

Markets for You

01 Jan 2020

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Indices Performance

Global Indices	31-Dec	Prev_Day	Abs. Change	% Change [#]
Russell 3000	1,426	1,423	3	0.24
Nasdaq	8,973	8,946	27	0.30
FTSE	7,542	7,587	-45	-0.59
Nikkei ^[1]	23,657	23,838	-181	-0.76
Hang Seng	28,190	28,319	-130	-0.46
Indian Indices	31-Dec	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	41,254	41,558	-304	-0.73
Nifty 50	12,168	12,256	-87	-0.71
Nifty 100	12,268	12,354	-87	-0.70
Nifty 500	9,873	9,925	-52	-0.53
Nifty Bank	32,162	32,355	-193	-0.60
S&P BSE Power	1,926	1,914	12	0.62
S&P BSE Small Cap	13,699	13,649	51	0.37
S&P BSE HC	13,429	13,457	-28	-0.21

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
31-Dec	26.01	1.03	28.30	1.24
Month Ago	28.39	1.14	28.10	1.24
Year Ago	23.64	1.16	26.17	1.24

Nifty 50 Top 3 Gainers

Company	31-Dec	Prev_Day	% Change [#]
Coal India	211	206	2.70
NTPC	119	117	2.15
GAIL	121	119	1.81

Nifty 50 Top 3 Losers

Company	31-Dec	Prev_Day	% Change [#]
AGC Networks Limited	145	153	-4.98
Zee Ente.	292	303	-3.50
Tech Mahindra	762	783	-2.61

Advance Decline Ratio

	BSE	NSE
Advances	1349	962
Declines	1215	854
Unchanged	195	139

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	279	101121
MF Flows**	170	52565

*31st Dec 2019; **30th Dec 2019

Economic Indicator

YoY(%)	Current	Quarter Ago	Year Ago
CPI	5.54% (Nov-19)	3.28% (Aug-19)	2.33% (Nov-18)
IIP	-3.80% (Oct-19)	4.90% (Jul-19)	8.40% (Oct-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 30 Dec 2019

Global Indices

- Asian equity markets were broadly lower on the last trading day of 2019. Investors looked to book profits amid thin holiday trading. Some of the regional markets such as Japan, S. Korea and Thailand were closed for New Year's Eve. Sentiment got some support from trade optimism. Media reports showed the Chinese Vice Premier will lead a delegation to Washington on Jan 4, 2020, to sign the phase one trade deal with the U.S. Today (as of Jan 01), Asian markets remained closed on account of new year.
- As per the last close, European markets closed lower after moving in a tight range amid thin holiday trades.
- As per the last close, U.S markets closed almost higher despite a lackluster session on the last day of the year as trading remained thin because of the holiday season.

Indian Equity Market

- Indian equity markets lost on the last day of the year in want of positive triggers. Investors awaited release of key economic data, scheduled to be released after market hours. Global cues were weak as most of the markets across Europe are closed for New Year's Eve and will remain shut on Jan 1, 2020, as well. U.S. markets too will be closed for New Year's Day on Jan 1, 2020.
- Key benchmark indices S&P BSE Sensex lost 0.73% and Nifty 50 lost 0.71% to close at 41,253.74 and 12,168.45 respectively. S&P BSE MidCap lost 0.03% and S&P BSE SmallCap gained 0.37%.
- The overall market breadth on BSE was strong with 1,349 scrips advancing and 1,215 scrips declining. A total of 195 scrips remained unchanged.
- On the BSE sectoral front, S&P BSE Utilities was the major gainer, up 0.83% followed by S&P BSE Power, up 0.62% and S&P BSE Realty, up 0.5%. S&P BSE Energy was the major loser, down 1.2% followed by S&P BSE Auto, down 0.85% and S&P BSE Telecom, down 0.85%.

Domestic News

- Data from the Reserve Bank of India showed that India's Current Account Deficit for the period from Jul to Sep of 2019 narrowed to \$6.3 billion (0.9% of GDP) from \$14.2 billion (2.0% of GDP) in the preceding quarter and \$19.0 billion (2.9% of GDP) in the same period of the previous year. India's current account deficit contracted on a yearly basis primarily on account of a lower trade deficit at \$38.1 billion as compared with \$50.0 billion a year ago. Net services receipts grew 0.9% on a yearly basis on the back of a rise in net earnings from computer, travel and financial services.
- Government data showed that the growth of the index of eight core industries contracted for the fourth consecutive month in Nov 2019. The index of eight core industries contracted 1.5% in Nov 2019 compared to a contraction of 5.8% in Oct 2019 and a growth of 3.3% in the same period of the previous year. The natural gas sector witnessed a maximum contraction of 6.4% followed by crude oil and the electricity sector which contracted 6.0% and 5.7% respectively. The only sectors to witness expansion over the month was refinery products and fertilizers which grew 3.1% and 13.6% respectively.
- Government data showed that India's fiscal deficit for the period from Apr to Nov of 2019 widened to Rs. 8.07 lakh crore or 114.8% of the budgeted estimate of Rs 7.04 lakh crore for FY20. Revenue receipts during the same period stood at 50.1% of the budgeted target of Rs. 19.6 lakh crore. Tax revenue during the same period stood at 45.5% of the budgeted target of Rs. 16.4 lakh crore. Non-tax revenue in the same period stood at 74.3% of the budgeted target of Rs 3.13 lakh crore.
- The government has started austerity measures by revising the expenditure limit downwards for Jan-Mar 2020 period of FY20. The government has asked all departments to restrict the expenses to 25% of the Budget Estimate (BE) in Jan-Mar. This is being done as the government is faced with a shortfall in revenue collection.

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FII Derivative Trade Statistics		31-Dec	
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	1817.14	2154.98	10550.99
Index Options	214407.99	213470.58	45052.52
Stock Futures	8515.92	8613.85	96266.89
Stock Options	2481.18	2438.62	2062.59
Total	227222.23	226678.03	153932.99

Derivative Statistics- Nifty Options			
	31-Dec	Prev_Day	Change
Put Call Ratio (OI)	1.12	1.40	-0.27
Put Call Ratio(Vol)	0.90	0.98	-0.08

Debt Watch				
	31-Dec	Wk. Ago	Mth. Ago	Year Ago
Call Rate	5.10%	5.12%	5.06%	6.53%
T-Repo	4.82%	4.79%	4.90%	6.35%
Repo	5.15%	5.15%	5.15%	6.50%
Reverse Repo	4.90%	4.90%	4.90%	6.25%
91 Day T-Bill	5.00%	5.02%	4.85%	6.60%
364 Day T-Bill	5.18%	5.29%	5.11%	6.92%
10 Year Gilt	6.56%	6.58%	6.47%	7.37%
G-Sec Vol. (Rs.Cr)	19722	26181	36131	32827
FBIL MIBOR ^[1]	5.25%	5.25%	5.25%	6.73%
3 Month CP Rate	5.42%	5.40%	5.30%	7.20%
5 Year Corp Bond	7.72%	7.67%	7.47%	8.25%
1 Month CD Rate	5.05%	5.08%	5.00%	6.99%
3 Month CD Rate	5.35%	5.07%	5.08%	6.90%
1 Year CD Rate	6.02%	6.01%	5.79%	7.96%

Currency Market			
Currency	31-Dec	Prev_Day	Change
USD/INR	71.27	71.34	-0.07
GBP/INR	93.48	93.55	-0.07
EURO/INR	79.88	79.88	0.00
JPY/INR	0.66	0.65	0.00

Commodity Prices				
Commodity	31-Dec	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bbl)	61.11	61.14	58.07	45.10
Brent Crude(\$/bbl)	68.96	71.10	66.34	50.51
Gold(\$/oz)	1517	1499	1464	1283
Gold(Rs./10 gm)	39076	38297	37876	31566

Source: Thomson Reuters Eikon

[1] Data as on 30 Dec 2019

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Derivatives Market

- Nifty Jan 2020 Futures stood at 12,246.25, a premium of 77.80 points above the spot closing of 12,168.45. The turnover on NSE's Futures and Options segment rose to Rs. 11,08,653.39 crore on December 31, 2019, compared with Rs. 10,76,944.88 crore on December 30, 2019.
- The Put-Call ratio stood at 0.94 compared with the previous session's close of 0.98.
- The Nifty Put-Call ratio stood at 1.12 compared with the previous session's close of 1.4.
- Open interest on Nifty Futures stood at 13.3 million, compared with the previous session's close of 13.12 million.

Indian Debt Market

- Bond yield was up amid rising inflation, slowdown in disinvestment and worries over the economy's fiscal situation.
- Yield on the new 10-year benchmark paper (6.45% GS 2029) rose 1 bps to close at 6.56% compared with the previous close of 6.55% after trading in a range of 6.53% to 6.56%.
- Banks borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 4,654 crore (gross) on Dec 31, 2019 compared with borrowings of Rs. 4,279 crore (gross) on Dec 30, 2019. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 38,499 crore on Dec 30, 2019.
- Banks borrowed Rs. 7,217 crore under the central bank's Marginal Standing Facility on Dec 30, 2019 compared with borrowings of Rs. 2,822 crore on Dec 27, 2019.

Currency Market Update

- The Indian rupee in spot trade fell against the greenback following losses in the domestic equity market. Month end dollar demand from oil importers also weighed on the market sentiment.
- The euro rose against the greenback after the U.S. President said that the first phase of an American trade deal with China would be signed on Jan 15, 2020.

Commodity Market Update

- Gold prices rose as the greenback remained under pressure. Tensions in the Middle East also boosted the safe haven appeal of the bullion.
- Brent crude prices fell amid media reports that Russia may withdraw from the OPEC+ production cut agreement.

International News

- Figures from the Hellenic Statistical Authority showed Greece retail sales volume increased the most since Feb 2017. Retail sales volume increased 7.1% YoY in Oct 2019, following a 5% rise in Sep 2019.
- According to the National Bureau of Statistics Official survey, China's manufacturing sector expanded for the second straight month in Dec 2019. The manufacturing Purchasing Managers' Index held steady at 50.2 in Dec.
- The National Bureau of Statistics said the manufacturing sector in China continued to expand at a steady pace in Dec 2019 with a manufacturing PMI score of 50.2. That was unchanged from the Nov 2019 reading, although it beat expectations. It also remained above the boom-or-bust line of 50 that separates expansion from contraction.



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