

Markets for You

19 Mar 2020

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Indices Performance				
Global Indices	18-Mar	Prev_Day	Abs. Change	% Change [#]
Russell 3000	1,104	1,159	-55	-4.76
Nasdaq	6,990	7,335	-345	-4.70
FTSE	5,081	5,295	-214	-4.05
Nikkei	16,727	17,012	-285	-1.68
Hang Seng	22,292	23,264	-972	-4.18
Indian Indices	18-Mar	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	28,870	30,579	-1,710	-5.59
Nifty 50	8,469	8,967	-498	-5.56
Nifty 100	8,608	9,105	-497	-5.46
Nifty 500	7,011	7,418	-407	-5.49
Nifty Bank	20,580	22,155	-1,575	-7.11
S&P BSE Power	1,348	1,443	-94	-6.54
S&P BSE Small Cap	10,183	10,844	-661	-6.09
S&P BSE HC	11,608	12,175	-567	-4.66

P/E Dividend Yield				
Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
18-Mar	17.49	1.52	19.27	1.80
Month Ago	24.99	1.04	27.29	1.27
Year Ago	27.97	1.14	28.10	1.18

Nifty 50 Top 3 Gainers			
Company	18-Mar	Prev_Day	% Change [#]
Zee Ente.	164	133	23.29
ONGC	68	60	13.58
Yes Bank ^[2]	26	25	2.00

Nifty 50 Top 3 Losers			
Company	18-Mar	Prev_Day	% Change [#]
IndusInd Bank	461	604	-23.73
Bharti Infratel	150	194	-22.89
Kotak Bank	1172	1323	-11.40

Advance Decline Ratio			
	BSE	NSE	
Advances	346	248	
Declines	2045	1674	
Unchanged	141	102	

Institutional Flows (Equity)		
Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-3663	-25938
MF Flows**	1680	25759

*18th Mar 2020; **16th 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 17 Mar 2020; [2] Data as on 13 Mar 2020

Global Indices

- Asian equity markets fell steeply as investors were faced with the possibility of a pandemic-induced global recession. A major global rating agency warned that the global economy is set to see a recession in 2020 due to the severe economic shock caused by the coronavirus. This even overshadowed news that the U.S. administration could announce a stimulus package exceeding \$1 trillion to combat the economic impact of the virus outbreak. Today (as of Mar 19), Asian markets opened mixed as the European Central Bank announced a \$821 billion stimulus package. Nikkei rose 0.50% and Hang Seng dropped 0.32% (as at 8.a.m. IST).
- European markets declined despite Western governments promising stimulus of billions of dollars to help businesses and citizens tackle the coronavirus pandemic.
- U.S. markets ended deep in the red reaching a new pandemic crisis low as investors worried about the economic damage from the outbreak.

Indian Equity Market

- Indian equity markets declined as a spreading coronavirus pandemic threatens to bring the world to a halt. The indices ended below the 29,000 and 9,000 marks, touching their lowest levels in three years. The number of positive cases in India have gone up to 147 and experts are saying this could just be the tip of the iceberg.
- Key benchmark indices S&P BSE Sensex and Nifty 50 lost 5.59% and 5.56% to close at 28,869.51 and 8,468.80 respectively. S&P BSE MidCap and S&P BSE SmallCap lost 4.84% and 6.09% respectively.
- The overall market breadth on BSE was weak with 346 scrips advancing and 2,045 scrips declining. A total of 141 scrips remained unchanged.
- On the BSE sectoral front, all sectors lost. S&P BSE Telecom was the major loser, down 9.48%, followed by S&P BSE Finance and S&P BSE Utilities, down 7.65% and 7.14%, respectively. S&P BSE Bankex and S&P BSE Power lost 6.99% and 6.53% respectively.

Domestic News

- The Reserve Bank of India (RBI) said it will conduct open market operations on Mar 20, 2020, in the form of purchase of an aggregate amount of Rs. 10,000 crore of government securities with tenor between two and five years. This is being done to maintain stability in the financial system in the wake of coronavirus outbreak.
- A major global rating agency has lowered India's economic growth forecast to 5.2% for calendar year 2020 from the earlier projected 5.7%. It said the global economy is entering a recession amid the coronavirus pandemic. Asia-Pacific economic growth in 2020 will more than halve to less than 3%. By recession, it means at least two quarters of well below-trend growth enough to trigger rising unemployment.
- The Supreme Court has made it clear that there could not be another attempt at calculating the adjusted gross revenue (AGR) dues of telecom firms. It reprimanded the department of telecommunications (DoT) for allowing companies to undertake self-assessment and called the purpose of doing the numbers again a fraud on the court. It asked the DoT to withdraw the move. The companies' self-assessment of dues to the government are Rs. 82,300 crore short of what the telecom department calculated after the Supreme Court's ruling on AGR.
- Media reports showed total liabilities of the government increased to Rs. 93.89 lakh crore at the end of Dec 2019, up 3.2% compared with the previous quarter. The liabilities, including those under the public account, had stood at Rs. 91,01,484 crore at the end of Sep 2019.

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FII Derivative Trade Statistics		18-Mar	
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	8823.75	7963.60	16146.39
Index Options	110930.16	111212.44	62620.73
Stock Futures	18734.27	17380.50	72358.96
Stock Options	2247.63	2347.20	3478.31
Total	140735.81	138903.74	154604.39

Derivative Statistics- Nifty Options			
	18-Mar	Prev_Day	Change
Put Call Ratio (OI)	0.96	1.03	-0.07
Put Call Ratio(Vol)	0.67	0.69	-0.02

Debt Watch				
	18-Mar	Wk. Ago	Mth. Ago	Year Ago
Call Rate	4.98%	4.95%	4.95%	6.20%
T-Repo	4.44%	4.88%	4.89%	6.14%
Repo	5.15%	5.15%	5.15%	6.25%
Reverse Repo	4.90%	4.90%	4.90%	6.00%
91 Day T-Bill	4.77%	4.85%	5.02%	6.32%
364 Day T-Bill	5.16%	4.95%	5.18%	6.40%
10 Year Gilt	6.30%	6.13%	6.39%	7.32%
G-Sec Vol. (Rs.Cr)	54710	65162	52556	47132
FBIL MIBOR ^[1]	5.15%	5.14%	5.10%	6.30%
3 Month CP Rate	6.20%	5.55%	5.70%	7.45%
5 Year Corp Bond	7.35%	6.99%	6.96%	8.44%
1 Month CD Rate	6.03%	5.35%	5.10%	7.27%
3 Month CD Rate	5.34%	5.15%	5.27%	7.31%
1 Year CD Rate	6.38%	5.94%	5.81%	7.45%

Currency Market			
Currency	18-Mar	Prev_Day	Change
USD/INR	74.17	74.03	0.14
GBP/INR	89.76	90.54	-0.78
EURO/INR	81.72	82.66	-0.94
JPY/INR	0.69	0.70	0.00

Commodity Prices				
Commodity	18-Mar	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	20.43	33.08	52.05	59.04
Brent Crude(\$/bl)	23.23	35.37	58.19	66.64
Gold(\$/oz)	1486	1635	1602	1303
Gold(Rs./10 gm)	40649	43427	40976	31725

Source: Refinitiv

[1] Data as on 17 Mar 2020; [2] Data as on 13 Mar 2020

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Derivatives Market

- Nifty Mar 2020 Futures stood at 8,433.70, a discount of 35.10 points below the spot closing of 8,468.80. The turnover on NSE's Futures and Options segment rose to Rs. 10,10,921.46 crore on March 18, 2020, compared with Rs. 7,95,771.54 crore on March 17, 2020.
- The Put-Call ratio stood at 0.57 compared with the previous session's close of 0.58.
- The Nifty Put-Call ratio stood at 0.96 compared with the previous session's close of 1.03.
- Open interest on Nifty Futures stood at 20.29 million, compared with the previous session's close of 19.77 million.

Indian Debt Market

- Bond yields continued to rise as market participants trimmed their position. Uncertainty in the market over the possibility of a rate cut by the Monetary Policy Committee also added to the general pessimism.
- Yield on the new 10-year benchmark paper (6.45% GS 2029) rose 4 bps to close at 6.30% from the previous closing of 6.26% after moving in a range of 6.21% to 6.34%.
- Banks did not borrow any amount under the central bank's Marginal Standing Facility on Mar 17, 2020 compared with borrowings of Rs. 273 crore on Mar 16, 2020.

Currency Market Update

- The Indian rupee in spot trade was almost steady against the greenback as losses in the domestic equity market were neutralized by a possible intervention by the Reserve Bank of India. The rupee closed at 74.27 a dollar, down 0.01% compared to the previous day's close of 74.26.
- The euro fell against the U.S. amid persisting concerns over the rapid spread of coronavirus across the globe.

Commodity Market Update

- Gold prices fell as concerns of a global economic recession prompted investors to sell assets and hoard cash.
- Brent crude prices plummeted to a more than 18-year low on concerns over the coronavirus outbreak across the globe.

International News

- According to S&P Global, the global economy is set to see a recession in 2020 due to the severe economic shock caused by the coronavirus, or Covid-19, and the risks remain on the downside.
- The European Central Bank asserted that it stands ready to use all its tools when needed after Austria's central bank governor said in an interview that monetary policy may have reached its limits.
- Eurostat data showed euro area trade surplus declined in Jan 2020 on higher imports. The trade surplus fell to a seasonally adjusted EUR 17.3 billion in Jan from EUR 21.5 billion in Dec 2019.
- Final data from Eurostat showed euro zone inflation eased to 1.2% in Feb 2020 from 1.4% in Jan 2020. This was the lowest since Nov 2019.


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