



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

(Formerly Reliance Mutual Fund)

# Markets for You

01 Jun 2020

Good gets *better*

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

**Indices Performance**

Global Indices	29-May	Prev_Day	Abs. Change	% Change*
Russell 3000	1,483	1,469	13	0.91
Nasdaq	9,490	9,369	121	1.29
FTSE	6,077	6,219	-142	-2.29
Nikkei	21,878	21,916	-38	-0.18
Hang Seng	22,961	23,133	-171	-0.74
Indian Indices	29-May	Prev_Day	Abs. Change	% Change*
S&P BSE Sensex	32,424	32,201	224	0.69
Nifty 50	9,580	9,490	90	0.95
Nifty 100	9,759	9,648	111	1.15
Nifty 500	7,822	7,732	90	1.17
Nifty Bank	19,297	19,170	127	0.66
S&P BSE Power	1,482	1,470	12	0.79
S&P BSE Small Cap	10,893	10,769	123	1.14
S&P BSE HC	15,646	15,297	349	2.28

**P/E Dividend Yield**

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
29-May	20.33	1.17	22.38	1.59
Month Ago	19.88	1.18	21.65	1.59
Year Ago	28.55	1.20	29.44	1.23

**Nifty 50 Top 3 Gainers**

Company	29-May	Prev_Day	% Change*
Indian Oil	83	78	7.08
Wipro	213	199	6.75
Coal India	141	134	5.53

**Nifty 50 Top 3 Losers**

Company	29-May	Prev_Day	% Change*
Adani Ports & SEZ	324	332	-2.41
Infosys	691	707	-2.32
Bharti Airtel	553	563	-1.80

**Advance Decline Ratio**

	BSE	NSE
Advances	1412	1163
Declines	938	632
Unchanged	161	128

**Institutional Flows (Equity)**

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	1996	-40345
MF Flows**	2252	36171

 \*29<sup>th</sup> May 2020; \*\*26<sup>th</sup> May 2020

**Economic Indicator**

YoY(%)	Current	Quarter Ago	Year Ago
CPI	5.84% (Mar-20)	7.35% (Dec-19)	2.86% (Mar-19)
IIP	-16.70% (Mar-20)	0.40% (Dec-19)	2.70% (Mar-19)
GDP	3.10% (Mar-20)	4.70% (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

**Global Indices**

- Asian markets remained mixed as concerns over worsening U.S.-China tensions over Beijing's new security law neutralised optimism over economic recovery post re-opening. Chinese markets rose after its Premier said the country has room to stimulate the economy. Today (as on Jun 1), markets are trading higher with investors focusing on the release of Chinese economic data for a better gauge of the state of the country's economic recovery from the coronavirus pandemic. Both Nikkei and Hang Seng are up 0.91% and 2.98% respectively (as at 8.a.m. IST).
- European markets remained under pressure amid escalating tensions between the U.S. and China which overshadowed positive sentiment over reopening of economies across the continent.
- U.S. markets edged higher as investors found relief after U.S. President signalled no changes to the trade deal with China despite rising tensions.

**Indian Equity Market**

- Indian equity markets gained with investors keenly awaiting the fourth quarter GDP data for FY 20, which shall help them gauge the overall health of the economy. The data is scheduled post market hours.
- Key benchmark indices S&P BSE Sensex and Nifty 50 gained 0.69% and 0.95% to close at 32,424.10 and 9,580.30 respectively. S&P BSE MidCap and S&P BSE SmallCap gained 1.9% and 1.14% respectively.
- The overall market breadth on BSE was strong with 1,412 scrips advancing and 938 scrips declining. A total of 161 scrips remained unchanged.
- On the BSE sectoral front, S&P BSE Realty was the major gainer, up 4.5% followed by S&P BSE Oil & Gas, up 3.42% and S&P BSE FMCG, up 2.89%. S&P BSE IT was the major loser, down 0.97% followed by S&P BSE Teck, down 0.95% and S&P BSE Telecom, down 0.7%.

**Domestic News**

- Government data showed that growth of the Indian economy slowed for the fourth consecutive quarter to 3.1% in the quarter ended Mar 2020 compared to a growth of 4.1% in the previous quarter and a growth of 5.7% in the same period of the previous year. Growth in the first quarter and second quarter of FY20 stood at 5.2% and 4.4% respectively. Growth of the domestic economy for FY20 also plummeted to 4.2% from 6.1% in FY19. Growth in FY20 thus stood at the lowest level since 2008 when the growth of the Indian economy fell to 3.1% which can be attributed to the global financial crisis.
- On the sectoral front, the construction sector was the worst hit which contracted 2.2% during the quarter under review followed by the manufacturing sector that contracted 1.4% in the same period.
- Government data showed that the output of India's eight core infrastructure industries contracted a record 38.1% in Apr 2020 compared to a contraction of 9.0% in the previous month and a growth of 5.2% in the same period of the previous year.
- Government data showed that India's fiscal deficit widened to 4.59% of gross domestic product (GDP) for FY20. Fiscal deficit thus surpassed the government's revised fiscal deficit target of 3.8%. It needs to be noted that the government while presenting the Union Budget for FY21, had invoked the escape clause in the Fiscal Responsibility and Budget Management Act to peg the fiscal deficit at 3.8% which was 0.5% higher than what was budgeted. Fiscal deficit widened due to lower than anticipated growth and revenue collections.
- Lupin reported 34.55% rise in its consolidated net profit to Rs. 389.63 crore for the quarter ended Mar 2020 as against net profit of Rs. 289.56 crore in the same quarter last year. The rise in profit came mainly due to robust sales in the domestic market and lower tax expenses.
- Energy Efficiency Services announced that its joint venture EnergyPro Assets (EPAL) has been listed as the fastest growing Indian company in the U.K. by the industry body CII and Grant Thornton in the 'India meets Britain Tracker 2020'.


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FII Derivative Trade Statistics			
(Rs Cr)	29-May		
	Buy	Sell	Open Int.
Index Futures	7624.87	7978.45	7627.47
Index Options	439983.60	437562.14	29687.42
Stock Futures	28704.82	26581.87	75895.33
Stock Options	1584.09	1639.82	1062.53
Total	477897.38	473762.28	114272.75

Derivative Statistics- Nifty Options			
	29-May	Prev_Day	Change
Put Call Ratio (OI)	1.61	1.59	0.02
Put Call Ratio(Vol)	0.79	0.90	-0.11

Debt Watch				
	29-May	Wk. Ago	Mth. Ago	Year Ago
Call Rate	3.62%	3.71%	4.08%	5.87%
T-Repo	3.14%	2.53%	3.30%	5.92%
Repo	4.00%	4.00%	4.40%	6.00%
Reverse Repo	3.35%	3.35%	3.75%	5.75%
91 Day T-Bill	3.22%	3.07%	3.62%	6.19%
364 Day T-Bill	3.40%	3.43%	3.67%	6.29%
10 Year Gilt	5.98%	5.96%	6.12%	7.12%
G-Sec Vol. (Rs.Cr)	38268	66341	33432	50799
FBIL MIBOR	4.04%	4.31%	4.44%	6.00%
3 Month CP Rate	4.35%	4.35%	5.35%	6.85%
5 Year Corp Bond	6.86%	6.87%	6.90%	8.12%
1 Month CD Rate	4.02%	3.63%	5.01%	6.47%
3 Month CD Rate	3.76%	3.49%	4.40%	6.60%
1 Year CD Rate	3.99%	4.31%	4.70%	7.20%

Currency Market			
Currency	29-May	Prev_Day	Change
USD/INR	75.64	75.75	-0.11
GBP/INR	93.31	92.94	0.37
EURO/INR	83.91	83.48	0.43
JPY/INR	0.71	0.70	0.00

Commodity Prices				
Commodity	29-May	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/b)	35.52	33.34	14.54	58.79
Brent Crude(\$/bl)	33.60	33.20	14.12	71.83
Gold( \$/oz)	1726	1734	1711	1279
Gold(Rs./10 gm)	40989	40989	40989	31802

Source: Refinitiv

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#### Derivatives Market

- Nifty Jun 2020 Futures stood at 9,494.10, a discount of 86.20 points below the spot closing of 9,580.30. The turnover on NSE's Futures and Options segment fell to Rs. 7,72,014.24 crore on May 29, 2020, compared with Rs. 29,29,333.47 crore on May 28, 2020.
- The Put-Call ratio stood at 0.79 compared with the previous session's close of 0.77.
- The Nifty Put-Call ratio stood at 1.61 compared with the previous session's close of 1.59.
- Open interest on Nifty Futures stood at 10.47 million, compared with the previous session's close of 13.32 million.

#### Indian Debt Market

- Bond yields rose as possibility of additional borrowing grew after a government official said all options were open for more stimulus measures to boost the economy.
- Yield on the existing 10-year benchmark paper (6.45% GS 2029) rose 2 bps to close at 6.01% compared to the previous close of 5.99% after trading in a range of 5.98% to 6.02%.
- Yield on the new 10-year benchmark paper (5.79% GS 2030) rose 4 bps to close at 5.78% compared to the previous close of 5.74% after moving in a range of 5.74% to 5.79%.

#### Currency Market Update

- The Indian rupee in spot trade strengthened against the greenback following gains in the domestic equity market. The U.S. dollar also remained under pressure as market participants awaited U.S. President's response to China's tightening control over Hong Kong.
- The euro rose against the greenback after the European Union recently announced a 750 billion-euro (\$828 billion) recovery fund for combating the COVID-19 pandemic.

#### Commodity Market Update

- Gold prices rose on concerns over increasing tensions between U.S. and China.
- Brent crude prices rose after data showed that for the week ending May 22 gasoline demand rose to 7.3 million barrels per day from the prior week.

#### International News

- The Commerce Department released a report showed, personal income rose unexpectedly by 10.5% YoY in Apr 2020 after falling by a revised 2.2% in Mar 2020 (2.0% fall originally reported).
- Flash data from Eurostat showed, eurozone inflation rose 0.1% YoY in May 2020, slower than 0.3% in Apr 2020. It was the slowest since Jun 2016 driven by a sharp fall in energy prices.
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- The Ministry of Economy, Trade and Industry said, Japan's industrial output plunged 14.4%, in Apr 2020 compared with a fall of 5.2% in the prior month.



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