



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

(Formerly Reliance Mutual Fund)

# Markets for You

03 Jun 2020

Good gets *better*

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

## Indices Performance

Global Indices	02-Jun	Prev_Day	Abs. Change	% Change <sup>#</sup>
Russell 3000	1,501	1,490	10	0.69
Nasdaq	9,608	9,552	56	0.59
FTSE	6,220	6,166	54	0.87
Nikkei	22,326	22,062	263	1.19
Hang Seng	23,996	23,733	263	1.11
Indian Indices	02-Jun	Prev_Day	Abs. Change	% Change <sup>#</sup>
S&P BSE Sensex	33,826	33,304	522	1.57
Nifty 50	9,979	9,826	153	1.56
Nifty 100	10,140	9,996	143	1.43
Nifty 500	8,137	8,020	117	1.46
Nifty Bank	20,530	19,960	570	2.86
S&P BSE Power	1,532	1,510	22	1.43
S&P BSE Small Cap	11,428	11,223	206	1.83
S&P BSE HC	15,817	15,711	106	0.68

## P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
2-Jun	21.63	1.11	23.31	1.53
Month Ago	20.90	1.13	22.35	1.54
Year Ago	29.01	1.19	29.49	1.22

## Nifty 50 Top 3 Gainers

Company	02-Jun	Prev_Day	% Change <sup>#</sup>
Bajaj Finserv Limited	5185	4763	8.85
Bajaj Finance	2346	2161	8.58
Tata Motors	97	90	7.76

## Nifty 50 Top 3 Losers

Company	02-Jun	Prev_Day	% Change <sup>#</sup>
Coal India	143	149	-3.47
Maruti	5690	5794	-1.79
ITC	197	201	-1.65

## Advance Decline Ratio

	BSE	NSE
Advances	1732	1382
Declines	725	459
Unchanged	154	99

## Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	6933	-32207
MF Flows**	141	38447

\*2<sup>nd</sup> Jun 2020; \*\*29<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)	4.10% (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 01 Jun 2020

## Global Indices

- Asian markets witnessed gains as optimism over an economic recovery following the easing of the coronavirus pandemic infused lockdown helped offset jitters over social unrest in the U.S. and rising U.S.-China tensions. Today (as on June 3) markets traded higher as investors continued to track developments surrounding the reopening of economies. Both Nikkei and Hang Seng are up 1.74% and 1.28% (as at 8.a.m. IST), respectively.
- European markets too went up amid hopes of economic recovery following reopening of businesses across several parts of Europe and across the globe.
- U.S. markets rose, led by optimism around reopening businesses, which overshadowed concerns about the global pandemic, U.S.-China trade tensions and nationwide protests.

## Indian Equity Market

- Indian equity markets managed to close in the green with investors shrugging off the downgrade of the long-term sovereign rating by a global rating agency. Buying interest found support from positive global cues and reassurance by Prime Minister that India will return to growth.
- Key benchmark indices S&P BSE Sensex and Nifty 50 gained 1.57% and 1.56% to close at 33,825.53 and 9,979.10 respectively. S&P BSE MidCap and S&P BSE SmallCap gained 1.20% and 1.83% respectively.
- The overall market breadth on BSE was strong with 1,732 scrips advancing and 725 scrips declining. A total of 154 scrips remained unchanged.
- On the BSE sectoral front, S&P BSE Realty was the major gainer, up 4.57% followed by S&P BSE Bankex, up 3.25% and S&P BSE Finance, up 3.12%. S&P BSE FMCG was the only loser, down 0.54%.

## Domestic News

- The Ministry of Electronics and Information Technology has announced three schemes to promote the manufacturing of electronics not for domestic consumption but also for exports. Schemes are Production Linked Incentive Scheme for large-scale electronics manufacturing, Promotion of Manufacturing of Electronic Components and Semiconductors and Modified Electronics Manufacturing Clusters Scheme.
- In a bid to boost indigenous manufacturing and the Make-in-India programme, the Ministry of Chemicals and Fertilisers has fixed 60% (for FY20-21) of local content in public procurement of 55 chemical and pesticide products. For 2021-23, percentage will be enhanced to 70% and 80% during FY23-25.
- The defence ministry's procurement chief said they are contemplating to reserve procurement of defence goods worth less than Rs. 50 crore per year for micro, small and medium enterprises (MSMEs) to promote indigenization.
- India's Prime Minister said India would return to its path of growth as we reopen the economy while the rest of the world was struggling with the coronavirus outbreak. He added that there are so many sectors where we can do phenomenally well on the world stage.
- Hindustan Copper announced that its board members have approved an increase in the company's borrowing cap from consortium and other banks to Rs. 1,350 crore from existing Rs. 850 crore.
- Indigo reported a loss of Rs. 873 crore in the quarter ending Mar 2020 as compared to a net profit of Rs. 590 crore in the same quarter last year. The poor performance was mainly due to fall in demand in Mar 2020 because of the Coronavirus pandemic.

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FII Derivative Trade Statistics		02-Jun		
(Rs Cr)	Buy	Sell	Open Int.	
Index Futures	6461.35	6325.34	7534.07	
Index Options	174305.53	174531.63	39017.54	
Stock Futures	18589.03	18940.15	80811.31	
Stock Options	4053.02	4193.39	2802.46	
<b>Total</b>	<b>203408.93</b>	<b>203990.51</b>	<b>130165.38</b>	

Derivative Statistics- Nifty Options			
	02-Jun	Prev_Day	Change
Put Call Ratio (OI)	1.59	1.53	0.06
Put Call Ratio(Vol)	0.85	0.78	0.08

Debt Watch				
	02-Jun	Wk. Ago	Mth. Ago	Year Ago
Call Rate	3.53%	3.61%	4.19%	5.92%
T-Repo	3.15%	2.79%	3.75%	5.94%
Repo	4.00%	4.00%	4.40%	6.00%
Reverse Repo	3.35%	3.35%	3.75%	5.75%
91 Day T-Bill	3.25%	3.00%	3.59%	6.10%
364 Day T-Bill	3.44%	3.45%	3.73%	6.23%
10 Year Gilt	6.00%	5.97%	6.11%	7.03%
G-Sec Vol. (Rs.Cr)	37127	39733	35084	86184
FBIL MIBOR <sup>[1]</sup>	4.01%	4.07%	4.41%	6.00%
3 Month CP Rate	4.35%	4.35%	5.45%	6.80%
5 Year Corp Bond	6.78%	6.85%	6.91%	8.00%
1 Month CD Rate	3.35%	3.60%	4.14%	6.38%
3 Month CD Rate	3.47%	3.51%	4.60%	6.47%
1 Year CD Rate	4.02%	4.33%	4.79%	7.20%

Currency Market			
Currency	02-Jun	Prev_Day	Change
USD/INR	75.59	75.48	0.11
GBP/INR	94.64	93.53	1.11
EURO/INR	84.11	84.09	0.02
JPY/INR	0.70	0.70	0.00

Commodity Prices				
Commodity	02-Jun	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/b)	36.83	34.60	19.22	53.44
Brent Crude(\$/bl)	36.87	33.31	14.85	68.02
Gold(\$/oz)	1727	1711	1699	1305
Gold(Rs./10 gm)	40989	40989	40989	32056

Source: Refinitiv

[1] Data as on 01 Jun 2020

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## Derivatives Market

- Nifty Jun 2020 Futures stood at 9,962.95, a discount of 16.15 points below the spot closing of 9,979.10. The turnover on NSE's Futures and Options segment rose to Rs. 11,79,193.68 crore on June 02, 2020, compared with Rs. 11,00,322.42 crore on June 01, 2020.
- The Put-Call ratio stood at 0.83 compared with the previous session's close of 0.76.
- The Nifty Put-Call ratio stood at 1.59 compared with the previous session's close of 1.53.
- Open interest on Nifty Futures stood at 11.84 million, compared with the previous session's close of 11 million.

## Indian Debt Market

- Bond yields rose initially following downgrade of the country's long-term credit rating by a major global credit rating agency. However, the trend reversed as bond yields came down for the first time in six trading sessions as market participants resorted to bargain hunting. Hopes of a rate cut in the coming months and expectation that the Reserve Bank of India will take some steps to manage the yield curve also contributed to the upside.
- Yield on the existing 10-year benchmark paper (6.45% GS 2029) fell 4 bps to close at 6.00% compared to the previous close of 6.04% after trading in a range of 6.00% to 6.09%.
- Yield on the new 10-year benchmark paper (5.79% GS 2030) fell 3 bps to close at 5.79% compared to the previous close of 5.82% after moving in a range of 5.79% to 5.87%.

## Currency Market Update

- The Indian rupee in spot trade strengthened against the greenback following gains in the domestic equity market.
- The euro rose against the greenback on hopes of a global economic recovery and expectations that central banks will continue to buy government bonds and other financial assets to protect their economies from the coronavirus pandemic.

## Commodity Market Update

- Gold prices fell as manufacturing activity in U.S. contracted at a slightly lower rate in May 2020.
- Brent crude prices rose ahead of OPEC+ meeting on output cuts on hopes that major oil producers will agree to extend output cuts.

## International News

- According to report released by the Institute for Supply Management, U.S. manufacturing purchasing managers index (PMI) rose to 43.1 in May 2020 from 41.5 in Apr 2020.
- According to the Bank of England, U.K. mortgage approvals declined sharply to 15,848 in Apr 2020 from 56,136 in Mar 2020. The sharp fall came amid coronavirus pandemic.
- According to the Commerce Department, U.S. construction spending fell 2.9% to an annual rate of \$1.346 trillion in April 2020 after rising by less than a tenth of a percent to a revised \$1.387 trillion in Mar 2020.
- According to data from Nationwide Building Society, U.K. house prices fell 1.7% MoM in May 2020 as against 0.9% rise in Apr 2020.



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