

Markets for You

07 Nov 2019

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Indices Performance

Global Indices	06-Nov	Prev_Day	Abs. Change	% Change [#]
Russell 3000	1,339	1,339	0	0.00
Nasdaq	8,411	8,435	-24	-0.29
FTSE	7,397	7,388	9	0.12
Nikkei	23,304	23,252	52	0.22
Hang Seng	27,689	27,683	5	0.02
Indian Indices	06-Nov	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	40,470	40,248	222	0.55
Nifty 50	11,966	11,917	49	0.41
Nifty 100	12,104	12,056	48	0.40
Nifty 500	9,721	9,694	27	0.28
Nifty Bank	30,610	30,220	390	1.29
S&P BSE Power	1,983	1,981	2	0.09
S&P BSE Small Cap	13,473	13,522	-49	-0.36
S&P BSE HC	13,231	13,188	43	0.33

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
6-Nov	27.73	1.14	27.71	1.25
Month Ago	26.43	1.23	25.75	1.34
Year Ago	22.61	1.27	25.32	1.26

Nifty 50 Top 3 Gainers

Company	06-Nov	Prev_Day	% Change [#]
Cipla	481	468	2.78
ICICI Bank	481	468	2.64
Infosys	712	696	2.33

Nifty 50 Top 3 Losers

Company	06-Nov	Prev_Day	% Change [#]
Titan Industries	1156	1284	-9.95
Bharti Airtel	371	384	-3.26
ONGC	145	146	-1.16

Advance Decline Ratio

	BSE	NSE
Advances	1207	891
Declines	1298	940
Unchanged	197	113

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	399	72829
MF Flows**	-1425	54403

*6th Nov 2019; **5th Nov 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 mixed as investors remained cautious over reports that Beijing wants Washington to stop punitive tariffs under a trade pact. Today (as of Nov 7), Asian markets opened mixed on overnight U.S.-China trade developments as the signing of a trade pact seemed to be pushed back. Both Nikkei and Hang Seng were trading up 0.86% and 0.14%, respectively (as at 8.a.m. IST).
- European markets were slightly higher as investors hunted for further cues on U.S.-China trade relations and reacted to corporate earnings. Media reports showed China is insisting on U.S. to roll back tariff hikes before a "phase one" trade deal is signed.
- U.S. markets were flat as investors looked for direction in U.S.-China trade relations. The leaders of the two nations may not meet to sign a trade deal until Dec 2019 as they are yet to decide on the terms and a venue.

Indian Equity Market

- Indian equity markets yet again closed at a record high. Commitment from the finance minister to speed up reforms in the near term boosted market sentiment. The finance minister stated that government is eager to modify rules and boost investment in the infrastructure space. Continued foreign fund inflows supported market sentiment. However, on the global front, investors preferred to remain on the sidelines as they focused on developments around the U.S. and China trade deal.
- Key benchmark indices S&P BSE Sensex and Nifty 50 grew 0.55% and 0.20% to close at 40,469.78 and 11,966.05, respectively. S&P BSE Mid-Cap grew 0.15% and S&P BSE Small Cap fell 0.36%.
- On the BSE sectoral front, S&P BSE Realty stood as the major gainer and grew 2.59%, followed by S&P BSE Bankex that grew 1.39%. The finance minister reportedly stated that the government was working with the Reserve Bank of India to amend existing laws more favorable for the real estate sector. S&P BSE Finance and S&P BSE Metal grew 1.05% and 0.72%, respectively. However, S&P BSE Consumer Durables was the major loser that fell 5.30% followed by S&P BSE Telecom that fell 2.69%.

Domestic News

- The government has created a Rs. 25,000 crore alternative investment fund (AIF) for affected homebuyers in which the government will contribute Rs. 10,000 crore. The remaining investments will come from institutions like LIC and the SBI. The fund will also be open to other sovereign funds to add to the corpus. The move comes as the finance ministry noted that more than 1,600 housing projects are stalled in which 4.58 lakh housing units are stuck in various stages of completion. The move is expected to provide some relief to the realty sector which has been in doldrums due to stalled housing projects and slowing consumption. The finance ministry added that those projects which have been declared as bad loans by banks and are facing bankruptcy proceedings under NCLT but has not been referred for liquidation will also be included in the scheme.
- A major domestic credit rating agency raised its projection for India's fiscal deficit to 3.6% of GDP for this fiscal from its earlier projection of 3.4%. This can be attributed to weak goods and services tax (GST) and corporate income tax collections resulting from subdued economic growth and reduction in corporate tax rate.
- A report by the United Nations Conference on Trade and Development showed that India benefitted about \$755 million in additional exports to the U.S. primarily in chemicals, metals and ore. This can be attributed to the escalation in trade tensions between U.S. and China. The imposition of tariffs by U.S. on China made other countries like India competitive in the U.S. market which led to trade diversion.
- According to media reports, Sun Pharmaceuticals has entered into a licensing agreement with AstraZeneca UK Ltd to introduce certain novel ready-to-use infusion oncology products in China.
- According to media reports, the U.S. Food and Drug Administration had issued Form 483 with 4 observations each for two of its manufacturing facilities, the first one being the Unit 5 API facility at Pashamailaram and the second one being at the Unit 8 API facility at Gaddapotharam in Hyderabad.
- According to media reports, Infosys has entered into a six-year digital transformation deal with U.S.-based mortgage bank Movement Mortgage.

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FII Derivative Trade Statistics				06-Nov
(Rs Cr)	Buy	Sell	Open Int.	
Index Futures	2212.04	2325.67	14475.32	
Index Options	186463.55	186855.17	55115.61	
Stock Futures	12666.81	12689.54	89199.70	
Stock Options	4510.76	4492.48	3597.36	
Total	205853.16	206362.86	162387.99	

Derivative Statistics- Nifty Options			
	06-Nov	Prev_Day	Change
Put Call Ratio (OI)	1.44	1.34	0.10
Put Call Ratio(Vol)	0.94	0.98	-0.05

Debt Watch				
	06-Nov	Wk. Ago	Mth. Ago	Year Ago
Call Rate	5.07%	5.10%	5.19%	6.43%
T-Repo	4.93%	4.82%	4.81%	NA
Repo	5.15%	5.15%	5.15%	6.50%
Reverse Repo	4.90%	4.90%	4.90%	6.25%
91 Day T-Bill	4.97%	5.04%	5.18%	6.93%
364 Day T-Bill	5.21%	5.27%	5.40%	7.42%
10 Year Gilt	6.49%	6.49%	6.46%	7.80%
G-Sec Vol. (Rs.Cr)	36458	31786	64959	15785
FBIL MIBOR*	5.25%	5.25%	5.45%	6.54%
3 Month CP Rate	5.60%	5.60%	6.05%	8.55%
5 Year Corp Bond	7.43%	7.49%	7.38%	8.58%
1 Month CD Rate	5.38%	5.19%	5.24%	7.02%
3 Month CD Rate	5.14%	5.48%	5.41%	7.63%
1 Year CD Rate	5.92%	5.90%	6.23%	8.34%

Currency Market			
Currency	11-Dec	Prev_Day	Change
USD/INR	70.89	70.73	0.16
GBP/INR	91.32	91.11	0.21
EURO/INR	78.51	78.70	-0.19
JPY/INR	0.65	0.65	0.00

Commodity Prices				
Commodity	06-Nov	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	56.10	54.80	52.79	62.11
Brent Crude(\$/bl)	62.25	59.98	60.02	69.73
Gold(\$/oz)	1490	1495	1504	1226
Gold(Rs./10 gm)	38304	38630	38151	31773

Source: Thomson Reuters Eikon

*As on previous trading day

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Derivatives Market

- Nifty Nov 2019 Futures stood at 12,008.05, a premium of 42.00 points above the spot closing of 11,966.05. The turnover on NSE's Futures and Options segment rose to Rs. 15,54,051.60 crore on November 06, 2019, compared with Rs. 9,26,573.71 crore on November 05, 2019.
- The Put-Call ratio stood at 0.88 compared with the previous session's close of 0.95.
- The Nifty Put-Call ratio stood at 1.44 compared with the previous session's close of 1.34.
- Open interest on Nifty Futures stood at 16.48 million, compared with the previous session's close of 15.78 million.

Indian Debt Market

- Bond yields increased owing to sharp rise in U.S. Treasury yields. Besides, the ongoing concerns over a fiscal slippage dampened domestic bond market sentiments.
- Yield on the new 10-year benchmark paper (6.45% GS 2029) declined 3 bps to close at 6.49% compared with the previous close of 6.52% after trading in a range of 6.49% to 6.52%.
- Yield on the old 10-year benchmark paper (7.26% GS 2029) declined 3 bps to close at 6.69% compared with the previous close of 6.72% after trading in a range of 6.69% to 6.72%.
- Banks borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 3,722 crore (gross) on Nov 6, 2019 compared with borrowings of Rs. 4,082 crore (gross) on Nov 5, 2019. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 16,543 crore on Nov 5, 2019.

Currency Market Update

- The Indian rupee weakened against the U.S. dollar for the first time in four sessions due to persistent purchase of the greenback by state run banks. Upbeat U.S. service sector data for Oct 2019 further strengthened the greenback.
- Euro inched down against the greenback amid reports that the signing of a U.S.-China trade deal could be delayed until Dec 2019 as discussions continue over terms and venue. However, most of the losses were neutralised after German industrial orders rose more than expected in Sep 2019.

Commodity Market Update

- Gold prices rose as market participants remained sceptical about a breakthrough in the U.S.-China trade deal which improved the safe-haven appeal of the bullion.
- Brent crude prices fell after U.S. crude inventories rose by 7.9 million barrels in the week to Nov 1.

International News

- According to a report from the labor department, U.S. labor productivity surprisingly fell 0.3% in the third quarter of 2019 as against an upwardly revised growth of 2.5% (2.3% surge originally reported) in the second quarter of 2019. The unexpected fall came in as output grew 2.1% as against 2.4% surge in hours worked.
- According to a report from Destatis, Germany's factory order surpassed market expectations and grew 1.3% MoM in Sep as against a decline of 0.4% in Aug 2019. Domestic orders grew 1.6% and foreign demand surged 1.1%. New orders from eurozone fell 1.8%, however, it grew 3% from other countries.
- A report from Eurostat showed that eurozone retail sales gained 0.1% MoM in Sep as against an upwardly revised gain of 0.6% in Aug. Retail sales growth surged 3.1% YoY in Sep as against a growth of 2.7% in Aug.

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