



Nippon india Mutual Fund

Wealth sets you free

(Formerly Reliance Mutual Fund)

Markets for You

06 Jul 2020

Good gets *better*

Indices Performance

Global Indices	03-Jul	Prev_Day	Abs. Change	% Change#
Russell 3000 ^[1]	1,572	1,564	8	0.50
Nasdaq ^[1]	10,208	10,155	53	0.52
FTSE	6,157	6,240	-83	-1.33
Nikkei	22,306	22,146	161	0.72
Hang Seng	25,373	25,124	249	0.99
Indian Indices	03-Jul	Prev_Day	Abs. Change	% Change#
S&P BSE Sensex	36,021	35,844	178	0.50
Nifty 50	10,607	10,552	56	0.53
Nifty 100	10,776	10,716	60	0.56
Nifty 500	8,696	8,648	48	0.56
Nifty Bank	21,852	21,953	-101	-0.46
S&P BSE Power	1,607	1,580	27	1.73
S&P BSE Small Cap	12,603	12,543	60	0.47
S&P BSE HC	16,344	16,285	59	0.36

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
3-Jul	24.19	1.06	27.78	1.51
Month Ago	21.75	1.11	23.50	1.51
Year Ago	28.72	1.18	29.30	1.23

Nifty 50 Top 3 Gainers

Company	03-Jul	Prev_Day	% Change#
Bharti Airtel	581	558	4.12
Adani Ports & SEZ	360	347	3.92
Eicher Motors	18984	18354	3.43

Nifty 50 Top 3 Losers

Company	03-Jul	Prev_Day	% Change#
JSW Steel	191	194	-1.80
IndusInd Bank	487	495	-1.54
Tata Steel	330	335	-1.49

Advance Decline Ratio

	BSE	NSE
Advances	1337	892
Declines	1409	1002
Unchanged	143	84

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-331	-22473
MF Flows**	758	40006

*3rd 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 02 Jul, 2020

Global Indices

- Asian markets edged higher on the back of growing economic optimism after a survey showed China's service sector expanded in June on improving market conditions following the easing of coronavirus related measures. Both Nikkei and Hang Seng were trading up 0.96%, and 1.32% (as at 8.a.m. IST), respectively.
- European markets closed higher as rising covid-19 cases in the U.S. renewed fears of another lockdown in several states and dimmed hopes about a quick economic recovery.
- U.S. markets remained closed on Independence Day

Indian Equity Market

- Indian equity markets settled in the green amid strong buying interest in one of the industry behemoths after the investment arm of a U.S. chipmaker decided to pay around \$255 million to buy a 0.39% stake in the digital unit of the industry heavyweight.
- Key benchmark indices S&P BSE Sensex and Nifty 50 gained 0.5% and 0.53% to close at 36,021.42 and 10,607.35 respectively.
- The overall market breadth on BSE was weak with 1,337 scrips advancing and 1,409 scrips declining. A total of 143 scrips remained unchanged.
- On the BSE sectoral front, S&P BSE Telecom was the major gainer, up 3.45% followed by S&P BSE Power, up 1.73% and S&P BSE Capital Goods, up 1.66%. S&P BSE Metal was the major loser, down 0.51% followed by S&P BSE Bankex, down 0.39% and S&P BSE Finance, down 0.36%.

Domestic News

- The IHS Markit Services Business Activity Index rose to 33.7 in Jun 2020 from 12.6 in May 2020. Despite improvement in the index, services activity contracted for the fourth consecutive month due to poor domestic demand and low export orders. New orders fell at a sharp pace in Jun 2020.
- Direct tax refunds (Refunds, or cash outflow from the income tax department) dropped 16% YoY to Rs. 64,428 crore in the Jun quarter of FY21 from Rs. 76,575 crore at end-June 2019. Lesser attendance, caused by the lockdown have been attributed by tax officials led to a delay in clearance of large refunds. The Central Board of Direct Taxes (CBDT) said tax refunds had been issued at a speed of 76 cases per minute between Apr 8 and Jun 30.
- Import restrictions from China have been announced by the Ministry of Power on equipment used for power supply systems and networks amid security and cyber threats. The ministry said prior permission would be needed to import from countries on the prior reference list, which includes China and Pakistan.
- According to a ICRA rating agency report, the states' combined market borrowings as state development loans have doubled to Rs. 1.7 lakh crore during the Jun first quarter of FY21, on account of expenditure to fight Covid-19 and lower tax collections due to multiple lockdown extensions. ICRA said, the gap between state government's tax collections in the Jun quarter and the expenditure have widened.
- Intel Capital will invest Rs 1,894.50 crore at an equity valuation of Rs. 4.91 trillion and an enterprise valuation of Rs 5.16 trillion for a 0.39% stake in Reliance Industries' Jio Platforms.
- L&T Finance Holdings (LTFH) in its annual report of FY20 said that it plans to raise up to Rs. 2,000 crore by issuing preference shares through public offer or private placement.

Good gets better

FII Derivative Trade Statistics		03-Jul		
(Rs Cr)	Buy	Sell	Open Int.	
Index Futures	5531.19	4825.28	6629.53	
Index Options	464143.07	461411.36	40545.69	
Stock Futures	12764.98	12097.71	87043.61	
Stock Options	3575.05	3416.34	5237.20	
Total	486014.29	481750.69	139456.03	

Derivative Statistics- Nifty Options			
	03-Jul	Prev_Day	Change
Put Call Ratio (OI)	1.50	1.62	-0.12
Put Call Ratio(Vol)	0.89	1.01	-0.12

Debt Watch				
	03-Jul	Wk. Ago	Mth. Ago	Year Ago
Call Rate	3.50%	3.54%	3.76%	5.71%
T-Repo	3.07%	2.68%	3.05%	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	2.99%	3.16%	3.36%	5.95%
364 Day T-Bill	3.41%	3.49%	3.45%	6.13%
10 Year Gilt	5.96%	6.00%	6.03%	6.83%
G-Sec Vol. (Rs.Cr)	36385	45778	27486	50727
FBIL MIBOR	3.90%	3.94%	3.96%	5.90%
3 Month CP Rate	3.85%	3.85%	4.35%	6.90%
5 Year Corp Bond	6.51%	6.67%	6.86%	7.99%
1 Month CD Rate	3.29%	3.16%	3.38%	6.34%
3 Month CD Rate	3.25%	3.22%	3.66%	6.38%
1 Year CD Rate	3.94%	4.10%	4.03%	7.23%

Currency Market			
Currency	03-Jul	Prev_Day	Change
USD/INR	74.78	75.49	-0.70
GBP/INR	93.27	94.36	-1.09
EURO/INR	84.05	85.07	-1.02
JPY/INR	0.70	0.70	-0.01

Commodity Prices				
Commodity	03-Jul	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/t)	40.52	38.48	37.28	57.03
Brent Crude(\$/bl)	43.96	41.51	36.91	64.12
Gold(\$/oz)	1775	1771	1698	1419
Gold(Rs./10 gm)	48227	48117	46609	34134

Source: Refinitiv

[1] Data as on 02 Jul, 2020

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Derivatives Market

- Nifty Jul 2020 Futures stood at 10,572.45, a discount of 34.90 points below the spot closing of 10,607.35. The turnover on NSE's Futures and Options segment fell to Rs. 7,92,884.44 crore on July 03, 2020, compared with Rs. 34,58,396.29 crore on July 02, 2020.
- The Put-Call ratio stood at 0.87 compared with the previous session's close of 0.79.
- The Nifty Put-Call ratio stood at 1.5 compared with the previous session's close of 1.62.
- Open interest on Nifty Futures stood at 12.07 million, compared with the previous session's close of 11.8 million.

Indian Debt Market

- Bond yield rose marginally amid concerns over excess debt supply. However, losses were restricted on hopes of supportive measures from the Reserve Bank of India.
- Yield on the 10-year benchmark paper (5.79% GS 2030) rose 1 bps to 5.85% as compared to previous close of 5.84% after moving in a range of 5.85% to 5.87%.
- Banks borrowed Rs. 50 crore under the central bank's Marginal Standing Facility on Jul 02, 2020 as compared to no borrowing on Jul 01, 2020.
- RBI conducted the auction of four government securities namely 5.09% GS 2022, 5.79% GS 2030, 6.19% GS 2033 and 7.19% GS 2060 for a notified amount of Rs. 30,000 crore for which the entire amount was accepted and the cut off price (cut off yield) subsequently stood at Rs. 101.72 (4.07%), Rs. 99.41 (5.87%), Rs. 99.99 (4.64%) and Rs. 109.62 (6.51%) respectively. Green Shoe of Rs. 2000 crore each has been exercised in 5.09% GS 2022 and 7.19% GS 2060.

Currency Market Update

- The Indian rupee in the spot trade rose against the greenback following gains in the domestic equity market. However, rising number of coronavirus infection cases capped the gains.
- The euro inched up against the greenback following better than expected U.S. nonfarm payroll employment data for Jun 2020. However, increase in coronavirus infection cases particularly in U.S. capped the gains.

Commodity Market Update

- Gold prices fell as the safe haven appeal of the yellow metal dwindled following better than expected U.S. nonfarm payroll employment data for Jun 2020.
- Brent crude prices rose following better than expected U.S. nonfarm payroll employment data for Jun 2020.

International News

- According to the Labor Department, U.S. non-farm payroll employment rose steeply by 4.8 million jobs in Jun 2020 after increasing by an upwardly revised 2.7 million jobs in May 2020. The Labor Department also said the unemployment rate fell 11.1% in Jun 2020 from 13.3% in May 2020.
- According to final data from IHS Markit, eurozone's service PMI stood at a four-month high of 48.3 in Jun 2020 as against 30.5 in May 2020. The final composite output index rose to 48.5 in Jun from 31.9 in May.
- According to final data from IHS Markit, Japan's Jibun Bank services Purchasing Managers' Index (PMI) rose sharply to 45.0 in Jun 2020 from 26.5 in May 2020. Japan's service sector contracted at a slower pace in Jun as some firms returned to business.


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



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