



Indbank Online

January 2021 | Issue – 140

What's New!!!

Economic & Business Updates

GST collections for December highest ever at Rs 1.15 lakh crore: Goods and Services Tax collections for December 2020 rose to Rs 1.15 lakh crore, the highest ever since the implementation of the nationwide new tax regime in July 2017, the Finance Ministry said in a press statement on January 1, 2021.

Indian economy to register positive growth of 10% in FY21-22 says Care Ratings: In the financial year 2021-22, the Indian economy is projected to register positive growth of around 10 percent, propped up by the low-base effect, Care Ratings said in a report on December 31, 2020.

India's economy could prove to be 'most resilient' in sub region over long term says UN: India's economy could prove to be the "most resilient" in the sub region of South and South-West Asia over the long term, according to a report by the UN, which says a positive but lower economic growth post COVID-19 pandemic and the country's large market will continue to attract investments.

PMI Manufacturing in expansionary zone for fifth straight month: India's Manufacturing Purchasing Managers Index (PMI), which tracks sentiment in the sector, rose to 56.4 in December 2020 from 56.3 in November 2020.

FPIs invest record Rs 62,016 crore in equities in December, turn net buyers for 3rd straight month: Foreign portfolio investors (FPIs) remained net buyers for the third month in a row by investing Rs 68,558 crore in Indian markets as global investors continued betting on emerging markets. For the equity segment, this is the highest quantum of money invested ever since the FPI data has been made available by the National Securities Depository Ltd.

Tata Sons overtakes central government as largest promoter of listed companies: In the calendar year (CY) 2020, Tata Sons surpassed the government of India as the largest promoter with maximum listed companies. It is for the first time in nearly 20 years that the central government is not the largest promoter of public companies, according to a Business Standard report. This was attributed to a double-digit fall in market capitalisation of public-sector units (PSUs) during the CY 2020. Tata Sons' stake in group listed companies increased by 34.4% year-on-year (YoY) to Rs 9.28 lakh crore.

Oil eases after hitting multi-month high before OPEC meeting: Oil prices retreated from multi-month highs as the prospect of an upsurge in the novel coronavirus will lead to tougher movement restrictions. OPEC and allied producers will decide on capping output at current levels for now.

Bitcoin breaches \$34,000 as rally extends into New Year: Bitcoin, the world's largest cryptocurrency surpassed \$34,000 mark for the first time.

President Desk



Warm greetings to all readers!!!

Wishing all our esteemed customers and readers a Happy and Prosperous New Year.

The benchmark indices have gained more than 15 per cent last year while the mid and small-cap indices have managed higher gains, as the rally became more broad-based in the last quarter of the year gone by. The Indian stock market has proved to be among the most resilient in 2020, closing the year with sizeable gains. While stocks were initially lifted due to the humongous stimulus funding announced by countries across the globe, Indian equities were particularly favoured by foreign portfolio investors last year and their net purchases amounting to ₹1,68,000 crore of Indian stocks was largely instrumental in taking the benchmark indices to an all-time high levels.

Corporate earnings, that witnessed a severe contraction in the June 2020 quarter, recorded remarkable recovery in September quarter, thanks to cost controls, lower interest cost and taxes. Given the rally that we are witnessing in our domestic markets, it is evident that markets are pricing in revival in corporate earnings going forward. Any disappointments on this front going ahead, can hamper the momentum of market moves.

British Prime Minister has set off an alarm around the world, by announcing that a mutant strain of the Covid virus has gone “out of control”. Gripped by panic, the EU and other countries have closed its doors on British travel and goods. This response cannot really be called a knee-jerk, in a year that has seen 1.7 million deaths due to Covid, and with cases in US and parts of EU back to mid-year levels. Exponential rise in cases of new corona variant in western countries is keenly watched by market participants’ for any potential future economic impact and disruptions therein.

December 2020 saw record GST collection of Rs 1.15 lakh crores, marking this as the highest collection ever since the new tax regime came into force. This record collection in GST are on back of increased tax compliance and revival in the economy.

As we all know Covid vaccination drive has slowly began in various parts of India. Given the huge geographic dimension of our country, it is known that this mammoth exercise will take some time till the last individual of our society get vaccinated. And hence every one of us should stay safe, vigilant and adhere to all the prescribed safety protocols to keep us safe from infection at all times.

Happy and Safe Investing!!!

Snap Shots

<i>Inflation (WPI) (%)</i>	1.55% (November 2020)	1.48% (October 2020)	1.32% (September 2020)	0.16% (August 2020)
<i>Inflation (CPI) (%)</i>	6.93% (November 2020)	7.61% (October 2020)	7.34% (September 2020)	6.69% (August 2020)
<i>India Industrial Production (IIP) (%)</i>	3.6% (October 2020)	0.2% (September 2020)	-8.0% (August 2020)	-10.4 (July 2020)
<i>Particulars</i>	04-Dec-2020	11-Dec-2020	18-Dec-2020	25-Dec-2020
<i>91-Day Cut-off (%)</i>	3.05	3.11	3.13	3.11
<i>10-yr G-Sec yield (%)</i>	5.83	5.91	5.92	5.91
<i>USD/INR(Rs)</i>	73.74	73.59	73.51	73.58
<i>EUR/INR (Rs)</i>	89.64	89.47	90.03	89.81

Global Indices

Indices	Country	Index as on 31.12.2020	Index as on 30.11.2020	Variation (%) (Inc/ Dec)
<i>SENSEX</i>	<i>India</i>	47,751.33	44,149.72	8.16
<i>NIFTY 50</i>	<i>India</i>	13981.75	12968.95	7.81
<i>NASDAQ</i>	<i>United States</i>	12,888.28	12,198.74	5.65
<i>DJIA</i>	<i>United States</i>	30,606.48	29,638.64	3.27
<i>S&P 500</i>	<i>United States</i>	3,756.07	3,621.63	3.71
<i>FTSE 100</i>	<i>United Kingdom</i>	6471.90	6298.44	2.75
<i>CAC 40</i>	<i>France</i>	5,551.41	5,518.55	0.60
<i>DAX</i>	<i>Germany</i>	13,718.78	13,291.16	3.22
<i>Nikkei 225</i>	<i>Japan</i>	27,444.17	26,433.62	3.82
<i>Straits Times</i>	<i>Singapore</i>	2843.81	2798.13	1.63
<i>Hang Seng</i>	<i>Hong Kong</i>	27,231.13	26,341.49	3.38
<i>Shanghai Composite</i>	<i>China</i>	3,473.07	3,391.76	2.40

Institutional Investments

Category	Debt/Equity	Gross Purchases (Rs Crores)	Gross Sales (Rs Crores)	Net Investment (Rs Crores)
FII Investments December 2020	Equity	186,459.19	132,959.53	53,499.66
	Debt	23,784.11	18,148.15	5,635.96
Mutual Fund December 2020	Equity	32,997.31	52,370.15	-19,372.84
	Debt	79,115.70	66,969.79	12,145.91
FII Derivative Trades (Rs. in Crores) December 2020				
	INDEX FUTURES	INDEX OPTIONS	STOCK FUTURES	STOCK OPTIONS
-Buy	90,217.07	7,013,897.04	378374.70	134189.48
-Sell	93,765.06	6,994,093.16	379680.64	134380.19

New Fund Offers

Fund Name	Open Date	Close Date	Min. Investment (Rs.)	Type
ICICI Prudential Business Cycle Fund	29-Dec-2020	12-Jan-2021	5000	Open Ended

Forthcoming Corporate Action

Symbol	Company Name	Purpose	Ex-date	Record date
GDL	GATEWAY DISTRI PARKS LTD.	Interim Dividend - Rs. - 2.0000	05-Jan-21	06-Jan-21
RITES	RITES Ltd	Interim Dividend - Rs. - 5.0000	08-Jan-21	11-Jan-21
REFEX	Refex Industries Limited	Interim Dividend - Rs. - 1.0000	11-Jan-21	12-Jan-21
COCHINSHIP	Cochin Shipyard Ltd	Interim Dividend - Rs. - 9.0000	13-Jan-21	14-Jan-21
SVPGLOB	SVP GLOBAL VENTURES LTD.	Stock Split From Rs.10/- to Rs.1/-	14-Jan-21	15-Jan-21
TCS	TATA CONSULTANCY SERVICES LTD.	Interim Dividend	14-Jan-21	16-Jan-21
HCLTECH	HCL TECHNOLOGIES LTD.	Interim Dividend	21-Jan-21	23-Jan-21
ZENSARTECH	ZENSAR TECHNOLOGIES LTD.	Interim Dividend	29-Jan-21	01-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
IDBI Bank	31.90	Buy	31-32	27	38	Short term
Britannia	3552	Buy	3500-3550	3400	3620	Short term
Thyrocare	934	Buy	900-925	870	980	Medium term

* Short term – 3 to 6 months, Medium term – 6 to 12 months, Long term – 12 months and above, CMP as on 04.01.21.

Crude and Rupee check

Crude opened at \$ 47.79 in the month of December. Crude witnessed buying interest and price volatility on back of economic recovery. Crude for the month closed at \$ 51.80. Rupee closed at Rs 73.03 on 31st December, 2020.

Brent crude price movement:



USD-INR price movement:



ETF Corner

Scheme for the Month : CPSE Exchange Traded Fund

Level of Risk : High

Objective

The scheme seeks to provide returns that, before expenses, closely correspond to the total returns of the Securities as represented by the CPSE Index, by investing in the Securities which are constituents of the CPSE Index in the same proportion as in the index.

Trailing Returns

Trailing Returns (%)	Fund (%)	NIFTY CPSE TRI
YTD	2.57	2.87
1-M	4.78	5.69
3-M	26.27	31.02
1-Y	-11.66	-10.81
3-Y	-12.05	-10.62
5-Y	-0.49	0.84

ETF Details

NAV as on 04.12.2020	Rs 20.87
Fund House	Nippon India Mutual Fund
Launch Date	28-Mar-2014
Return Since Launch	0.98%
Benchmark	NIFTY CPSE TRI
Type	Open-ended
Assets Under Management	₹ 11,374 Cr (As on 30-Nov-2020)
Expense	0.01 % (As on 30-Nov-2020)
Underlying asset	Equity

Knowledge corner!!!

What Is a Total Return Index?

A total return index is a type of equity index that tracks both the capital gains as well as any cash distributions, such as dividends or interest, attributed to the components of the index. Looking at an index's total return displays a more accurate representation of the index's performance to shareholders. A total return index may be deemed more accurate than other methods that do not account for the activity associated with dividends or distributions, such as those that focus purely on the annual yield.

Total Return Index (TRI) vs Price Return Index (PRI):

An investment vehicle like a mutual fund generates returns by two means, i.e. capital appreciation and dividend pay-outs. Capital appreciation refers to the increase or decrease in the market price of the security. While measuring returns generated by security like equity fund, then both the above components play a crucial role. The Price Return Index (PRI), which acted as the benchmark for mutual fund schemes, captured only the capital appreciation aspect of index constituents. It ignored the dividend payment component of mutual fund schemes. Total Return Index (TRI) has been introduced to make things transparent and credible. It includes both the capital gains and dividend component to determine returns.

Effect on Mutual Fund Investors:

Historically, a large number of actively managed mutual funds have outperformed the benchmark indices over the long term. But as their asset under management grew, the degree of excess return or alpha started shrinking. If an investor finds that fund which outperformed the Price Return Index is underperforming the Total Return Index, for say 3 to 5 years, it is time to conduct a detailed performance review. In case the situation doesn't improve, then investor might have to switch to other fund options.

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