

# Markets for you

18 November, 2014

Indices				
Global	Nov 17	Nov 14	Absolute Change	% Change
<b>DJIA</b>	17648	17635	13	0.07
Nasdaq	4671	4689	-18	-0.37
FTSE	6672	6654	18	0.26
Nikkei	16974	17491	-517	-2.96
Hang Seng	23797	24087	-290	-1.21
<b>India</b>	<b>Nov 17</b>	<b>Nov 14</b>	<b>Absolute Change</b>	<b>% Change</b>
S&P BSE Sensex	28178	28047	131	0.47
CNX Nifty	8431	8390	41	0.49
CNX 100	8396	8352	44	0.53
CNX Bank Index	17640	17577	64	0.36
SGX Nifty	8453	8420	33	0.39
S&P BSE Power	2156	2123	33	1.54
S&P BSE SmallCap	11338	11217	121	1.07
S&P BSE Healthcare	14818	14840	-22	-0.15

P/E, Dividend Yield				
	Sensex		Nifty	
Date	P/E	Div. Yield	P/E	Div. Yield
Nov 17	19.21	1.20	21.45	1.25
Month Ago	17.93	1.30	20.21	1.36
Year Ago	17.55	1.47	17.42	1.52

Nifty – Top Out performers		% Change
SBI		5.48
Bank Of Baroda		4.21
Tata Motors		4.08
Nifty – Top Under performers		% Change
Jindal Steel		-2.62
Ultratech Cement		-2.09
DLF		-1.83

Advance Decline Ratio		
	BSE	NSE
Advances	1608	857
Declines	1458	700
Unchanged	82	53

FII / Mutual Fund data			
(Rs Cr)	Nov 14	MTD	YTD
FII	675.52	8283.08	92195.32
Mutual Funds	-9.20	-966.10	14163.10

Economic Indicators			
YoY (%)	Current	Quarter Ago	Year Ago
Monthly Inflation	1.77% (Oct-14)	5.41% (July-14)	7.24% (Oct-13)
HIP	2.51% (Sep-14)	4.31% (Jun-14)	2.70% (Sep-13)
GDP	5.70% (Apr-Jun 14)	4.60% (Jan-Mar 14)	4.70% (Apr-Jun 13)

## GLOBAL INDICES

- Dow Jones ended little changed on Monday as earlier losses on tracking disappointing Japanese growth data were cut short by some corporate deal news.
- At 9.00 am in the morning**, Asian markets were trading mixed with Nikkei trading 1.68% up and Hang Seng trading 0.78% down.
- Nikkei index fell sharply on Monday as the domestic economy slipped into recession after the GDP contracted 1.6% on an annualized basis in the third quarter, compared with a 7.3% contraction in the second quarter.
- Hang Seng index fell sharply on Monday on profit booking after recent sharp gains.
- FTSE index closed higher on Monday on hopes of further monetary stimulus by the European Central Bank to boost the sluggish Eurozone economy.

## INDIAN EQUITY MARKET

- At 9.00 am in the morning**, the SGX Nifty was trading 0.02% lower.
- Indian benchmark indices closed higher on Monday supported by firm FII buying as investors shifted their focus to emerging equities following Japan's unexpected fall in recession, and sluggish economic growth in Euro zone.
- Sentiments were also aided as investors continued to enjoy positive WPI inflation numbers.
- Rally in index heavyweights also boded well for the domestic indices.
- Markets however ignored weaker domestic trade deficit data.
- Public sector banks advanced; with SBI, Bank of Baroda and PNB, adding 2.7-5.5%.
- Other rate-sensitive sectors including those of auto and capital goods also gained on hope of a rate cut in the upcoming RBI's monetary policy meet.
- Shares of Britannia climbed 1.2% on posting upbeat earnings results.
- JSW Energy and Jaiprakash Power Ventures soared 12.1% and 2.8%, respectively, after the former agreed to buy two hydro power units of the latter for Rs 9700 cr.

## DOMESTIC NEWS

- India's trade deficit in October stood at \$13.35 bn compared to \$10.59 bn in the same month last year, but narrowed compared to the deficit of \$14.25 bn last month; exports fell 5.04% from last year to \$26.09bn in October, while imports rose 3.62% to \$39.45bn.
- India agrees to set up an infrastructure collaboration platform with the US.
- Centre agrees to include compensation to be paid to states for Goods and Services Tax (GST) rollout as part of the Constitutional Amendment Bill.
- Government decides to re-launch the Kisan Vikas Patra scheme.
- Kelkar panel recommends the current production sharing regime for oil and gas exploration over the revenue-sharing model being considered for the next round of auction.
- RBI Deputy Governor S S Mundra says the central bank is in talks with the government on increasing curbs on gold imports.
- SEBI mulls proposal to make it mandatory for delisting companies to get 25-50% of the total number of public shareholders to tender their shares, to ensure that companies do not run through the delisting process with the help of a few friendly investors.
- SEBI plans to put in place a one-time single registration process for depository participants to operate on both depositories CDSL and NSDL.
- Reliance Life Insurance ties up with global NGO 'Room to Read' to set up libraries across schools in India.
- BHEL commissions 363 MW power plant in Tripura.
- Vodafone Business Services launches initiatives for small and medium businesses (SMB) to increase productivity, reduce costs and improve customer responses.
- Praj Industries wins a Rs 235 cr order to manufacture oil & gas process skids for Brazilian oil major Petrobras.
- Ashok Leyland bags orders worth \$79 mn from Tanzania and Zimbabwe.
- BSE and NSE are looking to set up small banks in the country once the RBI opens the window for applications.
- According to CRISIL research, the increasing economies of scale and usage of low-cost channels will help public sector lenders, who are currently incurring losses in their rural operations, to turn in profits over a five-year time frame.
- Central Bank of India launches 'Cent Aspire', a fixed deposit scheme that comes bundled with a credit card for deposits of Rs 20,000 and above.

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FII Derivative Trade Statistics – Nov 14			
(Rs Cr)	Buy	Sell	Open Interest
<b>Index Futures</b>	789.73	998.20	19733.24
<b>Index Options</b>	13210.70	12474.52	66869.30
<b>Stock Futures</b>	2576.65	2478.51	49676.31
<b>Stock Options</b>	3370.60	3348.45	2966.55
<b>Total</b>	19947.68	19299.68	139245.40

Derivative Statistics- Nifty Options			
	Nov 17	Nov 14	Change
<b>Put Call Ratio (Open Interest)</b>	1.07	1.05	0.02
<b>Put Call Ratio (Volume)</b>	1.14	1.16	-0.02

Debt Watch	Nov 17	Week Ago	Month Ago	Year Ago
<b>Call Rate</b>	8.20%	7.80%	7.15%	8.65%
<b>CBLO</b>	8.08%	7.83%	7.35%	8.23%
<b>Repo</b>	8.00%	8.00%	8.00%	7.75%
<b>Reverse Repo</b>	7.00%	7.00%	7.00%	6.75%
<b>91 D T-Bill</b>	8.32%	8.29%	8.45%	8.90%
<b>364 D T- Bill</b>	8.34%	8.31%	8.51%	8.88%
<b>10 Yr Gilt</b>	8.18%	8.18%	8.39%	9.02%
<b>G-sec Volume (Rs Cr)</b>	48205	45120	26490	19910
<b>1-mth CP rate</b>	8.33%	8.34%	8.49%	9.12%
<b>3-mth CP rate</b>	8.50%	8.54%	8.88%	9.66%
<b>5 yr Corp Bond</b>	8.64%	8.58%	8.96%	9.88%
<b>1-mth CD rate</b>	8.21%	8.17%	8.31%	8.78%
<b>3-mth CD rate</b>	8.35%	8.33%	8.58%	9.29%
<b>1 yr CD rate</b>	8.63%	8.67%	8.90%	9.25%

Currencies Vs INR			
	Nov 17	Nov 14	Change
<b>USD</b>	61.73	61.72	-0.01
<b>GBP</b>	96.94	96.54	-0.40
<b>Euro</b>	77.36	76.70	-0.66
<b>100 Yen</b>	53.28	53.04	-0.24

Commodity Prices	Nov 17	Week Ago	Month Ago	Year Ago
<b>NYMEX Crude Oil (\$/bbl)</b>	75.64	77.40	82.75	93.84
<b>London Brent Crude Oil (\$/bbl)</b>	79.31	82.34	86.16	108.50
<b>Gold (oz\$)</b>	1183	1162	1234	1287
<b>Gold (Rs per 10 gms)</b>	26300	25975	27250	31080

## DERIVATIVES MARKET

- Nifty November futures (near future) rose against the spot index with 63.05 point premium and however witnessed 0.04 mn decrease in open interest.
- Put Call Ratio (open interest) rose from 1.05 on November 14 to 1.07 on November 17.
- Nifty 8500 November Call strike continued to witness the highest open interest.
- Nifty 8000 November Put strike continued to witness the highest open interest.
- India VIX (volatility index based on the Nifty 50 Index Option prices) rose from 13.97 on Nov 14 to 14.41 on Nov 17.

## INDIAN DEBT MARKET

- The interbank call money rate ended above the RBI's repo rate at 8.10-8.20% on Monday as against 7.60-7.75% on Friday as banks borrowed to meet funding requirements.
- Outflows towards payment of gilts purchased in last week's auction added to the stress on liquidity.
- Banks borrowed Rs 18,287 cr at the LAF repo auction on Monday compared with net borrowing of Rs 11,160 cr on Friday from both LAF tenders.
- Government bond prices ended up as Finance Minister Arun Jaitley expressed hope that the Centre could achieve its divestment target set for the fiscal. His comments were viewed positively by the market as it improved the chances of the Centre meeting its fiscal deficit target for the year.
- Low crude oil prices and the rupee's gains against the US dollar in the initial leg of the session lent positive cues to gilt prices.
- Intermittent profit sales however limited further gains.
- The 10-year benchmark 8.40% 2024 bond ended at 8.18% yield on Monday as against 8.22% yield on Friday.

## Currency Overview

- The rupee ended marginally lower against the US dollar on Monday owing to state-owned banks' purchase of the greenback.
- The rupee was impacted by global cues after Japan recorded weak GDP growth data for the quarter.
- However, further losses were prevented by custodian banks' dollar sales and gains made by domestic equities.

## Commodity Overview

- Crude oil prices fell 18 cents to settle at \$75.64 on the NYMEX.
- International gold prices rose due to reports of recession in Japan which also raised concerns about global growth and boosted safe-haven appeal of the metal.
- According to Forward Market Commission data, the turnover of the commodity bourses fell by 52% to Rs. 34.52 lakh cr during the April-October period this fiscal due to sluggish volumes in almost all commodities.

## INTERNATIONAL NEWS

- US industrial production inched up 0.2% in October compared to a revised gain of 0.2% a month ago; capacity utilization dipped to 78.9% in October from 79.2% a month ago.
- Euro zone recorded a trade surplus of 18.5 bn euros in September compared with a surplus of 10.8 bn euros in the same month last year and 9.6 bn euros a month earlier.
- Baker Hughes agrees to be acquired by rival Halliburton in a deal worth \$34.6bn in cash and stock.

Source: CRISIL Research

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