



Nippon india Mutual Fund

Wealth sets you free

(Formerly Reliance Mutual Fund)

Markets for You

21 May 2020

Good gets *better*

Indices Performance

Global Indices	20-May	Prev_Day	Abs. Change	% Change#
Russell 3000	1,455	1,431	25	1.72
Nasdaq	9,376	9,185	191	2.08
FTSE	6,067	6,002	65	1.08
Nikkei	20,595	20,433	162	0.79
Hang Seng	24,400	24,388	12	0.05
Indian Indices	20-May	Prev_Day	Abs. Change	% Change#
S&P BSE Sensex	30,819	30,196	622	2.06
Nifty 50	9,067	8,879	187	2.11
Nifty 100	9,249	9,060	189	2.09
Nifty 500	7,427	7,285	142	1.95
Nifty Bank	17,840	17,486	354	2.02
S&P BSE Power	1,443	1,431	13	0.89
S&P BSE Small Cap	10,472	10,355	117	1.13
S&P BSE HC	15,354	14,883	471	3.16

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
20-May	19.25	1.22	21.16	1.68
Month Ago	19.21	1.36	20.75	1.64
Year Ago	29.05	1.18	29.48	1.11

Nifty 50 Top 3 Gainers

Company	20-May	Prev_Day	% Change#
Shree Cements Limited	19412	18341	5.84
M&M	405	383	5.78
Dr.Reddy	3910	3700	5.69

Nifty 50 Top 3 Losers

Company	20-May	Prev_Day	% Change#
Bharti Infratel	201	219	-8.18
IndusInd Bank	357	368	-2.85
Hero Moto	2024	2074	-2.41

Advance Decline Ratio

	BSE	NSE
Advances	1262	1056
Declines	1060	707
Unchanged	164	139

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-1334	-43918
MF Flows**	706	32626

 *20th May 2020; **19th May 2020

Economic Indicator

YoY(%)	Current	Quarter Ago	Year Ago
CPI	5.91% (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 19 May 2020

Global Indices

- Majority of the Asian markets rose on hopes that a continued drop in new daily Covid-19 cases will help the global economy recover from the coronavirus crisis. However, gains were largely restricted following reports questioning the validity of the U.S. bio pharma's early trial results for a possible coronavirus vaccine. Today (as on May 21), Asian markets rose following rise on Wall Street overnight. Both Nikkei and Hang Seng market traded up 0.37% and 0.53%, respectively (as at 8.a.m. IST).
- European markets closed on a strong note despite weak start. Market participants bought stocks on the back of optimism about economic recovery thanks to reopening of businesses. Initially, market was weak on a report that doubted a U.S. pharma company's claim about the positive results of a potential coronavirus vaccine.
- U.S. markets rose sharply on continued optimism about an economic recovery as states begin to reopen following the coronavirus-induced lockdowns. Initial signals suggest the states that have reopened have not seen a spike in coronavirus cases. This raised hopes that the economy may rebound more rapidly than many economists predict.

Indian Equity Market

- Indian equity markets surged led by strong buying in the financial stocks. Investors found reassurance from the finance minister statement that government is with the industry and shall do as much as possible to repair the damage when companies were going through the most stressful time.
- Key benchmark indices S&P BSE Sensex and Nifty 50 gained 2.06% and 2.11% to close at 30,818.61 and 9,066.55 respectively. S&P BSE MidCap and S&P BSE SmallCap gained 1.49% and 1.13% respectively.
- The overall market breadth on BSE was strong with 1,262 scrips advancing and 1,060 scrips declining. A total of 164 scrips remained unchanged.
- All the sectors gained. S&P BSE Healthcare was the major gainer, up 3.16%, followed by S&P BSE Capital Goods and S&P BSE Consumer Durables, up 3.12% and 2.68%, respectively. S&P BSE Oil & Gas and S&P BSE Realty gained 2.52% and 2.39% respectively.

Domestic News

- According to Ratings agency ICRA, India's economic growth has been sharply revised to 5% contraction for FY20-21 from 1% to 2% growth earlier. Rating agency also estimated sharper de-growth in the Jun and Sep quarter of 2020 at -25% and -2.1% respectively, down from a range of 16%-20% contraction in and 2.1% growth, respectively before. The report cited the extended lockdown and labour mismatches causing further delays in supply chain resumption as the reason for the downgrade.
- Considering the impact of the lockdown on India's economic activity, the government said that it was cautiously optimistic about the revival of growth later in the year. Actual GDP growth in FY20-21 would be depending upon the intensity, spread and duration of the Covid-19 pandemic. However, in its macroeconomic report, the finance ministry did not disclose its projections for FY20-21.
- The finance ministry has sanctioned Rs. 46,038.70 crore for May 2020 instalment of devolution of states' share in central taxes and duties. The amount has been calculated based on tax receipts projected in Budget 2020-21 & not as per actuals.
- The Union Cabinet eased the norms of the Partial Credit Guarantee Scheme and extended its time period in order to widen the coverage to include a larger number of NBFCs, HFCs and micro finance institutions.



FII Derivative Trade Statistics			
(Rs Cr)	20-May		Open Int.
	Buy	Sell	
Index Futures	9407.61	7075.92	5483.84
Index Options	202743.58	202023.53	35893.77
Stock Futures	16076.14	14284.06	73710.33
Stock Options	3878.24	3831.44	3523.63
Total	232105.57	227214.95	118611.57

Derivative Statistics- Nifty Options			
	20-May	Prev_Day	Change
Put Call Ratio (OI)	1.18	1.03	0.15
Put Call Ratio(Vol)	0.89	0.85	0.04

Debt Watch				
	20-May	Wk. Ago	Mth. Ago	Year Ago
Call Rate	3.98%	3.88%	4.16%	5.96%
T-Repo	3.05%	1.83%	2.97%	5.96%
Repo	4.40%	4.40%	4.40%	6.00%
Reverse Repo	3.75%	3.75%	3.75%	5.75%
91 Day T-Bill	3.25%	3.45%	3.75%	6.35%
364 Day T-Bill	3.68%	3.73%	4.05%	6.40%
10 Year Gilt	6.04%	6.13%	6.21%	7.29%
G-Sec Vol. (Rs.Cr)	37202	44562	46778	54331
FBIL MIBOR ^[1]	4.45%	4.25%	4.53%	6.05%
3 Month CP Rate	4.35%	4.80%	5.75%	7.10%
5 Year Corp Bond	7.00%	7.01%	6.85%	8.30%
1 Month CD Rate	3.75%	4.13%	4.28%	6.82%
3 Month CD Rate	3.50%	3.68%	4.60%	7.13%
1 Year CD Rate	4.66%	4.63%	5.32%	7.54%

Currency Market			
Currency	20-May	Prev_Day	Change
USD/INR	75.67	75.66	0.01
GBP/INR	92.64	92.59	0.06
EURO/INR	82.81	82.68	0.12
JPY/INR	0.70	0.70	0.00

Commodity Prices				
Commodity	20-May	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/t)	33.06	24.87	-37.03	63.07
Brent Crude(\$/bl)	34.39	28.16	17.35	74.20
Gold(\$/oz)	1749	1715	1693	1277
Gold(Rs./10 gm)	40989	40989	40989	31550

Source: Refinitiv

[1] Data as on 19 May 2020

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Derivatives Market

- Nifty May 2020 Futures stood at 9,066.65, a premium of 0.10 points above the spot closing of 9,066.55. The turnover on NSE's Futures and Options segment rose to Rs. 12,20,838.30 crore on May 20, 2020, compared with Rs. 10,85,207.05 crore on May 19, 2020.
- The Put-Call ratio stood at 0.87 compared with the previous session's close of 0.88.
- The Nifty Put-Call ratio stood at 1.18 compared with the previous session's close of 1.00.
- Open interest on Nifty Futures stood at 9.89 million, compared with the previous session's close of 9.61 million.

Indian Debt Market

- Bond yields rose as market participants awaited support from the Reserve Bank of India in the form of open market purchases after a large spike in borrowing. The Indian government raised its borrowing limit by nearly 54% this year to Rs. 12 trillion to make up for the revenue shortfall due to the COVID-19 pandemic.
- Yield on the old 10-year benchmark paper (6.45% GS 2029) inched up 1 bps to close at 6.04% from the previous closing of 6.03% 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 2 bps to close at 5.77% from the previous closing of 5.75% after moving in a range of 5.75% to 5.78%.

Currency Market Update

- The Indian rupee weakened against the U.S. due to persistent buying of the greenback by foreign banks. Doubts over a potential coronavirus vaccine also weighed on the market sentiment.
- Euro gained against the U.S. dollar following the recently announced proposal for a common fund to combat the economic impact of the COVID-19 pandemic in the euro zone.

Commodity Market Update

- Gold prices rose amid doubts of a potential COVID-19 vaccine and growing possibility of more stimulus measures.
- Brent crude prices rose after oil inventory in U.S dropped by 5 million barrels for the week ended May 15.

International News

- Flash estimates from European Union showed that the flash Eurozone consumer confidence rose slightly in May as several countries in the single-currency bloc started easing restrictions on COVID-19 induced lockdowns. The flash consumer confidence index for euro zone rose to -18.8 in May 2020 from -22.7 in Apr 2020.
- Data from the Office of National Statistics showed that consumer price index-based inflation in U.K. eased to 0.8% in Apr 2020 from 1.5% in Mar 2020.
- Final data from Eurostat showed that inflation in eurozone slowed on a yearly basis to 0.3% in Apr 2020 from 0.7% in Mar 2020.
- Data from the Cabinet Office showed that core machinery orders in Japan fell 0.4% on a monthly basis in Mar 2020 following a 2.3% rise in Feb 2020.


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



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