

Markets for You

27 Jan 2020

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Indices Performance

Global Indices	24-Jan	Prev_Day	Abs. Change	% Change [#]
Russell 3000	1,482	1,496	-14	-0.95
Nasdaq	9,315	9,402	-88	-0.93
FTSE	7,586	7,508	78	1.04
Nikkei	23,827	23,795	32	0.13
Hang Seng	27,950	27,909	41	0.15
Indian Indices	24-Jan	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	41,613	41,386	227	0.55
Nifty 50	12,248	12,180	68	0.56
Nifty 100	12,387	12,313	74	0.60
Nifty 500	10,084	10,021	62	0.62
Nifty Bank	31,242	31,004	238	0.77
S&P BSE Power	1,978	1,971	7	0.33
S&P BSE Small Cap	14,846	14,772	74	0.50
S&P BSE HC	14,109	14,106	3	0.02

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
24-Jan	25.54	1.02	28.10	1.24
Month Ago	26.04	1.02	28.47	1.22
Year Ago	23.77	1.16	26.31	1.24

Nifty 50 Top 3 Gainers

Company	24-Jan	Prev_Day	% Change [#]
Yes Bank	43	41	4.52
Ultratech Cem	4643	4526	2.57
Britannia Industries Limited	3193	3113	2.56

Nifty 50 Top 3 Losers

Company	24-Jan	Prev_Day	% Change [#]
AGC Networks Limited	212	223	-4.98
Power Grid	197	202	-2.48
Cipla	459	465	-1.35

Advance Decline Ratio

	BSE	NSE
Advances	1374	1064
Declines	1166	766
Unchanged	162	128

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	1497	13304
MF Flows**	-423	606

*24th Jan 2020; **22nd 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

Global Indices

- Asian markets managed to end the last trading session of the week on a positive note. Concerns over coronavirus outbreak in China eased to some extent after the World Health Organization said the coronavirus outbreak in China did not yet constitute a global health emergency. Today (as of Jan 27, 2020), Asian markets declined following the decline on Wall Street overnight. However, many markets remained closed for the Lunar New Year holidays. Nikkei fell 1.64% (as at 8.a.m. IST).
- European markets managed to end the session in the green after the World Health Organization said the deadly Chinese coronavirus was not a global emergency yet.
- U.S. markets fell on the last session of the week after the second U.S. case of the deadly coronavirus was confirmed, renewing concerns over its impact on the global economy.

Indian Equity Market

- Indian equity markets closed in the green for the second consecutive session. Positive global cues amid reports that World Health Organization has marked outbreak of coronavirus as an emergency for China, but not yet for the rest of the world, boosted market sentiment. Further, hopes of announcement of additional measures by the government during Union Budget FY21 to revive the economy supported buying interest.
- Key benchmark indices S&P BSE Sensex and Nifty 50 grew 0.55% and 0.56% to close at 41,613.19 and 12,248.25, respectively. S&P BSE Mid-Cap and S&P BSE Small Cap grew 0.77% and 0.50%, respectively.
- The overall market breadth on BSE was strong with 1,374 scrips advancing and 1,166 scrips declining. A total of 162 scrips remained unchanged.
- On the BSE sectoral front, S&P BSE Capital Goods stood as the major gainer and grew 1.50%, followed by S&P BSE Consumer Durables and S&P BSE Basic Materials that grew 1.33% and 1.04%, respectively. One of the major cement company gained after its standalone net profit surged 48.63% YoY to Rs. 643.15 crore in the quarter ended Dec 31, 2019. S&P BSE Metal and S&P BSE Industrials grew 0.98% and 0.96%, respectively.

Domestic News

- According to a media report, India's corporate and income tax collection for FY20 may fall for the first time in at least two decades. Sharp fall in economic growth and cut in corporate tax rates may be attributed to the fall in collections. A senior tax official said, the tax department collected only Rs. 7.3 lakh crore till Jan 23, 2020, 5.5% below the amount collected during the corresponding period in the previous year. Eight senior tax officials said direct tax collections in the current financial year were likely to fall below the Rs. 11.5 lakh crore collected in FY19.
- According to media reports, government may decide to go for off-budget borrowings of roughly \$28 billion for expenditure outlay in its budget for fiscal FY21.
- According to a media report, Public Distribution System (PDS) accounted nearly 70% i.e., Rs. 19,263 crore of the total government savings of Rs. 28,700 crore under Direct Benefit Transfer (DBT) of subsidies in the first nine months of FY20. Duplicate and fake ration cards are being eliminated to plug leakage of subsidy.
- According to a media report, Niti Aayog has sought Cabinet approval for a proposal to build up to 10 large factories in a bid to push use of Electric vehicles (EV).
- According to media reports, JSW Steel witnessed an 88.33% decline in its consolidated net profit to Rs 187 crore for Q3FY20 compared to a net profit of Rs. 1,603 crore in the same period of the previous year. Net profit declined as the production in Q3FY20 fell 5% on a yearly basis due to extended monsoon which impacted operations at both Dolvi and Vijayanagar.
- According to media reports, Indian Bank witnessed a growth of 74.76% in Profit Before Tax (PBT) at Rs. 390.35 crore for Q3FY20, as compared to Rs. 223.36 crore in the same period of the previous year. The total income rose 23.43% to Rs. 6504.46 crore in Q3FY20, against Rs 5269.74 crore in the same period of the previous year while the Gross Non-Performing Assets (GNPA) as a percentage of gross advances have fell 7.21% from 7.48% in the same time period.

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Mutual Fund Investments are subject to market risks, read all scheme related documents carefully.

FII Derivative Trade Statistics	24-Jan		
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	4570.86	4987.07	18271.91
Index Options	470062.93	467133.92	60008.22
Stock Futures	17812.15	17878.31	106282.21
Stock Options	6925.36	6726.10	6493.48
Total	499371.30	496725.40	191055.82

Derivative Statistics- Nifty Options	24-Jan	Prev_Day	Change
Put Call Ratio (OI)	1.42	1.16	0.26
Put Call Ratio(Vol)	0.94	0.93	0.01

Debt Watch	24-Jan	Wk. Ago	Mth. Ago	Year Ago
Call Rate	4.96%	5.02%	5.12%	6.41%
T-Repo	5.00%	4.98%	4.79%	6.41%
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%	5.09%	5.02%	6.50%
364 Day T-Bill	5.27%	5.10%	5.29%	6.76%
10 Year Gilt	6.58%	6.63%	6.58%	7.56%
G-Sec Vol. (Rs.Cr)	39080	49149	26181	22173
FBIL MIBOR	5.15%	5.22%	5.25%	6.60%
3 Month CP Rate	5.75%	5.80%	5.40%	7.65%
5 Year Corp Bond	7.17%	7.45%	7.67%	8.47%
1 Month CD Rate	5.21%	5.11%	5.08%	6.71%
3 Month CD Rate	5.61%	5.62%	5.07%	6.94%
1 Year CD Rate	6.13%	6.12%	6.01%	7.89%

Currency Market	24-Jan	Prev_Day	Change
USD/INR	71.24	71.24	0.00
GBP/INR	93.51	93.48	0.03
EURO/INR	78.69	78.96	-0.27
JPY/INR	0.65	0.65	0.00

Commodity Prices	24-Jan	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	54.04	58.55	61.14	52.84
Brent Crude(\$/bl)	59.63	64.34	71.10	61.53
Gold(\$/oz)	1570	1556	1499	1281
Gold(Rs./10 gm)	40002	39804	38297	32226

Source: Thomson Reuters Eikon

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Derivatives Market

- Nifty Jan 2020 Futures stood at 12,271.60, a premium of 23.35 points above the spot closing of 12,248.25. The turnover on NSE's Futures and Options segment fell to Rs. 9,66,739.73 crore on January 24, 2020, compared with Rs. 34,45,384.84 crore on January 23, 2020.
- The Put-Call ratio stood at 0.91 compared with the previous session's close of 0.81.
- The Nifty Put-Call ratio stood at 1.42 compared with the previous session's close of 1.16.
- Open interest on Nifty Futures stood at 14.88 million, compared with the previous session's close of 14.8 million.

Indian Debt Market

- Bond yields lowered as crude oil prices softened amid demand concerns following the virus outbreak in China. In addition, the outcome of RBI's special open market operation also supported the market sentiment and added to the gains.
- Yield on the new 10-year benchmark paper (6.45% GS 2029) reduced 2 bps to close at 6.58% compared with the previous close of 6.60% after trading in the range of 6.57% to 6.61%.
- Banks borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 2,844 crore (gross) on Jan 24, 2020 compared with borrowings of Rs. 3,074 crore (gross) on Jan 23, 2020. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 40,799 crore on Jan 23, 2020.
- Banks borrowed Rs. 3,800 crore under the central bank's Marginal Standing Facility on Jan 23, 2020 compared with borrowings of Rs. 2,250 crore on Jan 22, 2020.

Currency Market Update

- The Indian rupee eased against the U.S. dollar, as fears about the spread of a virus from China lowered investor appetite in the region.
- The euro fell against the U.S dollar as subdued Euro Zone Composite Flash Purchasing Managers' Index (PMI) data for Jan 2020, increased expectations that European central bank (ECB) policymakers will maintain a loose monetary policy for the near future.

Commodity Market Update

- Gold prices rose after the U.S. Center for Disease Control and Prevention confirmed a second U.S. case of the coronavirus in the country.
- Brent crude prices plunged amid concerns over the coronavirus outbreak in China.

International News

- According to the minutes of the policy meeting held in Dec 2019, the Bank of Japan should closely watch the effects of the slowdown in overseas economies and the sales tax hike on the Japanese economy.
- A report from the IHS Markit and Chartered Institute of Procurement & Supply showed that U.K.'s composite output index rose to 52.4 in Jan 2020 from 49.3 in Dec 2019.
- According to a report from the Ministry of Internal Affairs, Japan's inflation remained well below the 2% target and rose 0.8% in Dec 2019 as against a growth of 0.5% in Nov 2019.
- A preliminary report from the IHS Markit showed that Japan's composite output index grew to 51.1 in Jan 2020 as against 48.6 in Dec.


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