



**Nippon *india* Mutual Fund**

Wealth sets you free

(Formerly Reliance Mutual Fund)

# Markets for You

12 Feb 2020

Good gets *better*

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

Indices Performance				
Global Indices	11-Feb	Prev_Day	Abs. Change	% Change <sup>#</sup>
Russell 3000	1,525	1,524	1	0.06
Nasdaq	9,639	9,628	11	0.11
FTSE	7,499	7,447	53	0.71
Nikkei <sup>[1]</sup>	23,686	23,828	-142	-0.60
Hang Seng	27,584	27,241	343	1.26
Indian Indices	11-Feb	Prev_Day	Abs. Change	% Change <sup>#</sup>
S&P BSE Sensex	41,216	40,980	237	0.58
Nifty 50	12,108	12,032	76	0.64
Nifty 100	12,246	12,185	61	0.50
Nifty 500	9,987	9,946	41	0.42
Nifty Bank	31,301	31,058	242	0.78
S&P BSE Power	1,916	1,888	28	1.50
S&P BSE Small Cap	14,750	14,776	-26	-0.18
S&P BSE HC	14,334	14,241	93	0.65

P/E Dividend Yield				
Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
11-Feb	25.08	1.03	27.21	1.26
Month Ago	26.32	1.01	28.51	1.23
Year Ago	23.43	1.16	26.96	1.24

Nifty 50 Top 3 Gainers			
Company	11-Feb	Prev_Day	% Change <sup>#</sup>
GAIL	129	122	6.03
AGC Networks Limited	292	278	5.00
JSW Steel	289	278	3.90

Nifty 50 Top 3 Losers			
Company	11-Feb	Prev_Day	% Change <sup>#</sup>
Yes Bank	37	38	-1.86
BPCL	481	485	-0.92
M&M	524	528	-0.82

Advance Decline Ratio			
	BSE	NSE	
Advances	1097	800	
Declines	1408	1022	
Unchanged	193	130	

Institutional Flows (Equity)		
Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-503	20391
MF Flows**	-419	1078

\*11<sup>th</sup> Feb 2020; \*\*10<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

[1] Data as on 10 Feb 2020

## Global Indices

- Asian equity markets moved higher even though deaths because of the coronavirus continued to rise. Chinese President's resolve to win the fight against the coronavirus outbreak calmed investors. Today (as of Feb 12), Asian markets opened higher as investors tracked the virus outbreak situation. Both Nikkei and Hang Seng rose 0.28% and 0.17% (as at 8.a.m. IST), respectively.
- European markets closed higher as investors continued to monitor the spread of the coronavirus and its effect on the global economy.
- U.S. markets were up a tad as investors took stock of testimony from top U.S. central banking official and assessed the potential economic impact of the coronavirus.

## Indian Equity Market

- Indian equity markets gained on the back of positive global cues as some factories in China opened despite mounting coronavirus deaths. Investors took solace in the fact that new coronavirus cases were relatively lower on Feb 10 than Feb 9, 2020.
- Key benchmark indices S&P BSE Sensex and Nifty 50 gained 0.58% and 0.63% to close at 41,216.14 and 12,107.90 respectively. S&P BSE MidCap gained 0.35% and S&P BSE SmallCap lost 0.18%.
- The overall market breadth on BSE was weak with 1,097 scrips advancing and 1,408 scrips declining. A total of 194 scrips remained unchanged.
- On the BSE sectoral front, S&P BSE Utilities was the major gainer, up 1.68% followed by S&P BSE Power, up 1.5% and S&P BSE Metal, up 0.92%. S&P BSE FMCG was the major loser, down 0.25% followed by S&P BSE Telecom, down 0.11%.

## Domestic News

- The coronavirus outbreak could disrupt supply chains and impact credits in the medium term, a private rating agency said. Supply chains of Indian companies are unlikely to be materially affected in the near term if the outbreak remains contained in Hubei province, it said. On the other hand, if it spreads over the next three to four months, sectors like pharmaceuticals, textiles and automobiles could face supply disruptions for critical raw materials.
- Media reports showed the income tax department has issued notices in 422 cases involving undisclosed foreign assets and income of over Rs. 12,600 crore till Dec 31, 2019.
- Central tax authorities have detected 634 cases of fraudulent goods and services tax (GST) refund claim by exporters amounting Rs. 1,912 crore between Jul 2017 and Jan 2020, media reports showed. Of the total amount, Rs. 238.97 crore had been recovered by the Central GST authorities from the entities which claimed the fraudulent refunds, and 35 people have been arrested by the CGST authorities.
- According to Reserve Bank of India data, investments by Indian firms in foreign countries in Jan 2020 increased by nearly 40% to \$2.10 billion on a yearly basis, media reports showed. Indian companies had invested \$1.47 billion in their overseas ventures in the same month a year ago. Compared monthly, Jan investments were higher than \$1.99 billion in Dec 2019. Of the total capital invested by the India Inc in Jan this year, \$793.82 million was in the form of equity capital, \$368.55 came in as debt capital, while the rest \$890.75 million was through the issuance of guarantee.

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FII Derivative Trade Statistics			
(Rs Cr)	11-Feb		
	Buy	Sell	Open Int.
Index Futures	2316.03	2715.63	14670.01
Index Options	174286.28	172846.31	58479.39
Stock Futures	13058.27	12714.27	103293.11
Stock Options	4640.98	4590.86	4428.76
<b>Total</b>	<b>194301.56</b>	<b>192867.07</b>	<b>180871.27</b>

Derivative Statistics- Nifty Options			
	11-Feb	Prev_Day	Change
Put Call Ratio (OI)	1.39	1.32	0.06
Put Call Ratio(Vol)	0.95	0.95	0.01

Debt Watch				
	11-Feb	Wk. Ago	Mth. Ago	Year Ago
Call Rate	5.00%	4.98%	4.99%	6.36%
T-Repo	4.91%	4.92%	4.92%	6.35%
Repo	5.15%	5.15%	5.15%	6.25%
Reverse Repo	4.90%	4.90%	4.90%	6.00%
91 Day T-Bill	5.05%	5.01%	5.02%	6.35%
364 Day T-Bill	5.25%	5.27%	5.23%	6.57%
10 Year Gilt	6.47%	6.51%	6.59%	7.36%
G-Sec Vol. (Rs.Cr)	42647	46316	34381	21793
FBIL MIBOR <sup>[1]</sup>	5.21%	5.15%	5.22%	6.45%
3 Month CP Rate	5.75%	5.80%	5.80%	7.45%
5 Year Corp Bond	6.98%	7.28%	7.48%	8.49%
1 Month CD Rate	5.13%	5.14%	5.03%	6.43%
3 Month CD Rate	5.46%	5.51%	5.09%	7.01%
1 Year CD Rate	6.09%	5.95%	6.09%	7.92%

Currency Market			
Currency	11-Feb	Prev_Day	Change
USD/INR	71.23	71.30	-0.08
GBP/INR	92.00	92.02	-0.02
EURO/INR	77.71	78.11	-0.41
JPY/INR	0.65	0.65	0.00

Commodity Prices				
Commodity	11-Feb	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	49.95	49.54	58.99	52.38
Brent Crude(\$/bl)	54.59	54.49	68.16	61.57
Gold(\$/oz)	1567	1552	1562	1308
Gold(Rs./10 gm)	40468	40471	39607	32913

Source: Thomson Reuters Eikon

[1] Data as on 10 Feb 2020

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#### Derivatives Market

- Nifty Feb 2020 Futures stood at 12,126.85, a premium of 18.95 points above the spot closing of 12,107.90. The turnover on NSE's Futures and Options segment rose to Rs. 11,40,798.72 crore on February 11, 2020, compared with Rs. 9,19,137.80 crore on February 10, 2020.
- The Put-Call ratio stood at 0.93 compared with the previous session's close of 0.92.
- The Nifty Put-Call ratio stood at 1.39 compared with the previous session's close of 1.32.
- Open interest on Nifty Futures stood at 14.71 million, compared with the previous session's close of 15.05 million.

#### Indian Debt Market

- Bond yields rose ahead of the release of the economy's retail inflation data for Jan 2020. Profit booking by market participants to capitalize on the recent rally also pushed the yield higher.
- Yield on the new 10-year benchmark paper (6.45% GS 2029) rose 3 bps to 6.47% compared with the previous close of 6.44% after trading in the range of 6.43% to 6.47%.
- Banks borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 2,150 crore (gross) on Feb 11, 2020 compared with borrowings of Rs. 3,080 crore (gross) on Feb 10, 2020. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 49,140 crore on Feb 10, 2020.
- Banks borrowed Rs. 4,280 crore under the central bank's Marginal Standing Facility on Feb 10, 2020 compared with borrowings of Rs. 3,200 crore on Feb 7, 2020.

#### Currency Market Update

- The Indian rupee was almost steady against the U.S dollar, as a fall due to recovery in crude oil prices neutralised the positive impact of gains in the Chinese yuan.
- Euro fell marginally against the U.S. dollar ahead of the two-day testimony by the U.S. central bank chief. Euro was trading at \$1.0914 compared with the previous close of \$1.0909.

#### Commodity Market Update

- Gold prices fell amid U.S. Federal Reserve Chairman's upbeat view of the U.S. economy. Further, drop in the number of new confirmed cases of coronavirus weighed on the safe haven appeal of the bullion.
- Brent crude prices surged as the number of new coronavirus cases slowed in China, easing some concern over global economic impact.

#### International News

- First estimates from the Office for National Statistics showed the U.K. economy stalled in the fourth quarter as uncertainty around Brexit and the general election weighed on investment and spending. Gross domestic product remained unchanged from the previous three months, as expected, after expanding by a revised 0.5% in the third quarter.
- British Retail Consortium and KPMG data showed U.K. like-for-like retail sales remained stable in Jan 2020 after a 1.8% increase in the same period last year.
- Figures from the Office for National Statistics showed U.K. trade balance swung to a surplus of GBP 845 million from a GBP 4.947 deficit in the previous month.

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