

Weekly Market Update



Financial Market & Economy Update

Domestic Market Update:

- Agriculture Ministry data showed that acreage under rabi crop stood at 652 lakh hectares (ha) as on 15th 2021 against 642 lakh ha during the corresponding period of last year, marking an increase of 10 lakh ha or 1.56%. Sowing reported under Wheat was at 337 lakh ha against 330 lakh ha area of last year i.e. increase in area coverage by 6.55 lakh ha or 2%.
- India's 2020-21 sugar production till January 15 is up by 33.76 lakh tonnes or 31% compared to the same period of the previous sugar season (October to September), according to a latest update from the Indian Sugar Mills Association (ISMA). A total of 487 sugar mills are in 33.76 lakh tonnes operation in the country as on 15th January 2021 and have produced 142.70 lakh tonnes of sugar, as compared to 108.94 lakh tonnes produced by 440 sugar mills as on 15th January 2020.
- Cumulative value of imports for the period April-December 2020-21 was USD 258.27 Billion (Rs.19,22,790.49 Crore), as against USD 364.18 Billion (Rs.25,62,539.91 Crore) during the period April-December 2019-20, registering a negative growth of (-) 29.08% in Dollar terms and a negative growth of (-) 24.97% in Rupee terms.
- Imports in December 2020 were USD 42.59 Billion (Rs.3,13,407.53 Crore), which is an increase of 7.56% in Dollar terms and 11.18% in Rupee terms over imports of USD 39.59 Billion (Rs 2,81,880.86 Crore) in December 2019.
- Exports in December 2020 were USD 27.15 Billion, as compared to USD 27.11 Billion in December 2019, exhibiting a positive growth of 0.14%. In Rupee terms, exports were Rs. 1,99,770.58 Crore in December 2020, as compared to Rs. 1,92,984.47 Crore in December 2019, registering a positive growth of 3.52%.
- India's overall exports in April-December 2020-21 are estimated to be USD 348.49 Billion, exhibiting a negative growth of (-)12.65% over the same period last year. Overall imports in April-December 2020-21 are estimated to be USD 343.27 Billion, exhibiting a negative growth of (-) 25.86% over the same period last year.
- Domestic Bank credit rose 3.2% to Rs 107.05 lakh crore in the first three quarters of the current financial year, against a growth of 2.7% registered in the corresponding period of 2019-20. Bank deposits jumped 8.5% to Rs 147.27 lakh crore in the April-December 2020 period as against an increase of 5.1% a year ago, according to the recent data released by the Reserve Bank of India. In the fortnight ended January 1, 2021, the year-on-year growth in bank credit was 6.7% and 11.5% in deposits.

International Update:

- Japan's industrial production dropped 0.5% month-on-month in November, in contrast to October's 4% increase, final data from the Ministry of Economy, Trade and Industry showed on Monday. This was the first fall in six months. On a yearly basis, industrial production decreased 3.9%, data showed.
- China's industrial production rose an annual 7.3% in December, up from 7% in November. China's Retail sales gained an annual 4.6% last month, down from 6% in the previous month. China's fixed asset investment gained 2.9% year to date in December, up from 2.6% in November.
- China's gross domestic product climbed 6.5% on year in the fourth quarter of 2020, the National Bureau of Statistics said on Monday, up from 4.9% in the three months prior. On a seasonally adjusted quarterly basis, GDP expanded 2.6%, slowing from 2.7% in Q3.
- US industrial production surged up by 1.6% in December after climbing by an upwardly revised 0.5% in November, the Federal Reserve reported on Friday.
- The US business inventories rose by 0.5% in November after climbing by an upwardly revised 0.8% in October.
- US Housing Market Index fell to 83 in January after sliding to 86 in December, the National Association of Home Builders reported on Wednesday. With the decrease, the housing market index pulled back further off the record high of 90 set in November. The drop by the headline index reflected decreases by all three of the component indices, with the gauge charting traffic of prospective buyers showing a notable decline to 68 in January from 73 in December.



Equity Market Update

- The S&P BSE Sensex climbed a new high as it shot past 50,000 and the Nifty50 breached 14,750 in the week gone by but profit-taking towards the close pushed indices in the red. The Sensex fell 0.3 percent, while the Nifty50 slipped 0.4 percent for the week but it were small and midcaps stocks that took a bigger beating.
- **Broader Market Update:** The S&P BSE midcap index fell 0.7 percent and the smallcap index slipped 1.3 percent for the week ended January 22.



Debt Market Update

- US 10 year yield was quoting at 1.09%, down 1% on the day and testing around

Domestic Markets



Index	22-Jan-2021	15-Jan-2021	% Change
BSE Sensex	48878.54	49034.67	-0.32
S&P CNX Nifty	14371.9	14433.7	-0.43
CNX Midcap	21659.05	21934.25	-1.25
CNX 500	11854.5	11931.2	-0.64
BSE Smallcap	18422.05	18682.12	-1.39

Global Markets



Index	22-Jan-2021	15-Jan-2021	% Change
Dow Jones	30996.98	30814.26	0.59
Nasdaq	13543.06	12998.5	4.19
S&P 500	3841.47	3768.25	1.94
FTSE 100	6695.07	6735.71	-0.6
Shanghai Composite	3606.75	3566.38	1.13
Hang Sang	29447.85	28573.86	3.06

Institutional Flows (Equity)



Description (INR Cr)	Purchases	Sales	Net
FII Flows*	29577	25337	4240
MF Flows*	20691	22214	-1523

F&O FII Trends (Rs. Crs)



Date	Index	Stocks
15-Jan-2021	-446.1	-1196.28
18-Jan-2021	841.38	1193.1
19-Jan-2021	522.78	1289.43
20-Jan-2021	-1974.17	-374.18
21-Jan-2021	3150.81	-118.15

Policy Rates



Key Rates (%)	22-Jan-2021	1 Week Ago	1 Month Ago
Reverse Repo	3.35	3.35	3.35
Repo	4	4	4
CRR	3	3	3
SLR	18	18	18

Key Rates



one week low. Yields for 5.77% GS 2030 Government security dropped by 2 basis points to end at 5.94% .



Commodity Market Update

Oil Update:

- Oil prices tumbled more than 2.5 percent early on Friday, dragged down by concerns that oil demand in the world's top oil importer, China, could falter amid rising COVID-19 cases and expanding lockdowns.
- As of 9:35 a.m. ET on Friday, WTI Crude prices had slipped below \$52 a barrel, and were trading down 2.60 percent at \$51.73. The international benchmark, Brent Crude, had fallen below \$55, with the price down 2.28 percent at \$54.79.
- Oil prices lost further ground on Friday from the 11-month high they had hit last week, when the Saudi surprise cut was still supporting gains.

Gold Update:

- Gold prices fell sharply by Rs 519 to Rs 49,140 per 10 gram in the Mumbai retail market on rupee appreciation and weak global cues. The yellow metal dropped owing to the rise in US treasury yields and a decrease in US weekly jobless claims.
- The precious metal prices had declined Rs 187, or 0.38 percent, for the week in the domestic market. The premium charged by a dealer over official domestic price flipped into a discount for first time in 2021 to \$0.25 per troy ounce against a premium of \$0.5 last week.
- The rate of 10 gram 22-carat gold in Mumbai was Rs 45,012 plus 3 percent GST, while 24-carat 10 gram was Rs 49,140 plus GST. The 18-carat gold quoted at Rs 36,855 plus GST in the retail market.



Currency Market Update

- After reaching a lifetime high in the previous week, India's foreign exchange reserves fell by \$1.839 billion during the week ending 15 January to settle at \$584.242 billion against \$586.082 billion in the week before

Key Rates (%)	22-Jan-2021	15-Jan-2021	% Change
Mibor Overnight	3.47	3.46	0.29
CALL (O/N)	3.2	3.22	-0.62
CBLO	3.23	3.2	0.94
T Bills Index (12M)	3.58	3.56	0.56
10 Year GSEC	5.91	5.95	-0.67

Commodity Market



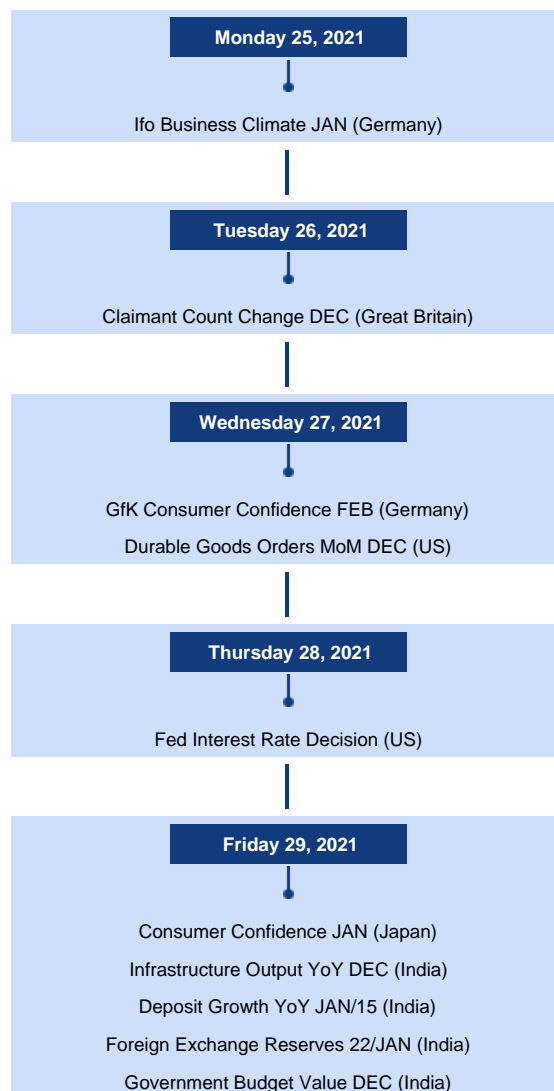
Commodity (INR)	22-Jan-2021	Gain+/Loss-	% Change
Gold (10 gm)	49140	438	0.9
Silver (1 kg)	66642	1878	2.9
Crude Oil (\$/barrel)	55.41	0.31	0.56

Currency Market



Currency	22-Jan-2021	Gain+/Loss-	% Change
USD/INR	73.12	0.03	0.04
EURO/INR	88.81	0.54	0.61
GBP/INR	99.89	0.18	0.18
JPY/INR	70.48	0.07	0.1

Upcoming Events



Week Gone By



Events	Actual %	Previous %
ZEW Economic Sentiment Index JAN (Germany)	61.8	55.0
Inflation Rate YoY DEC (Great Britain)	0.6	0.3
Balance of Trade DEC (Japan)	¥751B	¥366.8B
Inflation Rate YoY DEC (Japan)	-1.2	-0.9
Gfk Consumer Confidence JAN (Great Britain)	-28.0	-26.0
Foreign Exchange Reserves 15/JAN (India)	\$584.24B	\$586.1B
-	-	-
-	-	-
-	-	-

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