



**Nippon *india* Mutual Fund**  
Wealth sets you free

(Formerly Reliance Mutual Fund)

# Markets for You

16 Jul 2020

Good gets *better*

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

## Indices Performance

Global Indices	15-Jul	Prev_Day	Abs. Change	% Change <sup>#</sup>
Russell 3000	1,619	1,610	9	0.56
Nasdaq	10,550	10,489	62	0.59
FTSE	6,293	6,180	113	1.83
Nikkei	22,946	22,587	358	1.59
Hang Seng	25,482	25,478	4	0.01
Indian Indices	15-Jul	Prev_Day	Abs. Change	% Change <sup>#</sup>
S&P BSE Sensex	36,052	36,033	19	0.05
Nifty 50	10,618	10,607	11	0.10
Nifty 100	10,770	10,769	1	0.01
Nifty 500	8,690	8,693	-4	-0.04
Nifty Bank	21,341	21,392	-51	-0.24
S&P BSE Power	1,516	1,517	0	-0.03
S&P BSE Small Cap	12,659	12,665	-6	-0.05
S&P BSE HC	16,738	16,656	83	0.50

## P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
15-Jul	24.05	1.07	27.88	1.51
Month Ago	21.10	1.11	23.69	1.55
Year Ago	28.01	1.20	28.33	1.29

## Nifty 50 Top 3 Gainers

Company	15-Jul	Prev_Day	% Change <sup>#</sup>
Wipro	263	225	16.78
Infosys	831	783	6.09
HCL Tech	615	591	4.03

## Nifty 50 Top 3 Losers

Company	15-Jul	Prev_Day	% Change <sup>#</sup>
Bharti Airtel	564	589	-4.37
RIL	1844	1917	-3.81
Zee Entel.	160	166	-3.64

## Advance Decline Ratio

	BSE	NSE
Advances	1062	745
Declines	1566	1137
Unchanged	151	74

## Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-1592	-23334
MF Flows**	-808	36510

\*15<sup>th</sup> Jul 2020; \*\*13<sup>th</sup> Jul 2020

## Economic Indicator

YoY(%)	Current	Quarter Ago	Year Ago
CPI	6.09% (Jun-20)	5.84% (Mar-20)	3.18% (Jun-19)
IIP	-34.71% (May-20)	5.20% (Feb-20)	4.50% (May-19)
GDP	3.10% (Mar-20)	4.10% (Dec-19)	5.70% (Mar-19)

Since May-17, MOSPI has revised base year of IIP &amp; WPI from 2004-05 to 2011-12, and for CPI from 2010 to 2012

[1] Data as on 14 Jul, 2020

## Global Indices

- Most of the Asian markets closed in the green, led by optimism over a potential coronavirus vaccine, although Chinese markets fell on rising U.S.-China tensions. Today (as on Jul 16), markets traded mixed with investors awaiting the release of a set of Chinese economic data, including the country's second quarter GDP growth rate. While Nikkei is down 0.16%, Hang Seng traded up 0.27% (as at 8:00 AM IST).
- European markets rose following positive developments on the coronavirus vaccine front and optimism over massive stimulus announcement from the European Union.
- U.S. markets went up as upbeat news on the coronavirus vaccine helped investors shrug off news of a record single-day spike in new COVID-19 cases in the U.S.

## Indian Equity Market

- Indian equity markets witnessed initial strong gains, largely led by the major announcements by one of the industry behemoths in its annual general meeting. Positive global updates on a potential COVID-19 vaccine too boosted market sentiment. However, bourses gave up most of the gains in the late trade owing to profit booking to close with muted or marginal gains.
- Key benchmark indices S&P BSE Sensex and Nifty 50 gained 0.05% and 0.1% to close at 36,051.81 and 10,618.20 respectively.
- The overall market breadth on BSE was weak with 1,062 scrips advancing and 1,566 scrips declining. A total of 151 scrips remained unchanged.
- On the BSE sectoral front, S&P BSE IT was the major gainer, up 4.89% followed by S&P BSE Teck, up 3.13% and S&P BSE FMCG, up 0.69%. S&P BSE Telecom was the major loser, down 3.63% followed by S&P BSE Energy, down 3.23% and S&P BSE Oil & Gas, down 2.33%.

## Domestic News

- The Ministry of Commerce and Industry data showed, India witnessed its first trade surplus in over 18 years in Jun 2020. Trade surplus stood at \$790 million in reported period compared with \$15.28 billion deficit in Jun 2019. Merchandise imports plunged 47.59% YoY in Jun 2020 to \$21.11 billion. Imports fell as the coronavirus pandemic hit domestic demand for crude oil, gold and other industrial products Exports dropped 12.41% YoY to \$21.91 billion.
- The Reserve Bank of India data showed, proportion of industrial credit in total bank credit fell to 31.5% YoY in Mar 2020 from 33.1% a year ago. Bank credit growth continued to decelerate across all population groups and stood at 6.3% in Mar 2020. However, bank branches in rural areas maintained a double-digit growth.
- Finance Minister said Public sector banks (PSBs) have purchased bonds and commercial papers worth Rs. 14,667 crore issued by 67 non-banking financial companies (NBFC) under the revamped Partial Credit Guarantee Scheme. Minister announced this Scheme worth Rs. 45,000 crore for NBFCs and micro finance institutions (MFIs).
- NITI Aayog CEO said that the 'One Nation, One Card' initiative will help make the Public Distribution System location independent to ensure that no one (especially inter-state migrants) is left behind. One Nation, One Card initiative being implemented by the government as a transformative solution in response to the Covid-19 pandemic.
- Bandhan Bank reported 31.6% YoY fall in net profit to Rs. 550 crore during quarter ended Jun 2020 as against Rs. 804 crore in the same quarter last year. The bank enhanced additional provision on standard assets amounting to Rs. 750 crore due to coronavirus pandemic.
- Federal Bank reported 8.9% fall in profit before tax (PBT) at Rs. 537.76 crore for quarter ended Jun 2020 majorly due to rise in provisions and contingencies. The bank had posted a PBT of Rs. 590.72 crore in quarter ended Jun 2019.



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FII Derivative Trade Statistics		15-Jul		
(Rs Cr)	Buy	Sell	Open Int.	
Index Futures	4403.32	6048.75	8799.15	
Index Options	258620.25	258564.43	56502.44	
Stock Futures	13173.64	14591.48	87302.98	
Stock Options	4349.02	4525.85	7661.01	
Total	280546.23	283730.51	160265.58	

Derivative Statistics- Nifty Options			
	15-Jul	Prev_Day	Change
Put Call Ratio (OI)	1.15	1.14	0.01
Put Call Ratio(Vol)	0.90	0.97	-0.07

Debt Watch				
	15-Jul	Wk. Ago	Mth. Ago	Year Ago
Call Rate	3.51%	3.51%	3.58%	5.59%
T-Repo	3.13%	3.14%	2.94%	5.54%
Repo	4.00%	4.00%	4.00%	5.75%
Reverse Repo	3.35%	3.35%	3.35%	5.50%
91 Day T-Bill	3.21%	3.10%	3.30%	5.75%
364 Day T-Bill	3.40%	3.39%	3.51%	5.98%
10 Year Gilt	5.82%	5.78%	5.79%	6.43%
G-Sec Vol. (Rs.Cr)	32257	50867	26616	67833
FBIL MIBOR <sup>[1]</sup>	3.89%	3.90%	3.87%	5.75%
3 Month CP Rate	3.70%	3.80%	4.20%	6.50%
5 Year Corp Bond	6.33%	6.39%	6.80%	7.73%
1 Month CD Rate	3.12%	3.17%	3.30%	5.91%
3 Month CD Rate	3.28%	3.25%	3.42%	6.05%
1 Year CD Rate	3.78%	3.91%	4.32%	6.80%

Currency Market			
Currency	15-Jul	Prev_Day	Change
USD/INR	75.31	75.39	-0.08
GBP/INR	94.84	94.55	0.30
EURO/INR	85.92	85.54	0.39
JPY/INR	0.70	0.70	0.00

Commodity Prices				
Commodity	15-Jul	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	41.15	40.86	37.02	59.27
Brent Crude(\$/bl)	44.50	44.21	39.13	67.15
Gold( \$/oz)	1811	1810	1725	1414
Gold(Rs./10 gm)	49062	48965	46803	34558

Source: Refinitiv

[1] Data as on 14 Jul, 2020

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**Derivatives Market**

- Nifty Jul 2020 Futures stood at 10,628.25, a premium of 10.05 points above the spot closing of 10,618.20. The turnover on NSE's Futures and Options segment rose to Rs. 21,50,273.38 crore on July 15, 2020, compared with Rs. 15,10,278.71 crore on July 14, 2020.
- The Put-Call ratio stood at 0.88 compared with the previous session's close of 0.98.
- The Nifty Put-Call ratio stood at 1.15 compared with the previous session's close of 1.14.
- Open interest on Nifty Futures stood at 11.24 million, compared with the previous session's close of 12.6 million.

**Indian Debt Market**

- Bond yields fell marginally as investors resorted to value buying after yields rose in the last two sessions.
- Yield on the 10-year benchmark paper (5.79% GS 2030) fell 1 bps to 5.82% as compared to previous close of 5.83% after moving in a range of 5.81% to 5.84%.
- Banks did not borrow under the central bank's Marginal Standing Facility on Jul 13, 2020 and Jul 14, 2020.
- RBI conducted auction of 91-, 182- and 364-Days Treasury Bills for notified amount of Rs. 12,000 crore, Rs. 13,000 crore and Rs. 10,000 crore, respectively. The cut-off prices stood at Rs. 99.20 (YTM: 3.22%), Rs. 98.35 (YTM: 3.36%) and Rs. 96.72 (YTM: 3.40%), respectively.

**Currency Market Update**

- The Indian rupee rose against the U.S. dollar, as early-stage trials on a likely vaccine renewed expectations of a cure for the covid-19. This reduced the demand for the safe-haven dollar and helped equities rebound.
- Euro rose against the U.S. dollar as risk sentiment revived following rebound in equity market and commodity currencies strengthen emanating from the progress towards a Covid-19 vaccine.

**Commodity Market Update**

- Gold prices rose on renewed concerns over rising tensions between U.S. and China.
- Brent crude prices rose after data from the American Petroleum Institute showed that U.S. crude inventories fell by 8.3 million barrels in the week to Jul 10.

**International News**

- Data from the Hungarian Central Statistical Office showed that Hungary construction output fell sharply for the third consecutive month in May 2020. Construction output fell 20.1% on a yearly basis in May 2020 following a 2.1% fall in Apr 2020. Construction of buildings and civil engineering works fell 24% and 15.6% respectively.
- Data from the Office for National Statistics showed that UK consumer price inflation increased in Jun 2020. Consumer price inflation rose 0.6% on a yearly basis in Jun 2020 from 0.5% in May 2020. However, inflation continues to remain below Bank of England's 2% target.


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