

# Markets for You

09 Jul 2020

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**Indices Performance**

Global Indices	08-Jul	Prev_Day	Abs. Change	% Change <sup>#</sup>
Russell 3000	1,613	1,591	21	1.34
Nasdaq	10,493	10,344	149	1.44
FTSE	6,156	6,190	-34	-0.55
Nikkei	22,439	22,615	-176	-0.78
Hang Seng	26,129	25,976	154	0.59
Indian Indices	08-Jul	Prev_Day	Abs. Change	% Change <sup>#</sup>
S&P BSE Sensex	36,329	36,675	-346	-0.94
Nifty 50	10,706	10,800	-94	-0.87
Nifty 100	10,871	10,958	-87	-0.79
Nifty 500	8,785	8,850	-65	-0.74
Nifty Bank	22,585	22,628	-43	-0.19
S&P BSE Power	1,585	1,612	-27	-1.69
S&P BSE Small Cap	12,785	12,840	-55	-0.43
S&P BSE HC	16,363	16,280	83	0.51

**P/E Dividend Yield**

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
8-Jul	24.05	1.07	27.98	1.50
Month Ago	21.68	1.10	23.97	1.50
Year Ago	27.84	1.21	28.42	1.27

**Nifty 50 Top 3 Gainers**

Company	08-Jul	Prev_Day	% Change <sup>#</sup>
IndusInd Bank	553	526	5.00
Vedanta Limited	110	108	2.60
JSW Steel	195	191	2.36

**Nifty 50 Top 3 Losers**

Company	08-Jul	Prev_Day	% Change <sup>#</sup>
Zee Ente.	172	180	-4.52
Bajaj Finance	3208	3352	-4.29
Asian Paints	1686	1746	-3.41

**Advance Decline Ratio**

	BSE		NSE	
	Advances	Declines	Advances	Declines
Advances	1233	812		
Declines	1536	1107		
Unchanged	150	60		

**Institutional Flows (Equity)**

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-1666	-23042
MF Flows**	-815	40106

\*8<sup>th</sup> Jul 2020; \*\*3<sup>rd</sup> Jul 2020

**Economic Indicator**

YoY(%)	Current	Quarter Ago	Year Ago
CPI	5.84% (Mar-20)	7.35% (Dec-19)	2.86% (Mar-19)
IIP	-55.49% (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 07 Jul, 2020

**Global Indices**

- Asian equity markets remained mixed amid lingering concern over the coronavirus pandemic. Gloomy economic forecasts from the Organization for Economic Cooperation and Development and the European Commission also weighed on markets. Nonetheless, a section of investors remained optimistic over quick economic recovery. Today (as on July 09), Asian markets mostly opened higher ahead of the release of China's retail inflation data. Both Nikkei and Hang Seng were trading up 0.21% and 0.88%, respectively (as at 8.a.m. IST), respectively.
- European markets declined on concerns over uncertainty about pace of global economic recovery amid rising new cases of coronavirus infection across the world.
- U.S. markets rose after a range bound session as economic optimism continues to overshadow the recent surge in coronavirus cases. Also lack of major U.S. economic news kept some market participants on the sidelines.

**Indian Equity Market**

- Indian equity markets witnessed heavy selling pressure towards end of the session to close in the red. The increase in new coronavirus cases in some parts of the world undermined prospects for a quick economic recovery.
- Key benchmark indices S&P BSE Sensex and Nifty 50 lost 0.94% and 0.87% to close at 36,329.01 and 10,705.75 respectively.
- The overall market breadth on BSE was weak with 1,233 scrips advancing and 1,536 scrips declining. A total of 150 scrips remained unchanged.
- On the BSE sectoral front, S&P BSE Metal was the major gainer, up 1.7% followed by S&P BSE FMCG, up 0.76% and S&P BSE Healthcare, up 0.51%. S&P BSE Realty was the major loser, down 2.05% followed by S&P BSE Auto, down 1.95% and S&P BSE Teck, down 1.94%.

**Domestic News**

- The Cabinet has approved proposal to extend distribution of free food grains and pulses under the Pradhan Mantri Garib Anna Yojana (PMGKAY) for five months till Nov 2020 to 81 crore PDS beneficiaries. Five kilograms of wheat or rice and one kilogram of pulses per month are provided at no cost under the scheme.
- The Union Government said that the merger process of three ailing general insurance companies in the public sector has been stopped, and instead will concentrate on their profitable growth. The cabinet also approved capital infusion of Rs. 12,450 crore into the three insurers, which includes Rs. 2,500 crore infused in Feb 2020.
- The Cabinet has approved extension of EPF contribution of 24% (12% employees share and 12% employers share) for another 3 months from Jun to Aug 2020 under Pradhan Mantri Garib Kalyan Yojana (PMGKY) /Aatmanirbhar Bharat. With a total estimated expenditure of Rs. 4,860 crore, this move will benefit over 367,000 employers and 7.2 million employees.
- As per media reports, the Securities and Exchange Board of India (Sebi) is looking to allow futures trading in petrol and diesel, as there was no disruption in commodity derivatives trading during the COVID-19 crisis. Sebi is also looking to re-allow futures trade in tur and urad, which was banned in 2007 following a spike in these commodities prices.

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FII Derivative Trade Statistics		08-Jul		
(Rs Cr)	Buy	Sell	Open Int.	
Index Futures	3984.87	4394.30	7116.72	
Index Options	254075.45	253640.54	53221.09	
Stock Futures	15407.79	16045.45	90702.95	
Stock Options	5483.35	5437.89	6184.73	
Total	278951.46	279518.18	157225.49	

Derivative Statistics- Nifty Options			
	08-Jul	Prev_Day	Change
Put Call Ratio (OI)	1.37	1.63	-0.26
Put Call Ratio(Vol)	0.97	0.92	0.06

Debt Watch				
	08-Jul	Wk. Ago	Mth. Ago	Year Ago
Call Rate	3.51%	3.55%	3.54%	5.65%
T-Repo	3.14%	2.90%	3.14%	5.68%
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%	3.05%	3.43%	5.80%
364 Day T-Bill	3.39%	3.43%	3.42%	6.01%
10 Year Gilt	5.78%	5.84%	5.81%	6.56%
G-Sec Vol. (Rs.Cr)	50867	57692	20618	102561
FBIL MIBOR <sup>[1]</sup>	3.93%	3.92%	3.97%	5.79%
3 Month CP Rate	3.80%	3.90%	4.30%	6.85%
5 Year Corp Bond	6.39%	6.50%	6.86%	7.83%
1 Month CD Rate	3.17%	3.21%	3.28%	5.93%
3 Month CD Rate	3.25%	3.24%	3.52%	6.15%
1 Year CD Rate	3.91%	3.96%	4.01%	7.39%

Currency Market			
Currency	08-Jul	Prev_Day	Change
USD/INR	75.03	74.86	0.17
GBP/INR	94.12	93.49	0.64
EURO/INR	84.54	84.61	-0.07
JPY/INR	0.70	0.70	0.00

Commodity Prices				
Commodity	08-Jul	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/t)	40.86	39.83	38.12	57.32
Brent Crude(\$/bl)	44.21	43.06	40.26	65.48
Gold( \$/oz)	1810	1770	1695	1395
Gold(Rs./10 gm)	48965	48730	46264	34437

Source: Refinitiv

[1] Data as on 07 Jul, 2020

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**Derivatives Market**

- Nifty Jul 2020 Futures stood at 10,696.30, a discount of 9.45 points below the spot closing of 10,705.75. The turnover on NSE's Futures and Options segment rose to Rs. 19,45,370.49 crore on July 08, 2020, compared with Rs. 14,59,493.48 crore on July 07, 2020.
- The Put-Call ratio stood at 0.87 compared with the previous session's close of 0.77.
- The Nifty Put-Call ratio stood at 1.37 compared with the previous session's close of 1.63.
- Open interest on Nifty Futures stood at 12.62 million, compared with the previous session's close of 13.1 million.

**Indian Debt Market**

- Bond yields fell for the third consecutive session on hopes that the Reserve Bank of India may announce another round of special open market operation to absorb the excess supply of sovereign debt.
- Yield on the 10-year benchmark paper (5.79% GS 2030) inched down 1 bps to close at 5.78% compared to previous close of 5.79% after moving in a range of 5.76% to 5.80%.
- Banks did not borrow under the central bank's Marginal Standing Facility on Jul 07, 2020 as compared to a borrowing of Rs. 1,504 crore on Jul 06, 2020.

**Currency Market Update**

- The Indian rupee in the spot trade weakened against the greenback due to dollar purchases by foreign banks. Increase in coronavirus infection cases in U.S. also dampened market sentiment.
- The euro rose against the greenback on hopes of a swift economic recovery even though persisting concerns over coronavirus infection cases in U.S. kept overall market sentiment subdued.

**Commodity Market Update**

- Gold prices surpassed the \$1,800 an ounce for the first time since 2011 due to increase in coronavirus infection cases.
- Brent crude prices fell amid concerns over increase in coronavirus infection cases in U.S.

**International News**

- France's Gross domestic product (GDP) is forecasted to contract 17% in the June quarter of 2020 but will expand around 19% in the subsequent quarter and 3% in the Mar quarter of 2021.
- The current conditions index of the Economy Watchers' Survey in Japan rose to 38.8 in Jun 2020 from 15.5 in May 2020. The index rose sharply for the second straight month.
- The Report on Jobs compiled by IHS Markit showed, UK hiring activity continued to fall in Jun 2020 as clients continued to freeze or cut back on their recruitment plans due to the coronavirus pandemic.
- Japan's current account surplus surged to 1,176.8 billion yen in May 2020 from 262.7 billion yen in Apr 2020. The trade deficit fell 18.1% YoY to 556.8 billion yen.


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

**Thank you for  
your time.**

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