



**Nippon india Mutual Fund**

Wealth sets you free

(Formerly Reliance Mutual Fund)

# Markets for You

06 May 2020

Good gets *better*

**Indices Performance**

Global Indices	05-May	Prev_Day	Abs. Change	% Change <sup>#</sup>
Russell 3000	1,381	1,363	18	1.33
Nasdaq	8,809	8,711	98	1.13
FTSE	5,849	5,754	96	1.66
Nikkei <sup>[2]</sup>	19,619	20,194	-574	-2.84
Hang Seng	23,869	23,614	255	1.08
Indian Indices	05-May	Prev_Day	Abs. Change	% Change <sup>#</sup>
S&P BSE Sensex	31,454	31,715	-262	-0.83
Nifty 50	9,206	9,294	-88	-0.95
Nifty 100	9,359	9,454	-95	-1.01
Nifty 500	7,523	7,597	-74	-0.97
Nifty Bank	19,272	19,744	-472	-2.39
S&P BSE Power	1,465	1,447	18	1.27
S&P BSE Small Cap	10,650	10,754	-104	-0.97
S&P BSE HC	15,120	15,365	-245	-1.60

**P/E Dividend Yield**

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
5-May	19.56	1.22	21.19	1.65
Month Ago	16.79	1.57	18.22	1.88
Year Ago	28.86	1.18	29.24	1.12

**Nifty 50 Top 3 Gainers**

Company	05-May	Prev_Day	% Change <sup>#</sup>
M&M	368	357	3.11
Power Grid	164	159	2.89
ONGC	78	77	2.48

**Nifty 50 Top 3 Losers**

Company	05-May	Prev_Day	% Change <sup>#</sup>
SBI	170	179	-4.72
Bajaj Finance	2002	2080	-3.72
Britannia Industries Limited	2979	3093	-3.69

**Advance Decline Ratio**

	BSE	NSE
	Advances	838
Declines	1561	1217
Unchanged	188	121

**Institutional Flows (Equity)**

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-934	-53076
MF Flows**	-413	34458

\*5<sup>th</sup> May 2020; \*\*29<sup>th</sup> Apr 2020

**Economic Indicator**

YoY(%)	Current	Quarter Ago	Year Ago
CPI	5.91% (Mar-20)	7.35% (Dec-19)	2.86% (Mar-19)
IIP	4.50% (Feb-20)	2.10% (Nov-19)	0.20% (Feb-19)
GDP	4.70% (Dec-19)	5.10% (Sep-19)	5.60% (Dec-18)

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 04 May 2020; [2] Data as on 01 May 2020

**Global Indices**

- Majority of the Asian markets closed in the green after several countries across the world eased COVID-19 lockdown restrictions. A rally in shares of major U.S. technology companies overnight helped soothe worries over a recent spike in China-U.S. tensions over the coronavirus origin. Today (as on May 6), Asian markets remained mixed as oil prices continued to move higher. Nikkei remained closed due to market holiday, Hang Seng traded up 0.51% (as at 8.a.m. IST).
- European markets rose despite weak economic data. Market participants reacted to the news that several countries across Europe have lifted restrictions that were in place due to the coronavirus pandemic.
- U.S. markets closed in the green after the U.S. Federal Reserve Vice Chairman said that the economy may need more fiscal and monetary support. Healthcare and networking stocks rose considerably.

**Indian Equity Market**

- Indian equity markets closed in the red as investors remained on sidelines amid uncertainty over the impact on the extended lockdown measures and its effect of the company earnings. Renewed tension between U.S. and China played spoilsport.
- Key benchmark indices S&P BSE Sensex and Nifty 50 lost 0.83% and 0.95% to close at 31,453.51 and 9,205.60 respectively. S&P BSE MidCap and S&P BSE SmallCap lost 0.97% and 0.97% respectively.
- The overall market breadth on BSE was weak with 838 scrips advancing and 1,561 scrips declining. A total of 188 scrips remained unchanged.
- On the BSE sectoral front, S&P BSE Power was the major gainer, up 1.27% followed by S&P BSE Energy, up 1.23% and S&P BSE Utilities, up 0.53%. S&P BSE Realty was the major loser, down 2.97% followed by S&P BSE Bankex, down 2.39% and S&P BSE Finance, down 1.93%.

**Domestic News**

- According to a major global credit rating agency, the Indian government needs to adopt additional stimulus measures to combat the COVID-19 pandemic. The global credit rating agency underlined the importance of the stimulus measures and added that they are imperative to ensure support to the vulnerable segments of the society and at the same time avoid further structural damage to the economy amid the coronavirus induced lockdowns. The credit agency expects India to show a sharp turnaround in FY22 assuming that the COVID-19 pandemic is contained and there is a substantial improvement in the global economic environment. However, it also warned that the country's weak fiscal position may constrain its sovereign credit rating.
- According to the Minister for MSME and Road Transport and Highways, the government is considering introducing a policy on import substitution. The minister also urged India Inc. to upgrade itself through adoption of technology and come up with cost-effective substitutes to reduce the country's dependency on imports.
- According to media reports, the ministry of commerce has suggested to continue with the anti-dumping duty on a Chinese chemical that is used in food and pharma industry. The objective of the move is to protect domestic players from cheap imports.
- Stove Kraft Ltd has received approval from the Securities Exchange Board of India to launch its initial public offering. The company is set to issue 71,63,721 equity shares aggregating up to Rs. 145 crore.
- Tata Steel has withdrawn its membership from the Indian Steel Association (ISA). The company's CEO and Managing Director (MD) has also stepped down from the Presidency of the Association, tenure of which was scheduled to end in Aug 2020.

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FII Derivative Trade Statistics 05-May			
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	4495.18	6100.97	6589.36
Index Options	106530.38	105822.22	29126.87
Stock Futures	14276.08	15662.03	71785.65
Stock Options	3337.83	3389.83	1281.62
Total	128639.47	130975.05	108783.50

Derivative Statistics- Nifty Options			
	05-May	Prev_Day	Change
Put Call Ratio (OI)	1.23	1.35	-0.12
Put Call Ratio(Vol)	0.97	1.11	-0.14

Debt Watch				
	05-May	Wk. Ago	Mth. Ago	Year Ago
Call Rate	3.95%	4.05%	4.25%	6.03%
T-Repo	3.27%	2.80%	2.37%	5.83%
Repo	4.40%	4.40%	4.40%	6.00%
Reverse Repo	3.75%	3.75%	4.00%	5.75%
91 Day T-Bill	3.58%	3.60%	4.10%	6.44%
364 Day T-Bill	3.65%	3.80%	4.49%	6.51%
10 Year Gilt	6.07%	6.13%	6.31%	7.39%
G-Sec Vol. (Rs.Cr)	43563	28150	19983	29579
FBIL MIBOR <sup>[1]</sup>	4.48%	4.46%	4.61%	6.18%
3 Month CP Rate	5.55%	5.35%	6.00%	7.70%
5 Year Corp Bond	6.98%	6.97%	7.26%	8.48%
1 Month CD Rate	4.02%	5.35%	4.14%	7.03%
3 Month CD Rate	4.58%	4.33%	4.39%	7.23%
1 Year CD Rate	4.81%	4.92%	5.13%	7.64%

Currency Market			
Currency	05-May	Prev_Day	Change
USD/INR	75.57	75.79	-0.22
GBP/INR	94.22	94.21	0.01
EURO/INR	82.46	82.84	-0.37
JPY/INR	0.71	0.71	0.00

Commodity Prices				
Commodity	05-May	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/t)	24.06	11.90	28.31	61.93
Brent Crude(\$/bl)	20.87	11.56	19.24	72.09
Gold( \$/oz)	1706	1708	1616	1279
Gold(Rs./10 gm)	40989	40989	40989	31220

Source: Refinitiv

[1] Data as on 04 May 2020, [2] Data as on 01 May 2020

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**Derivatives Market**

- Nifty May 2020 Futures stood at 9,208.60, a premium of 3.00 points above the spot closing of 9,205.60. The turnover on NSE's Futures and Options segment rose to Rs. 10,08,239.80 crore on May 05, 2020, compared with Rs. 7,07,389.18 crore on May 04, 2020.
- The Put-Call ratio stood at 0.94 compared with the previous session's close of 1.05.
- The Nifty Put-Call ratio stood at 1.23 compared with the previous session's close of 1.35.
- Open interest on Nifty Futures stood at 8.9 million, compared with the previous session's close of 9.46 million.

**Indian Debt Market**

- Bond yields declined after the central bank announced the auction of a new 10-year paper to be held on coming Friday. However, gains were limited as market participants awaited a much-anticipated economic package soon.
- Yield on the 10-year benchmark paper (6.45% GS 2029) fell 1 bps to close at 6.07% from the previous closing of 6.08% after moving in a range of 6.06% to 6.11%.
- Indian Oil Corporation plans to raise funds selling commercial papers maturing in over 2 months at a coupon of 4.85%. It has received commitments worth around Rs. 1000 crore. The notes are rated A1+ by ICRA.
- Housing Development Finance Corporation plans to raise funds selling commercial papers maturing in 3 months at a coupon of 4.98%. It has received commitments worth around Rs. 1000 crore. The notes are rated A1+ by ICRA.

**Currency Market Update**

- The Indian rupee in spot trade rose against the greenback following gains in the domestic equity market. The rupee closed at 75.63 a dollar, up 0.11% compared to the previous day's close of 75.71.
- The euro weakened against the greenback after Germany's top court criticized European Central Bank crisis bond-buying program.

**Commodity Market Update**

- Gold prices fell after a number of countries across the globe eased coronavirus induced lockdowns.
- Brent crude prices rose on optimism over ongoing production cuts and a recovery in demand with the reopening of economies around the world.

**International News**

- U.S. trade deficit expanded to \$44.4 billion in Mar 2020 from \$39.8 billion in Feb 2020. Trade deficit widened as the exports fell faster than imports.
- Final survey data from IHS Markit showed, U.K. services Purchasing Managers' Index (PMI) plummeted to 13.4 (flash reading was 12.3) in Apr 2020 from 34.5 in Mar 2020 as emergency public health measures to stem the coronavirus weighed on business activity.
- Malaysia's central bank (the Bank Negara Malaysia) lowered its overnight policy rate to 2.00% from 2.50% to cushion the impact of the economic shock caused by the coronavirus pandemic.
- Hong Kong's retail sales volume plunged 43.8% YoY in Mar 2020 compared with a fall of 46.7% in Feb 2020. It was the 14th consecutive month of fall.


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



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