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# Markets for You

23 May 2019

## Indices Performance

Global Indices	22-May	Prev_Day	Abs. Change	% Change <sup>#</sup>
Dow Jones	25,777	25,877	-101	-0.39
Nasdaq	7,751	7,786	-35	-0.45
FTSE	7,334	7,329	5	0.07
Nikkei	21,283	21,272	11	0.05
Hang Seng	27,706	27,657	49	0.18
Indian Indices	22-May	Prev_Day	Abs. Change	% Change <sup>#</sup>
S&P BSE Sensex	39,110	38,970	140	0.36
Nifty 50	11,738	11,709	29	0.25
Nifty 100	11,811	11,786	25	0.21
Nifty Bank	30,527	30,308	218	0.72
SGX Nifty	11,769	11,740	29	0.24
S&P BSE Power	1,922	1,917	5	0.26
S&P BSE Small Cap	14,369	14,293	77	0.54
S&P BSE HC	13,290	13,260	30	0.23

## P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
22-May	28.58	1.20	29.22	1.12
Month Ago	27.83	1.15	28.94	1.14
Year Ago	23.76	1.17	26.13	1.22

## Nifty 50 Top 3 Gainers

Company	22-May	Prev_Day	% Change <sup>#</sup>
IndusInd Bank	1519	1448	4.91
Sun Pharma	421	409	3.02
BPCL	384	374	2.62

## Nifty 50 Top 3 Losers

Company	22-May	Prev_Day	% Change <sup>#</sup>
Tech Mahindra	750	773	-2.99
Indiabulls HFC	785	808	-2.87
Yes Bank	138	141	-2.45

## Advance Decline Ratio

	BSE	NSE
Advances	1336	983
Declines	1193	818
Unchanged	178	114

## Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	1560	65385
MF Flows**	-1060	3840

\*22<sup>nd</sup> May 2019; \*\*21<sup>st</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 were subdued as investors awaited the release of U.S. Federal Reserve's latest meeting minutes for future direction. The Organization for Economic Co-operation and Development lowering 2019 global growth outlook amid escalating trade disputes hurt sentiment. This overshadowed U.S. temporarily removing a ban on American businesses working with a Chinese telecom multinational. Today (as of May 23), Asian markets opened lower amid rising tensions between the U.S. and China trade war. Both Nikkei and Hang Seng were trading down 0.71% and 0.72%, respectively (as at 8.a.m. IST).
- As per the last close, European markets closed mostly amid U.S.-China trade war concerns and growing uncertainty about Brexit.
- As per the last close, U.S markets closed lower as investors continued to worry the trade dispute between the U.S. and China is escalating into a full-fledged trade war.

## Indian Equity Market

- Indian equity markets ended in the green though the session was a volatile one. Investors mostly remained on the side lines as they looked forward to the May 23 election result and the release of May FOMC meeting minutes, scheduled later in the day.
- Key benchmark indices S&P BSE Sensex and Nifty 50 gained 0.36% and 0.25%, respectively, to close at 39,110.21 and 11,737.90, respectively. S&P BSE Mid-Cap lost 0.16%, while S&P BSE Small Cap gained 0.54%.
- The overall market breadth on BSE was strong with 1336 scrips advancing and 1193 scrips declining. A total of 178 scrips remained unchanged.
- On the BSE sectoral front, S&P BSE Bankex was the major gainer, up 0.89%, followed by S&P BSE Capital Goods and S&P BSE Industrials, up 0.87% and 0.82%, respectively. S&P BSE Oil and Gas and S&P BSE Finance gained 0.67% and 0.65%, respectively. S&P BSE Fast Moving Consumer Goods was the major loser, down 0.84%, followed by S&P BSE Consumer Durables and S&P BSE Information Technology, down 0.64% and 0.61%, respectively.

## Domestic News

- The Reserve Bank of India (RBI) is not in favour of providing special credit window to non-banking financial companies (NBFCs) to tide over the liquidity crunch as the cash crunch phenomenon is not systemic, according to media reports. Industry players and NITI Aayog had favoured giving special credit window to NBFCs facing liquidity crunch following default by an NBFC.
- The Central Board of Direct Taxes (CBDT) has proposed amendments to the tax audit report for charitable trusts and institutions. The amendments are towards additional details from assesseees in the form of status of registration under the Income Tax Act, compliance to conditions for application and registration status under the Foreign Contribution Regulation Act (FCRA), 2010, among others. The draft notification is in the public domain and stakeholders have time till Jun 5, 2019, to submit their views. The proposed changes will extend the audit form to 8 pages from 3 pages. The CBDT said it was revising the tax audit form "as the rule and form were notified long ago, there is a need to rationalise them to align with requirements of the present times". The form was last revised 45 years ago.
- According to media reports, state-run electricity distribution companies' (discoms) dues to power producers stood at Rs. 38,023 crore at the end of 2018-19, up 59.8% from a year earlier. The dues include those to independent power producers (about 46% of the total) and state-run utilities. The steep rise in dues comes at a time when generation units with combined capacity of 40 gigawatts (GW) are stressed and the sector is still grappling with the fall-out of several years of muted demand growth. Private power producers are still waiting for payment of another Rs. 6,865 crore from discoms.

FII Derivative Trade Statistics		22-May	
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	4654.81	4741.22	20929.61
Index Options	71849.38	71276.82	73373.60
Stock Futures	14597.50	15481.58	90623.42
Stock Options	6156.81	6268.28	8726.17
Total	97258.50	97767.90	193652.80

Derivative Statistics- Nifty Options			
	22-May	Prev_Day	Change
Put Call Ratio (OI)	1.13	1.20	-0.07
Put Call Ratio(Vol)	0.74	0.82	-0.07

Debt Watch				
	22-May	Wk. Ago	Mth. Ago	Year Ago
Call Rate	5.94%	5.95%	6.15%	5.97%
T-Repo	5.96%	5.88%	6.08%	NA
Repo	6.00%	6.00%	6.00%	6.00%
Reverse Repo	5.75%	5.75%	5.75%	5.75%
91 Day T-Bill	6.32%	6.40%	6.32%	6.30%
364 Day T-Bill	6.41%	6.43%	6.42%	6.82%
10 Year Gilt	7.26%	7.38%	7.47%	7.81%
G-Sec Vol. (Rs.Cr)	46036	35854	25783	23202
FBIL MIBOR*	6.05%	6.05%	6.10%	6.05%
3 Month CP Rate	7.15%	7.50%	7.50%	8.40%
5 Year Corp Bond	8.29%	8.45%	8.62%	8.60%
1 Month CD Rate	6.71%	6.82%	6.95%	6.82%
3 Month CD Rate	7.09%	7.16%	7.14%	7.70%
1 Year CD Rate	7.49%	7.52%	7.49%	8.17%

Currency Market			
Currency	21-May	Prev_Day	Change
USD/INR	69.73	69.55	0.18
GBP/INR	88.62	88.54	0.08
EURO/INR	77.72	77.57	0.16
JPY/INR	0.63	0.63	0.00

Commodity Prices				
Commodity	22-May	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	61.37	61.98	65.61	72.04
Brent Crude(\$/bl)	72.93	74.08	70.45	81.41
Gold( \$/oz)	1273	1296	1275	1291
Gold(Rs./10 gm)	31504	32243	31560	31065

Source: Thomson Reuters Eikon

\*As on previous trading day

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### Derivatives Market

- Nifty May 2019 Futures were at 11,781.65, a premium of 43.75 points, above the spot closing of 11,737.90. The turnover on NSE's Futures and Options segment increased to Rs. 5,27,886.13 crore on May 22, 2019, compared with Rs. 5,32,797.36 crore on May 21, 2019.
- The Put-Call ratio stood at 0.83 compared with the previous session's close of 0.95.
- The Nifty Put-Call ratio stood at 1.13 compared with the previous session's close of 1.20.
- Open interest on Nifty Futures stood at 21.64 million as against the previous session's close at 20.20 million.

### Indian Debt Market

- Bond yields declined on optimism of a stable government following the outcome of the country's multi-phased general election, which is due on May 23, 2019.
- Yield on the 10-year benchmark paper (7.26% GS 2029) declined 4 bps to 7.26% compared with the previous close of 7.30% after trading in a range of 7.25% to 7.31%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 6,741 crore (gross) on May 22, 2019, compared with Rs. 8,016 crore (gross) as on May 21, 2019. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 10,246 crore on May 21, 2019.
- Banks did not borrow under the central bank's Marginal Standing Facility on May 21, 2019 compared with borrowings of Rs. 425 crore on May 20, 2019.

### Currency Market Update

- The Indian rupee appreciated against the dollar as the domestic equity market strengthened ahead of the outcome of the country's general election. The current government is expected to continue for the second term, thus reducing political uncertainty. The rupee closed at 69.66 a dollar compared with the previous close of 69.71.
- The euro was nearly steady as market participants preferred to stay on the sidelines ahead of the European parliamentary elections and European Central Bank chief's speech.

### Commodity Market Update

- Gold prices were nearly flat as market participants await the outcome of the Federal Reserve meeting.
- Brent crude prices edged lower after American Petroleum Institute (API) reported a surge of 2.4 million barrels in U.S. crude inventories in the week ending May 17, 2019.

### International News

- Data from the National Association of Realtors showed that existing home sales in the U.S. unexpectedly fell in Apr 2019. The existing home sales fell 0.4% to an annual rate of 5.19 million in Apr 2019 after plunging by 4.9% to a rate of 5.21 million in Mar 2019.
- Preliminary data from the European Commission showed that Eurozone consumer confidence rose more-than-expected in May to its highest level in seven months, after weakening in the previous month. The flash consumer confidence index grew to -6.5 in May from -7.3 in April, which was revised from -7.9.

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