

Markets for You

15 Jan 2020

Good gets *better*

Indices Performance

Global Indices	14-Jan	Prev_Day	Abs. Change	% Change [#]
Russell 3000	1,468	1,473	-4	-0.28
Nasdaq	9,251	9,274	-23	-0.24
FTSE	7,622	7,618	5	0.06
Nikkei	24,025	23,851	175	0.73
Hang Seng	28,885	28,955	-70	-0.24
Indian Indices	14-Jan	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	41,953	41,860	93	0.22
Nifty 50	12,362	12,330	33	0.27
Nifty 100	12,469	12,436	32	0.26
Nifty 500	10,076	10,043	33	0.33
Nifty Bank	32,072	32,178	-106	-0.33
S&P BSE Power	1,986	1,973	13	0.66
S&P BSE Small Cap	14,384	14,282	102	0.71
S&P BSE HC	13,705	13,636	69	0.51

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
14-Jan	26.33	1.01	28.67	1.22
Month Ago	28.78	1.13	28.17	1.24
Year Ago	23.29	1.18	25.80	1.26

Nifty 50 Top 3 Gainers

Company	14-Jan	Prev_Day	% Change [#]
AGC Networks Limited	175	166	4.99
Vedanta Limited	165	160	2.84
Britannia Industries Limited	3105	3045	1.97

Nifty 50 Top 3 Losers

Company	14-Jan	Prev_Day	% Change [#]
Yes Bank	39	42	-8.43
IndusInd Bank	1482	1540	-3.77
United Phos	584	592	-1.42

Advance Decline Ratio

	BSE	NSE
Advances	1445	1072
Declines	1055	755
Unchanged	159	134

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	121	736
MF Flows**	303	2373

*14th Jan 2020; **13th 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 13 Jan 2020

Global Indices

- Asian equity markets were mostly higher ahead of the signing of the phase one trade deal between the U.S. and China. Today (as of Jan 15), Asian markets opened mixed as caution sets in as U.S. and China prepare to sign the phase one deal on Jan 15, 2020. Both Nikkei and Hang Seng rose 0.72% and 0.17% (as at 8.a.m. IST), respectively.
- European markets gained in a volatile session. Investors are looking forward to the signing of the preliminary deal between the U.S. and China.
- U.S. markets were mixed as sentiment was supported by trade optimism on the hand, but corporate earnings season is expected to be lukewarm on the other.

Indian Equity Market

- Indian equity markets yet again touched record highs as investors looked forward to the Union Budget 2020-21. Sentiment was supported by good start to the earnings season. This even overshadowed the high inflation numbers, which limit the Reserve Bank of India's ability to cut rates further to boost growth.
- Key benchmark indices S&P BSE Sensex and Nifty 50 gained 0.22% and 0.27% to close at 41,952.63 and 12,362.30 respectively. S&P BSE MidCap and S&P BSE SmallCap gained 0.75% and 0.71% respectively.
- The overall market breadth on BSE was strong with 1,445 scrips advancing and 1,055 scrips declining. A total of 159 scrips remained unchanged.
- On the BSE sectoral front, S&P BSE FMCG was the major gainer, up 1.46% followed by S&P BSE Metal, up 0.94% and S&P BSE Consumer Discretionary Goods & Services, up 0.84%. S&P BSE Energy was the major loser, down 0.48% followed by S&P BSE Bankex, down 0.39% and S&P BSE Realty, down 0.12%.

Domestic News

- Government data showed that India's Wholesale Price Index (WPI) based inflation increased to 2.59% in Dec 2019 from 0.58% in Nov 2019 and 3.46% during the same month of the previous year. The WPI Food Index grew from 9.02% in Nov to 11.05% in Dec. Food inflation increased to 13.24% in Dec from 11.08% in Nov as onion prices increased from 172.30% to 455.83%.
- Media reports showed the government is mulling a proposal to extend further incentives to salaried taxpayers in the forthcoming Union Budget 2020-21. The finance ministry may allow individual taxpayers to pay a lower flat rate of tax if they let go all exemptions.
- National Bulk Handling Corporation (NBHC) final kharif crop estimates for the year 2019-20 show production of most of the crops could decline except cotton and jowar.
- The housing ministry has launched an e-commerce platform to help homebuyers identify genuine properties. This is being done to bring the trust back in the real estate sector. The online platform is for projects that have received occupancy certificates and is expected to create a seamless, safe and transparent home-buying experience for home buyers.

Good gets better

FII Derivative Trade Statistics		14-Jan		
(Rs Cr)	Buy	Sell	Open Int.	
Index Futures	1996.28	1787.17	13538.43	
Index Options	156286.79	155988.58	61491.88	
Stock Futures	10263.62	10357.51	101184.25	
Stock Options	3945.38	4033.55	4853.18	
Total	172492.07	172166.81	181067.74	

Derivative Statistics- Nifty Options			
	14-Jan	Prev_Day	Change
Put Call Ratio (OI)	1.68	1.64	0.04
Put Call Ratio(Vol)	1.08	1.03	0.05

Debt Watch				
	14-Jan	Wk. Ago	Mth. Ago	Year Ago
Call Rate	4.97%	4.91%	4.97%	6.37%
T-Repo	4.94%	4.62%	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	5.08%	4.86%	5.00%	6.60%
364 Day T-Bill	5.16%	5.22%	5.24%	6.83%
10 Year Gilt	6.67%	6.55%	6.79%	7.22%
G-Sec Vol. (Rs.Cr)	38155	34759	30233	40484
FBIL MIBOR ^[1]	5.20%	5.17%	5.15%	6.50%
3 Month CP Rate	5.80%	5.80%	5.37%	7.65%
5 Year Corp Bond	7.47%	7.62%	7.90%	8.34%
1 Month CD Rate	5.12%	4.96%	4.91%	6.69%
3 Month CD Rate	5.34%	5.43%	5.06%	7.11%
1 Year CD Rate	6.04%	6.06%	5.82%	8.13%

Currency Market			
Currency	14-Jan	Prev_Day	Change
USD/INR	70.92	70.81	0.11
GBP/INR	92.14	92.26	-0.12
EURO/INR	78.99	78.80	0.19
JPY/INR	0.64	0.65	0.00

Commodity Prices				
Commodity	14-Jan	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	58.31	62.67	60.06	50.26
Brent Crude(\$/bl)	64.17	69.63	69.28	58.44
Gold(\$/oz)	1546	1574	1476	1292
Gold(Rs./10 gm)	39602	40372	37691	32117

Source: Thomson Reuters Eikon

[1] Data as on 13 Jan 2020

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Derivatives Market

- Nifty Jan 2020 Futures stood at 12,397.00, a premium of 34.70 points above the spot closing of 12,362.30. The turnover on NSE's Futures and Options segment rose to Rs. 10,44,468.80 crore on January 14, 2020, compared with Rs. 8,74,839.80 crore on January 13, 2020.
- The Put-Call ratio stood at 0.95 compared with the previous session's close of 0.97.
- The Nifty Put-Call ratio stood at 1.68 compared with the previous session's close of 1.64.
- Open interest on Nifty Futures stood at 15 million, compared with the previous session's close of 14.74 million.

Indian Debt Market

- Bond yields surged following higher-than-expected spike in retail inflation. The country's CPI came in at 7.35%, which is more than 5-year high and way beyond the RBI's tolerance limit of 4%. This further raised concerns over future policy rate cuts.
- Yield on the new 10-year benchmark paper (6.45% GS 2029) rose 7 bps to close at 6.67% compared with the previous close of 6.60% after trading in the range of 6.65% to 6.70%.
- Banks borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 2,794 crore (gross) on Jan 14, 2020 compared with borrowings of Rs. 2,909 crore (gross) on Jan 13, 2020. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 14,662 crore on Jan 13, 2020.
- Banks borrowed Rs. 4,080 crore under the central bank's Marginal Standing Facility on Jan 13, 2020 compared with borrowings of Rs. 3,091 crore on Jan 10, 2020.

Currency Market Update

- The Indian rupee in spot trade inched down against the greenback following increase in domestic inflationary pressures in Dec 19.
- The euro inched down against the greenback ahead of the signing of a preliminary trade agreement between U.S. and China. The euro closed at 1.1127, down 0.05% compared to the previous day's close of 1.1133.

Commodity Market Update

- Gold prices fell as the investor risk sentiment improved on hopes for a smooth signing of the U.S.-China Phase 1 trade deal.
- Brent crude prices fell ahead of the signing of a preliminary trade agreement between U.S. and China.

International News

- A Labor Department report showed consumer prices in the U.S. increased by slightly less than anticipated in Dec 2019. The consumer price index rose 0.2% in Dec after climbing 0.3% in Nov 2019.
- The European Central Bank reported lending to euro zone households increased at a faster pace in the third quarter. The annual growth rate of loans to households improved to 3.5% from 3.4% in the second quarter.
- The General Administration of Customs reported China logged an increase in exports in 2019, despite a fall in shipments to the U.S. amid trade disputes. Exports increased 0.5% in 2019, while imports fell 2.8% in dollar terms. Trade surplus in 2019 was \$421.5 billion.



**Thank you for
your time.**

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