

Markets for You

09 Jan 2020

Good gets *better*

Indices Performance				
Global Indices	08-Jan	Prev_Day	Abs. Change	% Change [#]
Russell 3000	1,450	1,439	11	0.74
Nasdaq	9,129	9,069	61	0.67
FTSE	7,575	7,574	1	0.01
Nikkei	23,205	23,576	-371	-1.57
Hang Seng	28,088	28,322	-234	-0.83
Indian Indices	08-Jan	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	40,818	40,869	-52	-0.13
Nifty 50	12,025	12,053	-28	-0.23
Nifty 100	12,131	12,155	-24	-0.19
Nifty 500	9,792	9,805	-13	-0.13
Nifty Bank	31,374	31,399	-26	-0.08
S&P BSE Power	1,927	1,937	-11	-0.56
S&P BSE Small Cap	13,874	13,851	23	0.16
S&P BSE HC	13,435	13,451	-16	-0.12

P/E Dividend Yield				
Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
8-Jan	25.67	1.04	27.97	1.25
Month Ago	28.39	1.14	27.78	1.25
Year Ago	23.41	1.17	26.02	1.25

Nifty 50 Top 3 Gainers				
Company	08-Jan	Prev_Day	% Change [#]	
Bharti Airtel	459	445	3.09	
TCS	2255	2206	2.24	
Yes Bank	46	45	2.22	

Nifty 50 Top 3 Losers				
Company	08-Jan	Prev_Day	% Change [#]	
Eicher Motors	19892	20804	-4.38	
Coal India	200	206	-2.67	
L&T Ltd.	1292	1321	-2.19	

Advance Decline Ratio			
	BSE	NSE	
Advances	987	725	
Declines	1468	1109	
Unchanged	183	125	

Institutional Flows (Equity)		
Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-613	145
MF Flows**	80	286

*8th Jan 2020; **7th 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 & WPI from 2004-05 to 2011-12, and for CPI from 2010 to 2012

[1] Data as on 07 Jan 2020

Global Indices

- Asian equity markets fell after Iran attacked U.S. military bases in Iraq in response to the U.S. action. However, Iran said they do not seek escalation or war and there were no troop casualties. The U.S. President also tweeted, "All is well!". Today (as of Jan 9), Asian markets opened higher as U.S. President's comments on the Iran conflict eased investor concerns. Both Nikkei and Hang Seng rose 1.61% and 1.01% (as at 8.a.m. IST), respectively.
- European markets were up a tad reversing earlier losses. Iran firing missiles on Iraqi airbases housing U.S. troops spooked investors but details about the attack showed no casualties.
- U.S. markets gained after the President's comments eased concerns of further escalation in U.S.-Iranian tensions. He said Iran seems to be "standing down" after the strike on Ain al-Asad airbase overnight. He added the U.S. will "immediately impose additional punishing economic sanctions on the Iranian regime."

Indian Equity Market

- Indian equity markets declined though some of the initial losses were recovered. Middle East tensions kept investors on their toes as Iran fired a series of rockets at two U.S.-Iraqi airbases. However, concerns eased a little when the U.S. President tweeted "All is well!". Meanwhile, the government's advance economic growth estimate for FY20 showed the pace of expansion slowing sharply at 5.0% in FY20 against 6.8% in FY19.
- Key benchmark indices S&P BSE Sensex and Nifty 50 lost 0.13% and 0.23% to close at 40,817.74 and 12,025.35 respectively. S&P BSE MidCap and S&P BSE SmallCap gained 0.08% and 0.16% respectively.
- The overall market breadth on BSE was weak with 987 scrips advancing and 1,468 scrips declining. A total of 183 scrips remained unchanged.
- On the BSE sectoral front, S&P BSE Telecom was the major gainer, up 2.43% followed by S&P BSE Basic Materials, up 0.55% and S&P BSE Teck, up 0.51%. S&P BSE Capital Goods was the major loser, down 1.42% followed by S&P BSE Energy, down 0.88% and S&P BSE Industrials, down 0.84%.

Domestic News

- The government has approved the promulgation of Mineral Laws (Amendment) Ordinance 2020. This paves the way for coal mining by any company present in sectors other than steel and power. It does away with the captive end-use criteria.
- The government has decided to constitute a panel of centre and state officials for designing a detailed standard operating procedure (SOP) to check fraudulent GST refund claims.
- Media reports quoted an official saying India's budget deficit could widen to 3.8% of gross domestic product in the current fiscal year, breaching a target of 3.3%. The law allows the government to exceed the target by as much as half a percentage point.
- Reserve Bank of India (RBI) governor has called for reforms in the agriculture market. He said maintaining price stability, financial stability and economic growth is important not only from the macroeconomic perspective but also for the objective of inclusive growth.

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FII Derivative Trade Statistics		08-Jan		
(Rs Cr)	Buy	Sell	Open Int.	
Index Futures	5490.03	4098.38	11882.70	
Index Options	372765.96	371890.31	59571.03	
Stock Futures	11635.93	11088.59	97110.26	
Stock Options	4327.28	4247.98	3511.28	
Total	394219.20	391325.26	172075.27	

Derivative Statistics- Nifty Options			
	08-Jan	Prev_Day	Change
Put Call Ratio (OI)	1.25	1.19	0.06
Put Call Ratio(Vol)	0.95	0.96	-0.01

Debt Watch				
	08-Jan	Wk. Ago	Mth. Ago	Year Ago
Call Rate	4.91%	5.12%	5.05%	6.36%
T-Repo	4.90%	4.60%	4.89%	6.39%
Repo	5.15%	5.15%	5.15%	6.50%
Reverse Repo	4.90%	4.90%	4.90%	6.25%
91 Day T-Bill	5.01%	4.99%	5.00%	6.65%
364 Day T-Bill	5.28%	5.29%	5.15%	6.85%
10 Year Gilt	6.56%	6.50%	6.67%	7.45%
G-Sec Vol. (Rs.Cr)	34342	41735	33491	55694
FBIL MIBOR ^[1]	5.17%	5.25%	5.20%	6.50%
3 Month CP Rate	5.80%	5.85%	5.55%	7.75%
5 Year Corp Bond	7.52%	7.63%	7.62%	8.35%
1 Month CD Rate	5.06%	4.94%	4.98%	6.81%
3 Month CD Rate	5.05%	5.10%	5.14%	7.22%
1 Year CD Rate	6.10%	6.12%	5.93%	7.96%

Currency Market			
Currency	08-Jan	Prev_Day	Change
USD/INR	72.02	71.78	0.24
GBP/INR	94.58	94.43	0.15
EURO/INR	80.32	80.28	0.04
JPY/INR	0.66	0.66	0.00

Commodity Prices				
Commodity	08-Jan	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	59.62	61.11	59.15	49.53
Brent Crude(\$/bl)	68.32	68.96	68.34	56.70
Gold(\$/oz)	1556	1517	1460	1285
Gold(Rs./10 gm)	40694	38995	38032	31734

Source: Thomson Reuters Eikon

[1] Data as on 07 Jan 2020

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Derivatives Market

- Nifty Jan 2020 Futures stood at 12,063.50, a premium of 38.15 points above the spot closing of 12,025.35. The turnover on NSE's Futures and Options segment fell to Rs. 17,85,938.60 crore on January 08, 2020, compared with Rs. 18,28,328.65 crore on January 07, 2020.
- The Put-Call ratio stood at 0.88 compared with the previous session's close of 1.02.
- The Nifty Put-Call ratio stood at 1.25 compared with the previous session's close of 1.19.
- Open interest on Nifty Futures stood at 13.25 million, compared with the previous session's close of 13.18 million.

Indian Debt Market

- Bond yields were up as crude oil prices remain volatile amid the U.S.-Middle East geopolitical tension. This has further added to the inflationary pressure. Besides, market participants are also concerned on the government's borrowing plans under the present 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 the range of 6.55% to 6.58%.
- Banks borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 2,715 crore (gross) on Jan 8, 2020 compared with borrowings of Rs. 2,905 crore (gross) on Jan 7, 2020. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 14,021 crore on Jan 7, 2020.

Currency Market Update

- The Indian rupee in spot trade rose against the greenback following fall in global crude oil prices as there was no imminent threat of oil supply disruptions. However, losses in the domestic equity market capped the gains.
- The euro fell against the greenback after U.S. private sector job growth for Dec 2019 came better than market expectations.

Commodity Market Update

- Gold prices fell after retaliation from Iran was lower than what was apprehended.
- Brent crude prices fell after retaliation from Iran did not target oil infrastructure which eased concerns of disruption in global crude supply.

International News

- A report by payroll processor ADP showed private sector employment jumped by much more than anticipated in Dec 2019 by 202,000 jobs after climbing by 124,000 jobs in Nov 2019.
- Survey results from the European Commission showed eurozone economic confidence index rose to 101.5 in Dec 2019, as expected, from 101.2 in Nov 2019.
- Data from the Lloyds Bank subsidiary Halifax and IHS Markit showed U.K. house prices increased 1.7% MoM in Dec 2019, faster than the 1.2% increase in Nov 2019.
- Destatis figures showed Germany's factory orders in manufacturing fell 1.3% MoM. Orders had increased 0.2% in Oct 2019.

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



Nippon *india* Mutual Fund

Wealth sets you free

(Formerly Reliance Mutual Fund)

**Thank you for
your time.**

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