

K STREET

RULE THE MARKET

ISSUE: 095



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From The Desk Of Research Head

Debt funds – Worth the risk?

First it was Templeton and then Aditya Birla Sunlife, debt funds have been in bad news of late. The two worst affected categories within debt funds include credit risk and medium duration funds. These two categories have seen biggest redemptions due to apprehensions of liquidity concerns and defaults. Since IL&FS crisis and as one corporate house after another started defaulting on their interest payments, the debt scheme MF holders have been through an emotional roller-coaster ride since the investor perception about debt funds is misplaced as most of them perceive debt schemes to be of low risk. It was during past couple of years they are facing a harsh reality that their risk is at par with equity but with limited returns.

But not all debt funds are risky. As per Sebi's (Securities and Exchange Board of India) categorization, debt funds are further subdivided into 16 subcategories. Depending on the investor's risk profile and time horizon, one can choose the appropriate fund. If you are looking to park funds for a short period, say, till the funds are used to meet your particular goal, your primary need would be to preserve the capital and not earn high returns. Ultra-short-duration and low-duration funds with low volatility in NAVs are preferred for this. Overnight funds and liquid funds are used to hold funds for extremely short periods where liquidity and capital preservation are important. While interest rate risk may not be a concern in these categories, the extent of credit risk has to be evaluated.

Interest rate risk arises when the fund manager's interest rate call or prediction goes wrong. There is an inverse relationship between bond prices and interest rates and so is the case with debt fund NAVs. On the other hand, there is the risk of default by the issuers, known as credit risk. Funds are allowed to invest in debt papers rated investment grade by credit rating agencies. But within this band of investment-grade, fund houses may invest in papers rated lower than the safest paper in the market. Some schemes may invest in low-rated papers to generate better returns. However, if things go wrong for the issuer, the credit ratings can drop sharply, causing the debt paper and the fund to lose value.

In the recent times, credit risk funds gained popularity because of their proposition of higher yields. These funds invest approx 65% of the investment corpus in less than AA-rated paper. Since these funds are of short duration, there is no interest risk but credit risk is higher. Hence unless investors are well aware of the credit risk involved it is better to avoid credit risk funds.

An efficient way to manage risks is to ensure that the type of debt funds you choose is aligned to your goal timeline. It is also important to evaluate the portfolios of the schemes to determine your comfort with the extent of risk taken by the fund. Unless you are a mature investor, stick with shorter duration funds. If you don't like volatility, stick to low-risk debt funds that invest in higher-rated assets. Short-term debt funds with a 100% AAA portfolio generate better post-tax returns vis-a-vis other options like bank deposits. It's ideal to look for liquidity rather than volatility when an investor is closer to goals.

- DR. RAVI SINGH

Vice President & Head of Research

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NEWS

Banking/Insurance

- GIC Re reports 7.8% drop in pre-tax profit at Rs 1,101 cr in Q4FY20 but net profit jumped 98 per cent to Rs 1,197 crore in Q4FY20 compared to 603 crore in the same period a year ago due to lower tax provisions.
- Country's third largest private lender Axis Bank's proposal to form an insurance joint venture (JV) with Analjit Singh-promoted, Max Financial Services Ltd through a 29% stake purchase in Max Life Insurance has hit a regulatory wall.
- Axis Bank's proposed deal to acquire 29% stake in Max Life for Rs. 1592 Cr at Rs. 28.61 per share hits roadblock as insurance regulator IRDAI has sought many clarifications on the JV agreement. The JV was to set up a firm wherein Max financial will hold 70% and Axis Bank 29%.
- Federal Bank to buy another 4% stake in its life insurance JV IDBI Federal Life Insurance from IDBI Bank for Rs. 80 Cr. This will stake Federal Bank's stake in the JV to 30%, maximum permissible limit for a lender as per IRDAI regulations.
- ICICI Bank is said to be weighing raising up to \$3 Bn through share sale. According to media sources, the private lender is aiming to hit the market as early as September 2020, subject to market conditions. This is in addition to Rs. 3100 Cr the bank raised through stake sale in ICICI Pru Life and ICICI Lombard General Insurance. The fund raising is to bolster its capital ratios, in the wake of high asset quality risks post covid environment and to be able to capture growth in case economy revives.

Consumption

- ITC among four industrial houses keen to invest in Bihar. FMCG companies have seen demand revive over the last month and capacity utilizations are back at over 70% with food segment being the biggest beneficiaries.
- HUL to rename "Fair and Lovely". Renaming of the brand will not have any material impact. The Rs. 4100 Cr annual revenue from the product is expected to remain intact.
- Fastrack (Titan) to launch Super Shield masks - Keeping in line with the low discretionary spends and corresponding diversification of discretionary players into essentials, this should help reduce impact of fixed costs on overall financial results.

Information Technology

- TCS has successfully implemented a unified partner commerce platforms for Zebra Technologies, a market leader in industry-tailored solutions that intelligently connect, people, data and assets
- Cyient collaborates with Microsoft to accelerate Internet of Things (IoT) solutions for Industry 4.0.

Infrastructure/Metals

- Tata Power has got shareholders' approval for raising its authorised share capital by Rs. 200 crore to Rs. 779 crore. Tata Power had also proposed to amend its Memorandum of Association to give effect to the increase in share capital, which has also been approved by shareholders.
- Bharti Infratel on Wednesday decided to push the deadline for completion of the merger with Indus Towers by over two months till 31 August.
- PNC Infratech has won a ₹ 1,412 crore highway project from the National Highways Authority of India (NHAI) in Uttar Pradesh.
- CG Power and Industrial Solutions - CG International BV, a wholly-owned subsidiary of the company, has entered into a share purchase agreement with AK Group France, for divestment of its entire shareholding in its subsidiary, CG Services Systems France SAS, along with its liabilities, for net consideration of 30,000 Euros.
- Vedanta Ltd has received shareholders' nod for delisting the company. Vedanta Ltd had last month initiated the process for seeking shareholders' approval for

FORTHCOMING EVENTS

COMPANY NAME	EVENT	EX-DATE
Ambika Cotton Mills	Quarterly Results	27 June 2020
Arvind	Quarterly Results	27 June 2020
Avanti Feeds	Quarterly Results	27 June 2020
Finolex Cables	Quarterly Results	27 June 2020
Greenply industries	Quarterly Results	27 June 2020
KPR Mill	Quarterly Results	27 June 2020
NHPC	Quarterly Results	27 June 2020
NTPC	Quarterly Results	27 June 2020
Sobha	Quarterly Results	27 June 2020
Bharat Forge	Quarterly Results	29 June 2020

GLOBAL NEWS

- Dubai to open tourism sector for international visitors from July 7 2020. India extends international commercial flight ban till mid July 2020.
- Oil price settles lower on rise in new coronavirus cases in US and China on Friday. However, the price are stable and rising over the week on account of gradual demand upswing.
- US President Donald Trump to suspend H1-B visa
- US imposes visa restrictions on Chinese officials over Hong Kong autonomy

delisting. While 93.342% of the votes were in favour of the proposal to delist, 6.658% were against it, the filing said.

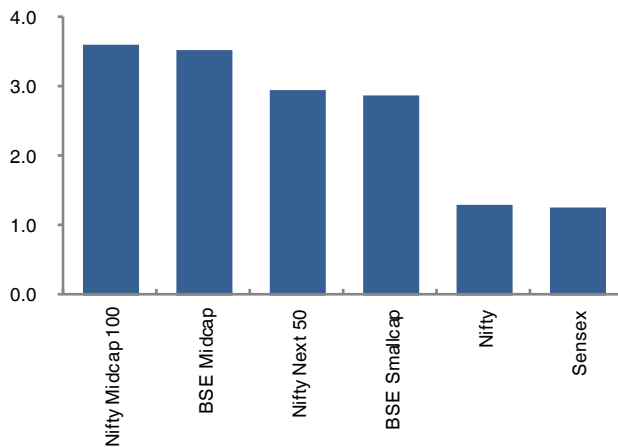
Oil and Gas

- Indian Oil reports Rs 17,318 Cr loss in Q4FY20 on inventory which led to a write down of Rs 6,855 crore in valuation of inventories below cost due to low fuel demand.
- Indian Oil expects full recovery by July-end as India's May oil imports hit lowest since 2011 over drop in demand
- Fitch Ratings has upgraded Reliance Industries Ltd's (RIL) long-term local-currency issuer default rating (IDR) to BBB+ from BBB with a stable outlook. It has also affirmed RIL's long-term foreign-currency IDR at BBB.

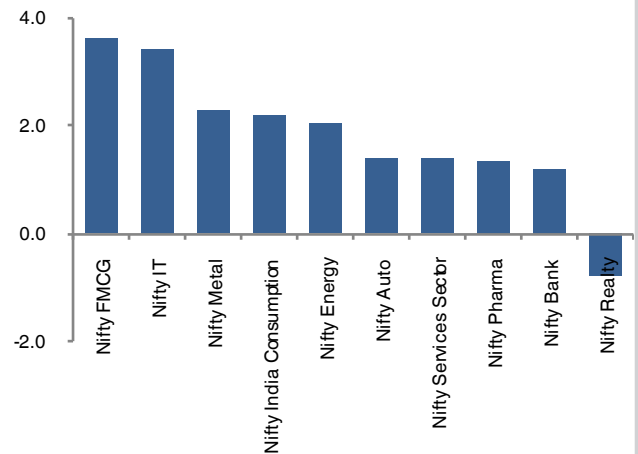
Pharmaceuticals/Healthcare

- Aurobindo Pharma is developing a range of products including 14 biosimilars as it looks to expand its product portfolio in the US and EU markets. The firm is developing eight inhalers and six nasal sprays, out of which two products have already been filed.
- USFDA has removed the partial lifting of import alert on Ipca Labs active pharmaceuticals ingredients (APIs) manufacturing facility situated at Ratlam, with no shortage of Chloroquine Phosphate drug in the US.
- Indoco Remedies Q4 FY20 results -Net revenues for the quarter were at Rs 263.2 crores, as against Rs 245.0 crores, same quarter last year. EBIDTA margin for the quarter is 12.7% at Rs 33.3 crores, compared to 11.7% at Rs 28.5 crores, PAT for the quarter is Rs 5.4 crores, as against Rs 11.6 crores, same quarter last year.
- Sun Pharma Announces Pre-Clinical Data on GL0034, an Experimental NCE to Treat Type 2 Diabetes and Obesity.

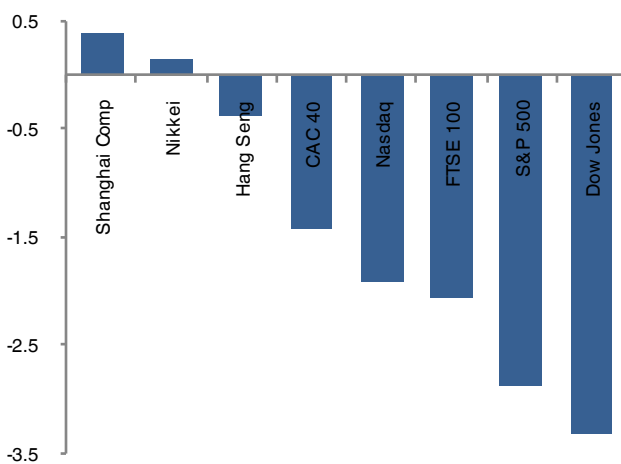
INDIAN INDICES (% CHANGE)



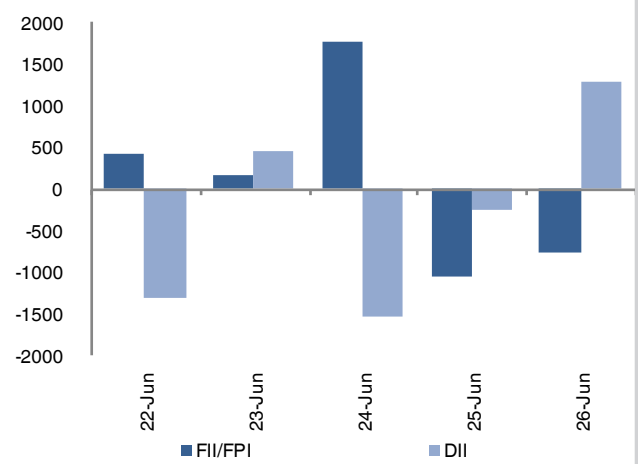
SECTORAL INDICES (% CHANGE)



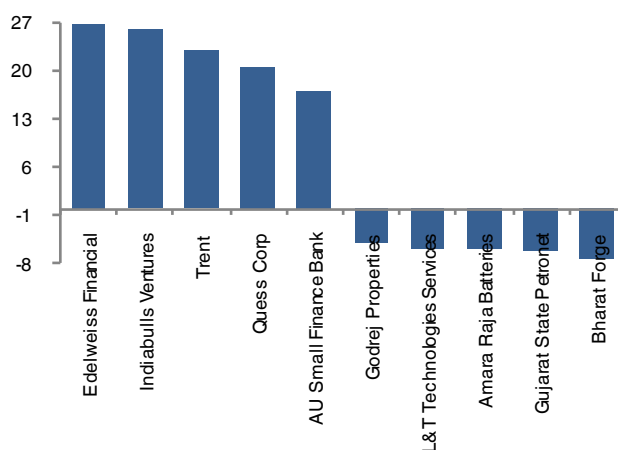
GLOBAL INDICES (% CHANGE)



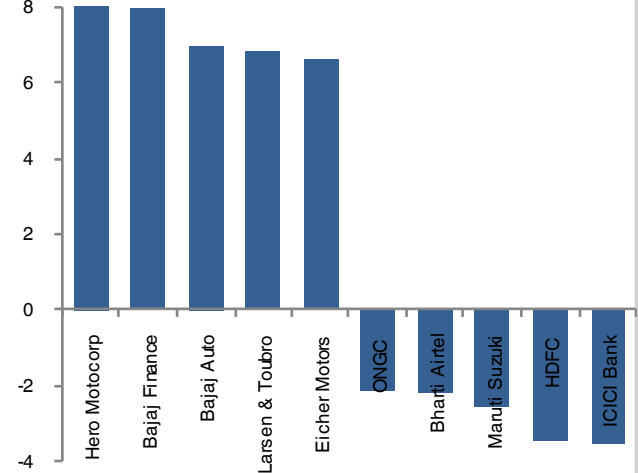
FII/FPI & DII TRADING (IN RS. CRORES)



NIFTY MIDCAP100 TOP GAINERS & LOSERS (1W)



NSE NIFTY TOP GAINERS & LOSERS (1W)



Source: Karvy Research

BEAT THE STREET - TECHNICAL ANALYSIS

Infosys Ltd



STOCK	INFY
CMP	747
ACTION	BUY
ENTRY	737-740
AVERAGE	695
STOP LOSS	675
TARGET 1	810
TARGET 2	845

On the technical front, INFY has higher highs and higher lows on the daily charts and is currently placed above the major long term supports in all the time frames. In the recent past, after clocking the high of 729 levels, the stock has witnessed a round of profit booking which dragged the counter towards the medium-term moving average of 100-DEMA on the daily charts. At the current juncture, the stock is forming a base around 695 levels on the lower side and is all set to move higher. The overall chart structure of the counter looks bullish from current levels and has given a breakout of the swing resistance 730 levels with significant volumes. This may trigger a fresh round of buying which may take the stock towards 800 plus levels. The stock's performance is in line with the broader markets indicating the inherent strength in the counter and is trading well above the major medium-term support levels. On the Bollinger band (20,2) the stock price has pierced out the upper band after a contraction indicating the price likely to trend further higher. Analyzing the recent volume price action, the volumes have been encouraging in the recent up move indicating strong hands have started accumulating the stock at current levels. On the oscillator's side, RSI (14) is trading in a comfortable zone of above 60 levels fuelling the bullishness in the stock. We expect the counter to continue its outperformance in the coming trading weeks as well and may move towards 845 levels in the short term. Any correction towards the recent support levels of 695 levels may be utilized to average the positions.

Eicher Motors Ltd



STOCK	EICHERMOT
CMP	18500
ACTION	BUY
ENTRY	18300-18400
AVERAGE	17350
STOP LOSS	16300
TARGET 1	20640
TARGET 2	21750

On the technical front, EICHERMOT has higher highs and higher lows on the daily charts and is currently placed above the major medium-term supports in all the daily frame. In the recent past, after clocking the high of 17900 levels, the stock has witnessed a round of profit booking which dragged the counter towards the major support zone of 16989 levels. At the current juncture, the stock is forming a base around 17350 levels on the lower side and is all set to move higher. The overall chart structure of the counter looks bullish from current levels and has given a breakout of the swing resistance 17900 levels. This may trigger a fresh round of buying which may take the stock towards 20640 levels. The stock is currently performing in line with the broader markets indicating the inherent strength in the counter and is trading well above the major long-term support levels. On the Bollinger band (20,2) the stock price is trading above the mean with the upper band facing in the northward direction indicating the price likely to move higher. Analyzing the recent volume price action, the volumes have been encouraging in the recent up move indicating strong hands have started accumulating the stock at current levels. On the oscillator's side, RSI (14) is trading in a comfortable zone of above 60 levels fuelling the bullishness in the stock. We expect the counter to continue its bullish performance in the coming trading days as well and may move towards 21750 levels in the short-term. Any correction towards the recent support levels of 17350 levels may be utilized to average the positions.

SECTORAL SNIPPETS

Nifty Financial Services gained 0.81% during the week passed, while the broader index Nifty gained 1.50%. The index has shown limited uptrend this week after IMF warning on 1% GDP growth expectation for the next 2 years which showed a decrease in INDIA VIX. Nifty Financial Services has seen increased average volume traded suggests a return of market sentiments from small-cap to mid-cap and large-cap stocks until this weekend and index found support on private banks and financial services stocks which showed increased volume sales revenue from payment and virtual office platforms but FII participation was missing to carry on the momentum. On the chart, strong support is seen at 10500 levels for the index this week and resistance at around 10600 levels and the market is expected to remain stable next week with a steady increase in average volume traded and turnover with limited upside momentum. Limited NBFC which issues debt via term loans will benefit in the coming week away from insurance and gold loan firms amid RBI's decision to consider a one-time restructuring of 20% of loan books for small and medium-size NBFCs with new loans for working capital needs. The self-reliant scheme is likely to show positive momentum for PSB and private banks in coming week with Rs. 35000 Cr. disbursed so far to grow the loan books.

Nifty Pharma performed in line with Nifty with a gain of 1.36% during the week. Approvals for remdesivir for Cipla and Hetero Drugs at Rs 5000 per 100 mg vial as possible COVID therapy for severely ill patients. Glenmark received the approval of Favipiravir which is used for mild to moderate cases of COVID19. This has set a positive mindset for Covid cure and the opportunity it presents for pharma companies. From January 2020, the index has been steadily moving up from 8000 plus levels and has gained during the current week. Positive results and commentary of Cadila Healthcare and Indoco Remedies on the opportunities in various markets has acted as a shot in the arm. Domestic formulations sales are yet a grey area and companies would comment on the outlook only after July sales come in. We believe the sector index will consolidate and await positive news flow. The positive momentum would continue, though on a slower pace. On the stock-specific, the stocks were evenly placed with equal number clocking gains and equal number registering losses. Biocon (+4.91%), Alkem (+1.77%) and Lupin (1.25%) were the major gainers during the week while Torrent Pharma (-2.52%), Sun Pharma (-1.61%) and Cipla (-1.55%) were the major losers in the week. The index may face resistance at 10405 levels followed by 10440 levels. For the week ahead, support for the index can be pegged at 9820 levels followed by 9680 levels.

Nifty FMCG index outperformed the broader index by ~3% this week as global cues point to slowdown. Additionally, India's growth rate has also been downgraded by IMF to 1% for the next two years, with the current year estimated degrowth of -4.5%. This further resulted in funds moving back to the defensive sectors. With most of the quarterly results published, FMCG has outperformed the broader index relatively well. Amongst the top companies in the sector, the aggregate revenue and PAT growth stood at 10.6% and 16.2%. Demand across sectors continue to be constrained and hence, we expect further increased interest in the FMCG sector. Major mover this week has been Future Consumer, on the back of reports linking Reliance acquiring stake in the company. The stock has moved up 27.5% this week. With consumption slowly picking up, we believe some of the front line stocks in the discretionary space such as Page Industries will see more interest as we move forward. Other key stocks to watch out for include ITC limited and the paint sector (Asian Paints and Berger). The index is hovering at the support level of 29750 and we expect to see positive momentum from this level in the coming week. Immediate support levels for the index are 28650/27300 while the upward moves might see resistance at 30450/31050.

Both Nifty Bank and Nifty ended the week up 1% in a week where markets were consolidating around crucial levels. Bank Nifty is making higher highs and lower lows within a triangle formation on daily charts. During the week, Bank Nifty took support at the lower end of the band twice and bounced back. Nifty Bank made a failed attempt to breach the upper end of the triangle twice and retreated mildly. This week's high was made around the upper end of the triangle at 22480. Bank Nifty ended the week at crucial level of 21600 - up 1%. We expect Bank Nifty to take support at this level during and make another attempt to break out of the triangle during next week. Technically, next week's movement would be determined by how Bank Nifty behaves around 100 DMA and the upper end of the channel. This week's performance was broad-based. Banks with low weightage like Bandhan Bank, Bank of Baroda and RBL Bank gained more than 10% during the week. Heavyweights like HDFC Bank, Axis Bank and SBI were subdued. Within the index, ICICI Bank is the only loser for the week - down 3.5%. Going forward, we see 21000 as immediate support followed by 20500. On the upside, 22000, followed by 22800 are key levels.

WEEKLY VIEW OF THE MARKET

NIFTY (10383): Indian equity benchmark index Nifty 50 closed higher by 0.70% during the week. During the three months, the index witnessed a bounce towards the current levels after correcting from 12150 levels towards the low of 7511 levels. Technically, from March 2020, the index is forming higher highs indicating that the bulls are reclaiming the lost ground. However, the index may resume its bearish bias if it breaches and sustains below 10000 levels in future sessions. On the global front, stocks in the Asia Pacific mostly rose on Friday as the coronavirus situation stateside continued to be monitored by investors. The US Federal Reserve placed new restrictions on the banking industry after its annual stress test found that several banks could get close to minimum capital levels in scenarios related to the coronavirus pandemic. As a result, banks have to suspend share buyback programs and leave dividend payments at current levels for the third quarter. European markets closed lower on Friday, amid concern over surging coronavirus cases in the US. Domestically, for the week, on the data front, investors may focus on Federal Fiscal Deficit (May) releasing on Jun 30, Nikkei Market Manufacturing PMI (Jun) releasing on Jul 01 and Nikkei Services PMI (Jun) releasing on Jul 03. On the derivatives front, open interest data suggests that the index may find its supports around 10300 followed by 10000 levels while on the higher side, 10500 and 11000 levels may act as strong resistance.

BULLION

The gold futures on international exchange advanced the positive trend for the third consecutive week in the week ended on 26th June 2020. The CME gold futures hit 8-years high of \$1796.10 per troy ounce during the week on safe-haven buying push given the second wave of pandemic COVID-19 following reports of fresh cases in new regions of the United States. Fears of the second wave of COVID-19 in many countries pushed the equities market lower thereby attracting safe-haven buying in the gold. More than 9.62 million people have been reported to be infected by the novel coronavirus globally. Weakness in the dollar index on rising concerns over rising COVID-19 cases in the United States attracted safe-haven buying in the gold. Gold demand was boosted by worries over a jump in coronavirus infections and hopes of more stimulus measures to combat the economic blow. U.S. Treasury Secretary Steven Mnuchin said the next stimulus bill will be focused on getting people back to work quickly and that he would consider a further delay of the tax filing deadline. Easy monetary policies and a string of stimulus measures by major central banks to stem the virus impact have sparked concerns of inflation, driving bullion prices about 16.5% higher this year. Hedge funds and money managers increased their bullish positions in COMEX gold and silver contracts in the week to June 23, according to Commodity Futures Trading Commission (CFTC). A similar trend was seen in the Indian market with MCX gold prices surging a fresh all-time high of Rs. 48589 per 10 grams in the week tracking a strong international market.

ENERGY

The world crude oil market had witnessed a volatile trend during the week ended on 26th June 2020 on varying fundamental factors. On one hand, the market is trying to take support from the fact of cut in production by the OPEC+ including Russia and on the other hand, concerns of fuel demand following an increasing number of COVID-19 cases in the United States and other countries are weighing on the prices. OPEC+ and Russia have agreed to extend the production cut till July end. In the United States and Canada, the number of operating oil and natural gas rigs fell to a record low even as higher oil prices prompt some producers to start drilling again. Iraq and Kazakhstan pledged to comply better with oil production cuts. According to American Petroleum Institute (API), crude oil stocks rose by 1.7 million barrels last week while gasoline and distillate inventories fell. Global oil consumption has started to recover as economies emerge from lockdown, while the Organization of the Petroleum Exporting Countries (OPEC) and allied producers have slashed output and U.S. shale producers have shut-in wells. WTI oil futures ended the week on flat note showing inconsistency in the fundamental factors.

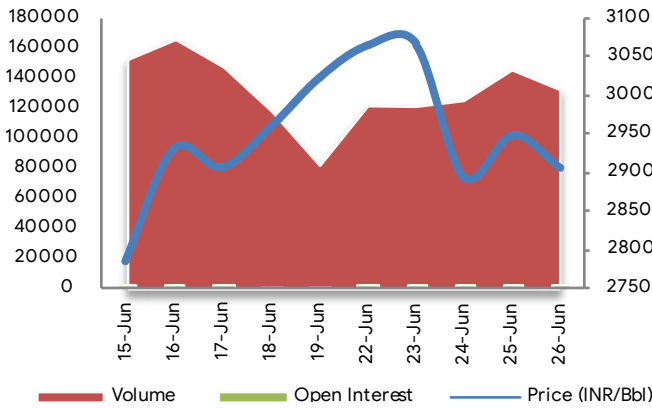
BASE METALS

The base metals complex on the London Metal Exchange had showcased a mixed trend with copper advancing the gains to hit fresh 5 months high while others ended on flat to negative note. Copper, which is considered a barometer for the economic condition of any country had defied the fact of rising COVID cases. However, there was short term fall in the copper prices at the beginning of the week as rising global cases of the novel coronavirus clouded hopes around a quicker economic recovery and raised concerns about demand for the red metal. Fears rose after a tally of COVID-19 cases around the world crossed 8.88 million and the World Health Organization said that the pandemic was accelerating. Labor unions at copper miner Codelco in Chile, the world's biggest copper producer, threatened to take steps to force stricter health policies after the second employee at the company died from the novel coronavirus. Increasing cases of the novel coronavirus in South America added to rising supply risks of the red metal in its biggest producing region. Chilean state miner Codelco announced stricter safety measures and suspended some construction projects after two workers died from COVID-19. Better-than-expected European Purchasing Managers' Indexes and improving U.S. housing and business activity data also boosted sentiment. COVID-19 has generated the most severe demand shock for industrial metals since the financial crisis a decade ago. The first-round impact came from the lockdown of key demand sectors such as automotive. The second-round hit, which is still playing out, comes from slumping corporate and household confidence as the economic fall-out from the fatal coronavirus travels around the globe.

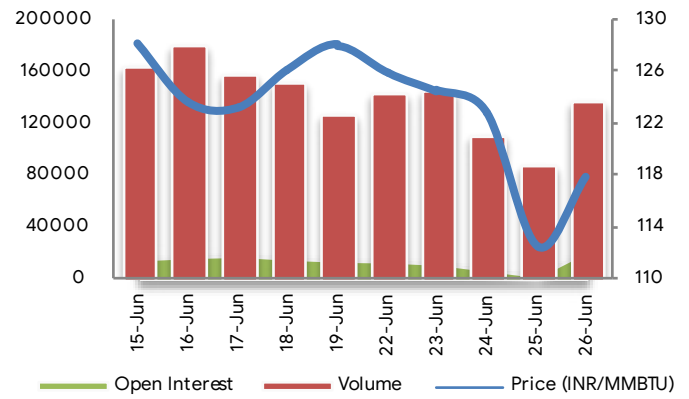
NEWS DIGEST

- Last fall, European Space Agency satellites detected huge plumes of the invisible planet-warming gas methane leaking from the Yamal pipeline that carries natural gas from Siberia to Europe. Energy consultancy Kayrros estimated one leak was spewing out 93 tonnes of methane every hour, meaning the daily emissions from the leakage were equivalent to the amount of carbon dioxide pumped out in a year by 15,000 cars in the United States. The find, which has not been reported, is part of a growing effort by companies, academics and some energy producers to use space-age technology to find the biggest methane leaks as the potent heat-trapping gas builds up rapidly in the atmosphere.
- Petroleum consumption is rising around the world as the major economies exit from lockdowns imposed to control the coronavirus epidemic, but the uneven recovery presents challenges for fuel refiners. Refiners must cope with a much stronger rebound in demand for gasoline compared with diesel and jet fuel, reconfiguring their equipment to shift the yield towards light distillates and away from middle distillates. The epidemic and measures introduced to control it have reduced petroleum consumption in three ways, with varying implications for the scale and speed of the recovery in fuel use. First, the direct and indirect effects of mandatory lockdowns as a result of stay-at-home orders and the closure of some businesses, which sharply reduced personal mobility. Formal lockdowns had the largest immediate impact on oil consumption because they hit personal movements, with the main impact on gasoline, the dominant motor fuel in all regions outside Europe. But most mandatory lockdown measures have now been reversed, or eased, which has led to a big increase in mobility and gasoline consumption compared with early April, when lockdown measures were most intense. Second, the effects of voluntary behaviour changes, as individuals attempt to avoid crowded environments with a high risk of virus transmission.
- Chile's mines minister Baldo Prokurica on Friday cited figures projecting a decline in the country's copper output of 200,000 tonnes as a result of the growing impact of the new coronavirus on the industry. Prokurica said the Cochilco copper commission's projection, representing around 3.5% of Chile's total 2019 production, was a best guess since the combined impact of the virus and economic fallout made it "very difficult" to predict with certainty. He applauded the Thursday announcement to suspend work at the foundry and refinery at state-run copper miner Codelco's second-largest Chuquicamata division to protect workers. "Mining has taken and is willing to take all necessary measures to protect the life and health of the workers who are our main capital, and that is what we have asked companies to do," the minister said in a statement. Prokurica said he would be meeting the Interior Ministry's Crime Prevention undersecretary on Friday to outline an audit of the mining industry's anti-coronavirus measures being carried out by Chile's Geology and Mining Service (Sernageomin).
- India's annual monsoon, crucial for farm output and economic growth, has rapidly advanced to cover the entire country, spurring crop sowing and alleviating the economic damage caused by a nationwide lockdown to stem the coronavirus. "The southwest monsoon has further advanced into the remaining parts of Rajasthan, Haryana and Punjab (states) and thus it has covered the entire country today, June 26," the state-run India Meteorological Department (IMD) said in a statement on Friday. The monsoon has covered the entire country nearly two weeks earlier than usual, brightening prospects for healthy summer-sown crops and promising higher incomes in the countryside where most Indians live. The farm sector employs more than half of the country's 1.3 billion population and accounts for nearly 15% of India's \$2.9 trillion economy.

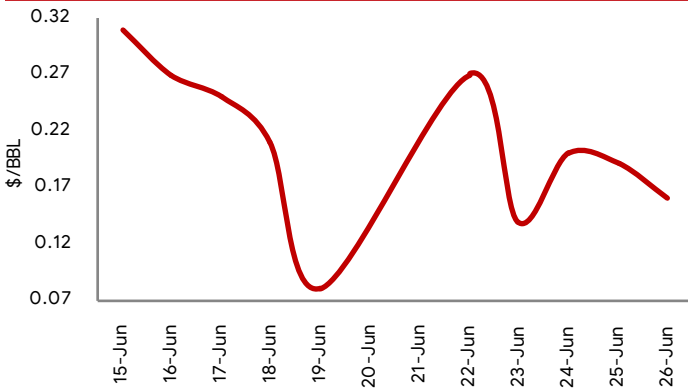
MCX CRUDE - PRICE, VOLUME & OPEN INTEREST



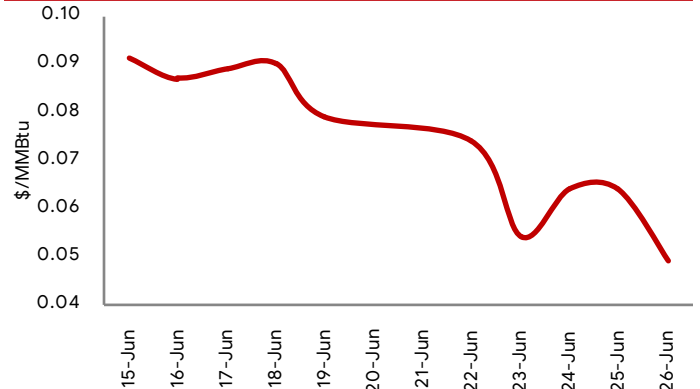
MCX NATURAL GAS - PRICE, VOLUME & OPEN INTEREST



CALENDAR SPREAD NYMEX - CRUDE OIL



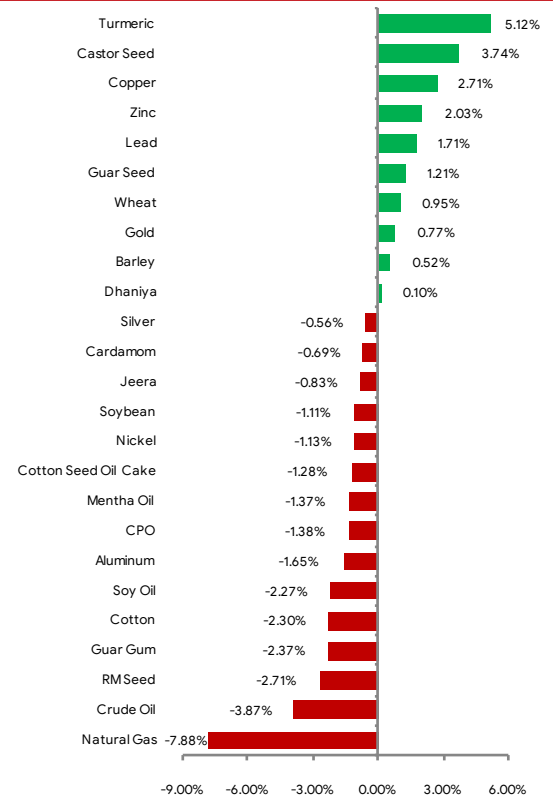
CALENDAR SPREAD NYMEX - NATURAL GAS



TRENDSHEET

Commodities	19-Jun	26-Jun	% Change	52 Week High	% Change from 52 Week High	52 Week Low	% Change from 52 Week Low
MCX Gold (Rs/10 gms)	47937	48305	0.77	48589	-0.58	33620	43.68
MCX Silver (Rs/Kg)	48636	48365	-0.56	51235	-5.60	33580	44.03
MCX Crude Oil (Rs/bbl)	3023	2906	-3.87	4670	-37.77	795	265.53
MCX Natural Gas (Rs/mmBtu)	128	118	-7.88	206	-42.69	111	6.79
MCX Copper (Rs/kg)	448	460	2.71	462	-0.36	336	36.91
MCX Lead (Rs/kg)	143	146	1.71	170	-14.24	119	22.59
MCX Zinc (Rs/kg)	163	166	2.03	203	-18.00	124	34.34
MCX Nickel (Rs/kg)	975	964	-1.13	1315	-26.68	806	19.63
MCX Aluminium (Rs/kg)	136	134	-1.65	150	-10.62	126	6.57
NCDEX Soybean (Rs/Quintal)	3788	3746	-1.11	4506	-16.87	3276	14.35
NCDEX Refined Soy Oil (Rs/10 kg)	833	815	-2.27	955	-14.71	727	12.11
NCDEX RM Seed (Rs/Quintal)	4838	4707	-2.71	4890	-3.74	3770	24.85
MCX CPO (Rs/10 kg)	719	710	-1.38	840	-15.52	491	44.41
NCDEX Castor Seed (Rs/Quintal)	3798	3940	3.74	5930	-33.56	3520	11.93
NCDEX Turmeric (Rs/Quintal)	5548	5832	5.12	7190	-18.89	5200	12.15
NCDEX Jeera (Rs/Quintal)	13930	13815	-0.83	18195	-24.07	13110	5.38
NCDEX Dhaniya (Rs/Quintal)	6144	6150	0.10	7421	-17.13	5267	16.76
MCX Cardamom (Rs/kg)	1345	1336	-0.69	4265	-68.68	1310	2.02
NCDEX Wheat (Rs/Quintal)	1887	1905	0.95	2290	-16.81	1800	5.83
NCDEX Guar Seed (Rs/Quintal)	3625	3669	1.21	4450	-17.54	3190	15.02
NCDEX Guar Gum (Rs/Quintal)	5612	5479	-2.37	8944	-38.74	4700	16.57
MCX Cotton (Rs/Bale)	16100	15730	-2.30	22460	-29.96	14800	6.28
NCDEX Cocud (Rs/Quintal)	2032	2006	-1.28	3698	-45.75	1507	33.11
MCX Mentha Oil (Rs/kg)	1006	993	-1.37	1350	-26.48	977	1.59

FUTURE PRICES (% CHANGE)



MARKET STANCE

USD/INR futures closed at 75.80 for July maturity. Nifty closed on a higher note at 10383 up by 0.91% on Friday. Wall Street's major indexes fell more than 2% on Friday as several U.S. states imposed business restrictions in response to a surge in coronavirus cases. Chinese officials expressed "strong dissatisfaction" with U.S. sanctions that came in response to a new national security bill in Hong Kong. They warned that crossing "red lines" and meddling in what China considers its internal affairs could put the trade deal at risk. India's forex reserves rose substantially by \$5.942 billion to touch a life-time high of \$507.644 billion in the week to June 12. Rating agency Moody's said that it sees India's GDP contracting to 3.1 percent in 2020 and growing 6.9 percent in 2021. India's exports are expected to decline by around 10% in FY21 and the case of a second wave of coronavirus as per FIEO. The pound fell sharply against the dollar on the risk of a no-deal Brexit and the potential for a second Covid-19 hit to the economy. GBP/USD dropped 0.94% on Friday after underperforming for the session at 1.2308. Trump issued a presidential proclamation that temporarily blocks foreign workers entering on H-1B visas. Japan's factory activity remained stuck at an 11-year low in June. IMF projected global growth at a negative 4.9 percent in 2020, 1.9 percentage points below the April 2020 World Economic Outlook forecast. Indian economy will contract by 4.5% this fiscal as per the latest IMF projection. Oil prices settled lower on Friday as new coronavirus cases grew in the United States and China, and on growing concerns about rising U.S. output ticking up while crude stockpiles sat at record highs. USD/INR to find support at 75.25 and resistance at 75.90 in the near term.

NEWS FLOWS OF LAST WEEK

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- USD/INR to find support at 75.25 and resistance at 75.90 in the near term.

CURRENCY TABLE

Currency Pair	Open	High	Low	Close
USD/INR	76.24	76.28	75.44	75.64
EUR/INR	85.27	85.72	84.58	84.82
GBP/INR	94.22	94.87	93.15	93.26
JPY/INR	71.36	71.39	70.41	70.52

ECONOMIC GAUGE FOR THE NEXT WEEK

Date	Time	Country	Indicator Name	Period	Poll	Prefix	Unit	Prior
29-Jun-20	5:00	Japan	Jobs/Applicants Ratio	May 2020	1.23		Times	1.32
29-Jun-20	5:00	Japan	Unemployment Rate	May 2020	2.8		Percent	2.6
29-Jun-20	5:20	Japan	Industrial O/P Prelim MM SA	May 2020	-5.6		Percent	-9.8
29-Jun-20	5:20	Japan	Industrial O/P Prelim YY SA	May 2020			Percent	-15.9
29-Jun-20	5:20	Japan	IP Forecast 1 Mth Ahead	Jun 2020			Percent	-4.1
29-Jun-20	5:20	Japan	IP Forecast 2 Mth Ahead	Jul 2020			Percent	3.9
29-Jun-20	14:00	United Kingdom	BOE Consumer Credit	May 2020	-2.5	Bln	GBP	-7.399
29-Jun-20	14:00	United Kingdom	Mortgage Lending	May 2020	-1	Bln	GBP	0.292
29-Jun-20	14:00	United Kingdom	Mortgage Approvals	May 2020	25	Thou	No. of	15.848
29-Jun-20	14:00	United Kingdom	M4 Money Supply	May 2020			Percent	1.5
29-Jun-20	14:00	United Kingdom	Broad Money	May 2020		Mln	GBP	2659730
29-Jun-20	14:30	Euro Zone	Business Climate	Jun 2020				-2.43
29-Jun-20	14:30	Euro Zone	Economic Sentiment	Jun 2020	80		Index	67.5
29-Jun-20	14:30	Euro Zone	Industrial Sentiment	Jun 2020	-20		Balance	-27.5
29-Jun-20	14:30	Euro Zone	Services Sentiment	Jun 2020	-25.4		Balance	-43.6
29-Jun-20	14:30	Euro Zone	Consumer Confid. Final	Jun 2020	-14.7		Balance	-14.7
29-Jun-20	14:30	Euro Zone	Cons Infl Expec	Jun 2020			Balance	28.6
29-Jun-20	14:30	Euro Zone	Selling Price Expec	Jun 2020			Balance	-8.6
29-Jun-20	19:30	United States	Pending Homes Index	May 2020			Index	69
29-Jun-20	19:30	United States	Pending Sales Change MM	May 2020	19.7		Percent	-21.8
29-Jun-20	20:00	United States	Dallas Fed Mfg Bus Idx	Jun 2020			Index	-49.2
30-Jun-20	5:20	Japan	Foreign Reserves	Jun 2020		Bln	USD	1378.2
30-Jun-20	6:30	China (Mainland)	NBS Non-Mfg PMI	Jun 2020			Diff.Idx	53.6
30-Jun-20	6:30	China (Mainland)	NBS Manufacturing PMI	Jun 2020	50.4		Diff.Idx	50.6
30-Jun-20	6:30	China (Mainland)	Composite PMI	Jun 2020			Diff.Idx	53.4
30-Jun-20	14:30	Euro Zone	HICP Flash YY	Jun 2020	0.1		Percent	0.1
30-Jun-20	14:30	Euro Zone	HICP-X F&E Flash YY	Jun 2020	1.1		Percent	1.2
30-Jun-20	14:30	Euro Zone	HICP-X F,E,A&T Flash YY	Jun 2020	0.8		Percent	0.9
30-Jun-20	14:30	Euro Zone	HICP-X F, E, A, T Flash MM	Jun 2020			Percent	0
30-Jun-20	14:30	Euro Zone	CPI NSA	Jun 2020			Index	105.3
30-Jun-20	15:30	India	Fed Fiscal Deficit, INR	May 2020		Bln	INR	2795.12
30-Jun-20	17:30	India	Infrastructure Output YY	May 2020			Percent	-38.1
30-Jun-20	18:25	United States	Redbook MM	W 27 Jun			Percent	-1.4
30-Jun-20	18:25	United States	Redbook YY	W 27 Jun			Percent	-6.1
30-Jun-20	18:30	United States	CaseShiller 20 MM SA	Apr 2020	0.4		Percent	0.5
30-Jun-20	18:30	United States	CaseShiller 20 MM NSA	Apr 2020			Percent	1.1
30-Jun-20	18:30	United States	CaseShiller 20 YY	Apr 2020	3.8		Percent	3.9
30-Jun-20	19:15	United States	Chicago PMI	Jun 2020	45		Index	32.3
30-Jun-20	19:30	United States	Consumer Confidence	Jun 2020	91.6		Index	86.6
30-Jun-20	20:00	United States	Texas Serv Sect Outlook	Jun 2020			Index	-41.7
30-Jun-20	20:00	United States	Dallas Fed Services Revenues	Jun 2020			Index	-28.1
30-Jun-20	:	Japan	Housing Starts YY	May 2020	-15.9		Percent	-12.9

30-Jun-20	:	Japan	Construction Orders YY	May 2020			Percent	-14.2
1-Jul-20	5:20	Japan	Foreign Bond Investment	W 27 Jun		Bln	JPY	1542
1-Jul-20	5:20	Japan	Foreign Invest JP Stock	W 27 Jun		Bln	JPY	-421.9
1-Jul-20	5:20	Japan	Foreign Invest JP Bonds	W 22 Jun		Bln	JPY	261.4
1-Jul-20	5:20	Japan	Monetary Base YY	Jun 2020			Percent	3.89
1-Jul-20	6:00	Japan	Jibun Bank Mfg PMI	Jun 2020			Diff.Idx	37.8
1-Jul-20	7:15	China (Mainland)	Caixin Mfg PMI Final	Jun 2020	50.5		Diff.Idx	50.7
1-Jul-20	10:30	India	IHS Markit Mfg PMI	Jun 2020			Diff.Idx	30.8
1-Jul-20	10:30	Japan	Consumer Confid. Index	Jun 2020			Index	24
1-Jul-20	11:30	United Kingdom	Nationwide house price mm	Jun 2020	-0.6		Percent	-1.7
1-Jul-20	11:30	United Kingdom	Nationwide house price yy	Jun 2020	0.9		Percent	1.8
1-Jul-20	13:30	Euro Zone	Markit Mfg Final PMI	Jun 2020	46.9		Diff.Idx	46.9
1-Jul-20	14:00	United Kingdom	Markit/CIPS Mfg PMI Final	Jun 2020	50.1		Diff.Idx	50.1
1-Jul-20	16:30	United States	MBA Mortgage Applications	W 26 Jun			Percent	-8.7
1-Jul-20	16:30	United States	Mortgage Market Index	W 26 Jun			Index	773.1
1-Jul-20	16:30	United States	MBA Purchase Index	W 26 Jun			Index	312.7
1-Jul-20	16:30	United States	Mortgage Refinance Index	W 26 Jun			Index	3434.6
1-Jul-20	16:30	United States	MBA 30-Yr Mortgage Rate	W 26 Jun			Percent	3.3
1-Jul-20	17:00	United States	Challenger Layoffs	Jun 2020		Thou	Person	397.016
1-Jul-20	17:45	United States	ADP National Employment	Jun 2020	3000	Thou	Person	-2760
1-Jul-20	18:30	United States	All Car Sales	Jun 2020				2.65
1-Jul-20	18:30	United States	All Truck Sales	Jun 2020				9.56
1-Jul-20	19:15	United States	Markit Mfg PMI Final	Jun 2020			Diff.Idx	49.6
1-Jul-20	19:30	United States	Construction Spending MM	May 2020	1		Percent	-2.9
1-Jul-20	19:30	United States	ISM Manufacturing PMI	Jun 2020	49		Index	43.1
1-Jul-20	19:30	United States	ISM Mfg Prices Paid	Jun 2020	44		Index	40.8
1-Jul-20	19:30	United States	ISM Manuf Employment Idx	Jun 2020			Index	32.1
1-Jul-20	19:30	United States	ISM Manuf New Orders Idx	Jun 2020			Index	31.8
1-Jul-20	20:00	United States	EIA Weekly Crude Stocks	W 26 Jun		Mln	Barrel	1.442
1-Jul-20	20:00	United States	EIA Weekly Dist. Stocks	W 26 Jun		Mln	Barrel	0.249
1-Jul-20	20:00	United States	EIA Weekly Gasoline Stk	W 26 Jun		Mln	Barrel	-1.673
1-Jul-20	20:00	United States	EIA Weekly Crude Imports	W 26 Jun		Mln	Barrel	-0.797
1-Jul-20	20:00	United States	EIA Weekly Rfg Stocks	W 26 Jun		Mln	Barrel	-0.008
1-Jul-20	20:00	United States	EIA Weekly Heatoil Stock	W 26 Jun		Mln	Barrel	0.164
1-Jul-20	20:00	United States	EIA Weekly Prods Imports	W 26 Jun		Mln	Brl/Day	0.544
1-Jul-20	20:00	United States	EIA Weekly Dist Output	W 26 Jun		Mln	Brl/Day	0.063
1-Jul-20	20:00	United States	EIA Weekly Crude Runs	W 26 Jun		Mln	Brl/Day	0.24
1-Jul-20	20:00	United States	EIA Weekly Refining Util	W 26 Jun			Percent	0.8
1-Jul-20	20:00	United States	EIA Wkly Crude Cushing	W 26 Jun		Mln	Barrel	-0.991
1-Jul-20	20:00	United States	EIA Weekly Gasoline O/P	W 26 Jun		Mln	Brl/Day	0.438
1-Jul-20	20:00	United States	EIA Ethanol Ref Stk	W 26 Jun		Thou	Barrel	21034
1-Jul-20	20:00	United States	EIA Ethanol Fuel Total	W 26 Jun		Thou	Brl/Day	893
2-Jul-20	14:30	Euro Zone	Producer Prices MM	May 2020	-0.4		Percent	-2
2-Jul-20	14:30	Euro Zone	Producer Prices YY	May 2020	-4.8		Percent	-4.5
2-Jul-20	14:30	Euro Zone	Unemployment Rate	May 2020	7.7		Percent	7.3

2-Jul-20	18:00	United States	Non-Farm Payrolls	Jun 2020	3074	Thou	Person	2509
2-Jul-20	18:00	United States	Private Payrolls	Jun 2020	3000	Thou	Person	3094
2-Jul-20	18:00	United States	Manufacturing Payrolls	Jun 2020	300	Thou	Person	225
2-Jul-20	18:00	United States	Government Payrolls	Jun 2020		Thou	Person	-585
2-Jul-20	18:00	United States	Unemployment Rate	Jun 2020	12.3		Percent	13.3
2-Jul-20	18:00	United States	Average Earnings MM	Jun 2020	-0.6		Percent	-1
2-Jul-20	18:00	United States	Average Earnings YY	Jun 2020	5.3		Percent	6.7
2-Jul-20	18:00	United States	Average Workweek Hrs	Jun 2020	34.5		Hour	34.7
2-Jul-20	18:00	United States	Labor Force Partic	Jun 2020			Percent	60.8
2-Jul-20	18:00	United States	U6 Underemployment	Jun 2020			Percent	21.2
2-Jul-20	18:00	United States	International Trade \$	May 2020	-52.4	Bln	USD	-49.4
2-Jul-20	18:00	United States	Goods Trade Balance (R)	May 2020		Bln	USD	-74.34
2-Jul-20	19:15	United States	ISM-New York Index	Jun 2020			Index	811.3
2-Jul-20	19:15	United States	ISM NY Biz Conditions	Jun 2020			Index	19.5
2-Jul-20	19:30	United States	Durables Ex-Def, R MM	May 2020			Percent	15.5
2-Jul-20	19:30	United States	Durable Goods, R MM	May 2020			Percent	15.8
2-Jul-20	19:30	United States	Factory Orders MM	May 2020	8.3		Percent	-13
2-Jul-20	19:30	United States	Durables Ex-Transpt R MM	May 2020			Percent	4
2-Jul-20	19:30	United States	Nondef Cap Ex-Air R MM	May 2020			Percent	2.3
2-Jul-20	19:30	United States	Factory Ex-Transp MM	May 2020			Percent	-8.5
3-Jul-20	6:00	Japan	Services PMI	Jun 2020			Diff.Idx	26.5
3-Jul-20	7:15	China (Mainland)	Caixin Services PMI	Jun 2020			Diff.Idx	55
3-Jul-20	10:30	India	IHS Markit Svcs PMI	Jun 2020			Diff.Idx	12.6
3-Jul-20	13:30	Euro Zone	Markit Serv Final PMI	Jun 2020	47.3		Diff.Idx	47.3
3-Jul-20	13:30	Euro Zone	Markit Comp Final PMI	Jun 2020	47.5		Diff.Idx	47.5
3-Jul-20	14:00	United Kingdom	Markit/CIPS Serv PMI Final	Jun 2020	47		Diff.Idx	47
3-Jul-20	14:00	United Kingdom	Composite PMI Final	Jun 2020	47.6		Diff.Idx	47.6
3-Jul-20	14:00	United Kingdom	Reserve Assets Total	Jun 2020		Mln	USD	179224.95