

Markets for You

11 Nov 2019

Good gets *better*

Indices Performance

Global Indices	08-Nov	Prev_Day	Abs. Change	% Change [#]
Russell 3000	1,348	1,342	6	0.42
Nasdaq	8,475	8,435	41	0.48
FTSE	7,359	7,406	-47	-0.63
Nikkei	23,392	23,330	62	0.26
Hang Seng	27,651	27,847	-196	-0.70
Indian Indices	08-Nov	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	40,324	40,654	-330	-0.81
Nifty 50	11,908	12,012	-104	-0.87
Nifty 100	12,045	12,153	-108	-0.89
Nifty 500	9,683	9,764	-81	-0.83
Nifty Bank	30,749	30,633	116	0.38
S&P BSE Power	1,954	1,981	-27	-1.35
S&P BSE Small Cap	13,475	13,546	-71	-0.53
S&P BSE HC	13,090	13,316	-226	-1.70

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
8-Nov	27.59	1.15	27.51	1.25
Month Ago	26.25	1.23	25.64	1.35
Year Ago	22.91	1.25	25.49	1.25

Nifty 50 Top 3 Gainers

Company	08-Nov	Prev_Day	% Change [#]
Yes Bank	69	66	3.76
IndusInd Bank	1423	1382	2.96
ICICI Bank	489	479	2.28

Nifty 50 Top 3 Losers

Company	08-Nov	Prev_Day	% Change [#]
Bharti Infratel	218	229	-4.86
Sun Pharma	422	441	-4.20
GAIL	127	132	-3.82

Advance Decline Ratio

	BSE	NSE
Advances	1023	684
Declines	1502	1134
Unchanged	172	121

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	895	74986
MF Flows**	-1425	54403

*8th 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 because of conflicting reports about development in U.S.-China trade relations. News of both sides having agreed to cancel tariffs on each other's goods was contradicted by reports suggesting the plan has met opposition from some advisers to the U.S. President. Today (as of Nov 11), Asian markets opened lower amid ongoing trade war between the United States and China. Both Nikkei and Hang Seng were trading down 0.07% and 1.39%, respectively (as at 8.a.m. IST).
- European markets were down as U.S.-China trade optimism waned on worries that the pact could fall apart. Media reports had shown U.S. and China have agreed to cancel extra tariffs imposed over the months in the long-drawn trade war.
- U.S. markets gained on U.S.-China trade optimism. A Chinese Commerce Ministry spokesperson said the two countries had agreed to cancel existing tariffs in phases. Media reports showed a U.S. official confirming that both sides have agreed to roll back levies in tranches.

Indian Equity Market

- Indian equity markets gained initially on news that U.S.-China have agreed to cancel extra tariffs on each other's goods. However, all the gains were wiped out and the bourses ended in the red after a major global rating agency downgraded the growth estimate of the country, citing structural weakness.
- Key benchmark indices S&P BSE Sensex and Nifty 50 lost 0.81% and 0.86% to close at 40,323.61 and 11,908.15, respectively. S&P BSE MidCap and S&P BSE SmallCap lost 0.79% and 0.53% respectively.
- The overall market breadth on BSE was weak with 1,023 scrips advancing and 1,502 scrips declining. A total of 172 scrips remained unchanged.
- On the BSE sectoral front, S&P BSE Realty was the major gainer, up 1.55% followed by S&P BSE Bankex, up 0.64% and S&P BSE Consumer Durables, up 0.06%. S&P BSE FMCG was the major loser, down 1.8% followed by S&P BSE Metal, down 1.74% and S&P BSE Oil & Gas, down 1.72%.

Domestic News

- A major global rating agency has downgraded its outlook for India's sovereign rating (Baa2) to negative from stable, media reports showed. The agency said India's economic downturn could be structural. There are increasing risks that economic growth will remain materially lower than in the past, partly reflecting lower government and policy effectiveness at addressing long-standing economic and institutional weaknesses. This will lead to a gradual rise in debt burden, which is already at high levels.
- Responding to the downgrade, media reports showed the finance minister saying the fundamentals of Indian economy remain robust with inflation under check and bond yields low. India continues to offer strong prospects of growth in the near and medium terms, she said.
- The Central Board of Direct Taxes (CBDT) has amended more than 100 forms and returns to help interchangeability between permanent account number (PAN) and Aadhaar number. The Union Budget 2019-20, presented in Jul 2019, had amended Section 139A of the Income-tax Act, 1961, to provide for interchangeability of PAN and Aadhaar number.
- The government could bring certain types of non-bank lenders and housing financiers under the Insolvency and Bankruptcy Code (IBC). The government is doing the feasibility study around it and this will help rescue distressed financial institutions under a court-monitored process. The government is closely examining a special window for this under IBC and be notified soon.
- DLF Ltd's net profit increased 18.80% to Rs. 443.41 crore in the Sep 2019 quarter compared with the year-ago period. Revenue fell 15.82% to Rs. 1,940.05 crore during the period. DLF has appointed Vivek Anand as group chief financial officer. Anand, 49, was earlier CFO-India subcontinent of GlaxoSmithKline Consumer Healthcare Ltd and a board member. He takes over from Ashok Tyagi, who continues to be a wholtime director and was an acting CFO of the company.
- MSCI, which is the world's biggest index compiler, has added eight Indian companies including HDFC Asset Management or HDFC AMC, Info Edge (India) and Indraprastha Gas Ltd to its India Index. MSCI has removed Vodafone Idea, Yes Bank and four others that have seen significant market capitalisation erosion in 2019.

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FII Derivative Trade Statistics		08-Nov	
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	3541.18	3213.26	16351.26
Index Options	500644.90	498540.11	47581.99
Stock Futures	12890.33	12700.04	90332.33
Stock Options	5645.81	5633.99	3972.94
Total	522722.22	520087.40	158238.52

Derivative Statistics- Nifty Options			
	08-Nov	Prev_Day	Change
Put Call Ratio (OI)	1.26	1.48	-0.22
Put Call Ratio(Vol)	0.89	0.93	-0.04

Debt Watch				
	08-Nov	Wk. Ago	Mth. Ago	Year Ago
Call Rate	5.02%	5.07%	5.12%	6.43%
T-Repo	5.00%	4.84%	4.81%	6.39%
Repo	5.15%	5.15%	5.15%	6.50%
Reverse Repo	4.90%	4.90%	4.90%	6.25%
91 Day T-Bill	5.06%	5.01%	5.20%	6.93%
364 Day T-Bill	5.30%	5.24%	5.36%	7.42%
10 Year Gilt	6.56%	6.45%	6.48%	7.80%
G-Sec Vol. (Rs.Cr)	32461	51700	27528	15785
FBIL MIBOR	5.25%	5.25%	5.21%	6.50%
3 Month CP Rate	5.60%	5.45%	6.05%	8.55%
5 Year Corp Bond	7.45%	7.43%	7.43%	8.58%
1 Month CD Rate	5.51%	4.91%	5.14%	7.02%
3 Month CD Rate	5.29%	5.38%	5.31%	7.63%
1 Year CD Rate	5.78%	5.56%	6.19%	8.34%

Currency Market			
Currency	08-Nov	Prev_Day	Change
USD/INR	71.25	71.01	0.24
GBP/INR	91.27	91.24	0.03
EURO/INR	78.73	78.55	0.18
JPY/INR	0.65	0.65	0.00

Commodity Prices				
Commodity	08-Nov	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	56.97	55.99	52.59	60.66
Brent Crude(\$/bl)	62.29	60.36	59.03	68.38
Gold(\$/oz)	1458	1514	1505	1224
Gold(Rs./10 gm)	37919	38703	38043	31773

Source: Thomson Reuters Eikon

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Derivatives Market

- Nifty Nov 2019 Futures stood at 11,945.35, a premium of 37.20 points above the spot closing of 11,908.15. The turnover on NSE's Futures and Options segment fell to Rs. 9,57,752.78 crore on November 08, 2019, compared with Rs. 28,63,647.81 crore on November 07, 2019.
- The Put-Call ratio stood at 0.84 compared with the previous session's close of 0.8.
- The Nifty Put-Call ratio stood at 1.26 compared with the previous session's close of 1.48.
- Open interest on Nifty Futures stood at 16.55 million, compared with the previous session's close of 16.94 million.

Indian Debt Market

- Bond yields increased after a major global rating agency lowered India's rating outlook to negative. Besides, rise in the U.S. Treasury yields and an surge in crude oil prices on optimism over U.S.-China trade truce also pushed the yield higher.
- Yield on the new 10-year benchmark paper (6.45% GS 2029) rose 5 bps to close at 6.56% compared with the previous close of 6.51% after trading in a range of 6.53% to 6.56%.
- Yield on the old 10-year benchmark paper (7.26% GS 2029) rose 3 bps to close at 6.75% compared with the previous close of 6.72% after trading in a range of 6.71% to 6.78%.
- Banks borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 3,737 crore (gross) on Nov 8, 2019 compared with borrowings of Rs. 3,652 crore (gross) on Nov 7, 2019. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 19,475 crore on Nov 7, 2019.

Currency Market Update

- The rupee weakened against the greenback after a major global credit rating agency cut India's ratings outlook to "negative" from "stable". Increase in global crude oil prices, also contributed to the downside. The rupee fell 0.46% to close at Rs. 71.29 per dollar compared with the previous close of Rs. 70.97.
- Euro fell against the greenback as the investor risk sentiment dampened after the U.S. President said that he has not agreed to roll back tariffs on China. Euro was trading at \$1.1016, down 0.30% compared with the previous close of \$1.1049.

Commodity Market Update

- Gold prices fell on hopes of a trade deal between U.S. and China. However, further losses were restricted after the U.S. President said that he has not agreed to roll back tariffs that was imposed on China.
- Brent crude prices fell after the U.S. President said that he has not agreed to roll back tariffs that was imposed on China.

International News

- A Commerce Department report showed U.S. wholesale inventories fell by slightly more than anticipated in Sep 2019. Wholesale inventories slid 0.4% in Sep after inching up by 0.1% in Aug 2019.
- According to preliminary data released by the University of Michigan consumer sentiment in the U.S. has seen a slight improvement in Nov 2019 to 95.7 after rising to 95.5 in Oct 2019.
- Data from Destatis showed Germany's exports rebounded at a faster than expected pace in Sep 2019. Exports grew 1.5% MoM in contrast to Aug's 0.9% fall. Imports growth accelerated to 1.3% from 0.1% a month ago.
- General Administration of Customs data showed China's exports fell less than expected in Oct 2019 and imports declined for the sixth month in a row. In dollar terms, exports decreased 0.9% YoY in Oct.



**Thank you for
your time.**

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