

# Markets for You

30 Dec 2019

Good gets *better*

## Indices Performance

Global Indices	27-Dec	Prev_Day	Abs. Change	% Change <sup>#</sup>
Russell 3000	1,432	1,433	-1	-0.04
Nasdaq	9,007	9,022	-16	-0.17
FTSE	7,645	7,632	13	0.17
Nikkei	23,838	23,925	-87	-0.36
Hang Seng	28,225	27,864	361	1.30
Indian Indices	27-Dec	Prev_Day	Abs. Change	% Change <sup>#</sup>
S&P BSE Sensex	41,575	41,164	411	1.00
Nifty 50	12,246	12,127	119	0.98
Nifty 100	12,345	12,229	115	0.94
Nifty 500	9,909	9,817	92	0.93
Nifty Bank	32,412	31,998	415	1.30
S&P BSE Power	1,910	1,891	19	1.01
S&P BSE Small Cap	13,548	13,435	113	0.84
S&P BSE HC	13,416	13,319	97	0.73

## P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
27-Dec	26.13	1.02	28.48	1.23
Month Ago	28.89	1.12	28.20	1.23
Year Ago	23.40	1.17	26.08	1.23

## Nifty 50 Top 3 Gainers

Company	27-Dec	Prev_Day	% Change <sup>#</sup>
AGC Networks Limited	147	141	3.93
Axis Bank	760	737	3.21
Coal India	204	197	3.14

## Nifty 50 Top 3 Losers

Company	27-Dec	Prev_Day	% Change <sup>#</sup>
Yes Bank	48	49	-1.34
Wipro	248	250	-1.10
Britannia Industries Limited	3042	3062	-0.66

## Advance Decline Ratio

	BSE	NSE
Advances	1518	1137
Declines	1025	703
Unchanged	168	122

## Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	131	100084
MF Flows**	-1540	52964

\*27<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

## Global Indices

- Asian equity markets were mostly higher on trade optimism. Investors expect the U.S.-China phase one trade deal to be signed in early Jan 2020. An e-commerce giant reporting a "record-breaking" holiday season added to the good mood. Today (as of Dec 30), Asian equity market opened mostly lower following the last full trading day of the year in several major markets in the region. Nikkei was trading lower 0.53% and Hang Seng was trading up 0.09% (as at 8 a.m. IST).
- European markets touched record highs on U.S.-China trade optimism. Sentiment has been buoyed ever since the two countries reached a phase one trade agreement, which could be signed in early Jan 2020.
- U.S. markets exited the week with yet another session of setting all-time high records. Investor sentiment has been bolstered after the U.S. and China reached a phase one trade agreement earlier in Dec 2019. Chances are the deal will be signed in early Jan 2020.

## Indian Equity Market

- Indian equity markets gained on the last day of the week, snapping a three-session losing streak. The government infusing funds into a few public sector banks, positive global cues and continued optimism about U.S.-China phase one trade deal supported sentiment.
- Key benchmark indices S&P BSE Sensex and Nifty 50 gained 1% and 0.98% to close at 41,575.14 and 12,245.80 respectively. S&P BSE MidCap and S&P BSE SmallCap gained 0.87% and 0.84% respectively.
- The overall market breadth on BSE was strong with 1,518 scrips advancing and 1,025 scrips declining. A total of 168 scrips remained unchanged.
- On the BSE sectoral front, S&P BSE Energy was the major gainer, up 1.74% followed by S&P BSE Realty, up 1.61% and S&P BSE Oil & Gas, up 1.35%. S&P BSE Consumer Durables was the only loser, down 0.13%.

## Domestic News

- Media reports showed the Reserve Bank of India (RBI) has asked lenders to cut their stakes in insurers to 30%. This is being done to protect banks from risks arising out of their non-banking businesses. It will also help focus on boosting credit growth in a slowing economy. The holding limit will be 50% for non-banking financial companies that have insurance units. Banks have been told to await RBI's official communication on the new rules, the report said.
- According to media reports, non-filing of goods and services tax (GST) returns could cost one property and money as a new set of rules have been approved to ensure better compliance. More than one crore GST-registered entities have failed to file return on time. The new rules will give GST-authorities the power to attach property and bank accounts if tax is not filed despite repeated reminders.
- A prominent domestic research agency has said bank credit could grow at its lowest growth in 58 years at 6.5-7.0% in FY20 amid a slowdown in the economy, media reports showed. It was 13.3% during FY19.
- Media reports showed the government has proposed to make BS VI emission rules compulsory for quadricycles from Apr 1, 2020. The Road Transport and Highways Ministry has proposed amendment to Rule 115 to mandate the next level emission norms for quadricycles. At present, quadricycles are covered under the Bharat Stage IV emission norms.

*Good gets better*

FII Derivative Trade Statistics		27-Dec	
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	5369.57	6452.48	10578.71
Index Options	268767.27	264898.22	36150.33
Stock Futures	21138.61	21413.27	94948.08
Stock Options	1449.69	1416.23	837.31
Total	296725.14	294180.20	142514.43

Derivative Statistics- Nifty Options			
	27-Dec	Prev_Day	Change
Put Call Ratio (OI)	1.46	1.16	0.30
Put Call Ratio(Vol)	0.88	0.98	-0.10

Debt Watch				
	27-Dec	Wk. Ago	Mth. Ago	Year Ago
Call Rate	5.11%	5.09%	5.02%	6.58%
T-Repo	4.50%	4.89%	4.98%	6.60%
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%	5.00%	4.99%	6.66%
364 Day T-Bill	5.26%	5.17%	5.12%	6.92%
10 Year Gilt	6.51%	6.60%	6.47%	7.28%
G-Sec Vol. (Rs.Cr)	42216	61012	34819	31874
FBIL MIBOR	5.25%	5.23%	5.20%	6.65%
3 Month CP Rate	5.40%	5.40%	5.45%	7.25%
5 Year Corp Bond	7.77%	7.68%	7.49%	8.24%
1 Month CD Rate	4.95%	5.08%	5.10%	7.07%
3 Month CD Rate	5.10%	5.13%	5.20%	7.07%
1 Year CD Rate	6.05%	6.04%	5.93%	8.06%

Currency Market			
Currency	27-Dec	Prev_Day	Change
USD/INR	71.22	71.27	-0.05
GBP/INR	92.55	92.55	0.00
EURO/INR	79.19	79.03	0.16
JPY/INR	0.65	0.65	0.00

Commodity Prices				
Commodity	27-Dec	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	61.73	60.38	58.07	44.43
Brent Crude(\$/bl)	70.65	70.50	66.64	51.43
Gold(\$/oz)	1510	1478	1454	1275
Gold(Rs./10 gm)	38791	37957	37751	31513

Source: Thomson Reuters Eikon

### 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 assure 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 12,126.55, a discount of 119.25 points below the spot closing of 12,245.80. The turnover on NSE's Futures and Options segment fell to Rs. 8,00,344.79 crore on December 27, 2019, compared with Rs. 25,46,871.23 crore on December 26, 2019.
- The Put-Call ratio stood at 0.82 compared with the previous session's close of 0.80.
- 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 fell after the Reserve Bank of India announced a second round of special open market operations.
- Yield on the new 10-year benchmark paper (6.45% GS 2029) fell 7 bps to close at 6.51% compared with the previous close of 6.58% after trading in a range of 6.49% to 6.52%.
- Banks borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 2,894 crore (gross) on Dec 27, 2019 compared with borrowings of Rs. 5,135 crore (gross) on Dec 26, 2019. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 23,748 crore on Dec 26, 2019.
- Banks borrowed Rs. 2,328 crore under the central bank's Marginal Standing Facility on Dec 26, 2019 compared with borrowings of Rs. 2,765 crore on Dec 24, 2019.

### Currency Market Update

- The Indian rupee weakened against the greenback due to surge in crude oil prices and strong month-end dollar demand in the market. The rupee closed at 71.38 a dollar compared with the previous close 71.31.
- The euro strengthened against the greenback as optimism around prospects for a Phase 1 Sino-U.S. trade deal reduced demand for safe-haven currency. The euro closed at 1.1175 compared with previous close of 1.1096.

### Commodity Market Update

- Gold prices marginally fell as investors remained on the sidelines adjusting their positions in thin year-end trading. Gold prices closed at 1510.42 per ounce compared with previous close of \$1,511.30 per ounce.
- Brent crude prices fell amid thin trading volumes.

### International News

- Data from the National Bureau of Statistics showed China's industrial profits expanded after declining in previous three months. Industrial profits expanded 5.4% YoY in Nov 2019, in contrast to a 9.9% decrease in Oct 2019.
- The Ministry of Economy, Trade and Industry said industrial production in Japan was down a seasonally adjusted 0.9% MoM in Nov 2019 in its preliminary reading. That exceeded expectations and compared with 4.5% drop in Oct 2019.
- According to the summary of opinions at the monetary policy meeting, held on Dec 18 and 19, 2019, Bank of Japan policymakers said downside risks remained high and the bank should be prepared for a possible economic downturn.

Good gets better

**Thank you for  
your time.**

**Good gets *better***