

Markets for You

14 May 2020

Good gets *better*

Indices Performance

Global Indices	13-May	Prev_Day	Abs. Change	% Change*
Russell 3000	1,380	1,402	-22	-1.60
Nasdaq	8,863	9,003	-139	-1.55
FTSE	5,904	5,995	-91	-1.51
Nikkei	20,267	20,366	-99	-0.49
Hang Seng	24,180	24,246	-65	-0.27
Indian Indices	13-May	Prev_Day	Abs. Change	% Change*
S&P BSE Sensex	32,009	31,371	637	2.03
Nifty 50	9,384	9,197	187	2.03
Nifty 100	9,553	9,372	180	1.92
Nifty 500	7,667	7,521	146	1.94
Nifty Bank	19,635	18,863	772	4.09
S&P BSE Power	1,468	1,430	38	2.66
S&P BSE Small Cap	10,774	10,566	208	1.97
S&P BSE HC	15,022	15,146	-124	-0.82

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
13-May	19.97	1.18	18.59	1.77
Month Ago	18.58	1.41	20.27	1.69
Year Ago	27.24	1.26	27.80	1.18

Nifty 50 Top 3 Gainers

Company	13-May	Prev_Day	% Change*
Axis Bank	414	387	7.02
Zee Ent.	165	155	6.51
Adani Ports & SEZ	309	292	6.12

Nifty 50 Top 3 Losers

Company	13-May	Prev_Day	% Change*
Nestle India Limited	16512	17462	-5.44
Sun Pharma	452	464	-2.49
Britannia Industries Limited	3080	3107	-0.89

Advance Decline Ratio

	BSE	NSE
Advances	1656	1331
Declines	730	472
Unchanged	180	112

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-1839	-35313
MF Flows**	-1934	32380

*13th May 2020; **8th May 2020

Economic Indicator

YoY(%)	Current	Quarter Ago	Year Ago
CPI	5.84% (Apr-20)	7.59% (Jan-20)	2.86% (Apr-19)
IIP	-16.70% (Mar-20)	0.40% (Dec-19)	2.70% (Mar-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 12 May 2020

Global Indices

- Asian markets witnessed a mixed trend with investors remaining on the sidelines amid worries about U.S.-China tensions. Meanwhile, traders found some solace after Wuhan, the epi-centre of the deadly virus confirmed no new COVID-19 infections on May 12 and officials charted out a plan to test 11 million people within a 10-day timeframe. Today (as on May 14), markets traded lower tracking overnight weakness in U.S. and European markets. Both Nikkei and Hang Seng are down 0.73% and 1.25%, respectively (as at 8.a.m. IST).
- European markets too came under selling pressure as a potential second wave of coronavirus infections triggered a sell-off.
- U.S. markets fell following comments from the U.S. Fed Chief. The Fed Chief said that the central bank may take additional steps to support the economy but is reluctant to adopt negative interest rates.

Indian Equity Market

- Indian equity markets surged as investors cheered the Rs. 20 trillion - stimulus package announced by the government to revive the economy in the wake of the COVID-19 pandemic. Market participants are keenly awaiting the details of the allocation of the stimulus package to be announced the finance minister post market hours.
- Key benchmark indices S&P BSE Sensex and Nifty 50 gained 2.03% and 2.03% to close at 32,008.61 and 9,383.55 respectively. S&P BSE MidCap and S&P BSE SmallCap gained 1.49% and 1.97% respectively.
- The overall market breadth on BSE was strong with 1,656 scrips advancing and 730 scrips declining. A total of 180 scrips remained unchanged.
- On the BSE sectoral front, S&P BSE Capital Goods was the major gainer, up 5.08% followed by S&P BSE Industrials, up 3.98% and S&P BSE Bankex, up 3.88%. S&P BSE Healthcare was the major loser, down 0.82% followed by S&P BSE FMCG, down 0.61% and S&P BSE Telecom, down 0.09%.

Domestic News

- India will provide Rs. 3 lakh crore worth collateral-free loans to small businesses for four years. This would benefit 45 lakh micro, small and medium enterprises (MSME) and will be available till Oct 31, 2020. No principal repayment will be required for 12 months.
- Global tender disallowed in government procurement for tenders up to Rs. 200 crore to provide MSMEs the opportunity to participate in tenders. There will be necessary amendments of general financial rules. It is a step towards self-reliant India and support Make in India initiative.
- For Discoms (Distribution companies), a one-time emergency liquidity injection of Rs. 90,000 crore will be provided by Power finance corporation (PFC) and Rural Electrification Corporation (REC) against all their receivables. The states will guarantee it. Discoms will pay the power generation companies from the funds generated.
- As part of economic stimulus package, government will provide Rs 30,000 crore of special liquidity scheme for investing in investment grade debt paper of Non-banking finance companies (NBFC), Housing finance companies and Micro finance Institutions (MFI). These NBFCs are those that are also funding MSMEs. These will be fully guaranteed by government of India.
- According to media reports, the standalone net profit of Maruti Suzuki fell 28% on a yearly basis in the quarter ended Mar 2020 to Rs. 1,291.70 crore from Rs. 1,795.60 crore in the same period of the previous year. Net profit came down on account of lower sales and higher promotion expenses. The company also reduced capital expenditure for FY21 by 17% to Rs. 2,700 crore from Rs. 3,248 crore in the previous year.
- According to media reports, the standalone net profit of Kotak Mahindra Bank fell 10% on a yearly basis in the quarter ended Mar 2020 to Rs. 1,267 crore from Rs. 1,408 crore in the same period of the previous year. Net profit came down on account of increase in the bank's provisions and contingencies. The bank made provisions related to the COVID-19 pandemic worth Rs. 650 crore, higher than what is mandated by the Reserve Bank of India.

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

FII Derivative Trade Statistics			
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	5835.70	6707.74	5935.25
Index Options	173103.58	172922.39	33368.14
Stock Futures	15811.47	16006.94	75162.24
Stock Options	4351.69	4302.66	2607.69
Total	199102.44	199939.73	117073.32

Derivative Statistics- Nifty Options			
	13-May	Prev_Day	Change
Put Call Ratio (OI)	1.12	1.28	-0.15
Put Call Ratio(Vol)	0.81	0.89	-0.08

Debt Watch				
	13-May	Wk. Ago	Mth. Ago	Year Ago
Call Rate	3.88%	3.88%	4.26%	5.92%
T-Repo	1.83%	3.34%	3.20%	5.89%
Repo	4.40%	4.40%	4.40%	6.00%
Reverse Repo	3.75%	3.75%	4.00%	5.75%
91 Day T-Bill	3.45%	3.51%	4.13%	6.48%
364 Day T-Bill	3.73%	3.57%	4.46%	6.50%
10 Year Gilt	6.13%	6.03%	6.50%	7.39%
G-Sec Vol. (Rs.Cr)	44562	51593	10085	33866
FBIL MIBOR ^[1]	4.29%	4.44%	4.60%	6.05%
3 Month CP Rate	4.80%	5.55%	6.50%	7.70%
5 Year Corp Bond	7.01%	6.89%	7.40%	8.52%
1 Month CD Rate	4.13%	3.83%	4.22%	6.95%
3 Month CD Rate	3.68%	4.15%	4.52%	7.26%
1 Year CD Rate	4.63%	4.65%	5.74%	7.59%

Currency Market			
Currency	13-May	Prev_Day	Change
USD/INR	75.39	75.79	-0.41
GBP/INR	92.62	93.40	-0.79
EURO/INR	81.82	81.96	-0.13
JPY/INR	0.70	0.71	0.00

Commodity Prices				
Commodity	13-May	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/b)	24.87	23.38	22.31	60.92
Brent Crude(\$/bl)	28.16	20.10	18.71	73.29
Gold(\$/oz)	1715	1686	1714	1300
Gold(Rs./10 gm)	40989	40989	40989	31961

Source: Refinitiv

[1] Data as on 12 May 2020

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Derivatives Market

- Nifty May 2020 Futures stood at 9,393.55, a premium of 10.00 points above the spot closing of 9,383.55. The turnover on NSE's Futures and Options segment rose to Rs. 11,80,265.29 crore on May 13, 2020, compared with Rs. 10,73,997.01 crore on May 12, 2020.
- The Put-Call ratio stood at 0.87 compared with the previous session's close of 0.84.
- The Nifty Put-Call ratio stood at 1.12 compared with the previous session's close of 1.28.
- Open interest on Nifty Futures stood at 8.38 million, compared with the previous session's close of 8.19 million.

Indian Debt Market

- Bond yields fell as state-run banks stepped up purchases after the announcement of an economic stimulus package by the Prime Minister in the speech on May 12, 2020. Prime Minister said that Rs. 20 lakh crore package, almost amounting to 10% of India's gross domestic product, will be aimed at migrant labour, the middle class and industry.
- Yield on the new 10-year benchmark paper (5.79% GS 2030) fell 4 bps to close at 5.76% from the previous closing of 5.80% after moving in a range of 5.76% to 5.86%.
- Yield on the old 10-year benchmark paper (6.45% GS 2029) fell 6 bps to close at 6.10% from the previous closing of 6.16% after moving in a range of 6.08% to 6.28%.
- Banks did not borrow under the central bank's Marginal Standing Facility on both May 12, 2020 and May 11, 2020.

Currency Market Update

- The Indian rupee in spot trade was almost steady against the greenback as market participants awaited the details of the Indian government's stimulus package.
- The euro fell against the greenback after the U.S. Federal Reserve chief warned that economic recovery may take time. However, further losses were restricted after the U.S central bank chief negated the idea of using negative interest rates as a stimulative tool.

Commodity Market Update

- Gold prices rose after the U.S. Federal Reserve chief pledged to adopt more stimulus measures if required.
- Brent crude prices rose after data from U.S. Energy Information Administration showed that crude inventories in U.S. fell by 745,000 barrels in the week to May 8.

International News

- According to the U.S. Labor Department, U.S. consumer price index fell 0.8% in Apr 2020 after falling 0.4% in Mar 2020. Excluding food and energy prices, core consumer prices fell 0.4% in Apr 2020 after declining 0.1% in Mar 2020.
- According to data from Office for National Statistics, U.K.'s gross domestic product (GDP) fell 2% sequentially in the first quarter of 2020. This was the largest decline since the global financial crisis as measures adopted to reduce the transmission of the coronavirus took a toll on overall activity.
- According to data published by the British Retail Consortium, U.K. retail sales plunged 19.1% YoY in Apr 2020 as against 2.4% rise in Apr 2019.



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your time.**

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