



Nippon *india* Mutual Fund
Wealth sets you free

(Formerly Reliance Mutual Fund)

Markets for You

03 Jul 2020

Good gets *better*

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

Indices Performance

Global Indices	02-Jul	Prev_Day	Abs. Change	% Change#
Russell 3000	1,572	1,564	8	0.50
Nasdaq	10,208	10,155	53	0.52
FTSE	6,240	6,158	82	1.34
Nikkei	22,146	22,122	24	0.11
Hang Seng	25,124	24,427	697	2.85
Indian Indices	02-Jul	Prev_Day	Abs. Change	% Change#
S&P BSE Sensex	35,844	35,414	429	1.21
Nifty 50	10,552	10,430	122	1.17
Nifty 100	10,716	10,599	117	1.11
Nifty 500	8,648	8,555	93	1.09
Nifty Bank	21,953	21,978	-24	-0.11
S&P BSE Power	1,580	1,559	20	1.31
S&P BSE Small Cap	12,543	12,429	115	0.92
S&P BSE HC	16,285	16,169	116	0.72

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
2-Jul	23.68	1.08	27.63	1.52
Month Ago	21.63	1.11	23.31	1.53
Year Ago	28.69	1.18	29.28	1.23

Nifty 50 Top 3 Gainers

Company	02-Jul	Prev_Day	% Change#
M&M	530	499	6.16
Hero Moto	2671	2547	4.87
Titan Industries Limited	986	948	4.03

Nifty 50 Top 3 Losers

Company	02-Jul	Prev_Day	% Change#
Axis Bank	423	433	-2.32
Vedanta Limited	106	108	-1.21
United Phos	442	447	-1.01

Advance Decline Ratio

	BSE	NSE
Advances	1696	1116
Declines	1075	742
Unchanged	119	72

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-1685	-22141
MF Flows**	758	40006

 *2nd Jul 2020; **1st Jul 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 01 Jul, 2020

Global Indices

- Asian markets rose on optimism about a potential coronavirus vaccine and signs that the global economy is emerging from the coronavirus lockdown. Today (as on Jul 3), markets traded higher after encouraging U.S. non-farm payroll data raised optimism over the prospects of an economic recovery from the coronavirus pandemic. Both Nikkei and Hang Seng are up 0.55% and 0.32% (as at 8:00 AM IST), respectively.
- European markets went up amid continued optimism over potential coronavirus vaccine, and on encouraging economic data from across the globe.
- U.S. markets rose after non-farm payroll data showed another record spike in employment in June. The data added to optimism about an economic recovery.

Indian Equity Market

- Indian equity markets closed in the green as positive developments in a coronavirus vaccine trial improved risk sentiment.
- Key benchmark indices S&P BSE Sensex and Nifty 50 gained 1.21% and 1.17% to close at 35,843.70 and 10,551.70 respectively.
- The overall market breadth on BSE was strong with 1,696 scrips advancing and 1,075 scrips declining. A total of 119 scrips remained unchanged.
- On the BSE sectoral front, S&P BSE IT was the major gainer, up 2.91% followed by S&P BSE Auto, up 2.83% and S&P BSE Consumer Durables, up 2.73%. S&P BSE Bankex was the only loser, down 0.19%.

Domestic News

- According to government data, India's trade deficit with China declined to \$48.66 billion in FY20 from \$53.56 billion in FY19 and \$63 billion in FY18 on account of fall in imports. Exports to China stood at \$16.6 billion, while imports aggregated at \$65.26 billion. The main imports from China include clocks and watches, musical instruments, toys, sports goods, furniture, mattresses, plastics, electrical machinery, electronic equipment, chemicals, iron and steel items, fertilisers, mineral fuel and metals.
- Diesel sales fell 24.7% YoY to 5.5 million tonne (MT) while petrol consumption dropped 16.7% to 2 MT in Jun 2020. Meanwhile, volumes remained similar as compared with May 2020. Demand for the aviation turbine fuel (ATF) plunged 69% YoY to 0.20 MT in the month. Fuel consumption was at 11.8 million tonnes in Jun 2020, which is 88% of 13.4 million tonnes consumption in Jun 2019.
- According to government data, the Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) produced 107.82 crore person days of work in the Jun quarter of 2020, which is 12% higher than 96.49 crore seen in the corresponding period last year.
- Government's free ration scheme in 11 states saw distribution of less than 1% of the allocated foodgrains. States such as Goa and Telangana have distributed zero foodgrains. Andhra Pradesh, Goa, Gujarat, Jharkhand, Ladakh, Maharashtra, Meghalaya, Odisha, Sikkim, Tamil Nadu, Telangana and Tripura are among the states which distributed less than 1 per cent of the food they lifted, showed the latest data of the Ministry of Consumer Affairs, Food and Public Distribution.
- Axis Bank has received approval from its board members to raise up to Rs. 15,000 crore to increase its capital base through issue of equity shares/depository receipts or any other instrument or securities.
- Tata Power's board has approved an equity raise from its promoters, Tata Sons', for Rs. 2,600 crore through a preferential issue. Pursuant to the equity issue, Tata Sons' shareholding will increase from 35.27% to 45.21%.


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FII Derivative Trade Statistics		02-Jul		
(Rs Cr)	Buy	Sell	Open Int.	
Index Futures	5735.41	4620.57	6694.43	
Index Options	283148.54	284737.50	44773.02	
Stock Futures	12643.98	12511.56	84938.42	
Stock Options	3334.10	3246.62	4860.70	
Total	304862.03	305116.25	141266.57	

Derivative Statistics- Nifty Options			
	02-Jul	Prev_Day	Change
Put Call Ratio (OI)	1.62	1.43	0.19
Put Call Ratio (Vol)	1.01	0.91	0.10

Debt Watch				
	02-Jul	Wk. Ago	Mth. Ago	Year Ago
Call Rate	3.51%	3.57%	3.53%	5.71%
T-Repo	2.94%	1.93%	3.15%	5.49%
Repo	4.00%	4.00%	4.00%	5.75%
Reverse Repo	3.35%	3.35%	3.35%	5.50%
91 Day T-Bill	3.10%	3.13%	3.25%	5.94%
364 Day T-Bill	3.42%	3.53%	3.44%	6.11%
10 Year Gilt	5.95%	6.00%	6.00%	6.85%
G-Sec Vol. (Rs.Cr)	27632	27342	37127	42158
FBIL MIBOR ^[1]	3.92%	3.84%	4.04%	5.93%
3 Month CP Rate	3.90%	3.90%	4.35%	6.90%
5 Year Corp Bond	6.50%	6.64%	6.78%	8.02%
1 Month CD Rate	3.08%	3.10%	3.35%	5.91%
3 Month CD Rate	3.22%	3.23%	3.47%	6.38%
1 Year CD Rate	3.94%	4.07%	4.02%	7.50%

Currency Market			
Currency	02-Jul	Prev_Day	Change
USD/INR	75.49	75.58	-0.09
GBP/INR	94.36	93.58	0.78
EURO/INR	85.07	84.89	0.18
JPY/INR	0.70	0.70	0.00

Commodity Prices				
Commodity	02-Jul	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	40.52	38.56	36.83	55.97
Brent Crude(\$/bl)	43.66	41.77	36.87	62.86
Gold(\$/oz)	1775	1761	1727	1418
Gold(Rs./10 gm)	48173	48021	40989	33577

Source: Refinitiv

[1] Data as on 01 Jul, 2020

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Derivatives Market

- Nifty Jul 2020 Futures stood at 10,539.70, a discount of 12.00 points below the spot closing of 10,551.70. The turnover on NSE's Futures and Options segment rose to Rs. 34,58,396.29 crore on July 02, 2020, compared with Rs. 16,59,234.90 crore on July 01, 2020.
- The Put-Call ratio stood at 0.79 compared with the previous session's close of 0.88.
- The Nifty Put-Call ratio stood at 1.62 compared with the previous session's close of 1.43.
- Open interest on Nifty Futures stood at 11.8 million, compared with the previous session's close of 11.74 million.

Indian Debt Market

- Bond yield stood unchanged as investor's focus shifted towards debt supply on Jul 03, 2020, following successful completion of the Reserve Bank of India's special open market operation.
- Yield on the 10-year benchmark paper (5.79% GS 2030) stood at 5.84% same as previous close after moving in a range of 5.82% to 5.85%.
- Banks did not borrow under the central bank's Marginal Standing Facility on Jul 01, 2020 and Jun 30, 2020.
- RBI announced to conduct underwriting auction of 5.09% GS 2022, 5.79% GS 2030, GOI FRB 2033 and 7.19% GS 2060 for notified amount of Rs. 30,000 crore through multiple price-based method on Jul 03, 2020.

Currency Market Update

- The Indian rupee gained and touched two-month high against the U.S. dollar on dollar sales by foreign banks', possibly related to investment flows. The rupee rose 0.77% to close at 75.01 per dollar from the previous close of 75.59.
- Initially, euro rose against the U.S. dollar after U.S. nonfarm payroll came better than expected for Jun 2020 but soon gains reversed on profit booking.

Commodity Market Update

- Gold prices rose due to persisting concerns over rising coronavirus infection cases particularly in U.S.
- Brent crude prices rose after U.S. nonfarm payrolls rose by 4.8 million jobs in June, the most since the government began keeping records in 1939.

International News

- According to the minutes of the U.S. Federal Reserve's Jun meeting, the policy makers maintained the interest rates at near-zero levels. Members stressed the need for strengthened guidance about policy ahead, which they expect to be "highly accommodative." They also expressed a preference for policy tied to outcomes, preferably inflation rather than unemployment.
- According to figures from the Eurostat, eurozone unemployment increased 7.4% in May 2020 from 7.3% in Apr 2020. The number of people out of work increased by 159,000 from Apr to 12.146 million in May.
- According to the Institute for Supply Management, U.S. manufacturing Purchasing Managers Index (PMI) after reporting contractions for three straight months jumped unexpectedly to 52.6 in Jun 2020 from 43.1 in May 2020.

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