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# Markets for You

07 Mar 2019

## Indices Performance

Global Indices	06-Mar	Prev_Day	Abs. Change	% Change <sup>#</sup>
Dow Jones	25,673	25,807	-133	-0.52
Nasdaq	7,506	7,576	-70	-0.93
FTSE	7,196	7,183	13	0.17
Nikkei	21,597	21,726	-129	-0.60
Hang Seng	29,038	28,962	76	0.26
Indian Indices	06-Mar	Prev_Day	Abs. Change	% Change <sup>#</sup>
S&P BSE Sensex	36,636	36,443	194	0.53
Nifty 50	11,053	10,987	66	0.60
Nifty 100	11,246	11,177	69	0.62
Nifty Bank	27,626	27,554	72	0.26
SGX Nifty	11,103	11,017	87	0.79
S&P BSE Power	1,905	1,885	20	1.07
S&P BSE Small Cap	14,557	14,417	140	0.97
S&P BSE HC	14,131	14,019	111	0.80

## P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
6-Mar	26.98	1.16	27.09	1.22
Month Ago	23.64	1.14	27.39	1.22
Year Ago	23.06	1.18	25.02	1.21

## Nifty 50 Top 3 Gainers

Company	06-Mar	Prev_Day	% Change <sup>#</sup>
BPCL	373	363	2.81
Bajaj Finance	2767	2695	2.65
ICICI Bank	372	363	2.40

## Nifty 50 Top 3 Losers

Company	06-Mar	Prev_Day	% Change <sup>#</sup>
Wipro	277	364	-23.69
Zee Ente.	471	484	-2.80
Tata Motors	189	194	-2.71

## Advance Decline Ratio

	BSE	NSE
Advances	1685	1246
Declines	1009	617
Unchanged	156	75

## Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-1870	16118
MF Flows**	358	9723

\*6<sup>th</sup> Mar 2019; \*\*5<sup>th</sup> Mar 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	6.60% (Dec-18)	7.10% (Sep-18)	7.70% (Dec-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 witnessed a mixed trend as positive impact of the stimulus measures announced by Chinese policymakers was neutralised by anxiety over the progress on U.S.- China trade talks and investors remained focused on Brexit negotiations. Today (as of Mar 07), Asian markets opened on a lower note following decline on the Wall Street Overnight. Both Nikkei and Hang Seng were trading lower 0.73% and 0.25%, respectively (as at 8 a.m. IST).
- As per the last close, European markets mostly closed lower as growth worries resurfaced after data showed U.S. trade deficit surged to its highest level in a decade in 2018. Market participants also reacted to events on Brexit and U.S.-China trade deal.
- As per the last close, U.S. markets fell on geopolitical concerns between the U.S. and North Korea after the later was reported to rebuilding a long-range rocket, which it pledged to dismantle. A report from payroll processor ADP showing U.S. private sector job growth slowed in Feb 2019, added to the losses.

## Indian Equity Market

- Indian equity markets closed in the green for the third consecutive session despite mixed global cues. Investors awaited further progress in discussions between U.S. and China and remained focused on the Brexit negotiations. Gains in metal stocks and finance stocks boosted the indices. Metal stocks witnessed buying interest following reports that China's government would implement measures to boost domestic consumption.
- Decline in crude oil prices and strength in rupee added to the gains. Crude oil prices witnessed decline due to bullish output expectations by two big U.S. producers and reports of rise in U.S. crude inventory.
- Key benchmark indices S&P BSE Sensex and Nifty 50 grew 0.53% and 0.60% to close at 36,636.10 and 11,053.00, respectively. S&P BSE Mid-Cap and S&P BSE Small Cap grew 0.49% and 0.97%, respectively.
- The overall market breadth on BSE was strong with 1,685 scrips advancing and 1,009 scrips declining. A total of 156 scrips remained unchanged.
- On the BSE sectoral front, S&P BSE Energy stood as the major gainer, followed by S&P BSE Consumer Durables and S&P BSE Telecom. S&P BSE Auto stood as the loser, down 0.24%.

## Domestic News

- The Reserve Bank of India (RBI) announced that Rs. 12,500 crore would be injected into the financial system through open market operations (OMOs). OMOs will be purchased through multi-security auction using the multiple price method on Mar 7, 2019. Also, it stated that the announcement is based on an assessment of liquidity conditions and durable liquidity needs.
- The World Bank and the government of India signed an agreement as per which the former will provide loan worth \$250 million to India for the National Rural Economic Transformation Project (NRETP). The project focuses on promoting women-owned and women-led farm and non-farm enterprises across value chains. Also, it will emphasize in building businesses that will help them to access finance, markets and networks and generate employment.
- According to a data from Indian Energy Exchange, the peak demand for power across the country in grew 3% YoY to 162 GW in Feb 2019 as against 157 GW in the year-ago period. Meanwhile, the peak demand remained unchanged against Jan 2019. As per the reports, the energy supplied in Feb was higher by 3% YoY at 95 billion units (BU) on an all India basis.
- According to media reports, by May 2019, U.S. has decided to withdraw duty benefits on annual exports worth \$5.6 billion from India. As per the reports, the decision is based on the assumption that New Delhi has not been able to assure U.S. "equitable and reasonable" market access. The announcement comes at a time when the two countries were about to close to a friendly trade deal that would have put up the principal interests of both the nations.
- Truck rentals have fell by approximately 3%-3.5% in Feb 2019 after falling in the range of 1.5%-2% in Jan 2019. The decline comes despite an increase in the cost of diesel. Indian Foundation of Transport Research and Training (IFTRT) that tracks truck rentals across the country stated that rentals have come off by as much as 13%-13.5% since Nov 2018. Also, it stated that the higher turnaround time for trucks is leading to additional logistics costs.

FII Derivative Trade Statistics			
	06-Mar		
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	2787.77	2643.84	15943.53
Index Options	128818.95	128337.31	50345.11
Stock Futures	12628.59	12069.10	87243.62
Stock Options	6996.31	6991.31	4873.08
Total	151231.62	150041.56	158405.34

Derivative Statistics- Nifty Options			
	06-Mar	Prev_Day	Change
Put Call Ratio (OI)	1.80	1.76	0.04
Put Call Ratio(Vol)	1.06	1.00	0.06

Debt Watch				
	06-Mar	Wk. Ago	Mth. Ago	Year Ago
Call Rate	6.18%	6.26%	6.42%	5.87%
T-Repo	6.13%	6.26%	6.34%	NA
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%	6.36%	6.51%	6.28%
364 Day T-Bill	6.51%	6.55%	6.78%	6.63%
10 Year Gilt	7.39%	7.47%	7.36%	7.77%
G-Sec Vol. (Rs.Cr)	21068	35604	27325	18140
FBIL MIBOR*	6.27%	6.35%	6.49%	6.05%
3 Month CP Rate	7.70%	7.75%	7.65%	7.93%
5 Year Corp Bond	8.41%	8.42%	8.53%	8.24%
1 Month CD Rate	6.53%	6.75%	6.60%	7.23%
3 Month CD Rate	7.28%	7.34%	7.17%	7.24%
1 Year CD Rate	7.70%	7.96%	8.02%	7.56%

Currency Market			
Currency	06-Mar	Prev_Day	Change
USD/INR	70.58	70.76	-0.18
GBP/INR	92.72	93.12	-0.40
EURO/INR	79.77	80.16	-0.39
JPY/INR	0.63	0.63	0.00

Commodity Prices				
Commodity	06-Mar	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	56.17	56.87	53.89	62.53
Brent Crude(\$/bl)	63.95	65.49	62.31	66.46
Gold( \$/oz)	1286	1320	1306	1334
Gold(Rs./10 gm)	32174	33367	33210	30438

Source: Thomson Reuters Eikon \*As on previous trading day

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### Derivatives Market

- Nifty Mar 2019 Futures were at 11,086.80, a premium of 33.80 points, over the spot closing of 11,053.00. The turnover on NSE's Futures and Options segment increased to Rs. 10,20,986.95 crore on Mar 6, 2019, compared with Rs. 8,41,769.57 crore on Mar 5, 2019.
- The Put-Call ratio stood at 0.99, compared with the previous session's close of 0.84.
- The Nifty Put-Call ratio stood at 1.80 compared with the previous session's close of 1.76.
- Open interest on Nifty Futures stood at 15.64 million as against the previous session's close at 15.26 million.

### Indian Debt Market

- Bond yields rose on expectations of heavy debt supply this month. In addition, market participants are also staying cautious ahead of Feb 2019 retail inflation data, which is scheduled to release next week.
- Yield on the existing 10-year benchmark paper (7.17% GS 2028) rose 1 bps to close at 7.57% as compared with the previous session's close of 7.56% after trading in the range of 7.55% to 7.59%.
- Yield on the upcoming new 10-year benchmark paper (7.26% GS 2029) rose 1 bps to close at 7.39% compared with the previous session's close of 7.38% after trading in the range of 7.37% to 7.40%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 3,516 crore (gross) on Mar 6, 2019, compared with Rs. 4,791 crore (gross) as on Mar 5, 2019. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 18,866 crore on Mar 5, 2019.

### Currency Market Update

- The Indian rupee rose following dollar flow, foreign fund inflows and an upbeat domestic equity market. The rupee closed at 70.25 a dollar, up 0.33% compared with the previous close of 70.49.
- The euro slipped marginally as investors grow cautious ahead of the European Central Bank meeting due on Mar 7, 2019. The euro was last seen trading at 1.1304 a dollar, down 0.02% compared with the previous close of 1.1306.

### Commodity Market Update

- Gold prices moved down as dollar firmed with the release of positive housing and service sector activity data.
- Brent crude prices marginally edged lower after two American energy corporations revealed plans of augmenting production in the next five years.

### International News

- According to the Institute for Supply Management, U.S. non-manufacturing index rose more than expected to 59.7 in Feb 2019 from 56.7 in Jan 2019. The major reason for increase was due to significant increase in the pace of new orders growth.
- According to the data released by the Commerce Department, U.S. new home sales rose 3.7% MoM to an annual rate of 621,000 in Dec 2018 following 9.1% rise to a revised rate of 599,000 in Nov 2018. However, on a yearly basis, new home sales fell 2.4% compared to the same month a year ago.
- According to data from IHS Markit, eurozone services Purchasing Managers' Index (PMI) rose to three-month high to 52.8 in Feb 2019 from 51.2 in Jan 2019. Similarly, the composite PMI also rose to a three-month high of 51.9 in Feb 2019 from 51 in Jan 2019.

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