

Indian Equity Markets

Sensex touched a new life time high of 42,273 before ending the month by -1.3% led by correction in global indices and disappointments in Q3 Earnings.

Mid & Small Cap indices bucked the trend to close at 3.3% & 7.07% respectively.

Except Energy and Finance all other major sectoral indices closed positively.

FII's were net buyers for the month, invested ₹12,123 Cr in equities.

Debt Markets

RBI conducts special OMO(Operation twist) aimed at faster transmission of policy rates.

RBI MPC left rates unchanged at 5.15% and policy stance to remain accommodative.

₹ was range bound during the month, depreciated by 0.33% to close at 71.5 per \$.

10 Y G-Sec Yield rose to 6.6% and FII's sold ₹11,648 Cr in debt.

Global Markets

US indices closed positively led by strong Q4 Earnings and signing of phase one trade deal (China halves tariffs on \$75bn US Goods) while global indices corrected in anticipation of an adverse impact on economy due to outbreak of coronavirus in China as it is a major global trade partner.

FOMC left the target range of Federal Fund Rate unchanged at 1-1/2 to 1-3/4% while US economy reported 2.1% GDP growth in Q4, slowest in 3 years amid continuing drag in business investment.

Gold prices surged by 4.25% to close at \$1587.9/oz while oil experienced a volatile month, rallied to \$70 per barrel and then corrected sharply by 11.88% on concerns over spread of Coronavirus.

Corporate Announcements

Cipla received 4 observations by USFDA at Bangalore's API manufacturing facilities.

Lupin received 5 observations by USFDA for Visakhapatnam API manufacturing facilities

Maruti Suzuki increased prices upto 4.7% across select models.

Cochin Shipyard launched 1200-person cum 1000T cargo vessel for A&N Admin.

Kotak promoters' voting rights stand curtailed to 20% till 31st Mar, 15% from 1st Apr'20.

Bharti Airtel launched QIP to raise ₹14,400 Cr at an indicative floor price of ₹435.

Vedanta to raise upto ₹2,000 crore via NCD.

HDFC completed acquisition of 50.8% stake in Apollo Munich HI for ₹1,495.81 Cr.

NMDC executed 4 mining lease agreements in Chhattisgarh valid up to 2035.

Indian Oil Corporation raised ₹2,000 crore via debentures.

Piramal Enterprises issued 1.16 lakh CCD to Caisse De Depot Et Placement Du Quebec.

Manappuram raised \$300 million by allotment of fixed-rate senior secured notes.

Market Outlook

Government's commitment toward achieving a \$5 trillion economy by increasing investment in the key sectors as well manage the fiscal deficit by listing select PSUs (LIC IPO in the first half of FY20-21) to raise funds comes at an opportune time in the budget when the economy is experiencing the slowest GDP growth rate in the decade.

We remain bullish on the long-term prospects of Equities and prefer short to medium term funds in anticipation of a rate hike during the later part of the year.

Key Events to watch: Q3 Earnings Continuation, Q3 GDP and Delhi Assembly Elections.

Budget Highlights: For complete details of budget please click below link:

<http://gbfs.co.in/admin/files/516009829.pdf>

- New income tax slabs and rates ₹5-7.5 lakh p.a- 10%, ₹7.5-10 lakh p.a-15%, ₹10-12.5 lakh p.a-20%, ₹12.5-15 lakh p.a 25%, above ₹15 lakh p.a. 30% without any exemptions.
- Loan sanction for availing additional deduction of ₹1.5 lakh extended till Mar 31, 2021
- Abolished Dividend Distribution Tax and classical system of dividend taxation adopted.
- Hike in bank deposit insurance cover to ₹5 lakh from ₹1 lakh.
- FPI limit in corporate bonds increased from 9% to 15%.

Benchmark	31-Jan-20	MTD	2020
SENSEX	40,723.49	-1.29%	-1.29%
NIFTY	11,962.1	-1.70%	-1.70%
10Y G-Sec	6.60%	0.61%	0.61%

Top Gainers	Change	Top Losers	Change
UltraTech	9.17%	IndusInd bank	16.66%
Bharti Airtel	8.83%	ONGC	15.35%
M&M	6.76%	Tata Steel	7.04%
Infosys	6.09%	RIL	6.76%
HUL	5.78%	Maruti	6.18%

BSE Sector Performance	MTD	2020
Basic Materials	2.2%	2.2%
Telecom	5.61%	5.61%
Utilities	0.65%	0.65%
Industrials	3.69%	3.69%
Finance	-2.13%	-2.13%
Consumer Discretionary	2.47%	2.47%
FMCG	2.07%	2.07%
Energy	-7.4%	-7.4%
Healthcare	3.93%	3.93%
IT	2.56%	2.56%

FII (Cr)	EQUITY	DEBT	DEBT-VRR	HYBRID	TOTAL
MTD	12,123	-11,648	529	-46	957
YTD	12,123	-11,648	529	-46	957

Currencies	31-Jan-20	MTD	2019
USDINR	71.5096	0.33%	0.33%
EURINR	78.8169	-1.33%	-1.33%
GBPINR	93.6614	0.19%	0.19%

Global Indices	31-Jan-20	MTD	2019
DJIA	28,807.63	0.94%	0.94%
NASDAQ	9,150.94	1.99%	1.99%
DAX	12,981.97	-2.02%	-2.02%
FTSE	7,286.01	-3.4%	-3.4%
CAC	5,806.34	-2.87%	-2.87%
NIKKEI	23,205.18	-1.04%	-1.04%
HSI	26,312.63	-6.66%	-6.66%
KOSPI	2,119.01	-3.58%	-3.58%
RTSI	1,517.07	-2.06%	-2.06%
SHANGHAI	2,976.53	-2.41%	-2.41%

Commodity (\$)	31-Jan-20	MTD	2019
Gold	1587.9	4.25%	4.25%
Silver	18.01	0.5%	0.5%
Brent	58.16	-11.88%	-11.88%

Q1 Results FY20

Company	PAT Growth	Company	PAT Growth
Maruti	NA	Dr. Reddy	-110.76%
IOC	251.08%	Tata Motors	-106.51%
ICICI Bank	149.16%	Wipro	-90.32%
Bajaj Finance	52.34%	JSW Steel	-88.45%
SBI	41.17%	Tech M	-7.90%
Bajaj Finserv	39.22%		

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