

Indices				
Global	Nov 4	Nov 3	Absolute Change	% Change
DJIA	17384	17366	18	0.10
Nasdaq	4624	4639	-15	-0.33
FTSE	6454	6488	-34	-0.52
Nikkei	16862	Closed	449*	2.73*
Hang Seng	23846	23916	-70	-0.29
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

*Data with respect to Oct 31

Date	P/E, Dividend Yield		P/E, Div. Yield	
	Sensex	Nifty	Sensex	Nifty
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** closed little changed on Tuesday as earlier gains got capped due to the continued slide in oil prices and a warning about economic growth in Europe.
- **At 9.00 am in the morning**, Asian markets were trading lower with Nikkei trading 0.21% down and Hang Seng trading 0.51% lower.
- **Nikkei** index rose sharply on Tuesday buoyed by the Bank of Japan's unexpected move to ease policy further, weaker yen and domestic public pension fund's decision to allocate more funds to domestic stocks.
- **Hang Seng** index ended lower on Tuesday on stock specific selling.
- **FTSE** index closed lower on Tuesday as the European Commission cut its growth forecasts.

INDIAN EQUITY MARKET

- **At 9.00 am in the morning**, the SGX Nifty was trading 0.04% 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

- National Council of Applied Economic Research (NCAER) lowers India's GDP growth forecast to 5% in the current financial year on weak economical fundamentals and uncertainties in growth prospects.
- Fertilizer Ministry invites fresh proposals for setting up urea plants as well as increasing the capacity of existing ones to increase domestic production.
- SEBI says an entity registered only as a stock broker cannot undertake the role of a merchant banker in the capital markets.
- SEBI proposes that bank funding to listed small and medium enterprises (SMEs) be given priority lending tag.
- Indian Oil Corporation takes a mega insurance cover of Rs 5000 cr for each of its 10 refineries from insurers led by United Insurance.
- Italian firm Sistem Air plans to invest Rs 400 cr in India to set up an assembly unit.
- Flipkart announces a strategic partnership with Euronet India to distribute the e-commerce major's 'digital gift codes' across the country.
- Simpolo Vitrified enters into a joint venture with Italian ceramic tiles maker Emil Ceramica to set up a greenfield tiles manufacturing facility at Morbi, Gujarat.
- India Ratings & Research cautions that restructured assets in the banking system could increase in the range of Rs 60000 cr to Rs 1 lakh cr in the next five months.
- Berger Paints' board approves proposal for sub-division of equity shares of Rs 2 each into Re 1 each.
- QuEST Global Engineering acquires an 84% stake in NeST Software for over Rs 500 cr.
- Matrix Partners and Avigo Capital plan to sell a part of their stake in Maharana Infrastructure and Professional Services through a Rs 300 cr initial public offer (IPO).
- Iky Group enters into a definitive agreement with Fairfax Financial Holdings to acquire a 49% stake in US-based MFXchange Holdings for an undisclosed amount.

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
Total	23979.63	20354.25	116937.73

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 4	Week Ago	Month Ago	Year Ago
NYMEX Crude Oil (\$/bbl)	77.19	81.42	89.74	94.62
London Brent Crude Oil (\$/bbl)	82.82	86.03	92.31	108.84
Gold (oz/\$)	1167	1229	1195	1321
Gold (Rs per 10 gms)*	25950	27060	26800	30400

*Data with respect to Nov 3

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 \$1.59 to settle at \$77.19 a barrel on the NYMEX continued to be affected by Saudi Arabia's decision to cut oil prices sold to US and Asian buyers.
- Gold prices ended flat as stronger dollar and positive US economic outlook dented metal's safe-haven appeal.

INTERNATIONAL NEWS

- US trade deficit rose to \$43 bn in September (the first increase in four months) following a revised deficit of \$40 bn in August.
- US factory orders fell 0.6% in September, after having plunged 10% in August.
- Euro zone's producer price index inched up by a seasonally adjusted 0.2% in September, after edging down 0.2% in August.
- Japan's Markit/JMMA Manufacturing Purchasing Managers Index (PMI) was 52.4 in October, higher than a final 51.7 in September.

Source: CRISIL Research

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