



Nippon india Mutual Fund

Wealth sets you free

(Formerly Reliance Mutual Fund)

Markets for You

07 Feb 2020

Good gets *better*

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

Indices Performance

Global Indices	06-Feb	Prev_Day	Abs. Change	% Change#
Russell 3000	1,516	1,507	9	0.58
Nasdaq	9,572	9,509	63	0.67
FTSE	7,505	7,482	22	0.30
Nikkei	23,874	23,320	554	2.38
Hang Seng	27,494	26,787	707	2.64
Indian Indices	06-Feb	Prev_Day	Abs. Change	% Change#
S&P BSE Sensex	41,306	41,143	163	0.40
Nifty 50	12,138	12,089	49	0.40
Nifty 100	12,274	12,212	62	0.51
Nifty 500	10,004	9,951	53	0.53
Nifty Bank	31,304	31,002	302	0.97
S&P BSE Power	1,912	1,898	14	0.74
S&P BSE Small Cap	14,730	14,654	76	0.52
S&P BSE HC	14,057	13,947	111	0.80

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
6-Feb	24.62	1.03	27.16	1.26
Month Ago	25.47	1.05	27.89	1.26
Year Ago	23.64	1.14	27.39	1.22

Nifty 50 Top 3 Gainers

Company	06-Feb	Prev_Day	% Change#
IndusInd Bank	1334	1273	4.83
Eicher Motors	20391	19487	4.64
Zee Ente.	236	227	4.04

Nifty 50 Top 3 Losers

Company	06-Feb	Prev_Day	% Change#
Tata Motors	179	184	-2.67
Cipla	440	448	-1.77
Infosys	771	785	-1.68

Advance Decline Ratio

	BSE	NSE
Advances	1379	1063
Declines	1121	764
Unchanged	156	126

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	530	11051
MF Flows**	63	1809

 *6th Feb 2020; **4th 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 05 Feb 2020

Global Indices

- Asian equity markets gained on the back of upbeat U.S. economic data and reports that a vaccine or treatment has been developed to combat the outbreak. However, World Health Organization officials tamped down such expectations. Today (as of Feb 7), Asian markets opened lower as investors awaited key Chinese economic data. Both Nikkei and Hang Seng dropped 0.26% and 0.17% (as at 8.a.m. IST), respectively.
- European markets closed higher on the back of upbeat earnings and a virus outbreak fears eased. China's decision to cut tariffs on many U.S. goods also went down well with investors.
- U.S. markets gained as China announced it will halve tariffs on several U.S. products. Strong corporate earnings and economic data supported sentiment.

Indian Equity Market

- Indian equity markets gained after the Reserve Bank of India (RBI) took measures to boost credit growth to the real estate sector. Though RBI kept its lending rate unchanged, it tweaked maintenance of cash reserve ratio (CRR) rules by providing relaxation in calculation of total deposits. The central bank did this to increase lending to micro, small and medium enterprises as well as the auto and home segments.
- Key benchmark indices S&P BSE Sensex and Nifty 50 gained 0.4% and 0.4% to close at 41,306.03 and 12,137.95 respectively. S&P BSE MidCap and S&P BSE SmallCap gained 0.81% and 0.52% respectively.
- The overall market breadth on BSE was strong with 1,379 scrips advancing and 1,121 scrips declining. A total of 156 scrips remained unchanged.
- On the BSE sectoral front, S&P BSE Telecom was the major gainer, up 1.93% followed by S&P BSE Finance, up 1.21% and S&P BSE Utilities, up 1.05%. S&P BSE Consumer Durables was the major loser, down 1.1% followed by S&P BSE IT, down 0.8% and S&P BSE FMCG, down 0.5%.

Domestic News

- The Monetary Policy Committee (MPC) kept key policy repo rate unchanged in its sixth bi-monthly monetary policy review. The policy repo rate thus presently stands at 5.15%. The reverse repo rate remains unchanged at 4.90% while the marginal standing facility rate and the bank rate remains at 5.40%. However, the MPC decided to continue with its accommodative stance on the monetary policy.
- According to MPC, it was prudent to keep the monetary policy on hold as the inflation outlook of the country moving ahead is clouded with uncertainty and retail inflation may remain at elevated levels in the short term. This can be attributed to increase in prices of pulses and proteins due to shortfall in kharif production, adjustment in telecom charges, the increase in prices of drugs and pharmaceuticals, impact of new emission norms and increase in customs duties on items of retail consumption as mandated by the government in the Union Budget.
- The Reserve Bank of India (RBI) announced that from the fortnight beginning Feb 15, 2020 it would conduct Long Term Repo Operations (LTROs) for one- and three-year periods for up to a total amount of Rs. 1 lakh crore at the policy repo rate of 5.15%. The objective of the move is to improve the monetary transmission and improve credit flows to productive sectors. RBI in order to improve bank credit to specific sectors has decided to do away with the cash reserve ratio of 4% for retail loans for automobiles, residential housing and loans to micro, small and medium enterprises (MSMEs).
- MPC raised its retail inflation forecasts for H1FY21 to a range of 5.0% to 5.4%, higher than its previous projection of 3.8% to 4.0% for the same period as the near-term inflation outlook remains uncertain. According to MPC, food prices may go up as rise in input costs may lead to an increase in milk prices while a shortfall in kharif production may lead to an increase in prices of pulses. Volatility in global crude oil prices and uncertain global economic outlook are also expected to impact the retail inflation outlook for the country.



FII Derivative Trade Statistics			
	06-Feb		
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	3516.64	3836.95	14934.57
Index Options	416367.39	415511.13	61668.34
Stock Futures	17032.45	16550.66	102501.94
Stock Options	6121.82	6001.73	3690.42
Total	443038.30	441900.47	182795.27

Derivative Statistics- Nifty Options			
	06-Feb	Prev_Day	Change
Put Call Ratio (OI)	1.38	1.39	-0.01
Put Call Ratio(Vol)	1.00	0.90	0.10

Debt Watch				
	06-Feb	Wk. Ago	Mth. Ago	Year Ago
Call Rate	5.00%	4.91%	4.90%	6.42%
T-Repo	4.94%	4.91%	3.95%	6.34%
Repo	5.15%	5.15%	5.15%	6.50%
Reverse Repo	4.90%	4.90%	4.90%	6.25%
91 Day T-Bill	5.13%	5.11%	4.86%	6.51%
364 Day T-Bill	5.26%	5.27%	5.23%	6.78%
10 Year Gilt	6.45%	6.56%	6.57%	7.36%
G-Sec Vol. (Rs.Cr)	112264	28528	30893	27325
FBIL MIBOR ^[1]	5.15%	5.15%	5.20%	6.48%
3 Month CP Rate	5.80%	5.75%	5.85%	7.65%
5 Year Corp Bond	7.14%	7.32%	7.63%	8.53%
1 Month CD Rate	5.16%	5.15%	4.91%	6.60%
3 Month CD Rate	5.47%	5.53%	5.40%	7.17%
1 Year CD Rate	6.10%	5.94%	6.03%	8.02%

Currency Market			
Currency	06-Feb	Prev_Day	Change
USD/INR	71.26	71.27	-0.01
GBP/INR	92.52	92.77	-0.26
EURO/INR	78.38	78.65	-0.27
JPY/INR	0.65	0.65	0.00

Commodity Prices				
Commodity	06-Feb	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/t)	50.89	52.14	63.24	53.89
Brent Crude(\$/bl)	55.77	58.31	71.44	62.31
Gold(\$/oz)	1567	1574	1566	1306
Gold(Rs./10 gm)	40406	40717	40678	33210

Source: Thomson Reuters Eikon

[1] Data as on 05 Feb 2020

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Derivatives Market

- Nifty Feb 2020 Futures stood at 12,136.35, a discount of 1.60 points below the spot closing of 12,137.95. The turnover on NSE's Futures and Options segment rose to Rs.3544835.77 crore on February 06, 2020, compared with Rs. 19,60,373.95 crore on February 05, 2020.
- The Put-Call ratio remained unchanged compared with the previous session's close of 0.88.
- The Nifty Put-Call ratio stood at 1.38 compared with the previous session's close of 1.39.
- Open interest on Nifty Futures stood at 14.75 million, compared with the previous session's close of 14.73 million.

Indian Debt Market

- Bond yields eased after the Monetary Policy Committee kept the policy repo rate unchanged and maintained an accommodative stance, while it continues to closely monitor inflation. The rate-setting panel also ensured adequate liquidity via long-term repo.
- Yield on the new 10-year benchmark paper (6.45% GS 2029) declined 6 bps to close at 6.45% compared with the previous close of 6.51% after trading in the range of 6.45% to 6.52%.
- Banks borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 2,934 crore (gross) on Feb 6, 2020 compared with borrowings of Rs. 2,939 crore (gross) on Feb 5, 2020. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 19,090 crore on Feb 5, 2020.
- Banks borrowed Rs. 2,802 crore under the central bank's Marginal Standing Facility on Feb 5, 2020 compared with borrowings of Rs. 3,750 crore on Feb 4, 2020.

Currency Market Update

- The Indian rupee in spot trade inched down against the U.S. dollar due to better than expected economic data from U.S. which neutralized earlier gains that came as concerns over coronavirus eased to some extent. The rupee closed at 71.20 a dollar, down 0.02% compared to the previous day's close of 71.19.
- The euro fell against the greenback after industrial orders in Germany unexpectedly plunged in Dec 2019.

Commodity Market Update

- Gold prices rose as persisting concerns over the coronavirus outbreak in China boosted the safe haven appeal of the yellow metal.
- Brent crude prices fell amid reports that Russia has rejected additional OPEC-led production cuts.

International News

- A Labor Department report showed U.S. labor productivity jumped 1.4% in the fourth quarter after edging down 0.2% in the third quarter.
- A Labor Department report showed first-time claims for U.S. unemployment benefits fell by much more than expected in the week ended Feb 1, 2020. Initial jobless claims slid to 202,000, a decrease of 15,000 from the previous week's 217,000.
- Data from Destatis showed Germany's factory orders fell 2.1% MoM in Dec 2019, following 0.8% drop in Nov 2019. This was the biggest decrease since Feb 2019.
- Survey data from IHS Markit showed Germany's construction sector expanded at the fastest pace in 10 months in Jan 2020. The construction Purchasing Managers' Index rose to 54.9 in Jan from 53.8 in Dec 2019.

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