



**Nippon india Mutual Fund**

Wealth sets you free

(Formerly Reliance Mutual Fund)

# Markets for You

28 May 2020

Good gets *better*

**Indices Performance**

Global Indices	27-May	Prev_Day	Abs. Change	% Change#
Russell 3000	1,470	1,457	13	0.92
Nasdaq	9,412	9,340	72	0.77
FTSE	6,144	6,068	76	1.26
Nikkei	21,419	21,271	148	0.70
Hang Seng	23,301	23,385	-83	-0.36
Indian Indices	27-May	Prev_Day	Abs. Change	% Change#
S&P BSE Sensex	31,605	30,609	996	3.25
Nifty 50	9,315	9,029	286	3.17
Nifty 100	9,472	9,220	252	2.73
Nifty 500	7,596	7,425	171	2.30
Nifty Bank	18,711	17,440	1,270	7.28
S&P BSE Power	1,454	1,444	10	0.69
S&P BSE Small Cap	10,619	10,590	29	0.27
S&P BSE HC	15,288	15,418	-130	-0.84

**P/E Dividend Yield**

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
27-May	19.77	1.20	21.77	1.64
Month Ago	19.20	1.22	20.77	1.64
Year Ago	29.08	1.19	29.68	1.22

**Nifty 50 Top 3 Gainers**

Company	27-May	Prev_Day	% Change#
Axis Bank	387	341	13.39
ICICI Bank	319	293	8.93
Wipro	201	189	6.59

**Nifty 50 Top 3 Losers**

Company	27-May	Prev_Day	% Change#
Sun Pharma	451	459	-1.80
Ultratech Cem	3727	3786	-1.55
Shree Cements Limited	20478	20667	-0.92

**Advance Decline Ratio**

	BSE	NSE
Advances	1345	1064
Declines	974	715
Unchanged	178	135

**Institutional Flows (Equity)**

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	4782	-42173
MF Flows**	2252	36171

 \*27<sup>th</sup> May 2020; \*\*26<sup>th</sup> 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 &amp; WPI from 2004-05 to 2011-12, and for CPI from 2010 to 2012

[1] Data as on 22 May 2020

**Global Indices**

- Asian markets witnessed a mixed trend as positive impact of the growing optimism about the reopening of economies across the world was neutralised by rising tension between U.S. and China. Today (as on May 28), Asian markets mostly rose following rise on the Wall Street overnight. While Nikkei was traded up 1.65%, Hang Seng was down 0.41% (as at 8.a.m. IST).
- European markets surged, supported by the European Commission's (EC) plan to launch a massive recovery fund for the euro region to help restrict the damage caused by the Covid-19 pandemic. The EC announced a €750 billion (\$821 billion) aid package to help the European region. The plan will have to be backed by all 27 nations in the bloc.
- U.S. markets gained strongly as market participants continued to be optimistic about a quick economic recovery as the country reopens following the coronavirus lockdown. Financial stocks helped to lead the way higher.

**Indian Equity Market**

- Indian equity markets surged led by strong buying interest in the financial stocks. Traders recovered short positions ahead of the expiry of futures and options contracts (F&O) of May series, scheduled on May 28. Apart from financial stocks, information technology, and metal stocks, too, witnessed smart rally during the trade. Market sentiments was also boosted after global investment bank said it was forecasting a very strong rebound in Indian markets for the second half of the year.
- Key benchmark indices S&P BSE Sensex and Nifty 50 gained 3.25% and 3.17% to close at 31,605.22 and 9,314.95 respectively. S&P BSE MidCap and S&P BSE SmallCap gained 0.54% and 0.27% respectively.
- The overall market breadth on BSE was strong with 1,345 scrips advancing and 974 scrips declining. A total of 178 scrips remained unchanged.
- On the BSE sectoral front, S&P BSE Bankex was the major gainer, up 7.31% followed by S&P BSE Finance, up 5.64% and S&P BSE IT, up 3%. S&P BSE Healthcare was the only loser, down 0.84%.

**Domestic News**

- Capital market regulator Securities and Exchange Board of India (SEBI), clarified that it has imposed no restriction on the usage of Power of Attorney (POA) between the broker and client in the domestic equity markets. POA gives a broker the authority to manage the shares of its client and is collected by the broker at the time of opening the demat account. The broker uses POA to transfer the shares of the client to the client's collateral account. Subsequently, these shares are placed with clearing corporation by way of transfer or by creation of pledge towards margin. However, the broker now cannot report all securities lying in the demat account of the client as margin collected.
- SEBI has issued guidelines that need to be followed by stock exchanges for identification and selection of a location as a delivery centre for commodity derivatives contracts. This identification and selection needs to be done on the basis of liquidity of the contract, demand-supply dynamics, value chain participants, infrastructure support and trade feedback. The new framework will come into effect from Aug 1, 2020.
- According to media reports a section of brokers have built up a case against the trading of crude oil contract at negative price and have approached the SEBI. The move comes after a controversial settlement of April crude oil contract at negative price following which many brokers incurred huge losses. Brokers want the exchange to provide an intermediate auction window soon after prices turn negative.
- SEBI has given approval for use of shares in depository account as margin until Aug 31, 2020. The move comes amid the COVID-19 pandemic as changes to the systems and software development are still under progress.
- Future Retail's board member has approved raising up to Rs. 650 crore by issuing non-convertible debentures (NCDs) on private placement basis in one or more tranches to pare debt.
- Aditya Birla Fashion & Retail is expected to launch rights issue worth Rs. 1,000 crore soon as part of its fund-raising plans for FY21 and also to cap the leverage.



FII Derivative Trade Statistics - 27-May			
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	5903.71	5714.81	7168.04
Index Options	142955.12	142471.80	38550.30
Stock Futures	40304.10	41717.14	77978.39
Stock Options	2771.44	2957.08	2783.63
Total	191934.37	192860.83	126480.36

Derivative Statistics- Nifty Options			
	27-May	Prev_Day	Change
Put Call Ratio (OI)	1.56	1.15	0.41
Put Call Ratio(Vol)	0.90	0.93	-0.03

Debt Watch				
	27-May	Wk. Ago	Mth. Ago	Year Ago
Call Rate	3.61%	3.98%	4.03%	5.94%
T-Repo	2.95%	3.05%	2.09%	5.95%
Repo	4.00%	4.40%	4.40%	6.00%
Reverse Repo	3.35%	3.75%	3.75%	5.75%
91 Day T-Bill	3.17%	3.25%	3.57%	6.20%
364 Day T-Bill	3.41%	3.68%	3.81%	6.30%
10 Year Gilt	5.98%	6.04%	6.15%	7.17%
G-Sec Vol. (Rs.Cr)	26346	37202	38551	71666
FBIL MIBOR <sup>[1]</sup>	4.31%	4.43%	4.48%	6.00%
3 Month CP Rate	4.35%	4.35%	5.25%	6.85%
5 Year Corp Bond	6.86%	7.00%	6.88%	8.19%
1 Month CD Rate	3.74%	3.75%	5.30%	6.46%
3 Month CD Rate	3.69%	3.50%	4.95%	6.56%
1 Year CD Rate	4.29%	4.66%	4.92%	7.38%

Currency Market			
Currency	27-May	Prev_Day	Change
USD/INR	75.65	75.64	0.01
GBP/INR	93.22	92.60	0.62
EURO/INR	82.92	82.64	0.28
JPY/INR	0.70	0.70	0.00

Commodity Prices				
Commodity	27-May	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/t)	32.75	33.06	11.97	58.39
Brent Crude(\$/bl)	32.30	34.39	10.69	68.97
Gold( \$/oz)	1709	1749	1714	1285
Gold(Rs./10 gm)	40989	40989	40989	31708

Source: Refinitiv

[1] Data as on 22 May 2020

**Disclaimer:**

The information herein is meant only for general reading purposes and contains all factual and statistical information pertaining to Industry and markets which have been obtained from independent third party sources and which are deemed to be reliable. The information provided cannot be considered as guidelines, recommendations or as a professional guide for the readers. It may be noted that since Nippon Life India Asset Management Limited (NAM India) (formerly Reliance Nippon Life Asset Management Limited) has not independently verified the accuracy or authenticity of such information or data, or for that matter the reasonableness of the assumptions upon which such data and information has been processed or arrive data; NAM India does not in any manner assure the accuracy or authenticity of such data and information. Some of the statements & assertions contained in these materials may reflect NAM India's views or opinions, which in turn may have been formed on the basis of such data or information. The Sponsor(s), the Investment Manager, the Trustee or any of their respective directors, employees, affiliates or representatives do not assume any responsibility for, or warrant the accuracy, completeness, adequacy and reliability of such data or information. Whilst no action has been solicited based upon the information provided herein, due care has been taken to ensure that the facts are accurate and opinions given are fair and reasonable, to the extent possible. This information is not intended to be an offer or solicitation for the purchase or sale of any financial product or instrument. Recipients of this information should rely on information/data arising out of their own investigations. Before making any investments, the readers are advised to seek independent professional advice, verify the contents in order to arrive at an informed investment decision. None of the Sponsor(s), the Investment Manager, the Trustee, their respective directors, employees, affiliates or representatives shall be liable in any way for any direct, indirect, special, incidental, consequential, punitive or exemplary damages, including on account of lost profits arising from the information contained in this material.

Readers are requested to click here for ICRA Analytics Ltd disclaimer

**Derivatives Market**

- Nifty May 2020 Futures stood at 9,309.40, a discount of 5.55 points below the spot closing of 9,314.95. The turnover on NSE's Futures and Options segment rose to Rs. 17,27,278.37 crore on May 27, 2020, compared with Rs. 9,39,622.80 crore on May 26, 2020.
- The Put-Call ratio stood at 0.83 compared with the previous session's close of 0.91.
- The Nifty Put-Call ratio stood at 1.56 compared with the previous session's close of 1.15.
- Open interest on Nifty Futures stood at 12.81 million, compared with the previous session's close of 10.66 million.

**Indian Debt Market**

- Bond yields rose marginally as investors were reluctant to take any side since they were awaiting the bond purchase plan from the Reserve Bank of India.
- Yield on the existing 10-year benchmark paper (6.45% GS 2029) rose 1 bps to close at 5.98% compared to the previous close of 5.97% after trading in a range of 5.96% to 5.99%.
- Yield on the new 10-year benchmark paper (5.79% GS 2030) rose 1 bps to close at 5.75% compared to the previous close of 5.74% after moving in a range of 5.73% to 5.75%.

**Currency Market Update**

- The Indian rupee in spot trade weakened against the greenback amid increasing tensions between U.S. and China.
- The euro inched up against the greenback as the investor risk sentiment improved to some extent after the European Commission proposed a coronavirus economic recovery package worth in total 1.85 trillion euros (\$2.04 trillion). However, increasing tensions between U.S. and China over Hong Kong capped the gains.

**Commodity Market Update**

- Gold prices fell on optimism about the development of coronavirus vaccines.
- Brent crude prices fell as persisting concerns over rising tensions between U.S. and China weighed on the market sentiment.

**International News**

- According to media reports, the European Commission has unveiled a €750 billion aid package to help the European Union recover from the COVID-19 pandemic. The plan will require unanimous backing from all 27 nations in the euro zone.
- Data from the Hungarian Central Statistical Office showed that the jobless rate in Hungary rose to 3.8% during the period from Feb to Apr of 2020 from 3.7% during the period from Jan to Mar of 2020. The number of unemployed persons increased to 174,100 from 173,000 in the same time period.


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



**Nippon india Mutual Fund**

Wealth sets you free

(Formerly Reliance Mutual Fund)

**Thank you for  
your time.**

**Good gets *better***

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