

Indian Equity Markets

Benchmark indices continued to correct for the second consecutive month led by looming threat of coronavirus expected to potentially derail the global economic growth and additionally, Indian markets were rattled further due to slowest pace of GDP growth recorded in Q3.

Mid & Small Cap indices corrected by -5.57% & -6.54% while Large cap closed at -6.73%.

All major sectoral indices closed negative while Telecom ended positive led by sharp rally in Airtel (single largest constituent in the index) despite DoT order to immediately clear all AGR dues to the government.

FII's were net buyers of ₹1,820Cr in equities largely due to inflow in Primary market of ₹9,647 Cr compensating the ₹7,827 Cr outflow in the secondary market.

Debt Markets

RBI scheduled 3Yr Long Term Repo Operation of ₹25,000 Cr each on 2nd & 9th of Mar.

Rupee depreciated by 0.95% to close at 72.19 per USD.

10 Y G-Sec Yield corrected to 6.37% while FI's sold ₹2,097 Cr in debt.

Global Markets

Major global indices corrected sharply after WHO raised coronavirus threat assessment to its "highest level" in terms of spread & impact while the fear of travel ban impact on South East Asian countries which are export hubs for Auto and electronics could in-turn disrupt global supply chain (Japan January exports fell 2.6% YoY).

US Fed cut interest rates by 50bps in an emergency move designed to shield the world's largest economy from the impact of the coronavirus.

US 10 Y Treasury yields fell to 0.7% hitting a new all-time low.

Gold surged to \$1,691/oz during the month as investors rushed for safe-haven assets.

OPEC announced further cut in production by 1.5 million bpd through Q2 of the year.

Corporate Announcements

Shree Cement to replace Yes Bank in Nifty 50 w.e.f 27th March.

Central Government has directed **Yes Bank** to limit withdrawals of deposits to ₹50,000.

Avenue supermarket launched QIP at ₹1,999 per share and raised ₹4,000 Cr.

Cipla received warning letter from US FDA for Goa manufacturing facility.

DoT approves merger of consumer mobile operations of Tata group with Bharti Airtel.

SBI Cards IPO to raise ₹500 Cr in the price band of ₹750-775 per share.

HAL raises ₹1,000 crore through commercial papers.

RIL to consolidate its media and distribution business under Network 18.

JSW Energy to buy 1,050 MW GMR Energy's Kamalanga power plant for ₹5,321 Cr.

Tata Motors to raise ₹500 crore through NCDs.

Grasim Industries raises ₹500 crore via NCDs on a private placement basis.

Bajaj Auto paid huge interim dividend (₹120/share) ahead of change in DDT rule.

NCLT approved scheme of amalgamation for merger of **GSK Consumer Health** and **HUL**.

RBI approves appointment of K Sumant as MD & CEO of **IndusInd Bank**.

Market Outlook

RBI is expected to intervene before April MPC in a coordinated effort by Central banks globally to fight slowdown in world economy and it in-turn could revive GDP growth (Moody's cuts growth forecast to 5.4% vs 6.6% for 2020 and 5.8% vs 6.7% for 2021).

Government's commitment to consolidate PSU banks takes final shape with the announcement of share swap ratio by PNB, Canara bank and Union bank. This move is expected to improve balance sheet strength and assist in capital raising initiatives leading to efficiency in accessibility and credit growth.

Near term goal post for market direction will be driven by the impact of coronavirus spread, resolution of Yes bank issue and Q4 results.

Benchmark	28-Feb-20	MTD	2020
SENSEX	38,297.29	-5.96%	-7.17%
NIFTY	11,201.75	-6.36%	-7.94%
10Y G-Sec	6.37%	-3.48%	-2.9%

Top Gainers	Change	Top Losers	Change
HUL	10.73%	ITC	16.05%
Bajaj Finance	9.04%	Hero	15.62%
Titan	7.74%	ONGC	15.47%
Bharti Airtel	5.51%	Tata Steel	13.04%
Asian Paints	2.73%	M&M	13.03%

BSE Sector Performance	MTD	2020
Basic Materials	-7.64%	-5.6%
Telecom	0.35%	5.99%
Utilities	-9.45%	-8.86%
Industrials	-11.46%	-8.19%
Finance	-6.01%	-8.02%
Consumer Discretionary	-7.18%	-4.88%
FMCG	-5.82%	-3.88%
Energy	-6.9%	-13.79%
Healthcare	-3.42%	0.38%
IT	-5.57%	-3.16%

FII (Cr)	EQUITY	DEBT	DEBT-VRR	HYBRID	TOTAL
MTD	1,820	2,097	2,637	2,416	8,970
YTD	10,302	-13,799	3,004	2,380	1,885

Currencies	28-Feb-20	MTD	2020
USDINR	72.1890	0.95%	1.28%
EURINR	79.4421	0.79%	-0.55%
GBPINR	93.0104	-0.7%	-0.51%

Global Indices	28-Feb-20	MTD	2020
DJIA	25,409.36	-11.8%	-10.96%
NASDAQ	8,567.37	-6.38%	-4.52%
DAX	11,890.35	-8.41%	-10.25%
FTSE	6,580.61	-9.68%	-12.75%
CAC	5,309.9	-8.55%	-11.18%
NIKKEI	21,080	-9.16%	-10.11%
HSI	26,129.93	-0.69%	-7.31%
KOSPI	1,987.01	-6.23%	-9.59%
RTSI	1,299.69	-14.33%	-16.09%
SHANGHAI	2,880.3	-3.23%	-5.57%

Commodity (\$)	28-Feb-20	MTD	2020
Gold	1,566.7	-1.34%	2.86%
Silver	16.46	-8.61%	-8.15%
Brent	50.52	-13.14%	-23.45%

IPO	Issue Size	Price band	Date
SBI Cards	500 Cr	₹750-₹755	5-Mar-2020
AWHCL	206 Cr	₹295-₹300	6-Mar-2020

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