

Markets for You

24 Feb 2020

Good gets *better*

Indices Performance				
Global Indices	21-Feb	Prev_Day	Abs. Change	% Change [#]
Russell 3000	1,519	1,543	-24	-1.52
Nasdaq	9,577	9,751	-174	-1.79
FTSE	7,404	7,437	-33	-0.44
Nikkei	23,387	23,479	-92	-0.39
Hang Seng	27,309	27,609	-300	-1.09
Indian Indices	20-Feb	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	41,170	41,323	-153	-0.37
Nifty 50	12,081	12,126	-45	-0.37
Nifty 100	12,211	12,248	-37	-0.30
Nifty 500	9,959	9,971	-12	-0.12
Nifty Bank	30,943	30,838	105	0.34
S&P BSE Power	1,842	1,835	6	0.34
S&P BSE Small Cap	14,747	14,672	75	0.51
S&P BSE HC	14,535	14,502	33	0.23

P/E Dividend Yield				
Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
20-Feb	25.11	1.04	27.50	1.26
Month Ago	25.44	1.03	27.84	1.25
Year Ago	23.02	1.20	26.31	1.25

Nifty 50 Top 3 Gainers			
Company	20-Feb	Prev_Day	% Change [#]
AGC Networks Limited	394	376	4.99
IndusInd Bank	1182	1142	3.51
Tata Steel	444	433	2.39

Nifty 50 Top 3 Losers			
Company	20-Feb	Prev_Day	% Change [#]
Cipla	436	448	-2.63
Asian Paints	1842	1885	-2.26
HUL	2248	2292	-1.92

Advance Decline Ratio		
	BSE ^[1]	NSE ^[1]
Advances	1220	929
Declines	1305	906
Unchanged	164	142

Institutional Flows (Equity)		
Description (Cr)	Inflow/Outflow	YTD
FII Flows*	1293	22873
MF Flows**	192	1964

*20th Feb 2020; **17th Feb 2020

Economic Indicator			
YoY(%)	Current	Quarter Ago	Year Ago
CPI	7.59% (Jan-20)	4.62% (Oct-19)	1.97% (Jan-19)
IIP	-0.30% (Dec-19)	-4.60% (Sep-19)	2.50% (Dec-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 20 Feb 2020

Global Indices

- Asian equity markets were mostly down after China reported an increase in new coronavirus cases. New cases are going beyond China in countries such as Japan and South Korea. The Chinese government reported 1,109 new confirmed cases of the disease, which is up from 349 cases the previous day and reverses three days of decline. Today (as of Feb 24), Asian markets fell after the South Korea raised its coronavirus alert to the highest level. While Nikkei was closed, Hang Seng fell 1.23% (as at 8.a.m. IST).
- European markets closed lower as investors took stock of a series of economic data and the latest developments in the coronavirus outbreak.
- U.S. markets declined as the number of new coronavirus cases climbed up, leading to worries that a pronounced global economic slowdown could be imminent.

Indian Equity Market

- Indian equity markets declined after the Monetary Policy Committee meeting minutes showed the Reserve Bank of India is concerned about economic activity as it feels the economy has not yet bottomed out. Global cues were weak too as fears over the spread of the coronavirus intensified.
- Key benchmark indices S&P BSE Sensex and Nifty 50 lost 0.37% and 0.37% to close at 41,170.12 and 12,080.85 respectively. S&P BSE MidCap and S&P BSE SmallCap gained 0.4% and 0.51% respectively.
- The overall market breadth on BSE was weak with 1,220 scrips advancing and 1,305 scrips declining. A total of 164 scrips remained unchanged.
- On the BSE sectoral front, S&P BSE Metal was the major gainer, up 0.9% followed by S&P BSE Telecom, up 0.55% and S&P BSE Bankex, up 0.39%. S&P BSE Energy was the major loser, down 0.95% followed by S&P BSE Oil & Gas, down 0.78% and S&P BSE IT, down 0.75%.

Domestic News

- Monetary Policy Committee's recently held meeting minutes showed its members sparred on whether policy space was available for further rate action in the current cycle and if the budget toed the right fiscal line. They agreed that the inflation outlook remained 'highly uncertain'.
- The Telecom Regulatory Authority of India (TRAI) suggested only revenue should be taken into account in marketshare calculation for services like national and international long-distance telephony. Both subscriber base and revenue are considered in determining marketshare for mobile and internet service providers. TRAI is doing this in a bid to reform norms for transfer and merger of telecom licences. It also suggested that the one-year timeline currently allowed for transfer/merger of licences in different service areas after National Company Law Tribunal nod should exclude time spent by companies in pursuing any litigation on account of which the final approval of a merger is delayed.
- The government approved major changes in the Pradhan Mantri Fasal Bima Yojana (PMFBY), making it optional for farmers. Under PMFBY, launched in Feb 2016, it is mandatory for loanee farmers to take insurance cover. Currently, 58% of the total farmers are loanee.
- A nation-wide survey has been launched to capture household accessibility to amenities including nutrition, drinking water, housing and cooking fuel. The number of poor as well as poverty levels are crucial for any government to prioritise social sector schemes.
- Axis Bank Ltd plans to buy more than 20% in Max Life Insurance Co. Ltd, which is the life insurance unit of Max Financial Services Ltd, media reports showed.
- Competition Commission of India has given approval for GMR group's proposed 49% stake sale in its airport business to France's Groupe ADP, media reports showed.

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

FII Derivative Trade Statistics			
(Rs Cr)	20-Feb		
	Buy	Sell	Open Int.
Index Futures	4524.38	3526.19	13762.70
Index Options	313537.63	311999.13	60055.69
Stock Futures	15345.37	14577.42	102785.64
Stock Options	6703.20	6659.94	5690.20
Total	340110.58	336762.68	182294.23

Derivative Statistics- Nifty Options			
	20-Feb	Prev_Day	Change
Put Call Ratio (OI)	1.12	1.38	-0.26
Put Call Ratio(Vol)	0.96	0.94	0.02

Debt Watch				
	20-Feb	Wk. Ago	Mth. Ago	Year Ago
Call Rate	5.04%	5.03%	4.94%	6.28%
T-Repo	5.01%	4.95%	4.99%	6.26%
Repo	5.15%	5.15%	5.15%	6.25%
Reverse Repo	4.90%	4.90%	4.90%	6.00%
91 Day T-Bill	5.00%	5.05%	5.08%	6.40%
364 Day T-Bill	5.17%	5.18%	5.22%	6.50%
10 Year Gilt	6.42%	6.37%	6.64%	7.35%
G-Sec Vol. (Rs.Cr)	33225	95610	31007	18081
FBIL MIBOR	5.17%	5.15%	5.15%	6.43%
3 Month CP Rate	5.70%	5.70%	5.80%	7.75%
5 Year Corp Bond	6.96%	6.98%	7.46%	8.46%
1 Month CD Rate	5.09%	5.10%	5.15%	6.60%
3 Month CD Rate	5.49%	5.36%	5.59%	7.38%
1 Year CD Rate	5.81%	5.78%	5.99%	7.60%

Currency Market			
Currency	20-Feb	Prev_Day	Change
USD/INR	71.59	71.40	0.19
GBP/INR	92.40	92.82	-0.42
EURO/INR	77.25	77.36	-0.11
JPY/INR	0.64	0.65	-0.01

Commodity Prices				
Commodity	21-Feb	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	53.31	51.98	58.25	56.90
Brent Crude(\$/bl)	59.54	57.96	63.95	67.45
Gold(\$/oz)	1643	1584	1558	1323
Gold(Rs./10 gm) ^[1]	41590	40676	39851	33531

Source: Thomson Reuters Eikon

[1] Data as on 20 Feb 2020

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Derivatives Market

- Nifty Feb 2020 Futures stood at 12,079.00, a discount of 1.85 points below the spot closing of 12,080.85. The turnover on NSE's Futures and Options segment rose to Rs. 33,14,285.28 crore on February 20, 2020, compared with Rs. 17,39,011.09 crore on February 19, 2020.
- The Put-Call ratio stood at 0.76 compared with the previous session's close of 0.90.
- The Nifty Put-Call ratio stood at 1.12 compared with the previous session's close of 1.38.
- Open interest on Nifty Futures stood at 14.41 million, compared with the previous session's close of 14.25 million.

Indian Debt Market

- Bond yields were up as investors resorted to profit booking. In addition, market was also awaiting the release of the minutes of the monetary policy meeting to get a clearer picture on how the RBI plans to manage the rising inflation, while handling the bond yield.
- Yield on the new 10-year benchmark paper (6.45% GS 2029) rose 3 bps to 6.42% compared with the previous close of 6.39% after trading in the range of 6.38% to 6.43%.
- Banks borrowed Rs. 2,715 crore under the central bank's Marginal Standing Facility on Feb 18, 2020 compared with borrowings of Rs. 2,950 crore on Feb 17, 2020.
- Data from the Reserve Bank of India showed that reserve money grew 12.0% for the week ended Feb 14, 2020 compared to an increase of 16.6% in the same period of the previous year. Currency in circulation grew 11.4% as compared to an increase of 18.4% in the same period of the previous year.

Currency Market Update

- The Indian rupee in spot trade weakened against the greenback following losses in the domestic equity market.
- The euro rose against the greenback as the latter remained under pressure after preliminary data showed that U.S. business activity in the manufacturing and services sectors stalled in Feb 2020.

Commodity Market Update

- Gold prices rose on persisting concerns over the coronavirus outbreak in China.
- Brent crude prices fell on persisting concerns over the coronavirus outbreak in China and its adverse impact on global growth.

International News

- A Labor Department report showed U.S. initial jobless claims for the week ended Feb 15 crept up to 210,000, an increase of 4,000 from the previous week's 206,000.
- U.S. Federal Reserve meeting's minutes showed officials feel leaving interest rates at their current levels is likely to be appropriate for some time. The minutes made several references to the coronavirus outbreak.
- Data showed euro area private sector grew for a third straight month and at the fastest pace in six months in Feb 2020, mainly led by further expansion of the services sector. Eurozone inflation accelerated for the third straight month in Jan 2020.



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