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Markets for You

21 May 2019

Indices Performance

Global Indices	20-May	Prev_Day	Abs. Change	% Change [#]
Dow Jones	25,680	25,764	-84	-0.33
Nasdaq	7,702	7,816	-114	-1.46
FTSE	7,311	7,349	-38	-0.51
Nikkei	21,302	21,250	52	0.24
Hang Seng	27,788	27,946	-159	-0.57
Indian Indices	20-May	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	39,353	37,931	1,422	3.75
Nifty 50	11,828	11,407	421	3.69
Nifty 100	11,904	11,486	418	3.64
Nifty Bank	30,760	29,450	1,310	4.45
SGX Nifty	11,830	11,407	423	3.71
S&P BSE Power	1,945	1,862	82	4.42
S&P BSE Small Cap	14,381	13,887	493	3.55
S&P BSE HC	13,341	13,201	140	1.06

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
20-May	29.05	1.18	29.48	1.11
Month Ago	28.34	1.12	29.33	1.12
Year Ago	23.49	1.18	26.27	1.21

Nifty 50 Top 3 Gainers

Company	20-May	Prev_Day	% Change [#]
Indiabulls HFC	815	723	12.63
Adani Ports & SEZ	400	367	8.99
IndusInd Bank	1495	1374	8.82

Nifty 50 Top 3 Losers

Company	20-May	Prev_Day	% Change [#]
Dr.Reddy	2589	2745	-5.67
Zee Ente.	363	372	-2.59
Bajaj Auto	3006	3040	-1.11

Advance Decline Ratio

	BSE	NSE
Advances	1998	1516
Declines	631	334
Unchanged	184	85

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-1127	62218
MF Flows**	713	4614

*20th May 2019; **16th 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 were mixed on persisting trade war worries. This even overshadowed a surprise election victory by Australia's pro-coal ruling coalition and positive Japanese GDP data. Investors remained cautious as media reports stated that Chinese foreign minister has told U.S. Secretary of State that the two countries would have to negotiate on an equal footing. Today (as of May 21), Asian markets opened higher amid rising tensions between the U.S. and China. Both Nikkei and Hang Seng were trading down 0.58% and 0.42%, respectively (as at 8.a.m. IST).
- As per the last close, European markets closed lower after a major U.S. tech giant's decision to suspend its businesses with a Chinese company. This increased the tension between the two countries.
- As per the last close, U.S markets closed lower as the trade tensions increased after a U.S. tech giant decided to suspend its businesses with a Chinese tech giant.

Indian Equity Market

- Indian equity markets opened the week by setting new records. The indices posted highest single-day gains and record closing as exit polls showed the country is going to get a stable government at the Centre. The polls suggested that the ruling party will win the elections comfortably. The results of the general election will be out on May 23.
- Key benchmark indices S&P BSE Sensex and Nifty 50 gained 3.75% and 3.69%, respectively, to close at 39,352.67 and 11,828.25, respectively. S&P BSE Mid-Cap and S&P BSE Small Cap gained 3.57% and 3.55%, respectively.
- The overall market breadth on BSE was strong with 1998 scrips advancing and 631 scrips declining. A total of 184 scrips remained unchanged.
- On the BSE sectoral front, all the sectors gained. S&P BSE Capital Goods was the major gainer, up 5.62%, followed by S&P BSE Industrials and S&P BSE Realty, up 5.57% and 5.47%, respectively. S&P BSE Finance and S&P BSE Bankex gained 4.81% and 4.68%, respectively. S&P BSE Energy and S&P BSE Power gained 4.46% and 4.42%, respectively.

Domestic News

- India's gold imports increased 54% to \$3.97 billion in Apr 2019, widening trade deficit and fuelling worries about the current account deficit (CAD), according to media news. Gold imports stood at \$2.58 billion in Apr 2019, reports cited data from the commerce ministry. Increase in gold imports have increased trade deficit to a five-month high of \$15.33 billion in Apr 2019. The country's current account deficit (CAD) widened to 2.5% of GDP in the third quarter of the last financial year from 2.1% a year ago, primarily on account of a higher trade deficit, though the foreign exchange reserves continued to go up.
- The NITI Aayog has made a plan for creating an institutional framework for artificial intelligence (AI), according to media reports. The department has circulated a cabinet note to provide Rs. 7,500 crore in funding for creation of cloud computing platform called AIRAWAT and research institutes. Reports said the Aayog has already circulated the note for consideration by the Expenditure Finance Committee, which is expected to take it up soon.
- India could miss its renewable energy target of 175-GW for 2022 by around 55 GW as many issues remain unresolved. While the Centre issued around 58.7 GW of RE tenders in FY19 and announced results for 24.5 GW capacity, tenders for 17.3 GW got cancelled, including 6.5 GW for which results had been announced. Also, 6.8 GW of tenders for which results were announced in FY19 were under-subscribed by 4.2 GW. The fiscal saw RE capacity addition fall to 8.6 GW from 11.8 GW in FY18 compared with 11.3 GW for FY17. As of Mar 31, 2019, India's RE capacity stood at 77.6 GW, which included 35.3 GW of wind and 28.6 GW of solar capacity. The fall in capacity addition has been attributed to rising finance costs, tariff caps and cancellation of project tenders.

FII Derivative Trade Statistics		20-May		
(Rs Cr)	Buy	Sell	Open Int.	
Index Futures	4442.34	4131.12	18153.58	
Index Options	45397.47	46238.37	64830.58	
Stock Futures	14476.45	13884.80	87616.15	
Stock Options	5548.29	5656.77	7622.34	
Total	69864.55	69911.06	178222.65	

Derivative Statistics- Nifty Options			
	20-May	Prev_Day	Change
Put Call Ratio (OI)	1.29	1.36	-0.07
Put Call Ratio(Vol)	0.79	0.71	0.08

Debt Watch				
	20-May	Wk. Ago	Mth. Ago	Year Ago
Call Rate	5.96%	5.92%	6.08%	5.97%
T-Repo	5.96%	5.89%	5.98%	NA
Repo	6.00%	6.00%	6.00%	6.00%
Reverse Repo	5.75%	5.75%	5.75%	5.75%
91 Day T-Bill	6.35%	6.48%	6.32%	6.30%
364 Day T-Bill	6.40%	6.50%	6.44%	6.80%
10 Year Gilt	7.29%	7.39%	7.42%	7.83%
G-Sec Vol. (Rs.Cr)	54331	33866	21140	37693
FBIL MIBOR*	6.05%	6.07%	6.09%	6.05%
3 Month CP Rate	7.10%	7.70%	7.00%	8.30%
5 Year Corp Bond	8.28%	8.52%	8.54%	8.55%
1 Month CD Rate	6.82%	6.95%	6.93%	6.90%
3 Month CD Rate	7.13%	7.26%	7.13%	7.70%
1 Year CD Rate	7.54%	7.59%	7.49%	8.14%

Currency Market			
Currency	17-May	Prev_Day	Change
USD/INR	70.17	70.25	-0.08
GBP/INR	89.73	90.19	-0.47
EURO/INR	78.43	78.72	-0.29
JPY/INR	0.64	0.64	0.00

Commodity Prices				
Commodity	20-May	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	63.07	60.92	63.97	71.18
Brent Crude(\$/bl)	74.20	73.29	70.45	79.37
Gold(\$/oz)	1277	1300	1275	1292
Gold(Rs./10 gm)	31550	31961	31394	30921

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 11,859.45, a premium of 31.20 points, above the spot closing of 11,828.25. The turnover on NSE's Futures and Options segment rose to Rs. 5,77,910.85 crore on May 20, 2019, compared with Rs. 3,30,070.97 crore on May 17, 2019.
- The Put-Call ratio stood at 0.78 compared with the previous session's close of 0.69.
- The Nifty Put-Call ratio stood at 1.29 compared with the previous session's close of 1.36.
- Open interest on Nifty Futures stood at 20.27 million as against the previous session's close at 17.57 million.

Indian Debt Market

- Bond yields saw a steep fall after the country's multi-phased general election ended on May 19, 2019, with projections that the current government will continue to serve for the second term. This reduced political uncertainty and lifted bond market sentiment. The poll results will be announced on May 23, 2019.
- Yield on the 10-year benchmark paper (7.26% GS 2029) fell 7 bps to 7.29% compared with the previous close of 7.36% after trading in a range of 7.27% to 7.31%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 7,011 crore (gross) on May 20, 2019, compared with Rs. 9,061 crore (gross) as on May 17, 2019. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 6,410 crore on May 17, 2019.

Currency Market Update

- The Indian rupee saw a sharp surge with the conclusion of the country's general election on May 19, 2019. Projections of a stable government reduced political uncertainty and lifted the local unit. However, the upside was limited by rising oil prices and escalating U.S-China trade war.
- The euro was steady against the greenback with the release of better-than-expected German PPI numbers for Apr 2019 and Eurozone's non-seasonally adjusted current account record.

Commodity Market Update

- Gold prices were flat to marginally down against the greenback as the latter edged higher on the release of U.S. consumer sentiment data.
- Brent crude prices rose against the greenback after OPEC signalled of continuing with its production cut plan.

International News

- A report by the University of Michigan showed a substantial improvement in U.S. consumer sentiment in May 2019. The preliminary report showed the consumer sentiment index increased to 102.4 in May from 97.2 in Apr 2019, the highest level in 15 years. The much bigger than expected increase by the headline index came as the index of consumer expectations soared to 96.0 in May from 87.4 in Apr.
- A Conference Board report showed leading U.S. economic indicators increased slightly less than expected in Apr 2019. The Conference Board said its leading economic index increased 0.2% in Apr after climbing 0.3% in Mar 2019.

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