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Markets for You

24 May 2019

Indices Performance

Global Indices	23-May	Prev_Day	Abs. Change	% Change [#]
Dow Jones	25,490	25,777	-286	-1.11
Nasdaq	7,628	7,751	-123	-1.58
FTSE	7,231	7,334	-103	-1.41
Nikkei	21,151	21,283	-132	-0.62
Hang Seng	27,267	27,706	-439	-1.58
Indian Indices	23-May	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	38,811	39,110	-299	-0.76
Nifty 50	11,657	11,738	-81	-0.69
Nifty 100	11,746	11,811	-66	-0.56
Nifty Bank	30,409	30,527	-118	-0.39
SGX Nifty	11,685	11,769	-84	-0.71
S&P BSE Power	1,931	1,922	9	0.47
S&P BSE Small Cap	14,353	14,369	-16	-0.11
S&P BSE HC	13,236	13,290	-54	-0.41

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
23-May	28.35	1.22	29.02	1.13
Month Ago	27.49	1.19	28.94	1.14
Year Ago	22.28	1.19	25.86	1.23

Nifty 50 Top 3 Gainers

Company	23-May	Prev_Day	% Change [#]
Adani Ports & SEZ	408	386	5.60
Zee Ente.	360	342	5.33
IndusInd Bank	1599	1519	5.26

Nifty 50 Top 3 Losers

Company	23-May	Prev_Day	% Change [#]
Vedanta	157	166	-5.38
Eicher Motors	20321	21225	-4.26
ITC	288	300	-3.85

Advance Decline Ratio

	BSE	NSE
Advances	1167	800
Declines	1347	990
Unchanged	173	109

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-741	64644
MF Flows**	66	3907

*23rd May 2019; **22nd 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 mostly lower on fears U.S.-China trade conflict is turning into a technology cold war. This was a set-back to hopes that a trade deal could be reached before or at the G20 summit, which is scheduled for Jun 2019 in Japan. Today (as of May 24), Asian markets opened lower amid rising tensions between the U.S. and China trade war. Nikkei was trading down 0.54% while Hang Seng were trading up 0.37% (as at 8.a.m. IST).
- As per the last close, European markets closed lower amid ongoing U.S.-China trade war concerns. Fall in crude oil prices, weak eurozone economy and Brexit uncertainty further weighed on the market.
- As per the last close, U.S markets closed lower as investors feared that U.S.-China trade war is slowing the economy. A steep fall in crude oil prices also weighed on the energy sector.

Indian Equity Market

- Indian equity markets touched all-time highs during the session but ended lower as investors resorted to profit-taking. Sentiment was bolstered by election results wherein the previous government was garnering a comfortable win.
- Key benchmark indices S&P BSE Sensex and Nifty 50 lost 0.76% and 0.69%, respectively, to close at 38,811.39 and 11,657.05, respectively. S&P BSE Mid-Cap and S&P BSE Small Cap lost 0.15% and 0.11%, respectively.
- The overall market breadth on BSE was weak with 1,167 scrips advancing and 1,347 scrips declining. A total of 173 scrips remained unchanged.
- On the BSE sectoral front, S&P BSE Telecom was the major gainer, up 0.97%, followed by S&P BSE Capital Goods and S&P BSE Industrials, up 0.73% and 0.66%, respectively. S&P BSE Industrials and S&P BSE Realty gained 0.66% and 0.55%, respectively. S&P BSE Fast Moving Consumer Goods was the major loser, down 1.82%, followed by S&P BSE Metal and S&P BSE Consumer Durables, down 1.57% and 1.14%, respectively.

Domestic News

- According to media news, Niti Aayog is working on the economic agenda for the new government. The focus of the agenda will be on achieving long-term sustainable growth and boosting private investments in the country, the think tank's vice chairman said. According to him, the economic agenda might also pitch for extending labour subsidies to textile and leather sectors to reduce cost of production. He said capital in India needs to be brought down as it is quite high. And there is also a need to create a land bank owned by public sector undertakings so that private investment can be attracted, the vice chairman added. When asked whether he sees a case for fiscal stimulus as the economy is slowing down, he said there is always a case for fiscal stimulus provided the fiscal balance is maintained, the media reports showed.
- The government is planning to introduce a number of reforms and another fund to boost start-ups that are focussed on priority areas such as rural healthcare, water and waste management, clean energy solutions, cyber security and drones, according to media reports. The Department for Promotion of Industry and Internal Trade plans to set up an India Startup Fund with an initial amount of Rs. 1,000 crore. The dedicated fund, proposed in the department's 100-day Action Plan, is separate from the Fund of Funds for Startups (FFS), which was set up in 2016 under the Small Industries Development Bank of India.
- The finance ministry has prepared 100-day agenda for the new government with the target to push the economy. The economy has dropped to 6.6% in the third quarter of 2018-19. The agenda is likely to focus on increasing private investment, employment generation and giving relief to the farm sector, media reports said. The agenda also includes improving direct and indirect tax collection. Simplification of tax procedure especially with regards to the goods and services tax is also on the cards. As announced in the interim Budget, the decision with regard to changes in tax slab or tax rate as far as income tax is concerned could be taken in the final Budget for 2019-20, may be in Jul 2019.

FII Derivative Trade Statistics		23-May		
(Rs Cr)	Buy	Sell	Open Int.	
Index Futures	4557.89	4422.04	23360.49	
Index Options	63390.74	65914.34	77026.38	
Stock Futures	12761.35	13241.59	90988.09	
Stock Options	6034.90	6199.38	9212.81	
Total	86744.88	89777.35	200587.77	

Derivative Statistics- Nifty Options			
	23-May	Prev_Day	Change
Put Call Ratio (OI)	0.85	1.13	-0.28
Put Call Ratio(Vol)	0.80	0.74	0.05

Debt Watch				
	23-May	Wk. Ago	Mth. Ago	Year Ago
Call Rate	5.90%	5.96%	6.26%	5.97%
T-Repo	5.94%	5.91%	6.11%	NA
Repo	6.00%	6.00%	6.00%	6.00%
Reverse Repo	5.75%	5.75%	5.75%	5.75%
91 Day T-Bill	6.26%	6.33%	6.35%	6.35%
364 Day T-Bill	6.35%	6.40%	6.43%	6.82%
10 Year Gilt	7.24%	7.38%	7.47%	7.85%
G-Sec Vol. (Rs.Cr)	71264	27744	35372	21519
FBIL MIBOR*	6.05%	6.05%	6.15%	6.09%
3 Month CP Rate	7.00%	7.45%	7.50%	8.40%
5 Year Corp Bond	8.31%	8.41%	8.57%	8.65%
1 Month CD Rate	6.52%	6.76%	6.98%	6.83%
3 Month CD Rate	6.67%	7.08%	7.13%	7.84%
1 Year CD Rate	7.44%	7.52%	7.35%	8.25%

Currency Market			
Currency	22-May	Prev_Day	Change
USD/INR	69.77	69.73	0.05
GBP/INR	88.59	88.62	-0.03
EURO/INR	77.81	77.72	0.11
JPY/INR	0.63	0.63	-0.17

Commodity Prices				
Commodity	23-May	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	57.62	62.88	66.19	71.80
Brent Crude(\$/bl)	69.36	75.69	73.09	79.68
Gold(\$/oz)	1283	1286	1272	1293
Gold(Rs./10 gm)	31699	32051	31560	31176

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 11,692.40, a premium of 35.35 points, above the spot closing of 11,657.05. The turnover on NSE's Futures and Options segment increased to Rs. 25,81,257.90 crore on May 23, 2019, compared with Rs. 5,27,886.13 crore on May 22, 2019.
- The Put-Call ratio stood at 0.85 compared with the previous session's close of 0.83.
- The Nifty Put-Call ratio stood at 0.85 compared with the previous session's close of 1.13.
- Open interest on Nifty Futures stood at 21.95 million as against the previous session's close at 21.64 million.

Indian Debt Market

- Bond yields fell after the outcome of the general elections came in line with the exit polls and boosted market sentiment. Hopes that the current government, which is set to return for a second five-year term, will continue with its reform agenda provided additional support.
- Yield on the 10-year benchmark paper (7.26% GS 2029) declined 2 bps to 7.24% compared with the previous close of 7.26% after trading in a range of 7.19% to 7.24%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 4,501 crore (gross) on May 23, 2019, compared with Rs. 6,741 crore (gross) as on May 22, 2019. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 11,509 crore on May 22, 2019.

Currency Market Update

- The Indian rupee rose initially against the dollar after the outcome of the general elections came in line with the exit polls. However, the trend reversed following losses in the domestic equity market.
- The euro weakened against the U.S. dollar as the safe haven appeal of the latter improved amid worries over Brexit and European parliamentary elections, concerns over the ongoing trade war between U.S. and China and Germany's manufacturing sector.

Commodity Market Update

- Gold prices gained as equity markets across Asia and Europe tumbled with aggravating U.S.-China trade tension.
- Brent crude prices continued to move down tracking surge of 4.7 million barrels in U.S. crude inventories for the prior week, as reported by Energy Information Administration.

International News

- Data from the U.S. Labor Department showed that initial jobless claims for the week ended May 18 fell 1,000 to 211,000 from the previous week's unrevised level of 212,000.
- Minutes of the monetary policy review of European Central Bank (ECB) held on Apr 9 and Apr 10 showed that policymakers of ECB are less confident that the euro zone economy will witness upbeat economic growth in the second half of the year which it attributed to the recent downbeat economic data.

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