

Indices Performance

Global Indices	01-Feb	Prev_Day	Abs. Change	% Change
Russell 3000	1,987	1,944	43	2.20
Nasdaq	13,403	13,071	333	2.55
FTSE	6,466	6,407	59	0.92
Nikkei	28,091	27,663	428	1.55
Hang Seng	28,893	28,284	609	2.15
Indian Indices	01-Feb	Prev_Day	Abs. Change	% Change
S&P BSE Sensex	48,601	46,286	2,315	5.00
Nifty 50	14,281	13,635	647	4.74
Nifty 100	14,362	13,743	618	4.50
Nifty 500	11,770	11,302	468	4.14
Nifty Bank	33,089	30,566	2,524	8.26
S&P BSE Power	2,064	2,005	59	2.95
S&P BSE Small Cap	18,353	17,988	365	2.03
S&P BSE HC	20,683	20,629	54	0.26

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
1-Feb	33.08	0.82	38.26	1.11
Month Ago	33.50	0.83	38.55	1.13
Year Ago	24.46	1.04	26.41	1.27

Nifty 50 Top 3 Gainers

Company	01-Feb	Prev_Day	% Change
IndusInd Bank	971	846	14.71
ICICI Bank	604	537	12.44
Bajaj Finserv Limited	9722	8723	11.45

Nifty 50 Top 3 Losers

Company	01-Feb	Prev_Day	% Change
United Phos	534	561	-4.74
Dr.Reddy	4428	4603	-3.79
Cipla	806	826	-2.36

Advance Decline Ratio

	BSE	NSE
Advances	1928	1348
Declines	1013	607
Unchanged	188	75

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-4344	15128
MF Flows**	-875	-15725

*1st Feb 2021; **25th Jan 2021

Economic Indicator

YoY(%)	Current	Quarter Ago	Year Ago
CPI	4.59% (Dec-20)	7.27% (Sep-20)	7.35% (Dec-19)
IIP	-1.90% (Nov-20)	-7.10% (Aug-20)	2.10% (Nov-19)
GDP	-7.50% (Sep-20)	-23.90% (Jun-20)	4.40% (Sep-19)

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 29 Jan, 2021

Global Indices

- Asian markets went up as concerns over slow recovery caused by unexpected issues with the vaccine rollouts eased after AstraZeneca said it would increase its coronavirus vaccine deliveries to the European Union by 30%. Today (as on Feb 2), markets are trading higher following overnight positive cues from U.S. markets. Both Nikkei and Hang Seng are up 0.58% and 1.16% (as at 8:00 AM IST), respectively.
- European markets went up as encouraging developments on vaccine rollout and corporate earnings boosted the risk appetite of the investors.
- U.S. markets recovered from the previous session's sell-off as investors resorted to value buying following recent weakness.

Indian Equity Market

- Indian equity markets witnessed sharp rally as investor sentiments remained upbeat following the Union Budget announcements for FY22. Market participants cheered after Finance Minister proposed doubling healthcare spending, recapitalisation of public-sector banks and divestment of some state-owned lenders, aiming to bolster an economy that plunged into its deepest recorded slump amid the virus outbreak.
- Key benchmark indices S&P BSE Sensex and Nifty 50 gained 5% and 4.74% to close at 48,600.61 and 14,281.20 respectively.
- The overall market breadth on BSE was strong with 1,928 scrips advancing and 1,013 scrips declining. A total of 188 scrips remained unchanged.
- On the BSE sectoral front, all sectors gained. S&P BSE Bankex was the major gainer, up 8.33%, followed by S&P BSE Finance and S&P BSE Realty, up 7.49% and 6.65%, respectively. S&P BSE Capital Goods and S&P BSE Metal gained 5.48% and 5.19% respectively.

Domestic News

- Finance Minister announced India's fiscal deficit target for FY21 estimated at 9.5% (Revised estimate (RE)) of the GDP, which is expected to fall to 6.8% (Budget Estimates (BE)) of GDP in FY22. The fiscal deficit is forecasted to reach below 4.5% by FY26. Also government will borrow additional Rs. 80,000 crore in the remaining two months to meet FY21 expenditure. Government's net market borrowings for FY21 and FY22 is expected at Rs. 12.74 lakh crore and Rs. 9.68 lakh crore, respectively.
- Government proposed a rise of 137% YoY to Rs. 2,23,846 crore budget outlay for health and well being for FY22. To push growth through infrastructure creation government increased its capital expenditure for FY22 to Rs. 5.54 lakh crore (BE) from Rs. 3.36 lakh crore in FY20 and Rs. 4.39 lakh crore in FY21 (RE).
- Agriculture Infrastructure and Development Cess of Rs. 2.5 per litre has been imposed on petrol and Rs. 4 per litre on diesel and other small items as per the specified items mentioned in the budget.
- The government has budgeted Rs. 1.75 lakh crore from stake sale in public sector companies and financial institutions, including 2 PSU banks and one insurance company in FY22.
- Honda Cars India Ltd posted more than two-fold increase in domestic sales to 11,319 units in Jan 2021 as compared to the same month last year. The company had sold 5,299 units in the domestic market in Jan 2020. Exports rose to 1,233 units in Jan 2021 as against 182 units in the year-ago period.
- Maruti Suzuki India announced 4.3% increase in total sales to 1,60,752 units in Jan 2021 as against 1,54,123 units in Jan 2020. Domestic sales rose 2.6% to 1,48,307 units last month as against 1,44,499 units in Jan 2020.

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FII Derivative Trade Statistics		01-Feb		
(Rs Cr)	Buy	Sell	Open Int.	
Index Futures	6472.67	6477.73	11106.17	
Index Options	247516.59	245045.78	68931.16	
Stock Futures	17412.20	17595.13	89349.04	
Stock Options	10354.73	10550.17	6888.47	
Total	281756.19	279668.81	176274.84	

Derivative Statistics- Nifty Options			
	01-Feb	Prev_Day	Change
Put Call Ratio (OI)	1.41	0.98	0.43
Put Call Ratio(Vol)	0.97	1.01	-0.05

Debt Watch				
	01-Feb	Wk. Ago	Mth. Ago	Year Ago
Call Rate	3.21%	3.25%	3.20%	4.97%
T-Repo	3.20%	3.23%	2.66%	4.92%
Repo	4.00%	4.00%	4.00%	5.15%
Reverse Repo	3.35%	3.35%	3.35%	4.90%
91 Day T-Bill	3.33%	3.26%	2.97%	5.09%
364 Day T-Bill	3.70%	3.58%	3.36%	5.27%
10 Year Gilt	6.07%	5.96%	5.90%	6.60%
G-Sec Vol. (Rs.Cr)	47031	14387	47031	31446
FBIL MIBOR ⁽¹⁾	3.47%	3.46%	3.47%	5.05%
3 Month CP Rate	3.90%	3.85%	3.55%	5.75%
5 Year Corp Bond	6.58%	6.56%	6.30%	7.36%
1 Month CD Rate	3.35%	3.32%	3.01%	5.14%
3 Month CD Rate	3.34%	3.35%	2.99%	5.50%
1 Year CD Rate	4.04%	3.93%	3.77%	5.95%

Currency Market			
Currency	01-Feb	Prev_Day	Change
USD/INR	73.02	72.95	0.07
GBP/INR	100.36	100.02	0.34
EURO/INR	88.58	88.30	0.28
JPY/INR	0.70	0.70	0.00

Commodity Prices				
Commodity	01-Feb	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	53.52	52.75	48.32	51.53
Brent Crude(\$/bl)	56.16	54.97	50.86	58.36
Gold(\$/oz)	1860	1855	1898	1590
Gold(Rs./10 gm)	48724	49239	50040	40694

Source: Refinitiv

[1] Data as on 29 Jan, 2021

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Derivatives Market

- Nifty Feb 2021 Futures stood at 14,351.25, a premium of 70.05 points above the spot closing of 14,281.20. The turnover on NSE's Futures and Options segment rose to Rs. 38,53,697.10 crore on February 01, 2021, compared with Rs. 17,93,726.30 crore on January 29, 2021.
- The Put-Call ratio stood at 0.96 compared with the previous session's close of 0.9.
- The Nifty Put-Call ratio stood at 1.41 compared with the previous session's close of 0.98.
- Open interest on Nifty Futures stood at 10.82 million, compared with the previous session's close of 9.89 million.

Indian Debt Market

- Bond yields surged after the government announced a sharply higher than anticipated borrowing for FY22 and also increased this year's borrowing in the Union Budget 2021-22.
- The Finance Minister in the Union Budget 2021-22 announced that the government will borrow Rs. 12 trillion via bonds in the next financial year. Government also increased this year's borrowing to a record high of Rs. 12.80 trillion. Government is also borrowing an additional Rs. 1.10 trillion on behalf of financially constrained states.
- Yield on the 10-year benchmark paper (5.77% GS 2030) surged 13 bps to close at 6.08% from the previous close of 5.95% after trading in the range of 5.93% to 6.10%.
- Banks did not borrow under the central bank's marginal standing facility on Jan 29, 2020 compared with borrowing of Rs. 54 crore on Jan 28, 2020.

Currency Market Update

- The Indian rupee declined for the second consecutive session against the U.S. dollar, as the government's higher-than-expected fiscal deficit raised concerns of a sovereign rating downgrade.
- Euro fell against U.S. dollar despite the latter weakened broadly following rebound in global equity market.

Commodity Market Update

- Gold prices rose as a speculative retail trading mania appeared to spill over into the metals market.
- Brent crude prices rose due to rising winter fuel demand as one of the worst snowstorms in years hit the U.S. Northeast.

International News

- According to data from IHS Markit, U.K. manufacturing Purchasing Managers' Index (PMI) fell to a three-month low of 54.1 in Jan 2021 from 57.5 in Dec 2020. The decline came due to declining new order intakes and a sharp fall in input stocks.
- According to data from IHS Markit, China's Caixin manufacturing Purchasing Managers' Index (PMI) fell to 51.5 in Jan 2021 from 53.0 in Dec 2020. In Jan, in the midst of a slowdown in production and new orders growth, China's manufacturing sector expanded at the slowest pace in seven months.
- According to the Bank of England, U.K. mortgages approval fell to 103,400 in Dec 2020 from 105,300 in Nov 2020.

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