

Markets for You

19 May 2020

Good gets *better*

Indices Performance

Global Indices	18-May	Prev_Day	Abs. Change	% Change#
Russell 3000	1,439	1,405	34	2.43
Nasdaq	9,235	9,015	220	2.44
FTSE	6,049	5,800	249	4.29
Nikkei	20,134	20,037	96	0.48
Hang Seng	23,935	23,797	137	0.58
Indian Indices	18-May	Prev_Day	Abs. Change	% Change#
S&P BSE Sensex	30,029	31,098	-1,069	-3.44
Nifty 50	8,823	9,137	-314	-3.43
Nifty 100	9,004	9,321	-316	-3.39
Nifty 500	7,245	7,504	-259	-3.45
Nifty Bank	17,573	18,834	-1,261	-6.69
S&P BSE Power	1,399	1,444	-45	-3.09
S&P BSE Small Cap	10,376	10,689	-313	-2.92
S&P BSE HC	14,901	15,029	-129	-0.86

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
18-May	18.57	1.26	20.26	1.73
Month Ago	19.16	1.37	20.85	1.64
Year Ago	27.83	1.24	28.44	1.15

Nifty 50 Top 3 Gainers

Company	18-May	Prev_Day	% Change#
Cipla	600	570	5.29
TCS	1946	1893	2.78
Bharti Infratel	207	203	2.27

Nifty 50 Top 3 Losers

Company	18-May	Prev_Day	% Change#
IndusInd Bank	377	419	-10.02
Zee Ente.	150	164	-8.95
Eicher Motors	12988	14100	-7.88

Advance Decline Ratio

	BSE	NSE
Advances	549	390
Declines	1770	1462
Unchanged	160	97

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-2511	-40062
MF Flows**	-195	30888

*18th May 2020; **13th May 2020

Economic Indicator

YoY(%)	Current	Quarter Ago	Year Ago
CPI	5.84% (Mar-20)	7.35% (Dec-19)	2.86% (Mar-19)
IIP	-16.70% (Mar-20)	0.40% (Dec-19)	2.70% (Mar-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 15 May 2020

Global Indices

- Asian markets rose, backed by optimism over gradual reopening of businesses around the world, which also helped investors shrug off worries over a renewed trade row between U.S. and China. Today (as on May 19), markets traded higher, tracking overnight gains in the Wall Street. Both Nikkei and Hang Seng are up 2.27% and 2.35%, respectively (as at 8.a.m. IST).
- European markets went up on hopes of more stimulus from governments and central banks, and optimism about a potential coronavirus vaccine sometime soon.
- U.S. markets rose after an American bio-technology firm reported "positive" phase one results for a potential coronavirus vaccine.

Indian Equity Market

- Indian equity markets slipped to the negative territory as the stimulus measures announced by the finance minister, as a part of the government's Rs 20 trillion economic package, fell short of market expectation. Additionally, the government's decision to extend the nationwide lockdown, albeit with some relaxations, till May 31, dented sentiment.
- Key benchmark indices S&P BSE Sensex and Nifty 50 lost 3.44% and 3.43% to close at 30,028.98 and 8,823.25 respectively. S&P BSE MidCap and S&P BSE SmallCap lost 3.87% and 2.92% respectively.
- The overall market breadth on BSE was weak with 549 scrips advancing and 1,770 scrips declining. A total of 160 scrips remained unchanged.
- On the BSE sectoral front, S&P BSE IT was the major gainer, up 1.36% followed by S&P BSE Teck, up 0.53%. S&P BSE Bankex was the major loser, down 6.69% followed by S&P BSE Finance, down 6.65% and S&P BSE Auto, down 5.51%.

Domestic News

- The finance minister said the government would amend the Insolvency and Bankruptcy Code (IBC) to exempt debt incurred during coronavirus outbreak and to postpone all fresh resolution filings for up to a year. The government will provide an additional Rs. 40,000 crore allocation for the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) for FY21, allowing states to borrow up to 5% of the existing 3% gross domestic product (GSDP) and privatize public sector enterprises (PSEs) in non-strategic sectors as part of a new strategy for such units.
- The Securities and Exchange Board of India (Sebi) has advised custodians and banks to alert the regulator of any change in 'beneficial ownership' of foreign portfolio investors (FPI) that has links to China. The guidance suggests that the regulator is keeping close watch over any change in ultimate investor control or ownership of offshore funds.
- According to a report, the combined fiscal deficit of the centre and states will likely be at 12% of the gross domestic product (GDP) because of the recent economy boosting initiatives, and higher borrowings by States to control COVID-19 emergencies.
- The Ministry of Home Affairs (MHA) released a fresh set of guidelines under which the government revoked its order directing employers to pay wages to workers, even with units remaining closed during lockdown.

Good gets better

FII Derivative Trade Statistics		18-May		
(Rs Cr)	Buy	Sell	Open Int.	
Index Futures	4079.20	4699.06	5184.68	
Index Options	86838.36	86026.72	32285.43	
Stock Futures	12333.81	12652.60	74649.68	
Stock Options	2754.26	2906.67	3324.30	
Total	106005.63	106285.05	115444.09	

Derivative Statistics- Nifty Options			
	18-May	Prev_Day	Change
Put Call Ratio (OI)	0.95	1.11	-0.16
Put Call Ratio(Vol)	0.89	0.82	0.07

Debt Watch				
	18-May	Wk. Ago	Mth. Ago	Year Ago
Call Rate	3.84%	3.87%	4.24%	5.99%
T-Repo	3.16%	3.15%	2.40%	5.95%
Repo	4.40%	4.40%	4.40%	6.00%
Reverse Repo	3.75%	3.75%	3.75%	5.75%
91 Day T-Bill	3.40%	3.55%	3.89%	6.32%
364 Day T-Bill	3.68%	3.67%	4.00%	6.43%
10 Year Gilt	6.05%	6.17%	6.35%	7.36%
G-Sec Vol. (Rs.Cr)	36293	66448	38886	32164
FBIL MIBOR ^[1]	4.46%	4.42%	4.58%	6.05%
3 Month CP Rate	4.55%	5.35%	6.00%	7.25%
5 Year Corp Bond	6.98%	7.02%	7.01%	8.38%
1 Month CD Rate	3.94%	4.18%	4.20%	7.24%
3 Month CD Rate	3.58%	4.18%	4.46%	7.07%
1 Year CD Rate	4.59%	4.79%	5.27%	7.29%

Currency Market			
Currency	18-May	Prev_Day	Change
USD/INR	75.93	75.56	0.37
GBP/INR	91.95	92.26	-0.31
EURO/INR	82.19	81.65	0.54
JPY/INR	0.71	0.70	0.00

Commodity Prices				
Commodity	18-May	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	31.33	23.52	18.26	62.72
Brent Crude(\$/bl)	33.77	23.42	16.14	74.93
Gold(\$/oz)	1732	1696	1684	1277
Gold(Rs./10 gm)	40989	40989	40989	31911

Source: Refinitiv

[1] Data as on 15 May 2020

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Derivatives Market

- Nifty May 2020 Futures stood at 8,825.85, a premium of 2.60 points above the spot closing of 8,823.25. The turnover on NSE's Futures and Options segment rose to Rs. 9,03,860.84 crore on May 18, 2020, compared with Rs. 5,61,885.86 crore on May 15, 2020.
- The Put-Call ratio stood at 0.91 compared with the previous session's close of 0.8.
- The Nifty Put-Call ratio stood at 0.95 compared with the previous session's close of 1.00.
- Open interest on Nifty Futures stood at 9.47 million, compared with the previous session's close of 8.78 million.

Indian Debt Market

- Bond yields fell on expectations that the recently announced economic package to cushion the impact of the COVID-19 pandemic would have a limited fiscal impact which eased concerns of fiscal slippage to some extent. Hopes that the government would not go for another round of additional borrowing also contributed to the upside.
- Yield on the old 10-year benchmark paper (6.45% GS 2029) fell 3 bps to close at 6.05% from the previous closing of 6.08% after moving in a range of 6.05% to 6.10%.
- Yield on the new 10-year benchmark paper (5.79% GS 2030) inched down 1 bps to close at 5.74% from the previous closing of 5.75% after moving in a range of 5.74% to 5.79%.
- RBI announced the sale of four dated securities namely 5.09% GS 2022, 5.79% GS 2030, GOI FRB 2031 and 7.19% GS 2060 for a notified amount of Rs. 30,000 crore. The auction would be carried out on May 22, 2020.

Currency Market Update

- The Indian rupee fell against the dollar following the country's extension of the lockdown to contain the spread of the coronavirus.
- Euro rose against the U.S. dollar as rise in oil prices led to optimism about reopening of economies, which boosted risk appetite. Rise in global equity market further increased gains. Euro rose to \$1.0912, up 0.90% compared with the previous close of \$1.0815.

Commodity Market Update

- Gold prices fell on hopes for a potential COVID-19 vaccine.
- Brent crude prices rose as countries across the globe started easing restrictions on COVID-19 induced lockdowns.

International News

- Data from the Cabinet Office of Japan showed that Japan's gross domestic product contracted a seasonally adjusted 0.9% in the first quarter of 2020 following a decline of 1.8% in the previous quarter.
- Data from the U.S. Commerce Department showed that business inventories in U.S. fell 0.2% on a yearly basis in Mar 2020 following a decline of revised 0.5% in Feb 2020 (0.4% drop originally reported for the previous month). Business sales fell 5.2% in Mar 2020 following a 0.5% decline in Feb 2020.
- Data from the University of Michigan showed that the U.S. consumer sentiment index increased to 73.7 in May 2020 after plummeting to 71.8 in Apr 2020. However, the index of consumer expectations fell to 67.7 in May 2020 from 70.1 in the previous month.



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your time.**

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