

# Markets for You

09 Mar 2020

Good gets *better*

**Indices Performance**

Global Indices	06-Mar	Prev_Day	Abs. Change	% Change*
Russell 3000	1,363	1,385	-22	-1.59
Nasdaq	8,576	8,739	-163	-1.87
FTSE	6,463	6,705	-243	-3.62
Nikkei	20,750	21,329	-579	-2.72
Hang Seng	26,147	26,768	-621	-2.32
Indian Indices	06-Mar	Prev_Day	Abs. Change	% Change*
S&P BSE Sensex	37,577	38,471	-894	-2.32
Nifty 50	10,989	11,269	-280	-2.48
Nifty 100	11,120	11,398	-278	-2.44
Nifty 500	9,060	9,280	-220	-2.37
Nifty Bank	27,801	28,815	-1,014	-3.52
S&P BSE Power	1,721	1,765	-44	-2.49
S&P BSE Small Cap	13,330	13,591	-262	-1.92
S&P BSE HC	13,968	14,145	-177	-1.25

**P/E Dividend Yield**

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
6-Mar	22.83	1.18	25.01	1.39
Month Ago	24.62	1.03	27.16	1.26
Year Ago	26.98	1.16	27.09	1.22

**Nifty 50 Top 3 Gainers**

Company	06-Mar	Prev_Day	% Change*
Maruti	6446	6366	1.26
Bajaj Auto	2735	2704	1.16
GAIL	108	107	0.94

**Nifty 50 Top 3 Losers**

Company	06-Mar	Prev_Day	% Change*
Yes Bank	16	37	-56.11
Tata Motors	114	126	-9.18
Zee Ente.	221	238	-7.14

**Advance Decline Ratio**

	BSE	NSE
Advances	496	378
Declines	1959	1535
Unchanged	119	82

**Institutional Flows (Equity)**

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-2238	4945
MF Flows**	1124	13831

 \*6<sup>th</sup> Mar 2020; \*\*5<sup>th</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 &amp; WPI from 2004-05 to 2011-12, and for CPI from 2010 to 2012

**Global Indices**

- Asian equity markets fell steeply as the coronavirus speeded up in Europe, North America and Britain, leading to worries about a hit to global economic growth. The Asian Development Bank said the outbreak will cut global growth by 0.1%- 0.4% and will have a significant impact on developing Asian economies. Today (as of Mar 9), Asian markets opened lower as oil prices plunged. Both Nikkei and Hang Seng fell 4.63% and 4.22% (as at 8.a.m. IST), respectively.
- European markets declined as coronavirus outbreak continues to impact businesses worldwide. The fall in U.S. Treasury yield has led to recession fears as the virus spread is threatening global economic growth.
- U.S. markets fell as the benchmark 10-year Treasury yield declined below 0.7% for the first time ever. Investors continued to take refuge of safer assets amid fears that the coronavirus will disrupt global supply chains and push the economy into a recession.

**Indian Equity Market**

- Indian equity markets declined over coronavirus spread in the country and crisis related to a big private sector bank. The number of people infected increased, while the Reserve Bank of India took control of the troubled lender and put a Rs. 50,000 a month withdrawal cap, spooking investors.
- Key benchmark indices S&P BSE Sensex and Nifty 50 lost 2.32% and 2.48% to close at 37,576.62 and 10,989.45 respectively. S&P BSE MidCap and S&P BSE SmallCap lost 2.36% and 1.92% respectively.
- The overall market breadth on BSE was weak with 496 scrips advancing and 1,959 scrips declining. A total of 119 scrips remained unchanged.
- On the BSE sectoral front, all sectors lost. S&P BSE Metal was the major loser, down 4.4%, followed by S&P BSE Bankex and S&P BSE Finance, down 3.46% and 3.39%, respectively. S&P BSE Energy and S&P BSE Realty lost 3.22% and 3.09% respectively.

**Domestic News**

- The Asian Development Bank said the coronavirus outbreak could cost the Indian economy between \$387 million to \$29.9 billion loss of personal consumption expenditure, media reports showed.
- According to media reports, India's foreign exchange reserves have increased by \$5.42 billion to a lifetime high of \$481.54 billion in the week to Feb 14, 2020. This has come on the back of rise in foreign currency assets, according to the latest data from the Reserve Bank of India. In the previous week, the foreign exchange reserves had increased \$29 million to \$476.12 billion.
- The government has sought Parliament approval for an extra Rs. 54,000-crore spending mainly to meet its obligation towards GST compensation to states and defence-related expenditure. Minister of State for Finance presented the second and final batch of supplementary demands for grants in the Lok Sabha. It sought authorisation for gross additional expenditure of Rs 4.8 lakh crore.
- Media reports showed manufacturing firms in India are on their way to become digital. The manufacturing companies are planning to make the most of their investment in big data and predictive analytics in the coming years. Around 66% of the manufacturing firms voted for big data and predictive analytics as their top investment priority in the next 1-2 years. Second on their priority is the investment on Industrial Internet of Things, sensors, cloud or integrated platforms, and robotic process automation. However, only 23% of the manufacturing companies have a clear digital strategy so far.



FII Derivative Trade Statistics 06-Mar			
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	7370.21	7713.86	16886.75
Index Options	698365.17	695737.92	53616.07
Stock Futures	17481.24	16443.01	89167.25
Stock Options	4770.72	4675.33	3667.45
<b>Total</b>	<b>727987.34</b>	<b>724570.12</b>	<b>163337.52</b>

Derivative Statistics- Nifty Options			
	06-Mar	Prev_Day	Change
Put Call Ratio (OI)	1.25	1.22	0.03
Put Call Ratio(Vol)	0.75	0.98	-0.23

Debt Watch				
	06-Mar	Wk. Ago	Mth. Ago	Year Ago
Call Rate	4.98%	5.01%	5.00%	6.18%
T-Repo	4.88%	4.83%	4.94%	6.13%
Repo	5.15%	5.15%	5.15%	6.25%
Reverse Repo	4.90%	4.90%	4.90%	6.00%
91 Day T-Bill	4.88%	5.04%	5.13%	6.40%
364 Day T-Bill	5.00%	5.19%	5.26%	6.51%
10 Year Gilt	6.18%	6.37%	6.45%	7.39%
G-Sec Vol. (Rs.Cr)	78734	46426	112264	21068
FBIL MIBOR	5.15%	5.09%	5.17%	6.24%
3 Month CP Rate	5.55%	6.00%	5.80%	7.70%
5 Year Corp Bond	6.76%	6.82%	7.03%	8.41%
1 Month CD Rate	5.16%	5.35%	5.16%	6.53%
3 Month CD Rate	5.34%	5.64%	5.47%	7.28%
1 Year CD Rate	5.66%	6.17%	6.10%	7.70%

Currency Market			
Currency	06-Mar	Prev_Day	Change
USD/INR	73.66	73.28	0.38
GBP/INR	95.44	94.37	1.07
EURO/INR	82.69	81.61	1.08
JPY/INR	0.70	0.68	0.01

Commodity Prices				
Commodity	06-Mar	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/t)	41.09	44.78	50.89	56.17
Brent Crude(\$/bl)	46.14	52.30	55.77	63.95
Gold( \$/oz)	1674	1585	1567	1286
Gold(Rs./10 gm)	44315	42352	40406	32174

Source: Refinitiv

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### Derivatives Market

- Nifty Mar 2020 Futures stood at 10,939.90, a discount of 49.55 points below the spot closing of 10,989.45. The turnover on NSE's Futures and Options segment fell to Rs. 8,44,568.72 crore on March 06, 2020, compared with Rs. 37,12,514.30 crore on March 05, 2020.
- The Put-Call ratio stood at 0.69 compared with the previous session's close of 0.88.
- The Nifty Put-Call ratio stood at 1.25 compared with the previous session's close of 1.22.
- Open interest on Nifty Futures stood at 19.79 million, compared with the previous session's close of 17.4 million.

### Indian Debt Market

- Bond yields eased on market expectation of policy rate cut by the Monetary Policy Committee in the upcoming policy meet. Speculations of a rate cut strengthened following the emergency rate cut by the U.S. Federal Reserve.
- Yield on the new 10-year benchmark paper (6.45% GS 2029) lowered by 6 bps to close at 6.18% from the previous closing of 6.24% after moving in a range of 6.14% to 6.20%.
- Banks borrowed Rs. 2,485 crore under the central bank's Marginal Standing Facility on Mar 5, 2020 compared with borrowings of Rs. 4,970 crore on Mar 4, 2020.

### Currency Market Update

- The Indian rupee in spot trade plunged against the greenback following losses in the domestic equity market.
- The euro surged against the greenback with the U.S. benchmark 10-year Treasury yields plummeting to an all-time low on expectations that the U.S. Federal Reserve would ease interest rates further after it cut interest rates by 50 bps in an emergency move to counter the impact of coronavirus outbreak across the globe.

### Commodity Market Update

- Gold prices rose amid persisting concerns over the coronavirus outbreak across the globe.
- Brent crude prices witnessed the biggest daily fall in more than a decade after OPEC's allies rejected additional production cuts that the organization proposed.

### International News

- The coronavirus outbreak will cut global growth by 0.1% to 0.4%, the Asian Development Bank said. It will have a significant impact on developing Asian economies through weak domestic demand, tourism, trade and production linkages and supply disruptions.
- According to a Commerce Department report, wholesale inventories in the U.S. dropped more than anticipated in Jan 2020 by 0.4% after slipping 0.3% in Dec 2019.
- A Commerce Department report showed U.S. trade deficit narrowed to \$45.3 billion in Jan 2020 from \$48.6 billion in Dec 2019.
- Labor Department report showed employment in the U.S. surged up by 273,000 jobs in Feb 2020, matching the upwardly revised spike in Jan 2020.

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