



Nippon india Mutual Fund

Wealth sets you free

(Formerly Reliance Mutual Fund)

Markets for You

20 May 2020

Good gets *better*

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

Indices Performance

Global Indices	19-May	Prev_Day	Abs. Change	% Change [#]
Russell 3000	1,431	1,439	-9	-0.59
Nasdaq	9,185	9,235	-50	-0.54
FTSE	6,002	6,049	-46	-0.77
Nikkei	20,433	20,134	300	1.49
Hang Seng	24,388	23,935	453	1.89
Indian Indices	19-May	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	30,196	30,029	167	0.56
Nifty 50	8,879	8,823	56	0.63
Nifty 100	9,060	9,004	56	0.62
Nifty 500	7,285	7,245	39	0.54
Nifty Bank	17,486	17,573	-87	-0.49
S&P BSE Power	1,431	1,399	32	2.26
S&P BSE Small Cap	10,355	10,376	-21	-0.20
S&P BSE HC	14,883	14,901	-18	-0.12

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
19-May	18.95	1.24	20.39	1.72
Month Ago	19.16	1.37	20.85	1.64
Year Ago	27.83	1.24	28.44	1.15

Nifty 50 Top 3 Gainers

Company	19-May	Prev_Day	% Change [#]
Bharti Airtel	599	538	11.29
Adani Ports & SEZ	319	293	8.83
ONGC	77	73	5.83

Nifty 50 Top 3 Losers

Company	19-May	Prev_Day	% Change [#]
United Phos	340	376	-9.62
Vedanta Limited	90	93	-2.70
IndusInd Bank	368	377	-2.38

Advance Decline Ratio

	BSE	NSE
Advances	1021	788
Declines	1288	982
Unchanged	150	135

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-2523	-42584
MF Flows**	-219	31920

*19th May 2020; **18th 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	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 18 May 2020

Global Indices

- Asian markets closed in the green as investors welcomed positive phase one results for a potential coronavirus vaccine. Market participants also hoped that the reopening of business across the world will aid an economic recovery. Today (as on May 20) markets largely traded positive with investors awaiting the release of China's benchmark lending rate. Both Nikkei and Hang Seng are up 0.44% and 0.21%, respectively (as at 8.a.m. IST).
- Most of the European markets closed lower as investors remained on sidelines and looked for further news on coronavirus vaccine and monitored the latest batch of economic data and corporate news.
- U.S. markets closed in the red after witnessing initial strength on the back of considerable optimism about the economy reopening and potential coronavirus vaccine. However, profit booking towards session end reversed all such gains.

Indian Equity Market

- Indian equity markets closed in the green, tracking strength in the Asian peers amid optimism about a potential vaccine for the coronavirus. Stock specific movement also contributed to the upside, with a telecom major reporting a healthy growth in consolidated revenue for the quarter ended Mar 2020.
- Key benchmark indices S&P BSE Sensex and Nifty 50 gained 0.56% and 0.63% to close at 30,196.17 and 8,879.10 respectively. S&P BSE MidCap gained 0.52% and S&P BSE SmallCap lost 0.2%.
- The overall market breadth on BSE was weak with 1,021 scrips advancing and 1,288 scrips declining. A total of 150 scrips remained unchanged.
- On the BSE sectoral front, S&P BSE Telecom was the major gainer, up 10.41% followed by S&P BSE Teck, up 2.49% and S&P BSE Power, up 2.26%. S&P BSE Capital Goods was the major loser, down 1.38% followed by S&P BSE Energy, down 1.33% and S&P BSE Realty, down 0.6%.

Domestic News

- In a letter to the Association of Mutual Funds of India (Amfi), the Securities and Exchange Board of India (Sebi) has allowed asset management companies (AMCs) to invest 15% more of the AUM of the Corporate Bond Fund, Banking and PSU Fund and Credit Risk Fund in G-Secs and T-Bills.
- According to a report by an international rating agency, the disruptions due to outbreak of coronavirus would worsen the asset quality of non-banking financial companies (NBFCs) and further intensify their liquidity stress. The weakening of NBFCs' solvency will increase risks for banks with high direct exposures to the sector.
- National Bank for Agriculture and Rural Development (Nabard) said it disbursed Rs 20,500 crore for farmers to cooperative banks and regional rural banks (RRBs). The amount is part of the Rs. 25,000 crore of special refinance facility provided by the Reserve Bank of India (RBI) to Nabard for refinancing regional rural banks (RRBs), cooperative banks and micro finance institutions (MFIs).
- The "switch auction" by the Reserve Bank of India (RBI), where it wanted to replace bonds maturing this year with those of longer-dated ones was bombarded with investors unsure of the inflation trajectory and government borrowing in those times when future revenue collection is also unsure. The central bank received bids for less than what was offered to sell by the Rs 30,000 crores of bonds instead of maturing bonds in 2020. RBI sold less than half of 2024 bonds it wanted to sell and none of the 2030 bonds.
- Bharti Airtel registered a consolidated loss before tax of Rs. 7,010.5 crore for the Mar quarter of 2020 compared with a profit before tax of Rs. 713.5 crore a year ago and a loss of Rs. 1,502.8 crore sequentially. Losses accelerated due to payment of adjusted gross revenue (AGR) dues.
- GlaxoSmithKline Pharmaceuticals consolidated net profit fell 5.95% YoY to Rs. 138.07 crore in the March quarter of 2020. Consolidated revenue from operations rose to 3.33% YoY to Rs. 775.80 crore for the quarter under consideration.

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FII Derivative Trade Statistics			
(Rs Cr)	19-May		
	Buy	Sell	Open Int.
Index Futures	6996.99	7800.12	5609.38
Index Options	151019.34	151449.04	33679.86
Stock Futures	16412.89	16934.43	72550.46
Stock Options	4925.29	5109.05	3282.93
Total	179354.51	181292.64	115122.63

Derivative Statistics- Nifty Options			
	19-May	Prev_Day	Change
Put Call Ratio (OI)	1.03	0.95	0.07
Put Call Ratio(Vol)	0.85	0.89	-0.04

Debt Watch				
	19-May	Wk. Ago	Mth. Ago	Year Ago
Call Rate	3.92%	3.79%	4.24%	5.99%
T-Repo	3.26%	2.60%	2.40%	5.95%
Repo	4.40%	4.40%	4.40%	6.00%
Reverse Repo	3.75%	3.75%	3.75%	5.75%
91 Day T-Bill	3.27%	3.45%	3.89%	6.32%
364 Day T-Bill	3.67%	3.65%	4.00%	6.43%
10 Year Gilt	6.03%	6.16%	6.35%	7.36%
G-Sec Vol. (Rs.Cr)	49864	45049	38886	32164
FBIL MIBOR ^[1]	4.42%	4.29%	4.58%	6.05%
3 Month CP Rate	4.35%	5.35%	6.00%	7.25%
5 Year Corp Bond	6.96%	7.04%	7.01%	8.38%
1 Month CD Rate	4.01%	4.11%	4.20%	7.24%
3 Month CD Rate	3.56%	4.15%	4.46%	7.07%
1 Year CD Rate	4.56%	4.53%	5.27%	7.29%

Currency Market			
Currency	19-May	Prev_Day	Change
USD/INR	75.66	75.93	-0.27
GBP/INR	92.59	91.95	0.63
EURO/INR	82.68	82.19	0.49
JPY/INR	0.70	0.71	0.00

Commodity Prices				
Commodity	19-May	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/b)	31.80	25.26	18.26	62.72
Brent Crude(\$/bl)	32.59	25.10	16.14	74.93
Gold(\$/oz)	1744	1702	1684	1277
Gold(Rs./10 gm)	40989	40989	40989	31911

Source: Refinitiv

^[1]Data as on 18 May 2020

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Derivatives Market

- Nifty May 2020 Futures stood at 8,884.10, a premium of 5.00 points above the spot closing of 8,879.10. The turnover on NSE's Futures and Options segment rose to Rs. 10,85,207.05 crore on May 19, 2020, compared with Rs. 9,03,860.84 crore on May 18, 2020.
- The Put-Call ratio stood at 0.88 compared with the previous session's close of 0.91.
- The Nifty Put-Call ratio stood at 1.03 compared with the previous session's close of 1.
- Open interest on Nifty Futures stood at 9.61 million, compared with the previous session's close of 9.47 million.

Indian Debt Market

- Bond yields fell on expectations that the Reserve Bank of India would continue to purchase government securities which helped ease concerns of heavy supply of sovereign debt in the market to some extent. Hopes that the Monetary Policy Committee may further lower key policy repo rate also weighed on the market sentiment.
- Yield on the old 10-year benchmark paper (6.45% GS 2029) fell 2 bps to close at 6.03% from the previous closing of 6.05% after moving in a range of 6.02% to 6.05%.
- Yield on the new 10-year benchmark paper (5.79% GS 2030) inched up 1 bps to close at 5.75% from the previous closing of 5.74%.

Currency Market Update

- The Indian rupee rose against the U.S. dollar at its fastest pace in nearly three weeks as risk appetite improved on hopes of a potential vaccine to fight the coronavirus pandemic lifted.
- Euro gained against the U.S. dollar driven by a Franco-German proposal on Monday for a fund that would offer grants to European Union regions and sectors hit the most by the Covid-19 pandemic.

Commodity Market Update

- Gold prices rose amid uncertainty as to how economies across the globe would emerge from the deep slowdown following the COVID-19 pandemic.
- Brent crude prices fell amid concerns that global demand recovery of oil will be slow.

International News

- Data from the U.S. Commerce Department showed that housing starts in U.S. plummeted by 30.2% to an annual rate of 891,000 in Apr 2020 after falling by 18.6% to a revised 1.276 million in Mar 2020 (1.216 million originally reported for the previous month).
- Survey data from the ZEW - Leibniz Centre for European Economic Research showed that German economic confidence surged in May. The ZEW Indicator of Economic Sentiment rose 22.8 points to 51.0 in May.
- Data from the Ministry of Economy, Trade and Industry showed that industrial production in Japan fell in Mar 2020. Industrial production fell a seasonally adjusted 3.7% on a monthly basis in Mar 2020 while on a yearly basis industrial production came down 5.2%.



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