



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

(Formerly Reliance Mutual Fund)

# Markets for You

11 Jun 2020

Good gets *better*

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

## Indices Performance

Global Indices	10-Jun	Prev_Day	Abs. Change	% Change <sup>#</sup>
Russell 3000	1,553	1,544	8	0.52
Nasdaq	10,020	9,954	67	0.67
FTSE	6,329	6,336	-7	-0.10
Nikkei	23,125	23,091	34	0.15
Hang Seng	25,050	25,057	-7	-0.03
Indian Indices	10-Jun	Prev_Day	Abs. Change	% Change <sup>#</sup>
S&P BSE Sensex	34,247	33,957	290	0.86
Nifty 50	10,116	10,047	70	0.69
Nifty 100	10,292	10,231	60	0.59
Nifty 500	8,293	8,238	55	0.67
Nifty Bank	21,100	20,725	375	1.81
S&P BSE Power	1,565	1,562	3	0.19
S&P BSE Small Cap	11,955	11,846	109	0.92
S&P BSE HC	16,332	16,200	133	0.82

## P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
10-Jun	21.54	1.09	24.41	1.51
Month Ago	19.77	1.20	21.28	1.64
Year Ago	28.27	1.20	29.49	1.22

## Nifty 50 Top 3 Gainers

Company	10-Jun	Prev_Day	% Change <sup>#</sup>
IndusInd Bank	500	464	7.70
Hindalco	147	143	3.05
Shree Cements Limited	21513	21010	2.40

## Nifty 50 Top 3 Losers

Company	10-Jun	Prev_Day	% Change <sup>#</sup>
Hero Moto	2292	2387	-3.98
GAIL	98	101	-2.97
Bajaj Auto	2717	2791	-2.65

## Advance Decline Ratio

	BSE	NSE
Advances	1511	1155
Declines	1050	740
Unchanged	146	81

## Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	477	-17992
MF Flows**	-1200	37094

\*10<sup>th</sup> Jun 2020; \*\*3<sup>rd</sup> Jun 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 09 Jun, 2020

## Global Indices

- Asian markets witnessed mixed trend ahead of the outcome of the U.S. Federal Reserve's monetary policy meeting, scheduled later during the day. Meanwhile Chinese markets closed lower after the release of inflation data. Today (as on Jun 11), markets traded lower tracking weak cues from the Wall Street. Both Nikkei and Hang Seng are down 0.96% and 0.29%, respectively (as at 8 AM IST).
- European markets closed lower following a report from the Organisation for Economic Cooperation and Development (OECD) stating that the global economy is undergoing the deepest recession since the Great Depression in the 1930s due to covid-19 pandemic.
- U.S. markets largely remained under pressure amid concerns about a second wave of coronavirus cases as the nation push deeper into reopening.

## Indian Equity Market

- Indian equity markets closed in the green supported by last minute buying in the stocks of some of the industry heavyweights across different sectors, mainly financial service industry. Meanwhile, investors keenly awaited the outcome of the U.S. Fed monetary policy. The Fed's statement on the economic outlook is expected to be a key factor in impacting the market sentiment for the next few days.
- Key benchmark indices S&P BSE Sensex and Nifty 50 gained 0.86% and 0.69% to close at 34,247.05 and 10,116.15 respectively. S&P BSE MidCap and S&P BSE SmallCap gained 0.81% and 0.92% respectively.
- The overall market breadth on BSE was strong with 1,511 scrips advancing and 1,050 scrips declining. A total of 146 scrips remained unchanged.
- On the BSE sectoral front, S&P BSE Bankex was the major gainer, up 1.79% followed by S&P BSE Realty, up 1.78% and S&P BSE Finance, up 1.44%. S&P BSE Auto was the major loser, down 1% followed by S&P BSE Metal, down 0.41% and S&P BSE Consumer Discretionary Goods & Services, down 0.38%.

## Domestic News

- Securities Exchange Board of India (SEBI) eased norms related to fast track further public offers (FPO). The required average market capitalization of public shareholding of the company concerned has now been reduced to Rs. 500 crore from Rs. 1,000 crore. This is applicable for FPO that open on or before Mar 31, 2021. SEBI had previously relaxed eligibility conditions related to Fast Track Rights Issue.
- The Organisation for Economic Co-operation and Development (OECD) in its report Economic Outlook (EO) has pegged India's growth at -3.7% for FY21 with a warning that growth could further decline to -7.3% in the event of a second COVID-19 outbreak. The report also mentioned about increased financial market instability due to deterioration in balance sheets of the government, corporates and banks. This would also keep investment rates low and weigh on growth prospects.
- As per media reports, The Ministry of Finance issued Rs. 6,195 crore to 14 states as the second equated monthly instalment of the Post Devolution Revenue Deficit Grant as recommended by the 15th Commission on Finance. This would give them additional resources during the Corona crisis.
- A global rating agency has affirmed 'BBB-' long-term and 'A-3' short-term unsolicited foreign and local currency sovereign credit ratings on India with stable outlook on the long-term rating. As per the agency, stable outlook reflects that Indian economy is expected to recover following the containment of the COVID-19 pandemic and maintaining its sound net external position.
- Maruti Suzuki India informed in a regulatory filing that it cut production by 97.54% in May 2020 at 3,714 units due to the COVID-19 pandemic. The company produced 1,51,188 units in the same period of the previous year.
- Cipla in a regulatory filing informed that the company would acquire 21.85% stake in GoAppitiv on a fully-diluted basis in two phases. The cost of acquisition in the first stage would be around Rs. 9 crore while in the second stage the cost of acquisition would be around Rs. 3.20 crore.

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FII Derivative Trade Statistics		10-Jun		
(Rs Cr)	Buy	Sell	Open Int.	
Index Futures	6547.32	6321.13	8180.72	
Index Options	260462.12	260655.50	51098.27	
Stock Futures	19325.13	18352.50	81038.17	
Stock Options	4333.04	4312.67	4883.78	
<b>Total</b>	<b>290667.61</b>	<b>289641.80</b>	<b>145200.94</b>	

Derivative Statistics- Nifty Options			
	10-Jun	Prev_Day	Change
Put Call Ratio (OI)	1.36	1.20	0.15
Put Call Ratio(Vol)	0.92	0.94	-0.03

Debt Watch				
	10-Jun	Wk. Ago	Mth. Ago	Year Ago
Call Rate	3.56%	3.76%	3.98%	5.69%
T-Repo	3.08%	3.05%	3.39%	5.71%
Repo	4.00%	4.00%	4.40%	5.75%
Reverse Repo	3.35%	3.35%	3.75%	5.50%
91 Day T-Bill	3.41%	3.36%	3.48%	5.87%
364 Day T-Bill	3.54%	3.45%	3.40%	6.02%
10 Year Gilt	5.98%	6.03%	6.02%	7.08%
G-Sec Vol. (Rs.Cr)	27519	27486	59756	56839
FBIL MIBOR <sup>[1]</sup>	3.99%	3.96%	4.43%	5.80%
3 Month CP Rate	4.35%	4.35%	5.35%	6.65%
5 Year Corp Bond	6.83%	6.86%	6.85%	8.09%
1 Month CD Rate	3.30%	3.38%	4.23%	5.68%
3 Month CD Rate	3.51%	3.66%	4.16%	6.37%
1 Year CD Rate	4.12%	4.03%	4.67%	7.15%

Currency Market			
Currency	10-Jun	Prev_Day	Change
USD/INR	75.47	75.49	-0.02
GBP/INR	96.30	95.97	0.33
EURO/INR	85.70	85.15	0.55
JPY/INR	0.70	0.70	0.00

Commodity Prices				
Commodity	10-Jun	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	39.49	37.28	24.23	53.28
Brent Crude(\$/bl)	40.59	36.91	21.96	65.75
Gold( \$/oz)	1736	1698	1701	1328
Gold(Rs./10 gm)	46782	46609	40989	32527

Source: Refinitiv

[1] Data as on 09 Jun, 2020

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**Derivatives Market**

- Nifty Jun 2020 Futures stood at 10,118.70, a premium of 2.55 points above the spot closing of 10,116.15. The turnover on NSE's Futures and Options segment rose to Rs. 16,69,250.90 crore on June 10, 2020, compared with Rs. 14,83,359.90 crore on June 09, 2020.
- The Put-Call ratio stood at 0.9 compared with the previous session's close of 0.92.
- The Nifty Put-Call ratio stood at 1.36 compared with the previous session's close of 1.2.
- Open interest on Nifty Futures stood at 11.81 million, compared with the previous session's close of 11.8 million.

**Indian Debt Market**

- Bond yields inched down for the third consecutive trading session on hopes that the Reserve Bank of India would announce open market purchase of government securities to absorb the excess supply of sovereign debt in the market. Expectation that the Monetary Policy Committee would continue to further ease the monetary policy also provided support to the domestic debt market sentiment.
- Yield on the new 10-year benchmark paper (5.79% GS 2030) fell marginally by 1 bps to close at 5.77% from the previous close of 5.78% after moving in a range of 5.77% to 5.78%.
- Yield on the old 10-year benchmark paper (6.45% GS 2029) inched down 1 bps to close at 5.98% from the previous close of 5.99% after trading in a range of 5.97% to 6.00%.

**Currency Market Update**

- The Indian rupee was slightly changed against the U.S dollar. Suspected intervention by the Reserve bank of India in the spot market neutralized upside due to strong domestic equity market and regional currencies.
- Euro rose against the U.S. dollar after the U.S. Federal Reserve in its monetary policy review indicated that it would keep interest rates near zero through 2022 which kept the greenback under pressure.

**Commodity Market Update**

- Gold prices rose after the U.S. Federal Reserve indicated that it would keep interest rates near zero through 2022.
- Brent crude prices rose due to gradual easing of restrictions on coronavirus lockdowns.

**International News**

- The U.S. Federal Reserve in its monetary policy review made no policy changes as expected. However, it indicated that it would keep interest rates near zero through 2022.
- According to the Organisation for Economic Cooperation and Development (OECD), global economic growth is forecasted to contract 6% in 2020 if a second wave of Covid-19 infections is avoided. In case of a second outbreak of virus triggering a return to lockdowns, global GDP will fall 7.6%.
- U.S. consumer price index eased 0.1% in May 2020 better than 0.8% fall in Apr 2020. Easing of consumer prices was due energy prices that fell 1.8% fall in May 2020 after plunging 10.1% in the prior month.


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