

Markets for You

14 Feb 2020

Good gets *better*

Indices Performance

Global Indices	13-Feb	Prev_Day	Abs. Change	% Change [#]
Russell 3000	1,537	1,539	-2	-0.13
Nasdaq	9,712	9,726	-14	-0.14
FTSE	7,452	7,534	-82	-1.09
Nikkei	23,828	23,861	-33	-0.14
Hang Seng	27,730	27,824	-94	-0.34
Indian Indices	13-Feb	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	41,460	41,566	-106	-0.26
Nifty 50	12,175	12,201	-27	-0.22
Nifty 100	12,302	12,328	-26	-0.21
Nifty 500	10,018	10,037	-19	-0.19
Nifty Bank	31,230	31,493	-263	-0.83
S&P BSE Power	1,896	1,897	-2	-0.10
S&P BSE Small Cap	14,742	14,731	11	0.07
S&P BSE HC	14,447	14,296	151	1.06

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
13-Feb	25.14	1.02	27.59	1.25
Month Ago	26.30	1.01	28.67	1.22
Year Ago	23.35	1.17	26.60	1.25

Nifty 50 Top 3 Gainers

Company	13-Feb	Prev_Day	% Change [#]
Yes Bank	37	35	5.68
AGC Networks Limited	322	307	4.99
Dr.Reddy	3325	3196	4.03

Nifty 50 Top 3 Losers

Company	13-Feb	Prev_Day	% Change [#]
IndusInd Bank	1231	1277	-3.65
ICICI Bank	541	549	-1.51
Tata Steel	441	448	-1.50

Advance Decline Ratio

	BSE	NSE
Advances	1048	805
Declines	1442	1018
Unchanged	156	118

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-663	21885
MF Flows**	242	1762

*13th Feb 2020; **12th 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 12 Feb 2020

Global Indices

- Asian equity markets mostly fell after the adoption of a new methodology for counting coronavirus infections added to the number of deaths and hugely increased infected cases. Today (as of Feb 14), Asian markets opened lower as concerns around the coronavirus outbreak continues to weigh on sentiment. Both Nikkei and Hang Seng fell 0.59% and 0.11% (as at 8.a.m. IST), respectively.
- European markets closed lower as the spread of the coronavirus remained the primary focus of investors.
- U.S. markets declined as investors contended with a jump in reported coronavirus cases and the virus' possible economic impact.

Indian Equity Market

- Indian equity markets declined as investors' hopes of further monetary easing were quelled after consumer inflation for Jan 2020 rose to multi-year high. Also, the continuous rise in coronavirus cases in China dampened sentiment.
- Key benchmark indices S&P BSE Sensex and Nifty 50 lost 0.26% and 0.22% to close at 41,459.79 and 12,174.65 respectively. S&P BSE MidCap lost 0.01% and S&P BSE SmallCap gained 0.07%.
- The overall market breadth on BSE was weak with 1,048 scrips advancing and 1,442 scrips declining. A total of 156 scrips remained unchanged.
- On the BSE sectoral front, S&P BSE Healthcare was the major gainer, up 1.06% followed by S&P BSE Consumer Durables, up 0.95% and S&P BSE IT, up 0.88%. S&P BSE Bankex was the major loser, down 0.94% followed by S&P BSE Finance, down 0.8% and S&P BSE Oil & Gas, down 0.64%.

Domestic News

- Media reports showed experts feel rising inflation is a sign of a revival in demand in the rural economy as India's rural inflation rate surged faster than urban inflation for the first time in 19 months in Jan 2020. Around two-thirds of India's population depends on the rural sector with agriculture accounting for near 15% of India's \$2.8 trillion economy, and rising inflation suggests pricing power is returning to the hands of farmers.
- A major global rating agency affirmed India's sovereign ratings at 'BBB-/A-3' with stable outlook. It said expectations are for GDP growth to recover towards the longer-term trend rates over two-three years. It also said that India is experiencing a cyclical, rather than a structural, economic slowdown. The ratings on India reflect the country's above-average real GDP growth, sound external profile, and evolving monetary settings. Fiscal deficit of India is expected to remain broadly in line with the agency's forecasts over the next two years. The Reserve Bank of India projected GDP growth for 2020-21 at 6%.
- According to a Greenpeace report, air pollution from burning fossil fuels is generating economic losses of \$8 billion a day. That's about 3.3% of global gross domestic product, or \$2.9 trillion per year, according to a report from Greenpeace Southeast Asia and Center for Research on Energy and Clean Air. China, the U.S. and India bear the highest economic cost of soaring pollution, at an estimated \$900 billion, \$600 billion and \$150 billion a year, respectively.
- Union minister said that works worth over Rs. 1 lakh crore will be undertaken for tunnels at strategic locations in the next five years to ensure all-weather connectivity. Also, competent players, whether small or big, need to be given opportunity and there is a need to relax parameters including technical and financial qualifications for bidders.

Good gets better

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

FII Derivative Trade Statistics		13-Feb	
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	2917.49	1765.64	13922.03
Index Options	219734.35	219218.92	61836.90
Stock Futures	12745.82	12302.19	103960.12
Stock Options	4592.47	4556.88	4750.97
Total	239990.13	237843.63	184470.02

Derivative Statistics- Nifty Options			
	13-Feb	Prev_Day	Change
Put Call Ratio (OI)	1.41	1.61	-0.20
Put Call Ratio(Vol)	0.96	1.05	-0.09

Debt Watch				
	13-Feb	Wk. Ago	Mth. Ago	Year Ago
Call Rate	4.96%	5.00%	4.99%	6.14%
T-Repo	4.89%	4.94%	4.90%	6.12%
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%	5.13%	5.06%	6.31%
364 Day T-Bill	5.18%	5.26%	5.15%	6.49%
10 Year Gilt	6.43%	6.45%	6.60%	7.29%
G-Sec Vol. (Rs.Cr)	73228	112264	21814	59946
FBIL MIBOR ^[1]	5.15%	5.17%	5.20%	6.35%
3 Month CP Rate	5.70%	5.80%	5.80%	7.40%
5 Year Corp Bond	7.07%	7.03%	7.41%	8.34%
1 Month CD Rate	5.10%	5.16%	5.11%	6.43%
3 Month CD Rate	5.31%	5.47%	5.44%	7.19%
1 Year CD Rate	5.76%	6.10%	6.09%	7.75%

Currency Market			
Currency	13-Feb	Prev_Day	Change
USD/INR	71.47	71.26	0.21
GBP/INR	92.56	92.32	0.25
EURO/INR	77.70	77.74	-0.03
JPY/INR	0.65	0.65	0.00

Commodity Prices				
Commodity	13-Feb	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	51.36	50.89	58.14	53.79
Brent Crude(\$/bl)	56.93	55.77	64.23	63.66
Gold(\$/oz)	1576	1567	1548	1306
Gold(Rs./10 gm)	40619	40406	39602	32855

Source: Thomson Reuters Eikon

[1] Data as on 12 Feb 2020

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Derivatives Market

- Nifty Feb 2020 Futures stood at 12,228.45, a premium of 53.80 points above the spot closing of 12,174.65. The turnover on NSE's Futures and Options segment rose to Rs. 28,46,771.71 crore on February 13, 2020, compared with Rs. 13,02,740.38 crore on February 12, 2020.
- The Put-Call ratio stood at 0.72 compared with the previous session's close of 0.98.
- The Nifty Put-Call ratio stood at 1.61 compared with the previous session's close of 1.39.
- Open interest on Nifty Futures stood at 14.48 million, compared with the previous session's close of 14.71 million.

Indian Debt Market

- Bond yields fell as market participants resorted to bargain hunting. Expectations that bond yields would come down further as the Reserve Bank of India announced to conduct long term repos also contributed to the upside.
- Yield on the new 10-year benchmark paper (6.45% GS 2029) fell 5 bps to close at 6.43% compared with the previous close of 6.48% after trading in the range of 6.42% to 6.50%.
- Banks borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 1,895 crore (gross) on Feb 13, 2020 compared with borrowings of Rs. 2,135 crore (gross) on Feb 12, 2020. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 35,826 crore on Feb 12, 2020.
- Banks borrowed Rs.4,080 crore under the central bank's Marginal Standing Facility on Feb 12, 2020 compared with borrowings of Rs. 1,530 crore on Feb 11, 2020.

Currency Market Update

- The Indian rupee in spot trade inched up against the greenback amid lower global crude oil prices.
- The euro weakened against the U.S. dollar as investor risk sentiment dampened amid concerns over a sharp rise in the number of new cases of the coronavirus outbreak in China. The euro closed at 1.0840, down 0.29% compared to the previous day's close of 1.0871.

Commodity Market Update

- Gold prices rose as its safe haven appeal improved following a sharp increase in the number of new coronavirus cases in China.
- Brent crude prices surged on growing possibility of deeper production cuts from OPEC.

International News

- According to Labor Department report, initial jobless claims crept up to 205,000, an increase of 2,000 from the previous week's 203,000.
- A Labor Department report showed its consumer price index inched up 0.1% in Jan 2020 after rising by 0.2% in Dec 2019.
- The European Commission retained its growth outlook for the 19-nation currency bloc. It, however, cited the outbreak of coronavirus as a key downside risk, after the 'Phase One' trade deal between the U.S. and China reduced tensions to some extent.
- Survey data from the Royal Institution of Chartered Surveyors showed U.K. house price balance rose to +17% in Jan from -2% in Dec 2019. This pick-up was positive price movements in London and the South East.



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**Thank you for
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