

Markets for You

03 Mar 2020

Good gets *better*

Indices Performance				
Global Indices	02-Mar	Prev_Day	Abs. Change	% Change [#]
Russell 3000	1,415	1,353	62	4.60
Nasdaq	8,952	8,567	385	4.49
FTSE	6,655	6,581	74	1.13
Nikkei	21,344	21,143	201	0.95
Hang Seng	26,292	26,130	162	0.62
Indian Indices	02-Mar	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	38,144	38,297	-153	-0.40
Nifty 50	11,133	11,202	-69	-0.62
Nifty 100	11,252	11,316	-65	-0.57
Nifty 500	9,179	9,236	-57	-0.62
Nifty Bank	28,868	29,147	-279	-0.96
S&P BSE Power	1,704	1,717	-13	-0.74
S&P BSE Small Cap	13,604	13,709	-105	-0.77
S&P BSE HC	13,417	13,480	-63	-0.47

P/E Dividend Yield				
Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
2-Mar	23.27	1.15	25.34	1.37
Month Ago	23.92	1.07	25.75	1.31
Year Ago	26.53	1.19	26.49	1.24

Nifty 50 Top 3 Gainers			
Company	02-Mar	Prev_Day	% Change [#]
HCL Tech	550	534	2.87
Eicher Motors	17013	16602	2.48
ICICI Bank	506	497	1.78

Nifty 50 Top 3 Losers			
Company	02-Mar	Prev_Day	% Change [#]
Yes Bank	32	35	-8.82
AGC Networks Limited	412	441	-6.72
SBI	287	303	-5.15

Advance Decline Ratio			
	BSE	NSE	
Advances	954	671	
Declines	1515	1178	
Unchanged	147	151	

Institutional Flows (Equity)		
Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-3341	10602
MF Flows**	4193	10316

*2nd Mar 2020; **28th Feb 2020

Economic Indicator			
YoY(%)	Current	Quarter Ago	Year Ago
CPI	7.59% (Jan-20)	4.62% (Oct-19)	1.97% (Jan-19)
IIP	-0.30% (Dec-19)	-4.60% (Sep-19)	2.50% (Dec-18)
GDP	4.70% (Dec-19)	5.10% (Sep-19)	5.60% (Dec-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 28 Feb 2020

Global Indices

- Asian equity markets ended mostly higher, recovering from early losses, as investors grew hopeful that major central banks will cut interest rates to support the global economy. Today (as of Mar 3), Asian markets opened higher supported by the overnight handsome gains at the Wall Street on stimulus hopes. Both Nikkei and Hang Seng rose 1.04% and 0.48% (as at 8.a.m. IST), respectively.
- European markets closed higher as investors factored in a potential global monetary policy response to support the economy.
- U.S. markets bounced back sharply from their worst week since the 2008 financial crisis. Expectations that the U.S. Federal Reserve could cut rates supported sentiment.

Indian Equity Market

- Indian equity markets declined from a positive start as two fresh coronavirus cases were reported in India. The two patients, which had travelled to Dubai and Italy, are stable and being closely monitored, the government said. Initially markets had gained tracking gains across Asia and Europe as investors grew hopeful that major central banks will cut interest rates to support the global economy.
- Key benchmark indices S&P BSE Sensex and Nifty 50 lost 0.4% and 0.62% to close at 38,144.02 and 11,132.75 respectively. S&P BSE MidCap and S&P BSE SmallCap lost 0.65% and 0.77% respectively.
- The overall market breadth on BSE was weak with 954 scrips advancing and 1,515 scrips declining. A total of 147 scrips remained unchanged.
- On the BSE sectoral front, S&P BSE IT was the major gainer, up 1.06% followed by S&P BSE Teck, up 0.55%. S&P BSE Metal was the major loser, down 2.05% followed by S&P BSE Oil & Gas, down 1.98% and S&P BSE Basic Materials, down 1.42%.

Domestic News

- Nikkei India Manufacturing Purchasing Managers' Index (PMI) slowed to 54.5 in Feb 2020 from 55.3 in Jan 2020. Since the Jan figure was at an almost eight-year high, the Feb PMI is being seen as healthy. The month saw rates of growth for factory orders, exports and output holding close to Jan's highs. Companies were willing to step up input buying, and hiring activity increased fractionally.
- A global credit rating agency has cut its forecast for India's economic growth to 4.9% in FY20, as manufacturing could come under pressure from weak domestic demand and supply chain disruptions due to the coronavirus outbreak, media reports showed. The GDP growth is forecast to recover slightly to 5.4% in FY21.
- Goods and Services Tax (GST) collections at Rs 1.05 lakh crore for Feb 2020 are significantly below the government's revised target, media reports showed. The figure is Rs. 10,000 crore shorter than the revised target. To compensate for low collections in previous months of FY20, the government set an ambitious monthly GST target of Rs 1.1 lakh crore for Dec-Mar. Lower-than-target collection of Rs 1.03 lakh crore in Dec 2019 made the government again revised the target to Rs 1.15 lakh crore for Feb and Rs 1.25 lakh crore for Mar 2020.
- The Union Minister of State for Finance and Corporate Affairs said the government aims at making India among the top three global economies by 2025.

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FII Derivative Trade Statistics		02-Mar	
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	6965.26	8600.79	16519.95
Index Options	168603.02	168775.38	48359.02
Stock Futures	22518.57	20400.60	85733.43
Stock Options	5555.12	5499.14	2250.68
Total	203641.97	203275.91	152863.08

Derivative Statistics- Nifty Options			
	02-Mar	Prev_Day	Change
Put Call Ratio (OI)	1.14	1.10	0.03
Put Call Ratio(Vol)	0.91	0.84	0.06

Debt Watch				
	02-Mar	Wk. Ago	Mth. Ago	Year Ago
Call Rate	4.96%	5.04%	4.97%	6.20%
T-Repo	4.69%	4.98%	4.92%	6.20%
Repo	5.15%	5.15%	5.15%	6.25%
Reverse Repo	4.90%	4.90%	4.90%	6.00%
91 Day T-Bill	5.03%	5.00%	5.09%	6.38%
364 Day T-Bill	5.15%	5.14%	5.27%	6.51%
10 Year Gilt	6.35%	6.37%	6.60%	7.38%
G-Sec Vol. (Rs.Cr)	58054	69545	31446	32544
FBIL MIBOR ^[1]	5.09%	5.17%	5.05%	6.30%
3 Month CP Rate	5.95%	5.75%	5.75%	7.80%
5 Year Corp Bond	6.92%	6.89%	7.36%	8.32%
1 Month CD Rate	5.18%	5.23%	5.14%	6.96%
3 Month CD Rate	5.62%	5.47%	5.50%	7.30%
1 Year CD Rate	6.20%	5.81%	5.95%	7.69%

Currency Market			
Currency	02-Mar	Prev_Day	Change
USD/INR	72.24	72.19	0.05
GBP/INR	92.74	93.01	-0.27
EURO/INR	79.76	79.44	0.32
JPY/INR	0.67	0.66	0.00

Commodity Prices				
Commodity	02-Mar	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	46.73	51.33	51.53	55.71
Brent Crude(\$/bl)	52.64	57.03	58.36	63.15
Gold(\$/oz)	1590	1660	1590	1293
Gold(Rs./10 gm)	42232	43392	40694	32819

Source: Refinitiv

[1] Data as on 28 Feb 2020

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Derivatives Market

- Nifty Mar 2020 Futures stood at 11,123.70, a discount of 9.05 points below the spot closing of 11,132.75. The turnover on NSE's Futures and Options segment rose to Rs. 12,16,934.34 crore on March 02, 2020, compared with Rs. 10,04,044.60 crore on February 28, 2020.
- The Put-Call ratio stood at 0.94 compared with the previous session's close of 0.82.
- The Nifty Put-Call ratio stood at 1.14 compared with the previous session's close of 1.1.
- Open interest on Nifty Futures stood at 15.24 million, compared with the previous session's close of 16.76 million.

Indian Debt Market

- Bond yields eased with increasing expectation of a policy rate cut in the next monetary policy committee meet to revive economic growth. Speculations of a rate cut rose following weak economic growth numbers and fall in manufacturing output.
- Yield on the new 10-year benchmark paper (6.45% GS 2029) dropped 2 bps to close at 6.35% compared with the previous close at 6.37% after trading in the range of 6.33% to 6.37%.
- Banks borrowed Rs. 4,130 crore under the central bank's Marginal Standing Facility on Feb 28, 2020 compared with borrowings of Rs. 4,534 crore on Feb 27, 2020.

Currency Market Update

- The Indian rupee in spot trade weakened against the greenback and plunged to a more than 16-month low after India reported two fresh cases of coronavirus infections which weighed on the market sentiment.
- The euro surged against the greenback on growing possibility that the U.S. Federal Reserve would ease its monetary policy to counter the impact of the spread of the coronavirus across the globe.

Commodity Market Update

- Gold prices rose as the greenback came under pressure on increasing possibility of a rate cut by the U.S. Federal Reserve.
- Brent crude prices rose on growing possibility of a deeper cut in output by OPEC.

International News

- The Organisation for Economic Co-operation and Development downgraded its global growth outlook by 0.5 percentage points, saying the impact of the Covid-19 outbreak on economic prospects is set to be severe.
- A Commerce Department report showed construction spending in the U.S. jumped 1.8% in Jan 2020 to an annual rate of \$1.369 trillion after inching up 0.2% to \$1.346 trillion in Dec 2019.
- An Institute for Supply Management report showed U.S. purchasing managers index edged down to 50.1 in Feb 2020 from 50.9 in Jan 2020.
- Survey data from IHS Markit showed U.K. manufacturing sector expanded at the fastest pace in 10 months in Feb 2020 as domestic demand continued to recover on the back of reduced political uncertainty.


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