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NISSAY

Sponsors: Reliance Capital
Nippon Life Insurance Company

Markets for You

21 Feb 2019

Indices Performance

Global Indices	20-Feb	Prev_Day	Abs. Change	% Change [#]
Dow Jones	25,954	25,891	63	0.24
Nasdaq	7,489	7,487	2	0.03
FTSE	7,229	7,179	49	0.69
Nikkei	21,431	21,303	129	0.60
Hang Seng	28,514	28,228	286	1.01
Indian Indices	20-Feb	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	35,756	35,353	404	1.14
Nifty 50	10,735	10,604	131	1.24
Nifty 100	10,865	10,731	134	1.25
Nifty Bank	26,956	26,685	271	1.01
SGX Nifty	10,762	10,612	151	1.42
S&P BSE Power	1,787	1,760	26	1.50
S&P BSE Small Cap	13,272	13,162	111	0.84
S&P BSE HC	13,379	13,314	64	0.48

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
20-Feb	22.97	1.20	26.50	1.26
Month Ago	23.96	1.16	26.19	1.24
Year Ago	23.34	1.18	25.09	1.09

Nifty 50 Top 3 Gainers

Company	20-Feb	Prev_Day	% Change [#]
Indiabulls HFC	645	614	5.03
Vedanta Limited	160	153	4.67
Adani Ports & SEZ	355	340	4.48

Nifty 50 Top 3 Losers

Company	20-Feb	Prev_Day	% Change [#]
Hero Moto	2624	2637	-0.50
Bajaj Auto	2775	2788	-0.47
Dr.Reddy	2525	2537	-0.46

Advance Decline Ratio

	BSE	NSE
Advances	1490	1119
Declines	1121	676
Unchanged	155	105

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-1559	-3168
MF Flows**	426	12784

*20th Feb 2019; **19th 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 high as investors cheered encouraging U.S. earnings and chances of a U.S.-China trade resolution seemed to increase. The U.S. President said the U.S.-China trade talks are "going very well" and hinted that the Mar deadline to reach a deal could be postponed. Today (as of Feb 21), Asian markets opened lower following a choppy session on Wall Street as traders tried to interpret a release from the U.S. Federal Reserve. Both Nikkei and Hangseng was trading down 0.48% and 0.39%, respectively (as at 8.a.m. IST).
- As per the last close, European markets closed higher following optimism on U.S.- China trade talks. Investors were also optimistic over U.S. Federal Reserve's latest policy meeting minutes for clues on interest rate and its balance sheet reduction policy.
- As per the last close, U.S markets closed modestly higher following optimism about U.S.-China trade talks. Investors also digested the minutes of the latest Federal Reserve meeting, providing further insight into the central bank's decision to change the forward guidance language and indicate a patient approach to raising interest rates.

Indian Equity Market

- Indian equity markets finally gained after an eight-day losing streak. Investors were buoyed by developments on the U.S.-China trade front. The U.S. President hinted that the truce between them could be extended, which means raised tariffs on Chinese imports could be delayed.
- Key benchmark indices S&P BSE Sensex and Nifty 50 gained 1.14% and 1.24%, respectively, to close at 35,756.26 and 10,735.45, respectively. S&P BSE Mid-Cap and S&P BSE Small Cap gained 0.91% and 0.84%, respectively.
- The overall market breadth on BSE was strong with 1490 scrips advancing and 1121 scrips declining. A total of 155 scrips remained unchanged.
- On the BSE sectoral front, all the sectors gained. S&P BSE Metal was the major gainer, up 2.99%, followed by S&P BSE Basic Materials and S&P BSE Oil & Gas, up 2.24% and 2.19%, respectively. S&P BSE Utilities and S&P BSE Energy gained 1.78% and 1.64%, respectively. S&P BSE Power and S&P BSE Information Technology gained 1.5% and 1.44%, respectively.

Domestic News

- According to media reports, the Ministry of Finance will infuse Rs. 48,239 crore in 12 state run banks in this fiscal. The objective of the move is to help the banks maintain regulatory capital requirements and finance growth plans. The total amount of capital infusion with this funding will thus increase to Rs. 1,00,958 crore of the planned recapitalisation of Rs 1.06 lakh crore for the state run banks in this fiscal.
- The Union Cabinet has approved the National Electronics Policy. The policy aims at domestic production of electronics goods to touch \$400 billion by 2025 against around \$80 billion now. The policy has proposed interest subvention scheme under which an interest subsidy of 4% will be provided on loans of up to Rs. 1,000 crore on plant and machinery. In case of a larger loan, subsidy will be limited to Rs. 1,000 crore.
- Foreign direct investment (FDI) into India shrank 7% to \$33.49 billion during Apr-Dec in FY19, according to commerce and industry ministry data. Foreign fund inflows during Apr-Dec FY18 stood at \$35.94 billion. The sectors that received the maximum foreign investment during in the nine months of the fiscal are services (\$5.91 billion), computer software and hardware (\$4.75 billion), telecommunications (\$2.29 billion), trading (\$2.33 billion), chemicals (\$6.05 billion), and the automobile industry (\$1.81 billion).
- According to media reports, the US Supreme Court gave approval to Dr Reddy's for the sale of generic versions of the drug Suboxone film which is used for opioid addiction treatment. Dr Reddy's had to withdraw g-Suboxone after it was launched in July, 2018 due to an ongoing patent infringement litigation between the Dr Reddy's and Indivior.
- According to media reports, Moody's Investors Service has revised the outlook for both Tata Steel and JSW Steel to stable and positive, respectively. The improvement comes as the global credit rating agency noted improvement in companies' credit profiles.

FII Derivative Trade Statistics		20-Feb	
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	2928.54	2154.40	30576.74
Index Options	130140.23	130295.96	64276.65
Stock Futures	10570.82	10407.06	89102.94
Stock Options	8220.11	8358.04	10443.41
Total	151859.70	151215.46	194399.74

Derivative Statistics- Nifty Options			
	20-Feb	Prev_Day	Change
Put Call Ratio (OI)	1.30	1.12	0.19
Put Call Ratio(Vol)	0.87	0.85	0.03

Debt Watch				
	20-Feb	Wk. Ago	Mth. Ago	Year Ago
Call Rate	6.29%	6.14%	6.45%	5.96%
T-Repo	6.34%	6.12%	6.49%	--
Repo	6.25%	6.25%	6.50%	6.00%
Reverse Repo	6.00%	6.00%	6.25%	5.75%
91 Day T-Bill	6.40%	6.31%	6.50%	6.31%
364 Day T-Bill	6.50%	6.49%	6.79%	6.55%
10 Year Gilt	7.55%	7.47%	7.60%	7.67%
G-Sec Vol. (Rs.Cr)	23364	59946	30263	17498
FBIL MIBOR*	Closed	6.35%	6.48%	6.05%
3 Month CP Rate	7.75%	7.40%	7.65%	7.88%
5 Year Corp Bond	8.39%	8.34%	8.44%	8.15%
1 Month CD Rate	6.65%	6.43%	6.68%	6.24%
3 Month CD Rate	7.39%	7.19%	7.14%	7.23%
1 Year CD Rate	7.62%	7.75%	7.87%	7.48%

Currency Market			
Currency	20-Feb	Prev_Day	Change
USD/INR	71.18	Closed	NA
GBP/INR	92.93	Closed	NA
EURO/INR	80.71	Closed	NA
JPY/INR	0.64	Closed	NA

Commodity Prices				
Commodity	20-Feb	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	56.85	53.79	53.55	61.89
Brent Crude(\$/bl)	67.36	63.66	62.23	63.92
Gold(\$/oz)	1338	1306	1281	1329
Gold(Rs./10 gm)	33730	32855	32276	30567

Source: Thomson Reuters Eikon

*As on 19th Feb 2019

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Mutual Fund Investments are subject to market risks, read all scheme related documents carefully.

Derivatives Market

- Nifty Feb 2019 Futures were at 10,751.85, a premium of 16.40 points, over the spot closing of 10,735.45. The turnover on NSE's Futures and Options segment increased to Rs. 10,11,506.05 crore on Feb 20, 2019, compared with Rs. 8,68,444.29 crore on Feb 19, 2019.
- The Put-Call ratio stood at 0.91, compared with the previous session's close of 0.88.
- The Nifty Put-Call ratio stood at 1.30 compared with the previous session's close of 1.12.
- Open interest on Nifty Futures stood at 24.34 million as against the previous session's close at 24.41 million.

Indian Debt Market

- Bond yields lowered after the central bank announced to transfer an amount of Rs. 280 billion as an interim surplus to bridge the fiscal deficit. This was a positive surprise for the market, which helped ease the yield.
- Yield on the 10-year benchmark paper (7.17% GS 2028) declined 3 bps at 7.55% as compared with the previous session's close of 7.58% after trading in the range of 7.54% to 7.58%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 18,726 crore (gross) on Feb 20, 2019, compared with Rs. 20,926 crore (gross) as on Feb 18, 2019. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 4,671 crore on Feb 18, 2019.
- Banks borrowed Rs. 215 crore under the central bank's Marginal Standing Facility on Feb 18, 2019 compared with borrowing of Rs. 1,085 crore on Feb 15, 2019.

Currency Market Update

- The Indian rupee gained on dollar weakness ahead of the U.S. Federal Reserve meeting minutes as market participants are expecting to get clarity on the central bank's plans on interest rate hikes. The rupee closed at 71.11 a dollar, up 0.32% compared with the previous close of 71.34.
- The euro drifted lower, reeling under the pressure of economic slowdown in the eurozone. The euro was last seen trading at 1.1334 a dollar, down 0.05% compared with the previous close of 1.1340.

Commodity Market Update

- Gold prices gained as investors awaited the minutes of the U.S. Federal Reserve meeting to get further clarity on the interest rate hike plan for the year.
- Brent crude prices declined following the rise in U.S. crude production to a record 11.9 million barrels per day in 2018.

International News

- The National Association of Home Builders report showed a significant increase in U.S. homebuilder confidence in Feb 2019. This reflects growing consumer confidence and falling interest rates. The report said the NAHB/Wells Fargo Housing Market Index increased to 62 in Feb, which is more than expectations, after rising to 58 in Jan 2019. With the increase, the index continued to recover after hitting a more than three-year low of 56 in Dec 2018.
- ZEW - Leibniz Centre for European Economic Research data showed Germany's investor confidence improved further to its highest level in five months in Feb 2019. The ZEW Indicator of Economic Sentiment for Germany rose to -13.4 points from -15.0 points in Jan 2019.

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