

Indices				
Global	Nov 3	Oct 31	Absolute Change	% Change
DJIA	17366	17391	-24	-0.14
Nasdaq	4639	4631	8	0.18
FTSE	6488	6546	-59	-0.89
Nikkei	Closed	16414	NA	NA
Hang Seng	23916	23998	-82	-0.34
India	Nov 3	Oct 31	Absolute Change	% Change
S&P BSE Sensex	27860	27866	-5	-0.02
CNX Nifty	8324	8322	2	0.02
CNX 100	8266	8257	9	0.11
CNX Bank Index	17134	17045	89	0.52
SGX Nifty	8382	8382	-1	-0.01
S&P BSE Power	2168	2166	1	0.06
S&P BSE SmallCap	11077	10931	146	1.34
S&P BSE Healthcare	14407	14354	53	0.37

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
Nov 3	19.09	1.22	21.58	1.27
Month Ago	18.30	1.28	20.77	1.32
Year Ago	18.16	1.41	18.20	1.46

Nifty – Top Out performers	% Change
Jindal Steel	5.16
DLF	3.05
Tech Mahindra	2.49
Nifty – Top Under performers	% Change
GAIL	-5.57
Coal India	-3.06
M&M	-2.96

Advance Decline Ratio		
	BSE	NSE
Advances	1801	1018
Declines	1186	508
Unchanged	103	84

FII / Mutual Fund data			
(Rs Cr)	Oct 31	MTD	YTD
FIIs	1906.73	892.35	83912.24
Mutual Funds	452.60	5939.70	15129.20

Economic Indicators			
YoY (%)	Current	Quarter Ago	Year Ago
Monthly Inflation	2.38% (Sep-14)	5.66% (Jun-14)	7.05% (Sep-13)
IIP	0.40% (Aug-14)	5.60% (May-14)	0.40% (Aug-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 early gains got wiped off after a plunge in oil prices prompted heavy selling in energy shares.
- **At 9.00 am in the morning**, Asian markets were trading higher with Nikkei trading 4.01% up and Hang Seng trading 0.24% higher.
- **Hang Seng** index closed lower on Monday on profit taking following strong gains last week. Sentiments were also affected by downbeat Chinese factory and service sector data.
- **FTSE** index closed lower on Monday as earlier gains on optimism over positive domestic manufacturing data were outweighed by a decline in banking stocks after HSBC set aside around \$1.7bn to cover one-off charges, such as legal settlements and compensation to customers.

## INDIAN EQUITY MARKET

- **At 9.00 am in the morning**, the SGX Nifty was trading 0.24% higher.
- Indian equity indices ended flat on Monday due to profit booking in oil and gas and auto stocks.
- Auto stocks were among the laggards on Nifty due to downbeat October sales - M&M, Hero Motocorp, Maruti Suzuki, Bajaj Auto and Tata Motors declined 0.8-3.0%.
- Metal stocks were the prominent gainers on Nifty, with Jindal Steel (the top Nifty performer), and Sesa Sterlite adding 5.2% and 2.5%, respectively.
- Banking pack too ended in the positive zone; with Bank of Baroda, PNB, Axis Bank, ICICI Bank and SBI, rising 0.8-2.2%.
- Real estate counters remained firm after the government relaxed Foreign Direct Investment (FDI) norms for the sector - Unitech, Hubtown, JP Associates, Indiabulls Real Estate, DB Realty, Puravankara Projects and DLF advanced 3-10%.
- Railway stocks also witnessed buying spree; with Texmaco Rail and Engineering, Kernex Microsystems (India), Kalindee Rail Nirman Engineers, Stone India, and Titagarh Wagon, rallying 3-14%.

## DOMESTIC NEWS

- India's HSBC manufacturing purchasing managers' index (PMI) came in at 51.6 in October, rebounding from September's nine-month low of 51.
- Finance Ministry asks RBI to provide greater flexibility to banks funding stalled infrastructure projects.
- Government to form a regulatory authority for the National Health Assurance Mission, which is expected to roll out next year.
- MSME Ministry signs pact with International Labour Organization (ILO) to create more jobs and give a fillip to Prime Minister Narendra Modi's 'Make in India' campaign.
- RBI to conduct open market sale of government bonds for Rs 10,000 cr on November 5.
- RBI issues final norms for tools used in monitoring intra-day liquidity and its management.
- IRDA imposes a fine of Rs 25 lakh and Rs 5 lakh on Sahara Life Insurance and Aviva Life Insurance, respectively, for violation of regulations.
- GAIL signs an initial agreement with State Oil Company of Republic of Azerbaijan (SOCAR) for jointly pursuing LNG opportunities.
- Infosys pulls out of the proposed software development centre project to be set up near Bengaluru citing lack of infrastructure.
- Airtel to increase its post-paid monthly charges by about 12% in select plans, effective December.
- Google India initiates an Indian Language Internet Alliance (ILIA) to expand the reach of the Internet to non-English speaking people.
- KSS ties up with Sony Corporation to bring in 4K cinema technology.
- NABARD sets up a Rs 1000 cr corpus for lending to cold chains which will ensure creation of the necessary infrastructure for the agriculture and allied sectors.
- Hindalco to revive its plan to raise around Rs 3000 cr through the qualified institutional placement (QIP) route to repay part of its debt.
- Tata Motors is expected to raise an additional Rs 300 cr through the sale of bonds shortly.
- Bharti Softbank acquires 36.5% equity stake in entertainment media startup ScoopWhoop.

**FII Derivative Trade Statistics – Oct 31**

(Rs Cr)	Buy	Sell	Open Interest
Index Futures	3180.10	1694.88	15911.04
Index Options	16037.03	14356.16	54209.61
Stock Futures	2939.17	2616.70	45734.74
Stock Options	1823.33	1686.51	1082.34
<b>Total</b>	<b>23979.63</b>	<b>20354.25</b>	<b>116937.73</b>

**Derivative Statistics- Nifty Options**

	Nov 3	Oct 31	Change
Put Call Ratio (Open Interest)	0.94	0.93	0.01
Put Call Ratio (Volume)	0.94	0.92	0.02

Debt Watch	Nov 3	Week Ago	Month Ago	Year Ago
Call Rate	7.25%	8.40%	7.50%	8.40%
CBLO	7.71%	8.14%	7.40%	7.88%
Repo	8.00%	8.00%	8.00%	7.75%
Reverse Repo	7.00%	7.00%	7.00%	6.75%
91 D T-Bill	8.33%	8.33%	8.52%	8.64%
364 D T- Bill	8.31%	8.37%	8.63%	8.55%
10 Yr Gilt	8.26%	8.32%	8.48%	8.70%
G-sec Volume (Rs Cr)	65805	41325	22665	19870
1-mth CP rate	8.39%	8.40%	8.63%	8.75%
3-mth CP rate	8.65%	8.83%	8.69%	9.19%
5 yr Corp Bond	8.73%	8.90%	9.18%	9.53%
1-mth CD rate	8.26%	8.30%	8.40%	8.60%
3-mth CD rate	8.43%	8.53%	8.47%	8.74%
1 yr CD rate	8.74%	8.80%	8.98%	9.03%

**Currencies Vs INR**

	Nov 3	Oct 31	Change
USD	61.39	61.36	-0.03
GBP	98.06	98.06	0.00
Euro	76.67	77.19	0.52
100 Yen	54.48	55.28	0.80

Commodity Prices	Nov 3	Week Ago	Month Ago	Year Ago
NYMEX Crude Oil (\$/bbl)	78.78	81.00	90.73	94.61
London Brent Crude Oil (\$/bbl)	84.78	85.83	94.16	108.84
Gold (oz/\$)	1168	1229	1217	1307
Gold (Rs per 10 gms)	25950	27060	26800	30400

**DERIVATIVES MARKET**

- Nifty November futures (near future) rose against the spot index with 36.90 point premium and also witnessed 0.63 mn increase in open interest.
- Put Call Ratio (open interest) rose marginally from 0.93 on Oct 31 to 0.94 on Nov 3.
- Nifty 8500 November Call strike witnessed 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 13.30 on Oct 31 to 13.74 on Nov 3.

**INDIAN DEBT MARKET**

- The interbank call money rate ended near the RBI's reverse repo rate at 7.10-7.25% on Monday as against 7.10% on Friday due to adequate liquidity.
- Demand for funds also remained subdued due to inflows from gilt redemptions.
- The RBI held a term repo of 15 day tenor for a notified amount of Rs 15,500 cr and a 2 day variable rate reverse repo auction for Rs 35,000 cr.
- Banks borrowed Rs 1,722 cr at the LAF repo auction on Monday compared with net borrowing of Rs 2,638 cr on Friday from both LAF tenders.
- Government bond prices ended off highs after the RBI announced it will conduct an open market bond sale for Rs 10,000 cr on November 5 (Wednesday).
- Intraday, bonds rose as sentiment remained upbeat following the recent reduction in petrol and diesel prices.
- Expectation of a moderation in consumer inflation data for October also augured well for bonds.
- The underlying sentiment remained bullish despite the increased supply of gilts in a holiday-shortened week as hopes of an interest rate cut by the RBI remained intact.
- The 10-year benchmark 8.40% 2024 bond ended at 8.26% yield on Monday as against 8.28% yield on Friday.

**Currency Overview**

- The rupee ended off lows against the US dollar on Monday on the back of custodian banks' dollar sales.
- However, state-owned banks' demand for the greenback on behalf of importers put pressure on the rupee.

**Commodity Overview**

- Crude oil prices fell \$1.76 to settle at \$78.78 a barrel on the NYMEX on news that Saudi Arabia cut its selling price for oil to the US.
- Gold prices rose slightly due to few disappointing economic data from US and China but gains were limited due to stronger dollar.

**INTERNATIONAL NEWS**

- US ISM manufacturing PMI grew to 59 in October from 56.6 in September.
- US Markit manufacturing PMI fell to 55.9 in October (the lowest growth rate since July) from September's final reading of 57.5.
- US construction spending dropped 0.4% in September compared to August when spending fell 0.5%.
- US auto sales rose 6.1% to 1.28mn units in October.
- Euro zone's final October manufacturing PMI came in at 50.6, beating September's 50.3.
- UK manufacturing PMI rose to 53.2 in October (its highest level since July) from 51.5 in September.
- China's official non-manufacturing PMI fell to 53.8 in October from 54 in September.

Source: CRISIL Research

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