

Markets for You

05 Feb 2020

Good gets *better*

Indices Performance

Global Indices	04-Feb	Prev_Day	Abs. Change	% Change [#]
Russell 3000	1,500	1,471	29	1.95
Nasdaq	9,468	9,273	195	2.10
FTSE	7,440	7,326	114	1.55
Nikkei	23,085	22,972	113	0.49
Hang Seng	26,676	26,357	319	1.21
Indian Indices	04-Feb	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	40,789	39,872	917	2.30
Nifty 50	11,980	11,708	272	2.32
Nifty 100	12,091	11,820	271	2.29
Nifty 500	9,853	9,651	203	2.10
Nifty Bank	30,687	30,023	663	2.21
S&P BSE Power	1,902	1,861	40	2.17
S&P BSE Small Cap	14,546	14,360	186	1.29
S&P BSE HC	13,888	13,739	149	1.08

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
4-Feb	24.49	1.05	26.57	1.27
Month Ago	25.92	1.03	28.44	1.23
Year Ago	23.30	1.16	27.02	1.24

Nifty 50 Top 3 Gainers

Company	04-Feb	Prev_Day	% Change [#]
Titan Industries Limited	1276	1186	7.54
Indian Oil	114	108	5.32
Bajaj Finserv Limited	9535	9086	4.94

Nifty 50 Top 3 Losers

Company	04-Feb	Prev_Day	% Change [#]
Zee Ente.	245	257	-4.72
Bajaj Auto	3163	3285	-3.71
Yes Bank	35	36	-2.92

Advance Decline Ratio

	BSE	NSE
Advances	1603	1262
Declines	892	558
Unchanged	189	129

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	1851	9598
MF Flows**	0	829

*4th Feb 2020; **3rd Feb 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 03 Feb 2020

Global Indices

- Asian equity markets were mostly up as the Chinese government announced stimulus plans to support the economy. China also said it would welcome assistance from the U.S. to fight the outbreak. Today (as of Feb 5), Asian markets opened higher as the positive sentiment continued to support the indices. Both Nikkei and Hang Seng gained 0.89% and 0.72%, respectively (as at 8.a.m. IST).
- European markets gained as sentiment improved and investors kept aside economic fears over the outbreak of the coronavirus.
- U.S. markets gained as companies handsomely rebounded from the losses seen because of the outspread of the coronavirus.

Indian Equity Market

- Indian equity markets gained as indices recouped from the losses seen after the budget announcement. Fall in crude oil prices is being seen as a big positive for the government's fiscal deficit math. Also, investors looked forward to the Reserve Bank of India's policy meet scheduled for Feb 6, 2020.
- Key benchmark indices S&P BSE Sensex and Nifty 50 gained 2.3% and 2.32% to close at 40,789.38 and 11,979.65 respectively. S&P BSE MidCap and S&P BSE SmallCap gained 1.37% and 1.29% respectively.
- The overall market breadth on BSE was strong with 1,618 scrips advancing and 885 scrips declining. A total of 181 scrips remained unchanged.
- On the BSE sectoral front, all sectors gained. S&P BSE Consumer Durables was the major gainer, up 3.52%, followed by S&P BSE Metal and S&P BSE Oil & Gas, up 3.29% and 3.07%, respectively. S&P BSE Energy and S&P BSE Realty gained 3.02% and 2.73% respectively.

Domestic News

- A prominent global rating agency said economic growth projections made by the finance minister in her budget for FY21 look ambitious. This was said given the structural and cyclical challenges facing the Indian economy. The budget expects nominal GDP growth of 10% in the next fiscal, followed by 12.6% and 12.8% in FY22 and FY23, respectively.
- The finance minister said the government is cautious about not repeating the past mistake of splurging to boost the economy, media reports showed. She added that all divestment proceeds budgeted for the fiscal would be used for public asset creation.
- The chief economic advisor has said public-sector banks (PSBs) won't need capital from the government in FY21. This will come as the banks are in a much better position now than in recent years, he added. He said the government will intervene if there is need for it. The government has extended Rs. 70,000-crore capital to state-run banks in FY20. As many as 13 PSBs registered profits in H1FY20, against just six a year before.
- The finance minister said the money raised through disinvestment will be used to develop infrastructure, media reports showed. She said it will have a multiplier effect on the economy. The government disinvestment target is Rs 2.10 lakh crore for FY21.

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FII Derivative Trade Statistics		04-Feb	
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	6410.66	6004.48	15029.27
Index Options	299671.76	296764.09	55630.51
Stock Futures	17783.56	16999.78	96402.09
Stock Options	6178.43	6207.73	3102.84
Total	330044.41	325976.08	170164.71

Derivative Statistics- Nifty Options			
	04-Feb	Prev_Day	Change
Put Call Ratio (OI)	1.24	0.96	0.28
Put Call Ratio(Vol)	0.87	0.80	0.07

Debt Watch				
	04-Feb	Wk. Ago	Mth. Ago	Year Ago
Call Rate	4.98%	4.94%	4.94%	6.39%
T-Repo	4.92%	4.97%	3.35%	6.29%
Repo	5.15%	5.15%	5.15%	6.50%
Reverse Repo	4.90%	4.90%	4.90%	6.25%
91 Day T-Bill	5.01%	5.08%	4.90%	6.52%
364 Day T-Bill	5.27%	5.21%	5.25%	6.75%
10 Year Gilt	6.51%	6.58%	6.51%	7.41%
G-Sec Vol. (Rs.Cr)	46316	27224	52762	25406
FBIL MIBOR ^[1]	5.10%	5.15%	5.22%	6.50%
3 Month CP Rate	5.80%	5.75%	5.85%	7.65%
5 Year Corp Bond	7.28%	7.34%	7.54%	8.56%
1 Month CD Rate	5.14%	5.15%	4.86%	6.60%
3 Month CD Rate	5.51%	5.75%	5.11%	7.24%
1 Year CD Rate	5.95%	5.90%	6.08%	8.07%

Currency Market			
Currency	04-Feb	Prev_Day	Change
USD/INR	71.14	71.58	-0.45
GBP/INR	92.60	94.20	-1.59
EURO/INR	78.69	79.33	-0.64
JPY/INR	0.65	0.66	-0.01

Commodity Prices				
Commodity	04-Feb	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	49.54	53.30	62.97	54.52
Brent Crude(\$/bl)	54.49	59.81	70.27	62.70
Gold(\$/oz)	1552	1566	1551	1312
Gold(Rs./10 gm)	40471	40456	39948	33226

Source: Thomson Reuters Eikon

[1] Data as on 03 Feb 2020

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Derivatives Market

- Nifty Feb 2020 Futures stood at 11,964.25, a discount of 15.40 points below the spot closing of 11,979.65. The turnover on NSE's Futures and Options segment rose to Rs. 16,47,159.52 crore on February 04, 2020, compared with Rs. 13,32,559.94 crore on February 03, 2020.
- The Put-Call ratio stood at 0.88 compared with the previous session's close of 0.82.
- The Nifty Put-Call ratio stood at 1.24 compared with the previous session's close of 0.96.
- Open interest on Nifty Futures stood at 14.65 million, compared with the previous session's close of 14.66 million.

Indian Debt Market

- Bond yields were marginally up as gains from budget optimism and decline in crude oil prices were wiped off by investors' profit booking.
- Yield on the new 10-year benchmark paper (6.45% GS 2029) rose 1 bps to close at 6.51% compared with the previous close of 6.50% after trading in the range of 6.49% to 6.51%.
- Banks borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 3,099 crore (gross) on Feb 4, 2020 compared with borrowings of Rs. 3,099 crore (gross) on Feb 3, 2020. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 53,673 crore on Feb 3, 2020.
- Banks borrowed Rs. 4,666 crore under the central bank's Marginal Standing Facility on Feb 3, 2020 compared with borrowings of Rs. 2,340 crore on Jan 31, 2020.

Currency Market Update

- The Indian rupee in spot trade rose against the greenback following gains in the domestic equity market amid lower global crude oil prices. The rupee closed at 71.25 a dollar, up 0.11% compared to the previous day's close of 71.33.
- The euro fell against the greenback as the investor risk sentiment dampened due to persisting concerns over the outbreak of coronavirus in China.

Commodity Market Update

- Gold prices fell as the dollar strengthened against major currencies after U.S. factory activity rebounded in Jan 2020.
- Brent crude prices fell on concerns that the coronavirus outbreak in China might impact global growth.

International News

- Data from the U.S. Commerce Department showed that factory orders in U.S. grew 1.8% in Dec 2019 after falling by a revised 1.2% in Nov 2019 (0.7% decrease originally reported for the previous month).
- Data from a private survey showed that the IHS Markit/Chartered Institute of Procurement & Supply construction Purchasing Managers' Index rose to 48.4 in Jan 2020 from 44.4 in Dec 2019. However, a score of below 50 indicates contraction.
- Data from statistical office Istat showed that Italy's consumer price inflation rose marginally in Jan 2020. The consumer price index rose 0.6% on a yearly basis in Jan 2020, following a 0.5% increase in Dec 2019. On a monthly basis, the consumer price index grew 0.2% in Jan 2020.


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**Thank you for
your time.**

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