

## Equity Market

- ❖ Sensex ended 214 points higher to settle at 38,435
- ❖ Index VIX declines 4.45% to 19.94
- ❖ Nifty P/E at 32.08, Nifty Midcap 100 P/E at 130.66

### S&P CNX Nifty - 200 DMA



### Nifty Equity Benchmark Indices

| Index               | Current Value | % chg | 52 wk high | 52 wk low |
|---------------------|---------------|-------|------------|-----------|
| Nifty50             | 11371.6       | 0.53  | 12430.5    | 7511.1    |
| Nifty Mid cap 100   | 16982.2       | 0.49  | 18495.9    | 10750.0   |
| Nifty Small cap 100 | 5659.5        | 0.66  | 6401.1     | 3202.9    |
| Bank                | 22299.6       | 1.36  | 32613.1    | 16116.3   |
| Auto                | 7934.7        | 0.29  | 8501.2     | 4452.2    |
| FMCG                | 31604.4       | 0.52  | 32644.9    | 22699.1   |
| Pharma              | 11614.9       | 0.64  | 10497.2    | 6242.9    |
| Realty              | 224.1         | 1.24  | 336.4      | 160.9     |

## Factors driving the market

- ❖ Domestic market rose on more hopes regarding normalisation of businesses and affected sectors
- ❖ NTPC biggest gainer after it received approval to enter the renewable energy business
- ❖ Future Group stocks rally on reports that it may merge subsidiaries

### Nifty Top Gainers/Losers

| Index              | Value  | 52 wkhigh | 52 wklow |
|--------------------|--------|-----------|----------|
| <b>Top Gainers</b> |        |           |          |
| NTPC               | 106.3  | 129.7     | 73.2     |
| Power Grid         | 189.6  | 211.3     | 122.2    |
| Asian Paint        | 1957.9 | 1973.3    | 1431.2   |
| <b>Top Losers</b>  |        |           |          |
| ZEEL               | 192.1  | 376.0     | 114.0    |
| Hindalco           | 195.8  | 221.2     | 84.9     |
| Bharti Airtel      | 519.0  | 612.0     | 325.5    |

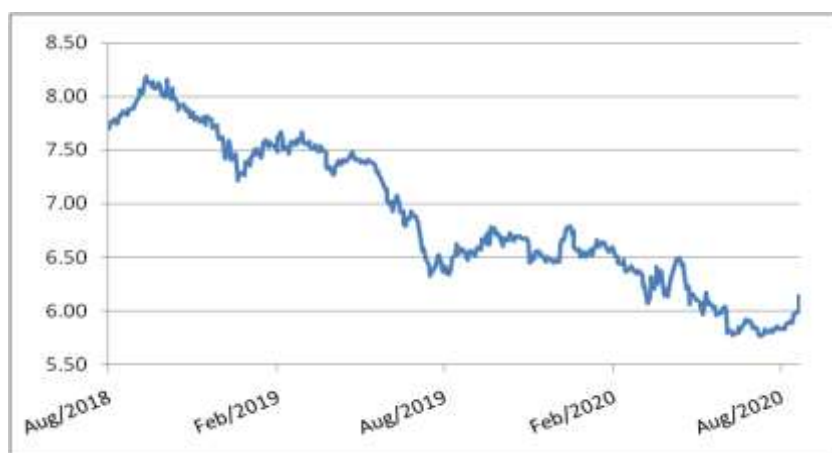
### Equity FPI Inflows

| Date           | Rs Crore        |             |                 |
|----------------|-----------------|-------------|-----------------|
|                | Gross Purchases | Gross Sales | Net Investments |
| 21-Aug-20      | 4819.7          | 4981.0      | (161.3)         |
| 20-Aug-20      | 5545.9          | 4447.1      | 1098.8          |
| 19-Aug-20      | 5396.0          | 4344.8      | 1051.3          |
| Total Jul-2020 | 119628.6        | 112065.9    | 7562.7          |
| Total Jun-2020 | 170846.4        | 149014.5    | 21831.6         |
| Total 2019     | 1437559.6       | 1336438.9   | 101120.8        |

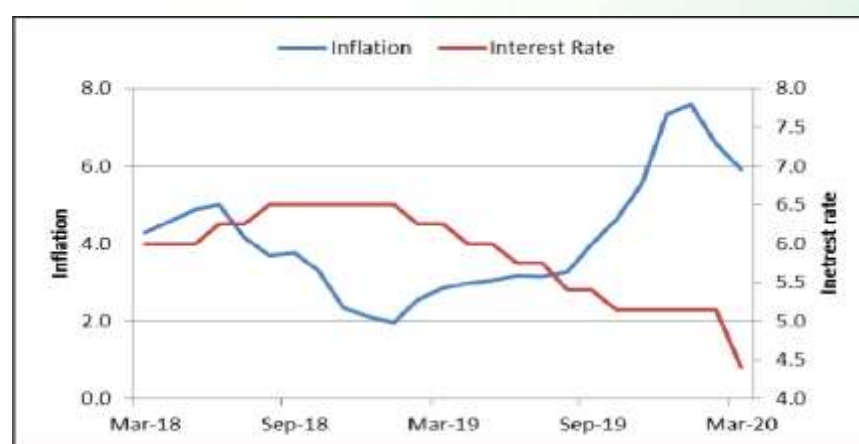
## Debt Market

- ❖ SBI to raise Rs 8,931 crore by issuing Basel III compliant bonds
- ❖ State Bank of India targets 3x growth in retail, MSME gold loans
- ❖ SBI strong enough to deal with NPAs, worry is about weaker banks: Rajnish Kumar
- ❖ NCLT initiates Bankruptcy proceedings against Anil Ambani for Rs 1,200 Crore defaults of RCom, RTIL
- ❖ Kishore Biyani's Future Retail faces debt deadline as grace period ends

## 10-year G-sec yield



## Inflation vs. Interest rate



## Debt FPI Inflows

| Debt Watch       | Percent |
|------------------|---------|
| Call rate        | 3.02    |
| Repo rate        | 4.00    |
| 10 Yr Gsec yield | 6.14    |
| 1-mth CP rate    | 3.75    |
| 3-mth CP rate    | 3.70    |
| 6-mth CP rate    | 3.78    |
| 1 Yr CP rate     | 4.09    |
| 1-mth CD rate    | 3.23    |
| 3-mth CD rate    | 3.57    |
| 6-mth CD rate    | 3.46    |
| 1 Yr CD rate     | 3.78    |

| Auctions / Money Market Operation |                                   |            |
|-----------------------------------|-----------------------------------|------------|
| Date                              | Description                       | Amount(Cr) |
| Aug-24                            | G-sec auction                     | --         |
| Aug-24                            | Total repo                        | --         |
| Aug-24                            | Total reverse repo                | 6,36,574   |
| Aug-24                            | Marginal standing facility        | --         |
| Aug-24                            | GOI surplus cash balance with RBI | --         |

| Date           | Rs Crore        |             |                 |
|----------------|-----------------|-------------|-----------------|
|                | Gross Purchases | Gross Sales | Net Investments |
| 21-Aug-20      | 617.8           | 1731.4      | (1113.6)        |
| 20-Aug-20      | 1363.1          | 643.4       | 719.7           |
| 19-Aug-20      | 658.8           | 827.2       | (168.4)         |
| Total Jul-2020 | 26380.0         | 28856.4     | (2476.4)        |
| Total Jun-2020 | 21934.6         | 23479.5     | (1545.0)        |
| Total 2019     | 392458.9        | 366578.5    | 25880.4         |

## Debt Fund Benchmark Indices

| Market Indices                    | 1 M (%) | 1 Yr (%) | 3 Yr (%) | 5 Yr (%) |
|-----------------------------------|---------|----------|----------|----------|
| Crisil Composite Bond Fund Index  | -0.80   | 10.92    | 8.29     | 9.15     |
| Crisil Short Term Bond Fund Index | -0.06   | 10.18    | 8.27     | 8.48     |
| Crisil ST Debt Hybrid 75+25 Index | 0.67    | 11.04    | 8.10     | 8.77     |
| Crisil Liquid Fund Index          | 0.33    | 5.39     | 6.68     | 6.92     |

## Macro

- ❖ Digital payments market in India likely to grow 3-folds to Rs 7,092 trillion by 2025: Report
- ❖ Govt frames norms for enforcement of 'rules of origin' for imports under FTAs
- ❖ Rain, sowing data and labour movement predict an early and plentiful harvest
- ❖ Company incorporations hit 7-year high of 16,487 in July: Ministry of corporate affairs
- ❖ All FDI proposals from Chinese entities put on hold

|            | Q3 FY2020(%) | Q2 FY2020(%) | Q3 FY2019(%) |
|------------|--------------|--------------|--------------|
| GDP growth | 4.7          | 4.5          | 6.6          |

| Commodity Prices    |         |          |           |          |
|---------------------|---------|----------|-----------|----------|
|                     | Current | Week ago | Month ago | Year ago |
| Brent crude(\$/bbl) | 44.35   | 44.93    | 44.32     | 60.30    |
| Gold (RS/10 gms)    | 51,840  | 52,688   | 49,264    | 37,550   |

|                    | Jun - 20 (%) | May - 20 (%) | Year ago (%) (Jun - 19) |
|--------------------|--------------|--------------|-------------------------|
| CPI                | 6.09%        | *9.28%       | 3.18                    |
| WPI                | -1.81        | -3.21        | 2.02                    |
| Core Sector Output | -15.00       | -23.40       | 1.20                    |
| IIP                | -16.60       | -34.70       | 1.30                    |

## Global market trends

- ❖ Global dividend plunge to be worst since financial crisis; may drop by 23%
- ❖ France delays launch of \$118 bn Covid-19 economic reboot plan to September
- ❖ ETFs now hold more gold than any central bank
- ❖ UK government debt exceeds £2 trillion for the first time in July
- ❖ Global coronavirus cases cross 23.3 million: Johns Hopkins University

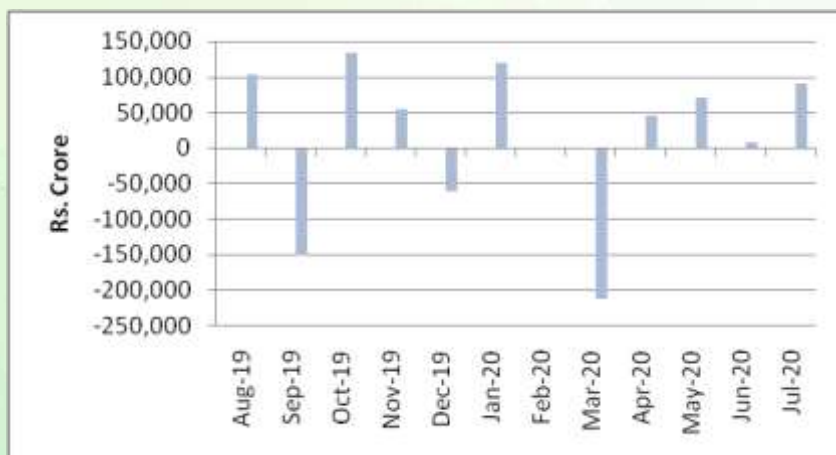
| INR vs Global currency |         |            |
|------------------------|---------|------------|
|                        | Current | Prev close |
| USD                    | 74.88   | 74.92      |
| GBP                    | 98.01   | 98.11      |
| Euro                   | 88.31   | 88.44      |
| Yen                    | 0.707   | 0.709      |
| Yuan                   | 10.82   | 10.83      |

| Global equity benchmark indices returns (%) |       |        |         |        |
|---|-------|--------|---------|--------|
| Benchmark                                   | 1 Day | 1 Week | 1 Month | 1 Year |
| FTSE 100                                    | -0.19 | -1.45  | -4.27   | -16.69 |
| Hang Seng                                   | 1.30  | -0.27  | -2.03   | -4.40  |
| Nikkei 225                                  | 0.17  | -1.58  | 0.16    | 11.16  |
| S&P 500                                     | 0.34  | 0.72   | 4.29    | 16.16  |
| Shanghai Composite                          | 0.50  | 0.61   | 1.80    | 17.37  |

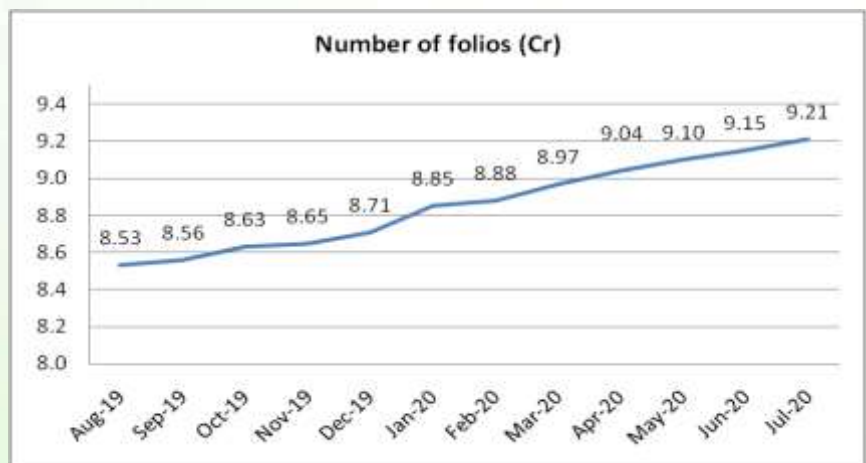
## Mutual Fund Roundup

- ❖ Mutual fund inflows in July at Rs 89,813 crore
- ❖ Equity MFs witness outflows after 4 years in July at Rs 2,480 crore amid Covid-19 uncertainty
- ❖ Debt funds witness strong inflows of Rs 91,392 crore
- ❖ Hybrid schemes witness outflows of Rs 7,301 crore

### Mutual fund inflows



### Mutual fund folio growth



(Data source: NSE, NSDL, FIMMDA, investing.com, tradingeconomics.com, fx-rate.net, ACEMF, AMFI, RBI, equitymaster.com)

(Newsource: Economic Times, Business Standard) (\*CPI Food price index)