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# Markets for You

**14 Feb 2019**

## Indices Performance

Global Indices	13-Feb	Prev_Day	Abs. Change	% Change <sup>#</sup>
Dow Jones	25,543	25,426	118	0.46
Nasdaq	7,420	7,415	6	0.08
FTSE	7,191	7,133	58	0.81
Nikkei	21,144	20,864	280	1.34
Hang Seng	28,498	28,171	326	1.16
Indian Indices	13-Feb	Prev_Day	Abs. Change	% Change <sup>#</sup>
S&P BSE Sensex	36,034	36,154	-120	-0.33
Nifty 50	10,794	10,831	-38	-0.35
Nifty 100	10,924	10,971	-48	-0.43
Nifty Bank	26,885	27,011	-125	-0.46
SGX Nifty	10,830	10,879	-50	-0.46
S&P BSE Power	1,745	1,771	-26	-1.46
S&P BSE Small Cap	13,341	13,392	-51	-0.38
S&P BSE HC	13,677	13,761	-83	-0.61

## P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
13-Feb	23.35	1.17	26.60	1.25
Month Ago	23.57	1.16	26.00	1.25
Year Ago	24.15	1.15	25.48	1.07

## Nifty 50 Top 3 Gainers

Company	13-Feb	Prev_Day	% Change <sup>#</sup>
Adani Ports & SEZ	342	327	4.54
Indiabulls HFC	619	599	3.34
United Phos	817	796	2.64

## Nifty 50 Top 3 Losers

Company	13-Feb	Prev_Day	% Change <sup>#</sup>
Eicher Motors	20159	21138	-4.63
HPCL	225	234	-3.82
Indian Oil	130	135	-3.60

## Advance Decline Ratio

	BSE	NSE
Advances	951	685
Declines	1593	1116
Unchanged	127	88

## Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	1170	2588
MF Flows**	976	7512

\*13<sup>th</sup> Feb 2019; \*\*12<sup>th</sup> Feb 2019

## Economic Indicator

YoY(%)	Current	Quarter Ago	Year Ago
CPI	2.05% (Jan-19)	3.38% (Oct-18)	5.07% (Jan-18)
IIP	2.40% (Dec-18)	4.60% (Sep-18)	7.30% (Dec-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 equity markets were mostly up amid investor optimism over U.S.-China trade talks. The U.S. President gave hints that he could extend the Mar 1, 2019, truce deadline between the two countries over trade. Also, U.S. lawmakers agreed in principle to avoid another government shutdown. Today (as of Feb 14), Asian markets opened on a cautious note despite optimism about the U.S.-China trade talks. While Nikkei was trading up 0.03%, Hang Seng was lower 0.32% (as at 8 a.m. IST).
- As per the last close, European markets rose as market participants remained optimistic over U.S.-China trade discussions and on reports that another U.S. government shutdown is unlikely.
- As per the last close, U.S markets rose on optimism that another U.S. government shutdown is unlikely. The U.S. President expressed his unhappiness about a tentative deal reached by lawmakers but did not specifically reject the proposal. Continued optimism about U.S.-China trade talks also benefitted the market.

## Indian Equity Market

- Indian equity markets declined yet again because of rise in oil prices and sustained selling by domestic institutional investors and foreign institutional investors. This neutralised the positive effect of upbeat inflation and industrial production data. Oil surged on deepening OPEC supply cuts and comments from Saudi Arabia that it would reduce its production in Mar 2019 by an extra 500,000 barrels.
- Key benchmark indices S&P BSE Sensex and Nifty 50 lost 0.33% and 0.35%, respectively, to close at 36,034.11 and 10,793.65, respectively. S&P BSE Mid-Cap and S&P BSE Small Cap lost 0.52% and 0.38%, respectively.
- The overall market breadth on BSE was weak with 951 scrips advancing and 1593 scrips declining. A total of 127 scrips remained unchanged.
- On the BSE sectoral front, S&P BSE Information Technology was the major gainer, up 0.67%, followed by S&P BSE Teck, up 0.48%, and S&P BSE Realty, up 0.32%. S&P BSE Oil & Gas was the major loser down 2.11% followed by S&P BSE Capital Goods, down 1.76%. S&P BSE Power and S&P BSE Utilities lost 1.39% and 1.36%, respectively.

## Domestic News

- The government informed Parliament that public sector banks loans worth Rs. 7,277.31 crore under 'the Pradhan Mantri Mudra Yojana have turned bad at the end of Mar 2018. Loans extended under PMMY from inception of the scheme up to Mar 2018 by all member lending institutions were Rs. 5.71 lakh crore.
- The minister of state for finance said the number of suspicious refund claims under income tax have also increased over the last three years. Refunds disbursed by the income tax department (ITD) has grown over the years. The ITD selected 20,874 cases in the current fiscal to examine suspicious refund claims compared with 11,059 and 9,857 in the previous two fiscals. The income tax refunds disbursed till Feb 2 stood at Rs. 1.43 lakh crore compared with Rs. 1.52 lakh core in FY18 and Rs. 1.63 lakh crore in FY17.
- The Comptroller and Auditor General (CAG) has said in a report that the income tax department (ITD) caused a loss of Rs. 6,093 crore to the exchequer due to 1,183 mistakes made in assessing the income-tax returns (ITRs) of real estate companies between FY14 and FY17. The CAG scrutinised 22% of the 78,647 assessments made during this period. It said ITD needed to internally audit the remaining assessments to pin down reasons for errors. CAG also found that out of the 923 real estate transactions involving more than Rs. 1 crore, ITD failed to bring 142 transactions under the tax net.
- Godrej Industries' consolidated profit after tax increased over two-fold to Rs. 121.28 crore for the third quarter ended Dec 2018. The company had posted a net profit for Rs. 50.54 crore in the year-ago period. Total income increased 19% to Rs. 2,576 crore in the quarter under review.
- Adani Transmission's consolidated net profit dropped 77.52% at Rs. 189.22 crore in the quarter ended on Dec 31, 2018. The company's consolidated net profit was Rs. 841.88 crore in the period.

FII Derivative Trade Statistics 13-Feb			
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	2360.83	1959.37	29407.30
Index Options	91208.44	90601.22	62979.17
Stock Futures	10981.73	11527.86	88373.67
Stock Options	8569.31	8336.54	8832.86
Total	113120.31	112424.99	189593.00

Derivative Statistics- Nifty Options			
	13-Feb	Prev_Day	Change
Put Call Ratio (OI)	1.29	1.35	-0.07
Put Call Ratio(Vol)	0.82	0.88	-0.06

Debt Watch				
	13-Feb	Wk. Ago	Mth. Ago	Year Ago
Call Rate	6.14%	6.42%	6.35%	6.00%
T-Repo	6.12%	6.12%	6.38%	--
Repo	6.25%	6.50%	6.50%	6.00%
Reverse Repo	6.00%	6.25%	6.25%	5.75%
91 Day T-Bill	6.31%	6.51%	6.60%	6.35%
364 Day T-Bill	6.49%	6.78%	6.85%	6.54%
10 Year Gilt	7.47%	7.57%	7.50%	7.50%
G-Sec Vol. (Rs.Cr)	59946	27325	38698	33836
FBIL MIBOR*	6.44%	6.48%	6.50%	6.00%
3 Month CP Rate	7.40%	7.65%	7.70%	7.78%
5 Year Corp Bond	8.34%	8.53%	8.38%	8.08%
1 Month CD Rate	6.43%	6.60%	6.71%	6.26%
3 Month CD Rate	7.19%	7.17%	7.48%	7.23%
1 Year CD Rate	7.75%	8.02%	7.90%	7.50%

Currency Market			
Currency	13-Feb	Prev_Day	Change
USD/INR	70.55	70.94	-0.38
GBP/INR	91.13	91.26	-0.13
EURO/INR	79.96	80.03	-0.07
JPY/INR	0.64	0.64	0.00

Commodity Prices				
Commodity	13-Feb	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	53.79	53.89	51.39	59.39
Brent Crude(\$/bl)	63.66	62.31	58.88	62.14
Gold( \$/oz)	1306	1306	1288	1323
Gold(Rs./10 gm)	32855	33210	32117	30063

Source: Thomson Reuters Eikon \*As on 12 Feb 2019

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### Derivatives Market

- Nifty Feb 2019 Futures were at 10,823.40, a premium of 29.75 points, over the spot closing of 10,793.65. The turnover on NSE's Futures and Options segment increased to Rs. 8,69,113.19 crore on Feb 13, 2019, compared with Rs. 6,83,890.96 crore on Feb 12, 2019.
- The Put-Call ratio stood at 0.84 compared with the previous session's close of 0.91.
- The Nifty Put-Call ratio stood at 1.29 compared with the previous session's close of 1.35.
- Open interest on Nifty Futures stood at 24.14 million as against the previous session's close at 23.60 million.

### Indian Debt Market

- Bond yields plunged following the decline in retail inflation rate to 2.05% for Jan 2019, which lifted the market sentiment. This raised speculations on another cut in the key interest rate in the next Monetary Policy meeting scheduled for Apr.
- Yield on the 10-year benchmark paper (7.17% GS 2028) declined 6 bps at 7.47% as compared with the previous session's close of 7.53% after trading in the range of 7.43% to 7.48%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 2,941 crore (gross) on Feb 13, 2019, compared with Rs. 6,496 crore (gross) as on Feb 12, 2019. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 18,707 crore on Feb 12, 2019.
- Banks borrowed Rs. 740 crore under the central bank's Marginal Standing Facility on Feb 12, 2019 compared with borrowing of Rs. 265 crore on Feb 11, 2019.

### Currency Market Update

- The Indian rupee declined on higher dollar demand from importers and state-run banks. The rupee closed at 70.85 a dollar, down 0.21% compared with the previous close of 70.70.
- The euro extended losses from the previous session on weak eurozone economic data, which revealed higher-than-expected slowdown in the region's industrial production. The euro was last seen trading at 1.1314 a dollar, down 0.09% compared with the previous close of 1.1324.

### Commodity Market Update

- Gold prices held firm as investors preferred to stay on the sidelines ahead of the outcome of the U.S.-China trade negotiation.
- Brent crude prices rose sharply after the top oil exporter, Saudi Arabia, declared of deeper cuts in oil production.

### International News

- Office for National Statistics data showed U.K. consumer prices increased at the slowest pace in two years in Jan 2019, weaker than expectations. The consumer price index increased 1.8% YoY following a 2.1% rise in Dec 2018. Headline inflation was the slowest since Jan 2017, when prices increased at the same pace.
- The Bank of Japan said producer prices in the country decreased 0.6% MoM in Jan 2019, which is the same as Dec 2018, but shy of expectations. On a yearly basis, producer prices increased 0.6%, missing forecast and less than 1.5% rise in the year-ago period. Export prices decreased 2.5% MoM and 3.3% YoY, while import prices declined 5.0% MoM and 1.6% YoY.

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