

# Markets for You

09 Oct 2019

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Indices Performance				
Global Indices	08-Oct	Prev_Day	Abs. Change	% Change#
Russell 3000	Closed	1,285	NA	NA
Nasdaq	Closed	7,956	NA	NA
FTSE	Closed	7,198	NA	NA
Nikkei	21,588	21,375	213	0.99
Hang Seng	25,893	25,821	72	0.28
Indian Indices	07-Oct	Prev_Day	Abs. Change	% Change#
S&P BSE Sensex	37,532	37,673	-141	-0.38
Nifty 50	11,126	11,175	-48	-0.43
Nifty 100	11,239	11,303	-64	-0.57
Nifty 500	9,041	9,092	-51	-0.56
Nifty Bank	27,768	27,732	36	0.13
S&P BSE Power	1,885	1,901	-16	-0.85
S&P BSE Small Cap	12,713	12,809	-96	-0.75
S&P BSE HC	11,976	12,274	-298	-2.43

P/E Dividend Yield				
Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
7-Oct	26.25	1.23	25.64	1.35
Month Ago	26.07	1.25	26.91	1.40
Year Ago	22.13	1.30	25.03	1.30

Nifty 50 Top 3 Gainers			
Company	07-Oct	Prev_Day	% Change#
Yes Bank	46	42	8.30
Zee Ente.	252	237	6.19
Britannia Industries Limited	2953	2845	3.80

Nifty 50 Top 3 Losers			
Company	07-Oct	Prev_Day	% Change#
BPCL	491	516	-4.83
JSW Steel	208	215	-3.10
Ultratech Cem	3870	3980	-2.74

Advance Decline Ratio		
	BSE	NSE
Advances	868	608
Declines	1656	1245
Unchanged	227	117

Institutional Flows (Equity)		
Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-878	52359
MF Flows**	714	54534

\*7<sup>th</sup> Oct 2019; \*\*7<sup>th</sup> Oct 2019

Economic Indicator			
YoY(%)	Current	Quarter Ago	Year Ago
CPI	3.21% (Aug-19)	3.05% (May-19)	3.69% (Aug-18)
IIP	4.30% (Jul-19)	3.20% (Apr-19)	6.50% (Jul-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 rose after White House economic adviser said he is hopeful about trade talks with China as U.S. will look at things afresh. Chinese Vice Premier is scheduled to meet U.S. Trade Representative and Treasury Secretary Steven Mnuchin in Washington. Today (as of Oct 9), Asian markets opened lower as uncertainties arose ahead of the U.S.-China trade meet. Both Nikkei and Hang Seng were trading up 0.86% and 0.14%, respectively (as at 8.a.m. IST).
- European markets fell on fading U.S.-China trade talk hopes after the U.S. Commerce Department blacklisted 28 Chinese companies.
- U.S. markets traded down as U.S.-China trade talk optimism faded after the U.S. included some of China's top artificial intelligence firms in the trade blacklist. This was done over China's treatment of a minority community in its territory.

### Indian Equity Market

- Indian equity markets fell for the sixth consecutive session as investors awaited economic data and Sep 2019 quarter earnings from information technology majors. Global cues were weak too on reports that Chinese officials are not keen on a broad trade deal framed by the U.S. President.
- Key benchmark indices S&P BSE Sensex and Nifty 50 lost 0.38% and 0.43% to close at 37,531.98 and 11,126.40, respectively. S&P BSE MidCap and S&P BSE SmallCap lost 0.24% and 0.75%, respectively.
- The overall market breadth on BSE was weak with 868 scrips advancing and 1,656 scrips declining. A total of 227 scrips remained unchanged.
- On the BSE sectoral front, S&P BSE Consumer Durables was the major gainer, up 1.06% followed by S&P BSE Telecom, up 0.32% and S&P BSE Bankex, up 0.26%. S&P BSE Healthcare was the major loser, down 2.43% followed by S&P BSE Oil & Gas, down 1.84% and S&P BSE Capital Goods, down 1.65%.

### Domestic News

- According to the Reserve Bank of India (RBI) Governor, there is no lower bound as such for the key policy repo rate and that it may again consider cutting interest rates at its next monetary policy review. The remark comes after the Monetary Policy Committee cut key policy repo rate to 5.15% which is the lowest since Mar 10, 2019.
- According to the RBI Governor, the central bank is not considering any special liquidity facility for Non-Banking Financial Institutions (NBFCs) as there is enough in the system to meet their needs for borrowings. The governor further added that banks need to take a call on lending to the NBFCs.
- RBI decided that State/UT Level Bankers Committees (SLBCs/ UTLBCs) shall identify one district in their respective States/UTs on a pilot basis after discussing the same with banks and stakeholders. This district may be allocated to a bank having a significant footprint. The bank will take the necessary steps to make the district 100% digitally enabled. The objective of the move is to expand and deepen the digital payment ecosystem.
- Drug maker Lupin Ltd's three plants have received warning letters from the U.S. Food and Drug Administration (FDA). Its fourth plant is under intense scrutiny. The company has appointed a new global head for quality control to ensure quality adherence.
- The U.S. has named PepsiCo India for the 2019 Secretary of State's Award for Corporate Excellence (ACE) as the company saved more than 17 billion litres of water through community water programmes.
- IL&FS Engineering and Construction Company has defaulted on redemption of preference shares worth Rs. 39.5 crore in favour of Vistra ITCL (India) Ltd. The due date of redemption was Sep 30, 2019.
- JSW Energy Ltd said it has entered into exclusive talks with GMR Energy Ltd for buying out its thermal power plant GMR Kamalanga Energy Ltd. GMR Kamalanga Energy is a 1050 megawatt coal based power plant in the Dhenkanal district of Odisha and has fuel linkages with Mahanadi Coal Fields, one of the major coal producing subsidiaries of Coal India Ltd.

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FII Derivative Trade Statistics			
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	4914.14	5638.95	13160.12
Index Options	220248.87	219321.54	53132.86
Stock Futures	14194.56	14065.36	89043.98
Stock Options	4710.30	4802.19	3059.64
<b>Total</b>	<b>244067.87</b>	<b>243828.04</b>	<b>158396.60</b>

Derivative Statistics- Nifty Options			
	07-Oct	Prev_Day	Change
Put Call Ratio (OI)	0.97	1.01	-0.03
Put Call Ratio(Vol)	0.85	0.83	0.02

Debt Watch				
	07-Oct	Wk. Ago	Mth. Ago	Year Ago
Call Rate	5.12%	5.40%	5.37%	6.41%
T-Repo	4.81%	5.33%	5.22%	NA
Repo	5.15%	5.40%	5.40%	6.50%
Reverse Repo	4.90%	5.15%	5.15%	6.25%
91 Day T-Bill	5.20%	5.24%	5.30%	6.85%
364 Day T-Bill	5.36%	5.50%	5.65%	7.55%
10 Year Gilt	6.68%	6.70%	6.60%	8.02%
G-Sec Vol. (Rs.Cr)	27528	28071	36013	42133
FBIL MIBOR	5.21%	5.45%	5.45%	6.45%
3 Month CP Rate	6.05%	5.85%	5.85%	8.35%
5 Year Corp Bond	7.45%	7.48%	7.48%	8.91%
1 Month CD Rate	5.14%	5.49%	5.14%	7.11%
3 Month CD Rate	5.31%	5.89%	5.73%	7.42%
1 Year CD Rate	6.19%	6.42%	6.47%	8.52%

Currency Market			
Currency	07-Oct	Prev_Day	Change
USD/INR	70.98	70.87	0.11
GBP/INR	87.42	87.52	-0.10
EURO/INR	77.93	77.78	0.14
JPY/INR	0.66	0.66	0.00

Commodity Prices				
Commodity	08-Oct	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	Closed	53.55	56.40	74.22
Brent Crude(\$/bl)	Closed	60.95	61.57	84.56
Gold( \$/oz)	Closed	1479	1507	1188
Gold(Rs./10 gm)*	38043	37475	38185	31216

Source: Thomson Reuters Eikon

\*07-Oct-19

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**Derivatives Market**

- Nifty Oct 2019 Futures stood at 11,162.00, a premium of 35.60 points above the spot closing of 11,126.40. The turnover on NSE's Futures and Options segment fell to Rs. 8,66,676.50 crore on October 07, 2019, compared with Rs. 9,76,983.06 crore on October 04, 2019.
- The Put-Call ratio stood at 0.85 compared with the previous session's close of 0.88.
- The Nifty Put-Call ratio stood at 0.96 compared with the previous session's close of 0.97.
- Open interest on Nifty Futures stood at 16.55 million, compared with the previous session's close of 16.47 million.

**Indian Debt Market**

- Bond yields remained range bound and fell marginally following a steep rise in the previous session as investors resorted to short covering and awaited fresh triggers in holiday truncated week. Major events including Monetary Policy review got over last week.
- Yield on the 10-year benchmark paper (7.26% GS 2029) fell 1 bps to 6.68% compared with the previous close of 6.69% after trading in a range of 6.66% to 6.69%.
- Banks borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 3,932 crore (gross) on Oct 7, 2019 compared with borrowings of Rs. 3,832 crore (gross) on Oct 4, 2019. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 19,120 crore on Oct 4, 2019.
- Banks borrowed Rs. 1,825 crore under the central bank's Marginal Standing Facility on Oct 4, 2019 compared with borrowings of Rs. 619 crore on Oct 3, 2019.

**Currency Market Update**

- The Indian rupee fell against the greenback following losses in the domestic equity market amid uncertainty over the upcoming trade talks between U.S. and China. However, selling of the greenback by state run banks restricted further losses.
- The euro fell against the greenback after the U.S. Federal Reserve Chief refrained from committing to more rate cuts even after data showed an unexpected drop in U.S. producer inflation in Sep 2019.

**Commodity Market Update**

- Gold prices rose as uncertainties over U.S.-China trade talks and Brexit improved the safe haven appeal of the yellow metal.
- Brent crude prices fell on concerns over US-China trade talks. Losses were extended after the U.S. Energy Information Administration cut its 2020 world oil demand growth forecast.

**International News**

- According to a report released by the Labor Department, U.S. producer prices unexpectedly decreased in Sep 2019. The Labor Department's producer price index for final demand fell 0.3% in Sep after inching up by 0.1% in Aug 2019.
- A Federal Reserve report showed another bigger than expected increase in consumer credit in Aug 2019. The Fed said consumer credit climbed by \$17.9 billion in Aug after surging up \$23.0 billion in Jul 2019.
- Eurozone house prices increased at a slightly faster pace in the second quarter, data from Eurostat showed. House prices logged an annual growth of 4.2% after posting 4.1% rise in the first quarter.



**Thank you for  
your time.**

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