

Indices Performance

Global Indices	08-Jan	Prev_Day	Abs. Change	% Change
Russell 3000	1,982	1,964	18	0.94
Nasdaq	13,202	13,067	134	1.03
FTSE	6,873	6,857	16	0.24
Nikkei	28,139	27,490	649	2.36
Hang Seng	27,878	27,549	330	1.20
Indian Indices	08-Jan	Prev_Day	Abs. Change	% Change
S&P BSE Sensex	48,783	48,093	689	1.43
Nifty 50	14,347	14,137	210	1.48
Nifty 100	14,514	14,306	209	1.46
Nifty 500	11,926	11,766	160	1.36
Nifty Bank	32,084	31,956	128	0.40
S&P BSE Power	2,139	2,114	25	1.18
S&P BSE Small Cap	18,909	18,773	136	0.72
S&P BSE HC	22,286	22,012	274	1.24

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
8-Jan	33.93	0.82	39.45	1.11
Month Ago	32.65	0.89	36.83	1.19
Year Ago	25.67	1.04	27.97	1.25

Nifty 50 Top 3 Gainers

Company	08-Jan	Prev_Day	% Change
Maruti	8015	7566	5.93
Wipro	430	407	5.77
Tech Mahindra	1051	995	5.66

Nifty 50 Top 3 Losers

Company	08-Jan	Prev_Day	% Change
Hindalco	268	273	-1.72
Tata Steel	713	723	-1.34
Indusind Bank	940	952	-1.29

Advance Decline Ratio

	BSE	NSE
Advances	1734	1074
Declines	1388	887
Unchanged	145	95

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	803	4819
MF Flows**	-1156	-46995

*8th 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

Global Indices

- Asian markets largely closed in the green amid expectations that additional fiscal stimulus under U.S. President-elect's administration and a mass rollout of coronavirus vaccines will spur a strong economic recovery later in the year. Today (as on Jan 11), markets are trading mixed as investors are awaiting the release of Chinese inflation data for Dec. While Nikkei is closed for public holiday, Hang Seng is up 0.44% (as at 8:00 AM IST).
- European markets rose amid rising optimism about additional fiscal stimulus in the U.S. and positive news on the coronavirus vaccine front.
- U.S. markets went up on the back of optimism that a Democrat-controlled government may lead to more fiscal stimulus and a better execution of the coronavirus vaccine rollout.

Indian Equity Market

- Indian equity markets recouped from the weakness seen in the previous two sessions to end the last day of the week with strong gains. Investors keenly awaited the announcement of Q3FY21 earning numbers from one of the IT majors. Positive global cues also buoyed market sentiments as the prospects of more fiscal stimulus under the U.S. President-elect's administration and the rollout of coronavirus vaccines raised hopes for an economic recovery later during the year.
- Key benchmark indices S&P BSE Sensex and Nifty 50 gained 1.43% and 1.48% to close at 48,782.51 and 14,347.25 respectively.
- The overall market breadth on BSE was strong with 1,734 scrips advancing and 1,388 scrips declining. A total of 145 scrips remained unchanged.
- On the BSE sectoral front, S&P BSE IT was the major gainer, up 3.55% followed by S&P BSE Auto, up 3.37% and S&P BSE Teck, up 3.07%. S&P BSE Metal was the major loser, down 0.91% followed by S&P BSE Telecom, down 0.49%.

Domestic News

- According to IHS Markit, Indian economy is expected to bounce back with an 8.9% FY22. IHS Markit further stated that Indian economy suffered a severe recession in 2020. The economy reflected worst contraction from Mar 2020 to Aug 2020 following a national lockdown to prevent the spread of the coronavirus. However, the Indian economy is showing a significant improvement in domestic economic activity in the fourth quarter of 2020.
- According to Food and Agriculture Organisation (FAO) of the United Nations, world food prices rose for the seventh consecutive month in Dec 2020 led by dairy products and vegetable oils. In Dec2020, the FAO Food Price Index averaged 107.5 points, 2.2% higher than it was in Nov 2020. The benchmark index, which measures monthly shifts in international prices of widely traded food commodities, averaged 97.9 points over the whole of 2020, a three-year high and a rise of 3.1% from 2019, while still more than 25% below its historical 2011 peak.
- As per media reports, the Centre's fiscal deficit will touch at least 6.1% of gross domestic product (GDP) in FY21. This is based on the government's first set of forward growth estimates. This presumes that the gap between the expenditure and revenue of the Centre is at least Rs 12 trillion, based on increased loans announced by the government in May to deal with the outbreak of Covid-19.
- Tata Consultancy Services posted 7.18% YoY rise in net profit to Rs. 8,701 crore in quarter ended Dec 2020 as against profit of Rs. 8,118 crore in the same quarter last year. Profits grew 16.4% QoQ from Rs. 7,475 crore in quarter ended Sep 2020.
- Mahindra & Mahindra (M&M) reported an increase in the price of its personal and commercial vehicle range of about 1.9% with immediate effect.

Good gets better



FII Derivative Trade Statistics		08-Jan	
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	3061.89	2844.79	13076.86
Index Options	534146.74	531421.36	59725.37
Stock Futures	14141.25	13970.49	99038.05
Stock Options	7381.50	7534.28	9289.20
Total	558731.38	555770.92	181129.48

Derivative Statistics- Nifty Options			
	08-Jan	Prev_Day	Change
Put Call Ratio (OI)	1.71	1.19	0.52
Put Call Ratio(Vol)	0.89	1.07	-0.18

Debt Watch				
	08-Jan	Wk. Ago	Mth. Ago	Year Ago
Call Rate	3.18%	3.20%	3.09%	4.91%
T-Repo	3.22%	2.66%	3.13%	4.90%
Repo	4.00%	4.00%	4.00%	5.15%
Reverse Repo	3.35%	3.35%	3.35%	4.90%
91 Day T-Bill	3.04%	2.97%	3.05%	5.01%
364 Day T-Bill	3.31%	3.36%	3.36%	5.28%
10 Year Gilt	5.89%	5.90%	5.94%	6.56%
G-Sec Vol. (Rs.Cr)	33856	25135	29539	34342
FBIL MIBOR	3.45%	3.47%	3.43%	5.20%
3 Month CP Rate	3.45%	3.55%	3.30%	5.80%
5 Year Corp Bond	6.35%	6.30%	6.41%	7.52%
1 Month CD Rate	3.16%	3.01%	3.18%	5.06%
3 Month CD Rate	3.03%	2.99%	3.53%	5.05%
1 Year CD Rate	3.79%	3.77%	3.70%	6.10%

Currency Market			
Currency	08-Jan	Prev_Day	Change
USD/INR	73.33	73.13	0.20
GBP/INR	99.52	99.34	0.18
EURO/INR	89.94	90.05	-0.10
JPY/INR	0.71	0.71	0.00

Commodity Prices				
Commodity	08-Jan	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	52.11	48.32	45.59	59.62
Brent Crude(\$/bl)	55.26	50.86	49.30	68.32
Gold(\$/oz)	1848	1898	1871	1556
Gold(Rs./10 gm)	50256	50040	49671	40694

Source: Refinitiv

Disclaimer:

The information herein is meant only for general reading purposes and contains all factual and statistical information pertaining to Industry and markets which have been obtained from independent third party sources and which are deemed to be reliable. The information provided cannot be considered as guidelines, recommendations or as a professional guide for the readers. It may be noted that since Nippon Life India Asset Management Limited (NAM India) has not independently verified the accuracy or authenticity of such information or data, or for that matter the reasonableness of the assumptions upon which such data and information has been processed or arrive data; NAM India does not in any manner assures the accuracy or authenticity of such data and information. Some of the statements & assertions contained in these materials may reflect NAM India's views or opinions, which in turn may have been formed on the basis of such data or information. The Sponsor(s), the Investment Manager, the Trustee or any of their respective directors, employees, affiliates or representatives do not assume any responsibility for, or warrant the accuracy, completeness, adequacy and reliability of such data or information. Whilst no action has been solicited based upon the information provided herein, due care has been taken to ensure that the facts are accurate and opinions given are fair and reasonable, to the extent possible. This information is not intended to be an offer or solicitation for the purchase or sale of any financial product or instrument. Recipients of this information should rely on information/data arising out of their own investigations. Before making any investments, the readers are advised to seek independent professional advice, verify the contents in order to arrive at an informed investment decision. None of the Sponsor(s), the Investment Manager, the Trustee, their respective directors, employees, affiliates or representatives shall be liable in any way for any direct, indirect, special, incidental, consequential, punitive or exemplary damages, including on account of lost profits arising from the information contained in this material.

Readers are requested to click here for ICRA Analytics Ltd disclaimer

Derivatives Market

- Nifty Jan 2021 Futures stood at 14,370.90, a premium of 23.65 points above the spot closing of 14,347.25. The turnover on NSE's Futures and Options segment fell to Rs. 17,72,979.98 crore on January 08, 2021, compared with Rs. 60,51,311.48 crore on January 07, 2021.
- The Put-Call ratio stood at 0.87 compared with the previous session's close of 1.05.
- The Nifty Put-Call ratio stood at 1.71 compared with the previous session's close of 1.19.
- Open interest on Nifty Futures stood at 14.5 million, compared with the previous session's close of 13.37 million.

Indian Debt Market

- Bond yields fell initially after the benchmark note was included in special open market operation for next week. However, rise in U.S. Treasury yields and increased supply of sovereign debt due to the weekly debt auction neutralized the gains.
- Yield on the 10-year benchmark paper (5.77% GS 2030) closed steady at 5.89% after trading in the range of 5.87% to 5.90%.
- Banks did not borrow under the central bank's marginal standing facility on Jan 7, 2020 as against Rs. 55 crore borrowed on Jan 6, 2020.
- The Reserve Bank of India (RBI) conducted the auction of four government securities- 3.96% GS 2022, 5.15% GS 2025, 5.85% GS 2030 and 6.80% GS 2060 for an aggregate amount of Rs. 27,000 crore for which the full amount was accepted. The cut off stood at Rs. 100.25/3.8147%, Rs. 100.15/5.1128%, Rs. 99.75/5.8827% and Rs. 104.13/6.5082%, respectively.

Currency Market Update

- The Indian rupee fell initially due to demand for greenback from importers' and rise in the U.S. dollar index, but losses reversed amid strong domestic equity market.
- Euro fell against the U.S. dollar after a disappointing U.S. non-farm payrolls data for Dec 2020 raised expectations for further stimulus measures to support the U.S. economy.

Commodity Market Update

- Gold prices fell on growing prospects for a smooth transition of power in U.S.
- Brent crude prices rose after Saudi Arabia pledged extra, voluntary oil output cuts of 1 million barrels per day (bpd) in Feb and Mar.

International News

- According to the Labor Department, U.S. non-farm payroll employment unexpectedly dropped by 140,000 jobs (addition of 245,000 jobs originally reported) in Dec 2020 after rising by an upwardly revised 336,000 jobs in Nov 2020. Employment decreased for the first time since Apr 2020.
- Germany's Industrial output increased 0.9% MoM in Nov 2020, slower than the revised 3.4% rise seen in Oct 2020. Industrial production fell 2.6% YoY, slower than 2.7% in the prior month. Excluding energy and construction, output was rose 1.2% in Nov 2020.
- The Commerce Department report showed U.S. wholesale inventories were unchanged in Nov 2020 after rising 1.3% in Oct 2020. Increase in inventories of durable goods neutralised fall in orders for non-durable goods.

Good gets better