

Markets for You

28 Jan 2020

Good gets *better*

Indices Performance				
Global Indices	27-Jan	Prev_Day	Abs. Change	% Change [#]
Russell 3000	1,457	1,482	-25	-1.66
Nasdaq	9,139	9,315	-176	-1.89
FTSE	7,412	7,586	-174	-2.29
Nikkei	23,344	23,827	-484	-2.03
Hang Seng ^[1]	27,950	27,909	41	0.15
Indian Indices	27-Jan	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	41,155	41,613	-458	-1.10
Nifty 50	12,119	12,248	-129	-1.06
Nifty 100	12,263	12,387	-124	-1.00
Nifty 500	10,000	10,084	-84	-0.83
Nifty Bank	30,837	31,242	-404	-1.29
S&P BSE Power	1,948	1,978	-29	-1.48
S&P BSE Small Cap	14,850	14,846	4	0.03
S&P BSE HC	14,310	14,109	201	1.43

P/E Dividend Yield				
Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
27-Jan	25.24	1.03	27.73	1.25
Month Ago	26.13	1.02	28.48	1.23
Year Ago	23.68	1.17	26.14	1.25

Nifty 50 Top 3 Gainers			
Company	27-Jan	Prev_Day	% Change [#]
Dr.Reddy	3189	3031	5.19
M&M	578	568	1.86
Cipla	464	459	1.22

Nifty 50 Top 3 Losers			
Company	27-Jan	Prev_Day	% Change [#]
AGC Networks Limited	201	212	-4.99
Vedanta Limited	149	156	-4.52
Tata Steel	462	483	-4.33

Advance Decline Ratio		
	BSE	NSE
Advances	1036	761
Declines	1524	1100
Unchanged	155	121

Institutional Flows (Equity)		
Description (Cr)	Inflow/Outflow	YTD
FII Flows*	595	13899
MF Flows**	-423	606

*27th 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

[1] Data as on 24 Jan 2020

Global Indices

- Asian equity markets fell on the back of the virus scare and holiday-thin trading. The corona virus is fast spreading in China and other countries. In China, it has claimed many lives while many more are in critical condition. Today (as of Jan 28), Asian markets opened lower as the spread of the corona virus is sending jitters across the globe. Nikkei declined 0.76% (as at 8.a.m. IST), while Hang Seng was closed on account of Lunar New Year.
- European markets lost in the middle of the virus scare. The number of affected cases in China are rising alarmingly and the virus has been detected in countries like Canada, France and Australia.
- U.S. markets declined as investors panicked about the impact of the coronavirus on the world economy. The virus has been spreading in China with death toll rising.

Indian Equity Market

- Indian equity markets declined on weak global cues as the spread of coronavirus is dampening the appeal of riskier assets. The virus that originated in China has taken many lives there and many others are in danger. It is fast spreading to other countries. Investor also awaited the upcoming Union Budget 2020-21.
- Key benchmark indices S&P BSE Sensex and Nifty 50 lost 1.1% and 1.06% to close at 41,155.12 and 12,119.00 respectively. S&P BSE MidCap lost 0.4% and S&P BSE SmallCap gained 0.03%.
- The overall market breadth on BSE was weak with 1,036 scrips advancing and 1,524 scrips declining. A total of 155 scrips remained unchanged.
- On the BSE sectoral front, S&P BSE Healthcare was the only gainer, up 1.43%. S&P BSE Metal was the major loser, down 3.25% followed by S&P BSE Telecom, down 1.75% and S&P BSE Power, down 1.48%.

Domestic News

- A Securities & Exchange Board of India (SEBI) panel has proposed changes to strengthen the monitoring and enforcement of rules pertaining to related party transactions (RPTs). Under the proposal, related party should be any person or entity belonging to the promoter or promoter group of the listed entity. Besides, any person or any entity, directly or indirectly (including with their relatives), holding 20% or more of the holding in the listed entity should also be considered as related party. Modifying the definition of Related Party and Related Party Transactions and revising thresholds for classification of such transactions as material, are among the recommendations.
- The Securities & Exchange Board of India (SEBI) has reorganised the committee that advises it on matters related to secondary market, including suggesting steps to improve market safety, efficiency and transparency.
- Commerce and industry minister has asked traders to promote swadeshi by selling and consuming local products. He said this will help in boosting economic growth to double digits.
- The government has projected the country's overall onion production to increase 7% to 24.45 million tonne in 2019-20 crop year. The Agriculture Ministry said onion crops has been grown in 12.93 lakh hectare in the 2019-20 crop year (Jul-Jun), slightly higher than 12.20 lakh hectare achieved during the previous year.
- According to media reports, the standalone profit of Housing Development Finance Corporation (HDFC), which is also the country's largest housing finance company surged 296% on a yearly basis to Rs. 8,372.50 crore from Rs. 2,113.80 crore in the same period of the previous year. The standalone profit rose as HDFC Bandhan Bank recognized a fair value gain of Rs. 9,019.81 crore on derecognition of investment in Gruh Finance which was subsequently merged with Bandhan Bank.
- According to media reports, the net profit of InterGlobe Aviation surged 167.8% on a yearly basis to Rs. 496 crore from Rs. 185.2 crore in the same period of the previous year. The increase in profit can be attributed to increasing load factor and higher operating income.

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FII Derivative Trade Statistics		27-Jan	
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	3472.30	4048.01	18516.08
Index Options	173109.31	173852.64	64119.32
Stock Futures	16634.86	16609.33	107480.60
Stock Options	6853.82	6884.12	6399.76
Total	200070.29	201394.10	196515.76

Derivative Statistics- Nifty Options			
	27-Jan	Prev_Day	Change
Put Call Ratio (OI)	1.11	1.42	-0.32
Put Call Ratio(Vol)	0.91	0.94	-0.03

Debt Watch				
	27-Jan	Wk. Ago	Mth. Ago	Year Ago
Call Rate	4.93%	4.97%	5.11%	6.41%
T-Repo	4.98%	4.96%	4.50%	6.39%
Repo	5.15%	5.15%	5.15%	6.50%
Reverse Repo	4.90%	4.90%	4.90%	6.25%
91 Day T-Bill	5.03%	5.08%	4.90%	6.54%
364 Day T-Bill	5.25%	5.22%	5.26%	6.76%
10 Year Gilt	6.56%	6.64%	6.51%	7.33%
G-Sec Vol. (Rs.Cr)	29174	20746	42216	32425
FBIL MIBOR ^[1]	5.15%	5.18%	5.25%	6.54%
3 Month CP Rate	5.75%	5.80%	5.40%	7.65%
5 Year Corp Bond	7.31%	7.47%	7.77%	8.49%
1 Month CD Rate	5.15%	5.12%	4.95%	6.64%
3 Month CD Rate	5.61%	5.60%	5.10%	7.27%
1 Year CD Rate	6.12%	5.99%	6.05%	7.88%

Currency Market			
Currency	27-Jan	Prev_Day	Change
USD/INR	71.39	71.24	0.15
GBP/INR	93.25	93.51	-0.26
EURO/INR	78.73	78.69	0.04
JPY/INR	0.65	0.65	0.00

Commodity Prices				
Commodity	27-Jan	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	53.06	58.55	61.73	53.48
Brent Crude(\$/bl)	58.83	64.92	70.65	61.93
Gold(\$/oz)	1582	1561	1510	1303
Gold(Rs./10 gm)	40638	39947	38791	32303

Source: Thomson Reuters Eikon

[1] Data as on 24 Jan 2020

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Derivatives Market

- Nifty Jan 2020 Futures stood at 12,125.70, a premium of 6.70 points above the spot closing of 12,119.00. The turnover on NSE's Futures and Options segment rose to Rs. 11,68,351.53 crore on January 27, 2020, compared with Rs. 9,66,739.73 crore on January 24, 2020.
- The Put-Call ratio remained unchanged compared with the previous session's close of 0.91.
- The Nifty Put-Call ratio stood at 1.11 compared with the previous session's close of 1.42.
- Open interest on Nifty Futures stood at 15.33 million, compared with the previous session's close of 14.88 million.

Indian Debt Market

- Bond yields continued to decline as global crude oil prices fell amid the virus outbreak in China. Fall in U.S. Treasury yields also lifted the market sentiment. However, the broader market is awaiting the upcoming federal budget for further cues.
- Yield on the new 10-year benchmark paper (6.45% GS 2029) reduced 2 bps to close at 6.56% compared with the previous close of 6.58% after trading in the range of 6.55% to 6.59%.
- Banks borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 2,894 crore (gross) on Jan 27, 2020 compared with borrowings of Rs. 2,844 crore (gross) on Jan 24, 2020. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 56,888 crore on Jan 24, 2020.
- Banks borrowed Rs. 2,915 crore under the central bank's Marginal Standing Facility on Jan 24, 2020 compared with borrowings of Rs. 3,800 crore on Jan 23, 2020.

Currency Market Update

- The Indian rupee in spot trade weakened against the greenback for the third consecutive session following losses in the domestic equity market. Persisting concerns over the coronavirus infection in China also added to the losses.
- The euro weakened against the greenback as the investor risk sentiment dampened on growing fears about the spread of a coronavirus from China.

Commodity Market Update

- Gold prices rose after a fifth case of coronavirus infection was confirmed in U.S.
- Brent crude prices plunged amid concerns that the coronavirus outbreak in China may lead to a slowdown in global growth and bring about a decline in oil demand.

International News

- According to a report released by the U.S. Commerce Department, new home sales in U.S. fell by 0.4% to an annual rate of 694,000 in Dec 2019 from a downwardly revised 697,000 in Nov 2019 (719,000 originally reported for the previous month).
- Survey data from the Ifo institute showed that German business sentiment deteriorated unexpectedly at the start of the year and dropped to 95.9 in Jan 2020 from 96.3 in the previous month.
- According to the Minister for Trade and Industry of Singapore, the coronavirus outbreak in the Chinese city of Wuhan may adversely impact the economy of Singapore in 2020. It needs to be noted that in China, the death toll from the coronavirus infection has reached 80 and over 2,500 cases have been confirmed.


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

**Thank you for
your time.**

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