

# Markets for You

14 Jan 2020

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## Indices Performance

Global Indices	13-Jan	Prev_Day	Abs. Change	% Change <sup>#</sup>
Russell 3000	1,473	1,460	13	0.88
Nasdaq	9,274	9,179	95	1.04
FTSE	7,618	7,588	30	0.39
Nikkei <sup>[1]</sup>	23,851	23,740	111	0.47
Hang Seng	28,955	28,638	317	1.11
Indian Indices	13-Jan	Prev_Day	Abs. Change	% Change <sup>#</sup>
S&P BSE Sensex	41,860	41,600	260	0.62
Nifty 50	12,330	12,257	73	0.59
Nifty 100	12,436	12,360	77	0.62
Nifty 500	10,043	9,978	65	0.65
Nifty Bank	32,178	32,097	80	0.25
S&P BSE Power	1,973	1,953	20	1.04
S&P BSE Small Cap	14,282	14,148	134	0.95
S&P BSE HC	13,636	13,579	56	0.42

## P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
13-Jan	26.30	1.01	28.67	1.22
Month Ago	28.78	1.13	28.17	1.24
Year Ago	23.57	1.16	26.00	1.25

## Nifty 50 Top 3 Gainers

Company	13-Jan	Prev_Day	% Change <sup>#</sup>
AGC Networks Limited	166	159	4.98
Infosys	774	738	4.80
IndusInd Bank	1540	1491	3.25

## Nifty 50 Top 3 Losers

Company	13-Jan	Prev_Day	% Change <sup>#</sup>
Yes Bank	42	45	-5.92
United Phos	592	600	-1.39
Bharti Infratel	246	249	-1.20

## Advance Decline Ratio

	BSE	NSE
Advances	1553	1207
Declines	974	665
Unchanged	184	124

## Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	659	615
MF Flows**	-123	2019

\*13<sup>th</sup> Jan 2020; \*\*10<sup>th</sup> Jan 2020

## Economic Indicator

YoY(%)	Current	Quarter Ago	Year Ago
CPI	7.35% (Dec-19)	3.99% (Sep-19)	2.11% (Dec-18)
IIP	1.80% (Nov-19)	-1.40% (Aug-19)	0.20% (Nov-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 10 Jan 2020

## Global Indices

- Asian equity markets were mixed after the U.S. slapped more sanctions on Iran and rejected the Iraqi government's offer to begin discussions on pulling out troops. Cautiousness was seen on reports of another rocket attack on an Iraqi airbase and ahead of the signing of a U.S.-China trade agreement in the week. Today (as of Jan 14), Asian markets opened higher on trade optimism and U.S. removing China from its list of currency manipulators. Both Nikkei and Hang Seng rose 0.64% and 0.67% (as at 8.a.m. IST), respectively.
- European markets closed mixed as investors looked cautious ahead of the signing of the U.S. and China phase one trade deal. Also, protests continued in Iran over the hitting of a Ukrainian commercial airliner.
- U.S. markets gained over news that the U.S. will take China off the list of currency manipulating countries. This added to the optimism ahead of the signing of a phase one trade agreement between the two countries.

## Indian Equity Market

- Indian equity markets gained to touch record highs as sentiment was lifted on upbeat economic data and good start to the earnings season. India's industrial output grew after three months of contraction. The country's leading information technology company beat expectations in its third quarter numbers while coming out clean from whistle blower allegations.
- Key benchmark indices S&P BSE Sensex and Nifty 50 gained 0.62% and 0.59% to close at 41,859.69 and 12,329.55 respectively. S&P BSE MidCap and S&P BSE SmallCap gained 0.87% and 0.95% respectively.
- The overall market breadth on BSE was strong with 1,553 scrips advancing and 974 scrips declining. A total of 184 scrips remained unchanged.
- On the BSE sectoral front, all sectors gained. S&P BSE Realty was the major gainer, up 2.12%, followed by S&P BSE IT and S&P BSE Teck, up 1.85% and 1.81%, respectively. S&P BSE Telecom and S&P BSE FMCG gained 1.75% and 1.21% respectively.

## Domestic News

- Consumer price index-based inflation rate increased to 7.35% in Dec 2019 from 5.54% in Nov 2019 and 2.11% in Dec 2018. The increase came on account of rising food prices and the figure is well above the Reserve Bank of India's medium target of 4%. Consumer Food Price Index increased to 14.12% in Dec 2019 from 10.01% in Nov 2019 and a decline of 2.65% in the same period of the previous year.
- A public sector bank's report has said economic slowdown is expected to take a toll on the job sector as India could create 16 lakh fewer payrolls in FY20. While 89.7 lakh new payrolls were created in FY19, the number could decline to 15.8 lakh in FY20, the report said.
- Niti Aayog chairman has said India needs the active participation of the manufacturing sector to achieve the goal of \$5 trillion economy. Service sector is the largest component of India's GDP but the manufacturing sector offers a huge base for employment generation. He said 115 districts of India are backward and it will be difficult for India to transform without significant improvements in these districts.
- Media reports showed the National Highways Authority of India (NHAI) plans to settle most of its arbitration cases through conciliation. The move could reduce NHAI's liabilities and save time, its chairman said. NHAI has about 180 cases in arbitration with claims at over Rs. 70,000 crore.

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FII Derivative Trade Statistics		13-Jan	
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	3397.92	3089.01	13486.56
Index Options	194090.00	193422.68	58836.28
Stock Futures	11680.99	12086.28	100100.60
Stock Options	4967.35	5013.66	4606.15
Total	214136.26	213611.63	177029.59

Derivative Statistics- Nifty Options			
	13-Jan	Prev_Day	Change
Put Call Ratio (OI)	1.64	1.55	0.09
Put Call Ratio(Vol)	1.03	0.95	0.08

Debt Watch				
	13-Jan	Wk. Ago	Mth. Ago	Year Ago
Call Rate	4.99%	4.90%	4.97%	6.35%
T-Repo	4.90%	3.95%	4.78%	6.38%
Repo	5.15%	5.15%	5.15%	6.50%
Reverse Repo	4.90%	4.90%	4.90%	6.25%
91 Day T-Bill	5.06%	4.86%	5.00%	6.60%
364 Day T-Bill	5.15%	5.23%	5.24%	6.85%
10 Year Gilt	6.60%	6.57%	6.79%	7.26%
G-Sec Vol. (Rs.Cr)	21814	30893	30233	38698
FBIL MIBOR <sup>[1]</sup>	5.22%	5.20%	5.15%	6.50%
3 Month CP Rate	5.80%	5.85%	5.37%	7.70%
5 Year Corp Bond	7.41%	7.63%	7.90%	8.38%
1 Month CD Rate	5.11%	4.91%	4.91%	6.71%
3 Month CD Rate	5.44%	5.40%	5.06%	7.48%
1 Year CD Rate	6.09%	6.03%	5.82%	7.90%

Currency Market			
Currency	13-Jan	Prev_Day	Change
USD/INR	70.81	71.11	-0.30
GBP/INR	92.26	93.06	-0.80
EURO/INR	78.80	79.00	-0.20
JPY/INR	0.65	0.65	0.00

Commodity Prices				
Commodity	13-Jan	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	58.14	63.24	60.06	51.39
Brent Crude(\$/bl)	64.23	71.44	69.28	58.88
Gold(\$/oz)	1548	1566	1476	1288
Gold(Rs./10 gm)	39602	40678	37691	32117

Source: Thomson Reuters Eikon

[1] Data as on 10 Jan 2020

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### Derivatives Market

- Nifty Jan 2020 Futures stood at 12,362.15, a premium of 32.60 points above the spot closing of 12,329.55. The turnover on NSE's Futures and Options segment fell to Rs. 8,74,839.80 crore on January 13, 2020, compared with Rs. 10,43,297.72 crore on January 10, 2020.
- The Put-Call ratio remained unchanged compared with the previous session's close of 0.97.
- The Nifty Put-Call ratio stood at 1.64 compared with the previous session's close of 1.55.
- Open interest on Nifty Futures stood at 14.74 million, compared with the previous session's close of 14.68 million.

### Indian Debt Market

- Bond yields rose amid speculations that the December inflation rate would come in high. This increased concerns over future policy rate cuts and dampened market sentiments.
- Yield on the new 10-year benchmark paper (6.45% GS 2029) rose 1 bps to close at 6.60% compared with the previous close of 6.59% after trading in the range of 6.58% to 6.63%.
- Banks borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 2,909 crore (gross) on Jan 13, 2020 compared with borrowings of Rs. 2,849 crore (gross) on Jan 10, 2020. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 17,417 crore on Jan 10, 2020.
- Banks borrowed Rs. 3,091 crore under the central bank's Marginal Standing Facility on Jan 10, 2020 compared with borrowings of Rs. 2,548 crore on Jan 9, 2020.

### Currency Market Update

- The Indian rupee in spot trade rose against the greenback following gains in the domestic equity market. Downbeat U.S. non-farm payroll employment data for Dec 2019 also weakened the greenback.
- The euro rose against the greenback as the imminent signing of a preliminary U.S.-China trade deal boosted investor risk sentiment. The euro closed at 1.1133, up 0.12% compared to the previous day's close of 1.1120.

### Commodity Market Update

- Gold prices fell as geopolitical tensions between U.S. and Iran eased to some extent.
- Brent crude prices fell after data from the EIA showed that U.S. gasoline stocks surged by 9.1 million barrels in the week to Jan 3 which was the most in one week in four years.

### International News

- The National Institute of Economic and Social Research said the U.K. economy stagnated in the final three months of 2019 and grew 1.4% during the year.
- Data from the Office for National Statistics showed U.K. Nov 2019 gross domestic product dropped 0.3% MoM after rising 0.1% each in Sep and Oct 2019.
- Data from Destatis showed Germany's wholesale prices continued to decline in Dec 2019. Wholesale prices decreased 1.3% YoY in Dec but slower than the 2.5% decline seen in Nov 2019.
- Survey results from the Confederation of British Industry and PwC showed sentiment among British financial services firms improved for the first time in 12 quarters. A balance of 8% expects business situation to improve compared with three months ago.

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your time.**

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