

Markets for You

16 Jan 2020

Good gets *better*

Indices Performance				
Global Indices	15-Jan	Prev_Day	Abs. Change	% Change [#]
Russell 3000	1,474	1,468	5	0.36
Nasdaq	9,259	9,251	7	0.08
FTSE	7,643	7,622	20	0.27
Nikkei	23,917	24,025	-109	-0.45
Hang Seng	28,774	28,885	-112	-0.39
Indian Indices	15-Jan	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	41,873	41,953	-80	-0.19
Nifty 50	12,343	12,362	-19	-0.15
Nifty 100	12,459	12,469	-10	-0.08
Nifty 500	10,087	10,076	11	0.11
Nifty Bank	31,825	32,072	-247	-0.77
S&P BSE Power	1,991	1,986	5	0.24
S&P BSE Small Cap	14,534	14,384	150	1.04
S&P BSE HC	13,788	13,705	83	0.61

P/E Dividend Yield				
Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
15-Jan	26.20	1.01	28.63	1.22
Month Ago	28.78	1.13	28.17	1.24
Year Ago	23.74	1.17	26.16	1.24

Nifty 50 Top 3 Gainers				
Company	15-Jan	Prev_Day	% Change [#]	
AGC Networks Limited	183	175	4.98	
Yes Bank	40	39	3.11	
Hero Moto	2476	2411	2.69	

Nifty 50 Top 3 Losers				
Company	15-Jan	Prev_Day	% Change [#]	
IndusInd Bank	1401	1482	-5.48	
Wipro	248	257	-3.48	
SBI	324	328	-1.14	

Advance Decline Ratio			
	BSE	NSE	
Advances	1463	1090	
Declines	1070	742	
Unchanged	179	129	

Institutional Flows (Equity)			
Description (Cr)	Inflow/Outflow	YTD	
FII Flows*	-331	405	
MF Flows**	303	2373	

*15th 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 14 Jan 2020

Global Indices

- Asian equity markets were broadly lower as comments by a U.S. official dented investor sentiment. The official said tariffs on Chinese goods will stay in place until a phase two deal is completed. Today (as of Jan 16), Asian markets opened higher as U.S. and China signed the phase one trade deal. Both Nikkei and Hang Seng rose 0.06% and 0.11% (as at 8.a.m. IST), respectively.
- European markets were mixed after a U.S. official's comments hit sentiment as investors awaited the signing of the phase one trade deal between China and the U.S.
- U.S. markets gained as U.S. and China signed the phase one trade deal. The agreement includes provisions to limit intellectual property theft and forced technology transfers. It also increases Chinese purchases of U.S. products.

Indian Equity Market

- Indian equity markets lost tracking weakness in global markets. Sentiment dented on news that the U.S. will maintain tariffs on Chinese goods until the phase two deal is completed. This comes a day ahead of the two sides slated to sign an interim or phase one deal.
- Key benchmark indices S&P BSE Sensex and Nifty 50 lost 0.19% and 0.15% to close at 41,872.73 and 12,343.30, respectively. S&P BSE MidCap and S&P BSE SmallCap gained 0.66% and 1.04%, respectively.
- The overall market breadth on BSE was strong with 1,483 scrips advancing and 1,046 scrips declining. A total of 183 scrips remained unchanged.
- On the BSE sectoral front, S&P BSE Consumer Durables was the major gainer, up 1.37% followed by S&P BSE Realty, up 1.37% and S&P BSE Auto, up 1.05%. S&P BSE Bankex was the major loser, down 0.7% followed by S&P BSE Finance, down 0.32% and S&P BSE Telecom, down 0.3%.

Domestic News

- Government data showed that India's trade deficit narrowed to \$11.25 billion in Dec 19 from \$14.49 billion in the same period of the previous year. India's trade deficit narrowed as exports came down for the fifth consecutive month and fell 1.80% to \$27.36 billion in Dec 19 while imports came down at a comparative higher rate of 8.83% to \$38.61 billion in the same month. Oil imports fell 0.83% in Dec 19 to \$10.69 billion while gold imports fell 3.93% to \$2.47 billion in the same month.
- Media reports showed the U.S. President could visit India in Feb 2020. The countries have been trying to build a new and limited trade pact on lowering tariffs, but negotiations have been rough over broader issues of data privacy and controls over e-commerce.
- According to a report, the rising retail inflation may force the Reserve Bank of India to hold rates in its monetary policy review next month, media reports showed. Inflation has accelerated to 7.35% in Dec 2019 and could breach 8% in Jan 2020, the report said. It has gone beyond the upper end of RBI's mid-term target of 4% plus-minus 2 percentage points.
- Reserve Bank of India (RBI) governor has said the country should strive and become a part of the global manufacturing value chain to push growth. He said India had been insulated from the global value chain in the past, which though protected it from global slowdown, cannot be a justification for remaining permanently away from it.
- Media reports showed the Parliamentary standing committee on labour has invited suggestions from all stakeholders and the public in general on the Industrial Relations Code, 2019 and the Code on Social Security, 2019. This comes after the two labour codes were referred to the standing committee after introduction in the Lok Sabha in the last Winter session.

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FII Derivative Trade Statistics			
(Rs Cr)	15-Jan		
	Buy	Sell	Open Int.
Index Futures	2506.33	2579.48	13807.89
Index Options	204948.64	203402.14	64095.30
Stock Futures	11943.18	11621.50	103217.88
Stock Options	4208.97	4271.43	5168.82
Total	223607.12	221874.55	186289.89

Derivative Statistics- Nifty Options			
	15-Jan	Prev_Day	Change
Put Call Ratio (OI)	1.57	1.68	-0.11
Put Call Ratio(Vol)	1.00	1.08	-0.08

Debt Watch				
	15-Jan	Wk. Ago	Mth. Ago	Year Ago
Call Rate	4.95%	4.91%	4.97%	6.42%
T-Repo	4.98%	4.90%	4.78%	6.44%
Repo	5.15%	5.15%	5.15%	6.50%
Reverse Repo	4.90%	4.90%	4.90%	6.25%
91 Day T-Bill	5.11%	5.01%	5.00%	6.58%
364 Day T-Bill	5.29%	5.28%	5.24%	6.81%
10 Year Gilt	6.63%	6.56%	6.79%	7.25%
G-Sec Vol. (Rs.Cr)	30039	34342	30233	22219
FBIL MIBOR ^[1]	5.15%	5.20%	5.15%	6.50%
3 Month CP Rate	5.80%	5.80%	5.37%	7.65%
5 Year Corp Bond	7.42%	7.52%	7.90%	8.46%
1 Month CD Rate	5.17%	5.06%	4.91%	6.66%
3 Month CD Rate	5.41%	5.05%	5.06%	7.13%
1 Year CD Rate	6.06%	6.10%	5.82%	8.13%

Currency Market			
Currency	15-Jan	Prev_Day	Change
USD/INR	70.88	70.92	-0.05
GBP/INR	92.38	92.14	0.24
EURO/INR	78.91	78.99	-0.08
JPY/INR	0.64	0.64	0.00

Commodity Prices				
Commodity	15-Jan	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/b)	57.81	59.62	60.06	51.75
Brent Crude(\$/bl)	62.86	68.32	69.28	58.29
Gold(\$/oz)	1556	1556	1476	1289
Gold(Rs./10 gm)	39602	40694	37691	32117

Source: Thomson Reuters Eikon

[1] Data as on 14 Jan 2020

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Derivatives Market

- Nifty Jan 2020 Futures stood at 12,378.05, a premium of 34.75 points above the spot closing of 12,343.30. The turnover on NSE's Futures and Options segment rose to Rs. 13,81,029.24 crore on January 15, 2020, compared with Rs. 10,44,468.80 crore on January 14, 2020.
- The Put-Call ratio stood at 0.88 compared with the previous session's close of 0.95.
- The Nifty Put-Call ratio stood at 1.57 compared with the previous session's close of 1.68.
- Open interest on Nifty Futures stood at 14.55 million, compared with the previous session's close of 15 million.

Indian Debt Market

- Bond yields lowered on speculations of a fourth round of special open market operation by the RBI ahead of the federal budget.
- Yield on the new 10-year benchmark paper (6.45% GS 2029) eased 4 bps to close at 6.63% compared with the previous close of 6.67% after trading in the range of 6.63% to 6.67%.
- Banks borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 2,864 crore (gross) on Jan 15, 2020 compared with borrowings of Rs. 2,794 crore (gross) on Jan 14, 2020. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 16,120 crore on Jan 14, 2020.
- Banks borrowed Rs. 3,075 crore under the central bank's Marginal Standing Facility on Jan 14, 2020 compared with borrowings of Rs. 4,080 crore on Jan 13, 2020.

Currency Market Update

- The Indian rupee in spot trade rose against the U.S. dollar following selling of the greenback by exporters.
- The euro rose against the greenback as investor risk sentiment improved after U.S. and China signed the Phase one trade deal which led to expectations that trade tensions will come down between the two countries. The euro closed at 1.1149, up 0.20% compared to the previous day's close of 1.1127.

Commodity Market Update

- Gold prices rose on worries that trade tensions will continue to linger between U.S. and China.
- Brent crude prices fell after U.S. crude stockpiles rose by 1.1 million barrels in the week ended Jan 10.

International News

- Office for National Statistics reported U.K. consumer price inflation eased to a three-year low in Dec 2019 to 1.3% from 1.5% in Nov 2019.
- Data from Eurostat showed euro area trade surplus declined in Nov 2019 on weak exports. Exports fell 2.8% MoM and imports were down 0.5% in Nov.
- Destatis figures showed Germany's economy expanded for the 10th year in a row, but at the slowest pace in six years in 2019. Gross domestic product grew a price-adjusted 0.6% from the previous year, when it rose 1.5%.
- The Bank of Japan downgraded the economic view of three out of nine regions. Domestic demand had continued on an uptrend, with a virtuous cycle from income to spending operating in both the corporate and household sectors.

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Nippon *india* Mutual Fund

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(Formerly Reliance Mutual Fund)

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your time.**

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