



Indbank Online

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What's New!!!

Economic & Business Updates

Union Budget is a shot in the arm for Indian economy, says S&P: Global rating agency Standard and Poor's (S&P) said that India's Budget for FY22 represents a comprehensive effort by the central government to shore up the country's nascent economic recovery.

MPC keep policy rates unchanged, pegs real GDP growth at 10.5% in FY22: Reserve Bank of India (RBI) Governor Shaktikanta Das said the Monetary Policy Committee (MPC) has decided to keep policy rates unchanged. The repo rate is maintained at 4 percent and reverse repo rate at 3.35 percent, and the accommodative policy stance will continue. The MPC has pegged real Gross Domestic Product (GDP) growth at 10.5 percent in 2021-22.

RBI pushes Centre to slash Taxes on Petrol, Diesel: Fuel prices have been hitting new highs in major cities across India. In its bi-monthly monetary policy statement, the RBI noted that the sharp correction in food prices has improved the food price outlook, but pointed that pressure still remained and that core inflation was on the higher side. An unwinding of taxes on petroleum products by both the Centre and the states could ease the cost-push pressures," said the MPC in its statement.

Oil prices rise to highest in a year: Oil prices climbed to their highest levels in a year, extending a run of strong gains, boosted by the continued commitment of producers to hold back crude supply and positive signs of economic growth in the United States. U.S. West Texas Intermediate (WTI) crude futures jumped 51 cents, or 0.9%, to \$56.73 a barrel, after touching a high of \$56.75, the most since Jan. 22 last year. The benchmark contract is on track for a weekly gain of nearly 9%, which would be its biggest weekly gain since October.

Government eyes Rs 30k cr private investment in highway projects: The Centre has drawn up a Rs 2.02-lakh crore investment plan to build highways in the next financial year and Rs 30,000 crore of this sum is expected to come from the private sector. The latter amount will be raised through hybrid annuity model (HAM) and build-operate-transfer (BOT) projects.

Pfizer withdraws application for emergency use of its COVID-19 vaccine in India: Pfizer Inc has withdrawn an application for emergency-use authorization of its COVID-19 vaccine in India that it has developed with Germany's BioNTech, the company told Reuters. The U.S. Company, which was the first drugmaker to apply for emergency use authorization of its COVID-19 vaccine in the country, had a meeting with India's drugs regulator and the decision was made after that, the company said.

PayPal to shut domestic payments business in India: PayPal Holdings Inc will wind down its domestic payments business in India from April 1, 2021, the company said in a statement. San Jose, California-based PayPal will instead focus on its cross-border payments business, which means global customers will still be able to pay Indian merchants using the service.

Our Centralised Dealing Room Contact No: 044 - 42021368, 24313087, 24321232.

President Desk



Warm greetings to all readers!!!

Equity markets in India are rejoicing outcome of a pro-growth oriented Union Budget 2021. Markets prior to the event saw some nervousness and witnessed considerable profit booking. Foreign investors who pulled out funds prior to the budget fearing tax tinkering by the government, ploughed back the funds at a higher pace, realising the positivity budget could have on Indian economy going forward. Indian equity markets have given a clear thumbs-up for this growth oriented budget.

Budget had several positives for the economy in-turn for our equity markets. Sectors that had announcements in their favour were Healthcare, Infrastructure, Banking, Insurance etc. Healthcare sector saw an allocation of ₹2.24 trillion, which is an increase of 137% on fund allocation for health and well-being sector. On tax front, rates remained unchanged and no major exemptions / relief were provided in the budget. Newer proposals are, sale of surplus land lying with the ministries and public sector enterprises, raising FDI limit in insurance sector, launching development financial institution to finance infra projects, bad bank to take over the bad loans of public sector banks were other notable new proposals in the budget.

Monetary Policy Committee of RBI unanimously voted for keeping rates status-quo and to maintain an accommodative stance. This decision goes in tandem with union budget presented days before RBI Monetary Policy Committee members met for their bi-monthly review.

Overall equity portfolio returns have started turning positive after going through a period of slump. Thanks to broad based rally that we are witnessing off late when compared to select very few stocks that used to dominate market moves earlier. Going forward with the positive policy announcements, it is expected that mid and small sized companies could witness decent growth.

Crude oil prices are inching higher and almost ruling at a year high levels. This can considerably have inflationary pressure which may act as a temporary deterrent for the ongoing bull run that we are witnessing in our markets. And thus it is always better to stick on with quality business franchises than betting on low quality companies.

Happy and Safe Investing!!!

Snap Shots

<i>Inflation (WPI) (%)</i>	1.22% (December 2020)	1.55% (November 2020)	1.48% (October 2020)	1.32% (September 2020)
<i>Inflation (CPI) (%)</i>	4.59% (December 2020)	6.93% (November 2020)	7.61% (October 2020)	7.34% (September 2020)
<i>India Industrial Production (IIP) (%)</i>	-1.9% (November 2020)	3.6% (October 2020)	0.2% (September 2020)	-8.0% (August 2020)
<i>Particulars</i>	08-Jan-2021	15-Jan-2021	22-Jan-2021	29-Jan-2021
<i>91-Day Cut-off (%)</i>	3.04	3.27	3.32	3.35
<i>10-yr G-Sec yield (%)</i>	5.91	5.99	5.95	5.96
<i>USD/INR(Rs)</i>	73.33	73.02	73.04	72.95
<i>EUR/INR (Rs)</i>	89.94	88.64	88.86	88.30

Global Indices

Indices	Country	Index as on 29.01.2021	Index as on 31.12.2020	Variation (%) (Inc/Dec)
<i>SENSEX</i>	<i>India</i>	46,285.77	47,751.33	-3.07
<i>NIFTY 50</i>	<i>India</i>	13,634.60	13,981.75	-2.48
<i>NASDAQ</i>	<i>United States</i>	13,070.69	12,888.28	1.42
<i>DJIA</i>	<i>United States</i>	29,982.62	30,606.48	-2.04
<i>S&P 500</i>	<i>United States</i>	3,714.24	3,756.07	-1.11
<i>FTSE 100</i>	<i>United Kingdom</i>	6,407.46	6,471.90	-1.00
<i>CAC 40</i>	<i>France</i>	5,399.21	5,551.41	-2.74
<i>DAX</i>	<i>Germany</i>	13,432.87	13,718.78	-2.08
<i>Nikkei 225</i>	<i>Japan</i>	27,663.39	27,444.17	0.80
<i>Straits Times</i>	<i>Singapore</i>	2,902.52	2,843.81	2.06
<i>Hang Seng</i>	<i>Hong Kong</i>	28,283.71	27,231.13	3.87
<i>Shanghai Composite</i>	<i>China</i>	3,483.07	3,473.07	0.29

Institutional Investments

Category	Debt/Equity	Gross Purchases (Rs Crores)	Gross Sales (Rs Crores)	Net Investment (Rs Crores)
FII Investments January 2021	Equity	177,105.41	162,593.71	14,511.70
	Debt	16,898.07	20,559.06	-3,660.99
Mutual Fund January 2021	Equity	71,773.88	84,754.23	-12,980.35
	Debt	114,300.15	102,468.34	11,831.81
FII Derivative Trades (Rs. in Crores) January 2021	INDEX FUTURES	INDEX OPTIONS	STOCK FUTURES	STOCK OPTIONS
-Buy	91,678.45	7,858,608.02	360724.10	209486.85
-Sell	97,018.19	7,827,996.07	358436.06	210018.12

New Fund Offers

Fund Name	Open Date	Close Date	Min. Investment (Rs.)	Type
Nippon India Nifty 50 Value 20 Index Fund	04-Feb-2021	12-Feb-2021	5,000	Open Ended
Nippon India Nifty Midcap 150 Index Fund	04-Feb-2021	12-Feb-2021	5,000	Open Ended

Forthcoming Corporate Action

Symbol	Company Name	Purpose	Ex-date	Record date
BEL	BHARAT ELECTRONICS LTD.	Interim Dividend - Rs. - 1.40	08-Feb-21	09-Feb-21
GRANULES	GRANULES INDIA LTD.	Interim Dividend - Rs. - 0.25	08-Feb-21	09-Feb-21
GRAVITA	GRAVITA INDIA LTD.	Interim Dividend - Rs. - 1.10	08-Feb-21	09-Feb-21
INDUSTOWER	Indus Towers Ltd	Interim Dividend - Rs. - 17.8	08-Feb-21	09-Feb-21
LAURUSLABS	Laurus Labs Ltd	Interim Dividend - Rs. - 0.40	08-Feb-21	09-Feb-21
MOTILALOF	MOTILAL OSWAL FINANCIAL SERVICES LTD.	Interim Dividend - Rs. - 5.00	08-Feb-21	09-Feb-21
ORIENTCEM	Orient Cement Ltd	Interim Dividend - Rs. - 0.50	08-Feb-21	09-Feb-21
CHOLAFIN	Cholamandalam Investment and Finance Company Ltd	Interim Dividend - Rs. - 1.30	09-Feb-21	10-Feb-21
CUMMINSIND	CUMMINS INDIA LTD.	Interim Dividend - Rs. - 7.00	09-Feb-21	10-Feb-21
IOC	INDIAN OIL CORPORATION LTD.	Interim Dividend - Rs. - 7.50	09-Feb-21	10-Feb-21

LALPATHLAB	Dr. Lal PathLabs Ltd	Interim Dividend - Rs. - 6.00	09-Feb-21	10-Feb-21
PERSISTENT	PERSISTENT SYSTEMS LTD.	Interim Dividend - Rs. - 14.00	09-Feb-21	10-Feb-21
SUNPHARMA	SUN PHARMACEUTICAL INDUSTRIES LTD.	Interim Dividend - Rs. - 5.50	09-Feb-21	10-Feb-21
COROMANDEL	COROMANDEL INTERNATIONAL LTD.	Interim Dividend - Rs. - 6.00	10-Feb-21	11-Feb-21
KPRMILL	K.P.R. Mill Limited	Interim Dividend - Rs. - 3.75	10-Feb-21	11-Feb-21
MANAPPURAM	MANAPPURAM FINANCE LTD.	Interim Dividend - Rs. - 0.65	10-Feb-21	11-Feb-21
PGHH	PROCTER & GAMBLE HYGIENE & HEALTH CARE LTD.	Interim Dividend - Rs. – 85.00	10-Feb-21	11-Feb-21
BAJAJCON	Bajaj Consumer Care Ltd	Interim Dividend - Rs. - 6.00	11-Feb-21	13-Feb-21
DHAMPURSUG	DHAMPUR SUGAR MILLS LTD.	Interim Dividend - Rs. - 6.00	11-Feb-21	12-Feb-21
EQUITAS	Equitas Holdings Ltd	Interim Dividend - Rs. - 2.00	11-Feb-21	13-Feb-21
GILLETTE	GILLETTE INDIA LTD.	Interim Dividend - Rs. - 33.00	11-Feb-21	12-Feb-21
HIL	HIL LTD.	Interim Dividend - Rs. - 15.00	11-Feb-21	12-Feb-21
IIFLWAM	IIFL Wealth Management Ltd	Interim Dividend - Rs. - 30.00	11-Feb-21	12-Feb-21
NTPC	NTPC LTD.	Interim Dividend - Rs. - 3.00	11-Feb-21	12-Feb-21
HEROMOTOCO	HERO MOTOCORP LTD.	Interim Dividend - Rs. - 65.00	15-Feb-21	16-Feb-21
RCF	RASHTRIYA CHEMICALS & FERTILIZERS LTD.	Interim Dividend - Rs. - 1.20	17-Feb-21	19-Feb-21

Stock picks

Company Name	Current Market Price (CMP) (RS)	Buy / Sell	Recommended Buy / Sell price range	Stop loss	Target	Short / Medium / Long term
SAIL	65.05	Buy	65	55	75-80	Short term
Biocon	407.20	Buy	407	396	440	Short term
Asian paints	2376.75	Buy	2350-75	2250	2530	Medium term

* Short term – 3 to 6 months, Medium term – 6 to 12 months, Long term – 12 months and above, CMP as on 05.02.21.

Crude and Rupee check

Crude opened at \$ 51.50 in the month of January. Crude witnessed buying interest and price volatility on back of economic recovery in many parts of the world. Crude for the month closed at \$ 55.88. Rupee closed at Rs 72.87 on 29th January, 2021.

Brent crude price movement:



USD-INR price movement:



Mutual Fund Corner

Scheme for the Month : Axis Midcap Fund

Level of Risk : Very High

Objective

The scheme seeks to achieve long term capital appreciation by investing predominantly in equity & equity related instruments of Mid Cap companies.

Trailing Returns

Trailing Returns (%)	Fund	S&P BSE 150 MidCap TRI	Equity: Mid Cap
YTD	4.64	8.14	6.79
1-M	2.01	4.44	3.49
3-M	18.22	25.59	23.27
1-Y	25.08	28.3	25.06
3-Y	17.66	8.46	8.43
5-Y	17.65	15.87	14.27
Return Since Launch	18.06%		

Fund Style			Concentration & Valuation																																				
<p>Investment Style</p> <table border="1"> <tr> <td>Growth</td> <td>Blend</td> <td>Value</td> <td rowspan="3">Capitalization</td> </tr> <tr> <td></td> <td></td> <td></td> <td>Large</td> </tr> <tr> <td></td> <td></td> <td></td> <td>Medium</td> </tr> <tr> <td></td> <td></td> <td></td> <td>Small</td> </tr> </table>			Growth	Blend	Value	Capitalization				Large				Medium				Small	<table border="1"> <tr> <td>Number of Stocks</td> <td colspan="2">54</td> </tr> <tr> <td>Top 10 Stocks (%)</td> <td colspan="2">34.97</td> </tr> <tr> <td>Top 5 Stocks (%)</td> <td colspan="2">19.31</td> </tr> <tr> <td>Top 3 Sectors (%)</td> <td colspan="2">47.22</td> </tr> <tr> <td>Portfolio Ratio</td> <td>P/B</td> <td>5.32</td> </tr> <tr> <td>Portfolio Ratio</td> <td>P/E</td> <td>36.24</td> </tr> </table>			Number of Stocks	54		Top 10 Stocks (%)	34.97		Top 5 Stocks (%)	19.31		Top 3 Sectors (%)	47.22		Portfolio Ratio	P/B	5.32	Portfolio Ratio	P/E	36.24
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Asset Allocation as on 31.12.2020			Current Statistics & Profile																																				
As on 31.12.2020		% Net Assets	Latest NAV																																				
Equity		97.4	Rs. 52.36(Growth)																																				
Debt		2.6	Rs. 30.61(Dividend) as on 05.02.21																																				
Cash		-	Fund Category																																				
Investment Details			Equity: Mid Cap																																				
Minimum Investment Amount (Rs)		Rs 5,000	Type																																				
Additional Investment (Rs)		Rs 100	Open Ended																																				
SIP(Rs)		Rs 500	Launch Date																																				
Options		Growth/Dividend	Feb 18, 2011																																				
Expense Ratio (%)		1.89%	Net Assets (Cr)																																				
Lock-in period		Nil	Rs 8,515 Cr																																				
Exit Load (%)		For units in excess of 10% of the investment,1% will be charged for redemption within 365 days	Benchmark																																				
			S&P BSE Mid Cap TRI																																				

Top 10 stock constituents of fund in percentage as on 31.12.20

Sl. No.	Company	Sector	% Net Assets
1)	Cholamandalam Invest. & Fin.	Financial	4.53
2)	PI Industries	Chemicals	4.01
3)	Voltas	Cons Durable	3.74
4)	Ipca Laboratories	Healthcare	3.55
5)	Astral Poly Technik	Chemicals	3.48
6)	Bajaj Finance	Financial	3.42
7)	HDFC Bank	Financial	3.21
8)	Avenue Supermarts	Services	3.12
9)	Endurance Technologies	Automobile	2.96
10)	Tata Consumer Products	FMCG	2.95

Knowledge corner!!!

What Is an Index Fund?

An index fund is a type of mutual fund or exchange-traded fund (ETF) with a portfolio constructed to match or track the components of a financial market index, such as Nifty 50, Nifty Bank etc. An index mutual fund is said to provide broad market exposure, low operating expenses, and low portfolio turnover. These funds follow their benchmark index regardless of the state of the markets.

Five reasons to select an index fund to invest in:

- These index funds are the ultimate example of passive investing. Since the index fund is just pegged to the index constituents, its portfolio mix becomes a lot simpler and also a lot more predictable.
- Risks become more finite and transparent in case of index funds.
- Cost advantage.
- The index funds can generate healthy returns over a longer time horizon provided one has the patience to hold on with discipline.
- A big advantage of Index funds is that they overcome human bias in a big way.

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

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