

# Markets for You

01 Nov 2019

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Indices Performance				
Global Indices	31-Oct	Prev_Day	Abs. Change	% Change#
Russell 3000	1,328	1,331	-3	-0.26
Nasdaq	8,292	8,304	-12	-0.14
FTSE	7,248	7,331	-82	-1.12
Nikkei	22,927	22,843	84	0.37
Hang Seng	26,907	26,668	239	0.90
Indian Indices	31-Oct	Prev_Day	Abs. Change	% Change#
S&P BSE Sensex	40,129	40,052	77	0.19
Nifty 50	11,877	11,844	33	0.28
Nifty 100	12,037	12,003	34	0.29
Nifty 500	9,690	9,648	42	0.44
Nifty Bank	30,066	29,988	79	0.26
S&P BSE Power	1,987	1,982	5	0.23
S&P BSE Small Cap	13,558	13,431	127	0.94
S&P BSE HC	13,229	13,107	122	0.93

P/E Dividend Yield				
Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
31-Oct	27.22	1.15	27.38	1.26
Month Ago	27.04	1.20	26.44	1.31
Year Ago	22.01	1.30	25.00	1.27

Nifty 50 Top 3 Gainers			
Company	31-Oct	Prev_Day	% Change#
Yes Bank	70	57	23.94
Zee Ente.	261	235	10.82
SBI	312	290	7.76

Nifty 50 Top 3 Losers			
Company	31-Oct	Prev_Day	% Change#
JSW Steel	228	234	-2.73
Tech Mahindra	739	754	-2.04
Tata Steel	381	388	-1.92

Advance Decline Ratio		
	BSE	NSE
Advances	1517	1138
Declines	1041	690
Unchanged	146	121

Institutional Flows (Equity)		
Description (Cr)	Inflow/Outflow	YTD
FII Flows*	7595	68552
MF Flows**	61	57694

\*31<sup>st</sup> Oct 2019; \*\*30<sup>th</sup> Oct 2019

Economic Indicator			
YoY(%)	Current	Quarter Ago	Year Ago
CPI	3.99% (Sep-19)	3.18% (Jun-19)	3.70% (Sep-18)
IIP	-1.10% (Aug-19)	4.50% (May-19)	4.80% (Aug-18)
GDP	5.00% (Jun-19)	5.80% (Mar-19)	8.00% (Jun-18)

Since May-17, MOSPI has revised base year of IIP & WPI from 2004-05 to 2011-12, and for CPI from 2010 to 2012

### Global Indices

- Asian equity markets were mostly mixed after the U.S. Federal Reserve lived up to expectations and cut interest rates but hinted that it may hold off on further rate cuts for now. Today (as of Nov 1), Asian markets largely remained under pressure amid renewed concerns over the potential for a long-term trade deal between U.S. and China. Both Nikkei and Hang Seng were trading down 0.52% and 0.04%, respectively (as at 8.a.m. IST).
- European markets slumped as uncertainty over the U.S.- China trade deal loomed large. According to media reports, Chinese trade officials are doubtful over a comprehensive long-term trade agreement with the U.S. despite the two sides closing in on an initial phase one accord.
- Majority of the U.S. markets came under pressure as investors focused on the latest developments on the U.S.- China trade deal. According to media reports, Chinese trade officials have been casting doubt over the possibility of a long-term trade deal with the U.S. amid risk of the latter backing out of any kind of deal in the future.

### Indian Equity Market

- Indian equity markets gained on the back of positive global and domestic cues. The U.S. Federal Reserve cut interest rate by 25 basis points, leading to expectations of similar easing by other global banks. The talk of government planning to usher in more stimulus measures and stake sale in public sector banks lifted sentiment.
- Key benchmark indices S&P BSE Sensex and Nifty 50 gained 0.19% and 0.28% to close at 40,129.05 and 11,877.45 respectively. S&P BSE MidCap and S&P BSE SmallCap gained 1.14% and 0.94% respectively.
- The overall market breadth on BSE was strong with 1,517 scrips advancing and 1,041 scrips declining. A total of 147 scrips remained unchanged.
- On the BSE sectoral front, S&P BSE Teck was the major gainer, up 1.97% followed by S&P BSE Telecom, up 1.87% and S&P BSE IT, up 1.75%. S&P BSE Metal was the major loser, down 0.51% followed by S&P BSE Energy, down 0.45% and S&P BSE Capital Goods, down 0.14%.
- Among the 31-stock sensitive Sensex pack, Yes Bank was the major gainer, up 24.03%, followed by SBI and Infosys that grew 7.69% and 3.79%, respectively. Tech Mahindra was the major loser, down 2.08%, followed by Tata Steel and ICICI Bank, down 1.95% and 1.74%, respectively.

### Domestic News

- Government data showed that India's fiscal deficit widened in Sep 2019 compared to that of the previous month. India's fiscal deficit for the period from Apr to Sep of 2019 widened to Rs. 6.52 lakh crore or 92.6% of the budget estimate from 78.7% of the budget estimate during the period from Apr to Aug of 2019. However, fiscal deficit was lower compared to the corresponding period of the previous year when fiscal deficit stood at 95.3% of the budget estimate. Revenue receipts stood at 41.6% of the budgeted target of Rs 19.6 lakh crore of which tax revenue stood at 36.8% of the budgeted target of Rs. 16.5 lakh crore while the non-tax revenue stood at 66.7% of the budgeted target of Rs 3.13 lakh crore.
- Government data showed that the growth of the index of eight core industries contracted significantly by 5.2% in Sep 2019 compared to a growth of 0.1% in the previous month and 4.3% in the same period of the previous year. All the sectors barring the fertilizer sector contracted over the month of which the coal sector witnessed the maximum contraction of 20.5%. The fertilizers sector witnessed expansion over the month which witnessed a growth of 5.4% in Sep 2019.
- Media reports showed the Reserve Bank of India (RBI) has asked banks to ensure customers' debit and credit card data is secure. The central bank has asked them to investigate reports that say data of 1.3 million accounts was available online. Banks should secure the customers' data by performing a preliminary analysis of the leaked card information online, it said.
- Yes Bank said it has received a binding offer from a global investor for an investment of \$1.2 billion in the bank through fresh issuance of equity shares, media reports showed. It is subject to regulatory approvals/conditions as well as bank's board and shareholders approvals.
- Cognizant Technology Solutions will remove around 10,000-12,000 mid-senior level employees from their current roles in the coming quarters. This is being done to pare costs and simplify its organisational structure.
- The Competition Commission of India (CCI) has approved a proposed \$300 million investment by Hyundai Motor Company (HMC) and Kia Motors Corporations (KMC) for stake acquisition in ANI Technologies. ANI Technologies operates ride-sharing company Ola and Ola Electric.

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FII Derivative Trade Statistics			
	31-Oct		
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	10479.49	11476.10	16546.40
Index Options	253284.63	251191.46	69454.22
Stock Futures	41481.09	41634.18	91267.70
Stock Options	4551.01	4312.64	5330.77
<b>Total</b>	<b>309796.22</b>	<b>308614.38</b>	<b>182599.09</b>

Derivative Statistics- Nifty Options			
	31-Oct	Prev_Day	Change
Put Call Ratio (OI)	1.47	1.48	-0.01
Put Call Ratio(Vol)	1.03	1.05	-0.02

Debt Watch				
	31-Oct	Wk. Ago	Mth. Ago	Year Ago
Call Rate	5.11%	5.06%	5.40%	6.43%
T-Repo	4.83%	4.89%	5.33%	NA
Repo	5.15%	5.15%	5.40%	6.50%
Reverse Repo	4.90%	4.90%	5.15%	6.25%
91 Day T-Bill	5.00%	5.08%	5.24%	6.93%
364 Day T-Bill	5.25%	5.25%	5.50%	7.47%
10 Year Gilt	6.45%	6.50%	6.70%	7.85%
G-Sec Vol. (Rs.Cr)	40719	18511	28071	31470
FBIL MIBOR*	5.25%	5.25%	5.52%	6.60%
3 Month CP Rate	5.50%	5.65%	5.85%	8.65%
5 Year Corp Bond	7.52%	7.52%	7.48%	8.78%
1 Month CD Rate	4.93%	4.92%	5.49%	6.99%
3 Month CD Rate	5.35%	5.44%	5.89%	7.51%
1 Year CD Rate	5.87%	5.85%	6.42%	8.39%

Currency Market			
Currency	31-Oct	Prev_Day	Change
USD/INR	70.81	70.99	-0.18
GBP/INR	91.50	91.36	0.14
EURO/INR	79.03	78.89	0.14
JPY/INR	0.65	0.65	0.00

Commodity Prices				
Commodity	31-Oct	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/b)	53.97	56.08	54.04	65.26
Brent Crude(\$/bl)	59.06	62.55	61.88	74.98
Gold( \$/oz)	1513	1503	1472	1214
Gold(Rs./10 gm)	38650	38281	37475	31698

Source: Thomson Reuters Eikon

\*As on previous trading day

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**Derivatives Market**

- Nifty Oct 2019 Futures settled at spot closing of 11,877.45. Nifty Nov 2019 Futures stood at 11914.80, a premium of 37.35 points, above the spot closing. The turnover on NSE's Futures and Options segment rose to Rs. 26,20,755.55 crore on October 31, 2019, compared with Rs. 14,00,089.13 crore on October 30, 2019.
- The Put-Call ratio stood at 0.9 compared with the previous session's close of 0.94.
- The Nifty Put-Call ratio stood at 1.47 compared with the previous session's close of 1.48.
- Open interest on Nifty Futures stood at 17.78 million, compared with the previous session's close of 16.54 million.

**Indian Debt Market**

- Bond yields lowered with increase in government bond purchases by foreign investors. Foreign buying of bonds has aided the market sentiment recently, resulting in gains.
- Yield on the new 10-year benchmark paper (6.45% GS 2029) declined 4 bps to close at 6.45% compared with the previous close of 6.49% after trading in a range of 6.45% to 6.49%.
- Yield on the old 10-year benchmark paper (7.26% GS 2029) declined 2 bps to close at 6.65% compared with the previous close of 6.67% after trading in a range of 6.64% to 6.67%.
- Banks borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 4,382 crore (gross) on Oct 31, 2019 compared with borrowings of Rs. 3,832 crore (gross) on Oct 30, 2019. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 35,523 crore on Oct 30, 2019.

**Currency Market Update**

- The Indian rupee inched down against the greenback following greenback purchases by state run banks. However, gains in the domestic equity market neutralised most of the losses. The rupee fell 0.06% to close at Rs. 70.92 per dollar compared with the previous close of Rs. 70.88.
- Euro inched up against the greenback after data showed that economic growth of the euro zone economy was unchanged in the third quarter, beating market expectations that it would slow. Euro was trading at \$1.1150, up 0.02% compared with the previous close of \$1.1148.

**Commodity Market Update**

- Gold prices rose after Chinese official remained doubtful about reaching a comprehensive long-term trade deal with their U.S. counterparts.
- Brent crude prices fell following unexpected increase of U.S. crude stockpile in the week to Oct 25 and fresh trade war troubles between U.S. and China.

**International News**

- National Bureau of Statistics showed China's service sector logged weaker growth in Oct 2019. The non-manufacturing Purchasing Managers' Index came in at 52.8, down from 53.7 in Sep 2019. The manufacturing PMI fell to 49.3 in Oct from 49.8 a month ago.
- The Bank of Japan maintained its policy rates, but signaled further monetary easing going forward as the economy is set to expand at a slower pace amid weaker inflation outlook. The central bank said short and long-term interest rates are expected to remain at their current or lower levels as long as it is necessary to achieve the price stability target.
- A Labor Department report showed a modest increase in first-time claims for U.S. unemployment benefits in the week ended Oct 26, 2019. The report said initial jobless claims rose to 218,000, an increase of 5,000 from the previous week's revised level of 213,000.





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