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# Markets for You

17 May 2019

## Indices Performance

Global Indices	16-May	Prev_Day	Abs. Change	% Change <sup>#</sup>
Dow Jones	25,863	25,648	215	0.84
Nasdaq	7,898	7,822	76	0.97
FTSE	7,354	7,297	57	0.78
Nikkei	21,063	21,189	-126	-0.59
Hang Seng	28,275	28,269	6	0.02
Indian Indices	16-May	Prev_Day	Abs. Change	% Change <sup>#</sup>
S&P BSE Sensex	37,393	37,115	279	0.75
Nifty 50	11,257	11,157	100	0.90
Nifty 100	11,342	11,254	88	0.78
Nifty Bank	28,855	28,616	239	0.83
SGX Nifty	11,301	11,142	159	1.43
S&P BSE Power	1,862	1,838	24	1.33
S&P BSE Small Cap	13,817	13,782	35	0.25
S&P BSE HC	13,334	13,351	-17	-0.13

## P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
16-May	27.54	1.25	28.07	1.17
Month Ago	28.32	1.11	29.42	1.12
Year Ago	23.91	1.16	26.66	1.19

## Nifty 50 Top 3 Gainers

Company	16-May	Prev_Day	% Change <sup>#</sup>
Zee Ente.	346	322	7.24
HPCL	281	267	5.12
BPCL	376	360	4.45

## Nifty 50 Top 3 Losers

Company	16-May	Prev_Day	% Change <sup>#</sup>
Yes Bank	138	143	-3.64
Bharti Airtel	325	331	-1.83
IndusInd Bank	1358	1379	-1.51

## Advance Decline Ratio

	BSE	NSE
Advances	1124	846
Declines	1360	959
Unchanged	141	91

## Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-1048	64269
MF Flows**	302	3901

\*16<sup>th</sup> May 2019; \*\*15<sup>th</sup> 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 ended mixed on trade war worries. On the one hand there are fears of a full-fledged trade war between the U.S. and China, on the other there were reports stating U.S. President plans to delay imposing tariffs on auto imports by up to six months so that negotiations can continue. Adding to the mixed reaction was U.S. President declaring national emergency over threats against American technology. Today (as of May 17), Asian markets opened higher following gains in U.S. Wall Street. Both Nikkei and Hang Seng were trading up 1.18% and 0.54%, respectively (as at 8.a.m. IST).
- As per the last close, European markets closed higher following ease in trade tensions after U.S. President plans to delay the implementation of auto tariffs on European car imports.
- As per the last close, U.S markets closed higher following strong corporate earnings. Upbeat U.S. economic data further boosted the markets. However, gains were capped after a national emergency was declared by the U.S. President with respect to the threats against information and communications technology and services.

## Indian Equity Market

- Indian equity markets managed to gain in a day of volatile trade. Though global clues were weak, investors found solace in a strong rupee and rate-cut hopes. Globally, markets were affected by U.S. President declaring national emergency over threats against American technology.
- Key benchmark indices S&P BSE Sensex and Nifty 50 gained 0.75% and 0.90%, respectively, to close at 37,393.48 and 11,257.10, respectively. S&P BSE Mid-Cap and S&P BSE Small Cap gained 0.27% and 0.25%, respectively.
- The overall market breadth on BSE was weak with 1124 scrips advancing and 1360 scrips declining. A total of 141 scrips remained unchanged.
- On the BSE sectoral front, S&P BSE Oil & Gas was the major gainer, up 1.53%, followed by S&P BSE Basic Materials and S&P BSE Realty, up 1.52% and 1.34%, respectively. S&P BSE Metal and S&P BSE Power gained 1.33% each. S&P BSE Telecom was the major loser, down 1.15%, followed by S&P BSE Healthcare and S&P BSE Fast Moving Consumer Goods, down 0.13% and 0.02%, respectively.

## Domestic News

- The Reserve Bank of India (RBI) has laid out a list of 12 objectives, including four-fold increase in digital payments, reduction in paper-based transactions, improved pricing, better customer grievance redressal mechanisms and establishment of new payment system operators (PSO), in Payment and Settlement System in India Vision 2019-21. RBI aims to achieve these in the next three years. The document published by the central bank has put forward a comprehensive roadmap of initiatives to be undertaken by all stakeholders and governing bodies to ensure the successful completion of these objectives in this time.
- According to RBI data, India's services imports in Mar 2019 grew 10.55% to \$11.37 billion. The trade balance in services for the month under review is estimated at \$6.58 billion.
- As per media reports, the Central Electricity Authority (CEA) expects electricity generation from conventional power sources to rise 6.4% YoY to 1,330 billion units (BU) in FY20. Conventional power sources comprise 80% of the total production capacity. Thermal, nuclear and hydro power plants generated 1,249 BU in FY19, recording an annual growth of 3.6%.
- JSW Energy's net profit of Rs. 5.79 crore for the Mar 2019 quarter. The power generation business of the Sajjan Jindal-promoted JSW Group had posted a loss of Rs. 480.05 crore in the same period last year. Revenue from operations rose 8.4% over the same period to Rs. 1924.58 crore with consolidated plant load factors (PLF) at 54%, against 51.9% in the year-ago period.
- Bajaj Finance's consolidated net profit increased 57% to Rs. 1,176.06 crore for the quarter ended Mar 2019. The consolidated results of Bajaj Finance include its wholly-owned subsidiaries – Bajaj Housing Finance and Bajaj Financial Securities. Bajaj Finance posted a net interest income of Rs. 3,395 crore in Q4FY19, up 50% YoY.
- Hindalco Industries reported a 37.4% decline in standalone profit to Rs. 235.82 crore for the quarter ended Mar 31. The Aditya Birla Group flagship firm had posted a standalone profit of Rs. 376.97 crore in the year-ago period.

FII Derivative Trade Statistics		16-May	
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	3766.10	3490.26	17334.34
Index Options	271015.36	272912.61	65833.92
Stock Futures	13426.01	13113.75	84671.35
Stock Options	4274.65	4622.91	6924.14
Total	292482.12	294139.53	174763.75

Derivative Statistics- Nifty Options			
	16-May	Prev_Day	Change
Put Call Ratio (OI)	1.35	1.14	0.21
Put Call Ratio(Vol)	0.84	0.86	-0.01

Debt Watch				
	16-May	Wk. Ago	Mth. Ago	Year Ago
Call Rate	5.96%	5.98%	6.04%	5.89%
T-Repo	5.91%	5.97%	5.96%	NA
Repo	6.00%	6.00%	6.00%	6.00%
Reverse Repo	5.75%	5.75%	5.75%	5.75%
91 Day T-Bill	6.33%	6.43%	6.33%	6.32%
364 Day T-Bill	6.40%	6.51%	6.40%	6.74%
10 Year Gilt	7.38%	7.40%	7.39%	7.90%
G-Sec Vol. (Rs.Cr)	27744	27633	25688	17636
FBIL MIBOR*	6.05%	6.05%	6.10%	6.05%
3 Month CP Rate	7.45%	7.70%	7.00%	8.00%
5 Year Corp Bond	8.41%	8.55%	8.52%	8.59%
1 Month CD Rate	6.76%	6.92%	6.72%	6.66%
3 Month CD Rate	7.08%	7.27%	6.85%	7.33%
1 Year CD Rate	7.52%	7.53%	7.50%	8.07%

Currency Market			
Currency	15-May	Prev_Day	Change
USD/INR	70.21	70.42	-0.30
GBP/INR	90.63	91.21	-0.64
EURO/INR	78.69	79.15	-0.59
JPY/INR	0.64	0.64	-0.37

Commodity Prices				
Commodity	16-May	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	62.88	61.53	63.96	71.38
Brent Crude(\$/bl)	75.69	70.66	71.38	79.18
Gold( \$/oz)	1286	1284	1276	1290
Gold(Rs./10 gm)	32051	31730	31641	30954

Source: Thomson Reuters Eikon

\*As on previous trading day

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### Derivatives Market

- Nifty May 2019 Futures were at 11,285.25, a premium of 28.15 points, above the spot closing of 11,257.10. The turnover on NSE's Futures and Options segment rose to Rs. 19,86,219.46 crore on May 16, 2019, compared with Rs. 12,53,354.99 crore on May 15, 2019.
- The Put-Call ratio stood at 0.72 compared with the previous session's close of 0.90.
- The Nifty Put-Call ratio stood at 1.35 compared with the previous session's close of 1.14.
- Open interest on Nifty Futures stood at 17.57 million as against the previous session's close at 17.42 million.

### Indian Debt Market

- Bond yields remained unchanged amid the country's ongoing general elections. Market participants have reduced activities and are awaiting the poll's results, which is due on May 23, 2019.
- Yield on the 10-year benchmark paper (7.26% GS 2029) closed unchanged at 7.38% after trading in a range of 7.37% to 7.41%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 6,136 crore (gross) on May 16, 2019, compared with Rs. 11,491 crore (gross) as on May 15, 2019. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 12,701 crore on May 15, 2019.
- Banks borrowed Rs. 182 crore under the central bank's Marginal Standing Facility on May 15, 2019 compared with no borrowings on May 14, 2019.

### Currency Market Update

- The Indian rupee surged following greenback sales by foreign banks possibly on behalf of their corporate clients. The rupee closed at 70.03 a dollar, up 0.44% compared with the previous close of 70.34.
- The euro was marginally up after the U.S. officials said to expect a delay in U.S. tariffs on European autos. However, the single currency's upside was almost nullified by the anxiety over the upcoming European parliamentary elections. The euro was last seen trading at 1.1203, up 0.03% compared with the previous session's close of 1.1200.

### Commodity Market Update

- Gold prices were marginally down amid rally in the stock market and the U.S. dollar following the U.S.-China trade development.
- Brent crude prices moved up on escalating geopolitical tension in the Middle East over the attack on Saudi Arabian oil tankers and pipelines.

### International News

- A Commerce Department report showed an unexpected drop in U.S. retail sales in Apr 2019. Retail sales edged down 0.2% in Apr after increasing 1.7% in Mar 2019. The unexpected pullback in retail sales came as sales by motor vehicle and parts dealers slumped by 1.1% in Apr after soaring 3.2% in Mar.
- Federal Reserve Bank of New York report said New York manufacturing activity picked up significantly in May 2019. The New York Fed said its general business conditions index jumped to 17.8 in May from 10.1 in Apr 2019, with a positive reading indicating growth in regional manufacturing activity.

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