

NEWS-O-LOGY

India, The Treasure-Trove!

India only emerging market to see net foreign fund inflows in 2020

India is the only country in the emerging market universe that got net inflows from foreign investors into the stock market in the past 12 months. According to an Economic Times study based on Bloomberg data of countries that reveal flows, foreign portfolio investors pumped USD23.6 billion into Indian equities in the past year.

Staying Invested		
Foreign Inflows into EM Equities		
Country	Inflows (\$ bn)	1-Year Index Return (%)
India	23.7	17.27
Vietnam	-0.9	29.63
Philippines	-2.5	-6.26
Indonesia	-3.2	-0.27
Turkey	-4.4	29.83
Malaysia	-6.1	2.62
Brazil	-6.6	8.29
South Africa	-7.4	10.50
Thailand	-8.2	-2.80
Taiwan	-12.9	28.60
South Korea	-21.2	42.87

SOURCE: Bloomberg

Vaccine For The Valiant

Centre to bear full cost of Phase 1 vaccination against COVID-19

Government of India on Monday said the Centre will bear the entire cost of vaccinating the 30-million-strong priority group against Covid-19, in the first phase of the mammoth exercise that kicks off on January 16. He made it clear that politicians will not be part of this group. Ministers to ensure that politicians do not jump the queue, and take the vaccine. The first effort is to make vaccines reach health

workers, both government and private. They, along with frontline workers – safai karamcharis, police, armed forces, central armed police forces, home guards, disaster management volunteers, civil defence personnel, revenue officials involved in containment and surveillance – all will be covered in Phase 1. This involves 30mn people - all costs of vaccinating them will be borne by the Centre Govt and not by states. The two made-in-India vaccines approved for restricted emergency use — Serum Institute of India’s Covishield and Bharat Biotech’s Covaxin — are more cost-effective than other vaccines.

FDI Hike

On table: 74% FDI cap for insurance

The government is considering a higher limit for foreign investment in the insurance and pension sectors, currently pegged at 49% of paid-up equity capital. The proposal under consideration is to raise the limit to 74%, on par with that for private banks, an official aware of deliberations told Economic Times. The Insurance Regulatory and Development Authority of India (IRDAI) has backed an increase in the limit to 74%.

Tesla Teams Up With India!

Tesla sets up India subsidiary in Bengaluru

Tesla, the world's most valued carmaker, has incorporated a fully owned subsidiary as a first step to set up an R&D unit and a manufacturing plant for its electric vehicles in the country. Tesla’s Global Senior Director David Jon Feinstein, Chief Accounting Officer Vaibhav Taneja and Bengaluru-based entrepreneur Venkatrangam Sreeram are on the board of the India unit, Tesla India Motors and

Energy Pvt Ltd, according to disclosures with the Ministry of Corporate Affairs.



SIPs Soar...

Rising SIP collections, folios point to retail comeback in equities

Retail investors are sticking to the staggered purchase strategy in equity mutual funds amid high valuations and soaring markets. These investors are allocating funds to equities through the systematic transfer plan (STP), where a fixed amount is transferred from a debt fund to an equity mutual fund, or the systematic investment plan (SIPs) where they invest a fixed amount every month on a particular date. The number of new registrations for SIP investments increased sharply to 1.4mn in December from 1mn in November.

Centre Expands Investment Scope

ESIC too may be allowed to invest 15% of corpus in mutual funds, stocks

A chunk of the INR910billion corpus that the Employees' State Insurance Corporation (ESIC) keeps in ultra-safe but low-yielding fixed deposits (FDs), could

find its way into stock markets and corporate bonds, with the Union government considering an expansion in its investment scope. The move could open up new investment avenues such as mutual funds, corporate bonds, commercial papers of leading private banks, and even equities, two government officials aware of the plan said on condition of anonymity.



Signal Gets India's Green Signal!

India market completely exceeded all expectations, says Signal Co-Founder

Signal saw a meteoric rise as a direct consequence of privacy debate around its larger rival WhatsApp, but its Co-Founder Brian Acton said the messaging platform is hoping to capitalise on the opportunities with its "simple and straightforward" terms of service and privacy policy. Signal, a non-profit, has seen millions of downloads globally after WhatsApp updated its privacy policy that included a controversial change of linking data of WhatsApp users to Facebook's other products and services. Signal is a cross-platform end-to-end encrypted messaging service that allows users to have one-on-one conversations and group chats.

ACTION IN PRIVATE EQUITY

La Renon raises USD30 million from A91 Partners at USD500 million valuation

La Renon Healthcare has raised USD30 million from A91 Partners, valuing the Ahmedabad-based pharma company at USD500 million. The firm, which specialises in the chronic diseases segment, was valued at USD100 million in 2015 when it received USD16 million then, from Sequoia Capital. La Renon will use the funds to strengthen its product portfolio and R&D capabilities.



Zoho positions its Arattai app as WhatsApp rival amid user exodus

Zoho, the Indian SaaS bootstrapped unicorn, is set to dispatch Arattai, a messaging application following the lines of Signal and WhatsApp. The dispatch for the application, which is probably going to be turned out in half a month, comes in as a move after WhatsApp as of late refreshed its privacy policy, permitting it to impart more data with its parent organization Facebook.



Zupee raises USD10 million funding from WestCap, Matrix Partners India

Skills-based online gaming platform Zupee raised USD10 million in a funding round led by US-based growth equity firm WestCap Group and existing investor Matrix Partners India.

With this, Zupee has now raised a total of USD19 million, including the USD8 million funding in April 2020. Zupee plans to use the latest funding to expand its market reach, scale its platform, improve user experience and strengthen its team.



Siply raises USD1 million in seed funding from Inflection Point Ventures

Siply has raised USD1 million in seed funding from Inflection Point Ventures to expand its teams, and scale up its tech platforms and initial pilots with partners. The fintech start-up is targeting 400 million under-served masses with its micro-savings app, which provides regional language support for end users and other services such as digital onboarding, instant withdrawals and a wide range of investments.



Goldman, Temasek, Carlyle vie for 30% stake in GVK Biosciences

Singapore's Temasek Holdings, Goldman Sachs, and global PE firm Carlyle are competing to acquire around 30% stake in

Hyderabad-based contract research organisation GVK Biosciences, a report said. The new investor will buy out ChrysCapital's 17% stake. ChrysCapital bought the stake in 2015 for USD19.8 million. The deal is likely to value the company at USD800 million, thrice its 2015 valuation. Due diligence by the shortlisted players, chosen from among Warburg Pincus, General Atlantic and Quadria Capital, is expected to begin soon.



Blackstone, CVC Capital & Warburg Pincus in race for Suven Pharma

Blackstone, Warburg Pincus and CVC Capital Partners have been shortlisted to buy a controlling stake in Hyderabad-based Suven Pharmaceuticals, one of India's oldest contract manufacturers, said people aware of the matter. The promoters, Venkateswarlu Jasti and his family, who own 60% of the company, are looking to halve their shareholding in favour of a new investor, capitalising on growing demand among strategic and financial investors worldwide to own businesses supplying bulk drugs to global pharma majors.



Unacademy concluded a secondary share sale

Unacademy has concluded a secondary transaction round that saw Tiger Global, Dragoneer Investment Group, Steadview Capital and General Atlantic purchase USD50 million-worth of shares from existing investors to increase their stake in the EdTech start-up. Tiger Global and Dragoneer had in November invested an undisclosed amount in the Unacademy Group at a valuation of USD2 billion.



Quote Of The Week

"The economy will recover in 2021 and we expect GDP growth to rise by 13.6%" – Government of India

MARKET & MACRO INDICATORS

NARROW MARKET INDICES				TOP 3 NIFTY 100			
Sr. No.	Indice	Jan 15, 2021	WoW Change %	Sr. No.	Name	Jan 15, 2021	WoW Change %
1	Nifty 50	14,433.70	0.60%	1	Tata Motors Ltd.	260.3	31.40%
2	S&P BSE SENSEX	49,034	0.52%	2	Bank of Baroda	75.2	14.70%
3	Nifty 100	14,558.80	0.31%	3	DLF Ltd.	279.5	12.60%
4	S&P BSE-100	14,593.13	0.27%	BOTTOM 3 NIFTY 100			
				Sr. No.	Name	Jan 15, 2021	WoW Change %
				1	Bandhan Bank Ltd.	368.6	-12.10%
				2	Hindustan Zinc Ltd.	274.2	-9.80%
				3	Asian Paints Ltd.	2590.9	-8.90%
BROADER MARKET INDICES							
Sr. No.	Indice	Jan 15, 2021	WoW Change %	Policy Rates			
1	Nifty 500	11,931.20	0.05%	Policy Repo Rate	4%		
2	NIFTY Midcap 100	21,934.25	-1.17%	Reverse Repo Rate	3.35%		
3	NIFTY Smallcap 100	7,401.60	-0.56%	Marginal Standing Facility Rate	4.25%		
4	S&P BSE-100	14,593.13	0.27%	Bank Rate	4.25%		
5	S&P BSE Mid Cap	18,904.14	-1.23%	Reserve Ratio			
6	S&P BSE SmallCap	18,682.12	-1.20%	CRR	3%		
				SLR	18%		
SECTORAL INDICES							
Sr. No.	Indice	Jan 15, 2021	WoW Change	Lending / Deposit Ratio			
1	Nifty Realty	331.25	1.15%	Base Rate	7.30% - 8.80%		
2	Nifty Auto	10,178.30	4.49%	MCLR (Overnight)	6.55% - 7.05%		
3	Nifty Energy	17,341.05	0.50%	Savings Deposit Rate	2.70% - 3.00%		
4	Nifty FMCG	34,630.05	1.03%	Term Deposit Rate > 1 Year	4.90% - 5.50%		
5	Nifty Infrastructure	3,890.45	1.49%	Money Market			
6	Nifty IT	26,362.80	0.77%	Call Rates	1.90% - 3.50% *		
7	Nifty Bank	32,246.80	0.51%	*as on previous day			
8	Nifty MNC	16,229.05	-0.15%	Government Securities			
9	Nifty Pharma	13,014.25	-1.94%	10 year G-Sec	5.89%		
10	Nifty PSE	2,990.00	0.96%				
FII DII ACTIVITY							
Particulars		Amount in USD million					
FII(Equity)		1046.19					
DII(Equity)		-1019.86					

Source: Investing.com, Trendlyne & Reserve Bank of India

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