

# Markets for You

27 Dec 2019

Good gets *better*

Indices Performance				
Global Indices	26-Dec	Prev_Day	Abs. Change	% Change <sup>#</sup>
Russell 3000	1,433	1,423	9	0.67
Nasdaq	9,022	8,953	70	0.78
FTSE <sup>[1]</sup>	7,632	7,624	9	0.11
Nikkei	23,925	23,783	142	0.60
Hang Seng <sup>[1]</sup>	27,864	27,906	-42	-0.15
Indian Indices	26-Dec	Prev_Day	Abs. Change	% Change <sup>#</sup>
S&P BSE Sensex	41,164	41,461	-298	-0.72
Nifty 50	12,127	12,215	-88	-0.72
Nifty 100	12,229	12,312	-83	-0.67
Nifty 500	9,817	9,868	-51	-0.52
Nifty Bank	31,998	32,281	-283	-0.88
S&P BSE Power	1,891	1,899	-7	-0.38
S&P BSE Small Cap	13,435	13,384	51	0.38
S&P BSE HC	13,319	13,397	-78	-0.58

P/E Dividend Yield				
Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
26-Dec	25.90	1.03	28.26	1.23
Month Ago	28.70	1.13	28.05	1.24
Year Ago	23.34	1.18	25.96	1.24

Nifty 50 Top 3 Gainers			
Company	26-Dec	Prev_Day	% Change <sup>#</sup>
AGC Networks Limited	141	135	4.98
JSW Steel	269	264	2.07
Vedanta Limited	151	148	1.79

Nifty 50 Top 3 Losers			
Company	26-Dec	Prev_Day	% Change <sup>#</sup>
Yes Bank	49	51	-4.98
Bharti Airtel	448	457	-2.10
RIL	1515	1546	-2.01

Advance Decline Ratio			
	BSE	NSE	
Advances	1313	987	
Declines	1213	852	
Unchanged	169	125	

Institutional Flows (Equity)		
Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-11	99953
MF Flows**	-1540	52964

\*26<sup>th</sup> Dec 2019; \*\*23<sup>rd</sup> Dec 2019

Economic Indicator			
YoY(%)	Current	Quarter Ago	Year Ago
CPI	5.54% (Nov-19)	3.28% (Aug-19)	2.33% (Nov-18)
IIP	-3.80% (Oct-19)	4.90% (Jul-19)	8.40% (Oct-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 24 Dec 2019

### Global Indices

- Asian equity markets were mostly higher in thin post-Christmas trading. Investors remained optimistic that the U.S.-China phase one trade deal will be signed in early Jan 2020. Today (as of Dec 27), Asian markets were mixed even as overnight Wall Street touched record highs. Nikkei was trading down 0.08% and Hang Seng were trading up 0.56% (as at 8.a.m. IST).
- European markets remained closed for holidays.
- U.S. markets touched all-time highs in thin post-Christmas trading. Investor sentiment has been bolstered after the U.S. and China reached a phase one trade agreement earlier in Dec 2019. The details are been worked and the deal could be signed in early Jan 2020.

### Indian Equity Market

- Indian equity markets fell for the third consecutive session as investors adjusted their positions on expiry of futures and options contracts for the Dec 2019 series. Also, investors are cautious over the government's fiscal math due to the delay in divestments planned for FY20.
- Key benchmark indices S&P BSE Sensex and Nifty 50 lost 0.72% and 0.72% to close at 41,163.76 and 12,126.55 respectively. S&P BSE MidCap lost 0.13% and S&P BSE SmallCap gained 0.38%.
- The overall market breadth on BSE was strong with 1,313 scrips advancing and 1,213 scrips declining. A total of 169 scrips remained unchanged.
- On the BSE sectoral front, S&P BSE Metal was the major gainer, up 0.66% followed by S&P BSE Basic Materials, up 0.31% and S&P BSE Consumer Discretionary Goods & Services, up 0.05%. S&P BSE Telecom was the major loser, down 1.73% followed by S&P BSE Energy, down 1.46% and S&P BSE Capital Goods, down 1.15%.

### Domestic News

- Media reports showed the GST Council will set up a grievance redressal mechanism for taxpayers. This was decided at the 38th meeting of the council, which was held on Dec 18, 2019. The mechanism will be a structured grievance redressal system on GST-related issues of specific and general nature. The Grievance Redressal Committee (GRC) will be set up at the zonal and state levels consisting of both central tax and state tax officers.
- The government launched a good governance index (GGI) to assess the state of governance in the country, media reports showed. GGI's objectives will be to provide data to compare the state of governance in all states and Union territories, help them to formulate and implement suitable strategies.
- The government has made an expert committee for time-bound resolution of exploration and production disputes in order to avoid prolonged judicial processes. This is being done to deal with the overwhelming disputes disrupting investments in the oil and gas sector.
- According to the Telecom Regulatory Authority of India (TRAI), the volume of total wireless data usage increased from 828 million GB during 2014 to 46,404 million GB during 2018. The usage in 2019 has already touched 54,917 million GB till Sep 2019. Total number of wireless data subscribers increased from 281.58 million at the end of 2014 to 664.80 million at the end of Sep 2019, an yearly growth rate of 36.36% in 2018 over 2017 YoY.

Good gets better

FII Derivative Trade Statistics				
(Rs Cr)	26-Dec	Buy	Sell	Open Int.
Index Futures	2911.40	3377.94	16879.19	
Index Options	169862.91	168840.18	57279.30	
Stock Futures	33683.57	33919.29	100002.69	
Stock Options	1774.25	1661.23	2287.36	
<b>Total</b>	<b>208232.13</b>	<b>207798.64</b>	<b>176448.54</b>	

Derivative Statistics- Nifty Options			
	26-Dec	Prev_Day	Change
Put Call Ratio (OI)	1.16	1.48	-0.32
Put Call Ratio(Vol)	0.98	1.05	-0.08

Debt Watch				
	26-Dec	Wk. Ago	Mth. Ago	Year Ago
Call Rate	5.13%	4.99%	5.04%	6.57%
T-Repo	4.58%	4.88%	4.98%	6.56%
Repo	5.15%	5.15%	5.15%	6.50%
Reverse Repo	4.90%	4.90%	4.90%	6.25%
91 Day T-Bill	5.00%	4.99%	4.97%	6.67%
364 Day T-Bill	5.26%	5.26%	5.14%	6.93%
10 Year Gilt	6.58%	6.75%	6.48%	7.26%
G-Sec Vol. (Rs.Cr)	21525	26141	27127	39171
FBIL MIBOR <sup>[1]</sup>	5.25%	5.20%	5.25%	6.65%
3 Month CP Rate	5.40%	5.40%	5.45%	7.30%
5 Year Corp Bond	7.69%	7.82%	7.53%	8.19%
1 Month CD Rate	5.08%	5.07%	5.11%	7.18%
3 Month CD Rate	5.10%	5.08%	5.23%	7.16%
1 Year CD Rate	6.04%	6.02%	5.93%	8.05%

Currency Market			
Currency	26-Dec	Prev_Day	Change
USD/INR	71.27	71.20	0.07
GBP/INR	92.55	92.15	0.40
EURO/INR	79.03	78.95	0.08
JPY/INR	0.65	0.65	0.00

Commodity Prices				
Commodity	26-Dec	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/b)	61.69	61.25	58.20	45.99
Brent Crude(\$/bl) <sup>l</sup>	71.10	71.54	66.29	51.87
Gold(\$/oz)	1511	1479	1461	1267
Gold(Rs./10 gm)	38641	37882	37799	31452

Source: Thomson Reuters Eikon

<sup>[1]</sup> Data as on 24 Dec 2019

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**Derivatives Market**

- Nifty Dec 2019 Futures settled at spot closing of 12,126.55. Nifty Jan 2020 Futures stood at 12,195.75, a premium of 69.2 points, above the spot closing. The turnover on NSE's Futures and Options segment rose to Rs. 25,46,871.23 crore on December 26, 2019, compared with Rs. 10,80,888.45 crore on December 24, 2019.
- The Put-Call ratio stood at 0.8 compared with the previous session's close of 0.97.
- The Nifty Put-Call ratio stood at 1.16 compared with the previous session's close of 1.48.
- Open interest on Nifty Futures stood at 17.41 million, compared with the previous session's close of 16.02 million.

**Indian Debt Market**

- Bond yields stood steady as investors didn't take any significant step since they were worried over fiscal slippage by the government of India.
- Yield on the new 10-year benchmark paper (6.45% GS 2029) closed flat at 6.58%, same as previous session after trading in a range of 6.61% to 6.58%.
- Banks borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 5,135 crore (gross) on Dec 26, 2019 compared with borrowings of Rs. 6,319 crore (gross) on Dec 24, 2019. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 30,209 crore on Dec 24, 2019.
- Banks borrowed Rs. 2,765 crore under the central bank's Marginal Standing Facility on Dec 24, 2019 compared with borrowings of Rs. 3,353 crore on Dec 23, 2019.

**Currency Market Update**

- The Indian rupee weakened against the greenback amid losses in domestic equity markets and surge in crude oil prices. The rupee closed at 71.31 a dollar compared with the previous close 71.27.
- The euro was almost steady against the greenback as trading volume remained thin post Christmas Holiday. The euro closed at 1.1096 compared with previous close of 1.1090.

**Commodity Market Update**

- Gold prices rose due to persisting uncertainty over the signing of a phase one trade deal by U.S. and China.
- Brent crude prices rose after data from the American Petroleum Institute showed that U.S. crude stocks fell by 7.9 million barrels for the week ended Dec 18, 2019.

**International News**

- The Labor Department said U.S. initial jobless claims fell in the week ended Dec 21, 2019, to 222,000, a decrease of 13,000 from the previous week's 235,000.
- The Ministry of Internal Affairs and Communications said jobless rate in Japan came in at a seasonally adjusted 2.2% in Nov 2019, unchanged from the Oct 2019 reading. The job-to-applicant ratio was 1.57 - unchanged and as expected.
- The Ministry of Internal Affairs and Communications said overall consumer prices in the Tokyo area were up 0.9% YoY in Dec 2019.
- The Bank of Japan governor said the bank will not hesitate to ease its monetary policy further if there is a greater possibility that the momentum towards achieving the 2% inflation target is lost.





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your time.**

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