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Markets for You

14 May 2019

Indices Performance

Global Indices	13-May	Prev_Day	Abs. Change	% Change [#]
Dow Jones	25,325	25,942	-617	-2.38
Nasdaq	7,647	7,917	-270	-3.41
FTSE	7,164	7,203	-40	-0.55
Nikkei	21,191	21,345	-154	-0.72
Hang Seng	Closed	28,550	NA	NA
Indian Indices	13-May	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	37,091	37,463	-372	-0.99
Nifty 50	11,148	11,279	-131	-1.16
Nifty 100	11,250	11,392	-142	-1.25
Nifty Bank	28,660	29,041	-381	-1.31
SGX Nifty	11,118	11,317	-199	-1.75
S&P BSE Power	1,844	1,890	-46	-2.42
S&P BSE Small Cap	13,802	14,106	-304	-2.15
S&P BSE HC	13,310	13,797	-487	-3.53

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
13-May	27.24	1.26	27.80	1.18
Month Ago	28.18	1.12	29.06	1.13
Year Ago	23.62	1.14	26.82	1.19

Nifty 50 Top 3 Gainers

Company	13-May	Prev_Day	% Change [#]
Bharti Infratel	265	262	1.22
Titan Industries Limited	1145	1132	1.11
Tech Mahindra	817	808	1.10

Nifty 50 Top 3 Losers

Company	13-May	Prev_Day	% Change [#]
Sun Pharma	398	438	-9.06
Eicher Motors	18752	20354	-7.87
Zee Ente.	342	371	-7.85

Advance Decline Ratio

	BSE	NSE
Advances	575	350
Declines	1889	1492
Unchanged	180	80

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-1249	68228
MF Flows**	1246	691

*13th May 2019; **10th May 2019

Economic Indicator

YoY(%)	Current	Quarter Ago	Year Ago
CPI	2.92% (Apr-19)	2.11% (Dec-18)	4.58% (Apr-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 declined after trade discussions held on May 9 and 10, 2019, between the U.S. and China could not reach a resolution. The U.S. President defended his trade policy of increasing tariff on Chinese imports worth \$200 billion from 10% to 25%. Today (as of May 14), Asian markets opened on a lower note as tensions between U.S. and China intensified after China decided to raise tariffs on some U.S. goods. Nikkei and Hangseng fell 1.13% and 2.01%, respectively (as at 8.a.m. IST).
- As per the last close, European markets closed on a lower note amid worries about global growth following reports that China will impose tariffs on some U.S. imports from Jun 1, 2019. Concerns over Brexit added to the woes.
- As per the last close, U.S markets closed on a lower note as concerns over trade war between U.S. and China intensifies. China announced plans to raise tariffs on \$60 billion worth of U.S. goods from Jun 1, 2019. The move came in retaliation to U.S.' recent decision to raise tariffs on approximately \$200 billion worth of Chinese goods.

Indian Equity Market

- Indian equity markets fell for the ninth straight session on weak global cues and economic data. The U.S.-China trade talks ended without a conclusion and investors feared retaliatory action by China. India's index of industrial production fell against expectations of a rise and car sales showed a subdued trend for Apr 2019.
- Key benchmark indices S&P BSE Sensex and Nifty 50 lost 0.99% and 1.16%, respectively, to close at 37,090.82 and 11,148.20, respectively. S&P BSE Mid-Cap and S&P BSE Small Cap lost 1.84% and 2.15%, respectively.
- The overall market breadth on BSE was weak with 575 scrips advancing and 1889 scrips declining. A total of 180 scrips remained unchanged.
- On the BSE sectoral front, only S&P BSE Information Technology gained, up 0.11%. S&P BSE Healthcare was the major loser, down 3.53%, followed by S&P BSE Capital Goods and S&P BSE Power, down 2.52% and 2.42%, respectively. S&P BSE Industrials and S&P BSE Utilities lost 2.38% and 2.36%, respectively. S&P BSE Oil & Gas and S&P BSE Metal dropped 2.23% and 2.04%, respectively.

Domestic News

- India's consumer inflation accelerated to 2.92% YoY in Apr 2019 from 2.86% in Mar 2019 but slowed compared with 4.58% in Apr 2018. This marked a six-month high. Food inflation grew 1.10% in Apr 2019 compared with a growth of 0.30% in Mar 2019. Fuel and light inflation also accelerated to 2.56% YoY from 2.42% in Mar 2019.
- Society of Indian Automobile Manufacturers (SIAM) data showed dispatches of passenger vehicles declined 17% YoY in Apr 2019 to 247,541 units, media reports showed. This has happened because of the slowdown in the economy due to consumer uncertainty before the 2019 Lok Sabha elections and liquidity crunch in the non-banking financial companies, SIAM said. Domestic car sales declined 19.9% to 160,279 units in Apr, while utility vehicles sales fell 6.6% to 73,854 units during the period.
- HDFC's Mar 2019 quarter net profit grew 27% to Rs. 2,861.58 crore compared with Rs. 2,256.68 crore in the same quarter of the previous year. This beat expectations. HDFC's total income increased to Rs. 11,586.58 crore in the quarter, compared with Rs. 9,322.36 crore in the same period of the previous year. Net interest margin of the mortgage financier came in at 3.3% for the quarter.
- State Bank of India's fourth quarter profit missed estimates. The bank's profit came in at Rs. 838.40 crore and it had to make hefty provisions to pare bad debt. In the corresponding quarter last year, the bank had posted losses of Rs. 7,718.17 crore. Provisions against bad loans surged 24% to Rs. 17,335.84 crore in the Jan-Mar period from Rs. 13,970.82 crore a quarter ago.
- Larsen and Toubro Ltd's (L&T) net profit increased 8% for the Mar 2019 quarter to Rs. 3,418 crore, against Rs. 3,167 crore in the year-ago period. This happened on the back of strong revenue growth and operational efficiencies. Revenue from operations for the quarter grew 10% from Rs. 40,676 crore to Rs. 44,933 crore. For the full fiscal year, net profit stood at Rs. 8,905 crore, against Rs. 7,369 crore in FY18. Revenue in FY19 was Rs. 1.41 trillion, 18% higher compared with Rs. 1.19 trillion in FY18. International revenue was Rs. 45,109 crore for the year, constituting 32% of total revenue.

FII Derivative Trade Statistics		13-May	
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	3195.49	4491.75	18846.97
Index Options	137500.31	137536.00	61125.11
Stock Futures	12780.32	12418.13	83935.19
Stock Options	5384.55	5357.10	6538.49
Total	158860.67	159802.98	170445.76

Derivative Statistics- Nifty Options			
	13-May	Prev_Day	Change
Put Call Ratio (OI)	1.18	1.30	-0.12
Put Call Ratio(Vol)	0.81	0.88	-0.07

Debt Watch				
	13-May	Wk. Ago	Mth. Ago	Year Ago
Call Rate	5.92%	5.94%	6.05%	5.92%
T-Repo	5.89%	5.77%	6.00%	NA
Repo	6.00%	6.00%	6.00%	6.00%
Reverse Repo	5.75%	5.75%	5.75%	5.75%
91 Day T-Bill	6.48%	6.42%	6.28%	6.25%
364 Day T-Bill	6.50%	6.52%	6.36%	6.66%
10 Year Gilt	7.39%	7.39%	7.41%	7.73%
G-Sec Vol. (Rs.Cr)	33866	25485	31676	19290
FBIL MIBOR*	6.07%	6.18%	6.05%	6.05%
3 Month CP Rate	7.70%	7.95%	7.00%	7.95%
5 Year Corp Bond	8.55%	8.52%	8.48%	8.50%
1 Month CD Rate	6.95%	6.93%	6.89%	6.64%
3 Month CD Rate	7.26%	7.21%	6.77%	7.45%
1 Year CD Rate	7.59%	7.60%	7.17%	7.94%

Currency Market			
Currency	10-May	Prev_Day	Change
USD/INR	69.92	69.87	0.08
GBP/INR	90.93	90.99	-0.07
EURO/INR	78.49	78.25	0.31
JPY/INR	0.64	0.64	0.20

Commodity Prices				
Commodity	13-May	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	60.92	62.25	63.81	70.64
Brent Crude(\$/bl)	73.29	72.09	72.21	78.36
Gold(\$/oz)	1300	1280	1290	1318
Gold(Rs./10 gm)	31961	31490	31673	31379

Source: Thomson Reuters Eikon

*As on previous trading day

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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 11,181.55, a premium of 33.35 points, above the spot closing of 11,148.20. The turnover on NSE's Futures and Options segment rose to Rs. 7,20,742.67 crore on May 13, 2019, compared with Rs. 6,73,089.52 crore on May 10, 2019.
- The Put-Call ratio stood at 0.83 compared with the previous session's close of 0.87.
- The Nifty Put-Call ratio stood at 1.18 compared with previous close of 1.30.
- India VIX rose 3.09% to 27.1500 compared with 26.3350 at the previous trading session.
- Open interest on Nifty Futures stood at 18.41 million as against previous close at 18.25 million.

Indian Debt Market

- Bond yields eased as market participants resorted to short covering ahead of the release of the country's retail inflation data for Apr 2019. Market estimates the inflation data to come in below the central bank's estimate of 4%, following which a rate cut is expected in the upcoming policy meeting at Jun 2019.
- Yield on the 10-year benchmark paper (7.26% GS 2029) declined 2 bps to 7.39% compared with the previous session's close of 7.41% after trading in a range of 7.38% to 7.42%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 7,666 crore (gross) on May 13, 2019, compared with Rs. 5,621 crore (gross) as on May 10, 2019. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 44,743 crore on May 10, 2019.

Currency Market Update

- The Indian rupee plunged against the greenback amid steep surge in crude oil prices. Besides, depreciation in the yuan following the U.S.-China trade talks, which did not lead to any agreement, lowered investors' appetite for riskier assets. The rupee closed at 70.53 a dollar, down 0.89% compared with the previous close of 69.91.
- The euro remained steady against the dollar, while the latter was under pressure amid the latest trade war development between U.S. and China. The euro was last seen trading at 1.1233.

Commodity Market Update

- Gold prices moved down after yuan came under pressure following the outcome of the U.S.-China two-day trade discussion, which ended without an agreement.
- Brent crude prices surged after Saudi Arabia reported an attack on two of its oil tankers close to the Strait of Hormuz.

International News

- A Labor Department report showed consumer prices in the U.S. increased by slightly less than anticipated in Apr 2019. The Labor Department said its consumer price index rose 0.3% in Apr after climbing 0.4% in Mar 2019.
- Producer prices increased in line with estimates in Apr 2019. The Labor Department said its producer price index for final demand increased 0.2% in Apr after climbing 0.6 % in Mar 2019. The uptick in prices matched expectations.

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