

Markets for You

20 Nov 2019

Good gets *better*

Indices Performance				
Global Indices	19-Nov	Prev_Day	Abs. Change	% Change#
Russell 3000	1,373	1,370	3	0.24
Nasdaq	8,571	8,550	21	0.24
FTSE	7,324	7,308	16	0.22
Nikkei	23,293	23,417	-124	-0.53
Hang Seng	27,094	26,681	413	1.55
Indian Indices	19-Nov	Prev_Day	Abs. Change	% Change#
S&P BSE Sensex	40,470	40,284	186	0.46
Nifty 50	11,940	11,885	56	0.47
Nifty 100	12,055	12,011	44	0.36
Nifty 500	9,702	9,669	34	0.35
Nifty Bank	31,236	30,992	244	0.79
S&P BSE Power	1,933	1,916	18	0.92
S&P BSE Small Cap	13,405	13,363	42	0.31
S&P BSE HC	13,207	13,160	47	0.36

P/E Dividend Yield				
Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
19-Nov	28.13	1.15	27.31	1.25
Month Ago	27.51	1.17	26.94	1.28
Year Ago	23.55	1.22	25.88	1.23

Nifty 50 Top 3 Gainers			
Company	19-Nov	Prev_Day	% Change#
Bharti Infratel	251	227	10.47
Bharti Airtel	439	409	7.37
RIL	1510	1459	3.46

Nifty 50 Top 3 Losers			
Company	19-Nov	Prev_Day	% Change#
Zee Ente.	286	294	-2.82
Yes Bank	64	66	-2.58
M&M	561	574	-2.27

Advance Decline Ratio			
	BSE	NSE	
Advances	1149	855	
Declines	1399	987	
Unchanged	184	116	

Institutional Flows (Equity)		
Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-529	81292
MF Flows**	-1425	54403

*19th Nov 2019; **5th Nov 2019

Economic Indicator			
YoY(%)	Current	Quarter Ago	Year Ago
CPI	4.62% (Oct-19)	3.15% (Jul-19)	3.38% (Oct-18)
IIP	-4.30% (Sep-19)	1.30% (Jun-19)	4.60% (Sep-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 no clear direction emanated from U.S.-China trade negotiations. Investor sentiment was supported by news that the U.S. administration has issued a new 90-day extension to allow U.S. companies to continue doing business with a Chinese telecom giant. Today (as of Nov 20), Asian markets opened lower as the U.S. President threatened to raise tariffs on Chinese goods if the two countries do not strike a deal. Both Nikkei and Hang Seng were trading down 0.77% and 0.94%, respectively (as at 8.a.m. IST).
- European markets ended lower amid uncertainty and pessimism over the outcome of trade talks between the U.S. and China. Reports had shown earlier that there is pessimism among Chinese officials on the prospects of striking a trade deal with the U.S.
- U.S. markets were mixed after a couple of major retailers' same store sales missed expectations. Sentiment on the trade front was foggy as no clear direction emanated from U.S.-China trade negotiations.

Indian Equity Market

- Indian equity markets gained with support from the telecom and energy sectors. The telecom sector increased as two of the leading telcos announced increase in tariffs from Dec 2019, which soothed investor nerves worried over the earnings of these companies.
- Key benchmark indices S&P BSE Sensex and Nifty 50 gained 0.46% and 0.47% to close at 40,469.70 and 11,940.10, respectively. S&P BSE MidCap lost 0.05% and S&P BSE SmallCap gained 0.31%.
- The overall market breadth on BSE was weak with 1,149 scrips advancing and 1,399 scrips declining. A total of 184 scrips remained unchanged.
- On the BSE sectoral front, S&P BSE Telecom was the major gainer, up 8.52%, followed by S&P BSE Energy, up 2.38%, and S&P BSE Power, up 0.92%. S&P BSE Metal was the major loser, down 0.94%, followed by S&P BSE Auto, down 0.74%, and S&P BSE FMCG, down 0.58%.
- Among the 31-stock sensitive Sensex pack, Bharti Airtel was the major gainer, up 7.36%, followed by Reliance Industries and Axis Bank that grew 3.52% and 3.43%, respectively. Yes Bank was the major loser, down 2.66%, followed by Mahindra & Mahindra and Tata Steel, down 2.19% and 2.02%, respectively.

Domestic News

- The government has strongly stated that it does not plan to revise its fiscal deficit target of 3.3% of gross domestic product (GDP) for the current financial year despite the slowdown in economic activities.
- According to a study by a domestic credit rating agency, the pace of employment growth in India slowed in the last two years with job creation growing 3.9% in 2017-18 and 2.8% in 2018-19. Based on a set of 1,938 companies spread across sectors, the study said the value of sales in FY19 was Rs. 69 lakh crore thus covering the entire corporate sector.
- The government has been urged by the Reserve Bank of India employees unions to increase the insurance cover on bank deposits from the present Rs. 1 lakh to Rs. 10 lakh. This comes in the wake of the crisis at a cooperative bank. Deposit insurance cover was last revised in May 1993. The finance minister has said the government would bring in a legislation during the ongoing Winter session of the Parliament to increase the deposit insurance cover from Rs. 1 lakh. However, she did not elaborate on the hike.
- Media reports showed India may stay a ban on onion exports until Feb 2019 because domestic prices have increased after the harvest of summer-sown crops. The summer crop was expected to augment supplies but was delayed and damaged by untimely rains. The ban on overseas sales by India, which is the world's biggest exporter of the crop, will keep prices at an elevated level in Asia and require importers in Nepal, Bangladesh and Sri Lanka to find other sources to fulfil their demand.
- Bharti Airtel Ltd and Vodafone Idea Ltd plan to raise tariffs from Dec 2019 to ensure the viability of their operations as increasing competition eats into their profits.
- Tata Steel Ltd. plans to cut around 3,000 jobs across its European operations to cut costs. About two-thirds of the estimated reduction in staff would be office-based, or white-collar, positions, media reports quoted the company.
- World's largest oil company Aramco hasn't yet made up its mind to participate in disinvestment of Indian fuel refiner and retailer Bharat Petroleum Corporation Ltd (BPCL). The government plans to sell its entire 53.29% stake to a strategic investor.

Good gets better

FII Derivative Trade Statistics		19-Nov		
(Rs Cr)	Buy	Sell	Open Int.	
Index Futures	1966.13	2265.06	17811.82	
Index Options	151563.79	151150.34	54062.54	
Stock Futures	10253.84	10377.43	92174.67	
Stock Options	4481.22	4530.64	5339.34	
Total	168264.98	168323.47	169388.37	

Derivative Statistics- Nifty Options			
	19-Nov	Prev_Day	Change
Put Call Ratio (OI)	1.46	1.32	0.14
Put Call Ratio(Vol)	0.93	0.95	-0.02

Debt Watch				
	19-Nov	Wk. Ago	Mth. Ago	Year Ago
Call Rate	5.07%	5.06%	5.10%	6.39%
T-Repo	4.95%	4.99%	4.90%	6.34%
Repo	5.15%	5.15%	5.15%	6.50%
Reverse Repo	4.90%	4.90%	4.90%	6.25%
91 Day T-Bill	5.04%	5.03%	5.05%	6.66%
364 Day T-Bill	5.15%	5.21%	5.25%	7.26%
10 Year Gilt	6.48%	6.57%	6.52%	7.79%
G-Sec Vol. (Rs.Cr)	45044	17969	24960	21390
FBIL MIBOR*	5.25%	5.25%	5.25%	6.50%
3 Month CP Rate	5.50%	5.55%	5.80%	8.00%
5 Year Corp Bond	7.51%	7.47%	7.55%	8.60%
1 Month CD Rate	5.10%	5.10%	4.94%	6.79%
3 Month CD Rate	5.16%	5.29%	5.67%	7.42%
1 Year CD Rate	5.82%	5.77%	5.86%	8.17%

Currency Market			
Currency	19-Nov	Prev_Day	Change
USD/INR	71.81	71.71	0.10
GBP/INR	93.09	92.70	0.39
EURO/INR	79.56	79.32	0.25
JPY/INR	0.66	0.66	0.00

Commodity Prices				
Commodity	19-Nov	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	54.88	56.62	53.70	57.11
Brent Crude(\$/bl)	62.99	62.28	60.50	63.28
Gold(\$/oz)	1472	1457	1490	1224
Gold(Rs./10 gm)	38069	37993	38241	30918

Source: Thomson Reuters Eikon

*As on previous trading day

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Derivatives Market

- Nifty Nov 2019 Futures stood at 11,969.15, a premium of 29.05 points above the spot closing of 11,940.10. The turnover on NSE's Futures and Options segment rose to Rs. 9,85,924.89 crore on November 19, 2019, compared with Rs. 7,53,248.66 crore on November 18, 2019.
- The Put-Call ratio stood at 0.87 compared with the previous session's close of 0.88.
- The Nifty Put-Call ratio stood at 1.46 compared with the previous session's close of 1.32.
- Open interest on Nifty Futures stood at 16.78 million, compared with the previous session's close of 16.51 million.

Indian Debt Market

- Bond yields fell as concerns over fiscal slippage eased to some extent. Fall in global crude oil prices and expectations of a sixth consecutive rate cut by the Monetary Policy Committee in Dec 2019 added to the gains.
- Yield on the new 10-year benchmark paper (6.45% GS 2029) closed steady at 6.48% after trading in a range of 6.47% to 6.49%.
- Yield on the old 10-year benchmark paper (7.26% GS 2029) decreased 2 bps to close at 6.63% compared with the previous close of 6.65% after trading in a range of 6.62% to 6.65%.
- Banks borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 3,667 crore (gross) on Nov 19, 2019 compared with borrowings of Rs. 4,527 crore (gross) on Nov 18, 2019. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 12,853 crore on Nov 18, 2019.
- Banks borrowed Rs. 3,850 crore under the central bank's Marginal Standing Facility on Nov 18, 2019 compared with borrowings of Rs. 3,575 crore on Nov 15, 2019.

Currency Market Update

- The rupee rose against the greenback following gains in the domestic equity market. Selling of the greenback by foreign banks added to the gains. The rupee rose 0.19% to close at Rs. 71.71 per dollar compared with the previous close of Rs. 71.84.
- Euro was almost steady against the greenback as hopes for a preliminary trade deal between U.S. and China came down significantly. Euro was trading at \$1.1078, up 0.07% compared with the previous close of \$1.1070.

Commodity Market Update

- Gold prices rose as concerns on the ongoing impeachment inquiry against the U.S. President overshadowed hopes for a U.S.-China trade deal.
- Brent crude prices fell as hopes of a trade deal between U.S. and China came down significantly which hit the demand outlook of the commodity.

International News

- A Commerce Department report showed housing starts in U.S. in Oct 2019 surged up 3.8% to an annual rate of 1.314 million after plunging 7.9% to 1.266 million in Sep 2019.
- Data from Eurostat showed euro zone's construction output rose for the first time in three months. Construction output grew 0.7% in Sep 2019, reversing a 0.8% fall in Aug 2019.
- Bank of Japan Governor said the central bank still has room to lower interest rates further. However, there were limits to how long rates could go down, he said at the parliament.
- Gross domestic product in the Organization for Economic Co-operation and Development (OECD) area grew 0.3% from the second quarter, when the economy expanded 0.4%, provisional data from the Paris-based Organization for Economic Co-operation and Development showed.



**Thank you for
your time.**

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