



Nippon *india* Mutual Fund

Wealth sets you free

(Formerly Reliance Mutual Fund)

Markets for You

04 Feb 2020

Good gets *better*

Indices Performance

Global Indices	03-Feb	Prev_Day	Abs. Change	% Change*
Russell 3000	1,471	1,454	17	1.19
Nasdaq	9,273	9,151	122	1.34
FTSE	7,326	7,286	40	0.55
Nikkei	22,972	23,205	-233	-1.01
Hang Seng	26,357	26,313	44	0.17
Indian Indices	03-Feb	Prev_Day	Abs. Change	% Change*
S&P BSE Sensex	39,872	39,736	137	0.34
Nifty 50	11,708	11,662	46	0.39
Nifty 100	11,820	11,769	51	0.44
Nifty 500	9,651	9,606	45	0.46
Nifty Bank	30,023	29,821	202	0.68
S&P BSE Power	1,861	1,842	19	1.02
S&P BSE Small Cap	14,360	14,345	15	0.11
S&P BSE HC	13,739	13,734	5	0.04

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
3-Feb	23.83	1.07	25.90	1.30
Month Ago	25.92	1.03	28.44	1.23
Year Ago	23.70	1.17	26.40	1.24

Nifty 50 Top 3 Gainers

Company	03-Feb	Prev_Day	% Change*
Asian Paints	1868	1755	6.40
HUL	2179	2075	5.01
Bajaj Auto	3285	3143	4.49

Nifty 50 Top 3 Losers

Company	03-Feb	Prev_Day	% Change*
Bharti Infratel	229	247	-7.22
ITC	208	219	-5.21
Yes Bank	36	38	-5.01

Advance Decline Ratio

	BSE	NSE
Advances	945	710
Declines	1522	1151
Unchanged	178	115

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-4376	7747
MF Flows**	-4215	-2225

 *3rd Feb 2020; **30th Jan 2020

Economic Indicator

YoY(%)	Current	Quarter Ago	Year Ago
CPI	7.35% (Dec-19)	3.99% (Sep-19)	2.11% (Dec-18)
IIP	1.80% (Nov-19)	-1.40% (Aug-19)	0.20% (Nov-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 31 Jan 2020

Global Indices

- Asian equity markets were mostly lower as investors continued to panic over the rapid spread of the coronavirus and its impact on the global economy. Chinese markets led regional losses as trading resumed after the extended Lunar New Year holidays. Today (as of Feb 4), Asian markets opened mixed as investors assess the economic impact of the virus outbreak. Nikkei dropped 0.04% and Hang Seng was up 1.16% (as at 8.a.m. IST).
- European markets closed higher as the coronavirus concerns eased somewhat. The People's Bank of China announcing it will inject 1.2 trillion yuan (approx. \$173 billion) into the markets supported sentiment. Investors also tracked Brexit developments. The U.K. exited the European Union on Jan 31, 2020 and has started an 11-month transition period in which it hopes to strike a trade deal with the bloc.
- U.S. markets were able to gain though virus fears lurked. The recent lows are being seen as an opportunity to buy quality stocks at beaten down prices.

Indian Equity Market

- Indian equity markets gained after a private survey showed India's manufacturing Purchasing Managers' Index (PMI) increased to an almost eight-year high. This helped the markets offset pressure from global equities, especially China.
- Key benchmark indices S&P BSE Sensex and Nifty 50 gained 0.34% and 0.39% to close at 39,872.31 and 11,707.90 respectively. S&P BSE MidCap and S&P BSE SmallCap gained 1.12% and 0.11% respectively.
- The overall market breadth on BSE was weak with 945 scrips advancing and 1,522 scrips declining. A total of 178 scrips remained unchanged.
- On the BSE sectoral front, S&P BSE Consumer Discretionary Goods & Services was the major gainer, up 1.86% followed by S&P BSE Basic Materials, up 1.54% and S&P BSE Realty, up 1.42%. S&P BSE IT was the major loser, down 1.78% followed by S&P BSE Teck, down 1.34%.

Domestic News

- The Nikkei India Manufacturing Purchasing Managers' Index (PMI) rose to 55.3 in Jan 2020 from 52.7 in Dec 2019. This is the highest mark in a little under eight years, said IHS Markit. The upturn came on the back of strongest growth in new business intakes for over five years. Companies have attributed the growth to better underlying demand and greater client requirements.
- The government has said the non-performing assets (NPAs) of public sector banks stood at Rs. 7.27 lakh crore as on Sep 30, 2019. Union Minister of State for Finance said scheduled commercial banks and select financial institutions have reported frauds of Rs. 1,13,374 crore in the first half of FY20. Gross NPAs of public sector banks rose from Rs. 2,79,016 crore as on Mar 31, 2015, to Rs. 6,84,732 crore as on Mar 31, 2017, and Rs. 8,95,601 crore as on Mar 31, 2018, according to the Reserve Bank of India data.
- According to media reports, the finance ministry officials have rejected industry demand for changes in budget proposals relating to dividends being taxed in the hands of shareholders and to the cap on employer's tax-free contribution to the retirement savings of high earning employees.
- According to a private survey, the Reserve Bank of India's Monetary Policy Committee (MPC) may keep the repo rate unchanged at 5.15% at its meeting on Feb 6, 2020, as inflation remains high. The respondents — bankers and economists — expect MPC to cut rates before Jun 202. They are of the view that MPC will maintain an accommodative monetary policy stance as long as needed.
- Godrej Properties Ltd (GPL) reported a 9.3% increase in its net profit to Rs. 45.49 crore for the quarter ended Dec 2019. The company had posted a net profit of Rs. 41.63 crore in the quarter ended Dec 31, 2018, media reports showed.



FII Derivative Trade Statistics			
(Rs Cr)	03-Feb		
	Buy	Sell	Open Int.
Index Futures	5988.25	7399.29	14767.64
Index Options	183716.89	185048.09	52010.52
Stock Futures	6053.88	6140.61	93794.93
Stock Options	8845.21	8855.43	2735.88
Total	204604.23	207443.42	163308.97

Derivative Statistics- Nifty Options			
	03-Feb	Prev_Day	Change
Put Call Ratio (OI)	0.96	1.04	-0.08
Put Call Ratio(Vol)	0.80	0.76	0.04

Debt Watch				
	03-Feb	Wk. Ago	Mth. Ago	Year Ago
Call Rate	4.94%	4.93%	4.94%	6.43%
T-Repo	4.89%	4.98%	3.35%	6.35%
Repo	5.15%	5.15%	5.15%	6.50%
Reverse Repo	4.90%	4.90%	4.90%	6.25%
91 Day T-Bill	5.07%	5.03%	4.90%	6.50%
364 Day T-Bill	5.25%	5.25%	5.25%	6.73%
10 Year Gilt	6.50%	6.56%	6.51%	7.38%
G-Sec Vol. (Rs.Cr)	60706	29174	52762	76524
FBIL MIBOR ^[1]	5.05%	5.15%	5.22%	6.50%
3 Month CP Rate	5.80%	5.75%	5.85%	7.60%
5 Year Corp Bond	7.28%	7.33%	7.54%	8.56%
1 Month CD Rate	5.13%	5.15%	4.86%	6.72%
3 Month CD Rate	5.55%	5.61%	5.11%	7.19%
1 Year CD Rate	5.91%	6.12%	6.08%	7.96%

Currency Market			
Currency	03-Feb	Prev_Day	Change
USD/INR	71.58	71.51	0.07
GBP/INR	94.20	93.66	0.53
EURO/INR	79.33	78.82	0.51
JPY/INR	0.66	0.66	0.00

Commodity Prices				
Commodity	03-Feb	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/b)	50.01	53.06	62.97	55.24
Brent Crude(\$/bl)	54.59	58.83	70.27	62.30
Gold(\$/oz)	1576	1582	1551	1318
Gold(Rs./10 gm)	40703	40638	39948	33262

Source: Thomson Reuters Eikon

[1] Data as on 31 Jan 2020

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Derivatives Market

- Nifty Feb 2020 Futures stood at 11,703.15, a discount of 4.75 points below the spot closing of 11,707.90. The turnover on NSE's Futures and Options segment fell to Rs. 13,32,559.94 crore on February 03, 2020, compared with Rs. 14,27,192.00 crore on February 01, 2020.
- The Put-Call ratio stood at 0.82 compared with the previous session's close of 0.65.
- The Nifty Put-Call ratio stood at 0.96 compared with the previous session's close of 0.86.
- Open interest on Nifty Futures stood at 14.66 million, compared with the previous session's close of 14.72 million.

Indian Debt Market

- Bond yields eased as investors cheered the federal government's announcement of no additional borrowing in the present financial year at the budget. In addition, the fiscal deficit target also came line with expectation, thereby lifting the market sentiment.
- Yield on the new 10-year benchmark paper (6.45% GS 2029) declined 10 bps to close at 6.50% compared with the previous close of 6.60% after trading in the range of 6.49% to 6.52%.
- Banks borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 3,099 crore (gross) on Feb 3, 2020 compared with borrowings of Rs. 2,944 crore (gross) on Jan 31, 2020. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 20,839 crore on Jan 31, 2020.
- Banks borrowed Rs. 2,340 crore under the central bank's Marginal Standing Facility on Jan 31, 2020 compared with borrowings of Rs. 1,785 crore on Jan 30, 2020.

Currency Market Update

- The Indian rupee in spot trade inched up against the greenback due to selling of the greenback by private banks. However, persisting concerns over the spread of the coronavirus in China neutralized most of the gains.
- The euro fell against the greenback after data from the Institute for Supply Management showed that the U.S. Purchasing Managers Index surged in Jan 20.

Commodity Market Update

- Gold prices plunged as worries over the coronavirus eased after China took measures to cushion the impact of the new epidemic and pledged to do more to contain it.
- Brent crude prices fell due to persisting concerns over the coronavirus outbreak in China.

International News

- A Commerce Department report showed construction spending dipped 0.2% to an annual rate of \$1.328 trillion in Dec 2019 after climbing 0.7% to \$1.330 trillion in Nov 2019.
- Final survey data from IHS Markit showed euro zone manufacturing contracted at the slowest rate in nine months in Jan 2020. The euro area purchasing managers' index, or PMI, for the manufacturing sector climbed to 47.9 from 46.3 in Dec 2019.
- Latest survey from the Caixin showed manufacturing sector in China continued to expand in Jan 2020 with a manufacturing PMI score of 51.1. That's down from 51.5 in Dec 2019.





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