

Markets for You

29 Jan 2020

Good gets *better*

Indices Performance

Global Indices	28-Jan	Prev_Day	Abs. Change	% Change [#]
Russell 3000	1,475	1,457	18	1.24
Nasdaq	9,270	9,139	130	1.43
FTSE	7,481	7,412	69	0.93
Nikkei	23,216	23,344	-128	-0.55
Hang Seng ^[2]	27,950	27,909	41	0.15
Indian Indices	28-Jan	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	40,967	41,155	-188	-0.46
Nifty 50	12,056	12,119	-63	-0.52
Nifty 100	12,203	12,263	-59	-0.48
Nifty 500	9,957	10,000	-43	-0.43
Nifty Bank	30,761	30,837	-76	-0.25
S&P BSE Power	1,925	1,948	-23	-1.20
S&P BSE Small Cap	14,822	14,850	-28	-0.19
S&P BSE HC	14,276	14,310	-34	-0.24

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
28-Jan	25.17	1.04	26.65	1.26
Month Ago	26.13	1.02	28.48	1.23
Year Ago	23.30	1.18	25.85	1.27

Nifty 50 Top 3 Gainers

Company	28-Jan	Prev_Day	% Change [#]
AGC Networks Limited	211	201	5.00
BPCL	481	468	2.82
HDFC Ltd.	2432	2396	1.49

Nifty 50 Top 3 Losers

Company	28-Jan	Prev_Day	% Change [#]
Bharti Airtel	491	514	-4.50
Vedanta Limited	142	149	-4.47
Tata Steel	446	462	-3.50

Advance Decline Ratio

	BSE	NSE
Advances	964	619
Declines	1570	1234
Unchanged	172	108

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 27 Jan 2020; [2] Data as on 24 Jan 2020

Global Indices

- Asian equity markets fell yet again as China reported 24 more deaths from the coronavirus outbreak. This takes the number of fatalities to 106 and raises concerns over its effects on global economic growth. The virus has spread to more than 10 countries. Today (as of Jan 29), Asian markets opened higher as overnight U.S. markets recovered from losses. Nikkei was up 0.17% (as at 8.a.m. IST), while Hang Seng was closed on account of Lunar New Year.
- European markets recovered from the deep losses in the previous session as the virus outbreak in China threatens world economic growth.
- U.S. markets gained after the steep sell off in the previous session. However, concerns over the spread of the virus remain.

Indian Equity Market

- Indian equity markets fell for the second straight session reflecting weakness in global markets. The potential impact of the coronavirus outbreak on businesses hit market sentiment. Investors also reminded on the sidelines on subdued third quarter earnings.
- Key benchmark indices S&P BSE Sensex and Nifty 50 lost 0.46% and 0.52% to close at 40,966.86 and 12,055.80 respectively. S&P BSE MidCap and S&P BSE SmallCap lost 0.52% and 0.19% respectively.
- The overall market breadth on BSE was weak with 964 scrips advancing and 1,570 scrips declining. A total of 172 scrips remained unchanged.
- On the BSE sectoral front, S&P BSE Oil & Gas was the major gainer, up 0.24% followed by S&P BSE IT, up 0.2% and S&P BSE Finance, up 0.19%. S&P BSE Telecom was the major loser, down 4.11% followed by S&P BSE Metal, down 2.58% and S&P BSE Energy, down 1.63%.

Domestic News

- According to the first estimates released by the National Collateral Management Services (NCML), India is poised for a record foodgrain production in 2020. This comes following a surge in the output of wheat and rice, the two major crops of rabi or winter sowing season. Horticulture output will also be more, including tomato, potato and onion, according to the government's first estimate. The output is estimated to go up to 313.35 million tonne in 2019-20 from actual output of 310.74 mt last year.
- Media reports showed the Central Board of Indirect Taxes and Customs (CBIC) has frozen tax credits of around Rs. 40,000 crore as the returns did not match. This has exposed the alleged fraud by close to 2,000 entities, apart from cases where returns were not filed. Last week, the indirect tax wing of the revenue department blocked the credits within four hours.
- Government estimates show a hit of around Rs. 1 lakh crore due to a cut in corporation tax, against Rs. 1.45 lakh crore calculated when the step was announced in Sep 2019. Official said this estimate was based on an analysis of advance tax payments and will provide much-needed cushion to the Centre, which is battling an acute fiscal strain, with tax collections expected to be significantly lower than the budget estimate of Rs 24.6 lakh crore on gross basis. During the current year, corporation tax collections were estimated at a little under Rs 7.7 lakh crore.
- The coronavirus crisis could lead to disruption in production of chemicals in China's Hubei province, which is the epicenter of the outbreak. If this happens then it may benefit Indian manufacturers.

Good gets better

FII Derivative Trade Statistics	28-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	28-Jan	Prev_Day	Change
Put Call Ratio (OI)	1.00	1.11	-0.11
Put Call Ratio(Vol)	0.80	0.91	-0.11

Debt Watch	28-Jan	Wk. Ago	Mth. Ago	Year Ago
Call Rate	4.94%	4.94%	5.11%	6.43%
T-Repo	4.97%	4.99%	4.50%	6.40%
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%	5.05%	4.90%	6.54%
364 Day T-Bill	5.21%	5.22%	5.26%	6.75%
10 Year Gilt	6.58%	6.64%	6.51%	7.33%
G-Sec Vol. (Rs.Cr)	27224	31007	42216	18601
FBIL MIBOR ^[1]	5.15%	5.15%	5.25%	6.55%
3 Month CP Rate	5.75%	5.80%	5.40%	7.60%
5 Year Corp Bond	7.36%	7.46%	7.77%	8.47%
1 Month CD Rate	5.15%	5.15%	4.95%	6.60%
3 Month CD Rate	5.75%	5.59%	5.10%	7.36%
1 Year CD Rate	5.90%	5.99%	6.05%	8.18%

Currency Market	28-Jan	Prev_Day	Change
USD/INR	71.33	71.39	-0.07
GBP/INR	93.09	93.25	-0.16
EURO/INR	78.62	78.73	-0.11
JPY/INR	0.65	0.65	0.00

Commodity Prices	28-Jan	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	53.30	58.25	61.73	51.74
Brent Crude(\$/bl)	59.81	63.95	70.65	60.15
Gold(\$/oz)	1566	1558	1510	1303
Gold(Rs./10 gm)	40456	39851	38791	32691

Source: Thomson Reuters Eikon

[1] Data as on 27 Jan 2020; [2] Data as on 24 Jan 2020

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Derivatives Market

- Nifty Jan 2020 Futures stood at 12,068.00, a premium of 12.20 points above the spot closing of 12,055.80. The turnover on NSE's Futures and Options segment rose to Rs. 15,65,782.36 crore on January 28, 2020, compared with Rs. 11,68,351.53 crore on January 27, 2020.
- The Put-Call ratio stood at 0.88 compared with the previous session's close of 0.91.
- The Nifty Put-Call ratio stood at 1 compared with the previous session's close of 1.11.
- Open interest on Nifty Futures stood at 15.41 million, compared with the previous session's close of 15.33 million.

Indian Debt Market

- Bond yields rose as market participants booked profits ahead of the upcoming federal budget on Feb 1, 2020. The market is uncertain about the government's borrowing plan and is looking for clarification in the budget.
- Yield on the new 10-year benchmark paper (6.45% GS 2029) rose 2 bps to close at 6.58% compared with the previous close of 6.56% 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. 2,449 crore (gross) on Jan 28, 2020 compared with borrowings of Rs. 2,894 crore (gross) on Jan 27, 2020. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 65,453 crore on Jan 27, 2020.
- Banks borrowed Rs. 3,325 crore under the central bank's Marginal Standing Facility on Jan 27, 2020 compared with borrowings of Rs. 2,915 crore on Jan 24, 2020.

Currency Market Update

- The Indian rupee in spot trade rose against the greenback due to lower global crude oil prices on fears about the spread of the coronavirus infection in China. The rupee closed at 71.33 a dollar, up 0.15% compared to the previous day's close of 71.44.
- The euro was almost steady against the greenback as the investor risk sentiment remained subdued on growing fears about the spread of a coronavirus from China.

Commodity Market Update

- Gold prices fell as market participants preferred to book profits from the recent bullion rally.
- Brent crude prices rose on growing possibility that OPEC and its allies might tighten the oil supply in the market.

International News

- A Commerce Department report showed durable goods orders surged up by 2.4% in Dec 2019 after tumbling by 3.1% in Nov 2019.
- A Conference Board report showed consumer confidence in the U.S. showed a notable improvement in Jan 2020. Consumer confidence index climbed to 131.6 in Jan from 128.2 in Dec 2019.
- According to Distributive Trends Survey, U.K. retailers reported that sales volumes were flat for the third consecutive month in Jan 2020 and they expect no growth for next month.
- The retail sales balance held steady at zero percent in Jan.



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

**Thank you for
your time.**

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