



**Nippon *India* Mutual Fund**

Wealth sets you free

(Formerly Reliance Mutual Fund)

# Markets for You

05 Dec 2019

Good gets *better*

Mutual Fund Investments are subject to market risks, read all scheme related documents carefully.

## Indices Performance

Global Indices	04-Dec	Prev_Day	Abs. Change	% Change <sup>#</sup>
Russell 3000	1,371	1,364	7	0.51
Nasdaq	8,567	8,521	46	0.54
FTSE	7,189	7,159	30	0.42
Nikkei	23,135	23,380	-245	-1.05
Hang Seng	26,063	26,391	-329	-1.25
Indian Indices	04-Dec	Prev_Day	Abs. Change	% Change <sup>#</sup>
S&P BSE Sensex	40,850	40,675	175	0.43
Nifty 50	12,043	11,994	49	0.41
Nifty 100	12,161	12,116	45	0.37
Nifty 500	9,782	9,743	39	0.40
Nifty Bank	31,979	31,613	366	1.16
S&P BSE Power	1,899	1,893	5	0.28
S&P BSE Small Cap	13,453	13,409	44	0.33
S&P BSE HC	13,561	13,446	115	0.86

## P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
4-Dec	28.64	1.13	28.07	1.24
Month Ago	27.61	1.15	27.59	1.25
Year Ago	23.39	1.22	26.30	1.22

## Nifty 50 Top 3 Gainers

Company	04-Dec	Prev_Day	% Change <sup>#</sup>
Tata Motors	169	158	7.08
Yes Bank	63	60	5.88
ICICI Bank	529	509	3.91

## Nifty 50 Top 3 Losers

Company	04-Dec	Prev_Day	% Change <sup>#</sup>
L&T Ltd.	1285	1313	-2.14
RIL	1553	1579	-1.66
Coal India	203	206	-1.39

## Advance Decline Ratio

	BSE	NSE
Advances	1226	992
Declines	1248	839
Unchanged	199	127

## Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-103	91481
MF Flows**	809	52179

\*4<sup>th</sup> Dec 2019; \*\*3<sup>rd</sup> Dec 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)	7.00% (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

[1] Data as on 03 Dec 2019

## Global Indices

- Asian equity markets fell after the U.S. administration suggested a U.S.-China trade deal might not come through until after the 2020 U.S. Presidential elections. Officials said higher tariffs on Chinese imports could be imposed on Dec 15 as scheduled. Today (as of Dec 05), Asian markets opened higher as investors took stock of the situation on the trade front. Both Nikkei and Hang Seng were trading up 0.75% and 0.62%, respectively (as at 8 a.m. IST).
- European markets closed higher as optimism arose around the possibility of U.S.-China trade deal. Media reports showed the two countries are very close to a deal.
- U.S. markets gained after a news report said that U.S. and China could strike an initial trade deal in 2019 as the two are finalising the modalities despite tension around Hong Kong.

## Indian Equity Market

- Indian equity markets gained on strong global cues as media reports showed U.S. and China could agree on the amount of tariffs to be rolled back in a phase-one trade deal. The deal could come through despite tensions over Hong Kong, the report said.
- Key benchmark indices S&P BSE Sensex and Nifty 50 gained 0.43% and 0.41% to close at 40,850.29 and 12,043.20 respectively. S&P BSE MidCap and S&P BSE SmallCap gained 0.52% and 0.33% respectively.
- The overall market breadth on BSE was weak with 1,226 scrips advancing and 1,248 scrips declining. A total of 199 scrips remained unchanged.
- On the BSE sectoral front, S&P BSE Metal was the major gainer, up 1.61% followed by S&P BSE Bankex, up 1.4% and S&P BSE IT, up 1.37%. S&P BSE Capital Goods was the major loser, down 1.33% followed by S&P BSE Energy, down 1.12% and S&P BSE Oil & Gas, down 0.26%.

## Domestic News

- The IHS Markit Services Purchasing Managers' (PMI) rose to 52.7 in Nov 2019 against from 49.2 in Oct 2019. The Composite PMI Output index rose to 52.7 from 49.6 in Oct 2019. The services PMI increased on the back of renewed rise in new business intakes, faster job creation and strengthening business confidence.
- A report by a major global research group said the slowdown that began in India in Jan 2018 is expected to end soon. It has forecasted India's GDP growth at 5.3% and 6.6% in FY20 and FY21, respectively, lower than previously projected. Confidence concerns in the domestic financial sector is a key downside risk.
- The government has raised Rs. 765.37 crore through anti-dumping duties in the first eight months of FY20, the government told Parliament media reports showed. In FY19, it had raised Rs. 1,307.35 crore through such duties.
- According to the World Bank, it's going to take more than low corporate taxes to lure investors to India. Rigid land and labor laws and protectionist trade policies are affecting investment in India even though the government has taken steps to improve the ease of doing business.
- The State Bank of India (SBI) board has approved the lender's proposal to sell 8.25% stake in UTI AMC, media reports showed.
- Infrastructure Leasing and Financial Services (IL&FS) has reported a net loss of Rs. 22,527 crore in FY19, media reports showed. The company is currently led by a government-nominated board.

Good gets better

FII Derivative Trade Statistics			
04-Dec			
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	2021.59	2389.39	12766.02
Index Options	191455.59	191278.30	45566.12
Stock Futures	11910.49	12515.27	94822.17
Stock Options	3279.14	3317.47	2591.74
Total	208666.81	209500.43	155746.05

Derivative Statistics- Nifty Options			
	04-Dec	Prev_Day	Change
Put Call Ratio (OI)	1.44	1.31	0.13
Put Call Ratio(Vol)	0.90	0.93	-0.02

Debt Watch				
	04-Dec	Wk. Ago	Mth. Ago	Year Ago
Call Rate	5.02%	5.02%	5.03%	6.35%
T-Repo	4.73%	4.98%	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	4.90%	4.99%	5.05%	6.70%
364 Day T-Bill	5.08%	5.12%	5.15%	7.18%
10 Year Gilt	6.47%	6.47%	6.48%	7.57%
G-Sec Vol. (Rs.Cr)	39049	34819	16949	50826
FBIL MIBOR <sup>[1]</sup>	5.24%	5.20%	5.25%	6.47%
3 Month CP Rate	5.25%	5.45%	5.45%	7.55%
5 Year Corp Bond	7.39%	7.49%	7.46%	8.48%
1 Month CD Rate	4.84%	5.10%	5.28%	6.61%
3 Month CD Rate	5.01%	5.20%	5.34%	7.37%
1 Year CD Rate	5.76%	5.93%	5.93%	8.27%

Currency Market			
Currency	04-Dec	Prev_Day	Change
USD/INR	71.78	71.60	0.18
GBP/INR	93.27	92.66	0.61
EURO/INR	79.50	79.29	0.21
JPY/INR	0.66	0.66	0.01

Commodity Prices				
Commodity	04-Dec	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	58.41	58.07	56.28	53.16
Brent Crude(\$/bl)	67.09	66.64	62.46	61.24
Gold( \$/oz)	1474	1454	1509	1238
Gold(Rs./10 gm)	38162	37751	38692	30945

Source: Thomson Reuters Eikon

[1] Data as on 03 Dec 2019

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**Derivatives Market**

- Nifty Dec 2019 Futures stood at 12,089.80, a premium of 46.60 points above the spot closing of 12,043.20. The turnover on NSE's Futures and Options segment rose to Rs. 18,09,044.99 crore on December 04, 2019, compared with Rs. 9,78,982.48 crore on December 03, 2019.
- The Put-Call ratio stood at 0.93 compared with the previous session's close of 1.
- The Nifty Put-Call ratio stood at 1.44 compared with the previous session's close of 1.31.
- Open interest on Nifty Futures stood at 14.17 million, compared with the previous session's close of 14.16 million.

**Indian Debt Market**

- Bond yields were nearly flat ahead of the outcome of the Monetary Policy Committee, which is widely expected to trim policy rates by 25 bps. Market participants' focus is going to move to the government's fiscal slippage moving forward.
- Yield on the new 10-year benchmark paper (6.45% GS 2029) remained unchanged at 6.47% compared with the previous close 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. 3,482 crore (gross) on Dec 4, 2019 compared with borrowings of Rs. 3,577 crore (gross) on Dec 3, 2019. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 21,277 crore on Dec 3, 2019.
- Banks borrowed Rs. 6,310 crore under the central bank's Marginal Standing Facility on Dec 3, 2019 compared with borrowings of Rs. 5,352 crore on Dec 2, 2019.

**Currency Market Update**

- The Indian rupee in spot trade rose to a one week high against the greenback on hopes of a trade deal between U.S. and China.
- The euro fell against the greenback as the latter strengthened on hopes of a trade deal between U.S. and China. However, most of the losses were neutralized after private sector employment in U.S. grew much less than expected in Nov 2019.

**Commodity Market Update**

- Gold prices fell as its safe haven appeal came down on hopes of a trade deal between U.S. and China.
- Brent crude prices surged following a larger-than-expected drop in U.S. inventories and growing possibility of deeper production cuts from OPEC.

**International News**

- A report released by payroll processor ADP showed U.S. private sector employment increased by 67,000 jobs in Nov 2019 after climbing by 121,000 jobs in Oct 2019.
- A report released by the Institute for Supply Management showed U.S. service sector activity slowed. The non-manufacturing index dipped to 53.9 in Nov 2019 after climbing to 54.7 in Oct 2019.
- Survey results from IHS Markit and Chartered Institute of Procurement & Supply showed the final services Purchasing Managers' Index fell to 49.3 in Nov from 50.0 in Oct 2019.
- Final survey data from IHS Markit showed euro area private sector growth remained the lowest in six-and-a-half years in Nov 2019. The composite output index held steady at 50.6 in Nov.





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