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Markets for You

13 May 2019

Indices Performance

Global Indices	10-May	Prev_Day	Abs. Change	% Change [#]
Dow Jones	25,942	25,828	114	0.44
Nasdaq	7,917	7,911	6	0.08
FTSE	7,203	7,207	-4	-0.06
Nikkei	21,345	21,402	-57	-0.27
Hang Seng	28,550	28,311	239	0.84
Indian Indices	10-May	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	37,463	37,559	-96	-0.26
Nifty 50	11,279	11,302	-23	-0.20
Nifty 100	11,392	11,416	-24	-0.21
Nifty Bank	29,041	28,885	156	0.54
SGX Nifty	11,317	11,317	0	0.00
S&P BSE Power	1,890	1,898	-8	-0.42
S&P BSE Small Cap	14,106	14,076	29	0.21
S&P BSE HC	13,797	13,818	-21	-0.15

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
10-May	28.44	1.23	28.14	1.17
Month Ago	28.17	1.13	28.91	1.14
Year Ago	23.45	1.15	26.60	1.20

Nifty 50 Top 3 Gainers

Company	10-May	Prev_Day	% Change [#]
Zee Ente.	371	358	3.72
SBI	308	299	2.92
Bharti Airtel	324	315	2.74

Nifty 50 Top 3 Losers

Company	10-May	Prev_Day	% Change [#]
Tata Steel	487	519	-6.23
HCL Tech	1087	1137	-4.39
Yes Bank	164	170	-3.79

Advance Decline Ratio

	BSE	NSE
Advances	1186	861
Declines	1307	899
Unchanged	159	134

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-549	69476
MF Flows**	457	-1207

*10th May 2019; **8th May 2019

Economic Indicator

YoY(%)	Current	Quarter Ago	Year Ago
CPI	2.86% (Mar-19)	2.11% (Dec-18)	4.28% (Mar-18)
IIP	-0.10% (Mar-19)	2.50% (Dec-18)	5.30% (Mar-18)
GDP	6.60% (Dec-18)	7.00% (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 equity markets ended mostly high as investors took the U.S.' decision to increase tariffs on \$200 billion worth of Chinese goods in stride. Investors are hoping the two countries will be able to manage a truce to save the negotiation process. Today (as of May 13), Asian markets opened on a lower note on uncertainty over the U.S. and China trade front. Nikkei fell 0.59% (as at 8.a.m. IST). Hangseng remained closed.
- As per the last close, European markets closed higher despite U.S. hiking duties on Chinese products. Gains in a metal major on reports that the company is considering partial listing of its elevator business boosted the indices. Encouraging economic data from Germany and the U.K. added to the gains.
- As per the last close, U.S markets closed on a higher note on reports that U.S. has stated that the conversations with China will continue and his relationship with China's President remains strong. The markets had initially come under pressure on renewed concerns about the impact of a U.S. and China trade war after U.S. raised tariffs on Chinese imports.

Indian Equity Market

- Indian equity markets fell for the eighth consecutive session after U.S. went ahead and increased tariff on Chinese imports worth \$200 billion. This came even as the two sides sat for talks in the two-day meeting being held in the U.S. Investors are hoping that some positive news will come from the meeting that ends on May 10, 2019. Also, markets had to deal with a weak set of earnings.
- Key benchmark indices S&P BSE Sensex and Nifty 50 lost 0.26% and 0.20%, respectively, to close at 37,462.99 and 11,278.90, respectively. S&P BSE Mid-Cap and S&P BSE Small Cap gained 0.24% and 0.21%, respectively.
- On the BSE sectoral front, S&P BSE Consumer Durables was the major gainer, up 1.51%, followed by S&P BSE Telecom and S&P BSE Bankex, up 0.83% and 0.43%, respectively. S&P BSE Finance and S&P BSE Consumer Discretionary Goods & Services rose 0.4% and 0.24%, respectively. S&P BSE Metal was the major loser, down 1.54%, followed by S&P BSE Information Technology and S&P BSE Oil & Gas, down 1.13% and 0.98%, respectively.

Domestic News

- Government data showed that India's Index of Industrial Production (IIP) growth fell 0.1% YoY in Mar 2019 as against a growth of 0.1% in Feb 2019 and 5.3% in Mar 2018. The downside reflects fall in the manufacturing sector. The manufacturing sector dropped 0.4% in Mar 2019 compared with a rise of 5.7% a year ago. Cumulatively, during Apr 2018 to Mar 2019 industrial production increased 3.6%, slower than 4.4% growth in the same period of the previous year.
- Bottling companies and distributors of certain FMCG and consumer durable firms have come under the scanner of the Goods and Services Tax (GST) authorities because of alleged post-sale discounts offered by manufacturers, media reports said. The authorities have asked why GST was not paid on these discounts, treating them as services by distributors. In some cases, authorities have sought sales details for the past five years from distributors.
- A member of Prime Minister's Economic Advisory Council (PMEAC) has said that India may be nearing a structural slowdown. The economy may soon get caught in the 'middle income trap' just like Brazil and South Africa, he said. India's growth story that has been mainly driven by consumption and not exports since 1991 has finally begun to stagnate, he added. The 100 million consumers fuelling the consumption have now started to level. Such a phenomenon is called middle-income trap in the economic parlance.
- Fortis Healthcare Ltd could approach the Delhi High court to recover Rs. 403 crore, which was allegedly siphoned off from Fortis by its former promoters, media reports said. The move follows an order dated Oct 17 by the Securities and Exchange Board of India (SEBI) that directed Fortis to take necessary action to recover Rs. 403 crore along with due interest from the former promoters, Malvinder and Shivinder Singh, and various promoter companies within 90 days.
- Larsen and Toubro Ltd (L&T) has bought more shares of Mindtree Ltd to raise its total ownership in the software services firm to 26%, media reports said. With this, L&T has crossed the 25% mark that ensures L&T gets a board seat and the power to propose or block special resolutions.

FII Derivative Trade Statistics		10-May	
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	3244.57	5312.93	19968.20
Index Options	358547.32	356500.44	57132.65
Stock Futures	10676.94	11628.71	83419.33
Stock Options	4140.01	4299.99	6263.62
Total	376608.84	377742.07	166783.80

Derivative Statistics- Nifty Options			
	10-May	Prev_Day	Change
Put Call Ratio (OI)	1.30	1.02	0.28
Put Call Ratio(Vol)	0.88	0.78	0.10

Debt Watch				
	10-May	Wk. Ago	Mth. Ago	Year Ago
Call Rate	5.95%	6.03%	5.99%	5.89%
T-Repo	5.96%	5.83%	5.94%	NA
Repo	6.00%	6.00%	6.00%	6.00%
Reverse Repo	5.75%	5.75%	5.75%	5.75%
91 Day T-Bill	6.43%	6.44%	6.27%	6.26%
364 Day T-Bill	6.50%	6.51%	6.39%	6.64%
10 Year Gilt	7.41%	7.39%	7.37%	7.72%
G-Sec Vol. (Rs.Cr)	25102	29579	34345	14375
FBIL MIBOR	6.07%	6.21%	6.05%	6.05%
3 Month CP Rate	7.70%	7.70%	6.95%	7.95%
5 Year Corp Bond	8.54%	8.48%	8.46%	8.49%
1 Month CD Rate	6.78%	7.03%	6.73%	6.68%
3 Month CD Rate	7.29%	7.23%	6.82%	7.10%
1 Year CD Rate	7.63%	7.64%	7.25%	7.94%

Currency Market			
Currency	10-May	Prev_Day	Change
USD/INR	69.92	69.87	0.05
GBP/INR	90.93	90.99	-0.06
EURO/INR	78.49	78.25	0.24
JPY/INR	0.64	0.64	0.00

Commodity Prices				
Commodity	10-May	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	61.60	61.93	64.57	71.31
Brent Crude(\$/bl)	72.07	72.09	72.27	78.58
Gold(\$/oz)	1286	1279	1308	1321
Gold(Rs./10 gm)	31751	31220	31907	31261

Source: Thomson Reuters Eikon

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

Derivatives Market

- Nifty May 2019 Futures were at 11,307.20, a premium of 28.30 points, above the spot closing of 11,278.90. The turnover on NSE's Futures and Options segment declined to Rs. 6,73,089.52 crore on May 10, 2019, compared with Rs. 21,48,919.95 crore on May 9, 2019.
- The Put-Call ratio stood at 0.87 compared with the previous session's close of 0.71.
- The Nifty Put-Call ratio stood at 1.30 compared with the previous session's close of 1.02.
- Open interest on Nifty Futures stood at 18.25 million as against the previous session's close at 19.22 million.

Indian Debt Market

- Bond yields rose with surge in crude oil prices, which raised inflationary concerns. Besides, market participants are awaiting the outcome of the two-day trade discussion between U.S. and China to take further cues.
- Yield on the 10-year benchmark paper (7.26% GS 2029) rose 1 bps to 7.41% compared with the previous session's close of 7.40% after trading in a range of 7.40% to 7.43%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 5,621 crore (gross) on May 10, 2019, compared with Rs. 16,461 crore (gross) as on May 9, 2019. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 12,447 crore on May 9, 2019.
- Banks borrowed Rs. 385 crore under the central bank's Marginal Standing Facility on May 9, 2019 compared with borrowings of Rs. 50 crore on May 8, 2019.

Currency Market Update

- The Indian rupee was marginally higher against the greenback on likely inflows from corporates. The rupee closed at 69.91 a dollar, up 0.04% compared with the previous close of 69.94.
- The euro moved up against the greenback on anticipation that the U.S. Federal Reserve may resort to a rate cut following the economy's escalated trade conflict with China. The euro was last seen trading at 1.1228, up 0.07% compared with the previous close of 1.1220.

Commodity Market Update

- Gold prices were steady to marginally higher as investors await the outcome of the two-day trade discussion between U.S. and China at Washington.
- Brent crude prices surged on optimism over U.S-China trade talks.

International News

- A Commerce Department report showed an unexpectedly modest decrease in U.S. wholesale inventories in Mar 2019. Wholesale inventories went down 0.1% in Mar after climbing 0.4% in Feb 2019. The slight drop in wholesale inventories came as inventories of non-durable goods slid 0.6%.
- A Labor Department report showed first-time claims for U.S. unemployment benefits pulled back by less than expected in the week ended May 4, 2019. The report said initial jobless claims dipped to 228,000, a decrease of 2,000 from the previous week's 230,000. Meanwhile, the Labor Department said the less volatile four-week moving average rose to 220,250, an increase of 7,750 from the previous week's unrevised average of 212,500.

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