

# Markets for You

05 Mar 2020

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Indices Performance				
Global Indices	04-Mar	Prev_Day	Abs. Change	% Change <sup>#</sup>
Russell 3000	1,432	1,374	58	4.21
Nasdaq	9,018	8,684	334	3.85
FTSE	6,816	6,718	97	1.45
Nikkei	21,100	21,083	17	0.08
Hang Seng	26,222	26,285	-63	-0.24
Indian Indices	04-Mar	Prev_Day	Abs. Change	% Change <sup>#</sup>
S&P BSE Sensex	38,409	38,624	-214	-0.55
Nifty 50	11,251	11,303	-52	-0.46
Nifty 100	11,373	11,431	-58	-0.51
Nifty 500	9,258	9,324	-66	-0.71
Nifty Bank	28,654	29,177	-523	-1.79
S&P BSE Power	1,768	1,772	-4	-0.21
S&P BSE Small Cap	13,552	13,774	-221	-1.61
S&P BSE HC	14,080	13,923	158	1.13

P/E Dividend Yield				
Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
4-Mar	23.08	1.16	25.61	1.35
Month Ago	24.49	1.05	26.57	1.27
Year Ago	26.53	1.19	26.49	1.24

Nifty 50 Top 3 Gainers			
Company	04-Mar	Prev_Day	% Change <sup>#</sup>
Cipla	448	425	5.26
Dr.Reddy	3171	3044	4.19
Sun Pharma	405	394	3.02

Nifty 50 Top 3 Losers			
Company	04-Mar	Prev_Day	% Change <sup>#</sup>
Yes Bank	29	31	-6.09
IndusInd Bank	1066	1108	-3.80
Bajaj Finance	4286	4454	-3.77

Advance Decline Ratio			
	BSE	NSE	
Advances	639	511	
Declines	1758	1384	
Unchanged	137	87	

Institutional Flows (Equity)		
Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-2329	7972
MF Flows**	1576	13063

\*4<sup>th</sup> Mar 2020; \*\*3<sup>rd</sup> Mar 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 03 Mar 2020

## Global Indices

- Asian equity markets were mixed after the U.S. Federal Reserve cut interest rates by half a percentage point to mitigate the economic fallout of the coronavirus outbreak. The infection is showing signs of receding in China with 38 new fatalities. Today (as of Mar 5), Asian markets opened higher as the International Monetary Fund (IMF) announced a \$50 billion aid package to combat the health emergency. Both Nikkei and Hang Seng rose 1.16% and 0.48% (as at 8.a.m. IST), respectively.
- European markets closed higher as the U.S. Federal Reserve's surprise rate cut led to hopes that other major central banks will follow suit.
- U.S. markets gained as a former Vice President scored key primary victories in states including North Carolina, Texas and Arkansas, on Super Tuesday. This led to a massive rally in the health-care sector.

## Indian Equity Market

- Indian equity markets declined after the Union health minister said the number of confirmed cases in India have risen to 28. This even overshadowed the optimism emanating from U.S. Federal Reserve's surprise rate cut to combat the slowdown for the virus scare.
- Key benchmark indices S&P BSE Sensex and Nifty 50 lost 0.55% and 0.46% to close at 38,409.48 and 11,251.00 respectively. S&P BSE MidCap and S&P BSE SmallCap lost 1.61% and 1.61% respectively.
- The overall market breadth on BSE was weak with 639 scrips advancing and 1,758 scrips declining. A total of 137 scrips remained unchanged.
- On the BSE sectoral front, S&P BSE IT was the major gainer, up 1.33% followed by S&P BSE Healthcare, up 1.13% and S&P BSE Teck, up 1.03%. S&P BSE Bankex was the major loser, down 1.72% followed by S&P BSE Finance, down 1.56% and S&P BSE Basic Materials, down 1.3%.

## Domestic News

- The Nikkei India Services Business Activity Index increased to 57.5 in Feb 2020 from 55.5 in Jan 2020. This is the fifth successive month of growth and the quickest expansion in services output since Jan 2013. The month saw renewed increase in new export orders and strengthening business confidence.
- The government has restricted exports of 26 pharma products — active pharma ingredients (APIs) and formulations, including paracetamol, tinidazole and metronidazole, media reports showed. This is being done as the government is alarmed by the increasing Covid-19 cases in and outside China and wants to keep domestic supplies steady. The curbs are going to be in place until raw material imports from coronavirus-hit China resume unhindered, the report said.
- Media reports showed steel mills in India are readying for an increase in demand from overseas buyers as the coronavirus outbreak badly affects supplies from China. China is the world's largest steelmaker and accounts for more than half of global output. The virus crisis has hit demand and led to record high inventories of steel in the country, as migrant workers, who typically staff construction sites or drive trucks, are unable to return to work due to quarantine measures and movement restrictions.
- The Direct Tax Vivaad Se Vishwas Bill, 2020, which will provide an opportunity to taxpayers to settle their tax disputes by paying just due taxes with complete waiver of interest and penalty by Mar 31, 2020, was approved by Lok Sabha, media reports showed. The bill was introduced by the finance minister in the House on Mar 2, 2020.

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FII Derivative Trade Statistics			
(Rs Cr)	04-Mar		
	Buy	Sell	Open Int.
Index Futures	8018.65	7789.93	15256.54
Index Options	302475.68	301594.47	63179.55
Stock Futures	20263.01	18223.37	88229.20
Stock Options	3994.62	3941.02	3074.58
<b>Total</b>	<b>334751.96</b>	<b>331548.79</b>	<b>169739.87</b>

Derivative Statistics- Nifty Options			
	04-Mar	Prev_Day	Change
Put Call Ratio (OI)	1.15	1.21	-0.05
Put Call Ratio(Vol)	0.88	0.99	-0.12

Debt Watch				
	04-Mar	Wk. Ago	Mth. Ago	Year Ago
Call Rate	4.96%	4.93%	4.98%	6.20%
T-Repo	4.81%	4.84%	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	4.94%	5.03%	5.01%	6.38%
364 Day T-Bill	5.04%	5.15%	5.27%	6.51%
10 Year Gilt	6.23%	6.35%	6.51%	7.38%
G-Sec Vol. (Rs.Cr)	137687	74919	46316	32544
FBIL MIBOR <sup>[1]</sup>	5.14%	5.11%	5.15%	6.30%
3 Month CP Rate	5.75%	5.80%	5.80%	7.80%
5 Year Corp Bond	6.71%	6.86%	7.28%	8.45%
1 Month CD Rate	5.16%	5.15%	5.14%	6.96%
3 Month CD Rate	5.52%	5.39%	5.51%	7.30%
1 Year CD Rate	5.63%	5.80%	5.95%	7.69%

Currency Market			
Currency	04-Mar	Prev_Day	Change
USD/INR	73.56	72.87	0.69
GBP/INR	94.22	93.15	1.07
EURO/INR	81.99	81.24	0.76
JPY/INR	0.68	0.68	0.01

Commodity Prices				
Commodity	04-Mar	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	46.73	48.64	49.54	56.55
Brent Crude(\$/bl)	51.98	55.95	54.49	63.88
Gold( \$/oz)	1635	1640	1552	1286
Gold(Rs./10 gm)	43146	42530	40471	32819

Source: Refinitiv

[1] Data as on 03 Mar 2020

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#### Derivatives Market

- Nifty Mar 2020 Futures stood at 11,247.10, a discount of 3.90 points below the spot closing of 11,251.00. The turnover on NSE's Futures and Options segment rose to Rs. 19,40,551.91 crore on March 04, 2020, compared with Rs. 13,98,583.16 crore on March 03, 2020.
- The Put-Call ratio stood at 0.86 compared with the previous session's close of 1.
- The Nifty Put-Call ratio stood at 1.15 compared with the previous session's close of 1.21.
- Open interest on Nifty Futures stood at 16.76 million, compared with the previous session's close of 15.98 million.

#### Indian Debt Market

- Bond yields saw a steep plunge as speculations of policy easing intensified after the U.S. Federal Reserve made an emergency rate cut. The market is expecting the policy-rate cutting committee to trim the policy rate as early as next month.
- Yield on the new 10-year benchmark paper (6.45% GS 2029) dropped 11 bps to close at 6.23% compared with the previous close at 6.34% after trading in the range of 6.21% to 6.29%.
- Data from RBI showed that reserve money in the week ended Feb 28, 2020 grew 11.6% on a yearly basis as compared to a growth of 15.5% in the same period of the previous year. Currency in circulation during the same period grew 11.5% as compared to a growth of 17.7% in the same period of the previous year.

#### Currency Market Update

- The Indian rupee in spot trade strengthened against the U.S. dollar following selling of the greenback by state run banks. However, overall market sentiment remained subdued after the Union Health Minister confirmed 22 fresh cases of coronavirus infection.
- The euro weakened against the greenback on growing possibility that the ECB might cut its deposit rate in its upcoming monetary policy review.

#### Commodity Market Update

- Gold prices fell after the U.S. Federal Reserve in an emergency move lowered interest rates by 50 bps.
- Brent crude prices fell after data from the U.S. Energy Information Administration showed that for the week ending Feb 28, inventories increased by 800,000 barrels.

#### International News

- International Monetary Fund managing director said global growth in 2020 would be much lower than 2019 level as the coronavirus spreads to several countries hurting economic activity.
- An Institute for Supply Management report showed U.S. non-manufacturing index climbed to 57.3 in Feb 2020 from 55.5 in Jan 2020.
- Payroll processor ADP data showed private sector employment in the U.S. climbed by 183,000 jobs in Feb 2020. However, the spike in jobs in Jan 2020 was downwardly revised to 209,000 from the previously reported 291,000.
- Final survey data from IHS Markit showed U.K. IHS Markit/Chartered Institute of Procurement & Supply services Purchasing Managers' Index dropped to 53.2 in Feb 2020 from 53.9 in Jan 2020.



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your time.**

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