

# Markets for You

10 Feb 2020

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## Indices Performance

Global Indices	07-Feb	Prev_Day	Abs. Change	% Change <sup>#</sup>
Russell 3000	1,508	1,516	-8	-0.53
Nasdaq	9,521	9,572	-52	-0.54
FTSE	7,467	7,505	-38	-0.51
Nikkei	23,828	23,874	-46	-0.19
Hang Seng	27,404	27,494	-89	-0.33
Indian Indices	07-Feb	Prev_Day	Abs. Change	% Change <sup>#</sup>
S&P BSE Sensex	41,142	41,306	-164	-0.40
Nifty 50	12,098	12,138	-40	-0.33
Nifty 100	12,249	12,274	-24	-0.20
Nifty 500	10,001	10,004	-3	-0.03
Nifty Bank	31,202	31,304	-102	-0.33
S&P BSE Power	1,919	1,912	8	0.40
S&P BSE Small Cap	14,840	14,730	110	0.75
S&P BSE HC	14,283	14,057	225	1.60

## P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
7-Feb	24.49	1.03	27.03	1.26
Month Ago	25.68	1.04	28.03	1.25
Year Ago	23.64	1.15	27.41	1.22

## Nifty 50 Top 3 Gainers

Company	07-Feb	Prev_Day	% Change <sup>#</sup>
Zee Ente.	250	236	5.92
NTPC	116	112	3.21
Coal India	185	180	2.83

## Nifty 50 Top 3 Losers

Company	07-Feb	Prev_Day	% Change <sup>#</sup>
Eicher Motors	19736	20391	-3.21
Tata Motors	174	179	-2.94
IndusInd Bank	1299	1334	-2.66

## Advance Decline Ratio

	BSE	NSE
Advances	1190	923
Declines	1311	892
Unchanged	170	123

## Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-101	10950
MF Flows**	70	1705

\*7<sup>th</sup> Feb 2020; \*\*6<sup>th</sup> 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

## Global Indices

- Asian equity markets were mixed as investors awaited Chinese trade data and U.S. jobs report for cues. Investors remained concerned about the global economic impact of the virus outbreak. The death toll and spread continues to soar in China. Today (as of Feb 10), Asian markets opened lower as investors monitor the ongoing virus outbreak's impact on Chinese manufacturers. Both Nikkei and Hang Seng fell 0.69% and 0.99% (as at 8.a.m. IST), respectively.
- European markets closed lower as investors focused on economic developments around the coronavirus outbreak. A major rating agency lowered its growth forecasts for China for 2020 to 5% from 5.7% prior to the outbreak. Also, some corporate news kept sentiment subdued.
- U.S. markets fell as concerns over the coronavirus' spread and impact on the Chinese and global economy overshadowed stronger-than-expected U.S. jobs data.

## Indian Equity Market

- Indian equity markets dipped after a four-day winning streak as the rising death toll from the virus outbreak in China impinged sentiment. RBI governor said in a post-policy interaction that the outbreak and its spread across geographies will impact tourist arrivals and global trade. He added that a contingency plan needs to be in place to deal with the impact of the virus on the domestic economy.
- Key benchmark indices S&P BSE Sensex and Nifty 50 lost 0.4% and 0.33% to close at 41,141.85 and 12,098.35 respectively. S&P BSE MidCap and S&P BSE SmallCap gained 0.44% and 0.75% respectively.
- The overall market breadth on BSE was weak with 1,212 scrips advancing and 1,287 scrips declining. A total of 172 scrips remained unchanged.
- On the BSE sectoral front, S&P BSE Healthcare was the major gainer, up 1.6% followed by S&P BSE Consumer Durables, up 1.33% and S&P BSE IT, up 0.65%. S&P BSE Realty was the major loser, down 1.93% followed by S&P BSE Auto, down 1.06% and S&P BSE Energy, down 0.94%.

## Domestic News

- RBI after considering the important role played by MSMEs towards the growth of the nation has decided to extend the benefit of one-time restructuring of loans given to them without an asset classification downgrade. This will be applicable to standard accounts of GST registered MSMEs that were in default as on January 1, 2020. The move will be implemented latest by Dec 31, 2020.
- RBI has decided to extend the date of commencement of commercial operations (DCCO) of project loans for commercial real estate sector that has been delayed due to factors that are beyond the control of promoters. The extension has been provided for one year and this has been done without downgrading the asset classification. The move is expected to provide support to the real estate sector.
- RBI has decided to allow regional rural banks (RRBs) like other commercial banks, to act as merchant acquiring banks, using Aadhaar Pay – BHIM app and POS terminals. The objective of the move is providing boost to digital banking and help RRBs to provide cost effective and user-friendly solutions to their customers.
- RBI has decided to come out with a "Digital Payments Index" (DPI). The index would be based on multiple parameters and will depict the extent of digitisation of payments. The index would be made available from Jul 2020. RBI will also put in place a framework for establishing a Self-Regulatory Organisation (SRO) for Digital Payment System.

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

FII Derivative Trade Statistics		07-Feb	
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	5163.87	4943.66	14628.35
Index Options	513635.54	509087.32	52326.84
Stock Futures	17845.41	17249.84	103596.48
Stock Options	6857.42	6862.04	4013.00
Total	543502.24	538142.86	174564.67

Derivative Statistics- Nifty Options			
	07-Feb	Prev_Day	Change
Put Call Ratio (OI)	1.40	1.38	0.02
Put Call Ratio(Vol)	0.92	1.00	-0.08

Debt Watch				
	07-Feb	Wk. Ago	Mth. Ago	Year Ago
Call Rate	5.03%	4.97%	4.91%	6.48%
T-Repo	4.92%	4.92%	4.62%	6.47%
Repo	5.15%	5.15%	5.15%	6.25%
Reverse Repo	4.90%	4.90%	4.90%	6.00%
91 Day T-Bill	5.10%	5.09%	4.86%	6.29%
364 Day T-Bill	5.25%	5.27%	5.22%	6.60%
10 Year Gilt	6.44%	6.60%	6.55%	7.32%
G-Sec Vol. (Rs.Cr)	76366	31446	34759	67344
FBIL MIBOR	5.20%	5.05%	5.17%	6.51%
3 Month CP Rate	5.80%	5.75%	5.80%	7.45%
5 Year Corp Bond	6.97%	7.36%	7.62%	8.47%
1 Month CD Rate	5.16%	5.14%	4.96%	6.58%
3 Month CD Rate	5.62%	5.50%	5.43%	6.97%
1 Year CD Rate	6.10%	5.95%	6.06%	8.19%

Currency Market			
Currency	07-Feb	Prev_Day	Change
USD/INR	71.25	71.26	-0.01
GBP/INR	92.22	92.52	-0.29
EURO/INR	78.23	78.38	-0.15
JPY/INR	0.65	0.65	0.00

Commodity Prices				
Commodity	07-Feb	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	50.29	51.53	62.67	52.63
Brent Crude(\$/bl)	55.12	58.36	69.63	61.10
Gold( \$/oz)	1570	1590	1574	1310
Gold(Rs./10 gm)	40556	40694	40372	33000

Source: Thomson Reuters Eikon

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## Derivatives Market

- Nifty Feb 2020 Futures stood at 12,095.90, a discount of 2.45 points below the spot closing of 12,098.35. The turnover on NSE's Futures and Options segment fell to Rs. 8,06,709.70 crore on February 07, 2020, compared with Rs.35,44,835.77 crore on February 06, 2020.
- The Put-Call ratio stood at 0.92 compared with the previous session's close of 0.88.
- The Nifty Put-Call ratio stood at 1.4 compared with the previous session's close of 1.38.
- Open interest on Nifty Futures stood at 14.82 million, compared with the previous session's close of 14.75 million.

## Indian Debt Market

- Bond yields eased after the central bank announced liquidity infusion through long-term repos. No additional borrowing, as announced by the government at the budget, and plans to issue special securities also aided the sentiment.
- Yield on the new 10-year benchmark paper (6.45% GS 2029) declined 1 bps to close at 6.44% compared with the previous close of 6.45% after trading in the range of 6.41% to 6.44%.
- Banks borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 2,944 crore (gross) on Feb 7, 2020 compared with borrowings of Rs. 2,934 crore (gross) on Feb 6, 2020. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 46,240 crore on Feb 6, 2020.
- Banks borrowed Rs. 4,290 crore under the central bank's Marginal Standing Facility on Feb 6, 2020 compared with borrowings of Rs. 2,802 crore on Feb 5, 2020.

## Currency Market Update

- The Indian rupee in spot trade weakened against the dollar following upbeat economic data from the U.S. region.
- The euro weakened against the U.S. dollar after the U.S. non-farm payrolls report for Jan 2020 came better than market expectations. Persisting concerns over the coronavirus outbreak in China also dampened investor risk appetite.

## Commodity Market Update

- Gold prices rose as market participants remained concerned over the coronavirus outbreak in China.
- Brent crude prices fell after Russia said that it needed more time before committing to output cuts.

## International News

- A Labor Department report showed employment in the U.S. increased by more than expected in Jan 2020. Employment jumped by 225,000 jobs following an increase of 147,000 jobs in Dec 2019.
- Data from the Lloyds Bank subsidiary Halifax and IHS Markit showed U.K. house prices increased 0.4% MoM, much slower than the 1.8% growth posted in Dec 2019.
- Latest report on jobs from IHS Markit showed U.K. permanent staff appointments logged its first back-to-back increase for over a year in Jan 2020. According to Recruitment & Employment Confederation/KPMG report, permanent job placements increased due to improved business confidence following the general election.
- Data from Destatis showed Germany's exports grew 0.1% in Dec 2019 from Nov 2019, when it fell 2.2%.



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