

# Markets for You

12 Dec 2019

Good gets *better*

Indices Performance				
Global Indices	11-Dec	Prev_Day	Abs. Change	% Change <sup>#</sup>
Russell 3000	1,383	1,377	5	0.37
Nasdaq	8,654	8,616	38	0.44
FTSE	7,216	7,214	2	0.03
Nikkei	23,392	23,410	-18	-0.08
Hang Seng	26,645	26,437	209	0.79
Indian Indices	11-Dec	Prev_Day	Abs. Change	% Change <sup>#</sup>
S&P BSE Sensex	40,413	40,240	173	0.43
Nifty 50	11,910	11,857	53	0.45
Nifty 100	12,000	11,946	54	0.45
Nifty 500	9,636	9,595	41	0.43
Nifty Bank	31,257	31,160	96	0.31
S&P BSE Power	1,858	1,837	21	1.12
S&P BSE Small Cap	13,147	13,145	1	0.01
S&P BSE HC	13,279	13,220	59	0.44

P/E Dividend Yield				
Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
11-Dec	28.42	1.14	27.76	1.25
Month Ago	26.56	1.15	27.52	1.25
Year Ago	22.83	1.25	25.52	1.26

Nifty 50 Top 3 Gainers			
Company	11-Dec	Prev_Day	% Change <sup>#</sup>
GAIL	117	111	5.63
Zee Ente.	283	271	4.61
NTPC	113	110	2.73

Nifty 50 Top 3 Losers			
Company	11-Dec	Prev_Day	% Change <sup>#</sup>
Yes Bank	43	51	-15.33
Vedanta Limited	139	141	-1.67
Hero Moto	2296	2330	-1.45

Advance Decline Ratio			
	BSE	NSE	
Advances	970	696	
Declines	1510	1123	
Unchanged	192	117	

Institutional Flows (Equity)		
Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-182	92591
MF Flows**	809	52179

\*1<sup>st</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 10 Dec 2019

### Global Indices

- Asian equity markets were mostly higher as media reports suggested that the U.S. and Chinese trade negotiators are working towards delay of a fresh round of tariffs set to start on Dec 15, 2019. Investors also looked forward to key central bank meetings and the U.K. general election. Today (as of Dec 12), Asian markets opened higher as the U.S. Federal Reserve hinted that it will not raise rates in 2020. Both Nikkei and Hang Seng were trading up 0.23% and 1.26%, respectively (as at 8.a.m. IST).
- European markets ended higher as investors looked forward to the U.S. Federal Reserve's policy meet, wherein the central bank is widely expected to keep rates unchanged. Markets also monitored developments on the U.S.-China trade front.
- U.S. markets inched up on U.S. Federal Reserve's decision to maintain status quo in interest rates. Also, the central bank signalled rates are going to stay like this for a while.

### Indian Equity Market

- Indian equity markets rebounded as investors looked forward to the U.S. Reserve's policy meet later in the day. Also, key domestic economic data will come out in the week and expectations are of upbeat reports.
- Key benchmark indices S&P BSE Sensex and Nifty 50 gained 0.43% and 0.45% to close at 40,412.57 and 11,910.15 respectively. S&P BSE MidCap and S&P BSE SmallCap gained 0.52% and 0.01% respectively.
- The overall market breadth on BSE was weak with 970 scrips advancing and 1,510 scrips declining. A total of 192 scrips remained unchanged.
- On the BSE sectoral front, S&P BSE Utilities was the major gainer, up 1.52% followed by S&P BSE Oil & Gas, up 1.13% and S&P BSE Power, up 1.12%. S&P BSE Capital Goods was the major loser, down 0.83% followed by S&P BSE Telecom, down 0.81% and S&P BSE Basic Materials, down 0.31%.

### Domestic News

- Media reports showed the Asian Development Bank (ADB) has cut its forecast for India's economic growth in FY20 to 5.1%. The bank said consumption was impacted by slow job growth and rural distress made worse by poor harvest. In Sep 2019, ADB forecast India's GDP to grow 6.5% in FY20 and 7.2% in FY21.
- According to media reports, the goods and services tax (GST) rates and slabs could be raised at the GST Council meeting next week. This comes in the wake of pressure on revenue collection. The GST Council, headed by the Finance Minister, is set to meet on Dec 18, 2019, with the backdrop of lower than expected GST collection and pending compensation to states. There are four slabs under the GST regime -- 5%, 12%, 18% and 28%.
- Government said the Data Protection Bill, 2019, will "safeguard" the rights of Indians and data will not be taken without their consent. Union Electronics and IT Minister introduced the Bill in the Parliament that will empower the government to ask companies for anonymised personal and non-personal data.
- The government has drawn a roadmap to get the country to enter the top 50 countries in the World Bank's Ease of Doing Business rankings, media reports showed. The Prime Minister has been brainstorming with ministries on the matter. The government has worked out a strategy to focus on Kolkata and Bangalore, the cities that will be reviewed by the World Bank after it expanded the scope of the annual exercise to cover four Indian cities. Discussions have been carried out with West Bengal and Karnataka governments, who have offered full cooperation.

*Good gets better*

FII Derivative Trade Statistics			
	11-Dec		
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	2070.12	2212.11	13506.58
Index Options	206547.76	206302.38	49385.88
Stock Futures	9789.37	10328.05	93061.71
Stock Options	3403.70	3417.74	3546.93
<b>Total</b>	<b>221810.95</b>	<b>222260.28</b>	<b>159501.10</b>

Derivative Statistics- Nifty Options			
	11-Dec	Prev_Day	Change
Put Call Ratio (OI)	1.21	1.17	0.03
Put Call Ratio(Vol)	0.84	0.88	-0.04

Debt Watch				
	11-Dec	Wk. Ago	Mth. Ago	Year Ago
Call Rate	5.00%	5.02%	5.06%	6.48%
T-Repo	4.58%	4.73%	4.99%	6.55%
Repo	5.15%	5.15%	5.15%	6.50%
Reverse Repo	4.90%	4.90%	4.90%	6.25%
91 Day T-Bill	4.98%	4.90%	5.03%	6.67%
364 Day T-Bill	5.19%	5.08%	5.21%	7.07%
10 Year Gilt	6.77%	6.47%	6.57%	7.53%
G-Sec Vol. (Rs.Cr)	31334	39049	17969	73572
FBIL MIBOR <sup>[1]</sup>	5.19%	5.19%	5.25%	6.54%
3 Month CP Rate	5.40%	5.25%	5.55%	7.40%
5 Year Corp Bond	7.77%	7.39%	7.48%	8.45%
1 Month CD Rate	4.86%	4.84%	5.10%	7.10%
3 Month CD Rate	5.09%	5.01%	5.29%	7.19%
1 Year CD Rate	5.90%	5.76%	5.77%	8.37%

Currency Market			
Currency	11-Dec	Prev_Day	Change
USD/INR	70.87	70.90	-0.03
GBP/INR	93.10	93.27	-0.17
EURO/INR	78.58	78.46	0.12
JPY/INR	0.65	0.65	0.00

Commodity Prices				
Commodity	11-Dec	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	58.69	58.41	56.56	51.60
Brent Crude(\$/bl)	67.21	67.09	62.62	59.75
Gold( \$/oz)	1475	1474	1456	1243
Gold(Rs./10 gm)	37631	38162	37993	31616

Source: Thomson Reuters Eikon

[1] Data as on 10 Dec 2019

**Disclaimer:**

The information herein is meant only for general reading purposes and contains all factual and statistical information pertaining to Industry and markets which have been obtained from independent third party sources and which are deemed to be reliable. The information provided cannot be considered as guidelines, recommendations or as a professional guide for the readers. It may be noted that since Reliance Nippon Life Asset Management Company Limited (RNLAM) (formerly Reliance Capital Asset Management Limited) has not independently verified the accuracy or authenticity of such information or data, or for that matter the reasonableness of the assumptions upon which such data and information has been processed or arrive data; RNLAM does not in any manner assures the accuracy or authenticity of such data and information. Some of the statements & assertions contained in these materials may reflect RNLAM's views or opinions, which in turn may have been formed on the basis of such data or information. The Sponsor(s), the Investment Manager, the Trustee or any of their respective directors, employees, affiliates or representatives do not assume any responsibility for, or warrant the accuracy, completeness, adequacy and reliability of such data or information. Whilst no action has been solicited based upon the information provided herein, due care has been taken to ensure that the facts are accurate and opinions given are fair and reasonable, to the extent possible. This information is not intended to be an offer or solicitation for the purchase or sale of any financial product or instrument. Recipients of this information should rely on information/data arising out of their own investigations. Before making any investments, the readers are advised to seek independent professional advice, verify the contents in order to arrive at an informed investment decision. None of the Sponsor(s), the Investment Manager, the Trustee, their respective directors, employees, affiliates or representatives shall be liable in any way for any direct, indirect, special, incidental, consequential, punitive or exemplary damages, including on account of lost profits arising from the information contained in this material. Readers are requested to click here for ICRON disclaimer - <http://www.icraonline.com/legal/standard-disclaimer.html>

**Derivatives Market**

- Nifty Dec 2019 Futures stood at 11,938.15, a premium of 28.00 points above the spot closing of 11,910.15. The turnover on NSE's Futures and Options segment rose to Rs. 13,31,137.91 crore on December 11, 2019, compared with Rs. 9,83,279.01 crore on December 10, 2019.
- The Put-Call ratio stood at 0.83 compared with the previous session's close of 0.94.
- The Nifty Put-Call ratio stood at 1.21 compared with the previous session's close of 1.17.
- Open interest on Nifty Futures stood at 14.3 million, compared with the previous session's close of 14.05 million.

**Indian Debt Market**

- Bond yields rose following comments from a major global rating agency that it may lower India's rating if the growth of the Indian economy does not come along expected lines. Concerns of high retail inflation also dampened market sentiments.
- Yield on the new 10-year benchmark paper (6.45% GS 2029) rose 6 bps to close at 6.77% compared with the previous close of 6.71% after trading in a range of 6.69% to 6.77%.
- Banks borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 3,362 crore (gross) on Dec 11, 2019 compared with borrowings of Rs. 3,272 crore (gross) on Dec 10, 2019. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 18,905 crore on Dec 10, 2019.
- Banks borrowed Rs. 4,505 crore under the central bank's Marginal Standing Facility on Dec 9, 2019 compared with borrowings of Rs. 3,251 crore on Dec 9, 2019.

**Currency Market Update**

- The Indian rupee in spot trade rose against the U.S. dollar following gains in the domestic equity market. However, corporate greenback demand capped the gains. The rupee closed at 70.84 a dollar, up 0.12% compared with the previous close 70.92.
- The euro rose against the greenback as the latter came under pressure after the U.S. Federal Reserve kept interest rates on hold in its monetary policy review.

**Commodity Market Update**

- Gold prices rose as the greenback came under pressure after the U.S. Federal Reserve kept interest rates on hold in its monetary policy review.
- Brent crude prices fell after U.S. crude supplies edged up by 800,000 barrels for the week ended Dec 6.

**International News**

- The Federal Reserve left rates unchanged after three consecutive interest rate cuts. The decision was widely expected. The Fed said its Federal Open Market Committee decided to maintain the target range for the federal funds rate at 1-1/2 to 1-3/4%.
- A Labor Department report showed consumer prices in the U.S. increased by slightly more than anticipated in Nov 2019. The Labor Department said its consumer price index rose 0.3% in Nov after climbing 0.4% in Oct 2019.
- The European Central Bank (ECB) is widely expected to leave interest rates and stimulus measures unchanged, and reaffirm its forward guidance, following the Governing Council session. This will be the new chief's first meeting.


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

**Thank you for  
your time.**

Good gets *better*

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