

# Markets for You

02 Dec 2019

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**Indices Performance**

Global Indices	29-Nov	Prev_Day	Abs. Change	% Change <sup>#</sup>
Russell 3000	1,386	1,392	-6	-0.44
Nasdaq	8,665	8,705	-40	-0.46
FTSE	7,347	7,416	-70	-0.94
Nikkei	23,294	23,409	-115	-0.49
Hang Seng	26,346	26,894	-547	-2.03
Indian Indices	29-Nov	Prev_Day	Abs. Change	% Change <sup>#</sup>
S&P BSE Sensex	40,794	41,130	-336	-0.82
Nifty 50	12,056	12,151	-95	-0.78
Nifty 100	12,183	12,278	-96	-0.78
Nifty 500	9,814	9,870	-56	-0.57
Nifty Bank	31,946	32,123	-177	-0.55
S&P BSE Power	1,925	1,917	8	0.40
S&P BSE Small Cap	13,561	13,497	63	0.47
S&P BSE HC	13,603	13,676	-73	-0.53

**P/E Dividend Yield**

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
29-Nov	28.39	1.14	28.10	1.24
Month Ago	27.10	1.16	27.17	1.27
Year Ago	23.85	1.19	26.27	1.22

**Nifty 50 Top 3 Gainers**

Company	29-Nov	Prev_Day	% Change <sup>#</sup>
Bharti Infratel	276	257	7.68
Adani Ports & SEZ	382	373	2.54
Bharti Airtel	442	437	1.33

**Nifty 50 Top 3 Losers**

Company	29-Nov	Prev_Day	% Change <sup>#</sup>
Zee Entte.	293	311	-5.77
Yes Bank	68	70	-2.50
HUL	2035	2087	-2.48

**Advance Decline Ratio**

	BSE	NSE
Advances	1187	876
Declines	1368	934
Unchanged	196	139

**Institutional Flows (Equity)**

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	1628	93782
MF Flows**	-136	53658

\*29<sup>th</sup> Nov 2019; \*\*22<sup>nd</sup> Nov 2019

**Economic Indicator**

YoY(%)	Current	Quarter Ago	Year Ago
CPI	4.62% (Oct-19)	3.15% (Jul-19)	3.38% (Oct-18)
IIP	-4.30% (Sep-19)	1.30% (Jun-19)	4.60% (Sep-18)
GDP	4.50% (Sep-19)	5.00% (Jun-19)	6.60% (Sep-18)

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 mostly lower as investors awaited fresh cues from the Wall Street. The release of weak Japanese data impacted sentiment, adding to the cautious mood amid worries that the passing of a bill in the U.S. in support of Hong Kong protestors could hamper the phase one trade deal. Today (as of Dec 02), Asian markets rose as official data over the weekend showed Chinese factory activity rising unexpectedly in Nov 2019. Both Nikkei and Hang Seng were trading up 1.01% and 0.56%, respectively (as at 8.a.m. IST).
- European markets closed lower on trade tensions as U.S.' official support for Honk Kong protestors has not gone down well with the Chinese. China's foreign ministry called U.S. President's signing of the bill supporting protestors as U.S.' "sinister intentions."
- U.S. markets were open half day after opening from the Thanksgiving Holiday. Caution over the trade scenario between U.S. and China on the Hong Kong issue pulled the market down.

**Indian Equity Market**

- Indian equity markets broke their winning streak to end lower. Investor apprehension of a less than 5% GDP growth in the second quarter hit sentiment. GDP numbers were scheduled to be announced after market hours. Global cues were weak too with the U.S. President signing a bill supporting Hong Kong protestors.
- Key benchmark indices S&P BSE Sensex and Nifty 50 lost 0.82% and 0.78% to close at 40,793.81 and 12,056.05 respectively. S&P BSE MidCap and S&P BSE SmallCap gained 0.16% and 0.47% respectively.
- The overall market breadth on BSE was weak with 1,187 scrips advancing and 1,368 scrips declining. A total of 196 scrips remained unchanged.
- On the BSE sectoral front, S&P BSE Telecom was the major gainer, up 2.54% followed by S&P BSE Realty, up 0.9% and S&P BSE Utilities, up 0.44%. S&P BSE Energy was the major loser, down 1.46% followed by S&P BSE Metal, down 1.3% and S&P BSE Auto, down 1.15%.

**Domestic News**

- Government data showed that the growth of the Indian economy plunged to its lowest level in over six years in the quarter ended Sep 19 which can be attributed to weakness in the domestic manufacturing sector and a fall in exports on account of global economic slowdown. Gross domestic product (GDP) grew 4.5% in the second quarter of FY20, down from 5.00% in the previous quarter and 7.00% in the same period of the previous year. This was the slowest rate of growth of the Indian economy in as many as 26 quarters. On the sectoral front, the gross value added growth in the manufacturing sector plunged 1.0% in the second quarter of this fiscal from 6.9% in the same period of the previous year. The gross value added growth in the agriculture sector also plummeted to 2.1% from 4.9% in the corresponding period of the previous year.

- Government data showed that the growth of the index of eight core industries or the core sector growth contracted 5.8% in Oct 2019 from a contraction of 5.1% in the previous month and a growth of 4.8% in the same period of the previous year. The coal sector witnessed the maximum contraction of 17.6% followed by the electricity sector and the cement sector which contracted 12.4% and 7.7% respectively. Only the fertilizers sector and refinery products sector witnessed growth and expanded 11.8% and 0.4% respectively in Oct 2019.

- Government data showed that India's fiscal deficit for the period from Apr to Oct of FY20 stood at Rs. 7.2 lakh crore or 102.4% of the budgeted estimate for the current fiscal. The fiscal deficit was 10.3.9% in the corresponding period of the previous year. The capital expenditure for the same period stood at Rs. 2.01 lakh crore or 59.5% of the budgeted estimate of Rs. 3.38 lakh crore of FY20. Revenue receipts stood at 46.2% of the budgeted target of Rs 19.6 lakh crore for the period from Apr to Oct of FY20. Tax revenue stood at 41.4% of the budgeted target of Rs 16.5 lakh crore while non-tax revenue stood at 71.6% of budgeted target of Rs 3.13 lakh crore.

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FII Derivative Trade Statistics		29-Nov		
(Rs Cr)	Buy	Sell	Open Int.	
Index Futures	6100.93	6859.64	12729.78	
Index Options	352892.67	347524.04	38492.86	
Stock Futures	27816.80	26016.79	98110.72	
Stock Options	2072.86	1933.10	888.97	
<b>Total</b>	<b>388883.26</b>	<b>382333.57</b>	<b>150222.33</b>	

Derivative Statistics- Nifty Options			
	29-Nov	Prev_Day	Change
Put Call Ratio (OI)	1.54	1.71	-0.18
Put Call Ratio(Vol)	1.03	1.01	0.02

Debt Watch				
	29-Nov	Wk. Ago	Mth. Ago	Year Ago
Call Rate	5.06%	5.04%	5.09%	6.36%
T-Repo	4.90%	5.04%	4.84%	6.30%
Repo	5.15%	5.15%	5.15%	6.50%
Reverse Repo	4.90%	4.90%	4.90%	6.25%
91 Day T-Bill	4.85%	5.01%	5.05%	6.72%
364 Day T-Bill	5.11%	5.14%	5.27%	7.19%
10 Year Gilt	6.47%	6.50%	6.52%	7.61%
G-Sec Vol. (Rs.Cr)	36131	34718	19609	62918
FBIL MIBOR	5.15%	5.25%	5.25%	6.53%
3 Month CP Rate	5.30%	5.45%	5.65%	7.75%
5 Year Corp Bond	7.47%	7.51%	7.52%	8.45%
1 Month CD Rate	5.00%	5.16%	4.95%	6.94%
3 Month CD Rate	5.08%	5.23%	5.48%	7.13%
1 Year CD Rate	5.79%	5.81%	5.88%	8.48%

Currency Market			
Currency	29-Nov	Prev_Day	Change
USD/INR	71.73	71.51	0.21
GBP/INR	92.66	92.59	0.08
EURO/INR	78.98	78.73	0.24
JPY/INR	0.66	0.65	0.00

Commodity Prices				
Commodity	29-Nov	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	Closed	57.63	55.29	51.41
Brent Crude(\$/bl)	66.34	66.07	60.81	57.88
Gold( \$/oz)	1464	1462	1487	1224
Gold(Rs./10 gm)	37876	38157	38630	30360

Source: Thomson Reuters Eikon

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**Derivatives Market**

- Nifty Dec 2019 Futures stood at 12,099.85, a premium of 43.80 points above the spot closing of 12,056.05. The turnover on NSE's Futures and Options segment fell to Rs. 7,78,769.84 crore on November 29, 2019, compared with Rs. 24,60,451.17 crore on November 28, 2019.
- The Put-Call ratio stood at 0.99 compared with the previous session's close of 0.89.
- The Nifty Put-Call ratio stood at 1.54 compared with the previous session's close of 1.71.
- Open interest on Nifty Futures stood at 14.18 million, compared with the previous session's close of 18.45 million.

**Indian Debt Market**

- Bond yields rose amid fiscal worries, which could likely result in additional borrowing. However, rise in yield was limited by hopes on monetary policy easing in the upcoming policy review meeting.
- Yield on the new 10-year benchmark paper (6.45% GS 2029) increased 1 bps to close at 6.47% compared with the previous close of 6.46% after trading in a range of 6.45% to 6.48%.
- Banks borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 3,522 crore (gross) on Nov 29, 2019 compared with borrowings of Rs. 3,537 crore (gross) on Nov 28, 2019. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 13,549 crore on Nov 28, 2019.
- Banks borrowed Rs. 3,330 crore under the central bank's Marginal Standing Facility on Nov 28, 2019 compared with borrowings of Rs. 3,915 crore on Nov 27, 2019.

**Currency Market Update**

- The Indian rupee weakened against the greenback amid concerns of a slowdown in the growth of the domestic economy which led to losses in the domestic equity market.
- The euro was almost steady against the greenback as market participants awaited further developments on how U.S.-China trade talks would proceed after China said it would take retaliatory measures against U.S. for passing a law in support of Hong Kong protesters.

**Commodity Market Update**

- Gold prices rose as market participants awaited further developments on how U.S.-China trade talks would proceed.
- Brent crude prices was almost steady as market participants preferred to remain on the sidelines ahead of the next week's meeting of the Organization of the Petroleum Exporting Countries and its allies.

**International News**

- Data from Eurostat showed euro area unemployment rate declined to 7.5 % in Oct 2019, as expected, from 7.6% in Sep 2019. This was the lowest rate since Jul 2008.
- Flash data from Eurostat showed Eurozone inflation accelerated more than expected in Nov 2019 to 1% in Nov 2019 from 0.7% in Oct 2019.
- Data from the Federal Employment Agency showed German unemployment declined notably in Nov 2019 by a seasonally adjusted 16,000 after rising 5,000 a month ago.
- Data from Destatis revealed Germany retail sales grew at a much slower pace in Oct 2019 at 0.8% YoY after expanding 3.4% in Sep 2019.
- Market research group GfK's survey results showed U.K. consumer sentiment remained unchanged in Nov 2019 as consumer sentiment index held steady at -14. The score matched economists' expectations.


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