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**CAPITAL MARKET REVIEW**

1. **Trends in Resource Mobilisation by Corporates**

**Exhibit 1: Funds Mobilisation by Corporates (₹ crore)**

|  |  |  |
| --- | --- | --- |
| **Particulars** | **Jan-20** | **Feb-20** |
| ***A. Funds Mobilisation through Public Issue (I+II)*** | **5,902** | **512** |
| ***I. Equity Public Issue*** | **3,486** | **14** |
| a. IPOs (i+ii) | 31 | 14 |
| i. Main Board | 0 | 0 |
| ii. SME Platform | 31 | 14 |
| **b. FPOs** | 25 | 0 |
| ***c. Equity Right Issue*** | 3,430 | 0 |
| ***II. Debt Public Issue*** | 2,416 | 498 |
| ***B. Funds Mobilisation through Private Placement*** | **91,278** | **87,423** |
| 1. QIP/IPP | 14,900 | 5,461 |
| 2. Preferential Allotment | 7,082 | 1,962 |
| 3. Private Placement of Debt | 69,296 | 80,000 |
| **Total Funds Mobilised (A+B)** | **97,180** | **87,935** |

**Notes: Current month data are provisional**

**Source: SEBI, NSE, BSE and MSEI**

* During February 2020, there were two IPOs equity issuance (all were at SME IPO) mobilizing ₹ 14 crore as compared to five IPOs equity issuance (five of them were at SME IPOs) mobilizing ₹ 31 in January 2020.
* During February 2020, there was no FPO issue as compared one FPO issue to amounting ₹ 25 in January 2020.
* During February 2020, there was no rights issue as compared one rights issue to amounting ₹ 3,430 in January 2020.
* During February 2020, there were three issues amounting ₹ 498 crore from the Public Issue of Corporate Bonds comparing with three issues amounting ₹ 2,416 crore in January 2020.
* During February 2020, the amount raised through private placement of equity (i.e. preferential allotment and QIP route) stood at ₹ 7,423 crore comparing with ₹ 21,982 crore in January 2020.
* During February 2020, Private Placement of Corporate Debt Reported to BSE and NSE increased by 15.4 per cent to ₹ 80,000 crore over ₹ 69,296 crore in January 2020.

1. **Trends in the Secondary Market**

* At the end of February 2020, Nifty 50 closed at 11,202, decreased by 760.4 points (6.4 per cent) over January’s closing.
* S&P Sensex closed at 38,297 on February 29, 2020, a decrease of 2,426.2 points (6 per cent) over previous month closing.
* During the month, Nifty reached its intraday high at 12,247 on February 14, 2020 and Sensex reached its intraday high at 41,709 on February 13, 2020 respectively.
* During the month, Nifty and Sensex reached their intraday low at 11,175 and 38,220 on February 28, 2020.
* The P/E ratios of S&P BSE Sensex and Nifty 50 index were 23.2 and 25.5 respectively, at the end of February 2020 compared to the reading of 24.5 and 26.4 respectively a month ago.

**Exhibit 2: Snapshot of Indian Capital Market**

|  |  |  |  |
| --- | --- | --- | --- |
| **Description** | **Jan-20** | **Feb-20** | **Change during the Month** |
| **Index in Equity Market** |  |  |  |
| Sensex | 40,723 | 38,297 | -6.0 |
| Nifty 50 | 11,962 | 11,202 | -6.4 |
| Nifty 500 | 9,861 | 9,236 | -6.3 |
| BSE 500 | 15,650 | 14,628 | -6.5 |
| Nifty Bank | 30,834 | 29,147 | -5.5 |
| Nifty IT | 16,144 | 15,213 | -5.8 |
| BSE Healthcare | 13,957 | 13,480 | -3.4 |
| BSE FMCG | 11,642 | 10,964 | -5.8 |
| **Market Capitalisation (₹ crore)** | |  |  |
| BSE | 1,56,50,982 | 1,46,87,010 | -6.2 |
| NSE | 1,55,17,107 | 1,45,52,074 | -6.2 |
| **P/E Ratio** |  |  |  |
| Sensex | 24.5 | 23.2 | -5.1 |
| Nifty 50 | 26.4 | 25.5 | -3.5 |
| **No of Listed Companies** |  |  |  |
| BSE | 5,366 | 5,352 | -0.3 |
| NSE | 1,959 | 1,734 | -11.5 |
| **Gross Turnover in Equity Segment (₹ crore)** | |  |  |
| BSE | 55,846 | 55,710 | -0.2 |
| NSE | 8,05,347 | 7,96,768 | -1.1 |
| **Gross Turnover in Equity Derivatives Segment (₹ crore)** | | |  |
| BSE | 52,109 | 71,793 | 37.8 |
| NSE | 3,85,30,599 | 3,48,28,786 | -9.6 |
| **Gross Turnover in Currency Derivatives Segment (₹ crore)** | | |  |
| BSE | 4,82,786 | 4,39,996 | -8.9 |
| NSE | 8,45,443 | 7,88,013 | -6.8 |
| MSEI | 5,957 | 5,314 | -10.8 |
| **Gross Turnover in Interest Rate Derivatives Segment (₹ crore)** | | |  |
| BSE | 6,208 | 5,829 | -6.1 |
| NSE | 26,807 | 30,880 | 15.2 |

**Source: NSE, BSE and MSEI**

**Figure 1: Movement of Sensex and Nifty during February 2020**

**Note: The closing value of Nifty 50 and Sensex have been normalised to 100 on February 01, 2020.**

* The market capitalisation of BSE stood at **₹** 1,46,87,010 crore as on February 29, 2020, decreased by 6.2 per cent over previous month.
* The market capitalisation of NSE stood at **₹** 1,45,52,074 crore as on February 29, 2020, decreased by 6.2 per cent over previous month.

**Figure 2: Trends in Average Daily Values of Nifty 50 and NSE Equity Cash Segment Turnover**

* During February 2020, the gross turnover in the equity segment of BSE decreased marginally by 0.2 per cent to ₹ 55,710 crore from ₹ 55,846 crore in January 2020.
* During February 2020, the turnover in the equity segment of NSE decreased by 1.1 per cent to ₹ 7,96,768 crore from ₹ 8,05,347 crore in January 2020.

**Figure 3: Trends in Average Daily Values of Sensex and BSE Equity Cash Segment Turnover**

* During the month of February 2020, the sectoral indices witnessed negative trends. Among BSE indices, S&P BSE Metal decreased by 13.2 per cent, followed by S&P BSE Capital Goods (11.8 per cent), S&P BSE PSU (10.5 per cent), S&P BSE Power (9.6 per cent), S&P BSE Large Cap (6.7 per cent), S&P BSE 100 (6.5 per cent), S&P BSE Small Cap (6.5 per cent), S&P BSE 500 (6.5 per cent), S&P BSE 200 (6.4 per cent), S&P BSE FMCG (5.8 per cent), S&P BSE Bankex (5.3 per cent), S&P BSE Teck (4.8 per cent) and S&P BSE Healthcare (3.4 per cent) during the period. The average daily volatility of BSE sectoral indices for the month of February 2020 is given in Figure 4.

**Figure 4: Performance of BSE Indices during February 2020 (Per cent)**

* Among select NSE sectoral indices, Nifty PSU Bank decreased by 17.8 per cent during February 2020, followed by Nifty Media (9 per cent), Nifty Small 100 (8.8 per cent), Nifty Midcap 50 (8.1 per cent), Nifty Pharma (6.9 per cent), Nifty Midcap 100 (6.8 per cent), Nifty 200 (6.4 per cent), Nifty Next 50 (6.4 per cent), Nifty 100 (6.4 per cent), Nifty 500 (6.3 per cent), Nifty IT (5.8 per cent), Nifty Bank (5.5 per cent), Nifty FMCG (4.8 per cent) and Nifty MNC (3.7 per cent) during the month. The average daily volatility of NSE sectoral indices for the month of February 2020 is given in Figure 5.

**Figure 5: Performance of NSE Indices during February 2020 (Per cent)**

1. **Trends in Depository Accounts**

At the end of February 2020, there were 196 lakh demat accounts at NSDL and 206 lakh demat accounts at CDSL. Till the end of February 2020, 5,625 listed companies were signed up with NSDL 5,685 listed companies were signed up with CDSL to make their equity holdings available in dematerialised form.

1. **Trends in Derivatives Segment**
2. **Equity Derivatives**

**Exhibit 3: Trends in Equity Derivatives Market**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Description** | **NSE** | | | **BSE** | | |
| **Jan-20** | **Feb-20** | **Percentage Change Over Month** | **Jan-20** | **Feb-20** | **Percentage Change Over Month** |
| **A. Turnover (₹ crore)** | | | | | | |
| (i) Index Futures | 5,43,290 | 5,39,317 | -0.7 | 2,493.6 | 2,287.7 | -8 |
| (ii) Options on Index |  |  |  |  |  |  |
| *Put* | 1,63,67,170 | 1,43,79,109 | -12.1 | 12046.1 | 19182.6 | 59.2 |
| *Call* | 1,88,85,234 | 1,73,27,658 | -8.2 | 37563.3 | 50317.3 | 34.0 |
| (iii) Stock Futures | 14,03,776 | 13,09,425 | -6.7 | 6.3 | 5.8 | -8.9 |
| (iv) Options on Stock |  |  |  |  |  |  |
| *Put* | 4,62,073 | 4,32,695 | -6.4 | 0.0 | 0.0 | NA |
| *Call* | 8,69,056 | 8,40,583 | -3.3 | 0.1 | 0.0 | NA |
| **Total** | **3,85,30,599** | **3,48,28,786** | **-9.6** | **52,109** | **71,793** | **37.8** |
| **B. No. of Contracts** | | | | | | |
| (i) Index Futures | 72,17,406 | 71,88,853 | -0.4 | 24,081 | 22,518 | -6.5 |
| (ii) Options on Index |  |  |  |  |  |  |
| *Put* | 23,26,10,758 | 20,53,81,086 | -11.7 | 1,18,153 | 1,91,282 | 61.9 |
| *Call* | 26,55,36,936 | 24,39,81,863 | -8.1 | 3,54,643 | 4,81,880 | 35.9 |
| (iii) Stock Futures | 2,05,19,117 | 1,97,62,076 | -3.7 | 88 | 88 | 0.0 |
| (iv) Options on Stock |  |  |  |  |  |  |
| *Put* | 65,17,066 | 62,85,855 | -3.5 | 0 | 0 | NA |
| *Call* | 1,17,12,564 | 1,15,47,948 | -1.4 | 1 | 0 | NA |
| **Total** | **54,41,13,847** | **49,41,47,681** | **-9.2** | **4,96,966** | **6,95,768** | **40.0** |
| **C. Open Interest in Terms of Value ( ₹ crore)** | | | | | | |
| (i) Index Futures | 17,762 | 22,585 | 27.2 | 71 | 120 | 68.5 |
| (ii) Options on Index |  |  |  |  |  |  |
| *Put* | 67,359 | 69,046 | 2.5 | 2 | 3 | 48.5 |
| *Call* | 66,716 | 69,628 | 4.4 | 14 | 35 | 152.2 |
| (iii) Stock Futures | 1,20,005 | 1,09,617 | -8.7 | 0.2 | 0.0 | NA |
| (iv) Options on Stock |  |  |  |  |  |  |
| *Put* | 8,939 | 8,492 | -5.0 | 0 | 0.0 | NA |
| *Call* | 13,875 | 12,997 | -6.3 | 0 | 0.0 | NA |
| **Total** | **2,94,656** | **2,92,364** | **-0.8** | **87.8** | **158.9** | **80.9** |
| **D. Open Interest in Terms of No of Contracts** | | | | | | |
| (i) Index Futures | 2,14,867 | 2,88,805 | 34.4 | 701 | 1,210 | 72.6 |
| (ii) Options on Index |  |  |  |  |  |  |
| *Put* | 8,19,623 | 8,76,046 | 6.9 | 23 | 35 | 52.2 |
| *Call* | 8,20,564 | 9,14,982 | 11.5 | 137 | 354 | 158.4 |
| (iii) Stock Futures | 18,45,265 | 18,17,387 | -1.5 | 3 | 0 | NA |
| (iv) Options on Stock |  |  |  |  |  |  |
| *Put* | 1,34,803 | 1,42,778 | 5.9 | 0 | 0 | NA |
| *Call* | 2,09,033 | 2,12,169 | 1.5 | 0 | 0 | NA |
| **Total** | **40,44,155** | **42,52,167** | **5.1** | **864** | **1,599** | **85.1** |

**Source: NSE and BSE**

* Among the three exchanges in the equity derivative market ecosystem, viz., NSE, BSE and MSEI, NSE has a market share of 99.8 per cent and BSE registered an insignificant volume compared to NSE’s volume further, MSEI has no trading during February 2020.
* The notional monthly turnover in the equity derivatives segment of NSE decreased by 9.6 per cent to ₹ 348.3 lakh crore in February 2020 from ₹ 385.3 lakh crore in January 2020. However, the average daily turnover in equity derivative segment during February 2020 increased by 4 per cent to ₹ 17,41,439 crore from ₹ 16,75,243 crore in January 2020.
* During February 2020, Index options accounted for 91 per cent of the total notional turnover in the F&O segment of NSE compared to 91.5 per cent in previous month.
* The notional turnover in index options (call and put together) decreased by 10.1 per cent to **₹** 317.1 lakh crore in February 2020 from **₹** 352.5 lakh crore in January 2020.
* During February 2020, The percentage share of weekly options of total index options turnover stood 72 per cent compared to 74 per cent in January 2020. The percentage share of monthly options of total index options turnover stood at 27 per cent in February 2020, increased from 25 per cent in January 2020.

**Figure 6: Maturity wise percentage share of Total Index Options Turnover (per cent)**

* During the month, the notional turnover of index futures decreased marginally by 0.7 per cent to **₹** 5,39,317 crore from **₹** 5,43,290 crore in January 2020.
* The notional turnover of stock futures decreased by 6.7 per cent to **₹** 13.1 lakh crore in February 2020 from **₹** 14 lakh crore in January 2020.
* The notional turnover in stock options (call and put together) decreased by 4.3 per cent to **₹** 12.7 lakh crore from **₹** 13.3 lakh crore during the same period.
* As on February 29, 2020, the open interest at NSE stood at ₹ 2,92,364 crore from ₹ 2,94,656 crore as on January 31, 2020, decreased marginally by 0.8 per cent over previous month.
* During February 2020, the equity derivatives segment turnover of BSE increased to ₹ 71,793 crore compared to ₹ 52,109 crore in January 2020, increased by 37.8 per cent.

**Figure 7: Trends of Equity Derivatives Segment at NSE (in ₹ lakh crore)**

1. **Currency Derivatives at NSE, BSE and MSEI**

* During February 2020, the monthly turnover of currency derivatives in India (NSE, BSE and MSEI together) stood at **₹** 12,33,322 crore from **₹** 13,34,186 crore in January 2020, indicating a decrease of 7.6 per cent during the period.
* The trading volumes in Currency Derivatives at NSE decreased by 6.8 per cent to ₹ 7,88,013 crore in February 2020 from ₹ 8,45,443 crore in January 2020.
* The trading volumes in Currency Derivatives at BSE decreased by 8.9 per cent to **₹** 4,39,996 crore from **₹** 4,82,786 crore during the same period.
* The trading volumes in Currency Derivatives at MSEI stood at ₹ 5,314 crore in February 2020 from ₹ 5,957 crore in January 2020, decreased by 10.8 per cent.

**Figure 8: Trends of Currency Derivatives at NSE, MSEI and BSE (₹ crore)**

1. **Interest Rate Futures at NSE and BSE**

* During February 2020, the monthly turnover of interest rate futures at NSE increased by 15.2 per cent to ₹ 30,880 crore from ₹ 26,807 crore in January 2020.
* The monthly turnover of interest rate futures at BSE decreased by 6.1 per cent to ₹ 5,829 crore from ₹ 6,208 crore during the same period.

**Figure 9: Trends of Interest Rate Futures at NSE and BSE (₹** **crore)**

1. **Trading in Corporate Debt Market**

* During February 2020, BSE noted 4,247 trades of corporate debt with a traded value of ₹ 63,973 crore as compared to noted 4,822 trades of corporate debt with a traded value of ₹ 62,925 crore in January 2020.
* At NSE, 6,566 trades were noted with a traded value of ₹ 1,19,569 crore in February 2020 as compared to 7,718 trades were noted with a traded value of ₹ 1,34,636 crore in January 2020.

**Figure 10: Trends in Reported Turnover of Corporate Bonds (₹** **crore)**

1. **Trends in Institutional Investment**
2. **Trends in Investment by Mutual Funds**

* The mutual fund industry saw a net outflow of ₹ 1,986 crore in February 2020 compared a net inflow of ₹ 1,20,149 crore in January 2020.
* In terms of category of scheme, there was a net redemption of ₹ 627 crore from open ended schemes during February 2020. Among the open ended schemes, ₹ 27,940 crore were redeemed from Income/Debt Oriented Schemes and ₹ 2,006 crore were redeemed from Hybrid Schemes during the February 2020. However, there was a mobilization of ₹ 18,449 crore through other schemes (ETFs), followed by growth/equity oriented schemes (₹ 10,796 crore) and Solution Oriented Schemes (₹ 74 crore) during the month.
* There was a net redemption of ₹ 256 crore from closed ended schemes and ₹ 1,103 crore from Interval schemes during February 2020.
* The net assets under management of all mutual funds stood at ₹ 27.2 lakh crore at the end of February 2020 from ₹ 27.9 crore as on January 2020.
* As on February, 2020, there were a total of 1,917 mutual fund schemes in the market, of which 1,138 were income / debt oriented schemes (330 open ended and 811 closed ended), 445 were growth / equity oriented schemes (328 open ended and 115 closed ended), 146 were open ended other schemes (ETFs), 132 were open ended Hybrid schemes, 33 were open ended Solution Oriented Schemes and 23 interval schemes.
* In the secondary market transaction, during February 2020, mutual funds made a net investment of ₹ 27,890 crore (of which ₹ 18,027 crore investment in debt and ₹ 9,863 crore in equity) compared to an investment of ₹ 33,578 crore (of which ₹ 32,193 crore investment in debt and ₹ 1,384 crore in equity) in January 2020.

**Figure 11: Trends of Mutual Funds Investment in Secondary Market (₹ crore)**

1. **Trends in Investment by the Foreign Portfolio Investors (FPIs)**

* During February 2020, FPIs net investment stood at ₹ 8,970 crore in the Indian securities market compared to an investment ₹ 957 crore in January 2020. During the month, FPIs invested ₹ 1,820 crore in equity, ₹ 4,734 crore in debt securities and ₹ 2,416 crore in Hybrid securities compared to an investment of ₹ 12,123 crore in equity, withdraw of ₹ 11,119 crore from debt securities and ₹ 46 crore from Hybrid securities in the previous month.
* The assets of the FPIs in India, as reported by the custodians, at the end of February 2020 was ₹ 33,17,414 crore, out of which the notional value of offshore derivative instruments (including ODIs on derivatives) was ₹ 68,862 crore (or 2 per cent of total assets of FPIs).

**Figure 12: Trends in FPIs Investment (₹ crore)**

1. **Trends in Portfolio Management Services**

* As on February 29 2020, AUM of the portfolio management industry increased by 0.9 per cent to ₹ 18.5 lakh crore from ₹ 18.4 lakh crore in January 2020. Of the total, AUM of fund managers of EPFO/PFs contributed ₹ 13.8 lakh crore (i.e., 74 per cent of total AUM).
* In terms of number of clients in PMS industry at the end of February 2020, discretionary services category topped with 1,55,213 clients, followed by non-discretionary category with 9,425 clients and advisory category with 3,910 clients.

1. **Trends in Substantial Acquisition of Shares and Takeovers**

During February 2020, one open offer with offer value of ₹ 20 crore was made to the shareholders as against three open offers with offer value of ₹ 5,079 crore made in January 2020. The open offer was for change in control of management.

**Figure 13: Details of Open Offers Made under the SEBI (SAST) Regulations**

1. **Commodities Derivatives Markets**

**Exhibit 4: Snapshot of Indian Commodity Derivative Markets**

|  |  |  |  |
| --- | --- | --- | --- |
| **Items** | **Jan-20** | **Feb-20** | **Change during the month** |
| **A. Indices** | | | |
| Nkrishi | 3,258 | 3,072 | -5.7 |
| MCX iCOMDEX | 10,102 | 9,505 | -5.9 |
| **B. Total Turnover (in Rs. crore)** | | | |
| **All-India** | **9,25,564** | **8,60,685** | **-7.0** |
| **MCX, of which** | **8,80,816** | **8,26,256** | **-6.2** |
| *Futures* | 8,40,347 | 7,92,259 | -5.7 |
| *Options* | 40,470 | 33,997 | -16.0 |
| **NCDEX, of which** | **37,714** | **27,400** | **-27.3** |
| *Futures* | 37,699 | 27,389 | -27.3 |
| *Options* | 14 | 11 | -20.8 |
| **ICEX** | **4,589** | **4,146** | **-9.6** |
| **BSE** | **2,333** | **2,725** | **16.8** |
| **NSE** | **113** | **157** | **39.7** |

**Source: MCX, NCDEX, ICEX, BSE and NSE.**

**A. Market Trends**

* During February 2020, MCX icomdex composite index, witnessed a fall of 5.9 per cent (M-o-M) driven by decrease in futures prices of base metals, energy and agri. segments. On Y-o-Y basis, MCX icomdex composite index decreased by 12.0 per cent.
* During the month, MCX icomdex crude oil index decreased by 12.1 per cent on account of decline in futures price of crude oil by 11.4 per cent. MCX icomdex base metal index declined by 6.9 per cent due to decrease in futures price of all the base metals. The futures prices of zinc, nickel, alumini, lead mini and copper declined by 12.4 per cent, 3.1 per cent, 1.5 per cent, 0.2 per cent and 0.05 per cent respectively. MCX icomdex bullion index decreased by 0.9 per cent due to decrease in future prices of silver by 6.4 per cent which was partially offset by increase in gold price by 1.0 per cent. Among the Agri. segment, futures prices of all the four commodities viz. cardamom, CPO, mentha oil and cotton decreased by 24.0 per cent, 10.7 per cent, 2.4 per cent and 2.2 per cent respectively.
* NKrishi index decreased by 5.7 per cent (M-o-M) as futures prices of nine out of 10 constituent commodities of the index (guarseed, soybean, chana, RM seed, cottonseed oilcake, coriander, barley, jeera and castorseed) except turmeric witnessed downtrend. On Y-o-Y basis NKrishi index declined by 6.0 per cent. Monthly trends in MCX icomdex composite Index and NKrishi Index are provided in Table 65.
* During February 2020, average daily volatility in MCX icomdex composite and NCDEX NKrishi indices was recorded at 0.9 per cent and 0.8 per cent respectively.

**Figure 14: Movement of Commodity Derivatives Market Indices during February 2020**

**Note: The closing value of MCX Comdex and NCDEX Nkrishi have been normalised to 100 on February 01, 2020.**

***Since MCX discontinued dissemination of MCX COMDEX index w.e.f. January 16, 2020, MCX icomdex composite index data is used for trend review.***

**B. Turnover**

* During February 2020, the aggregate turnover of all the commodity exchanges taken together decreased by 7.0 per cent to ₹8,60,685 crore due to decrease in turnover at MCX, NCDEX and ICEX. However, turnover at BSE and NSE increased during the month. The agricultural segment contributed 4.6 per cent to the total turnover, while non-agricultural segment accounted for 95.4 per cent.
* The total turnover (futures & options) at MCX decreased by 6.2 per cent to ₹8,26,256 crore during February 2020. The turnover in futures segment decreased by 5.7 per cent due to decrease in traded volume (except metal and energy) and value of all the four segments viz. bullion, metal, energy and agri. The turnover in futures segments of agri. decreased by 18.3 per cent, followed by metal 14.5 per cent, bullion 9.5 per cent and energy segment by 0.1 per cent.
* The notional turnover of options contracts traded at MCX decreased by 16.0 per cent during the month, as turnover in metal, bullion and energy segments decreased by 67.5 per cent, 19.8 per cent and 12.1 per cent respectively. The options contracts contributed 4.1 per cent to the total turnover at MCX.
* During the month, the total turnover at NCDEX decreased by 27.3 per cent to ₹27,400 crore, due to decrease in traded value of all the commodities except chana. Turnover in options segment at NCDEX decreased from ₹14.2 crore to ₹11.2 crore in February 2020, a decline of 20.8 per cent.
* In February 2020, turnover at ICEX decreased by 9.6 per cent to ₹4,146 crore due to decrease in traded value of gems and stone, steel long and agri. segments by 9.1 per cent, 8.8 per cent and 12.3 per cent respectively.
* The commodity derivative turnover at BSE increased by 16.8 per cent due to increase in traded value in non-agri. segment (bullion and energy) by 96.6 per cent. However, the turnover in agri. segment of BSE declined by 5.3 percent. At NSE, the total turnover during the month increased by 39.7 per cent as turnover in energy segment increased significantly from ₹113 crore to ₹157 crore.

**Figure 15: Trends in turnover of agricultural commodity derivatives (₹crore)**

**Source: MCX, NCDEX, BSE & ICEX**

**Figure 16: Trends in turnover of non-agricultural commodity derivatives - futures and options**

**Note:-Values represented on the top of the bars are respective monthly option turnover at MCX (in Rs.crore).**

**Source: MCX, ICEX, BSE & NSE.**

**Source: MCX, ICEX, BSE & NSE.**

**OVERVIEW OF THE GLOBAL FINANCIAL MARKETS**

* Due to the spread of novel corona virus globally, uncertainties increased for the global economy.
* OPEC crude Oil price decreased to 55.49$ per barrel in February 2020 from 65.11$ per barrel in January 2020. Similarly, price of Brent oil was 56.21$ per barrel in February 2020 as compared to 63.83$ in January 2020. Over the last 12 months, OPEC crude oil prices are fallen by 13.05 per cent.
* Due to decline in oil prices Middle-East economy is likely to see a significant negative impact.
* Gold prices increased by 2.5 per cent on February 25, 2020 which is its highest level in seven years.
* Global purchasing managers’ index for manufacturing and services sector was 47.2 and 47.1 in February 2020. This index measures managers’ perspectives of current business conditions. Similarly, the J.P.Morgan Global Composite Output Index decreased to 46.1 in February from 52.2 in January and its lowest level since May 2009. An index value greater than 50 indicated economic expansion from the previous month while a value below 50 indicates contraction.
* As per IHS Markit India Composite PMI, there is a robust increase in manufacturing and services output. The Composite PMI index was up to 57.6 in February 2020 from 56.3 in January 2020, which is above its long term average of 54.6. The IHS Markit India Services Business Activity Index increased for the fifth successive month in February – from 55.5 in January to 57.5. Further, in February 2020, IHS Markit India Manufacturing PMI was 54.5 as compared to 55.3 in January 2020. Meanwhile, business sentiment was impacted by the spreading of COVID-19 due to its effect on exports and supply chains.
* Following a considerably weaker economic growth for 2H19 in Japan and Euro-zone, the Covid-19 related developments necessitated a further downward revision of the GDP growth forecast for 2020 to 2.4 per cent from 3.0 per cent forecast in the previous month. The impact of Covid-19 is aggravated by high global debt levels, the ongoing general slowdown in world trade as well as challenges in manufacturing which are impacted by slowing capital expenditure in various key economies. This is further affected by a globally decelerating automotive industry.

**Table 1: Economic growth rate and Revision\*( %)**

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Year** | **World** | **OECD** | **US** | **Japan** | **Euro-Zone** | **UK** | **China** | **India** | **Brazil** | **Russia** |
| **2019** | 2.9 | 1.6 | 2.3 | 0.7 | 1.2 | 1.4 | 6.1 | 5.3 | 1.0 | 1.1 |
| **Change from previous Month** | 0.0 | 0.0 | 0.0 | -0.4 | 0.0 | 0.2 | 0.0 | 0.1 | 0.0 | 0.0 |
| **2020** | 2.4 | 1.2 | 1.6 | -0.2 | 0.6 | 1.0 | 5.0 | 5.2 | 1.6 | 0.8 |
| **Change from previous Month** | -0.6 | 0.3 | -0.3 | -0.8 | \*0.3 | -0.2 | -0.4 | -0.9 | -0.4 | -0.7 |

Note: \* 2019 = Estimate and 2020 = Forecast.

Source: OPEC Secretariat.

* On February 17, 2020, global credit rating agency Moody’s Investor Services revised the growth forecasts of Indian Economy for 2020 to 5.4 per cent and for 2021 to 5.8 per cent from the previous projections of 6.6 per cent and 6.7 per cent respectively.
* Consumer price inflation in India eased to 6.58% in February of 2020 from 7.59% in the prior month. The inflation rate fell for the first time in 7 months, as food & beverages prices slowed (9.5% vs 11.8% in January).
* The [Indian Sales Managers Sales Growth Index](https://www.worldeconomics.com/SalesManagersIndex/India/India.aspx) fell to a 76 month low in February.
* As per the news release dated February 27, 2020, the euro area annual inflation rate was 1.4% in January 2020, up from 1.3% in December. Euro area annual inflation is expected to be 1.2% in February 2020, down from 1.4% in January according to a flash estimate from Eurostat, the statistical office of the European Union. The euro area (EA19) seasonally-adjusted unemployment rate was 7.4% in January 2020, stable compared with December 2019 and down from 7.8% in January 2019. This remains the lowest rate recorded in the euro area since May 2008.
* Japanese GDP reduced by 1.6 per cent as per QoQ preliminary estimated for Q4. As a result, Japan's GDP shrunk by 6.3% in Q4 (annualised) as a result of misjudged tax increase.
* Monetary policies by major OECD central banks are expected to remain accommodative to counterbalance some of the downside momentum. On February 19, 2020, the [People's Bank of China](https://en.wikipedia.org/wiki/People%27s_Bank_of_China) cut its medium term prime lending facility from 3.25 per cent to 3.15 per cent. On the same day, [Central Bank of the Republic of Turkey](https://en.wikipedia.org/wiki/Central_Bank_of_the_Republic_of_Turkey) reduced its key interest rate by 50 basis point to 10.75 per cent. On February 20, 2020  the [Central Bank of Argentina](https://en.wikipedia.org/wiki/Central_Bank_of_Argentina) cut its [bank rate](https://en.wikipedia.org/wiki/Bank_rate) by 400 basis points to 40 per cent from 44 per cent.
* On February 19, 2020, Yields on 10-year and 30-year U.S. Treasury securities fell to 1.56% and 2.00% respectively and the declining continued during the month. On February 28, 2020, the yields for these bonds fall further to 1.13 per cent and 1.65 per cent respectively.
* In the month of February 2020, a decline was observed in the securities market world over. This is coupled with a sharp decline in the crude oil prices.
* Restrictions on movement of people, goods and services, and containment measures such as factory closures have cut manufacturing and domestic demand sharply in China. The impact on the rest of the world through business travel and tourism, supply chains, commodities and lower confidence is growing.

**Equity Markets (Chart 1-2, Table A1)-**

* In the month of February 2020, highest annualized volatility amongst the BRICS countries was observed in Russia (38.9), Brazil (31.6) and S. Africa (26.7). The lowest annualized volatility was observed among BRICS was India (19.0) and China (20.3). Among the developed markets lowest annualized volatility was observed for Taiwan (14.0) and the highest was observed at USA (26.5).
* Among the developed economies, in the month of February, highest decline was observed in Dow Jones Industrial Average Index (-10.07 per cent) followed by FTSE100 (-9.68 per cent) and NIKKEI 225 (-8.89 per cent).
* On Monday, 24 February 2020, the [Dow Jones Industrial Average](https://en.wikipedia.org/wiki/Dow_Jones_Industrial_Average), Nasdaq Composite and [FTSE 100](https://en.wikipedia.org/wiki/FTSE_100) dropped more than 3 per cent (3.56 per cent, 3.71 per cent and 3.34 per cent respectively) as the coronavirus outbreak spread deteriorated substantially outside [China](https://en.wikipedia.org/wiki/China) over the weekend. Benchmark [indices](https://en.wikipedia.org/wiki/Stock_market_index) in Europe also sharply declined with German Stock index (DAX 30) declined by 4.01 per cent and CAC Index declined by 3.94 per cent.
* During 24–28 February, [stock markets](https://en.wikipedia.org/wiki/Stock_market) globally plummeted several percentage points including Dow Jones (9.13 per cent) Nasdaq Composite (7.09 per cent), FTSE 100 (8.05 per cent), Nikkei (9.59 per cent). Further, Sensex and Nifty declined by 5.12 and 5.31 per cent respectively. The sudden drop in late February was attributed to fears that China could produce a global economic shock.  Reports of the viruse spread in [South Korea](https://en.wikipedia.org/wiki/2020_coronavirus_pandemic_in_South_Korea), [Italy](https://en.wikipedia.org/wiki/2020_coronavirus_pandemic_in_Italy) and [Iran](https://en.wikipedia.org/wiki/2020_coronavirus_pandemic_in_Iran) also prompted fear in investors, mounting to a mass sell-off in Asia-Pacific stock markets as well as European ones.

Chart 1: Stock Market Trend in Select Developed Markets

Note: All indices have been normalised to 100 on 28 February, 2019.

Source: Bloomberg

Chart 2: Stock Market Trend in Select Emerging Markets

Source: Bloomberg

Note: All indices have been normalised to 100 on 28 February, 2019.

* 10-year bond yield showed a downward trend over the year except for Japan in developed economies (Chart 3). At Japan, it was largely flat barring a small dip during Oct-19. Among the BRIC nations (Chart 4), it showed a downward trend for all countries except China, where it was largely flat.

Chart 3: Movement of 10 year Government Bond Yields in Developed Nations

Source: Bloomberg

Chart 4: Movement of 10 year Government Bond Yields in BRIC Nations

Source: Bloomberg

**Fund Mobilisation by Issuance of Equity and Bond (Table A2) –**

* There was a 40 per cent reduction in the fund mobilization by the selected exchanges world-wide during Feb-20 (at 2,11,195 million USD) against Jan-20 (at 3,51,193 million USD) for the analyzed exchanges world over. Only 5 per cent of the total fund mobilization in Feb 2020 was in equity and remaining was in debt.
* As per the WFE data, maximum amount mobilized through equities and bonds in February 2020 was by Korea Exchange (56,988 million USD) followed by Singapore (54,950 million USD) and LSE Group (52,223 million USD).
* At Korean Stock Exchange, the entire amount mobilized in February 2020 is through bonds only whereas in Singapore Exchange and LSE group equity comprises of 68 million and 781 million USD respectively.
* Maximum fund mobilization through equities is by Shanghai S.E. (4,360 million USD) and Shenzhen S.E. 3,787 million USD).

**Market Capitalisation of Major Exchanges (Table A3) –**

* All the analysed markets including developed markets and BRICS showed a decline in market capitalization in the month of February 2020 as compared to January 2020.
* Among the developed markets maximum decline was observed in UK (13.9 per cent) followed by Australia (12.4 per cent) and Japan (10.2 per cent) in February 2020 as compared to January 2020.
* Among BRICS nations Russia’s market capitalisation declined by 15.3 per cent followed by S. Africa (14.9 per cent) and Brazil (13.6 per cent).

**Derivatives (Chart 5-6, Table A4 – A8)**

* During Feb-20 the highest number of single stock futures contracts traded was at Korea Exchange (7,08,77,046) followed by National Stock Exchange of India (1,97,62,076). The highest number of single stock options were traded at Nasdaq (11,19,16,721) followed by CBOE Global Markets (9,27,77,883).
* In the same period, in the Index Futures Trades, the highest number of contracts were traded at CME Group (9,81,78,067) followed by Japan Exchange Group (3,90,95,937). Among the Stock index options the highest number of contacts were traded at National Stock Exchange of India (44,93,62,949) followed by Korea Exchange (9,91,71,192).
* For the same period, in the currency derivatives the highest number of currency futures contracts were traded at National Stock Exchange of India (5,38,36,688) followed by BSE India Limited (3,47,13,073). The highest number of Currency options were also traded at National Stock Exchange of India (5,44,43,950) followed by BSE India Limited (2,68,75,431).
* Among the Interest Rate (IR) derivatives, highest number of IR futures were traded at CME Group (24,24,05,652) followed by Korea Exchange (52,57,119). Among the Interest rate options highest number of contracts were traded at CME Group (8,15,97,700) followed by National Stock Exchange of India (1,20,770).
* The highest number of Commodity Futures contracts were traded at CME Group (9,73,63,888) followed by Shanghai Futures Exchange (9,63,59,489). Among the Commodities options, the highest number of contracts were traded at CME Group (1,26,05,822) followed by Zhengzhou Commodity Exchange (12,90,663).
* In February 2020, most depreciating currency was Real followed by Rand. Only currencies appreciated against USD during the Feb-20 except Japanese Yen and Swiss Franc.

**US Treasury Securities (Table A9)**

* At the end of Dec 2019, Japan was the biggest foreign holder of US Treasury Securities with 17.25 per cent followed by China with 15.98 per cent. The total major foreign holding of US Treasury Securities was 6696.3 US$ billion. The holdings of US Treasury Securities of India increased to 2.42 per cent at the end of Dec 2019 from 2.36 per cent at the end of Nov 2019.

Chart 5: Movement of the Major Currencies against US$

Note: All currencies have been normalised keeping 28 February, 2019 as base.

Source: Bloomberg

Chart 6: Movement of the US Dollar Index and MSCI EM Currency Index

Note:

1. All currencies have been normalised keeping 28 February, 2019 as base.
2. The U.S. Dollar Index is an index of the value of the United States dollar relative to a basket of foreign currencies. The Index goes up when the U.S. dollar gains value compared to other currencies. The index is maintained and published by Intercontinental Exchange. It is a weighted geometric mean of the dollar's value relative to following select currencies: Euro, Japanese yen, Pound sterling, Canadian dollar, Swedish krona, Swiss franc.
3. The MSCI Emerging Markets (EM) Currency Index tracks the performance of twenty-five emerging-market currencies relative to the US Dollar.

Source: Bloomberg

Table A1: Performance of Stock Indices

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Country | Name of the Index | Closing Value as on | Closing Value before | | | | Monthly Volatility (Annualised) | P/E Ratio |
| 28-Feb-2020 | 1-Month | 3-Month | 6-Month | 1-Year |
| BRICS Nations | | | | | | | | |
| Brazil | BRAZIL IBOVESPA | 104171.6 | 113760.6 | 108233.3 | 101134.6 | 95584.4 | 31.6 | 18.1 |
| Russia | RUSSIAN TRADED | 1856.2 | 2179.9 | 2109.2 | 1904.7 | 1741.8 | 38.9 | 4.8 |
| India | Nifty 50 | 11201.8 | 11962.1 | 12056.1 | 11023.3 | 10792.5 | 19.5 | 25.5 |
| India | S&P BSE SENSEX | 38297.3 | 40723.5 | 40793.8 | 37332.8 | 35867.4 | 19.0 | 23.2 |
| China | SHANGHAI SE COMPOSITE | 2880.3 | 2976.5 | 2872.0 | 2886.2 | 2941.0 | 20.3 | 13.8 |
| South Africa | FTSE/JSE AFRICA ALL SHR | 51038.2 | 56079.5 | 55349.0 | 55259.6 | 56002.1 | 26.7 | 14.2 |
| Developed Markets | | | | | | | | |
| USA | NASDAQ COMPOSITE | 8567.4 | 9150.9 | 8665.5 | 7962.9 | 7532.5 | 26.5 | 33.0 |
| USA | DOW JONES INDUS. AVG | 25409.4 | 28256.0 | 28051.4 | 26403.3 | 25916.0 | 25.2 | 18.1 |
| France | CAC 40 | 5309.9 | 5806.3 | 5905.2 | 5480.5 | 5240.5 | 24.8 | 19.3 |
| Germany | DAX | 11890.4 | 12982.0 | 13236.4 | 11939.3 | 11515.6 | 26.3 | 20.7 |
| UK | FTSE 100 | 6580.6 | 7286.0 | 7346.5 | 7207.2 | 7074.7 | 23.0 | 18.9 |
| Hong Kong | HANG SENG | 26129.9 | 26312.6 | 26346.5 | 25724.7 | 28633.2 | 18.4 | 10.8 |
| South Korea | KOSPI | 1987.0 | 2119.0 | 2088.0 | 1967.8 | 2195.4 | 25.2 | 31.2 |
| Japan | NIKKEI 225 | 21143.0 | 23205.2 | 23293.9 | 20704.4 | 21385.2 | 22.7 | 20.0 |
| Singapore | STRAITS TIMES STI | 3011.1 | 3153.7 | 3193.9 | 3106.5 | 3212.7 | 18.0 | 11.7 |
| Taiwan | TAIWAN TAIEX | 11292.2 | 11495.1 | 11489.6 | 10618.1 | 10389.2 | 14.0 | 17.4 |

Note: P/E Ratios as on the last trading day.

Source: Bloomberg, BSE and NSE

Table A2: Fund Mobilisation by Issuance of Equity and Bond in Major Exchanges (US$ Million)

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Month** | **Jan-20** | | | **Feb-20** | | |
| **Exchange Name** | **Bond** | **Equity** | **Total** | **Bond** | **Equity** | **Total** |
| B3 - Brasil Bolsa Balcão | 0 | 51 | 51 | NA | NA | 0 |
| Nasdaq - US | 0 | 0 | 0 | 0 | 0 | 0 |
| NYSE | 0 | 0 | 0 | NA | NA | 0 |
| ASX Australian Securities Exch | NA | NA | 0 | NA | NA | 0 |
| Hong Kong Exchanges | NA | NA | 0 | NA | NA | 0 |
| Japan Exchange Group | 4,482 | 294 | 4,775 | 0 | 0 | 0 |
| Korea Exchange | 44,819 | 18 | 44,836 | 56,988 | 0 | 56,988 |
| National Stock Exchange of India | 48,907 | 3,023 | 51,930 | 30,111 | 4 | 30,115 |
| Shanghai Stock Exchange | 0 | 8,995 | 8,995 | 0 | 4,360 | 4,360 |
| Shenzhen Stock Exchange | 32,202 | 5,335 | 37,536 | 4,471 | 3,787 | 8,258 |
| Singapore Exchange | 36,792 | 12 | 36,803 | 54,882 | 68 | 54,950 |
| BME Spanish Exchanges | 45,680 | 891 | 46,571 | 0 | 0 | 0 |
| Deutsche Boerse AG | 33,989 | 0 | 33,989 | NA | NA | 0 |
| Euronext | 0 | 2,623 | 2,623 | NA | NA | 0 |
| Johannesburg Stock Exchange | 4,626 | 81 | 4,707 | 3,534 | 767 | 4,301 |
| LSE Group | 55,082 | 497 | 55,579 | 51,442 | 781 | 52,223 |
| Moscow Exchange | 22,797 | 0 | 22,797 | NA | NA | 0 |
| **Grand Total** | **3,29,373** | **21,820** | **3,51,193** | **2,01,428** | **9,767** | **2,11,195** |

Note: For Funds mobilised through issuance of bonds, data may differ due to different reporting rules & calculation methods. Fund mobilisation data for equities are (i) excluding investment funds and (ii) including Alternative and SME Markets except the following exceptions:

1. Australian Securities Exchange: including investment funds
2. BME: Including investment companies listed (open-end investment companies).
3. Euronext: includes Belgium, England, France, Netherlands and Portugal
4. Korea Exchange: including Kosdaq market data
5. LSE Group: includes London Stock Exchange and BorsaItaliana
6. Nasdaq Nordic Exchanges include Copenhagen, Helsinki, Iceland, Stockholm, Tallinn, Riga and Vilnius Stock Exchanges
7. NSE India: including “Emerge” market data

NA = Not Available

Source: World Federation of Exchanges

Table A3: Domestic Market Capitalisation of Major Exchanges (USD million)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Markets** | **Country** | **Jan-20** | **Feb-20** | **% Change MoM** |
| **Developed Markets** | USA | 34,936.6 | 31,493.9 | (9.9) |
| UK | 3,368.6 | 2,899.4 | (13.9) |
| Germany | 2,231.4 | 2,014.9 | (9.7) |
| Spain | 709.1 | 650.6 | (8.2) |
| Japan | 6,150.6 | 5,521.7 | (10.2) |
| Singapore | 474.3 | 443.3 | (6.5) |
| Hong Kong | 5,245.1 | 5,194.2 | (1.0) |
| South Korea | 1,339.4 | 1,249.8 | (6.7) |
| Australia | 1,372.0 | 1,201.9 | (12.4) |
| **BRICS** | Brazil | 1,045.7 | 903.4 | (13.6) |
| Russia | 752.7 | 637.3 | (15.3) |
| India | 2,144.9 | 1,993.9 | (7.0) |
| China | 7,501.7 | 7,464.1 | (0.5) |
| South Africa | 406.7 | 346.1 | (14.9) |

Source: Bloomberg

Table A4: Stock Futures and Stock Options Traded in Major Exchanges

Notional Turnover in (US$ Million)

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Exchange** | **Feb-20** | | | | | |
| **Single stock futures** | | | **Single stock options** | | |
| **Number of** | **Notional** | **Open** | **Number of** | **Notional** | **Open** |
| **contracts traded** | **turnover** | **interest** | **contracts traded** | **turnover** | **interest** |
| **Americas** |  |  |  |  |  |  |
| B3 - Brasil Bolsa Balcão | NA | NA | NA | NA | NA | NA |
| Bolsa de Valores de Colombia | NA | NA | NA | NA | NA | NA |
| Bolsa Mexicana de Valores | 1,780 | 0.45 | 2,000 | 44,015 | 2.29 | 44,233 |
| Bolsa y Mercados Argentinos | 0 | 0 | 0 | 24,72,141 | 9.81 | 383188 |
| Cboe Global Markets | 0 | 0 | 0 | 9,27,77,883 | 0 | 16,81,50,519 |
| Nasdaq - US | 0 | 0 | 0 | 11,19,16,721 | 0 | 0 |
| MIAX Exchange Group | 0 | 0 | 0 | 3,28,55,632 | 6,42,216 | 0 |
|  |  |  |  |  |  |  |
| ASX Australian Securities Exchange | NA | NA | NA | NA | NA | NA |
| Hong Kong Exchanges and Clearing | 97,117 | 449.41 | 26,762 | 1,01,29,025 | 35,974 | 91,73,673 |
| Japan Exchange Group | 0 | 0 | 0 | 17,727 | 0 | 52,733 |
| Korea Exchange | 7,08,77,046 | 38,694 | 54,23,303 | 15,67,583 | 0 | 1,64,078 |
| National Stock Exchange of India | 1,97,62,076 | 1,82,501 | 18,17,387 | 1,78,33,803 | 177462.86 | 3,54,947 |
| Singapore Exchange | 4,29,018 | 0 | 1,33,187 | 0 | 0 | 0 |
| Taiwan Futures Exchange | 18,75,816 | 18,500 | 1,58,756 | 11,470 | 37.55 | 2,680 |
| Thailand Futures Exchange | 41,20,069 | 0 | 18,88,685 | 0 | 0 | 0 |
|  |  |  |  |  |  |  |
| Athens Stock Exchange | NA | NA | NA | NA | NA | NA |
| BME Spanish Exchanges | 0 | 0 | 0 | 0 | 0 | 0 |
| Borsa Istanbul | NA | NA | NA | NA | NA | NA |
| Budapest Stock Exchange | 14,629 | 108.75 | 9,213 | 0 | 0 | 0 |
| Deutsche Boerse AG | NA | NA | NA | NA | NA | NA |
| Euronext | NA | NA | NA | NA | NA | NA |
| Moscow Exchange | NA | NA | NA | NA | NA | NA |
| Nasdaq Nordic and Baltics | NA | NA | NA | NA | NA | NA |
| Oslo Bors | NA | NA | NA | NA | NA | NA |
| Tehran Stock Exchange | 0 | 0 | 0 | 9,28,434 | 6.86 | 0 |
| Tel-Aviv Stock Exchange | 0 | 0 | 0 | 68,176 | 490.51 | 48,235 |
| Warsaw Stock Exchange | NA | NA | NA | NA | NA | NA |
| Dubai Gold and Commodities Exchange | 8,055 | 15.49 | 629 | 0 | 0 | 0 |
| **Grand Total** | **9,71,85,606** | **2,40,269** | **94,59,922** | **27,06,22,610** | **8,56,200** | **17,83,74,286** |

NA: Not Available

Source: World Federation of Exchanges

Table A5: Index Futures and Index Options Traded in Major Exchanges

Notional Turnover in (US$ Million)

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Exchange** | **Feb-20** | | | | | |
| **Stock index futures** | | | **Stock index options** | | |
| **Number of contracts traded** | **Notional turnover** | **Open interest** | **Number of contracts traded** | **Notional turnover** | **Open interest** |
| B3 - Brasil Bolsa Balcão | NA | NA | NA | NA | NA | NA |
| Bolsa de Valores de Colombia | NA | NA | NA | NA | NA | NA |
| Bolsa Mexicana de Valores | 29,744 | 663 | 45,412 | 923 | 21 | 831 |
| Bolsa y Mercados Argentinos | 43,162 | 29 | - | - | - | - |
| Cboe Global Markets | - | - | - | 5,02,98,938 | - | 3,14,16,929 |
| Nasdaq - US | - | - | - | 3,50,932 | - | - |
| MIAX Exchange Group | - | - | - | 1,34,302 | 292 | - |
| Matba Rofex | 2,91,471 | 296 | 4,860 | 698 | 0 | 435 |
| CME Group | 9,81,78,067 | 1,21,53,107 | 50,96,165 | 2,05,09,223 | 37,39,145 | 48,30,005 |
| Cboe Futures Exchange | 71,81,922 | - | 4,57,921 | - | - | - |
| ASX Australian Securities Exchange | NA | NA | NA | NA | NA | NA |
| Hong Kong Exchanges and Clearing | 1,00,92,232 | 9,86,986 | 6,29,712 | 35,83,518 | 3,48,099 | 28,83,100 |
| Japan Exchange Group | 3,90,95,937 | 15,06,760 | 20,58,239 | 35,11,987 | - | 20,62,369 |
| Korea Exchange | 1,29,97,975 | 5,71,795 | 8,60,525 | 9,91,71,192 | - | 37,78,663 |
| National Stock Exchange of India | 71,88,853 | 75,167 | 2,88,805 | 44,93,62,949 | 44,19,123 | 17,91,028 |
| Singapore Exchange | 1,78,31,706 | - | 21,48,734 | 9,01,916 | - | 20,79,249 |
| Taiwan Futures Exchange | 83,46,968 | 3,79,544 | 1,46,249 | 1,94,31,835 | 3,69,171 | 6,96,295 |
| Thailand Futures Exchange | 47,70,897 | - | 4,16,418 | 1,74,153 | - | 77,106 |
| Bursa Malaysia Derivatives | 2,62,509 | 4,662 | 30,684 | 610 | 0 | - |
| China Financial Futures Exchange | NA | NA | NA | NA | NA | NA |
| Athens Stock Exchange | NA | NA | NA | NA | NA | NA |
| BME Spanish Exchanges | - | - | - | - | - | - |
| Borsa Istanbul | NA | NA | NA | NA | NA | NA |
| Budapest Stock Exchange | 94,150 | 135 | 12,696 | - | - | - |
| Deutsche Boerse AG | NA | NA | NA | NA | NA | NA |
| Euronext | NA | NA | NA | NA | NA | NA |
| Moscow Exchange | NA | NA | NA | NA | NA | NA |
| Nasdaq Nordic and Baltics | NA | NA | NA | NA | NA | NA |
| Oslo Bors | NA | NA | NA | NA | NA | NA |
| Tel-Aviv Stock Exchange | - | - | - | 28,70,403 | 1,40,026 | 1,65,690 |
| Warsaw Stock Exchange | NA | NA | NA | NA | NA | NA |
| **Grand Total** | **20,64,05,593** | **1,56,79,143** | **1,21,96,420** | **65,03,03,579** | **90,15,877** | **4,97,81,700** |

NA: Not Available

Source: World Federation of Exchanges

Table A6: Currency Futures and Options Traded in Major Exchanges

Notional Turnover in (US$ Million)

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Exchange** | **Feb-20** | | | | | |
| **Currency futures** | | | **Currency options** | | |
| **Number of contracts traded** | **Notional turnover** | **Open interest** | **Number of contracts traded** | **Notional turnover** | **Open interest** |
| B3 - Brasil Bolsa Balcão | NA | NA | NA | NA | NA | NA |
| Bolsa de Valores de Colombia | NA | NA | NA | NA | NA | NA |
| Bolsa Mexicana de Valores | 2,67,765 | 2,608 | 6,60,347 | 25,615 | 256 | 26,075 |
| Bolsa y Mercados Argentinos | 9,78,990 | 1,053 | 3,839 | - | - | - |
| Matba Rofex | 59,88,719 | 6,720 | 10,52,278 | 2,621 | 0 | - |
| CME Group | 1,82,07,232 | 17,06,251 | 20,77,179 | 13,87,175 | 1,56,196 | 7,99,040 |
| BSE India Limited | 3,47,13,073 | 34,668 | - | 2,68,75,431 | 26,656 | - |
| Hong Kong Exchanges and Clearing | 1,80,098 | 16,476 | 28,258 | 1,690 | 168 | 3,123 |
| Korea Exchange | 1,11,13,370 | 1,12,342 | 8,47,003 | - | - | - |
| National Stock Exchange of India | 5,38,36,688 | 55,371 | 39,28,768 | 5,44,43,950 | 54,458 | 34,13,143 |
| Singapore Exchange | 24,40,396 | - | 1,55,494 | 15 | - | 95 |
| Taiwan Futures Exchange | 39,267 | 1,129 | 3,867 | 2,892 | 106 | 2,192 |
| Thailand Futures Exchange | 1,62,231 | - | 34,268 | - | - | - |
| Borsa Istanbul | NA | NA | NA | NA | NA | NA |
| Budapest Stock Exchange | 4,23,248 | 467 | 7,33,554 | 2,000 | 2 | 5,850 |
| Moscow Exchange | NA | NA | NA | NA | NA | NA |
| Tel-Aviv Stock Exchange | - | - | - | 10,65,097 | 10,513 | 4,86,791 |
| Dubai Gold and Commodities Exchange | 13,95,088 | 9,262 | 3,66,904 | 423 | 0 | 197 |
| **Grand Total** | **12,97,46,165** | **19,46,348** | **98,91,759** | **8,38,06,909** | **2,48,355** | **47,36,506** |

NA: Not Available

Source: World Federation of Exchanges

Table A7: Interest Rate Futures and Options Traded in Major Exchanges

Notional Turnover in (US$ Million)

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Exchange** | **Feb-20** | | | | | |
| **Interest rate futures** | | | **Interest rate options** | | |
| **Number of contracts traded** | **Notional turnover** | **Open interest** | **Number of contracts traded** | **Notional turnover** | **Open interest** |
| B3 - Brasil Bolsa Balcão | NA | NA | NA | NA | NA | NA |
| Bolsa de Valores de Colombia | NA | NA | NA | NA | NA | NA |
| Bolsa Mexicana de Valores | 2,300 | 14 | 20,380 | - | - | - |
| CME Group | 24,24,05,652 | 14,64,70,946 | 3,01,04,780 | 8,15,97,700 | 5,62,80,911 | 6,31,33,411 |
| ASX Australian Securities Exchange | NA | NA | NA | NA | NA | NA |
| BSE India Limited | - | - | - | - | - | - |
| Japan Exchange Group | 6,45,858 | - | 1,03,278 | 51,379 | - | 3,814 |
| Korea Exchange | 52,57,119 | 5,24,158 | 5,39,941 | - | - | - |
| National Stock Exchange of India | 13,89,060 | 3,891 | 1,20,770 | 1,47,736 | 413 | 8,059 |
| Singapore Exchange | 22,828 | - | 16,467 | - | - | - |
| China Financial Futures Exchange | NA | NA | NA | NA | NA | NA |
| Deutsche Boerse AG | NA | NA | NA | NA | NA | NA |
| Moscow Exchange | NA | NA | NA | NA | NA | NA |
| Nasdaq Nordic and Baltics | NA | NA | NA | NA | NA | NA |
| **Grand Total** | **24,97,22,817** | **14,69,99,009** | **3,09,05,616** | **8,17,96,815** | **5,62,81,324** | **6,31,45,284** |

NA: Not Available

Source: World Federation of Exchanges

Table A8: Commodity Futures and Options Traded in Major Exchanges

Notional Turnover in (US$ Million)

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Exchange** | **Feb-20** | | | | | |
| **Commodities futures** | | | **Commodities options** | | |
| **Number of contracts traded** | **Notional turnover** | **Open interest** | **Number of contracts traded** | **Notional turnover** | **Open interest** |
| B3 - Brasil Bolsa Balcão | NA | NA | NA | NA | NA | NA |
| Matba Rofex | 1,32,423 | 430 | 52,381 | 6,844 | 95 | 25,515 |
| CME Group | 9,73,63,888 | 50,48,884 | 1,52,23,439 | 1,26,05,822 | 6,86,835 | 1,05,38,769 |
| ASX Australian Securities Exchange | NA | NA | NA | NA | NA | NA |
| Hong Kong Exchanges and Clearing | 46,959 | 1,569 | 4,437 | - | - | - |
| National Stock Exchange of India | 3,820 | 22 | 128 | - | - | - |
| NZX Limited | NA | NA | NA | NA | NA | NA |
| Singapore Exchange | 19,06,776 | - | 8,90,328 | 4,51,174 | - | 10,29,036 |
| Taiwan Futures Exchange | 17,274 | 302 | 1,657 | 3,348 | 32 | 599 |
| Thailand Futures Exchange | 10,05,383 | - | 1,10,739 | - | - | - |
| Bursa Malaysia Derivatives | 14,36,959 | 22,012 | 2,53,856 | 4,500 | - | 34,823 |
| Zhengzhou Commodity Exchange | 7,13,26,045 | 26,129 | 48,58,389 | 12,90,663 | 9 | 4,50,700 |
| Dalian Commodity Exchange | NA | NA | NA | NA | NA | NA |
| Multi Commodity Exchange of India | 2,01,45,842 | 1,10,421 | 2,14,671 | 5,18,000 | 4,738 | 25,259 |
| Shanghai Futures Exchange | 9,63,59,489 | 8,10,195 | 65,18,009 | - | - | - |
| Indian Commodity Exchange | 85,34,901 | 578 | 1,02,529 | - | - | - |
| Borsa Istanbul | NA | NA | NA | NA | NA | NA |
| Deutsche Boerse AG | NA | NA | NA | NA | NA | NA |
| Euronext | NA | NA | NA | NA | NA | NA |
| LSE Group | 5 | 0 | 100 | - | - | - |
| Moscow Exchange | NA | NA | NA | NA | NA | NA |
| Dubai Gold and Commodities Exchange | 91,294 | 1,273 | 1,611 | - | - | - |
| London Metal Exchange | 1,36,92,275 | 12,47,254 | 22,09,044 | 6,04,557 | 61,459 | 4,11,992 |
| The Saint-Petersburg International Mercantile Exchange | 1,318 | 4,83,52,289 | 288 | - | - | - |
| **Grand Total** | **31,20,64,651** | **5,56,21,357** | **3,04,41,606** | **1,54,84,908** | **7,53,168** | **1,25,16,693** |

NA: Not Available

Source: World Federation of Exchanges

Table A9: Major Foreign Holders of US Treasury Securities (US$ billion)

|  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Country/ Month | 2019 | | | | | | | | | | |
| Dec | Nov | Oct | Sep | Aug | Jul | Jun | May | Apr | Mar | Feb |
| Japan | 1154.9 | 1160.8 | 1168 | 1145.8 | 1174.7 | 1130.8 | 1122.9 | 1101 | 1064 | 1078.1 | 1068.8 |
| China, Mainland | 1069.9 | 1089.2 | 1101.6 | 1102.4 | 1103.5 | 1110.3 | 1112.5 | 1110.2 | 1113 | 1120.5 | 1130.9 |
| United Kingdom | 332.6 | 328.6 | 334.1 | 346.2 | 349.9 | 334.7 | 341.2 | 323.1 | 300.8 | 317.1 | 302.5 |
| Brazil | 281.9 | 293.4 | 298.6 | 303 | 313.4 | 309.9 | 311.7 | 305.7 | 306.7 | 311.7 | 307.7 |
| Ireland | 281.8 | 290 | 286.4 | 273.8 | 272.2 | 257.9 | 261.9 | 270.7 | 269.7 | 277.6 | 274 |
| Luxembourg | 254.6 | 262.1 | 263.1 | 252.4 | 244.3 | 229.4 | 230.8 | 229.6 | 223.7 | 230.2 | 228.9 |
| Switzerland | 237.5 | 233.4 | 233.2 | 231.1 | 233 | 228.3 | 232.7 | 231.3 | 226.9 | 226.3 | 221.4 |
| Cayman Islands | 230.5 | 222.4 | 225.2 | 238.8 | 236.3 | 218.4 | 225.3 | 216.1 | 217.2 | 219.5 | 210.1 |
| Hong Kong | 223.3 | 223.9 | 222.6 | 224.1 | 224.5 | 211.8 | 217.1 | 205.3 | 207.2 | 209 | 203.1 |
| Belgium | 210.2 | 205.1 | 208.3 | 218.3 | 217.9 | 206.1 | 203.6 | 190.5 | 179.8 | 186.6 | 181.3 |
| Taiwan | 193.1 | 188.6 | 191.2 | 189 | 186 | 178.7 | 175.1 | 172 | 171.1 | 168.8 | 164.9 |
| Saudi Arabia | 179.8 | 179.7 | 178.9 | 181.5 | 183.8 | 180.8 | 179.6 | 179 | 176.6 | 170 | 167.6 |
| India | 162 | 159.2 | 161.4 | 160.7 | 162.2 | 159.9 | 162.7 | 156.9 | 155.3 | 152 | 144.3 |
| Singapore | 147.9 | 150.6 | 138.8 | 141.8 | 145.5 | 137.9 | 139.6 | 150.4 | 139.3 | 138.8 | 130.5 |
| France | 127.5 | 122.9 | 132.9 | 131.5 | 133.4 | 135.7 | 131.5 | 125.1 | 124.7 | 109.6 | 115.9 |
| Korea | 122 | 117.2 | 117.2 | 118.5 | 117.8 | 117 | 115.2 | 117.3 | 115.1 | 119.9 | 115.5 |
| Canada | 110.9 | 117.2 | 116 | 119.1 | 118.1 | 108.7 | 111.6 | 100.5 | 102.1 | 99.7 | 97.6 |
| Thailand | 90.5 | 91.2 | 95.2 | 93.5 | 94.1 | 89.5 | 83.8 | 81.4 | 82.2 | 84.4 | 90.9 |
| Norway | 90.1 | 96 | 100.3 | 99.2 | 101 | 96.9 | 99.3 | 99.3 | 97.1 | 99.5 | 97.1 |
| Germany | 78.3 | 79.8 | 84.1 | 84.8 | 86.4 | 85.7 | 79.1 | 77.8 | 72.8 | 78.1 | 76.2 |
| Bermuda | 71.3 | 68.2 | 65.4 | 69.6 | 74.5 | 68.6 | 73.9 | 69.1 | 66.4 | 68.1 | 66.9 |
| Netherlands | 50.1 | 48.2 | 48.2 | 49.7 | 50.2 | 48.4 | 47.9 | 44.4 | 45 | 44.5 | 42.9 |
| Sweden | 48.7 | 49.5 | 46.9 | 47.3 | 48.4 | 47.7 | 49.4 | 48.5 | 46.5 | 47.9 | 48.2 |
| Mexico | 45.4 | 49.2 | 49.2 | 51.7 | 53.2 | 51.2 | 49 | 49.9 | 47.6 | 44.7 | 40.5 |
| Italy | 45.3 | 45.8 | 47.1 | 47.2 | 46.7 | 45.6 | 45.4 | 42.5 | 43.7 | 44 | 42.1 |
| Spain | 44.6 | 44.4 | 44.8 | 43.1 | 43.1 | 42.9 | 42.6 | 42 | 41 | 40.9 | 37.7 |
| Kuwait | 43.3 | 43 | 43.8 | 44.1 | 44.1 | 44 | 44.4 | 41.4 | 40.2 | 40.2 | 42.2 |
| Israel | 43.1 | 45.6 | 45.4 | 46 | 42.9 | 40.1 | 39.5 | 36.1 | 36.2 | 34.8 | 35.4 |
| United Arab Emirates | 40.7 | 39.9 | 38.4 | 37.3 | 49.4 | 49.3 | 51.5 | 53.2 | 55.7 | 55.6 | 54.5 |
| Poland | 38.8 | 38.5 | 35.7 | 36.8 | 38.8 | 28.8 | 28.1 | 34.1 | 37.2 | 33.9 | 32.8 |
| Australia | 38.2 | 41 | 41.8 | 36.2 | 38.2 | 42.3 | 39.2 | 39.7 | 39.1 | 39.3 | 39.5 |
| Philippines | 34.8 | 37.4 | 34.6 | 34.1 | 33.9 | 33.9 | 32.2 | 30.7 | 27.3 | 25.1 | 21.2 |
| Iraq | 32.9 | 31 | 32.7 | 32.5 | 35.1 | 34.9 | 34.7 | 34.4 | 35.4 | 36.2 | 34.7 |
| Indonesia | 32.2 | 30.6 | 28.4 | 28.7 | 28.9 | 25.9 | 23.5 | 24.2 | 24.8 | 23.5 | 24.2 |
| Colombia | 31.6 | 31.8 | 31.7 | 31.7 | 32.4 | 30.7 | 31.1 | 29.6 | 29.7 | 31.5 | 27.2 |
| Chile | 30.8 | 29.4 | 29.8 | 30.5 | 31.1 | 30.6 | 29.2 | 29.8 | 29 | 28.6 | 30 |
| Vietnam | 30.5 | 29.9 | 29.2 | 28.8 | 26.7 | 24.6 | 24.8 | 24 | 23.1 | 23.3 | 21.4 |
| All Other | 414.6 | 425.5 | 429.1 | 427.3 | 441.2 | 415.3 | 414.3 | 423.6 | 421.8 | 415.2 | 404.6 |
| Grand Total | 6696.3 | 6740.3 | 6779.6 | 6777.8 | 6856.7 | 6633.4 | 6637.9 | 6540.4 | 6434.9 | 6474.8 | 6375.4 |
|  |  |  |  |  |  |  |  |  |  |  |  |
| Of which: |  |  |  |  |  |  |  |  |  |  |  |
| For. Official | 4077.6 | 4101.6 | 4123.5 | 4151.2 | 4200.3 | 4139.9 | 4146.8 | 4112.1 | 4070.9 | 4080.9 | 4029.7 |
| Treasury Bills | 268.6 | 273.6 | 288.1 | 290.8 | 295.2 | 285.8 | 287.3 | 298 | 307.8 | 318.5 | 319.1 |
| T-Bonds & Notes | 3809.1 | 3827.9 | 3835.4 | 3860.4 | 3905.1 | 3854.1 | 3859.5 | 3814.2 | 3763.1 | 3762.3 | 3710.6 |

Note:

1. Data available as on 18 February, 2020
2. The data in this table are collected primarily from U.S.-based custodians and broker-dealers. Since U.S. securities held in overseas custody accounts may not be attributed to the actual owners, the data may not provide a precise accounting of individual country ownership of Treasury securities (see TIC FAQ #7 at: http://www.treasury.gov/resource-center/data-chart-center/tic/Pages/ticfaq1.aspx)
3. Estimated foreign holdings of U.S. Treasury marketable and non-marketable bills, bonds, and notes reported under the Treasury International Capital (TIC) reporting system are based on monthly data on holdings of Treasury bonds and notes as reported on TIC Form SLT, Aggregate Holdings of Long-Term Securities by U.S. and Foreign Residents and on TIC Form BL2, Report of Customers' U.S. Dollar Liabilities to Foreign Residents.

Source: Department of the Treasury/Federal Reserve Board

**HIGHLIGHTS OF DEVELOPMENTS IN INTERNATIONAL SECURITIES MARKET**

1. **CFTC Charges Colorado Resident with Fraud in Digital Asset-Linked Ponzi scheme**

The U.S Commodity Futures Trading Commission announced the filing of a civil enforcement action in the U.S. District Court for the District of Colorado against **Breonna Clark**, of Denver, Colorado, and **Venture Capital Investments Ltd**., a Colorado limited liability company, charging them with fraud and failing to register with the CFTC.

The complaint charges that the defendants solicited U.S. residents to trade foreign currency (forex) contracts as well as Bitcoin and other digital assets through a commodity pool operated by the defendants. In connection with these solicitations, the defendants collected $534,829 from approximately seventy-two individuals. Rather than trade, the defendants used at least $418,000 of the funds for personal expenses—including acquiring a BMW automobile—and to make Ponzi-type payments to other pool participants.

The complaint also alleges that the defendants fraudulently solicited prospective pool participants by misleading customers about their experience, expertise, and investment track record while promising future profitability trading forex and digital assets. The complaint further alleges that to conceal their misappropriation, the defendants sent pool participants false account statements, which purported to show trading gains.  In addition, the defendants were charged with failing to appropriately register with the Commission pursuant to the Commodity Exchange Act and regulations.

*Source:* [*https://www.cftc.gov/PressRoom/PressReleases/8118-20*](https://www.cftc.gov/PressRoom/PressReleases/8118-20)

1. **CFTC Charges Unregistered Commodity Pool Operator and its Principal with Fraud and Misappropriation**

The U.S Commodity Futures Trading Commission filed a civil enforcement action in the U.S. District Court for the Eastern District of Missouri against **Joshua Christian McDonald** and his company, **Perfection PR Firm LLC**(PPR), which operated out of California and Tennessee. The complaint charges McDonald and PPR with fraud and misappropriation related to an off-exchange foreign currency (forex) trading scheme in which they solicited funds totaling at least $440,000 from at least 12 investors, including multiple residents of Missouri.

According to the complaint, the defendants pooled investors’ funds in bank and trading accounts in their own names. In soliciting funds for and operating the pooled investment vehicle, PPR acted as an unregistered commodity pool operator and McDonald acted as an unregistered associated person of PPR.

The complaint further alleges that beginning in at least August 2017, the defendants falsely represented to prospective investors that McDonald was profitably trading forex and promised investors their accounts would grow between 10% and 50% in value per month, among other claims. As alleged in the complaint, however, McDonald did not in fact trade forex as successfully as he claimed and actually lost money. Moreover, the complaint alleges the defendants’ misappropriated investors’ funds and transferred them into digital asset accounts in McDonald’s name, or used them to pay McDonald’s personal expenses. According to the complaint, investors have lost most or all of their invested funds as a result of the defendants’ fraud and misappropriation.

*Source :* [*https://www.cftc.gov/PressRoom/PressReleases/8119-20*](https://www.cftc.gov/PressRoom/PressReleases/8119-20)

1. **CFTC Wins Forex Fraud Trial on Damages and Obtains Monetary Judgment of More than $22.6 Million**

The U.S Commodity Futures Trading Commission announced that following a bench trial the U.S. District Court for the Middle District of Alabama entered a final judgment against defendants **Husam Tayeh** of Illinois and his companies, **Dinar Corp., Inc.** and **My Monex, Inc.**,both Nevada corporations. The court’s ruling orders the defendants to pay more than $22.6 million in disgorgement and civil monetary penalties in connection with Tayeh’s fraudulent foreign currency (forex) scheme. The court previously found the defendants liable for violations of the Commodity Exchange Act, including fraud.

The verdict in this case stems from a July 27, 2015 complaint filed by the CFTC. [See CFTC Press Release No. 7206-15] The complaint charged the defendants with fraudulently soliciting customers to engage in financed retail forex transactions, primarily involving Iraqi Dinar and Vietnamese Dong, misappropriating customer funds, and various registration violations. The complaint also charged Theodore S. Hudson, II and his company, My Monex, Inc., an Alabama corporation, as relief defendants for receiving funds that were obtained as a result of the defendants’ fraud and to which they have no legitimate claim. The CFTC’s charges against Hudson and his company were resolved via consent order of statutory and equitable relief entered by the court on February 12, 2018.

On February 6, 2018, the court entered an order finding the defendants liable on each of the four counts alleged in the complaint and imposing a permanent injunction. The defendants consented to liability but left the issues of disgorgement and civil monetary penalties to be determined by the court. The parties proceeded to trial on August 12, 2019. On February 14, 2020, U.S. District Court Judge Andrew L. Brasher resolved those issues by entering a final judgment against the defendants, ordering them to pay disgorgement of $22,559,153 and a civil monetary penalty of $140,000. The court also entered a memorandum opinion with findings of fact and conclusions of law in the matter.

*Source :* [*https://www.cftc.gov/PressRoom/PressReleases/8122-20*](https://www.cftc.gov/PressRoom/PressReleases/8122-20)

1. **CFTC Charges Company and its Principal in $33 Million Fraudulent Digital Asset Scheme**

The U.S Commodity Futures Trading Commission announced the filing of a civil enforcement action in the U.S. District Court for the Southern District of New York against defendants **Q3 Holdings, LLC and Q3 I, LP** and their principal, **Michael Ackerman**. The complaint charges the defendants with fraudulently soliciting over $33 million to purportedly trade digital assets and misappropriating a substantial portion of that total.

The complaint specifically alleges that from at least August 2017 through December 2019 defendants operated a fraudulent scheme in which they solicited funds to purportedly trade digital assets and then misappropriated those funds. The defendants engaged in numerous misrepresentations that included making claims of (i) earning customers .5% in daily trading profits and roughly 15% per month, (ii) using algorithms that generated winning trades 75% of the time, and (iii) utilizing security measures that made it impossible for any principal to transfer or withdraw customer funds.

In reality, the defendants sent only a small portion of the customers’ funds to digital asset trading accounts, did not earn the trading profits they claimed, and misappropriated funds. To conceal the fraud, the defendants provided customers with false accounting statements, newsletters containing false trading returns, and fictitious screenshots reflecting the amount of money under Q3’s management.

***Source :*** [***https://www.cftc.gov/PressRoom/PressReleases/8115-20***](https://www.cftc.gov/PressRoom/PressReleases/8115-20)

1. **SEC Charges South Carolina Energy Companies, Former Executives with Defrauding Investors**

The Securities and Exchange Commission charged SCANA Corp., two of its former top executives, and South Carolina Electric & Gas Co. (SCE&G), now known as Dominion Energy South Carolina Inc., with defrauding investors by making false and misleading statements about a nuclear power plant expansion that was ultimately abandoned.

The SEC’s complaint alleges that SCANA, its former CEO Kevin Marsh, former Executive Vice President Stephen Byrne, and subsidiary SCE&G misled investors about a project to build two nuclear units that would qualify the company for more than $1 billion in tax credits. According to the complaint, the defendants claimed that the project was on track even though they knew it was far behind schedule, making it unlikely to qualify for the tax credits. SCANA abandoned the project in mid-2017 with neither nuclear unit completed. The complaint alleges that the false statements and omissions enabled SCANA to boost its stock price, sell more than $1 billion in bonds, and obtain regulatory approval to raise customers' rates to finance the project.

The SEC's complaint, filed in federal court in South Carolina, charges SCANA, SCE&G, Marsh, and Byrne with violations of the antifraud provisions of the federal securities laws, and charges SCANA, SCE&G, and Marsh with reporting violations. The complaint seeks a permanent injunction, return of allegedly ill-gotten gains along with prejudgment interest, and financial penalties from all defendants, and an officer and director bar against Marsh and Byrne.

***Source:*** [***https://www.sec.gov/news/press-release/2020-44***](https://www.sec.gov/news/press-release/2020-44)

1. **Wells Fargo to Pay $500 Million for Misleading Investors About the Success of Its Largest Business Unit**

The Securities and Exchange Commission charged California-based Wells Fargo & Co. for misleading investors about the success of its core business strategy at a time when it was opening fake accounts for unknowing customers and selling unnecessary products that went unused. Wells Fargo has agreed to pay $500 million to settle the charges, which will be returned to investors. The $500 million payment is part of a combined $3 billion settlement with the SEC and the Department of Justice.

According to the SEC’s order, between 2012 and 2016, Wells Fargo publicly touted to investors the success of its Community Bank’s “cross-sell” strategy – selling additional financial products to its existing customers – which it characterized as a key component of its financial success. The order finds that Wells Fargo sought to induce investors’ continued reliance on the cross-sell metric even though it was inflated by accounts and services that were unused, unneeded, or unauthorized. According to the order, from 2002 to 2016, Wells Fargo opened millions of accounts of financial products that were unauthorized or fraudulent. Wells Fargo’s Community Bank also pressured customers to buy products they did not need and would not use. The order finds that these accounts were opened through sales practices inconsistent with Wells Fargo’s investor disclosures regarding its purported needs-based selling model.

The SEC’s order finds that Wells Fargo violated the antifraud provisions of the Securities Exchange Act of 1934. Wells Fargo has agreed to cease and desist from committing or causing any future violations of these provisions and to pay a civil penalty of $500 million. The SEC will distribute this money to harmed investors.

***Source:*** [***https://www.sec.gov/news/press-release/2020-38***](https://www.sec.gov/news/press-release/2020-38)

1. **IOSCO publishes key considerations for regulating crypto-asset trading platforms**

The Board of the International Organization of Securities Commissions published a report that describes the issues and risks associated with crypto-asset trading platforms (CTPs) and sets out key considerations to assist regulatory authorities in addressing these issues. The development of crypto-assets is an important area of interest for regulatory authorities around the world and has been identified in the IOSCO work program as an on-going Board priority in 2020. The report published, titled Issues, Risks and Regulatory Considerations Relating to Crypto-Asset Trading Platforms, and describes the issues that IOSCO has identified regarding CTPs. The report sets out key considerations intended to assist regulatory authorities in evaluating CTPs within the context of their regulatory frameworks which relates to Access to CTPs, Safekeeping of participant assets, including custody arrangements, Identification and management of conflicts of interest, •Transparency of operations, •Market integrity, including the rules governing trading on the CTP, and how those rules are monitored and enforced, Price discovery mechanisms, Technology, including resiliency and cyber security.

Many of the issues related to the regulation of CTPs are common to traditional securities trading venues but may be heightened by the business models used by CTPs. Where a regulatory authority has determined that a crypto-asset is a security and falls within its remit, the basic principles or objectives of securities regulation should apply. Accordingly, the report states that the IOSCO Principles and Methodology provide useful guidance for regulatory authorities considering the identified issues and risks.

***Source:*** [***https://www.iosco.org/news/pdf/IOSCONEWS556.pdf***](https://www.iosco.org/news/pdf/IOSCONEWS556.pdf)

**POLICY DEVELOPMENTS**

**1. Currency Future and Options Contracts (involving Indian Rupee) on Exchanges in International Financial Services Centres (IFSC)**

SEBI capped gross open position limit at $1-billion equivalent per trading member or client level for rupee derivatives launched at stock exchanges in GIFT City IFSC. The move is to bring offshore rupee trading to GIFT City.

**Source: SEBI/HO/MRD2/DCAP/CIR/P/2020/17 February 03, 2020**

**2. Performance review of the commodity derivatives contracts**

SEBI has asked the stock exchanges to review the performance of all contracts in the commodity derivatives segment on annual basis for each financial year and disclose it by June 30 of the following financial year. The performance review shall be consulted with the Product Advisory Committee, SEBI said in a circular.

**Source: SEBI/HO/CDMRD/DNPMP/CIR/P/2020/21 February 04, 2020**

**3. Common Application Form for Foreign Portfolio Investors**

SEBI come out with a common application form for registration of foreign portfolio investors in order to enhance operational flexibility and ease of access to Indian capital market. Depository participants have been asked to continue to accept in-transit FPI registration applications, for a period of 60 days, SEBI said in a circular.

**Source: IMD/FPI&C/CIR/P/2020/022 February 04, 2020**

**4. Disclosure Standards for Alternative Investment Funds (AIFs)**

In an effort to streamline the disclosure standards, SEBI recently has proposed some disclosure standards when it comes to the Alternative Investment Funds (AIFs). SEBI in the month of December 2019, had sought public comments on ‘Introduction of Performance Benchmarking’ and ‘Standardisation of Private Placement Memorandum (PPM)’ for AIFs. Post the recommendation, from the public as well as from Alternative Investment Policy Advisory Committee (AIPAC). SEBI has introduced templates for PPM, subject to certain exemptions and introduced mandatory Performance Benchmarking for AIFs.

**Source: SEBI/HO/IMD/DF6/CIR/P/2020/24 February 05, 2020**

**5. Guidelines for Portfolio Managers**

SEBI issued guidelines for portfolio managers and said they cannot charge upfront fee from clients. SEBI (Portfolio Managers) Regulations, 2020, were notified on January 16. In addition, certain changes to the regulatory framework for portfolio managers have been mandated. "As provided in Regulation 22 (11) of the PMS Regulations, no upfront fees shall be charged by the portfolio managers, either directly or indirectly, to the clients," SEBI said.

**Source: SEBI/HO/IMD/DF1/CIR/P/2020/26 February 13, 2020**

**6. Review of Margin Framework for Cash and Derivatives segments (except for Commodity Derivatives segment)**

SEBI has tweaked the margining framework for stocks in the cash and derivatives segment. As part of the review, SEBI has divided stocks in the cash segment into three categories based on liquidity to ascertain the so-called value at risk (VaR) margin. Further, the extreme loss margin has been fixed at 3.5% for any stock, and 2% for exchange traded funds that track broad-based market indices.

**Source: SEBI/HO/MRD2/DCAP/CIR/P/2 February 24, 2020**

**7. Margin obligations to be given by way of Pledge/ Re-pledge in the Depository System**

SEBI stated that brokers can take client securities only as ‘margin pledge’ and more importantly, such transfers cannot be made to the demat account of the broker. “With effect from June 1, 2020, TM/CM (trading member or clearing member) shall accept collateral from clients in the form of securities, only by way of ‘margin pledge’, created in the Depository system,” the circular stated.

**Source: SEBI/HO/MIRSD/DOP/CIR/P/2 February 25, 2020**

**8. Facilitating transaction in Mutual Fund schemes through the Stock Exchange Infrastructure**

SEBI allowed investors to directly access the infrastructure of stock exchanges for purchasing and redeeming mutual fund units directly from mutual fund and asset management companies. The move is aimed at further increasing the reach of the platform, SEBI said in a circular.

**Source: SEBI/HO/MRD1/DSAP/CIR/P/2020/29 February 26, 2020**

**9. Securities and Exchange Board of India (International Financial Services Centres) Guidelines, 2015- Amendments**

SEBI amended the guidelines for intermediaries operating at the International Financial Services Centre (IFSC), wherein such entities will be permitted to carry out operations without forming a separate company. The facility – subject to various conditions, including SEBI nod – would not be applicable for trading and clearing members.

**Source: SEBI/HO/MRD1/DSAP/CIR/P/2020/30 February 27,2020**

1. **Operating Guidelines for Investment Advisers in International Financial Services Centre (IFSC) – Clarifications**

SEBI said investment advisers operating in International Financial Services Centre (IFSC) are required to have a net worth of $ 7,00,000. Earlier, the net worth requirement for investment adviser (IA) in IFSC was $ 1.5 million.

**Source: SEBI/HO/IMD/DF1/CIR/P/2020/31 February 28, 2020**

*Disclaimer: The summary has been prepared for the convenience of readers. In case of any ambiguity, please refer to the original circular.*

**REGULATORY ACTION TAKEN BY SEBI**

* SEBI passed an order dated February 05, 2020 in the matter of Indiabulls Ventures Limited restraining Ms Pia Johnson and others from accessing the securities market and from buying, selling or dealing in securities including the units of mutual funds, directly or indirectly, for a period of 1 year and are restrained from buying, selling or dealing in the securities of the Indiabulls Ventures Limited, directly or indirectly, in any manner whatsoever, for a period of 3years.
* SEBI passed an order dated February 05, 2020 in the matter of Bishal Abasan India Limited directing Mr. Chandan Shahand and others to refund the money collected by the Company, through the offer and issuance of RPS and NCDs including the application money collected from the investors during their respective period of Directorship, till date, pending allotment of securities, if any, with an interest of 15% per annum, from the eighth day of collection of funds, to the investors till the date of actual payment.
* SEBI passed an order dated February 06,2020 in the matter of M/s Profit Guru and its proprietor Mr. Satish Shukla directing to cease and desist from acting as an investment advisor including the activity of acting and representing through any media (physical or digital) as an investment advisor ,directly or indirectly ,and cease to solicit or undertake such activity or any other activities in the securities market, directly or indirectly ,in any matter whatsoever ,until further orders.
* SEBI passed an order dated February 07, 2020 prohibiting SIC Stocks and Services Private Ltd Stock Broker-NSE & BSE [SEBI Registration Nos.:INB011180339/INB231180333] from taking up/ registering any new clients for a period of two months.
* SEBI passed an order dated February 7,2020 in the matter of unregistered investment advisory activity directing Investmart - Anshuman Bhise and others to cease and desist from acting as an investment advisor including the activity of acting and representing through any media (physical or digital) as an investment advisor ,directly or indirectly ,and cease to solicit, or undertake such activity or any other activities in the securities market ,directly or indirectly in any manner whatsoever ,until further orders.
* SEBI granted exemption to the Proposed Acquirers, viz. Nishith Arora Family Trust and Neha Family Trust with respect to proposed acquisitions in the target company, viz. MPS Limited, from complying with the requirements of Regulations 3(1), 4 and 5 of the Takeover Regulations 2011, by way of proposed transactions as mentioned in the application.
* SEBI passed an order, dated February 14, 2020, in the matter of Ravi Kumar Distilleries Limited restraining Sarthak Vijlani from accessing the securities market and further prohibiting him from buying, selling or otherwise dealing in securities in any manner whatsoever, directly or indirectly, for a period of one year from the date of the order.
* SEBI passed an order, dated February 14, 2020, restraining Kanva Hydro Chem Ltd. from accessing the Securities Market and further prohibit it from buying, selling or otherwise dealing in securities, directly or indirectly in any manner till the Noticee Company resolves the investor grievances pending against it. It is further directed that during the period of restraint, the existing holding of securities of the Noticee including units of mutual funds, shall remain frozen.
* SEBI passed an order, dated February 14, 2020, in the matter of disclosures by Visu International Ltd. restraining this company from accessing the Securities Market by issuing prospectus, offer document or advertisement soliciting money from the public and is further prohibited from buying, selling or otherwise dealing in securities, directly or indirectly in any manner, for a period of five years from the date of this order. Other Noticees in the matter (B. Prabhakar and two others) were also prohibited from accessing the securities market and from buying, selling or dealing in securities, directly or indirectly in any manner for various periods from the date of the order.
* SEBI passed an order, dated February 18, 2020, in the matter of GDR issue of Crew B.O.S Products Ltd, restraining CREW B.O.S. Products Ltd from accessing the Securities Market including by issuing prospectus, offer document or advertisement soliciting money from the public and is further prohibited from buying, selling or otherwise dealing in securities, directly or indirectly in any manner, for a period five years from the date of this order. Mr. Robin Bartholomew and Mr. Puneet Nikole are restrained from accessing the Securities Market and are further prohibited from buying, selling or otherwise dealing in securities, directly or indirectly in any manner, from the date of this order, for the period of two years.
* SEBI passed an order, dated February 18, 2020, in the matter of Midvalley Entertainment Limited, restraining MVEL, Sudhir Kumar Jena, K Murugavel, Vasan Chidambaram and K Ramdasan from accessing the securities market and are further prohibited from buying, selling or otherwise dealing in securities, directly or indirectly ,or being associated with the securities market in any manner, whatsoever, for a period of seven years, from the date of this order. Sudhir Kumar Jena, K Murugavel, Vasab Chidambaram and K Ramdasan also restrained from being associated with any listed company or a SEBI registered intermediary, in any capacity including as a Director or key managerial person, directly or indirectly, for a period of Seven years. Other noticees (Datuk K Ketheeswaranare and three other ) are also prohibited from buying, selling or otherwise dealing in securities, directly or indirectly in any manner for various durations.
* SEBI vide officer order dated February20, 2020, issued directions and warned Mishtann Foods Ltd to be careful in resolving the investors’ complaints within the time line as specified in the circulars issued by SEBI from time to time. As regards the complaints still pending for resolution/ redressal for which the Company has been reminded vide email dated February 17, 2020, Company is directed to take urgent steps to resolve those pending complaints and file a satisfaction report to SEBI within a period of 45 days from the date of this order.
* SEBI passed an order, dated February 20, 2020, restraining Resurgere Mines and Minerals India Ltd (company) from accessing the Securities Market including by issuing prospectus, offer document or advertisement soliciting money from the public and further prohibiting the company from buying, selling or otherwise dealing in securities, directly or indirectly in any manner, for a period of five (5) years from the date of this order, in the matter of GDR issue of Resurgere Mines and Minerals India Ltd.. Other noticees (Mr. Subhash Sharma and two others ) are also prohibited from buying, selling or otherwise dealing in securities, directly or indirectly in any manner for various durations.
* SEBI, vide an order dated February 25, 2020, directed Vayaa Builders and Developers Private Limited and its Directors, viz. Yogendra Bisay and Jitendra Bisay to wind up its existing CIS and refund the contributions or payments collected from investors under the schemes with returns due to the investors within a period of three months from the date of the order. Vayaa Builders and Developers Private Limited and its Directors, viz. Yogendra Bisay and Jitendra Bisay are also restrained from accessing the securities market and prohibited from buying, selling or otherwise dealing in securities market, directly or indirectly, till the directions for refund/repayment to the investors .
* SEBI, vide an order dated February 26, 2020, restrained Md Mahfuz Alam and seven other directors from accessing the securities market by issue of prospectus/ offer document/ advertisement and buying, selling or otherwise dealing in securities in any manner whatsoever, either directly or indirectly, for a period of four years, from the date of completion of making refund to the investors, in the matter of Orion Industries Ltd. The directors were further instructed to refund the money jointly and severally with Orion Industries Ltd. Collected during their respective period of directorship till date, pending the allotment of securities, if any, with an interest of 15 per cent per annum from the eighth day of collection of funds to the investors till the date of actual payment.
* SEBI, vide an order dated February 28, 2020, cancelled the Certificate of Registration (INF011443836) of Royal International Shares Private Limited as a stock broker with immediate effect, .
* SEBI, vide an order dated February 28, 2020, restrained MBL from buying, selling or otherwise dealing in securities, in its proprietary account, directly or indirectly, for a period of four (4) years from the date of the order.
* SEBI, vide an order dated February 28, 2020, reject the application dated October 14, 2019 for waiver of fine made by W.S. Industries (India) Ltd.
* SEBI passed an order dated February 06, 2020 in the matter of Sunness Capital India Pvt. Ltd. imposing a penalty of Rs.3, 00,000/-(Rupees Three Lakhs Only) for violation of the provisions of SEBI Circular ref. no. SEBI/MIRSD/SE/Cir-19/2009 dated December 3, 2009, and Clauses A(2) and A(5) of the Code of Conduct for stock brokers contained in Schedule II read with Regulation 9(f)of Broker Regulations.
* SEBI passed an order dated February 07, 2020 in the matter of GMM Pfaudler Ltd. imposing a penalty of Rs. 13,50,000/- (Rupees Thirteen Lakh Fifty Thousand Only) on Shree A J Patel Charitable Trust and others for the violation of Regulation 8(2) of the Takeover Regulations, 1997.
* SEBI passed an order, dated February 10, 2020, imposing a penalty of ₹12,00,00,000/-(Twelve Crore Only) on Tarini International Limited and others for the violation of provisions of Section 12A (a), (b) and (c) of the SEBI Act r/w Regulation 3 (a), (b), (c) and (d), Regulation 4(1), 4(2)(f) and 4(k) of SEBI (Prohibition of Fraudulent and Unfair Trade Practices Relating to Securities Markets) Regulations, 2003.
* SEBI passed an order, dated February 12, 2020, imposing a penalty of ₹5,00,000/-(Rupees Five Lakh) on LKP Securities Limited for the violation of SEBI Circular dated November 18, 1993, SEBI Circular No. MRD/DoP/SE/Cir-11/2008 dated April 17, 2008 and Regulation 26(xiii) of the Brokers Regulations, SEBI Circular No. MIRSD/ SE /Cir-19/2009 dated December 3, 2009 along with Regulation 17 and 18 of the Brokers Regulations and SEBI Circular No. SMD/SED/CIR/93/23321 dated November 18, 1993 read with Regulation 26(xiii) of Brokers Regulations.
* SEBI passed an order, dated February 12, 2020, in the matter of dealing in illiquid stock options at the BSE imposing a penalty of ₹5,00,000/-(Rupees Five Lakh Only) on Ambica Capital Markets Limited for the violations of the provision of Regulation 3(a), (b), (c), (d), 4(1) and 4(2)(a) of SEBI (Prohibition of Fraudulent and Unfair Trading Practices related to Securities Markets) Regulations, 2003.
* SEBI passed an order, dated February 13, 2020, imposing a penalty of ₹10,00,000/-(Rupees Ten Lakh only) on Indovision Securities Limited for the violation of SEBI/HO/MIRSD/MIRSD2/CIR/P/2016/95 circular relating to (i) mis-utilisation of clients’ funds, (ii) non-segregation of clients’ funds and own funds ,and (iii) mis-use of pledging of clients’ securities.
* SEBI passed an order, dated February 13, 2020, imposing a total penalty of ₹2,00,000/-(Rupees Two Lakh) on Omni Dyechem Exports Limited for the violation of SEBI Circulars No CIR/OIAE/1/2012 dated August 13, 2012, No. CIR/OIAE/1/2013 dated April 17, 2013SEBI passed an order, dated February 14, 2020, in the matter of Ybrant Digital Limited imposing a penalty of ₹9,00,000/- (Rupees Nine Lakh) on Redmond Investments Ltd for violation of regulations 13(4A) r/w 13(5) of PIT Regulations, 1992.
* SEBI passed an order, dated February 14, 2020, in the matter of illiquid stock options at BSE imposing a penalty of ₹5,00,000/-( Rupees Five Lakh only) on Arihant Sharecom Private Limited for the violation of regulations 3(a), (b), (c), (d), 4(1) and 4(2)(a) of PFUTP Regulations.
* SEBI passed an order, dated February 17, 2020 , imposing a penalty of ₹ 25,00,000/-(Rupees Twenty Five Lakh only) on HBJ Capital Services Pvt. Ltd. and itd directors for non-compliance of order dated June 15, 2015 of WTM SEBI, under the provisions of sections 11(1), 11(4), 11B and 11D of the SEBI Act, 1992.
* SEBI passed an order, dated February 17, 2020, in the matter of trading activities of Pankaj J Shah HUF and connected entities, imposing a penalty of ₹ 25,000/-(Rupees Twenty Five Thousand only) on Bharatkumar Ramanlal Patel for violations of provision of section 2(i)(a) of SCRA r/w sections 13, 16 and 18of SCRA.
* SEBI passed an order, dated February 17, 2020, in the matter of trading activities of Pankaj J shah HUF and connected entities, imposing a penalty of ₹25,000/-(Rupees Twenty-Five Thousand only) on Vatsal Jayeshbhai Shah for violations of provision of section 2(i)(a) of SCRA r/w sections 13, 16 and 18 of SCRA.
* SEBI passed an order, dated February 17, 2020, in the matter of trading activities of Pankaj J Shah HUF and connected entities, imposing a penalty of ₹ 25,000/-(Rupees Twenty Five Thousand only) on Himani Jayeshbhai Shah for violations of provision of section 2(i)(a) of SCRA r/w sections 13, 16 and 18 of SCRA.
* SEBI passed an order, dated February 17, 2020, in the matter of trading activities of Pankaj J shah HUF and connected entities imposing a penalty of ₹ 25,000/-(Rupees Twenty Five Thousand only) on Jayeshbhai Virchand Shah for violations of provision of section 2(i)(a) of SCRA r/w sections 13, 16 and 18 of SCRA.
* SEBI passed an order, dated February 18, 2020 ,in the matter of dealing in illiquid stock options at the BSE imposing a penalty of ₹ 5,00,000/-(Five Lakh only) on Akash Ispat Private Limited for violations of the provision of Regulation 3(a), (b), (c), (d), 4(1) and 4(2)(a) of SEBI (Prohibition of Fraudulent and Unfair Trading Practices related to Securities Markets) Regulations, 2003.
* SEBI passed an order, dated February 18, 2020, in the matter of Transchem Ltd imposing a penalty of ₹ 4,50,000/-(Rupees Four Lakh Fifty Thousand Only) on Rajen Desai and others (to be paid jointly and severally) for the violations of the provisions of Regulation 3(1) of SAST Regulations, 2011.
* SEBI passed an order, dated February 18, 2020 , in the matter of Turbotech Engineering Limited imposing a total penalty of ₹ 59,00,000/-(Rupees Fifty Nine Lakh Only) on Radison Properties Private Limited and eight others for the violation of provisions of Regulation 3(a),(b),(c),(d) and Regulation 4(1), 4(2) (a) and (e) of SEBI (Prohibition of Fraudulent and Unfair Trade Practices Relating to Securities Markets) Regulation 2003.
* SEBI passed an order, dated February 18, 2020, imposing a penalty of ₹ 5,00,000/-(Rupees Five Lakh only) on Safal Capital (India) Limited for the violation of provisions of SEBI Circular No. SMD/SED/CIR/93/23321 dated November 18, 1993 and SEBI Circular No. MRD/DoP/SE/Cir-11/2008 dated April 17, 2008.
* SEBI passed an order, dated February 20, 2020, in the matter of Filatex Fashions Limited imposing a penalty of ₹ 2,00,000 (Rupees Two Lakh only) on Heroic Mercantile Private Limited for the violation Regulation 29(2) read with Regulation 29(3) of SAST Regulations, 2011.
* SEBI passed an order, dated February 20,2020, in the matter of role of statutory auditor in the IPO of Tarini International Limited, imposing a penalty of ₹ 15,00,000/-(Rupees Fifteen Lakh only) on VCG & Co. and Vishal Chandra Gupta, jointly and severally for the violation of various section 12A (a), (b) and (c) of SEBI Act, 1992 and Regulations 3(a), (b), (c), (d), 4(1), 4(2)(f), 4(2)(k) and 4(2)(r) of PFUTP Regulations.
* SEBI, vide an order dated February 24, 2020, imposed a penalty of ₹1,00,000/-(Rupees One Lakh only) on Gordon Herbert (India) Limited for the violation of SEBI Circulars No. CIR/OIAE/1/2013 dated April 17, 2013 read with CIR/OIAE/1/2014 dated December 18, 2014.
* SEBI, vide an order dated February 24, 2020, imposed a penalty of ₹7,50,000/-(Rupees Seven Lakh Fifty Thousand only) on Gold View Financial Services Limited for the violations of the provision of Regulation 3(a), (b), (c), (d), 4(1) and 4(2)(a) of the PFUTP Regulations, in the matter of illiquid stock options at BSE.
* SEBI, vide an order dated February 25, 2020, imposed a penalty of ₹ 1,00,000/-(Rupees One Lakh Only) on Dani Shares and Stocks Private Limited, has failed to comply with the provisions of SEBI Circulars ref. no. SMD/SED/CIR/93/23321 dated November 18, 1993, MIRSD/SE/Cir-19/2009 dated December 03, 2009 and SEBI/HO/MIRSD/MIRSD2/CIR/P/2016/95 dated September 26, 2016.
* SEBI, vide an order dated February 25, 2020, imposed a penalty of ₹ 5,00,000/-(Rupees Five Lakh Only) on Murtuza S. Mewawala and four others ( jointly and severally ) for the violations of provisions of Regulation 13(1) and 13(2)(b) of SAST Regulations, 2011, in the matter of Expo Gas Containers Ltd.
* SEBI, vide an order dated February 25, 2020, imposed a penalty of ₹ 9,22,821/-(Rupees Nine Lakh Twenty Two Thousand Eight Hundred Twenty one only) on Mr. Babulal Dugar and two others ( jointly or severally) for the violation of provisions of Section 12A(a), (b) and(c) of the SEBI Act and Regulations 3(a), (b), (c), (d) and 4(1) of the PFUTP Regulations, in the matter of using sham identities in the securities market.
* SEBI, vide an order dated February 25, 2020, imposed a penalty of ₹ 3,00,000/-(Rupees Three Lakh Only) on Santosh Maruti Patil for the violation of regulations 3(a), (b), (c), (d), 4(1) and 4(2)(a), (b) and (g) of PFUTP Regulations, in the matter of Spectacle Industries Ltd. (now known as Spectacle Ventures Ltd.).
* SEBI, vide an order dated February 25, 2020, imposed a penalty of ₹ 1,00,000/-(Rupees One Lakh Only) on Devendra Suresh Gupta for the violation of regulations 3(a), (b), (c), (d), 4(1) and 4(2)(a), (b) and (g) of PFUTP Regulations, in the matter of Gemstone Investment Ltd.
* SEBI, vide an order dated February 26, 2020, imposed a penalty of ₹ 1,00,000/-(Rupees One Lakh Only) on Devendra Suresh Gupta for the violation of regulations 3(a), (b), (c), (d), 4(1) and 4(2)(a), (b) and (g) of PFUTP Regulations, in the matter of Gemstone Investment Ltd.
* SEBI, vide an order dated February 26, 2020, imposed a penalty of ₹ 3,00,000/-(Rupees Three Lakh Only) on Ashok Kumar Damani for the violation of regulations 3(a), (b), (c), (d), 4(1) and 4(2)(a) of PFUTP Regulations, in the matter of illiquid stock option at BSE.
* SEBI, vide an order dated February 26, 2020, imposed a penalty of ₹ 10,00,000/-(Rupees Ten Lakh only) on Muthoottu Mini Financiers Ltd. for the violation of regulation 8 of ILDS Regulations.
* SEBI, vide an order dated February 26, 2020, imposed a penalty of ₹ 6,20,000/-(Rupees Six Lakh and Twenty Thousand only) on Y T Capital Private Limited for the violation of the provisions of Regulations 3(a), (b), (c), (d) and 4(1), 4(2) (a) of PFUTP Regulations, in the matter of dealings in illiquid stocks options at BSE
* SEBI, vide an order dated February 27, 2020, imposed a penalty of ₹ 25,00,000/-(Rupees Twenty Five Lakh only) on Umang Nemani for the violation of the provisions of Regulations 3(a), (b), (c), (d) and 4(1), 4(2)(a) of PFUTP Regulations, in the matter of dealings in illiquid stocks options at BSE.
* SEBI, vide an order dated February 27, 2020, imposed a penalty of ₹ 25,000/-(Rupees Twenty Five Thousand only) on Manjulaben Kothari for the violations of provision of section 2(i)(a) of SCRA r/w sections 13, 16 and 18 of SCRA, in the matter of trading activities of Pankaj J. Shah HUF and connected entities.
* SEBI, vide an order dated February 27, 2020, imposed a penalty of ₹ 25,000/-(Rupees Twenty Five Thousand only) on Helina Shah for the violations of provision of section 2(i)(a) of SCRA r/w sections 13, 16 and 18 of SCRA, in the matter of trading activities of Pankaj J. Shah HUF and connected entities
* SEBI, vide an order dated, February 27, 2020, imposed a penalty of ₹ 10,00,000/-(Rupees Ten Lakh only) on Zeestar Limouzines Limited for its failure of obtaining CIS registration as required under section 12(1B) of the SEBI Act and regulation 3 of the CIS Regulations.
* SEBI, vide an order dated February 27, 2020, imposed a penalty of ₹ 5,10,000/-(Rupees Five Lakh Ten Thousand Only) on Dimension Steel & Alloys Private Limited for the violation of the provisions of Regulations 3(a), (b), (c), (d) and 4(1), 4(2)(a) of PFUTP Regulations, in the matter of Its dealings in illiquid stock options at BSE
* SEBI, vide an order dated February 27, 2020, imposed a penalty of ₹ 5,00,000/-(Rupees Five Lakh only) on Bharat Jayantilal Patel, and nine others (to be paid jointly and severally) for the violation of Regulation 29(2) read with Regulation 29(3) of SAST Regulations.
* SEBI, vide an order dated February 27, 2020, imposed a total penalty of ₹ 65,00,000/-(Rupees Sixty Five Lakh only) on Helios and Matheson Information Technology Ltd. for the violation of clause 36 and 54 of Listing Agreement read with Section 21 of the SCRA.
* SEBI, vide an order dated February 27, 2020, imposed a penalty of ₹ 2,00,000/-(Two Lakh only) on Sanjay Kumar and ₹1,00,000/-on Atin Jain for the violation of Section 16 of SCRA read with SEBI Notification SO 184(E) dated March 01, 2000, Section 13 and Section 18 of SCRA read with Section 2(i) of SCRA and Regulations 13(4A) read with 13(5) further read with Regulation 12 of the SEBI (Prohibition of Insider Trading) Regulations, 2015, in the matter of Cityon Systems (India) Limited
* SEBI, vide an order dated February 27, 2020, imposed a penalty of ₹ 5,00,00,000/-(Rupees five crore only) on Gitanjali Gems Limited for the violation of the provisions of Regulations for the violation of the provisions of Regulations 30(1), 30(2) and 30(6) read with clause (2), clause (7), of Para A of Part A, clause (8) of para B of Schedule III of LODR Regulations read with corresponding provisions of SEBI circular CIR/CFD/CMD/4/2015 dated September 09, 2015, clause 36 of the erstwhile listing agreement and against other two notices for violation of Regulations 4(2)(f)(i)(2), 4(2)(f)(ii)(8), 4(2)(f)(iii)(3) and 4(2)(f)(iii)(6) of LODR Regulations.
* SEBI, vide an order dated February 27, 2020, imposed a total penalty of ₹ 24,00,000/-(Rupees Twenty Four Lakh Only) on Abhay Ram Dahiya and two others for Non Compliances of directions contained in SEBI order dated June 03, 2019 read with August 01, 2003 passed by SEBI, in the matter of Polo Hotels Limited.
* SEBI, vide an order dated February 28, 2020, imposed a penalty of ₹30,00,000/-(Rupees Thirty Lakh only) on Nirmal Bang Securities Private Limited for the violation of the provisions of SEBI Circular SMD/SED/CIR/93/23321 dated November 18, 1993,in the matter of Inspection of Books of Nirmal Bang Securities Private Limited.
* SEBI, vide an order dated February 28, 2020, imposed a penalty of ₹17,00,000/-(Rupees Seventeen Lakh only) on Motilal Oswal Financial Services Limited for the violation of the provisions of SEBI Circular SMD/SED/CIR/93/23321 dated November 18, 1993, in the matter of Inspection of Books of Motilal Oswal Financial Services Limited (Formerly known as Motilal Oswal Securities Limited).
* SEBI, vide an order dated February 28, 2020, imposed a total penalty of ₹3,00,000/-(Rupees Three Lakh only) on Parvati Minerals Private Limited and two others for violation of Regulation 13 (1) of the PIT Regulations and Regulation 29(1) and (3) of the SAST Regulations.
* SEBI, vide an order dated February 28, 2020, imposed a penalty of ₹1,00,000/-(Rupees One Lakh) on Sethi Ravi Praduman for the violation of provisions of Regulation 12(1) read with Schedule 1, Part A of PIT Regulations, 1992 read with Regulation 12 of PIT Regulations, 2015, in the matter of Alexander Stamps and Coin Limited.
* SEBI, vide an order dated February 28, 2020, imposed a penalty of ₹ 2,00,000/-(Rupees Two Lakh) on Anirudh P Sethi for the violation of provisions of Regulation 12(1) read with Clause 1.2 of Schedule 1, Part A of PIT Regulations, 1992 read with Regulation 12 of PIT Regulations, 2015 during February 20, 2002 till the Company adopted Code of Conduct under SEBI (PIT) Regulations, 2015, in the matter of Alexander Stamps and Coin Limited.
* SEBI, vide an order dated February 28, 2020, imposed a penalty of ₹1,00,000/-(Rupees One Lakh Only) on Newton Engineering and Chemicals Limited for non-compliance to SEBI circulars dated August 13, 2012, and April 17, 2013 by not obtaining SCORES authentication and non-redressal of investor grievances within the stipulated time, in the matter of SCORES Authentication.
* SEBI, vide an order dated February 28, 2020, imposed a total penalty of ₹10,75,00,000/-(Rupees Ten Crore Seventy Five Lakh Only) on Aksh Optifibre Limited and five others for the violation of Section 12A (a), (b), (c) of SEBI Act, 1992 read with Regulations 3(a), (b), (c), (d) and 4(1), 4(2)(f), (k), (r) of PFUTP Regulations, section 21 of SCRA, 1956 r/w clauses 36(7) of Listing Agreement in the matter of GDR issue by Aksh Optifibre Limited.
* SEBI, vide an order dated February 28, 2020, imposed a total penalty of ₹2,00,000/-(Rupees Two Lakh Only) on Information Technologies (India) Limited for non-compliance to SEBI circulars dated August 13, 2012 and April 17, 2013 by not obtaining SCORES authentication and non-redressal of investor grievances within the stipulated time
* SEBI, vide an order dated February 28, 2020, imposed a penalty of ₹10,00,000/-(Rupees Ten Lakhs only) on Financial Technologies (India) Ltd for its failure to comply with the directions issued by SEBI vide Order dated March 19, 2014, in the matter of Financial Technologies (India) Ltd., (presently known as 63 Moons Technologies Ltd.)
* SEBI, vide an order dated February 28, 2020, imposed a penalty of ₹ 5,00,000/-(Rupees Five Lakh Only) on each of the 16 noticees (Cosmos Distributors Pvt. Ltd and fifteen other) for the violation of Regulations 3(a), (b), (c) & (d), 4(1), 4(2) (a) and (e) of SEBI PFUTP Regulations, 2003, in the matter of Mapro Industries Limited.
* SEBI, vide an order dated February 28, 2020, imposed a total penalty of ₹ 15,00,000/-(Rupees Fifteen Lakh only) on S V Global Mill Ltd and two others for violation of Clause 49 (1) (D) (i) of the Listing Agreement..
* SEBI, vide an order dated February 28, 2020, imposed a total penalty of ₹ 40,00,000 (Rupees forty Lakh only) on Midfield Industries Ltd and two others for violation of the provisions of Regulations 3 (b), (c), (d), 4(1), 4 (2) (f) and (k) of SEBI (PFUTP) Regulations, 2003 read with Section 12A (a), (b) and (c) of SEBI Act, 1992 and Regulation 57(1) of SEBI (ICDR) Regulations.
* SEBI, vide an order dated, February 28, 2020, imposed a penalty of ₹ 7,00,000/-(Rupees Seven Lakh only) on NNM Securities Pvt. Ltd for the violation of the provisions of Section 23D of the SCRA read with SEBI circular SMD/SED/CIR/93/23321 dated November 18, 1993 and SEBI Circular MRD/DoP/SE/Cir-11/2008 dated April 17, 2008.
* SEBI, vide an order dated February 28, 2020, imposed a total penalty of ₹22,00,000/-(Rupees Twenty Two Lakh Only) on MPF Systems Limited and four others for the violation of Regulation 12(A)(a)(b) and (c) of SEBI Act, 1992 and Regulation 3(b), (c) and (d) and Regulation 4(1) and 4(2)(f) and (r) of PFUTP, Regulation, 4(1)(a), (b), (c), (e) and (g), Regulation 4(2)(f)(i) (2), 4(2)(f)(2) (6) and (7), 4(3)(f)(iii)(1), (3), (6) and (12), Regulation 16(1)(b)(iv), Regulation 17(1)(b), Regulation 18(1)(b), Regulation 19(1)(c) and Regulation 33(2)(a) of LODR and Section 21 of the SCRA.
* SEBI, vide an order dated February 28, 2020, imposed a total penalty of ₹5,00,000 (Rupees Five Lakh only) on Salute Advisory LLP for the violation of regulations 3(a), (b), (c), (d), 4(1) and 4(2)(a) of PFUTP Regulations, in the matter of trading in illiquid Stock Options on BSE.

*Disclaimer: The summary has been prepared for the convenience of readers. In case of any ambiguity, please refer to the original order.*