

News U Can Use

February 6, 2015



The Week that was...
31st January to 6th February

Highlights of RBI's Sixth Bi-Monthly Monetary Policy Statement 2014-15

- It has been decided to:
 - keep the policy repo rate under the liquidity adjustment facility (LAF) unchanged at 7.75%; consequently, the reverse repo rate under the LAF will remain unchanged at 6.75%, and the marginal standing facility (MSF) rate and the Bank Rate at 8.75%.
 - keep the cash reserve ratio (CRR) of scheduled banks unchanged at 4.0% of net demand and time liabilities (NDTL);
 - reduce the statutory liquidity ratio (SLR) of scheduled commercial banks by 50 basis points from 22.0% to 21.5% of their NDTL with effect from the fortnight beginning February 7, 2015;
 - replace the export credit refinance (ECR) facility with the provision of system level liquidity with effect from February 7, 2015;
 - continue to provide liquidity under overnight repos of 0.25% of bank-wise NDTL at the LAF repo rate and liquidity under 7-day and 14-day term repos of up to 0.75% of NDTL of the banking system through auctions; and
 - continue with daily variable rate term repo and reverse repo auctions to smooth liquidity.

Indian Economy

- ❑ The growth rate of India's eight core sector industries decelerated to a 3-month low of 2.4% in December, following growth of 6.7% in November.
- ❑ India's HSBC manufacturing purchasing managers' index (PMI) declined to 52.9 points in January, compared with 54.5 in December, while services PMI rose to a two-month high of 52.4 in January from 51.1 in December.
- ❑ RBI expects India's current account deficit to come down to 1.3% of GDP in the fiscal year ending March.
- ❑ RBI Governor Raghuram Rajan says that domestic inflation is still a concern, but adds that the deflationary global environment gives the central bank some elbow room with monetary policy.
- ❑ Minister of State for Finance Jayant Sinha expresses concern about the rupee's appreciation against all major currencies except the US dollar.
- ❑ Moody's says lower global crude oil prices since last June will benefit most Asia-Pacific nations, including India, as the region is a net oil importer.
- ❑ Moody's Analytics projects India's economy to grow by 6% in the October-December period of 2014-15.
- ❑ India's foreign exchange reserves jumped by \$5.84 bn to an all time high of \$327.88 bn in the week ended January 30.

Indian Commodities Market

- ❑ International crude oil prices advanced in the week primarily on speculation that a sharp decline in US drilling activity will result in a decline in supplies; prices ended at \$50.48 a barrel on the NYMEX on February 5, compared with \$44.53 a barrel on January 29.
- ❑ US crude oil inventories rose by 6.3 mn barrels to 413.06 mn barrels in the week ended January 30.
- ❑ National Commodities and Derivative Exchange (NCDEX) plans a contract for futures segment in gold that includes delivery of gold refined by Indian refineries.
- ❑ NCDEX is planning a gold futures contract that includes delivery of gold refined by Indian companies.

Indian Government

- ❑ Government raises around Rs 22600 cr from the sale of its 10% stake in Coal India; plans to sell another 5% of the company to comply with regulatory requirements.
- ❑ Government to set up four steel plants in Chhattisgarh, Jharkhand, Odisha and Karnataka at an investment of Rs 1.5 lakh cr.
- ❑ The Centre approves 30 proposals worth Rs 6500 cr for electronics manufacturing.
- ❑ Finance Ministry says that after five years it will review the structure of the Rs 30000 life cover given under the Pradhan Mantri Jan Dhan Yojana.
- ❑ Government is considering scrapping a dividend distribution tax in its annual budget this month, as part of efforts to boost investor sentiment.
- ❑ Oil Ministry seeks Rs 22,101 cr in fuel subsidy for the second half of current fiscal so as to almost exempt oil producers ONGC and Oil India from any payments.
- ❑ Government plans to raise Rs 5,000 cr (\$809 million) by selling additional units of a fund made up of shares in public sector companies.
- ❑ Union government begins the groundwork for 10% stake sale in Cochin Shipyard.
- ❑ Finance Ministry is considering a proposal to raise the minimum lock-in period for withdrawal from Public Provident Fund (PPF) account from six to eight years to attract longer term funds for infrastructure development.
- ❑ Government does away with the requirement for private companies of having to wait for a certificate of commencement to start business operations.

Indian Government

- ❑ Government is likely to allow state-run entities with experience in mining activity, such as NMDC, SAIL and MOIL, to carry out prospecting work on par with the likes of the Geological Survey of India.
- ❑ Government plans to reduce the notice period for conducting offer-for-sale by promoters through stock exchanges.
- ❑ Government allows tax benefit for depositors in the 'Sukanya Samridhi' scheme under Section 80 C of the Income Tax Act.
- ❑ Government mulls cutting the export duty for the low-quality iron ore produced by the state of Goa.
- ❑ Government decides to swap domestic coal from Coal India meant for power plants near ports with imported coal originally meant for power generators located in the interiors.
- ❑ Government says as many as 11,390 pension related complaints have been settled in the last eight months and a number of innovative measures have been taken to make delivery of pension more convenient.
- ❑ The telecom department is planning to set up a two-tier system of imposing penalties and an appeal mechanism.
- ❑ Government rejects Vodafone Group's request to put an additional 15 MHz of 3G spectrum, currently being held by defence forces, on the block in the upcoming March auctions.

Indian Government

- ❑ Government receives interest from around 310 bidders for the 21 operational coal mines which will be auctioned from Feb 14 to 22 from the Schedule II.
- ❑ Government sets up an evaluation committee for determining technical eligibility of bidders of coal blocks that have been put up for auction.
- ❑ The tax department asks a number of FPIs to make available their profit & loss statements and balance sheets.
- ❑ Government approves an Rs 850 cr development package and adhoc support to Andhra Pradesh.
- ❑ Quality Council of India (QCI) joins hands with American Society for Quality (ASQ) to improve the quality of goods and services provided by Indian small and medium enterprises (SMEs).

Regulatory updates in India

- ❑ RBI Governor Raghuram Rajan pitches for increasing the tax exemption limit on financial investments for individuals from Rs 1.5 lakh a year.
- ❑ RBI issues guidelines with the two-fold aim of ensuring capital buffer for difficult times and restricting banks from indiscriminate lending during the periods of excess credit growth.
- ❑ RBI directs banks to display list of accounts that have been inoperative for a period of ten years or more on their respective websites.
- ❑ RBI and SEBI say that the rule to prevent foreign investors from buying corporate bonds with less than three years remaining until maturity will come into effect immediately.
- ❑ RBI allows reinvestment of coupons of government bonds in a bid to attract more long-term foreign investment to the Indian bond market.
- ❑ RBI allows banks and other market participants to re-issue government securities with the objective of developing the term repo market.
- ❑ RBI allows foreign portfolio investors and domestic market participants to take foreign currency positions in the dollar-rupee pair up to \$15 mn per exchange without having to establish the existence of any underlying exposure.
- ❑ RBI to release guidelines on differential rate structures for non-callable deposits of over Rs 1 cr soon.
- ❑ RBI says banks will have more flexibility to extend the date of commencement of commercial operation to facilitate a change in ownership and revival of stalled projects.

Regulatory updates in India

- ❑ RBI says all Scheduled Commercial Banks (including regional rural banks) are permitted to install Cash Deposit Machines (CDMs)/Bunch Note Acceptor Machines (BNAMs) at centres identified by them without having to take the central bank's permission.
- ❑ RBI decides to permit stock exchanges to introduce cash-settled interest rate futures contracts on 5-7 year and 13-15 year government securities.
- ❑ RBI doubles the annual overseas investment ceiling for individuals to \$250,000.
- ❑ RBI says it has received at least 113 applications for setting up small and payments banks.
- ❑ RBI data pertaining to sectoral deployment of credit shows that credit to NBFCs increased by 3.3% in December 2014 as compared to an increase of 15.1% in December 2013.
- ❑ SEBI allows foreign portfolio investors (FPIs) to invest their coupon received on investments in government securities back into such bonds.
- ❑ SEBI writes to the government seeking easier tax rules for Real Estate Investment Trusts (REITs).
- ❑ SEBI expects an income surplus of more than Rs 156 cr after taking into account operational as well as capital expenses for the current financial year.
- ❑ SEBI orders attachment of bank accounts as well as demat accounts of Coimbatore Flavors and Fragrances and its former promoter to recover pending dues worth Rs 4.38 lakh from them.

Regulatory updates in India

- ❑ SEBI slaps fines totalling Rs 9 lakh on four firms for failing to obtain registration with its online complaint system as well as not resolving pending investor grievances within the required timeline.
- ❑ SEBI seeks clarification from the merchant banker of State Bank of Travancore on the firm's proposed Rs 485 cr rights issue.
- ❑ According to the data from Association of Mutual Funds in India (AMFI), the number of folios rose to 4.03 cr at the end of December 31, 2014 from 3.95 cr in the last fiscal.
- ❑ PFRDA seeks extension of the 2016-17 deadline for government subsidy towards the 'Swavalamban' scheme so as to encourage more poor people to join the scheme.
- ❑ IRDA member M Ramaprasad says risk premium is unlikely to go up in any significant fashion next year for general insurance companies as reinsurance back-up safeguards them from premium loss; also says insurance professionals need to harness huge data available to take informed decisions.
- ❑ Competition Commission of India (CCI) gives nod to Nippon Life's proposal to raise its stake in Reliance Capital Asset Management to 49% from the existing 26%.
- ❑ CCI gives its nod to the proposed deal that includes merger of seven companies into Nirma, saying that the deal does not raise anti-competition concerns in the country.
- ❑ Insurance Regulatory and Development and Authority of India (IRDAI) to bring out a host of new regulations to support the Insurance Laws (Amendment) Ordinance.

Regulatory updates in India

- ❑ Department of Financial Services and the IRDAI ask insurers to devise simple low-cost products.
- ❑ Competition Commission of India rejects allegations that DLF indulged in unfair business practices with regard to a commercial project.
- ❑ Central Electricity Regulatory Authority proposes to start round the clock trading in power exchange platforms.
- ❑ Central Electricity Regulatory Commission forms a working group to examine the recommendation of the Reserve Bank of India (RBI) urging electricity utilities to share customer information with credit utility companies.

International Markets

- ❑ US President unveils a \$4 trillion budget loaded with spending and tax reforms.
- ❑ According to ADP, US private employers added 213,000 jobs in January compared to December's upwardly revised reading of 253,000.
- ❑ US personal income rose 0.3% in December after gaining 0.3% in November; personal spending fell 0.3% in December after rising 0.5% in November.
- ❑ US Institute of Supply Mgt (ISM) manufacturing index fell to 53.5 in January from a reading of 55.5 in December, while non-manufacturing index stood at 56.7 in January, little changed from 56.5 in December.
- ❑ US' final manufacturing PMI came in at 53.9 in January, the same level as in December.
- ❑ US services PMI rose to 54.2 in January from 53.3 in December while composite PMI rose to 54.4 in January from 53.5 in December.
- ❑ US factory orders declined by a seasonally adjusted 3.4% in December after falling 1.7% in November.
- ❑ US construction spending rose 0.4% to an annual rate of \$982.1 bn in December, compared with November's 0.2% decline.
- ❑ US Initial claims for state unemployment benefits increased 11,000 to a seasonally adjusted 278,000 for the week ended January 31.
- ❑ US trade deficit jumped 17.1% to \$46.6 bn in December, the largest since November 2012; November's shortfall was revised up to \$ 39.8 bn.

International Markets

- ❑ US productivity fell at a 1.8% annual rate in Q4 after rising at a revised 3.7% pace in the third quarter; unit labor costs increased at a 2.7% rate in the fourth quarter after falling at a 2.3% rate in the third quarter.
- ❑ University of Michigan consumer confidence index came in at 98.1 in January, compared with 93.6 in December.
- ❑ US Chicago purchasing managers' index (PMI) rose to 59.4 in January, compared with 58.8 in December.
- ❑ US auto sales rose 13.7% in January from last year to 1.15 mn units.
- ❑ US nonfarm payrolls grew by a seasonally adjusted 257,000 jobs in January; December and November's figures were revised upwards to 329,000 and 423,000 respectively.
- ❑ US unemployment rate increased marginally to 5.7% in January from last month's 5.6%.
- ❑ European Central Bank revokes a waiver that allowed banks to use Greek government debt as collateral for loans.
- ❑ Euro zone's January manufacturing PMI was 51.0, a six month high, compared to December's reading of 50.6.
- ❑ Euro zone producer price index declined at an annualized rate of 2.7% in December, after falling at a rate of 1.6% in November.

International Markets

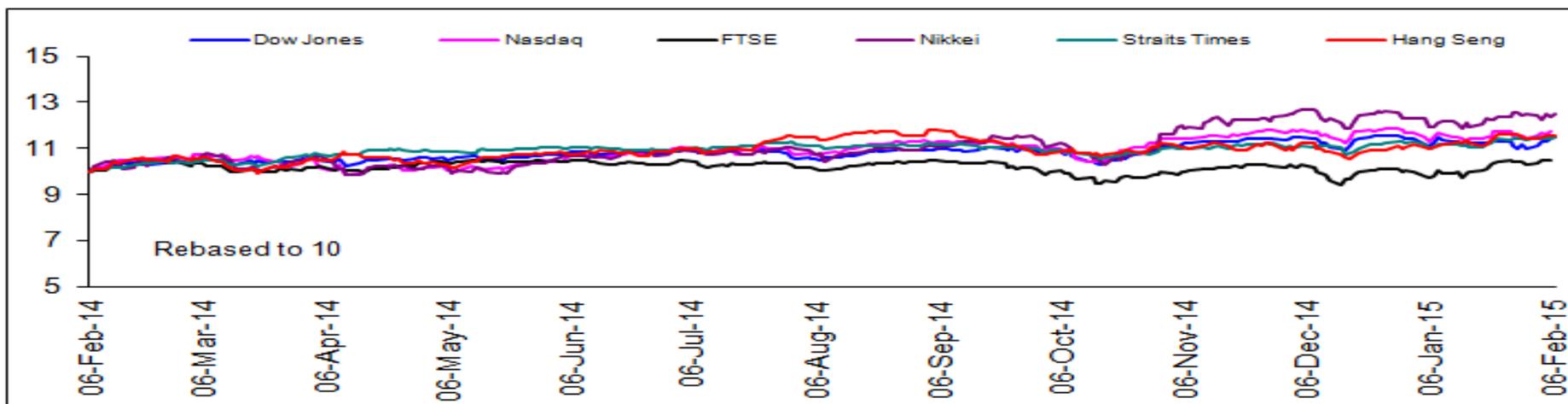
- ❑ Euro zone's retail sales increased by a seasonally adjusted 0.3% in December after rising 0.7% in November.
- ❑ Euro zone's services PMI rose to 52.7 in January (the fastest pace in five months) compared to December's 51.6, while composite PMI stood at 52.6 in January, higher than December's 51.4.
- ❑ Bank of England holds interest rates unchanged at 0.5% and also keeps its stimulus programme of quantitative easing (QE) unchanged at 375 bn pounds.
- ❑ UK Markit/CIPS manufacturing PMI rose to 53.0 in January from an upwardly revised 52.7 in December.
- ❑ UK Markit/CIPS construction PMI rose to 59.1 in January from 57.6 in December.
- ❑ UK's services PMI rose to 57.2 in January from a 17-month low of 55.8 in December, while composite PMI rose to 56.9 in January from 55.5 in December.
- ❑ UK's visible trade gap rose to 10.2 bn pounds in December from 9.28 bn pounds in November.
- ❑ People's Bank of China expands stimulus measures by cutting banks' reserve requirement ratio (RRR) by 50 basis points to 19.5% (the first such cut since May 2012) effective from February 5.

International Markets

- ❑ China's official manufacturing PMI fell to a weaker-than-expected 49.8 in January from 50.1 in December.
- ❑ China's final HSBC manufacturing PMI was 49.7 in January, slightly higher than December's 49.6.
- ❑ China's official non-manufacturing PMI fell to 53.7 in January from 54.1 in December.
- ❑ China's HSBC/Markit Services PMI slowed to 51.8 in January - the weakest since July 2014 - from December's 53.4, while composite output index came in at 51 in January (an eight month low), down from 51.4 in December.
- ❑ Japan's final Markit/JMMA Japan manufacturing PMI was 52.2 in January, higher than 52.0 in December.
- ❑ Japan's services PMI came in at 51.3 in January, a little lower than December's 51.7, while composite PMI was 51.7 in January, down from 51.9 in December.
- ❑ Telecom company BT to buy wireless carrier EE for about \$19 bn.
- ❑ Pfizer to buy Hospira for approximately \$15.23 bn, saying it is a good fit with its global established pharmaceutical business.
- ❑ Frontier Communications Corp to buy Verizon Communications Inc's wireline operations in three US states for \$10.54 bn in cash.
- ❑ CBH Plc to buy Holcim-Lafarge assets for \$7.3 bn.

Global Equities

| Indices | Feb 6 | Jan 30 | Change | % Change |
|---------------------------|-----------|----------|--------|----------|
| DJIA | 17884.88* | 17164.95 | 719.93 | 4.19 |
| Nasdaq Composite | 4765.10* | 4635.24 | 129.86 | 2.80 |
| Nikkei 225 (Japan) | 17648.50 | 17674.39 | -25.89 | -0.15 |
| Straits Times (Singapore) | 3431.36 | 3391.20 | 40.16 | 1.18 |
| Hang Seng (Hong Kong) | 24679.39 | 24507.05 | 172.34 | 0.70 |
| FTSE 100 (London) | 6865.93* | 6749.40 | 116.53 | 1.73 |



DJIA – Dow Jones Industrial Average

*Data as on Feb 5

Global Equities

- ❑ Key global indices closed higher in the week ended February 5/6 (except Japan's Nikkei index – down 0.2%) with US' Dow Jones gaining the most – up 4.2%.
- ❑ Wall Street stocks rose sharply with Dow Jones and Nasdaq surging 4.2% and 2.8%, respectively.
- ❑ Markets were primarily boosted by a rally in energy firms amid a rebound in crude oil prices, some better-than-expected corporate earnings and news that Pfizer is planning to buy Hospira Inc for about \$16 bn.
- ❑ Meanwhile, investors' mood was dampened earlier by disappointing domestic economic growth data.
- ❑ Britain's FTSE advanced 1.7% in the week as shares of oil firms recovered sharply after crude oil prices rebounded.
- ❑ The benchmark fell earlier as shares of telecom group BT declined after it agreed to pay off its pension deficit.
- ❑ Hong Kong's Hang Seng index rose 0.7% in the week on mirroring intermittent gains in Chinese markets, a rebound in crude oil prices and encouraging developments in debt negotiations in Greece.
- ❑ The benchmark was down earlier following downbeat Chinese manufacturing and services data and disappointing US economic growth data.

Global Equities

- ❑ Japan's Nikkei index fell 0.2% in the week following discouraging US growth and Chinese manufacturing activity data and a strong yen.
- ❑ Some losses were however reduced on tracking sharp gains on the Wall Street and a recovery in the crude oil prices.
- ❑ Singapore's Straits Times index gained 1.2% in the week on buying in shares of palm oil companies and as a recovery in the crude oil prices buoyed energy stocks.

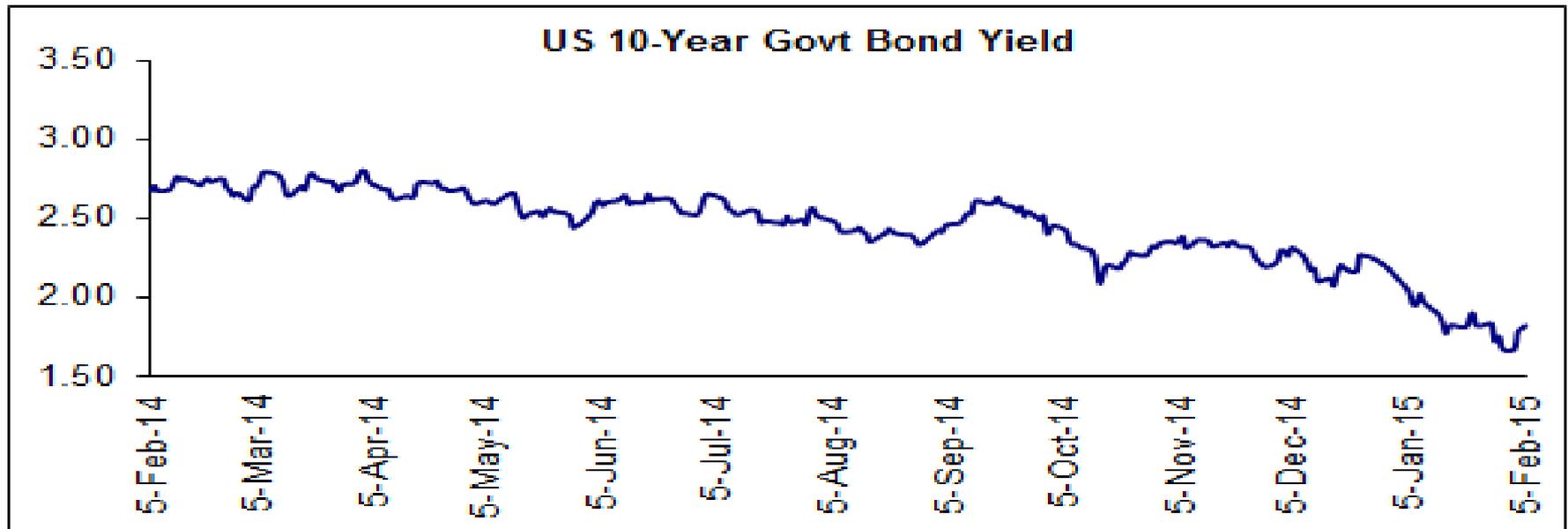
Global Debt

- ❑ US treasury prices ended lower in the week ended February 5 due to recovery in the oil prices and few positive domestic and European economic data.
- ❑ The yield on the 10 year benchmark bond rose to 1.82% on February 5 from 1.67% on January 30.
- ❑ Bond prices fell due to jump in the crude oil prices on rising violence in oil producer Libya, speculations that a sharp decline in US drilling activity which would result in a decline in supply and an expected boost in demand as a result of China's central bank easing. Oil prices have recorded losses in the recent times on worries about oversupply and weak global demand.
- ❑ Rebound in the oil prices also prompted gains in the equity markets and further reduced the safe-haven appeal of the US debt.
- ❑ Bond prices declined after the US private employers added 213,000 jobs in January compared to December's upwardly revised reading of 253,000 and the Institute for Supply Management said its gauge on US services sector unexpectedly ticked up in January.
- ❑ Bond prices also fell as reports showed that Euro zone's services purchasing managers index rose to 52.7 in January (the fastest pace in five months) compared to December's 51.6.
- ❑ Demand for the US treasuries also dented after China's central bank cut bank reserve requirements to boost growth and after Japan's Ministry of Finance sold 2.4 trillion yen 10-year JGBs to unexpectedly weak demand.

Global Debt

- ❑ Losses were however capped after European Central Bank decided to stop accepting Greek bonds as collateral to raise cash. The decision also raised fears about creditworthiness of the Greek banks and worries that Greece might exit the euro zone.
- ❑ Bond prices rose after US economy expanded 2.6% annually in Q4 2014, less than 5% growth in the previous quarter. In 2014, the economy expanded 2.4% raising hopes that US Federal Reserve might delay the interest rate increase. Weak domestic consumer spending, factory order and wider trade deficit data also aided treasury prices.
- ❑ Persistent concerns about the global growth prospects, deflation worries in Eurozone and Reserve Bank of Australia's decision to unexpectedly lower its policy rate by a quarter point to a record low 2.25% which could make tougher for the US Federal Reserve to consider raising interest rates in 2015 also lifted the treasury prices.
- ❑ On weekly debt holding front, foreign central banks' investment in US Treasuries and agency debt at the Federal Reserve fell by \$12.99 bn to \$3.26 trillion in the week ended February 4.

Global Debt



USA

- ❑ **Wall Street stocks** rose sharply in the week ended February 5 with Dow Jones and Nasdaq surging 4.2% and 2.8%, respectively.
- ❑ Markets were earlier weighed down by disappointing domestic economic growth data and worries that instability in Europe could affect US corporate earnings.
 - The US economy expanded 2.6% annually in Q4 2014, less than 5% growth in the previous quarter. In 2014, the economy expanded 2.4%.
- ❑ News that the European Central Bank (ECB) is rejecting Greek bonds as collateral also affected the equities to a certain extent.
- ❑ Losses were however erased as energy firms surged on the back of a rebound in crude oil prices.
- ❑ Sentiments were also buoyed following better-than-expected earnings from companies such as O'Reilly Automotive Inc and Estée Lauder Cos and news that Pfizer is planning to buy Hospira Inc for about \$16 bn.

UK

- ❑ **Britain's FTSE** advanced 1.7% in the week on stock specific buying.
- ❑ The benchmark fell earlier as shares of telecom group BT declined after it agreed to pay off its pension deficit.
- ❑ Sentiments were dented further as a plunge in crude oil prices affected shares of oil firms and as shares of Hargreaves Lansdown fell after its interim profits weakened.
- ❑ Losses were however wiped off as shares of oil firms recovered sharply as crude oil prices rebounded.

ASIA

- ❑ **Hong Kong's Hang Seng** index rose 0.7% in the week ended February 6 on tracking some positive cues.
- ❑ The benchmark fell earlier following downbeat Chinese manufacturing and services data and disappointing US economic growth data.
 - China's official manufacturing PMI fell to a weaker-than-expected 49.8 in January from 50.1 in December.
 - China's official non-manufacturing PMI fell to 53.7 in January from 54.1 in December.
- ❑ Sporadic profit booking pulled down the market further.
- ❑ Market however recouped on mirroring intermittent gains in Chinese markets, a rebound in crude oil prices and encouraging developments in debt negotiations in Greece.
- ❑ Investors also cheered the announcement of stimulus measures in China.
 - People's Bank of China expands stimulus measures by cutting banks' reserve requirement ratio (RRR) by 50 basis points to 19.5% (the first such cut since May 2012) effective from February 5.
- ❑ **Japan's Nikkei** index fell 0.2% in the week ended February 6 and was the biggest decliner among key indices analyzed.
- ❑ Market started on a weak note as discouraging US growth and Chinese manufacturing activity data raised concerns about global growth prospects.

ASIA

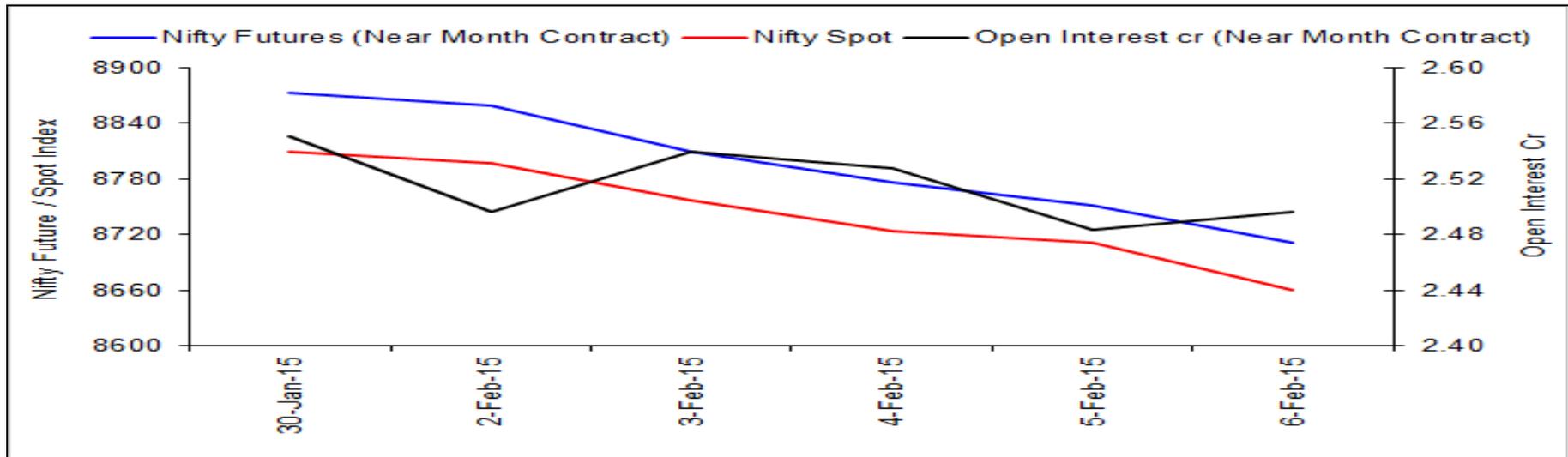
- ❑ A stronger yen weighed on the exporters' heavy benchmark further.
- ❑ More losses were seen following disappointing earnings by Hitachi, and a dip in the crude oil prices.
- ❑ Losses were however cut short on tracking sharp gains on the Wall Street, strong earnings from Mitsubishi UFJ Financial Group, a recovery in the crude oil prices and optimism over progress in Greece's debt negotiations.
- ❑ **Singapore's Straits Times** index gained 1.2% in the week ended February 6 amid volatility.
- ❑ The benchmark fell earlier on increasing concerns about global economic growth.
- ❑ Sentiments were hit further on renewed Greek debt worries after European Central Bank rejected Greek bonds as collateral.
- ❑ Losses were however erased on buying in shares of palm oil companies and as a recovery in the crude oil prices buoyed energy stocks.

Indian Futures and Options Market Review

Nifty Futures

- ❑ The Nifty near month contract (February 26, 2015) closed up with 50.85 point premium to the spot index on February 6, 2015.
- ❑ Over the week ended February 6, the Nifty spot index fell nearly 1.7% due to some weak earnings from blue-chips and uncertainty in Europe.
- ❑ The other Nifty future contract, viz., March contract ended at 8774 points (down 157 points over the week) and April contract ended at 8838 points (down 151 points).
- ❑ Overall, Nifty futures saw a weekly trading volume of Rs 51,505 cr arising out of around 24 lakhs contracts with an open interest of nearly 258 lakhs.

Indian Futures and Options Market Review



Nifty Options

- ❑ Nifty 9000 call witnessed the highest open interest of 83 lakh on February 6 and Nifty 8900 call saw the highest increase in open interest of 18 lakhs over the week.
- ❑ Nifty 9000 call garnered the higher number of contracts over the week at 31 lakhs.
- ❑ Nifty 8500 put witnessed the highest open interest of 49 lakh on February 6 and Nifty 8300 put saw the highest increase in open interest of 18 lakhs over the week.
- ❑ Nifty 8600 put garnered the highest number of contracts over the week at 21 lakhs.
- ❑ Overall, options saw 243 lakh contracts getting traded at a notional value of Rs 5,40,455 cr during the week.

Indian Futures and Options Market Review

Stock Futures and Options –

- NSE witnessed 48 lakh contracts in stock futures valued at Rs 1,53,297 cr while stock options saw volumes of 20 lakh contracts valued at Rs 64,037 cr during the week ended February 6, 2015.

NSE F&O Turnover –

- Overall turnover on NSE's derivatives segment stood at Rs 9.33 lakh cr (359 lakh contracts) during the week ended February 6 vs. Rs 17.39 lakh cr (678 lakh contracts) in the previous week.
- Put Call ratio fell sharply to 0.78 on February 6 from 0.99 on January 30.

| Week ended February 6, 2015 | Turnover Rs. Cr. | % to Total |
|--------------------------------|--------------------------|--------------------------|
| Index Futures | 90,459 | 9.69 |
| Index Options | 625,547 | 67.02 |
| Stock Futures | 153,297 | 16.42 |
| Stock Options | 64,037 | 6.86 |
| Total | 933,339 | 100.00 |
| Put Call Ratio | 0.78 (6 February) | 0.99 (30 January) |

Indian Futures and Options Market Review

FII Segment

- On February 5 (last available SEBI data), foreign institutional investors' open interest stood at Rs 1,35,084 cr (48 lakh contracts).
- The details of FII derivatives trades for the period January 30 – February 5 are as follows: -

| Week Ended February 5, 2015 | Buy | | Sell | | Buy % | | Sell % | |
|-----------------------------------|---------------------|-----------------|---------------------|-----------------|---------------------|-----------------|---------------------|-----------------|
| | No. of contracts | Amt in Rs Cr |
| Index Futures | 293853 | 7714 | 322125 | 8474 | 8.04 | 7.62 | 8.73 | 8.18 |
| Index Options | 2524727 | 67344 | 2363715 | 63561 | 69.10 | 66.52 | 64.09 | 61.34 |
| Stock Futures | 512941 | 16017 | 687516 | 21664 | 14.04 | 15.82 | 18.64 | 20.91 |
| Stock Options | 322384 | 10169 | 314834 | 9918 | 8.82 | 10.04 | 8.54 | 9.57 |
| Total | 3653905 | 101245 | 3688190 | 103618 | 100.00 | 100.00 | 100.00 | 100.00 |

Source - SEBI

The Week Ahead

| Day | Event |
|-------------------------------|--|
| Monday, February 9 | <ul style="list-style-type: none"> □ Euro zone Sentix Investor Confidence, February □ Japan's Trade Balance, December □ Japan's Eco Watchers Survey Outlook & Current, January □ Japan's Consumer Confidence Index, January □ Japan's Tertiary Industry Index, December □ India's GDP Estimate, October-December □ India's GDP Advance Estimate, 2014-2015 |
| Tuesday, February 10 | <ul style="list-style-type: none"> □ US Wholesale Inventories, December □ UK NIESR GDP Estimate, January □ UK Industrial Production, December □ China's Consumer Price Index, January □ China's Producer Price Index, January |
| Wednesday, February 11 | <ul style="list-style-type: none"> □ US Treasury Budget, January □ Japan's Machine Orders, December |
| Thursday, February 12 | <ul style="list-style-type: none"> □ US Retail Sales, January □ US Business Inventories, December □ US Initial Jobless Claims, February 7 □ US Crude Oil Inventories, February 7 □ Euro zone Industrial Production, December □ Bank of England Inflation Report □ UK RICS House Price Balance, January □ Japan's Machine Tool Orders, January □ India's Index of Industrial Production, December □ India's CPI for Combined, Rural, and Urban, January |
| Friday, February 13 | <ul style="list-style-type: none"> □ US University of Michigan Consumer Confidence index, February □ US Import & Export Prices, January □ Euro zone GDP, Q4 2014 - Advance Estimate □ Euro zone Trade Balance, December □ India's Forex Reserves, February 6 |

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