Benchmark indices were trading around a per cent lower on Monday due to selling across the board on concerns over the flare-up in US-Iran tensions and the subsequent impact on the equity markets.

At 10:45 AM, the S&P BSE Sensex was trading at 41,020, down 434 points or 1.1%. Market breadth are negative and out of a total of 2,068 shares traded on the Bombay Stock Exchange, 430 advanced while 1,532 declined and 106 remained unchanged. The Nifty 50 was down 135 points or 1.1% at 12,092.

10-year Indian G-Sec yields were trading at 6.550 in morning against the previous close of 6.510.

THE WEEK THAT WAS

Key barometer indices suffered second straight weekly loss. Volatility was high during the week. Small and mid-cap stocks outperformed the S&P BSE Sensex. Nifty 50 had settled at record high during the week.

In the week ended on Friday, 3 January 2020, the S&P BSE Sensex fell 110.53 points or 0.27% to settle at 41,464.61. The Nifty 50 index declined 19.15 points or 0.16% to settle at 12,226.65.

The BSE Midcap index gained 185.33 points or 1.24% to settle at 15,114.55. The BSE Smallcap index rose 441.08 points or 3.25% to settle at 13,988.89.
GLOBAL MARKETS

Asian share markets ran into turbulence on Monday as a flare-up of tensions in the Middle East sent gold to its highest in almost seven years while oil flirted with four-month peaks.

The United States detected a heightened state of alert by Iran’s missile forces, as President Donald Trump warned the US would strike back, “perhaps in a disproportionate manner,” if Iran attacked any American person or target.

Iraq’s parliament on Sunday recommended all foreign troops be ordered out of the country after the U.S. killing of a top Iranian military commander and an Iraqi militia leader.

MSCI’s broadest index of Asia-Pacific shares outside Japan was off 0.2% though China had yet to open.

Japan’s Nikkei slid 1.7% in a sour return from holiday, while E-Mini futures for the S&P 500 fell 0.4% in very choppy trade.

INDIAN RUPEE

The Indian rupee fell to hit a two-month low against US dollar on Monday after oil prices surged following a spike in tensions between the US and Iran.
In early deals today, the rupee traded at 72.04 a dollar, down 0.3% from Friday's close of 71.81.

**CRUDE OIL**

Oil prices continued to rise Monday as tensions escalate between the United States and Iran.

Futures for Brent crude, the global benchmark, gained 2.4% to reach $70.24 per barrel — the first time prices have hit that amount in more than six months. US oil futures advanced 2.1% to reach $64.36 per barrel.

Oil prices rose more than 3% on Friday after Qasem Soleimani, a top Iranian commander, was killed in a US strike ordered by President Donald Trump.

**WEEK AHEAD**

Initial batch of results of India Inc for the quarter ended December 2019 will be in focus in the forthcoming week. Besides, macroeconomic data, trend in global markets, the movement of rupee against the dollar and crude oil price movement, inflows from foreign portfolio investors and domestic institutional investors will also be closely watched.

On the macro front, Markit Services PMI for December 2019 will be unveiled today. India’s Industrial Production data for November 2019 will be released on Friday, 10 January 2020.

On the global front, China will announce Caixin Services PMI and Caixin Composite PMI for December today. China will announce Inflation data for December on Thursday.

Japan Manufacturing PMI final data for December will be announced today. US will announce Markit Services PMI and Markit Composite PMI final data for November today.

In Europe, the Euro Area Markit Services PMI (final) and Markit Services PMI (final) for December will be declared today.

<table>
<thead>
<tr>
<th>Fund Flow</th>
<th>Amount in Rs. Crore</th>
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<tbody>
<tr>
<td><strong>Nature</strong></td>
<td><strong>Gross Pur.</strong></td>
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<tr>
<td><strong>FII</strong></td>
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<tr>
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<td>Debt</td>
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<tr>
<td>Debt</td>
<td>6593.76</td>
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*Source: Reuters, Capital Market, Internal*

Mutual Fund investments are subject to market risks, read all scheme related documents carefully.
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