

RELIANCE

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Markets for You

06 Feb 2019

Indices Performance

Global Indices	05-Feb	Prev_Day	Abs. Change	% Change [#]
Dow Jones	25,412	25,239	172	0.68
Nasdaq	7,402	7,348	55	0.74
FTSE	7,177	7,034	143	2.04
Nikkei	20,844	20,884	-39	-0.19
Hang Seng	Closed	27,990	NA	NA
Indian Indices	05-Feb	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	36,617	36,583	34	0.09
Nifty 50	10,934	10,912	22	0.20
Nifty 100	11,080	11,070	9	0.08
Nifty Bank	27,272	27,187	85	0.31
SGX Nifty	10,980	10,930	50	0.46
S&P BSE Power	1,829	1,848	-19	-1.03
S&P BSE Small Cap	13,662	13,788	-126	-0.91
S&P BSE HC	13,772	13,817	-44	-0.32

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
5-Feb	23.30	1.16	27.07	1.23
Month Ago	23.43	1.17	25.84	1.26
Year Ago	24.51	1.12	25.78	1.06

Nifty 50 Top 3 Gainers

Company	05-Feb	Prev_Day	% Change [#]
Zee Ente.	365	348	5.06
Titan Industries Limited	1067	1026	3.99
United Phos	796	771	3.25

Nifty 50 Top 3 Losers

Company	05-Feb	Prev_Day	% Change [#]
Coal India	216	222	-2.57
Tata Motors	176	180	-2.47
Tata Steel	465	476	-2.38

Advance Decline Ratio

	BSE	NSE
Advances	826	555
Declines	1741	1274
Unchanged	142	81

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-895	-1195
MF Flows**	-519	6514

*5th Feb 2019; **4th Feb 2019

Economic Indicator

YoY(%)	Current	Quarter Ago	Year Ago
CPI	2.19% (Dec-18)	3.70% (Sep-18)	5.21% (Dec-17)
IIP	0.50% (Nov-18)	6.50% (Jul-18)	8.50% (Nov-17)
GDP	7.10% (Sep-18)	8.20% (Jun-18)	6.30% (Sep-17)

Since May-17, MOSPI has revised base year of IIP & WPI from 2004-05 to 2011-12, and for CPI from 2010 to 2012

Global Indices

- Asian markets traded in mixed on positive key economic data as a survey showed the services sector in Japan expanded at a stronger pace in Dec and the Bank of Japan indicated that the monetary base in Japan was up 4.7% over the year in Jan. However, concerns over the global growth outlook restricted the bourses. Meanwhile, some of the regional peers remained closed due to Lunar New Year holidays. Today (as of Feb 6), Asian markets opened higher as investors awaited U.S. President's State of the Union address. Nikkei was trading up 0.40% and Hangseng remained closed. (as at 8.a.m. IST).
- As per the last close, European markets closed higher following strong corporate earnings in Dec 2018 quarter.
- As per the last close, U.S markets closed higher following optimism about U.S.-China trade talks and strong quarterly earnings from few companies.

Indian Equity Market

- Indian equity markets managed to close with modest gains, led by stock specific reasons for the second consecutive day. Gains in banking sector after a state-owned lender posted better than expected results for the quarter ended Dec 2018 boosted the indices. Buying interest was also seen in auto stocks.
- Telecom sector remained under pressure as a telecommunications services major fell after a credit rating agency downgraded its rating. This marked the first time when an international rating agency has downgraded the stock. Fall in India's Nikkei Services PMI for Jan 2019 also dampened investor sentiment.
- Key benchmark indices S&P BSE Sensex and Nifty 50 grew 0.09% and 0.20% to close at 36,616.81 and 10,934.35, respectively. S&P BSE Mid-Cap and S&P BSE Small Cap fell 0.54% and 0.91%, respectively.
- On the BSE sectoral front, S&P BSE Consumer Durables stood as the major gainer, up 1.18% followed by S&P BSE Auto and S&P BSE Consumer Discretionary Goods & Services that grew 0.88% and 0.58%, respectively. S&P BSE Bankex and S&P BSE Finance grew 0.28% and 0.12%, respectively.

Domestic News

- The Nikkei India Services Purchasing Managers' Index (PMI) fell to 52.2 in Jan 2019 from 53.2 in Dec 2018 due to softer expansion in output and weak upturn in new work. Infact, new orders rose at the slowest pace in four months. Seasonally adjusted Nikkei India Composite PMI Output Index stood at 53.6 in Jan, thereby remaining unchanged against Dec.
- The government has decided to raise additional Rs. 36,000 crore through dated securities. The proceeds will be used to fund its expenses during FY19. The government has decided to borrow this money in two tranches of Rs. 18,000 crore each during Mar 11-Mar 15 and Mar 18-Mar 22. However, as per the calendar that was previously issued, the last tranche for borrowing through government bonds was to be completed in the week ended Mar 8, 2019.
- According to a major credit rating agency, fiscal slippage from the budgeted targets for two years straight in a row and tax cuts and spending ahead of the general elections, is credit negative for India. The government had proposed to raise spending for income support to small farmers and bring in a middle-class tax cut in the interim budget for FY20. Due to these reasons, the government had announced slippage from its original fiscal deficit targets to 3.4% of GDP for FY19.
- Punjab National Bank witnessed 7.12% YoY rise in net profit to Rs. 246.51 crore for the quarter ended Dec 2018 as against Rs. 230.11 crore in the same period of the previous year.
- Jubilant FoodWorks was fined Rs. 41.42 crore by the National Anti-Profitteering Authority for not passing on the benefit of a reduction in the goods and services tax to consumers.
- State run Bharat Heavy Electricals witnessed 25.30% YoY rise in profit at Rs. 191.95 crore for the quarter ended Dec 2018 compared to the same period of the previous year when the company witnessed a profit of Rs. 153.19 crore.

FII Derivative Trade Statistics		05-Feb	
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	2093.29	2278.06	23312.00
Index Options	81108.05	79921.39	57300.85
Stock Futures	12444.19	12333.68	86541.49
Stock Options	7293.48	7160.10	5466.56
Total	102939.01	101693.23	172620.90

Derivative Statistics- Nifty Options			
	05-Feb	Prev_Day	Change
Put Call Ratio (OI)	1.68	1.67	0.01
Put Call Ratio(Vol)	1.09	0.99	0.10

Debt Watch				
	05-Feb	Wk. Ago	Mth. Ago	Year Ago
Call Rate	6.34%	6.38%	6.31%	5.86%
T-Repo	6.30%	6.33%	6.23%	--
Repo	6.50%	6.50%	6.50%	6.00%
Reverse Repo	6.25%	6.25%	6.25%	5.75%
91 Day T-Bill	6.65%	6.50%	6.58%	6.37%
364 Day T-Bill	6.74%	6.75%	6.85%	6.56%
10 Year Gilt	7.61%	7.53%	7.45%	7.60%
G-Sec Vol. (Rs.Cr)	31357	23080	34618	18355
FBIL MIBOR*	6.50%	6.50%	6.46%	6.00%
3 Month CP Rate	7.65%	7.60%	7.85%	7.76%
5 Year Corp Bond	8.56%	8.46%	8.38%	8.16%
1 Month CD Rate	6.62%	6.74%	6.73%	6.24%
3 Month CD Rate	7.24%	7.27%	7.49%	7.25%
1 Year CD Rate	8.00%	8.07%	8.16%	7.56%

Currency Market			
Currency	05-Feb	Prev_Day	Change
USD/INR	71.75	71.66	0.09
GBP/INR	93.56	93.71	-0.14
EURO/INR	82.01	82.00	0.02
JPY/INR	0.65	0.65	0.00

Commodity Prices				
Commodity	05-Feb	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	53.64	53.02	47.71	64.16
Brent Crude(\$/bl)	61.76	61.42	55.23	67.37
Gold(\$/oz)	1315	1312	1285	1339
Gold(Rs./10 gm)	33239	32862	31769	30267

Source: Thomson Reuters Eikon

*As on 04 Feb 2019

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Derivatives Market

- Nifty Feb 2019 Futures were at 10,951.70, a premium of 17.35 points, over the spot closing of 10,934.35. The turnover on NSE's Futures and Options segment declined to Rs. 5,58,363.03 crore on Feb 5, 2019.
- The Put-Call ratio stood at 0.88 compared with the previous session's close of 0.84.
- The Nifty Put-Call ratio stood at 1.68 compared with the previous session's close of 1.67.
- India VIX increased 0.28% to 15.7675 compared with 15.7225 at the previous trading session.
- Open interest on Nifty Futures stood at 20.40 million as against the previous session's close at 19.88 million.

Indian Debt Market

- Bond yields declined as investors resorted to short covering amid speculations of easing monetary policy. Majority of investors are expecting the Monetary Policy Committee to keep a neutral stance on interest rate in the upcoming policy meeting due on Feb 7, 2019.
- Yield on the 10-year benchmark paper (7.17% GS 2028) declined 6 bps to close at 7.61% as compared with 7.67% in the previous session after trading in the range of 7.60% to 7.68%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 3,091 crore (gross) on Feb 5, 2019, same as on Feb 4, 2019. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 9,468 crore on Feb 4, 2019.
- Banks borrowed Rs. 1 crore under the central bank's Marginal Standing Facility on Feb 4, 2019 compared with borrowing of Rs. 650 crore on Feb 1, 2019.

Currency Market Update

- The Indian rupee appreciated due to the gains in the domestic equity market. However, the surge in crude oil prices capped further gains. The rupee closed at 71.56 a dollar, up 0.33% compared with the previous close of 71.80.
- The euro declined against the greenback as market participants preferred to stay on the sidelines ahead of the U.S. President's State of the Union address scheduled for Feb 5, 2019. The euro was last seen trading at 1.1418 a dollar, down 0.15% compared with the previous close of 1.1435.

Commodity Market Update

- Gold prices moved down against the greenback as investors' risk-taking appetite improved on hopes of positive U.S.-China trade development.
- Brent crude prices rose due to concerns over OPEC's supply drop and U.S. sanction on Venezuela.

International News

- According to a report from the Commerce Department, U.S. factory orders fell 0.6% in Nov 2018 as against an increase of 2.1% in Oct 2018. The unexpected decline reflects 1.9% fall in orders non-durable goods in Nov as against a gain of 0.1% in Oct. Meanwhile, durable goods orders rose 0.7% in Nov after as against a decline of 4.3% in Oct.
- A preliminary report from the IHS Markit showed that U.K's CIPS Services Purchasing Managers' Index fell to 50.1 in Jan 2019 as against 51.2 in Dec 2018. This marked to be the lowest score in two and half year period. Meanwhile, the composite PMI fell to 50.3 in Jan from 51.5 in Dec.



Thank you for
your time.