

# Markets for You

17 Mar 2020

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Indices Performance				
Global Indices	16-Mar	Prev_Day	Abs. Change	% Change <sup>#</sup>
Russell 3000	1,098	1,254	-157	-12.48
Nasdaq	6,905	7,875	-970	-12.32
FTSE	5,151	5,366	-215	-4.01
Nikkei	17,002	17,431	-429	-2.46
Hang Seng	23,064	24,033	-969	-4.03
Indian Indices	16-Mar	Prev_Day	Abs. Change	% Change <sup>#</sup>
S&P BSE Sensex	31,390	34,103	-2,713	-7.96
Nifty 50	9,197	9,955	-758	-7.61
Nifty 100	9,317	10,050	-733	-7.30
Nifty 500	7,592	8,163	-571	-7.00
Nifty Bank	23,101	25,166	-2,065	-8.21
S&P BSE Power	1,450	1,551	-101	-6.53
S&P BSE Small Cap	11,095	11,761	-666	-5.66
S&P BSE HC	12,179	12,675	-497	-3.92

P/E Dividend Yield				
Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
16-Mar	19.00	1.40	20.93	1.66
Month Ago	25.01	1.03	27.45	1.26
Year Ago	28.15	1.13	28.01	1.18

Nifty 50 Top 3 Gainers			
Company	13-Mar	Prev_Day	% Change <sup>#</sup>
Yes Bank	26	25	2.00

Nifty 50 Top 3 Losers			
Company	13-Mar	Prev_Day	% Change <sup>#</sup>
IndusInd Bank	664	804	-17.37
JSW Steel	186	215	-13.45
Tata Steel	290	327	-11.36

Advance Decline Ratio			
	BSE	NSE	
Advances	411	309	
Declines	2047	1640	
Unchanged	160	92	

Institutional Flows (Equity)		
Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-6741	-17575
MF Flows**	-160	19625

\*16<sup>th</sup> Mar 2020; \*\*13<sup>th</sup> Mar 2020

Economic Indicator			
YoY(%)	Current	Quarter Ago	Year Ago
CPI	6.58% (Feb-20)	5.54% (Nov-19)	2.57% (Feb-19)
IIP	2.00% (Jan-20)	-6.60% (Oct-19)	1.60% (Jan-19)
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 13 Mar 2020

## Global Indices

- Asian equity markets declined steeply in spite of emergency rate cuts by the U.S. Federal Reserve and a fresh round of liquidity injections by the Bank of China. Weak Chinese economic data added to investor concerns over impact of the coronavirus. Today (as of Mar 17), Asian markets opened lower as overnight U.S. markets nosedived. Both Nikkei and Hang Seng fell 0.15% and 0.27% (as at 8.a.m. IST), respectively.
- European markets declined as much of the region has been shut down to prevent the spread of the coronavirus. Spain has imposed a 15-day nationwide lockdown as it confirmed the highest number of cases in Europe, after Italy.
- U.S. markets plunged witnessing their worst day since the "Black Monday" market crash in 1987 and its third-worst day ever. This came despite the Federal Reserve undertaking on a massive monetary stimulus campaign.

## Indian Equity Market

- Indian equity markets ended deep in the red following yet another selloff in global equities. Increasing fears of a coronavirus-led economic slowdown and rising foreign fund outflows as the rupee weakens weighing on markets. Global central banks announced fresh stimulus measures to support the global economy suffering because of the coronavirus outbreak.
- Key benchmark indices S&P BSE Sensex and Nifty 50 lost 7.96% and 7.61% to close at 31,390.07 and 9,197.40 respectively. S&P BSE MidCap and S&P BSE SmallCap lost 5.94% and 5.66% respectively.
- The overall market breadth on BSE was weak with 411 scrips advancing and 2,047 scrips declining. A total of 160 scrips remained unchanged.
- On the BSE sectoral front, all sectors lost. S&P BSE Metal was the major loser, down 9.3%, followed by S&P BSE Bankex and S&P BSE Finance, down 8.36% and 8.31%, respectively. S&P BSE Realty and S&P BSE IT lost 8.22% and 7.82% respectively.

## Domestic News

- India's Wholesale Price Index (WPI) - based inflation slowed down to 2.26% in Feb 2020 from 3.1% in Jan 2020 and 2.93% in Feb 2019. Food articles inflation slowed to 7.79% in Feb from 11.51% in Jan as inflation in vegetables and onion came in at 29.97% from 52.72% and 162.30% from 293.37%, respectively. WPI Food Index decreased to 7.31% in Feb from 10.12% in Jan.
- The Reserve Bank of India (RBI) governor has announced steps including a U.S. dollar-rupee sell-buy swap and long-term repo operations (LTRO) amid concerns related to coronavirus. RBI, however, did not announce a rate cut, which was being expected widely, media reports showed.
- The Reserve Bank of India has asked banks to take measures and put in place business continuity plans to prevent any disruption of services due to coronavirus outbreak, media reports showed. There is need for a co-ordinated strategy for handling the emerging situations for protecting the resilience of the Indian financial system, RBI said in a statement.
- The government said India's near-term macroeconomic outlook is vulnerable to disruption of trade with China due to the coronavirus outbreak. It also said latest data do not suggest any adverse impact on the economy and sliding crude oil prices may be a silver lining, media reports showed.

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FII Derivative Trade Statistics		16-Mar	
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	15001.85	12501.57	14715.47
Index Options	88329.08	88152.48	65463.11
Stock Futures	22062.18	19961.36	80299.88
Stock Options	5537.07	5222.30	3908.75
Total	130930.18	125837.71	164387.21

Derivative Statistics- Nifty Options			
	16-Mar	Prev_Day	Change
Put Call Ratio (OI)	0.99	1.11	-0.12
Put Call Ratio(Vol)	0.67	0.56	0.11

Debt Watch				
	16-Mar	Wk. Ago	Mth. Ago	Year Ago
Call Rate <sup>[1]</sup>	4.96%	4.96%	5.03%	6.23%
T-Repo <sup>[1]</sup>	4.69%	4.86%	4.95%	6.22%
Repo	5.15%	5.15%	5.15%	6.25%
Reverse Repo	4.90%	4.90%	4.90%	6.00%
91 Day T-Bill	4.72%	4.81%	5.03%	6.28%
364 Day T-Bill	4.95%	4.80%	5.20%	6.37%
10 Year Gilt	6.21%	6.07%	6.37%	7.34%
G-Sec Vol. (Rs.Cr)	75948	95627	95610	43737
FBIL MIBOR <sup>[1]</sup>	5.15%	5.15%	5.15%	6.26%
3 Month CP Rate	6.00%	5.55%	5.70%	7.50%
5 Year Corp Bond	7.18%	6.89%	6.98%	8.32%
1 Month CD Rate	5.52%	5.27%	5.10%	7.18%
3 Month CD Rate	5.10%	5.23%	5.36%	7.34%
1 Year CD Rate	6.10%	5.88%	5.78%	7.53%

Currency Market			
Currency	16-Mar	Prev_Day	Change
USD/INR	74.27	74.07	0.20
GBP/INR	91.68	93.00	-1.32
EURO/INR	82.70	82.96	-0.26
JPY/INR	0.70	0.70	0.00

Commodity Prices				
Commodity	16-Mar	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	28.91	31.00	51.98	58.46
Brent Crude(\$/bl)	28.42	35.87	57.96	66.10
Gold( \$/oz)	1514	1680	1584	1301
Gold(Rs./10 gm)	39867	43750	40676	31966

Source: Refinitiv

[1] Data as on 13 Mar 2020

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**Derivatives Market**

- Nifty Mar 2020 Futures stood at 9,118.45, a discount of 78.95 points below the spot closing of 9,197.40. The turnover on NSE's Futures and Options segment fell to Rs. 6,45,830.81 crore on March 16, 2020, compared with Rs. 8,07,416.92 crore on March 13, 2020.
- The Put-Call ratio stood at 0.6 compared with the previous session's close of 0.48.
- The Nifty Put-Call ratio stood at 0.99 compared with the previous session's close of 1.11.
- Open interest on Nifty Futures stood at 20.37 million, compared with the previous session's close of 18.17 million.

**Indian Debt Market**

- Bond yields tumbled on rising speculations of policy easing by the central bank in its upcoming policy meet. The rumours of the policy rate cut strengthened following the Federal Reserve's rate cut to nearly zero amid the coronavirus scare.
- Yield on the new 10-year benchmark paper (6.45% GS 2029) fell 11 bps to close at 6.21% from the previous closing of 6.32% after moving in a range of 6.12% to 6.25%.
- RBI decided to conduct a Long Term Repo Operation for a notified amount of Rs. 25,000 crore on Mar 18, 2020.

**Currency Market Update**

- The Indian rupee in spot trade weakened against the greenback following losses in the domestic equity market.
- The euro rose against the greenback as the latter remained under pressure after the U.S. Federal Reserve in an emergency move lowered its benchmark interest rate to zero and launched a new round of quantitative easing program. The euro closed at 1.1181, up 0.68% compared to the previous day's close of 1.1105.

**Commodity Market Update**

- Gold prices fell as the investor risk sentiment improved to some extent after key central banks across the globe adopted stimulus measures.
- Brent crude prices plummeted as it came below \$29 per barrel amid concerns over the coronavirus outbreak.

**International News**

- The U.S. Federal Reserve, Bank of Canada, Bank of England, Bank of Japan, the European Central Bank and the Swiss National Bank agreed to lower the pricing on the standing U.S. dollar liquidity swap arrangements by 25 basis points, so that the new rate will be the U.S. dollar overnight index swap (OIS) rate plus 25 basis points.
- The U.S. Federal Reserve reduced the interest rate to near zero. The Fed said it will increase its holdings of Treasury securities by at least \$500 billion and its holdings of agency mortgage-backed securities by at least \$200 billion.
- According to a Federal Reserve Bank of New York report, its general business conditions index plunged to a negative 21.5 in Mar 2020 from a positive 12.9 in Feb 2020.


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**Thank you for  
your time.**

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