

Indices Performance				
Global Indices	06-Jan	Prev_Day	Abs. Change	% Change
Russell 3000	1,919	1,935	-16	-0.85
Nasdaq	12,741	12,819	-78	-0.61
FTSE	6,842	6,612	230	3.47
Nikkei	27,056	27,159	-103	-0.38
Hang Seng	27,692	27,650	42	0.15
Indian Indices	06-Jan	Prev_Day	Abs. Change	% Change
S&P BSE Sensex	48,174	48,438	-264	-0.54
Nifty 50	14,146	14,200	-53	-0.38
Nifty 100	14,306	14,356	-50	-0.35
Nifty 500	11,738	11,767	-29	-0.25
Nifty Bank	31,798	31,722	76	0.24
S&P BSE Power	2,127	2,095	32	1.51
S&P BSE Small Cap	18,615	18,642	-27	-0.14
S&P BSE HC	22,017	22,107	-90	-0.41

P/E Dividend Yield				
Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
6-Jan	33.59	0.83	38.90	1.12
Month Ago	32.18	0.90	36.46	1.20
Year Ago	25.47	1.05	27.89	1.26

Nifty 50 Top 3 Gainers				
Company	06-Jan	Prev_Day	% Change	
Power Grid	196	188	4.34	
Shree Cements Limited	24824	23896	3.89	
GAIL	134	129	3.64	

Nifty 50 Top 3 Losers				
Company	06-Jan	Prev_Day	% Change	
ITC	205	211	-2.86	
RIL	1914	1966	-2.64	
Bajaj Finance	5030	5119	-1.73	

Advance Decline Ratio			
	BSE	NSE	
Advances	1526	859	
Declines	1585	1121	
Unchanged	122	71	

Institutional Flows (Equity)		
Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-193	4362
MF Flows**	-1156	-46995

*6th Jan 2021; **17th Dec 2020

Economic Indicator			
YoY(%)	Current	Quarter Ago	Year Ago
CPI	6.93% (Nov-20)	6.69% (Aug-20)	5.54% (Nov-19)
IIP	3.60% (Oct-20)	-10.50% (Jul-20)	-6.60% (Oct-19)
GDP	-7.50% (Sep-20)	-23.90% (Jun-20)	4.40% (Sep-19)

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 05 Jan, 2021

Global Indices

- Asian markets witnessed a mixed trend with investors focusing on the ongoing U.S.- China tension. According to media reports, U.S. President signed an executive order banning transactions with eight Chinese software applications. Today (as on Jan 7), markets are trading higher with investors focusing on energy stocks after Saudi Arabia agreed to voluntary production cuts in Feb and Mar. Both Nikkei and Hang Seng are up 1.35% and 0.21% (as at 8:00 AM IST), respectively.
- European markets went up following European Commission's nod to Moderna's COVID vaccine for use in the European Union, and higher crude oil prices.
- U.S. markets largely closed in the green with investors reacting to the results of the highly anticipated Georgia runoff elections.

Indian Equity Market

- Indian equity snapped its recent winning streak after the World Bank said India's economy is estimated to contract 9.6% in FY21. Bouts of profit booking following recent rally too weighed on the bourses.
- Key benchmark indices S&P BSE Sensex and Nifty 50 lost 0.54% and 0.38% to close at 48,174.06 and 14,146.25 respectively.
- The overall market breadth on BSE was weak with 1,526 scrips advancing and 1,585 scrips declining. A total of 122 scrips remained unchanged.
- On the BSE sectoral front, S&P BSE Utilities was the major gainer, up 2.19% followed by S&P BSE Metal, up 2.14% and S&P BSE Telecom, up 1.79%. S&P BSE Energy was the major loser, down 2% followed by S&P BSE FMCG, down 1.24% and S&P BSE IT, down 1%.

Domestic News

- Data from the private survey showed that the seasonally adjusted India Services Business Activity Index fell to 52.3 in Dec 2020 from 53.7 in Nov 2020. The Composite PMI Output Index fell from 56.3 in Nov 2020 to 54.9 in Dec 2020. The decline came as staff hiring came to a halt due to liquidity concerns, shortages in labour and subdued demand, while business optimism faded. Both manufacturing and service companies witnessed weaker expansions.
- The government of India and the New Development Bank signed loan agreements of up to \$323 million each for upgrading State Highway Network and District Road Network in Andhra Pradesh. The two projects are expected to improve mobility and connectivity to the socioeconomic centres, increase transport efficiency, better road safety and riding quality, and provide all-weather accessibility for the State's road users.
- According to media reports, the Indian government is considering creating a bank to help fund port, road and power projects. The objective of the move is to help the domestic economy come out of recession.
- Madhya Pradesh and Andhra Pradesh have become the first group of States to complete three out of the four citizen centric reforms as stipulated by the Indian government. The two states have completed the One Nation, One Ration Card Reforms, Ease of Doing Business Reforms, and Urban Local Bodies Reforms. As a result these two states will get financial assistance of Rs. 1,004 crore for capital expenditure.

Good gets better

FII Derivative Trade Statistics		06-Jan	
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	3193.03	3369.49	13681.96
Index Options	293100.54	295031.14	68821.75
Stock Futures	11845.92	11957.27	97971.49
Stock Options	5829.28	5896.54	7651.61
Total	313968.77	316254.44	188126.81

Derivative Statistics- Nifty Options			
	06-Jan	Prev_Day	Change
Put Call Ratio (OI)	1.25	1.62	-0.37
Put Call Ratio(Vol)	1.08	0.96	0.12

Debt Watch				
	06-Jan	Wk. Ago	Mth. Ago	Year Ago
Call Rate	3.16%	3.25%	3.06%	4.90%
T-Repo	3.10%	2.99%	3.00%	3.95%
Repo	4.00%	4.00%	4.00%	5.15%
Reverse Repo	3.35%	3.35%	3.35%	4.90%
91 Day T-Bill	3.03%	3.06%	2.97%	4.86%
364 Day T-Bill	3.45%	3.44%	3.36%	5.23%
10 Year Gilt	5.90%	5.90%	5.90%	6.57%
G-Sec Vol. (Rs.Cr)	28628	18333	34649	30893
FBIL MIBOR ^[1]	3.47%	3.44%	3.35%	5.20%
3 Month CP Rate	3.45%	3.28%	3.30%	5.85%
5 Year Corp Bond	6.32%	6.32%	6.37%	7.63%
1 Month CD Rate	3.18%	3.05%	3.07%	4.91%
3 Month CD Rate	3.04%	3.07%	3.30%	5.40%
1 Year CD Rate	3.80%	3.78%	3.61%	6.03%

Currency Market			
Currency	06-Jan	Prev_Day	Change
USD/INR	73.14	73.11	0.03
GBP/INR	99.65	99.41	0.25
EURO/INR	90.00	89.70	0.30
JPY/INR	0.71	0.71	0.00

Commodity Prices				
Commodity	06-Jan	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	50.42	48.21	46.18	63.24
Brent Crude(\$/bl)	54.50	50.36	49.27	71.44
Gold(\$/oz)	1919	1893	1838	1566
Gold(Rs./10 gm)	51539	49774	49153	40678

Source: Refinitiv

[1] Data as on 05 Jan, 2021

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Derivatives Market

- Nifty Jan 2021 Futures stood at 14,189.45, a premium of 43.20 points above the spot closing of 14,146.25. The turnover on NSE's Futures and Options segment rose to Rs. 39,30,886.96 crore on January 06, 2021, compared with Rs. 27,72,035.18 crore on January 05, 2021.
- The Put-Call ratio stood at 0.98 compared with the previous session's close of 0.85.
- The Nifty Put-Call ratio stood at 1.25 compared with the previous session's close of 1.62.
- Open interest on Nifty Futures stood at 13.43 million, compared with the previous session's close of 14.25 million.

Indian Debt Market

- Bond yields rose following an increase in global crude oil prices which weighed on the market sentiment. Profit booking to some extent also contributed to the downside.
- Yield on the 10-year benchmark paper (5.77% GS 2030) rose 5 bps to close at 5.90% from the previous close of 5.85% after trading in the range of 5.87% to 5.91%.
- Banks borrowed Rs. 37 crore under the central bank's marginal standing facility on Jan 5, 2020 as against Rs. 102 crore borrowed on Jan 4, 2020.

Currency Market Update

- The Indian rupee rose against the U.S. dollar as regional currencies gained on rising probability that the Democratic Party will take control of the U.S. Senate.
- Euro rose against the weak U.S. dollar as markets are anticipating victory of Democratic Party in the U.S. Senate election in Georgia, which would clear the way for a larger fiscal stimulus package and fuel currency market risk appetite.

Commodity Market Update

- Gold prices fell which can be attributed to profit booking.
- Brent crude prices rose after U.S. crude oil inventories dropped by 1.7 million barrels in the week ended Jan 1, 2021.

International News

- Payroll processor ADP report showed, private sector employment fell by 123,000 jobs in Dec 2020 compared with a downwardly revised rise of 304,000 jobs (rise of 307,000 jobs originally reported) in the previous month. Fall indicated the impact of the coronavirus pandemic on the labor market intensifies.
- The final survey IHS Markit/Chartered Institute of Procurement & Supply showed U.K. services Purchasing Managers' Index (PMI) rose to 49.4 in Dec 2020 from 47.6 in Nov 2020.
- The survey results from IHS Markit showed, China's Caixin services Purchasing Managers' Index dropped to 56.3 in Dec 2020 from 57.8 in Nov 2020. Slower increase in overall activity coincided with a slower expansion of total new work.

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