



Financial Market & Economy Update

Domestic Update:

- Ministry of Statistics & Programme Implementation stated today that for the month of May 2020, the Quick Estimates of Index of Industrial Production (IIP) with base 2011-12 stand at 88.4, marking a drop of 34.71% compared to May 2019. The Indices of Industrial Production for the Mining, Manufacturing and Electricity sectors for the month of May 2020 stand at 87.0, 82.4 and 149.6 respectively.
- Union Cabinet chaired by the Prime Minister Narendra Modi has given its approval for extending the contribution both 12% employees- share and 12% employers-share under Employees Provident Fund, totaling 24% for another 3 months from June to August, 2020, as part of the package announced by the Government under Pradhan Mantri Garib Kalyan Yojana (PMGKY)/ Aatmanirbhar Bharat in the light of COVID-19 Pandemic.
- The country's coal imports registered a drop of 29.7 % to 48.84 million tonnes (MT) in the April-June period of the ongoing financial year, according to industry data. India had imported 69.54 MT of coal in the April-June period of 2019-20, according to provisional compilation by mjunction.
- More than 42.7 million e-way bills were generated in June with a total value of ₹12.4 lakh crore, higher than the March numbers of over 40 million bills that clocked value of ₹11.43 lakh crore, indicating that the movement of goods was getting close to the levels of prelockdown days.
- India Composite PMI Output Index, measuring combined services and manufacturing output, rose to 37.8 in June from 14.8 in May.

Global Update:

- Industrial production in Germany rose 7.8 % month-over-month in May of 2020, following a record 17.5 % drop in April as the country started to ease lockdown restrictions.
- Services PMI in the United States increased to 47.90 points in June from 37.50 points in May of 2020.



Equity Market Update

- Despite Friday's losses market benchmarks ended the week with gains even as volatility remained high as the increasing COVID cases worldwide kept markets on edge.
- For the week gone by, Nifty50 closed 1.52 % higher compared to 1.59 % rally seen in the S&P BSE Sensex.
- Broader Markets:** The mixed performance was seen from the broader market space as the S&P BSE Midcap index rose just 0.81 % while the S&P BSE Smallcap index closed with gains of 1.59 % for the week ended July 10.



Debt Market Update

- Local bond yields for 10 year government security, 5.79 GS 2030 ended at 5.77%.



Commodity Market Update

Oil Update:

- Brent crude oil nudged higher to end the week at \$43.24 per barrel as WTI also gained to \$40.55.
- Oil prices have been moving in an extremely narrow band over the last two months of just \$3-\$4 and this week that band was squeezed further from dollars to cents.
- Accordingly, the US Energy Information Administration (EIA) raised its price outlook for Brent crude to \$41 per barrel for the second half of 2020, which is \$4 per barrel higher than last month.

Gold Update:

- Physical gold sold at a premium in India this week for the first time this year, driven by plunging imports and a near halt in smuggling that offset the impact of high unemployment and a rise in domestic prices across Asia that could deter buyers. India's gold imports dived 86 % year-on-year in June because of record high prices

Domestic Markets



Index	10-Jul-2020	03-Jul-2020	% Change
BSE Sensex	36594.33	36021.42	1.59
S&P CNX Nifty	10768.05	10607.35	1.51
CNX Midcap	15253.6	15042.65	1.4
CNX 500	8813.95	8696.25	1.35
BSE Smallcap	12803.78	12603.02	1.59

Global Markets



Index	10-Jul-2020	03-Jul-2020	% Change
Dow Jones	26075.3	25827.36	0.96
Nasdaq	10617.44	10207.63	4.01
S&P 500	3185.04	3130.01	1.76
FTSE 100	6095.4	6157.3	-1.01
Shanghai Composite	3383.32	3152.81	7.31
Hang Sang	25727.41	25373.12	1.4

Institutional Flows (Equity)



Description (INR Cr)	Purchases	Sales	Net
FII Flows*	28539	27121	1418
MF Flows*	7669	6921	748

*FII data from 2nd July to 9th July 2020

*MF data from 1st July to 3rd July 2020

F&O FII Trends (Rs. Crs)



Date	Index	Stocks
03-Jul-2020	1143.26	-13.26
06-Jul-2020	1510.33	391.9
07-Jul-2020	25.48	-592.2
08-Jul-2020	1924.05	-1194.78
09-Jul-2020	2529.35	-740.47

Policy Rates



Key Rates (%)	10-Jul-2020	1 Week Ago	1 Month Ago
Reverse Repo	3.35	3.35	3.35
Repo	4	4	4
CRR	3	3	3
SLR	18	18	18

Key Rates



and as international air travel was banned in response to the COVID-19 pandemic.

- Local gold futures rose to a record Rs 49,348 per 10 grams earlier this week. In top consumer China, dealers described trade as weak and quiet as they sold at hefty discounts of about \$20-\$25 versus global benchmark spot prices.
- Global spot prices breached the \$1,800 an ounce threshold this week.



Currency Market Update

- The Indian Rupee lost Rs 0.57 or 0.76 % to close at Rs 75.20 to the US dollar.
- Foreign Exchange Reserves in India increased to 513254 USD Million in July 3 from 506838 USD Million in the previous week.

Key Rates (%)	10-Jul-2020	03-Jul-2020	% Change
Mibor Overnight	3.87	3.9	-0.77
CALL (O/N)	3.5	3.5	0
CBLO	3.13	3.07	1.95
T Bills Index (12M)	3.9	3.45	13.04
10 Year GSEC	5.76	5.85	-1.54

Commodity Market



Commodity (INR)	10-Jul-2020	Gain+/Loss-	% Change
Gold (10 gm)	48986	940	1.96
Silver (1 kg)	51362	2967	6.13
Crude Oil (\$/barrel)	43.24	0.44	1.03

Currency Market



Currency	10-Jul-2020	Gain+/Loss-	% Change
USD/INR	75.29	-0.51	-0.68
EURO/INR	84.8	-0.75	-0.89
GBP/INR	94.77	-1.5	-1.61
JPY/INR	70.46	-0.9	-1.29

Upcoming Events



Monday 13, 2020

Inflation Rate YoY JUN (INDIA)

Tuesday 14, 2020

Balance of Trade MAY (GREAT BRITAIN)

WPI Manufacturing YoY JUN (INDIA)

WPI Fuel YoY JUN (INDIA)

WPI Food YoY JUN (INDIA)

WPI Inflation YoY JUN (INDIA)

ZEW Economic Sentiment Index JUL (GERMANY)

Inflation Rate YoY JUN (US)

Wednesday 15, 2020

Inflation Rate YoY JUN (GREAT BRITAIN)

Balance of Trade JUN (INDIA)

Thursday 16, 2020

GDP Growth Rate YoY Q2 (CHINA)

Claimant Count Change JUN (GREAT BRITAIN)

Retail Sales MoM JUN (US)

Friday 17, 2020

Gfk Consumer Confidence Flash JUL (GREAT BRITAIN)

Foreign Exchange Reserves JUL/10 (INDIA)

Bank Loan Growth YoY JUL/03 (INDIA)

Deposit Growth YoY JUL/03 (INDIA)

Week Gone By



Events	Actual %	Previous %
Factory Orders MoM MAY (GERMANY)	10.4	-26.2
Industrial Production MoM MAY (GERMANY)	7.8	-17.5
Current Account MAY (JAPAN)	¥1176.8B	¥262.7B
Inflation Rate YoY JUN (CHINA)	2.5	2.4
Balance of Trade MAY (GERMANY)	€7.1B	€3.6B
Foreign Exchange Reserves JUL/03 (INDIA)	\$513.3B	\$506.8B

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