following the 9.8% slide in Apr.
- According to the Office for National Statistics, U.K.'s gross domestic product (GDP) fell 2.2% sequentially as against 2% decrease estimated initially and followed a nil growth in the fourth quarter of 2019. On a yearly basis, GDP fell 1.7% in the first quarter down from 1.6% estimated in May 2020.


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Nippon *india* Mutual Fund

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your time.**

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