

# Markets for You

18 Mar 2020

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Indices Performance				
Global Indices	17-Mar	Prev_Day	Abs. Change	% Change <sup>#</sup>
Russell 3000	1,159	1,098	61	5.57
Nasdaq	7,335	6,905	430	6.23
FTSE	5,295	5,151	144	2.79
Nikkei	17,012	17,002	9	0.06
Hang Seng	23,264	23,064	200	0.87
Indian Indices	17-Mar	Prev_Day	Abs. Change	% Change <sup>#</sup>
S&P BSE Sensex	30,579	31,390	-811	-2.58
Nifty 50	8,967	9,197	-230	-2.50
Nifty 100	9,105	9,317	-212	-2.27
Nifty 500	7,418	7,592	-174	-2.30
Nifty Bank	22,155	23,101	-946	-4.10
S&P BSE Power	1,443	1,450	-7	-0.48
S&P BSE Small Cap	10,844	11,095	-251	-2.27
S&P BSE HC	12,175	12,179	-3	-0.03

P/E Dividend Yield				
Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
17-Mar	18.55	1.44	20.41	1.70
Month Ago	24.97	1.04	27.42	1.27
Year Ago	28.15	1.13	28.01	1.18

Nifty 50 Top 3 Gainers			
Company	17-Mar	Prev_Day	% Change <sup>#</sup>
Eicher Motors	17061	16494	3.44
Hero Moto	1841	1784	3.23
HUL	2004	1942	3.20

Nifty 50 Top 3 Losers			
Company	17-Mar	Prev_Day	% Change <sup>#</sup>
Zee Ente.	133	166	-19.99
IndusInd Bank	604	664	-9.03
ICICI Bank	367	403	-8.85

Advance Decline Ratio		
	BSE	NSE
Advances	751	583
Declines	1677	1314
Unchanged	167	104

Institutional Flows (Equity)		
Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-4700	-22275
MF Flows**	1680	25759

\*17<sup>th</sup> Mar 2020; \*\*16<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 16 Mar 2020

## Global Indices

- Asian equity markets ended mixed after reports that U.S. could pump in \$800 billion or more into the economy to minimize the economic damage from the coronavirus outbreak. There were also reports that European Union finance ministers are planning a coordinated economic response amid fears of a global recession. Today (as of Mar 18), Asian markets opened mixed as investors looked forward to greater stimulus to deal with the economic impact of the outbreak. Both Nikkei and Hang Seng were up 1.62% and 0.34% (as at 8.a.m. IST), respectively.
- European markets gained amid hopes of more stimulus as the fast-spreading coronavirus stokes fears of an impending recession.
- U.S. markets gained on stimulus hopes as reports showed the administration is weighing a fiscal stimulus package of more than \$1 trillion, which includes direct payments to citizens.

## Indian Equity Market

- Indian equity markets declined on recession fears as the U.S. President said the coronavirus outbreak could last until Jul or Aug 2020 and the economy could be facing recession. Back home wholesale inflation eased in Feb 2020 as food prices decreased, but coronavirus spread fears kept sentiment dampened.
- Key benchmark indices S&P BSE Sensex and Nifty 50 lost 2.58% and 2.5% to close at 30,579.09 and 8,967.05 respectively. S&P BSE MidCap and S&P BSE SmallCap lost 1.84% and 2.27% respectively.
- The overall market breadth on BSE was weak with 751 scrips advancing and 1,677 scrips declining. A total of 167 scrips remained unchanged.
- On the BSE sectoral front, S&P BSE FMCG was the only gainer, up 1.24%. S&P BSE Bankex was the major loser, down 4.46% followed by S&P BSE Finance, down 4.44% and S&P BSE Telecom, down 3.46%.

## Domestic News

- The Federation of Automobile Dealers Associations has approached the Supreme Court of India to extend the deadline for sales of Bharat Stage-4 emission norms compliant vehicles till May 31, 2020. This comes as sales of vehicles have dropped significantly in the last one week after the spread of Covid-19. The apex court had in 2018 ordered vehicle manufacturers to manufacture and sell only Bharat Stage-6 norms compliant vehicles from Apr 1, 2020.
- Government data showed India's finished steel exports plunged 8% in Feb 2020 from a year earlier, their first decline in eight months as demand from traditional buyers in Europe and South East Asia contracted due to coronavirus outbreak. India, the world's second-biggest steel producer, shipped 570,000 tonnes of finished steel in Feb, as against 619,000 tonnes a year ago.
- According to a research report by a leading public sector bank, a combination of monetary as well as fiscal policy measures are required to salvage the economy from the collateral damage from the fallout of the spread of coronavirus disease.
- The World Health Organisation (WHO) has praised the Indian government's commitment to combat the novel coronavirus. India has reported 126 cases of the novel coronavirus, while 3 people have died in the country from the infection.

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FII Derivative Trade Statistics		17-Mar	
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	9795.93	9141.44	16831.22
Index Options	64703.20	66004.91	62339.18
Stock Futures	20150.31	21259.55	74180.95
Stock Options	2114.04	2014.79	3554.78
Total	96763.48	98420.69	156906.13

Derivative Statistics- Nifty Options			
	17-Mar	Prev_Day	Change
Put Call Ratio (OI)	1.03	0.99	0.04
Put Call Ratio(Vol)	0.69	0.67	0.02

Debt Watch				
	17-Mar	Wk. Ago	Mth. Ago	Year Ago
Call Rate	4.97%	4.96%	4.93%	6.23%
T-Repo	4.55%	4.86%	4.85%	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	4.85%	4.81%	5.02%	6.28%
364 Day T-Bill	5.00%	4.80%	5.20%	6.37%
10 Year Gilt	6.26%	6.07%	6.39%	7.34%
G-Sec Vol. (Rs.Cr)	51487	95627	47709	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	7.33%	6.76%	6.98%	8.32%
1 Month CD Rate	5.57%	5.27%	5.13%	7.18%
3 Month CD Rate	5.20%	5.23%	5.29%	7.34%
1 Year CD Rate	6.11%	5.88%	5.82%	7.53%

Currency Market			
Currency	17-Mar	Prev_Day	Change
USD/INR	74.03	74.27	-0.24
GBP/INR	90.54	91.68	-1.15
EURO/INR	82.66	82.70	-0.04
JPY/INR	0.70	0.70	0.00

Commodity Prices				
Commodity	17-Mar	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	26.91	34.42	51.98	58.46
Brent Crude(\$/bl)	28.41	36.11	58.67	66.10
Gold( \$/oz)	1528	1649	1581	1301
Gold(Rs./10 gm)	39741	43750	40728	31966

Source: Refinitiv

[1] Data as on 16 Mar 2020

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**Derivatives Market**

- Nifty Mar 2020 Futures stood at 8,915.60, a discount of 51.45 points below the spot closing of 8,967.05. The turnover on NSE's Futures and Options segment rose to Rs. 7,95,771.54 crore on March 17, 2020, compared with Rs. 6,45,830.81 crore on March 16, 2020.
- The Put-Call ratio stood at 0.58 compared with the previous session's close of 0.6.
- The Nifty Put-Call ratio stood at 1.03 compared with the previous session's close of 0.99.
- Open interest on Nifty Futures stood at 19.77 million, compared with the previous session's close of 20.37 million.

**Indian Debt Market**

- Bond yields rose amid rising ambiguity over the likelihood of an inter-meeting rate cut by the Monetary Policy Committee, which added to the general market pessimism. Though the RBI announced liquidity-boosting measures, it failed to lift sentiments due to investors' lack of confidence over the timing of a rate cut.
- Yield on the new 10-year benchmark paper (6.45% GS 2029) rose 5 bps to close at 6.26% from the previous closing of 6.21% after moving in a range of 6.21% to 6.26%.
- Banks borrowed Rs. 273 crore under the central bank's Marginal Standing Facility on Mar 16, 2020 compared with borrowings of Rs. 80 crore on Mar 13, 2020.

**Currency Market Update**

- The Indian rupee in spot trade inched down against the greenback as the regional risk appetite remained subdued due to the rapid spread of the coronavirus.
- The euro fell against the greenback as concerns about economic shutdowns from the coronavirus continued to dent the investor risk sentiment which in turn boosted the safe haven appeal of the greenback.

**Commodity Market Update**

- Gold prices rose on concerns over the coronavirus outbreak across the globe.
- Brent crude prices continued to trade below \$30 a barrel on concerns over the coronavirus outbreak across the globe.

**International News**

- A Commerce Department report showed business inventories in the U.S. decreased in Jan 2020 by 0.1% after coming in unchanged in Dec 2019.
- According to a report released by the National Association of Home Builders Homebuilder confidence in the U.S. has deteriorated. NAHB/Wells Fargo Housing Market Index fell to 72 in Mar 2020 after edging down to 74 in Feb 2020.
- Industrial production in the U.S. climbed 0.6% in Feb 2020 after falling by 0.5% in Jan 2020.
- A Commerce Department report showed U.S. retail sales fell 0.5% in Feb 2020 after climbing 0.6% in Jan 2020.
- Eurostat figures showed euro zone hourly labor costs for the whole economy grew 2.4% YoY in the fourth quarter, slower than 2.6 percent rise in the third quarter.


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