



Nippon *india* Mutual Fund
Wealth sets you free

(Formerly Reliance Mutual Fund)

Markets for You

17 Jul 2020

Good gets *better*

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

Indices Performance

Global Indices	16-Jul	Prev_Day	Abs. Change	% Change#
Russell 3000	1,607	1,619	-12	-0.72
Nasdaq	10,474	10,550	-77	-0.73
FTSE	6,251	6,293	-42	-0.67
Nikkei	22,770	22,946	-175	-0.76
Hang Seng	24,971	25,482	-511	-2.00
Indian Indices	16-Jul	Prev_Day	Abs. Change	% Change#
S&P BSE Sensex	36,472	36,052	420	1.16
Nifty 50	10,740	10,618	122	1.15
Nifty 100	10,880	10,770	110	1.02
Nifty 500	8,767	8,690	77	0.88
Nifty Bank	21,597	21,341	256	1.20
S&P BSE Power	1,502	1,516	-15	-0.96
S&P BSE Small Cap	12,642	12,659	-17	-0.13
S&P BSE HC	16,942	16,738	204	1.22

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
16-Jul	24.34	1.06	28.19	1.49
Month Ago	21.32	1.10	24.31	1.54
Year Ago	28.13	1.20	28.51	1.28

Nifty 50 Top 3 Gainers

Company	16-Jul	Prev_Day	% Change#
Infosys	911	831	9.63
BPCL	394	370	6.57
Cipla	675	638	5.69

Nifty 50 Top 3 Losers

Company	16-Jul	Prev_Day	% Change#
Bharti Infratel	190	204	-6.84
Tech Mahindra	599	615	-2.58
ITC	194	199	-2.44

Advance Decline Ratio

	BSE	NSE
Advances	1042	758
Declines	1569	1115
Unchanged	159	85

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-35	-23369
MF Flows**	-808	36510

*16th Jul 2020; **13th 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 & WPI from 2004-05 to 2011-12, and for CPI from 2010 to 2012

[1] Data as on 15 Jul, 2020

Global Indices

- Asian markets closed in the red as investors fretted about a second wave of coronavirus infections and the re-imposition of lockdowns. Additionally, the simmering U.S.- China trade tension and a mixed set of Chinese economic data played spoilsport. Today (as on Jul 17), markets traded mixed amid caution following weak overnight cues from U.S. markets. While Nikkei traded flat, Hang Seng is up 0.69% (as at 8:00 AM IST).
- European markets slipped amid escalating tensions between U.S. and China, and growing concerns about the relentless surge in new coronavirus cases in several parts across the world.
- U.S. markets went down after data showed that initial weekly jobless claims rose by 1.3 million in the week to Jul 11, higher than market expectation of a rise of 1.25 million.

Indian Equity Market

- Indian equity markets rose, led by rally in key IT stock, following better than expected numbers for the June quarter of FY 21.
- Key benchmark indices S&P BSE Sensex and Nifty 50 gained 1.16% and 1.15% to close at 36,471.68 and 10,739.95 respectively.
- The overall market breadth on BSE was weak with 1,042 scrips advancing and 1,569 scrips declining. A total of 159 scrips remained unchanged.
- On the BSE sectoral front, S&P BSE IT was the major gainer, up 4.14% followed by S&P BSE Teck, up 3.07% and S&P BSE Healthcare, up 1.22%. S&P BSE Telecom was the major loser, down 1.52% followed by S&P BSE Power, down 0.96% and S&P BSE Utilities, down 0.69%.

Domestic News

- According to a media report, India's electricity generation fell 3.1% YoY in the first 15 days of Jul 2020 compared to 9.9% decline in Jun 2020, as per the provisional data released by the government grid operator POSOCO. Industries and commercial establishments opened up after further following gradual easing of lockdowns.
- The Reserve Bank of India (RBI) through a notification told Asset Reconstruction Companies (ARC) to prepare a fair-practices code that would involve training their recovery agents how not to harass people and instituting a grievance redressal mechanism that would promptly address any genuine complaint.
- According to Moody's Investors Service, the Rs. 12,450-crore capital infusion in three state-run insurance companies is "credit positive" as their capital had been significantly exhausted over the last few years. Last week the Union Cabinet had decided to put on hold the merger of National Insurance, The Oriental Insurance and United India Insurance and approved capital infusion.
- ICRA credit rating agency has projected India's gross domestic product (GDP) to fall sharply by 25% in the first quarter of FY21 and 12.4% in subsequent quarter (earlier forecast of 2.1%) and 2.3% drop in Sep quarter (2.1% earlier), followed 1.3% rise (5% earlier) in the last quarter.
- Reliance Industries announced that it has entered into a strategic partnership with Google under which the latter will invest Rs. 33,737 crore for 7.73% stake in Jio Platforms. The two companies will work towards development of entry-level affordable 4G and 5G smartphones as well as Android-based operating systems.
- Infosys reported a 11.5% (YoY) growth in net profit at Rs. 4,233 crore for the quarter ended Jun 2020 as compared to a net profit of Rs. 3,798 crore in the same period of the previous year. The consolidated revenue of the company grew 8.5% on a yearly basis to Rs. 23,665 crore in same quarter as compared to Rs. 21,803 crore in the same period of the previous year.

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FII Derivative Trade Statistics			
(Rs Cr)	16-Jul		
	Buy	Sell	Open Int.
Index Futures	5769.55	4179.93	7798.09
Index Options	386562.86	386775.00	58501.90
Stock Futures	16127.15	15987.80	87298.61
Stock Options	7185.19	7302.08	8059.82
Total	415644.75	414244.81	161658.42

Derivative Statistics- Nifty Options			
	16-Jul	Prev_Day	Change
Put Call Ratio (OI)	1.35	1.15	0.20
Put Call Ratio(Vol)	0.85	0.90	-0.05

Debt Watch				
	16-Jul	Wk. Ago	Mth. Ago	Year Ago
Call Rate	3.53%	3.52%	3.58%	5.54%
T-Repo	3.14%	3.13%	2.95%	5.50%
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%	3.17%	3.29%	5.75%
364 Day T-Bill	3.36%	3.36%	3.52%	6.01%
10 Year Gilt	5.81%	5.77%	5.85%	6.43%
G-Sec Vol. (Rs.Cr)	28108	36703	32367	126301
FBIL MIBOR ^[1]	3.88%	3.84%	3.93%	5.70%
3 Month CP Rate	3.70%	3.80%	4.20%	6.35%
5 Year Corp Bond	6.28%	6.37%	6.85%	7.68%
1 Month CD Rate	3.22%	3.14%	3.26%	5.81%
3 Month CD Rate	3.28%	3.24%	3.41%	6.06%
1 Year CD Rate	3.76%	3.90%	4.15%	6.81%

Currency Market			
Currency	16-Jul	Prev_Day	Change
USD/INR	75.24	75.31	-0.07
GBP/INR	94.46	94.84	-0.38
EURO/INR	85.80	85.92	-0.12
JPY/INR	0.70	0.70	0.00

Commodity Prices				
Commodity	16-Jul	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/b)	40.69	39.59	38.21	57.41
Brent Crude(\$/bl)	44.74	43.16	40.69	65.46
Gold(\$/oz)	1797	1803	1727	1406
Gold(Rs./10 gm)	49077	49054	47374	34583

Source: Refinitiv

^[1] Data as on 15 Jul, 2020

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Derivatives Market

- Nifty Jul 2020 Futures stood at 10,713.85, a discount of 26.10 points below the spot closing of 10,739.95. The turnover on NSE's Futures and Options segment rose to Rs. 36,50,218.67 crore on July 16, 2020, compared with Rs. 21,50,273.38 crore on July 15, 2020.
- The Put-Call ratio stood at 0.77 compared with the previous session's close of 0.88.
- The Nifty Put-Call ratio stood at 1.35 compared with the previous session's close of 1.15.
- Open interest on Nifty Futures stood at 12.22 million, compared with the previous session's close of 11.24 million.

Indian Debt Market

- Bond yields inched down as market participants remained hopeful that the Reserve Bank of India would announce measures to absorb the excess supply of sovereign debt. However, overall market sentiment remained subdued due to lack of domestic triggers. The rise in headline inflation above the Reserve Bank of India's tolerance level of 6% has also weakened the possibility of further relaxation in monetary policy in the near term which also dampened sentiments.
- Yield on the 10-year benchmark paper (5.79% GS 2030) fell 1 bps to 5.81% as compared to previous close of 5.82% after moving in a range of 5.81% to 5.82%.
- Banks did not borrow under the central bank's Marginal Standing Facility on Jul 15, 2020 and Jul 14, 2020.

Currency Market Update

- The Indian rupee eased against the U.S. dollar following drop in regional currencies and equities. The rupee fell to 75.19 per dollar, down 0.06% from the previous close of 75.15.
- Euro fell against the U.S. dollar as market participants awaited outcome of the European Union Summit where European countries are expected to vote on a 750 billion euro (\$856 billion) recovery fund.

Commodity Market Update

- Gold prices fell as market participants preferred to book profits from the recent bullion rally.
- Brent crude prices rose after data from the Energy Information Administration showed U.S. crude inventories fell 7.5 million barrels in the week ended Jul 10, 2020.

International News

- The European Central Bank kept its key interest rates and the size of its asset purchases unchanged in its monetary policy review.
- Data from the National Bureau of Statistics showed that China's economy rebounded at a faster-than-expected pace of 3.2% (YoY) in the second quarter of 2020 compared to a contraction of 6.8% in the first quarter of 2020.
- Data from the U.S. Labour Department showed that initial jobless claims for the week ended Jul 11, 2020 fell by 10,000 to 1.300 million from the previous week's revised level 1.310 million.
- A report by the Federal Reserve Bank of New York showed that the New York Manufacturing Index rose to 17.2 in Jul 2020 from 0.2 in Jun 2020.


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