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Markets for You

27 May 2019

Indices Performance

Global Indices	24-May	Prev_Day	Abs. Change	% Change [#]
Dow Jones	25,586	25,490	95	0.37
Nasdaq	7,637	7,628	9	0.11
FTSE	7,278	7,231	47	0.65
Nikkei	21,117	21,151	-34	-0.16
Hang Seng	27,354	27,267	87	0.32
Indian Indices	24-May	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	39,435	38,811	623	1.61
Nifty 50	11,844	11,657	187	1.60
Nifty 100	11,945	11,746	199	1.70
Nifty Bank	31,213	30,409	803	2.64
SGX Nifty	11,866	11,685	181	1.54
S&P BSE Power	1,961	1,931	30	1.57
S&P BSE Small Cap	14,700	14,353	347	2.42
S&P BSE HC	13,396	13,236	160	1.21

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
24-May	28.91	1.20	29.44	1.11
Month Ago	27.91	1.18	29.27	1.12
Year Ago	22.48	1.18	26.07	1.22

Nifty 50 Top 3 Gainers

Company	24-May	Prev_Day	% Change [#]
ICICI Bank	432	411	5.09
L&T Ltd.	1544	1476	4.61
Zee Ent.	377	360	4.55

Nifty 50 Top 3 Losers

Company	24-May	Prev_Day	% Change [#]
Tech Mahindra	736	743	-1.00
NTPC	129	130	-0.54
TCS	2048	2054	-0.29

Advance Decline Ratio

	BSE	NSE
Advances	1833	1449
Declines	699	362
Unchanged	148	107

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	1440	66084
MF Flows**	94	4001

*24th May 2019; **23rd 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 amid persistent worries about U.S.-China trade dispute. Though the U.S. President said Washington's complaints against a Chinese tech giant might be resolved within the U.S.-China trade deal, he called the company "very dangerous". Today (as of May 27), Asian markets opened on a mixed note as investors tracked results from the European parliamentary election. While Nikkei was trading higher 0.17%, Hang Seng was down 0.29% (as at 8 a.m. IST).
- As per the last close, European markets rose on positive comments by the U.S. President to end the U.S.-China trade conflict, which lifted investor's confidence. Meanwhile, market participants also kept a close eye on Brexit developments after U.K. Prime Minister announced to resign on Jun 7 following the backlash against her new Brexit deal.
- As per the last close, U.S markets went up on easing trade concerns as the U.S. President Donald said he remains hopeful of a U.S.-China trade deal. He said to meet with Chinese President at the G20 summit next month. Bargain buying also contributed to the upside following last Thursday's steep losses.

Indian Equity Market

- Indian equity markets ended the week at record closing highs. A stable government at the centre that will continue with the previous reforms continues to bolster investor sentiment. Also, investors are expecting that the new government will execute structural reforms to reverse economic slowdown and create more jobs for the youth.
- Key benchmark indices S&P BSE Sensex and Nifty 50 gained 1.61% and 1.60%, respectively, to close at 39,434.72 and 11,844.10, respectively. S&P BSE Mid-Cap and S&P BSE Small Cap gained 2.01% and 2.42%, respectively.
- The overall market breadth on BSE was strong with 1833 scrips advancing and 699 scrips declining. A total of 148 scrips remained unchanged.
- On the BSE sectoral front, all the sectors gained. S&P BSE Realty was the major gainer, up 4.18%, followed by S&P BSE Capital Goods and S&P BSE Industrials, up 3.98% and 3.56%, respectively. S&P BSE Telecom and S&P BSE Auto gained 3.56% and 2.94%, respectively. S&P BSE Basic Materials and S&P BSE Metal gained 2.88% each.

Domestic News

- A prominent global rating agency has said that a stable government at the centre is likely to improve business sentiment and outlook for private investment. The agency said that from a credit rating perspective, it would focus on the extent of the next government's efforts to improve India's weak fiscal finances. Although it expects fiscal deficit to remain manageable in the next few years, it has seen "little indication" so far that the government will pursue significant deficit reduction of the order needed to meet the general government debt ceiling of 60% of GDP by Mar 2025 as mandated by the FRBM Act. The global rating agency said it expect the government to remain reform minded.
- The Goods and Services Network (GSTN), which is the IT support for GST, has launched the prototype for the new and simplified return filing system. The system is aimed at familiarising businesses with the new processes before the eventual roll-out. However, the prototype launch is already delayed as the original plan was to introduce a pilot on Apr 1, 2019, followed by the new system on Jul 1, 2019. Experts said that it is unlikely that new system would be introduced on Jul 1 as businesses have been given deadline for filing audit reports by Jun 30.
- According to media reports, the government is looking at options to "insulate" state-run electricity distribution companies (discoms) from the risk of delayed payments from bulk consumers such as local bodies and state government departments. Discoms have missed key targets of the UDAY scheme Power. The reports said that "these receivables of discoms are almost one and a half times their outstanding payables to generating companies". Discoms' dues to power producers stood at Rs. 38,023 crore at the end of FY19, up 59.8% from a year earlier, and 65% of these were "over-dues" with a payment default of 60 days or more.

FII Derivative Trade Statistics			
	24-May		
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	10183.71	11597.34	22991.56
Index Options	434126.09	427703.86	72287.17
Stock Futures	20924.55	21296.91	90958.82
Stock Options	14203.46	14069.70	8633.51
Total	479437.81	474667.81	194871.06

Derivative Statistics- Nifty Options			
	24-May	Prev_Day	Change
Put Call Ratio (OI)	1.23	0.85	0.39
Put Call Ratio(Vol)	0.78	0.80	-0.02

Debt Watch				
	24-May	Wk. Ago	Mth. Ago	Year Ago
Call Rate	5.88%	5.99%	6.19%	5.92%
T-Repo	5.92%	5.95%	6.01%	NA
Repo	6.00%	6.00%	6.00%	6.00%
Reverse Repo	5.75%	5.75%	5.75%	5.75%
91 Day T-Bill	6.21%	6.32%	6.38%	6.20%
364 Day T-Bill	6.34%	6.43%	6.48%	6.80%
10 Year Gilt	7.23%	7.36%	7.43%	7.87%
G-Sec Vol. (Rs.Cr)	58585	32164	36674	17063
FBIL MIBOR	6.00%	6.05%	6.25%	6.10%
3 Month CP Rate	6.90%	7.25%	7.50%	8.40%
5 Year Corp Bond	8.31%	8.38%	8.52%	8.72%
1 Month CD Rate	6.54%	7.24%	7.11%	6.81%
3 Month CD Rate	6.65%	7.07%	7.13%	7.83%
1 Year CD Rate	7.44%	7.29%	7.50%	8.19%

Currency Market			
Currency	24-May	Prev_Day	Change
USD/INR	69.61	-0.06	-0.09
GBP/INR	77.97	0.32	0.41
EURO/INR	88.30	0.38	0.43
JPY/INR	63.55	0.36	0.57

Commodity Prices				
Commodity	24-May	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	58.39	62.72	65.93	70.72
Brent Crude(\$/bl)	68.97	74.93	73.05	79.89
Gold(\$/oz)	1285	1277	1275	1304
Gold(Rs./10 gm)	31591	31911	31501	31164

Source: Thomson Reuters Eikon

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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 11,869.4, a premium of 25.30 points, above the spot closing of 11,844.10. The turnover on NSE's Futures and Options segment decreased to Rs. 9,81,157.78 crore on May 24, 2019, compared with Rs. 25,81,257.90 crore on May 23, 2019.
- The Put-Call ratio stood at 0.84 compared with the previous session's close of 0.85.
- The Nifty Put-Call ratio stood at 1.23 compared with the previous session's close of 0.85.
- Open interest on Nifty Futures stood at 22.76 million as against the previous session's close at 21.95 million.

Indian Debt Market

- Bond yields fell after the outcome of the general elections came in line with the exit polls which raised expectations that the current government which is set to return for a second five-year term will continue with its reform agenda. Market participants also remained hopeful that the Reserve Bank of India will increase liquidity infusion into the banking system by stepping up open market purchase of government bonds.
- Yield on the 10-year benchmark paper (7.26% GS 2029) declined 1 bps to 7.23% compared with the previous close of 7.24% after trading in a range of 7.20% to 7.24%.
- RBI after reviewing the evolving liquidity conditions and assessing the durable liquidity needs going forward has decided to conduct purchase of government securities under open market operation (OMO) for Rs. 15,000 crore on Jun 13, 2019.

Currency Market Update

- The Indian rupee rose against the greenback as the domestic equity market strengthened after the outcome of the country's general election. The rupee closed at 69.53 a dollar compared with the previous close of 70.01.
- The euro rose against the greenback as the latter weakened following weak U.S. manufacturing activity data for May 2019 that raised the hopes of rate cut by the U.S. Federal Reserve. The euro was last seen trading at 1.1191 up from 1.1180 in the previous session

Commodity Market Update

- Gold prices gained following weak sales data for new U.S. single-family homes in Apr 2019.
- Brent crude prices fell amid rising U.S. crude inventories following reports from EIA that U.S. crude inventories surged by 4.74 million barrels in the week ended May 17, 2019 on May 23.

International News

- According to a Commerce Department report, U.S. new home sales pulled back by much more than anticipated in Apr 2019. The Commerce Department said new home sales declined 6.9% to an annual rate of 673,000 in Apr after spiking 8.1% to an upwardly revised rate of 723,000 in Mar 2019.
- Office for National Statistics data showed U.K. retail sales performed better than expected in Apr 2019 as warm weather boosted clothing sales. The retail sales volume remained unchanged MoM, after rising 1.2% in Mar 2019. Sales were forecast to drop 0.3%. At the same time, sales excluding auto fuel, dropped 0.2%, in contrast to Mar's 1.4% increase. Online retailers selling clothing products were the driver to this growth, with the warm weather helping to boost sales.

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