



Nippon *india* Mutual Fund
Wealth sets you free

(Formerly Reliance Mutual Fund)

Markets for You

11 May 2020

Good gets *better*

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

Indices Performance

Global Indices	08-May	Prev_Day	Abs. Change	% Change [#]
Russell 3000	1,420	1,401	20	1.41
Nasdaq	9,121	8,980	142	1.58
FTSE ^[1]	5,936	5,854	82	1.40
Nikkei	20,179	19,675	504	2.56
Hang Seng	24,230	23,981	250	1.04
Indian Indices	08-May	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	31,643	31,443	199	0.63
Nifty 50	9,252	9,199	52	0.57
Nifty 100	9,409	9,351	57	0.61
Nifty 500	7,552	7,521	31	0.41
Nifty Bank	19,353	19,492	-139	-0.71
S&P BSE Power	1,405	1,439	-34	-2.40
S&P BSE Small Cap	10,639	10,687	-48	-0.45
S&P BSE HC	15,271	15,061	210	1.40

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
8-May	19.77	1.20	23.93	1.58
Month Ago	18.04	1.45	19.72	1.74
Year Ago	27.76	1.23	28.38	1.16

Nifty 50 Top 3 Gainers

Company	08-May	Prev_Day	% Change [#]
HUL	2089	1992	4.89
Nestle India Limited	17803	17142	3.85
Tech Mahindra	536	516	3.84

Nifty 50 Top 3 Losers

Company	08-May	Prev_Day	% Change [#]
Axis Bank	382	397	-3.85
NTPC	87	90	-3.81
M&M	387	401	-3.48

Advance Decline Ratio

	BSE	NSE
Advances	987	724
Declines	1343	1084
Unchanged	180	123

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	17123	-36277
MF Flows**	-1300	30740

*8th May 2020; **5th May 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 07 May 2020

Global Indices

- Most of the Asian markets closed on a positive note as trade-war fears receded following reports that both U.S. and Chinese trade representatives pledged to create favourable conditions for the implementation of the phase one trade deal signed in Jan. Meanwhile, investors keenly awaited the U.S. jobs report to gauge the economic impact of the coronavirus-induced lockdown. Today (as on May 11), markets traded higher amid hopes of global economies reopening as social distancing measures are eased. Both Nikkei and Hang Seng are up 1.29% and 1.63%, respectively (as at 8.a.m. IST).
- European markets closed in the green after U.S. and Chinese trade representatives agreed to strengthen their co-operation in implementing the phase 1 trade deal.
- U.S. markets rose as investors are hoping that the worst of the coronavirus and its impact on the economy has passed.

Indian Equity Market

- Indian equity markets closed in the green led by stock specific movements. Positive cues were generated after one of the industry behemoths reported that a U.S. private equity firm would invest Rs 11,367 crore for a 2.32 % equity stake in the former's digital unit. The gains were also in line with global shares, which rallied amid signs of improving China-American relations and optimism around more countries reopening their economies.
- Key benchmark indices S&P BSE Sensex and Nifty 50 gained 0.63% and 0.57% to close at 31,642.70 and 9,251.50 respectively. S&P BSE MidCap gained 0.04% and S&P BSE SmallCap lost 0.45%.
- The overall market breadth on BSE was weak with 987 scrips advancing and 1,343 scrips declining. A total of 180 scrips remained unchanged.
- On the BSE sectoral front, S&P BSE Energy was the major gainer, up 2.59% followed by S&P BSE FMCG, up 1.87% and S&P BSE Healthcare, up 1.4%. S&P BSE Power was the major loser, down 2.4% followed by S&P BSE Utilities, down 1.81% and S&P BSE Consumer Durables, down 1.32%.

Domestic News

- International exchange arms of NSE and BSE, NSE IFSC and India INX, respectively, introduced rupee derivatives that is expected to bring capital in the country and augment investment options for their customers. With this overseas participation will also improve due to extended trading hours and USD settlement at the IFSC. The exchanges are situated in GIFT (Gujarat International Finance Tech) City and are permitted to offer trading in securities in any currency other than the Indian rupee.
- In order to support India's Covid-19 operations, the Asian Infrastructure Investment Bank's (AIIB) approved a \$500 million loan. These funds are Co-financed by the World Bank and are aimed at enabling the government to increase its containment efforts and to strengthen the health system to manage future outbreaks as well.
- As per media reports, the government will announce guidelines to regulate the Rs. 1,500 crore bio-stimulant market providing farmers with higher yields, efficiency and other benefits from the use of different compounds and micro-organisms. These products are not regulated and sold without certification of their effectiveness unlike fertilizers and pesticides. Thus, the government will set up a regulatory body for such products.
- A global rating agency forecasted India's growth at 0% for FY21 and said the negative outlook on sovereign rating reflects increasing risks that gross domestic product (GDP) growth will remain significantly lower as against the past readings.
- Cognizant reported a decline of 16.78% in net income at \$367 million for the quarter ended Mar 31, 2020 as against \$441 million in the same period a year ago. The company is aiming to invest in business and would hire around 20,000 entry-level executives in 2020.
- Uber lost \$2.9 billion in the first quarter as the coronavirus pandemic battered his overseas investments, but the company is looking to its rising food distribution business and aggressive cost-cutting to ease the pain.

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FII Derivative Trade Statistics			
(Rs Cr)	08-May		
	Buy	Sell	Open Int.
Index Futures	5603.74	7232.16	6246.83
Index Options	331415.48	329922.43	28311.12
Stock Futures	12955.67	15932.91	73056.42
Stock Options	2443.63	2439.63	2233.68
Total	352418.52	355527.13	109848.05

Derivative Statistics- Nifty Options			
	08-May	Prev_Day	Change
Put Call Ratio (OI)	1.32	1.15	0.17
Put Call Ratio(Vol)	0.89	0.94	-0.05

Debt Watch				
	08-May	Wk. Ago	Mth. Ago	Year Ago
Call Rate	3.98%	4.19%	4.24%	5.96%
T-Repo	3.39%	3.75%	2.22%	5.84%
Repo	4.40%	4.40%	4.40%	6.00%
Reverse Repo	3.75%	3.75%	4.00%	5.75%
91 Day T-Bill	3.48%	3.59%	4.19%	6.43%
364 Day T-Bill	3.40%	3.73%	4.52%	6.50%
10 Year Gilt	6.02%	6.11%	6.44%	7.38%
G-Sec Vol. (Rs.Cr)	59756	35084	13053	33174
FBIL MIBOR	4.43%	4.41%	4.55%	6.05%
3 Month CP Rate	5.35%	5.45%	6.20%	7.80%
5 Year Corp Bond	6.85%	6.86%	7.39%	8.46%
1 Month CD Rate	4.23%	4.14%	4.00%	6.85%
3 Month CD Rate	4.16%	4.60%	4.53%	7.06%
1 Year CD Rate	4.67%	4.79%	5.79%	7.54%

Currency Market			
Currency	08-May	Prev_Day	Change
USD/INR	75.44	75.69	-0.25
GBP/INR	93.50	94.10	-0.60
EURO/INR	81.80	81.98	-0.18
JPY/INR	0.71	0.71	0.00

Commodity Prices				
Commodity	08-May	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/b)	24.23	19.22	24.92	62.08
Brent Crude(\$/bl) ¹	21.96	14.85	20.96	71.53
Gold(\$/oz)	1701	1699	1646	1281
Gold(Rs./10 gm)	40989	40989	40989	31776

Source: Refinitiv

[1] Data as on 07 May 2020

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Derivatives Market

- Nifty May 2020 Futures stood at 9,236.65, a discount of 14.85 points below the spot closing of 9,251.50. The turnover on NSE's Futures and Options segment fell to Rs. 5,76,735.01 crore on May 08, 2020, compared with Rs. 22,79,856.76 crore on May 07, 2020.
- The Put-Call ratio stood at 0.92 compared with the previous session's close of 0.77.
- The Nifty Put-Call ratio stood at 1.32 compared with the previous session's close of 1.15.
- Open interest on Nifty Futures stood at 8.67 million, compared with the previous session's close of 8.6 million.

Indian Debt Market

- Bond yields fell on aggressive demand for the new 10-year gilt paper. Moreover, hike in special additional excise duty on petrol and diesel, which will bolster government revenues, further aided sentiment.
- Yield on the 10-year benchmark paper (6.45% GS 2029) fell 6 bps to close at its lowest level since Jan 27, 2009, at 5.97% from the previous closing of 6.03% after moving in a range of 5.96% to 6.05%.
- Data from RBI showed that foreign exchange reserves for the week ended May 01 increased to \$ 481.08 billion from \$479.46 billion in the previous week.

Currency Market Update

- The Indian rupee in spot trade rose against the greenback following gains in the domestic equity market. Selling of the greenback by foreign banks also boosted the domestic currency. The rupee closed at 75.54 a dollar, up 0.28% compared to the previous day's close of 75.76.
- The euro rose against the greenback amid reports that U.S. and Chinese negotiators had agreed to strengthen cooperation over a trade deal.

Commodity Market Update

- Gold prices fell as its safe haven appeal dwindled after the U.S. nonfarm payroll employment data for Apr 2020 came better than market expectations.
- Brent crude prices surged after more countries moved ahead with plans to relax economic and social lockdowns.

International News

- U.S. non-farm payroll employment plunged by 20.5 million jobs in Apr 2020 after falling by a revised 870,000 jobs (loss of 701,000 jobs originally reported) in Mar 2020. Unemployment rate surged to 14.7% in Apr 2020 higher than 4.4% in Mar 2020.
- German exports fell by 11.8% MoM (seasonally adjusted), compared with a 1.2% rise in Feb 2020. Imports fell 5.1% MoM compared with 1.5% decline in Feb 2020. Thus, trade surplus fell to a seasonally adjusted EUR 12.8 billion from EUR 21.4 billion a month ago.
- The latest survey from Jibun Bank showed, Japan's services purchasing managers index (PMI) index fell sharply to a record low of 21.5 in Apr 2020 from 33.8 in Mar 2020. Business confidence fell to its lowest reading since the global financial crisis.



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