

Markets for You

21 Jan 2020

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Indices Performance				
Global Indices	20-Jan	Prev_Day	Abs. Change	% Change [#]
Russell 3000 ^[1]	1,494	1,488	6	0.38
Nasdaq ^[1]	9,389	9,357	32	0.34
FTSE	7,651	7,675	-23	-0.30
Nikkei	24,084	24,041	42	0.18
Hang Seng	28,796	29,056	-261	-0.90
Indian Indices	20-Jan	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	41,529	41,945	-416	-0.99
Nifty 50	12,225	12,352	-128	-1.03
Nifty 100	12,343	12,471	-128	-1.03
Nifty 500	10,026	10,119	-93	-0.92
Nifty Bank	31,081	31,591	-510	-1.61
S&P BSE Power	2,010	2,004	6	0.31
S&P BSE Small Cap	14,651	14,709	-58	-0.39
S&P BSE HC	14,008	14,051	-43	-0.31

P/E Dividend Yield				
Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
20-Jan	25.80	1.02	28.00	1.25
Month Ago	29.18	1.11	28.60	1.22
Year Ago	23.96	1.16	26.19	1.24

Nifty 50 Top 3 Gainers			
Company	20-Jan	Prev_Day	% Change [#]
AGC Networks Limited	212	202	5.00
Power Grid	205	197	3.67
Bharti Airtel	509	500	1.73

Nifty 50 Top 3 Losers			
Company	20-Jan	Prev_Day	% Change [#]
Kotak Bank	1618	1698	-4.72
Indian Oil	118	123	-4.20
Zee Ente.	271	282	-3.89

Advance Decline Ratio		
	BSE	NSE
Advances	931	626
Declines	1614	1225
Unchanged	167	128

Institutional Flows (Equity)		
Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-1421	8780
MF Flows**	236	2308

*20th Jan 2020; **16th 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 17 Jan 2020, [2] Data as on 16 Jan 2020

Global Indices

- Asian markets witnessed a mixed trend with investors focusing on corporate earnings announcements and a series of central bank policy meetings scheduled during the week. Upbeat Chinese economic data released last week coupled with hopes of further stimulus measures from Chinese policymakers continued to provide underlying support to the bourses. Today (as of Jan 21), Asian markets were little changed as investors awaited Bank of Japan's release of its quarterly outlook report. Both Nikkei and Hang Seng rose 1.08% and 0.17% (as at 8.a.m. IST), respectively.
- European markets largely remained low amid cautious trade ahead of the annual World Economic Forum conference in Davos, Switzerland.
- U.S. markets remained closed on Martin Luther King, Jr. Day.

Indian Equity Market

- Indian equity markets closed in the red. Surge in crude oil prices due to reports of a blockage of oil exports at Libya's ports weighed on the market sentiment. Further, investors remained cautious ahead of the Union budget that is scheduled to release on Feb 1, 2020. However, reports that lenders to one of the largest telecom operator are expecting some government intervention that will allow the company more time to repay its dues restricted the losses. Further, investors remained focused over mixed global cues as the focus shifted to earnings announcements and a round of central bank policy meetings due this week.
- Key benchmark indices S&P BSE Sensex and Nifty 50 fell 0.99% and 1.03% to close at 41,528.91 and 12,224.55, respectively. S&P BSE Mid-Cap and S&P BSE Small Cap fell 0.57% and 0.39%, respectively.
- The overall market breadth on BSE was weak with 1,614 scrips declining and 931 scrips advancing.
- On the BSE sectoral front, S&P BSE Energy stood as the major loser and fell 2.67%, followed by S&P BSE Bankex that fell 1.65%. Gross non-performing assets of a major private sector bank grew to 2.46% for the quarter ended Dec 31, 2019 higher than 2.07% in the year-ago period.

Domestic News

- The International Monetary Fund (IMF) lowered its growth forecast for the Indian economy for FY20 to 4.8% from the earlier projection of 6.1% in Oct 2019. IMF attributed the downgrade to a sharper-than-expected slowdown in domestic demand, decline in credit growth and stress in the non-banking financial segment.
- Finance minister said decriminalising corporate laws, settling tax disputes and rapid privatisation of state-owned companies are some of the measures government is working to put India on the path to a \$5-trillion economy.
- According to former finance secretary, tax collection of the government may fall short of its projection by Rs. 2.5 lakh crore in FY20. This will raise the fiscal deficit target of 3.3% by 0.5% to 0.7%.
- According to media reports, the union government could include a host of off-budget spending and other government liabilities on its books to give a clearer picture of finances. This move could raise the fiscal deficit sharply.
- The central government would soon come out with an industrial package for Jammu and Kashmir (J&K) Union Territory, Minister for Railways and Commerce Piyush Goyal said. He expressed hope that it would attract large amounts of investment to the valley. He also announced that Kashmir would be linked with the rest of the country by train by Dec 2021.
- Kotak Mahindra Bank's consolidated profit before tax came in at Rs. 2,889.47 crore, up 6.26% YoY for the quarter ended Dec 31, 2019. Meanwhile, its net profit grew 27.37% YoY to Rs. 2,348.72 crore. On standalone basis, gross non-performing assets grew to 2.46% in the quarter under review as against growth of 2.07% in the year-ago quarter.
- L&T Finance Holdings (LTFH) consolidated net profit came in at Rs. 591 crore in the quarter ended Dec 31, 2019 as against consolidated net profit of Rs. 580 crore in the year ago period. Sales of the company grew 8% YoY to Rs. 3,630.64 crore in the quarter ended Dec 31, 2019.

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FII Derivative Trade Statistics		20-Jan	
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	2792.62	2658.47	13985.33
Index Options	167419.21	166929.81	60039.11
Stock Futures	13637.83	14101.59	105171.43
Stock Options	6742.21	6712.40	6195.12
Total	190591.87	190402.27	185390.99

Derivative Statistics- Nifty Options			
	20-Jan	Prev_Day	Change
Put Call Ratio (OI)	1.13	1.46	-0.33
Put Call Ratio(Vol)	0.91	0.98	-0.07

Debt Watch				
	20-Jan	Wk. Ago	Mth. Ago	Year Ago
Call Rate	4.97%	4.99%	5.09%	6.45%
T-Repo	4.96%	4.90%	4.89%	6.49%
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%	5.06%	5.00%	6.50%
364 Day T-Bill	5.22%	5.15%	5.17%	6.79%
10 Year Gilt	6.64%	6.60%	6.60%	7.31%
G-Sec Vol. (Rs.Cr)	20746	21814	61012	30263
FBIL MIBOR ^[2]	5.15%	5.20%	5.23%	6.48%
3 Month CP Rate	5.80%	5.80%	5.40%	7.65%
5 Year Corp Bond	7.47%	7.41%	7.68%	8.44%
1 Month CD Rate	5.12%	5.11%	5.08%	6.68%
3 Month CD Rate	5.60%	5.44%	5.13%	7.14%
1 Year CD Rate	5.99%	6.09%	6.04%	7.87%

Currency Market			
Currency	20-Jan	Prev_Day	Change
USD/INR	71.06	71.04	0.01
GBP/INR	92.33	92.95	-0.62
EURO/INR	78.88	79.14	-0.26
JPY/INR	0.64	0.64	0.00

Commodity Prices				
Commodity	20-Jan	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	58.55	58.14	60.38	53.55
Brent Crude(\$/bl)	64.92	64.23	70.50	62.23
Gold(\$/oz)	1561	1548	1478	1281
Gold(Rs./10 gm)	39947	39602	37957	32276

Source: Thomson Reuters Eikon

[1] Data as on 17 Jan 2020; [2] Data as on 16 Jan 2020

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Derivatives Market

- Nifty Jan 2020 Futures stood at 12,263.15, a premium of 38.60 points above the spot closing of 12,224.55. The turnover on NSE's Futures and Options segment rose to Rs. 12,81,508.03 crore on January 20, 2020, compared with Rs. 8,37,592.91 crore on January 17, 2020.
- The Put-Call ratio stood at 0.89 compared with the previous session's close of 0.87.
- The Nifty Put-Call ratio stood at 1.13 compared with the previous session's close of 1.46.
- Open interest on Nifty Futures stood at 14.8 million, compared with the previous session's close of 15.13 million.

Indian Debt Market

- Bond yields increased as the debt switch auction increased the supply of long duration papers in the market. Meanwhile, investors are awaiting development on the fiscal front in the upcoming federal budget.
- Yield on the new 10-year benchmark paper (6.45% GS 2029) rose 1 bps to close at 6.64% compared with the previous close of 6.63% after trading in the range of 6.63% to 6.65%.
- Banks borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 3,366 crore (gross) on Jan 20, 2020 compared with borrowings of Rs. 2,939 crore (gross) on Jan 17, 2020. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 20,600 crore on Jan 17, 2020.
- Banks borrowed Rs. 5,989 crore under the central bank's Marginal Standing Facility on Jan 17, 2020 compared with borrowings of Rs. 6,450 crore on Jan 16, 2020.

Currency Market Update

- The Indian rupee in spot trade weakened against the U.S. dollar following losses in the domestic equity market. Market participants also awaited a fresh batch of corporate earnings for more cues. The rupee closed at 71.10 a dollar, down 0.03% compared to the previous day's close of 71.08.
- The euro inched down against the greenback following a slew of upbeat economic data from U.S.

Commodity Market Update

- Gold prices rose after a missile attack in Yemen fueled geopolitical concerns which improved the safe haven appeal of the bullion.
- Brent crude prices rose after two major oilfields in southwest Libya were shut down amid a military blockade.

International News

- The People's Bank of China left its benchmark lending rates unchanged for the second straight month. The one-year loan prime stood at 4.15% and the five-year loan prime rate at 4.80%.
- According to a preliminary report by University of Michigan, U.S. consumer sentiment index fell to 99.1 in Jan 2020 from the final reading of 99.3 in Dec 2019.
- According to data from Destatis, Germany's producer prices fell 0.2% YoY in Dec 2019 as against 0.7% decrease in Nov 2019. However, on a monthly basis, producer prices rose 0.1% in Dec after remaining unchanged in Nov.
- According to Rightmove, U.K. house prices increased the 2.3% in Jan 2020. House price rose the most after the general election.


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