



**Nippon *india* Mutual Fund**

Wealth sets you free

(Formerly Reliance Mutual Fund)

# Markets for You

08 Jan 2020

Good gets *better*

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

## Indices Performance

Global Indices	07-Jan	Prev_Day	Abs. Change	% Change <sup>#</sup>
Russell 3000	1,439	1,442	-3	-0.21
Nasdaq	9,069	9,071	-3	-0.03
FTSE	7,574	7,575	-1	-0.02
Nikkei	23,576	23,205	371	1.60
Hang Seng	28,322	28,226	96	0.34
Indian Indices	07-Jan	Prev_Day	Abs. Change	% Change <sup>#</sup>
S&P BSE Sensex	40,869	40,677	193	0.47
Nifty 50	12,053	11,993	60	0.50
Nifty 100	12,155	12,091	64	0.53
Nifty 500	9,805	9,747	58	0.60
Nifty Bank	31,399	31,237	162	0.52
S&P BSE Power	1,937	1,927	11	0.56
S&P BSE Small Cap	13,851	13,715	136	0.99
S&P BSE HC	13,451	13,372	79	0.59

## P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
7-Jan	25.68	1.04	28.03	1.25
Month Ago	28.39	1.14	27.78	1.25
Year Ago	23.39	1.17	25.95	1.25

## Nifty 50 Top 3 Gainers

Company	07-Jan	Prev_Day	% Change <sup>#</sup>
Vedanta Limited	156	151	3.62
Zee Ente.	268	262	2.39
Ultratech Cem	4242	4157	2.04

## Nifty 50 Top 3 Losers

Company	07-Jan	Prev_Day	% Change <sup>#</sup>
Bharti Infratel	238	243	-1.85
BPCL	461	469	-1.74
Infosys	728	739	-1.48

## Advance Decline Ratio

	BSE	NSE
Advances	1556	1248
Declines	932	578
Unchanged	176	145

## Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-19	758
MF Flows**	-24	71

\*7<sup>th</sup> Jan 2020; \*\*6<sup>th</sup> Jan 2020

## 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 &amp; WPI from 2004-05 to 2011-12, and for CPI from 2010 to 2012

[1] Data as on 06 Jan 2020

## Global Indices

- Asian equity markets rose as the Middle East matter did not see any fresh escalation. Investors focused on the interim U.S.-China trade deal, which is set to be signed on Jan 15, 2020, at the White House. Today (as of Jan 8), Asian markets opened lower on news reports that rockets were fired at an Iraqi airbase that hosts U.S. troops. Both Nikkei and Hang Seng declined 2.43% and 1.50% (as at 8.a.m. IST), respectively.
- European markets closed higher as investors worst fears of escalation in the Middle East crisis did not come true.
- U.S. markets gained reversing initial losses as oil dipped despite rising geopolitical tensions in the Middle East. The U.S. had killed Iran top general in an attack last week.

## Indian Equity Market

- Indian equity markets gained as the concerns around tensions in the Middle East eased a little. The U.S. killed a top Iranian military general on Jan 3, 2020, and later the U.S. President threatened to impose sanctions on Iraq amid escalating tensions with Iran. The rift has seen crude oil prices go up and gold becoming dearer.
- Key benchmark indices S&P BSE Sensex and Nifty 50 gained 0.47% and 0.5% to close at 40,869.47 and 12,052.95 respectively. S&P BSE MidCap and S&P BSE SmallCap gained 0.65% and 0.99% respectively.
- The overall market breadth on BSE was strong with 1,556 scrips advancing and 932 scrips declining. A total of 176 scrips remained unchanged.
- On the BSE sectoral front, S&P BSE Realty was the major gainer, up 1.83% followed by S&P BSE Basic Materials, up 1.48% and S&P BSE Energy, up 1.02%. S&P BSE Telecom was the major loser, down 0.97% followed by S&P BSE Teck, down 0.32% and S&P BSE IT, down 0.26%.

## Domestic News

- The government forecasted the growth in real GDP during FY20 at 5.0% as compared to the growth rate of 6.8% in the previous fiscal. This will be the slowest pace of growth of the Indian economy in 11 years. This has fuelled expectations that the government might adopt additional stimulus measures to boost the growth prospects of the Indian economy in the annual budget next month.
- The Prime Minister has reached out to India Inc. for its help to revive the economy, media reports showed. He said, the Indian industry should not let disappointment linger in it and go ahead with new energy. "Whichever corner of the country you go to, for your expansion, the Indian government will walk with you," the Prime Minister added.
- Indian foreign minister said the country can learn to imbibe China's problem-solving mindset as India evolves from a civilisational society into a modern nation state. The more that the Indian and Chinese systems deal with each, a lot of Indians will pick that up, he added.
- A major global bank said in its report that markets view the rally in Brent oil prices, triggered by geopolitical tensions, as a threat to the improvement in India's FY20 current account deficit, media reports showed. Markets forecast for a balance of payment surplus.
- According to media reports, the ministry of corporate affairs has made it mandatory for unlisted companies, or private firms, with outstanding loans of Rs. 100 crore or more to file their financial audit reports for financial year 2020-21 onwards, media reports showed. These companies will have to conduct a mandatory secretarial audit and submit the findings with the government.



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FII Derivative Trade Statistics			
	07-Jan		
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	4247.45	5224.12	12133.74
Index Options	224873.01	225455.93	53240.79
Stock Futures	10242.20	10718.05	96541.60
Stock Options	4944.10	5009.68	3311.95
Total	244306.76	246407.78	165228.08

Derivative Statistics- Nifty Options			
	07-Jan	Prev_Day	Change
Put Call Ratio (OI)	1.19	1.12	0.07
Put Call Ratio(Vol)	0.96	1.01	-0.05

Debt Watch				
	07-Jan	Wk. Ago	Mth. Ago	Year Ago
Call Rate	4.91%	5.10%	5.05%	6.38%
T-Repo	3.95%	4.82%	4.89%	6.34%
Repo	5.15%	5.15%	5.15%	6.50%
Reverse Repo	4.90%	4.90%	4.90%	6.25%
91 Day T-Bill	4.86%	4.99%	5.00%	6.58%
364 Day T-Bill	5.22%	5.18%	5.15%	6.88%
10 Year Gilt	6.55%	6.56%	6.67%	7.51%
G-Sec Vol. (Rs.Cr)	34759	19722	33491	38657
FBIL MIBOR <sup>[1]</sup>	5.20%	5.26%	5.20%	6.50%
3 Month CP Rate	5.80%	5.42%	5.55%	7.80%
5 Year Corp Bond	7.62%	7.72%	7.62%	8.41%
1 Month CD Rate	4.96%	5.05%	4.98%	6.69%
3 Month CD Rate	5.43%	5.35%	5.14%	7.24%
1 Year CD Rate	6.06%	6.02%	5.93%	8.18%

Currency Market			
Currency	07-Jan	Prev_Day	Change
USD/INR	71.78	72.09	-0.32
GBP/INR	94.43	94.29	0.14
EURO/INR	80.28	80.45	-0.17
JPY/INR	0.66	0.67	-0.01

Commodity Prices				
Commodity	07-Jan	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	62.67	61.11	59.15	48.22
Brent Crude(\$/bl)	69.63	68.96	68.34	56.69
Gold( \$/oz)	1574	1517	1460	1289
Gold(Rs./10 gm)	40372	39076	38032	31764

Source: Thomson Reuters Eikon

[1] Data as on 06 Jan 2020

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**Derivatives Market**

- Nifty Jan 2020 Futures stood at 12,106.70, a premium of 53.75 points above the spot closing of 12,052.95. The turnover on NSE's Futures and Options segment rose to Rs. 18,28,328.65 crore on January 07, 2020, compared with Rs. 12,96,578.32 crore on January 06, 2020.
- The Put-Call ratio stood at 1.02 compared with the previous session's close of 1.03.
- The Nifty Put-Call ratio stood at 1.19 compared with the previous session's close of 1.12.
- Open interest on Nifty Futures stood at 13.18 million, compared with the previous session's close of 13.18 million.

**Indian Debt Market**

- Bond yields fell following the decline in crude oil prices after the U.S.-Middle East tension eased to some extent. Market participants are now awaiting the release of first advance estimate of the country's GDP growth for the current fiscal.
- Yield on the new 10-year benchmark paper (6.45% GS 2029) fell 2 bps to close at 6.55% compared with the previous close of 6.57% after trading in the range of 6.53% to 6.57%.
- Banks borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 2,905 crore (gross) on Jan 7, 2020 compared with borrowings of Rs. 2,640 crore (gross) on Jan 6, 2020. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 18,424 crore on Jan 6, 2020.
- Banks borrowed Rs. 3,710 crore under the central bank's Marginal Standing Facility on Jan 6, 2020 compared with borrowings of Rs. 4,685 crore on Jan 3, 2020.

**Currency Market Update**

- The Indian rupee in spot trade rose against the greenback following gains in the domestic equity market.
- The euro fell against the greenback after data showed that the U.S. service sector grew more than expected in Dec 2019 and U.S. factory orders fell less than expected in Nov 2019. The euro closed at 1.1151 down 0.38% compared to the previous day's close of 1.1193.

**Commodity Market Update**

- Gold prices rose as its safe haven appeal improved on concerns of a wider conflict in the Middle East.
- Brent crude prices fell on growing possibility that oil supply disruption from Iran might not be as severe as apprehended.

**International News**

- A Commerce Department report showed a pullback in new orders for U.S. manufactured goods in Nov 2019. Factory orders fell 0.7% in Nov after inching up 0.2% in Oct 2019.
- The Institute for Supply Management Service sector activity in the U.S. grew at a faster than expected pace in Dec 2019 to 55.0 after dipping to 53.9 in Nov 2019.
- A Commerce Department report showed the U.S. trade deficit narrowed significantly in Nov 2019 to \$43.1 billion from \$46.9 billion in Oct 2019.
- Flash data from Eurostat showed eurozone inflation accelerated in Dec 2019 but continued to remain below the central bank target. Inflation rose to 1.3% from 1% in Nov 2019.





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