



## What's New!!!

### Economic & Business Updates

- **December GST collection crosses Rs 1 lakh crore, second month in a row:** Gross Goods and Services Tax (GST) collections crossed the Rs 1 lakh crore benchmark for the second consecutive month in December 2019. At Rs 1.03 lakh crore, the number marked a 9% year-on-year growth on the back of increased consumption and better compliance.
- **FDI rises 15% during Apr-Sep to \$26 billion:** Foreign direct investment into India grew 15% to \$26 billion during the first half of the current financial year. Inflow of foreign direct investment (FDI) during April-September of 2018-19 stood at \$22.66 billion. Sectors which attracted maximum foreign inflows during April-September 2019-20, include services (\$4.45 billion), computer software and hardware (\$ 4 billion), telecommunications (\$4.28 billion), automobile (\$2.13 billion) and trading (\$2.14 billion), the commerce and industry ministry data showed.
- **Finance Minister Nirmala Sitharaman unveils plans for Rs 102 lakh crore infra projects:** Finance Minister said that the government has identified infrastructure projects to the tune of Rs 105 lakh crore. Rs 102 lakh crore worth of infrastructure projects have been identified for the next five years as part of the government's spending push in the sector. The minister said that another Rs 3 lakh crore of projects are likely to be added in this pipeline by the states, taking the total to Rs 105 lakh crore of projects.
- **2020 will be best year for NPA recovery says SBI chairman Rajnish Kumar:** SBI chairman believes that 2020 will be the best year in terms of bad loan recoveries. Encouraged by the recovery from the insolvency process involving Essar Steel, he believes there will be recoveries in many large accounts this year. However, he said credit growth will stay an issue in 2020, with the industry seeing loan growth of just 7-8%.
- **India will struggle to achieve 5% GDP growth in 2020 says US Economist:** India will "struggle" to achieve 5 per cent GDP growth in 2020 as the significant deceleration in past few quarters was largely owing to credit squeeze which is a cyclical problem, said noted American economist Steve Hanke. Mr Hanke, who currently teaches applied economics at Johns Hopkins University (USA), pointed out that "India experienced an unsustainable credit boom and now the chickens are coming to roost with a massive pile of non-performing loans piled up, primarily at the state-owned banks. The slowdown in India is related to a credit squeeze, which is a cyclical problem - not a structural problem. As a result, India will struggle to make a GDP growth rate of 5 per cent in 2020," he said.
- **TRAI's New Year bonanza, more channels at lesser price:** In a bid to protect consumer interests, the Telecom Regulatory Authority of India (TRAI) made amendments to the new regulatory framework for cable and broadcasting services under which cable TV users will be able to access more channels at lower subscription price. Significantly, TRAI capped at Rs. 160 the amount consumers will have to pay monthly for all free to air channels.
- **RBI launches mobile app 'MANI' for visually challenged to identify currency notes:** The Reserve Bank of India (RBI) Governor Shaktikanta Das launched a mobile app to help visually-impaired people to identify the denomination of currency notes. Now, the visually challenged people can identify the denomination of a currency note by using the mobile app, the RBI said. The application also works offline once installed, the central bank added.

## From the PRESIDENT'S DESK

### *Warm Greetings to all Readers!!!*

Indian stock market surpassed many key events and ended the year 2019 at its all-time high. The year that passed by saw many major market moving events politically, economically and globally. Key events that had significant impact include defence decision, general election outcome, corporate tax cut announcements, US-China trade talks and so on. Markets up move was largely contributed by select large cap index heavyweights. The year gone by saw money chasing these quality large cap stocks irrespective of their stretched valuations. This in turn at portfolio level saw relative under performance. The New Year that we are stepping into must see a gradual shift in this market movement. It is expected that market rally will be relatively broad based and quality companies from mid and small cap space too must see significant money flow into them in this year.

Indian benchmark indices recorded gains in double digits in 2019, with the Sensex rising 14.4 percent and the Nifty50 gaining 12 percent. While both the blue-chip indices posted gains, their smaller peers suffered losses in 2019, a year in which India's economic growth slowed to a five-year low. The BSE Midcap index shed 3.1 percent last year and the BSE Small cap index lost 6.9 percent. Among the sectoral indices, the Nifty Bank rose 18 percent. The Nifty Realty and Finance advanced 28 percent and 25 percent, respectively. The Nifty Media fell most at 29.7 percent. In Nifty50, Bajaj Finance advanced most at 61.1 percent followed by Bharti Airtel, which rose 58.7 percent. ICICI Bank and Bajaj Finserv rose 45 percent to 49 percent. Reliance Industries, BPCL, Kotak Bank, Nestle India and Asian Paints rose 30 percent to 35 percent. On the losing side, Yes Bank fell 74 percent. Zee Entertainment, GAIL and M&M declined between 33 percent and 39 percent. Vedanta and Hero MotoCorp were down 21 percent and 25 percent, respectively.

Government recently unveiled 100+ lakh crores of much needed infra push. Taking forward the Prime Minister's Independence Day announcement on investing Rs 100 trillion in infrastructure, the government has put out a National Infrastructure Pipeline and is currently targeting investments worth Rs 102 trillion by 2024-25. The plan to increase



**Mr. Sesha Sai P L V K**

investment in the infrastructure sector will not only directly help revive economic activity, which has slowed dramatically in recent quarters, but will also improve overall competitiveness and help sustain higher growth in the medium term.

The recent amendments to the Insolvency and Bankruptcy Code (IBC) approved by the Union Cabinet can go a long way in addressing some of the gaps in the resolution process. Crucially, the proposed Bill has sought to provide a clean slate to buyers of stressed assets, by shielding them from prosecution for offences by previous promoters. By way of insertion of Section 32A in the Code, the amendment seeks to provide immunity to the corporate debtor and its assets, from an offence committed prior to the commencement of the insolvency process. In other words, it seeks to ring-fence the corporate debtor and property from offences committed by the previous management or promoters.

At a time when there have been growing concerns over investigative agencies initiating action against companies after the completion of the resolution process (Bhushan Power and Steel), the amendment offers much needed clarity and relief to prospective buyers. At the same time, the Bill requires the corporate debtor or other persons to extend cooperation to investigating authorities. Importantly, the immunity will only apply in cases where the resolution plan has resulted in a change in management or control of the corporate debtor. While the amendment seeks to release the corporate debtor from the liability of the offence, it continues to hold the concerned persons responsible for the offences and they can be prosecuted.

As we are into New Year 2020 and a new decade, I wish you all a healthy, wealthy, prosperous and profitable year ahead.

***Happy and Safe Investing!!!***

### Snap Shots

<b>Inflation (WPI) (%)</b>	<b>0.58% Nov 19</b>	<b>0.16% Oct 19</b>	<b>0.33% Sep 19</b>	<b>1.08% Aug 19</b>
<b>Inflation (CPI) (%)</b>	<b>5.54% Nov19</b>	<b>4.62% Oct 19</b>	<b>3.99% Sep 19</b>	<b>3.21% Aug 19</b>
<b>India Industrial Production (IIP) (%)</b>	<b>-3.8% Nov 19</b>	<b>-4.3% Oct 19</b>	<b>-1.1% Sep 19</b>	<b>4.3% Aug 19</b>
<b>Particulars</b>	<b>27-Dec-2019</b>	<b>20-Dec-2019</b>	<b>13-Dec-2019</b>	<b>06-Dec-2019</b>
91-Day Cut-off (%)	5.02	5.00	4.89	4.89
10-yr G-Sec yield (%)	6.50	6.59	6.78	6.66
USD/INR(Rs)	71.45	71.06	70.79	71.28
EUR/INR (Rs)	79.86	78.72	78.73	78.832

### Global Indices

<b>Indices</b>	<b>Country</b>	<b>Index as on 31.12.2019</b>	<b>Index as on 29.11.2019</b>	<b>Variation (%) (Inc/ Dec)</b>
SENSEX	India	41,253.74	40,793.81	1.13
NIFTY 50	India	12168.45	12,056.05	0.93
NASDAQ	United States	8,972.60	8,665.47	3.54
DJIA	United States	28,538.44	28,051.41	1.74
S&P 500	United States	3,230.78	3,140.98	2.86
Hang Seng	Hong Kong	28,189.75	26,346.49	7.00
Nikkei 225	Japan	23,656.62	23,293.91	1.56
Shanghai Composite	China	3,050.12	2,871.98	6.20
Straits Times	Singapore	3219.47	3,193.92	0.80
FTSE 100	United Kingdom	7602.15	7,346.53	3.48
CAC 40	France	5,978.06	5,905.17	1.23
DAX	Germany	13,249.01	13,236.38	0.10

### Institutional Investments

<b>Category</b>	<b>Debt / Equity</b>	<b>Gross Purchases (Rs Crores)</b>	<b>Gross Sales (Rs Crores)</b>	<b>Net Investment (Rs Crores)</b>
FII Investments December 2019	Equity	98,338.29	92,904.69	5,433.60
	Debt	30,290.86	36,306.00	-6,015.14
Mutual Fund December 2019	Equity	45,507.65	43,547.93	1,959.72
	Debt	146,531.95	100,314.70	46,217.25
<b>FII Derivative Trades (Rs. in Crores) December 2019</b>	INDEX FUTURES	INDEX OPTIONS	STOCK FUTURES	STOCK OPTIONS
- Buy	59,503.81	4,876,198.25	315585.93	77728.05
- Sell	60,062.84	4,860,323.81	312498.89	77460.87

## New Fund Offers

Fund Name	Open Date	Close Date	Min. Investment (Rs.)	Type
Aditya Birla Sun Life Fixed Term Plan - Series SW (1183 days)	01-Jan-2020	06-Jan-2020	1,000	Close Ended
SBI Fixed Maturity Plan (FMP) - Series 27 (1203 Days)	03-Jan-2020	08-Jan-2020	5,000	Close Ended
Tata Quant Fund	03-Jan-2020	17-Jan-2020	5,000	Open Ended

## Forthcoming Corporate Action

Symbol	Company Name	Purpose	Ex-Date	Record Date
RITES	RITES Limited	Interim Dividend-Rs 6 Per Share	09-Jan-20	10-Jan-20
JVLGRO	JVL Agro Industries Limited	Annual General Meeting	14-Jan-20	-
SIS	Security and Intelligence Services (India) Limited	Face Value Split (Sub-Division) - From Rs 10/- Per Share To Rs 5/- Per Share	15-Jan-20	16-Jan-20

## Stock picks

Company Name	Current Market Price (CMP) (RS)	Buy / Sell	Recommended Buy / Sell price range	Stop loss	Target	Short / Medium / Long term
Infosys	745	Buy	735-740	715	765	Short term
Voltas	658	Buy	658	645	685	Medium term
Sun Tv	428	Buy	418-420	400	465	Medium term

\* Short term – 3 to 6 months, Medium term – 6 to 12 months, Long term – 12 months and above, CMP as on 03.01.20.

## Crude and Rupee check

Crude opened at \$60.73 in December. Crude price in the month of December witnessed significant price up move of almost \$8. Crude after hitting low of \$60.30 in December, saw a sharp up move and closed the month and year at \$66. Rupee closed at Rs71.35 on 31st December, 2019.

Brent crude price movement



USD-INR price movement



## Sector-wise performance (December 2019)

Sector	Market-Cap (Rs)	% Change	Advance	Decline
Agri	81,472	-25.88%	8	51
Alcohol	82,685	-3.89%	2	8
Automobile & Ancillaries	9,81,536	-29.17%	6	107
Aviation	51,226	-7.72%	1	2
Banks	24,08,304	-1.33%	8	30
Capital Goods	3,01,450	-23.83%	12	73
Chemicals	6,00,815	9.21%	19	80
Construction Materials	3,63,507	-14.16%	4	47
Consumer Durables	1,37,215	3.68%	6	21
Containers & Packaging	5,779	-38.05%	0	11
Diamond & Jewellery	1,27,322	1.39%	4	8
Diversified	1,70,671	-26.86%	4	17
Electricals	19,516	-48.50%	3	22
ETF	20,755	-9.59%	35	10
Finance	13,36,728	8.54%	19	86
FMCG	13,86,810	16.23%	16	23
Footwear	39,237	95.60%	2	3
Healthcare	7,30,320	-5.47%	22	75
Hospitality	41,498	-41.16%	2	24
Industrial Gases & Fuels	1,14,166	-8.78%	4	2
Infrastructure	3,28,815	-19.11%	2	56
Insurance	4,23,447	15.93%	4	2
Logistics	77,243	-28.77%	2	27
Manufacturing	14,422	-18.00%	1	4
Media & Entertainment	73,123	-51.80%	2	36
Metals & Mining	6,28,259	-33.06%	5	91
Miscellaneous	95,149	-19.00%	3	33
Oil & Gas	14,71,941	10.95%	2	12
Paper	9,071	-50.01%	0	21
Photographic Products	15	-80.00%	0	1
Plastic Products	54,839	-16.73%	4	23
Power	3,97,426	-14.32%	4	27
Real Estate	1,82,182	-22.65%	7	47
Retailing	1,82,696	21.79%	4	9
Ship Building	5,367	-24.12%	0	1
Software & IT Services	16,91,088	22.51%	18	69
Telecom	3,34,521	-36.25%	3	22
Textiles	95,674	-35.57%	7	98
Trading	43,553	-18.74%	0	16



## Mutual Fund Corner

Scheme for the Month : SBI Focused Equity Fund

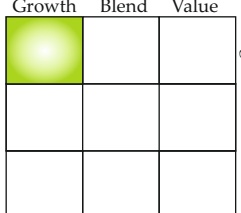
Level of Risk : Moderately High

### Objective

The scheme seeks to provide the investor with the opportunity of long-term capital appreciation by investing in a concentrated portfolio of equity and equity related securities.

Investment Details	
Minimum Investment Amount (Rs)	Rs 5000
Additional Investment (Rs)	Rs 1000
SIP(Rs)	Rs 500
Options	Growth/Dividend
Expense Ratio (%)	1.93% (As on Nov 30, 2019)
Lock-in period	-
Exit Load (%)	1% for redemption within 365 days

Current Statistics & Profile	
Latest NAV	Rs. 154.00 (Growth) Rs. 28.16(Dividend) as on 02.01.20
Fund Category	Equity: Multi Cap
Type	Open Ended
Launch Date	11-Oct-2004
Net Assets (Cr)	Rs 6,526crore
Benchmark	S&P BSE 500 TRI

Fund Style	Concentration & Valuation	
<b>Investment Style</b> Growth Blend Value 	Number of Stocks	22
	Top 10 Stocks (%)	59.56
	Top 5 Stocks (%)	36.66
	Top 3 Sectors (%)	62.94
	Portfolio P/B Ratio	3.23
	Portfolio P/E Ratio	30.97

### Trailing Returns

Trailing Returns %	Fund Return	S&P BSE 250 Large MidCap TRI	Category Return
Year to Date	0.96	1.89	1.8
1 Month	7.09	8.26	6.97
3 Months	17.09	11	11.45
1 Year	17.27	14.06	12.41
3 Years	11.22	9.17	8.42
5 Years	0.96	1.89	1.8

Asset Allocation	
As on 31.12.19	% Net Assets
Equity	94.6
Debt	0.8
Cash	4.6

### Top 10 stock constituents of fund in percentage as on 30.11.2019

Sl. No.	Company	Sector	% Assets
1)	HDFC Bank	Financial	9.18
2)	State Bank of India	Financial	7.86
3)	Bajaj Finance	Financial	7.06
4)	P&G Hygiene & Health Care	FMCG	6.46
5)	Bharti Airtel	Communication	6.1
6)	Axis Bank	Financial	5.32
7)	Divi's Laboratories	Healthcare	5.1
8)	Kotak Mahindra Bank	Financial	4.7
9)	ICICI Lombard General Insurance	Financial	4.18
10)	Alphabet Inc Class A	Technology	3.89



#### Benchmark in Mutual Fund

A benchmark is an index against which a mutual fund's performance is measured. For example, the Nifty 50 is a benchmark against which many large-cap funds and index funds are measured. Note that a benchmark should only be used to evaluate a fund by comparing its returns over the long term. For example, a 6-month performance against the benchmark in an equity fund holds little value in comparison with a 3-year performance.

#### Benefits of Benchmarks:

- You can compare the return of a mutual fund with a benchmark return to evaluate its performance.
- You can use a benchmark to compare between two different funds that fall in the same category. For example, if Fund A outperforms the benchmark by 3%, and Fund B outperforms by 6%, it will be easier for you to decide which fund to invest in.
- You can use a benchmark to evaluate the possible performance of a fund that is about to be launched. Such funds have no past history or track record. However, the benchmark chosen can give you a rough idea of the kind of return you may get.

#### Which Benchmark to Use?

Mutual Funds are required to declare their own benchmarks in their filing documents (called SID or Scheme Information Document). In most cases the benchmark of the fund is reported on mutual fund website and in various third-party websites. For example, HDFC Top 100 Fund, a large-cap equity fund uses the Nifty 100 TRI\*\* as its benchmark while HDFC Equity Fund, a multi-cap fund uses the Nifty 500 TRI as its benchmark.

### How do I measure the performance of my mutual funds against its benchmark?

You can gauge the performance of your mutual fund scheme by analyzing whether your funds have delivered a higher return than the benchmark. If the return exceeds the benchmark, then your funds outperformed. And if the benchmark registers a higher return than your fund, then your funds have underperformed. Also, if the benchmark index recorded a consistent fall over a while in which your fund's NAV too fell, but by a much lesser percentage than the benchmark index, then your fund has again outperformed the benchmark. Thus this can be considered as one of the measures to analyze one's fund performance.

**\*\* TRI or Total Return Index** - is an index that measures the performance of a group of components by assuming that all cash distributions such as dividends, interest, rights offerings and other distributions realized over a given period of time are reinvested, in addition to tracking the components price movements.

Disclaimer

@ All Rights Reserved

The information and opinions contained herein have been compiled or arrived at based upon information obtained in good faith from sources believed to be reliable. Such information has not been independently verified and no guarantee, representation of warranty, express or implied is made as to its accuracy, completeness or correctness. The information has appeared in various external sources / media for public use or consumption and is now meant only for members and subscribers. The views expressed and/or events narrated/stated in the said information/ news items are perceived by the respective source. All such information and opinions are subject to change without notice. This document is for information purpose only. No one can use the information as the basis for any claim, demand or cause of action. While we would endeavor to update the information herein on a reasonable basis, we do not undertake to advise you as to any change of our views expressed in this document. This report has been produced independently of the company, and forward looking statements, opinions and expectations contained herein are entirely those of Indbank and given as part of its normal research activity. Descriptions of any company or companies or their securities mentioned herein are not intended to be complete and this document is not, and should not be construed as an offer or solicitation of an offer, to buy or sell any securities or other financial instruments. Indbank, its directors, analysts or employees do not take any responsibility financial or otherwise, of the losses or the damages sustained due to the investments made or any action taken on basis of this report, including but not restricted to, fluctuation in the prices of the shares and bonds, changes in the currency rates, diminution in the NAVs reduction in the dividend or income, etc. IBMS and its affiliates, officers, directors and employees including persons involved in the preparations or issuance of this report may from time to time have interest in securities there of, companies mentioned there in.

Web link for Standard & General Disclaimer: <https://corporate.indbankonline.com/Standard%20and%20General%20Disclaimer.pdf>

**For live and real time updates on stock market  
visit our website: [www.indbankonline.com](http://www.indbankonline.com)**



#### **Registered Office Address:**

No 480, First Floor, Khivraj Complex – 1, Anna Salai, Nandanam, Chennai - 600 035.

Phone : 044 - 24313094 - 97, Email : [indbank@indbankonline.com](mailto:indbank@indbankonline.com)

**Our Website: [www.indbankonline.com](http://www.indbankonline.com)**

#### **Editorial Team**

**Mr. Sesha Sai P L V K**  
President & Whole Time Director

**Mr. U. Rajkumar**  
Vice President (Incharge)

**Sreeram R**  
Research Analyst