









Share Market			Daily Exchange Rates			Policy Rates
			Currency	Buying	Selling	
<b>ASPI</b>		10,432.85	 <b>USD</b>	315.9284	326.0600	<b>SDFR – 9.00</b>
<b>S&amp;P</b>		2,955.63	 <b>GBP</b>	400.1434	415.7820	
<b>Turnover</b>	-	Rs. 518,653,312.15	 <b>EURO</b>	342.4556	356.4514	<b>SLFR - 10.00</b>
<b>Share Volume</b>	-	22,389,078	 <b>Yen</b>	2.1225	2.2078	

### 01. U.S. stock futures higher, with S&P 500 eyeing fresh record and tech set to lead gains

U.S. stock futures were pointing higher on Friday, with the S&P 500 eyeing fresh highs and technology stocks seen in the driver's seat. Consumer sentiment and housing data are due later.

On Thursday, the S&P 500 rose 41.73 points, or 0.9%, to end at 4,780.94, the Dow industrials rose 201.94 points, or 0.5%, to finish at 37,468.61, ending a three-day losing streak. Meanwhile, the Nasdaq Composite surged 200.03 points, or nearly 1.4%, to 15,055.65.

The S&P 500 finished Thursday just 0.33% off its record close of 4796.56 reached Jan. 3, 2022, and futures action indicated the index could surpass that level on Friday.

Tech stocks are expected to lend a hand, with enthusiasm for the sector set to continue on Friday. Better-than-expected forecast and results from chipmaking Taiwan Semiconductor Manufacturing Co. on Thursday helped drive a powerful session for the Nasdaq Composite.

TSMC's cheer also aided in erasing 2024 losses for the S&P 500 and Nasdaq. Still, the Nasdaq is the only major index poised for a weekly win, up 0.5% versus a 0.3% drop for Dow industrials and little change for the S&P 500, according to FactSet.

### 03. SEBI looking to act on mule accounts to curb inflated IPO subscription numbers

Securities and Exchange Board of India (SEBI) chairperson Madhabi Puri Buch on Friday said the capital markets regulator has found that three merchant bankers are frequently indulging in inflating subscriptions during share sales, and promised action against them.

Speaking at an annual convention organised by a lobby grouping of investment bankers here, Buch said the Sebi also has data and evidence on "mule accounts", wherein the credentials of an innocent person are used to typically front-run on stocks by those wanting to not leave a trace of trades.

There is also a tendency of "inflating the IPO application numbers to give an impression of high amount of subscriptions", Buch said, adding that SEBI has data and evidence on this.

"We are also seeing practices where there is a pattern of which kind of merchant bankers tend to be ... frequent names occurring in such malpractices. Therefore, in the interest of the investors, we will be required to both review policy as well as (start) enforcement actions," Buch said.

### 02. Asia-Pacific Markets mixed as inflation slows in Japan

Markets in the Asia-Pacific region finished with a mixed performance on Friday, influenced by a range of factors including Japan's latest inflation figures.

The data, marking the final key release ahead of the Bank of Japan's inaugural monetary policy meeting in 2024, showed Japan's inflation rate recording its lowest level since June 2022.

"Asian stocks mainly gained momentum from the tech-driven advances on Wall Street, where sentiment was boosted by the lowest initial jobless claims since September 2022," said TickMill market analyst Patrick Munnely.

"Tech stocks were also lifted by TSMC's earnings, which drove the company's shares up by over 6% and supported other chipmakers like Samsung Electronics.

"The Nikkei 225 was supported and briefly surpassed 36,000 handle after Japanese CPI data continued to soften, and a source report indicated no pressure for the Bank of Japan to rush towards the exit.

"On the other hand, the Hang Seng and Shanghai Composite were subdued due to concerns about the uneven recovery in the Chinese economy, and a restriction on short sales by China's largest brokerage failed to stimulate a recovery."

### 04. NSE retains largest derivative exchange tag for the fifth consecutive year

The National Stock Exchange of India (NSE) has remained the largest derivative exchange for the fifth consecutive year in 2023, the bourse said in a statement on Thursday citing statistics maintained by World Federation of Exchanges.

The exchange ranked third in the world in the equity segment by number of trades in 2023. In the same year, the market capitalisation of listed firms surpassed \$4 trillion while the number of unique registered investors on the NSE crossed 85 million for the first time. The equity derivatives to cash market turn-over ratio marginally declined from 2.86 in calendar year 2022 to 2.64 in calendar year 2023, said NSE.

## 05. FCA warns of 'lumpy' income streams at crowdfunding platforms

The Financial Conduct Authority, UK has set out its expectations on preventing harm for investment-based crowdfunding platforms in response to the consumer duty.

In a letter sent on Monday (January 15) the regulator said it will be taking a close look at the financial resilience of firms and cracking down on potential harms from not complying with consumer duty rules.

Director of consumer investments, Lucy Castledine, wrote: "As a board you are responsible for the governance and oversight in ensuring your firm meets its regulatory requirements and expectations. "You should take all necessary actions to ensure that senior managers are accountable for delivering on this."

The letter warned consumer duty will be a key focus of the FCA's supervision strategy and that it will "intervene assertively to prevent harm arising".

It also highlighted financial resilience as an area it will be focusing on.

It added it will have stronger scrutiny of firms' financial performance and expects firms to monitor financial health going forward.

The FCA also set out its expectations in relation to the promotion of investments, saying it expects firms to regularly review good and practice and make any necessary changes.

## 07. China's Biggest Brokerage Restricts Short Sales After Stock Rout

China's largest brokerage has suspended short selling for some clients in mainland markets amid a deepening rout in the nation's stocks, according to people familiar with the matter.

State-owned Citic Securities Co. has stopped lending stocks to individual investors and raised the requirements for institutional clients earlier this week after so-called window guidance from regulators, said the people, asking not be identified discussing a private matter.

Citic Securities didn't respond to a request for comment.

Chinese shares have extended declines this year with no sign of a let-up after a harrowing 2023, heading for their worst start to a year since 2016. While it's not immediately clear how many brokerages are restricting short sales, the move signals authorities' eagerness to put a floor under the market, after earlier efforts including state buying of bank shares failed to lift sentiment

## 06. Firms pitch inverse cryptocurrency funds after SEC's bitcoin ETF approval

US asset managers are vying to launch exchange traded funds with leveraged bitcoin exposure and expand into bitcoin-based options and other cryptocurrencies after last week's Securities and Exchange Commission approval of 11 spot bitcoin ETFs.

ProShares this week disclosed plans to launch five ETFs, including one that would offer twice the daily exposure to a bitcoin-tracking index and others to provide inverse bitcoin returns, paying out up to double any decline in an underlying index, according to filings with the SEC. The extra leverage in the ETFs — which are not designed to be long-term investments — would amplify swings experienced by the already volatile bitcoin price.

ProShares, which declined to comment on the filings, is working in the newly unencumbered part of the market alongside firms such as Grayscale Investments, which last week filed to launch a product that will sell options on its \$26bn bitcoin ETF. So are asset managers including BlackRock, which is looking to widen its massive ETF line-up to include exposure to other cryptocurrencies — foreshadowing future clashes with wary regulators.

## 08. Chinese stock rout accelerates as foreign investors sell out

A punishing sell-off for Chinese equities has worsened in recent days, as international investors who bet on a rebound lose faith that economic stimulus from Beijing is on the way. The Hang Seng China Enterprises index, a closely followed gauge of large Chinese listings in Hong Kong, has dropped about 11 per cent so far this month after losing 14 per cent last year.

The benchmark CSI 300 index for domestically traded stocks has shed more than 5 per cent, after taking into account the renminbi's depreciation against the dollar. The January downturn has confounded expectations from Wall Street banks including JPMorgan and Goldman Sachs that China's stock market was primed for a recovery in 2024.