



**Nippon india Mutual Fund**

Wealth sets you free

(Formerly Reliance Mutual Fund)

# Markets for You

17 Oct 2019

Good gets *better*

Indices Performance				
Global Indices	16-Oct	Prev_Day	Abs. Change	% Change <sup>#</sup>
Russell 3000	1,308	1,313	-5	-0.35
Nasdaq	8,124	8,149	-25	-0.30
FTSE	7,168	7,212	-44	-0.61
Nikkei	22,473	22,207	266	1.20
Hang Seng	26,664	26,504	160	0.61
Indian Indices	16-Oct	Prev_Day	Abs. Change	% Change <sup>#</sup>
S&P BSE Sensex	38,599	38,506	93	0.24
Nifty 50	11,464	11,428	36	0.31
Nifty 100	11,589	11,544	44	0.38
Nifty 500	9,282	9,254	28	0.30
Nifty Bank	28,539	28,555	-16	-0.06
S&P BSE Power	1,918	1,939	-20	-1.06
S&P BSE Small Cap	12,800	12,774	26	0.21
S&P BSE HC	12,399	12,345	54	0.44

P/E Dividend Yield				
Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
16-Oct	26.85	1.20	26.48	1.30
Month Ago	25.92	1.26	27.06	1.39
Year Ago	22.56	1.27	25.52	1.27

Nifty 50 Top 3 Gainers				
Company	16-Oct	Prev_Day	% Change <sup>#</sup>	
BPCL	512	490	4.51	
Grasim Indus	731	704	3.86	
Zee Ente.	260	251	3.57	

Nifty 50 Top 3 Losers				
Company	16-Oct	Prev_Day	% Change <sup>#</sup>	
Hero Moto	2602	2676	-2.74	
Hindalco	188	193	-2.39	
Vedanta Limited	150	154	-2.35	

Advance Decline Ratio			
	BSE	NSE	
Advances	1133	833	
Declines	1329	996	
Unchanged	205	116	

Institutional Flows (Equity)		
Description (Cr)	Inflow/Outflow	YTD
FII Flows*	2170	58983
MF Flows**	686	56206

\*16<sup>th</sup> Oct 2019; \*\*15<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 high on the back of a good start to the U.S. earnings season and expectations that U.K. and the European Union could strike a deal. Media reports showed, European Union and U.K. negotiators could agree on a draft Brexit deal. Today (as of Oct 17), Asian markets were mixed because of overnight loss at the Wall Street on weak economic data. Both Nikkei and Hang Seng were trading up 0.16% and 0.81%, respectively (as at 8.a.m. IST).
- European markets were little changed as Brexit negotiations continued between the U.K. and European Union. Investors are expecting a deal to be cracked before the exit deadline of Oct 31, 2019.
- U.S. markets dipped as weak retail sales data along with trade-war fears overshadowed strong earnings reports. Retail sales in Sep 2019 unexpectedly dropped for the first time in seven months, adding to recession concerns.

### Indian Equity Market

- Indian equity markets managed to gain in volatile trade. Start of India Inc's earnings season has been good with some of country's major information technology companies beating expectations. Also, data showed Sep 2019 trade deficit came in at seven-month low.
- Key benchmark indices S&P BSE Sensex and Nifty 50 gained 0.24% and 0.31% to close at 38,598.99 and 11,464.00, respectively. S&P BSE MidCap lost 0.14% and S&P BSE SmallCap gained 0.21%.
- The overall market breadth on BSE was weak with 1,133 scrips advancing and 1,329 scrips declining. A total of 205 scrips remained unchanged.
- On the BSE sectoral front, S&P BSE Oil & Gas was the major gainer, up 1.2% followed by S&P BSE Realty, up 1.09% and S&P BSE Energy, up 0.94%. S&P BSE Power was the major loser, down 1.06% followed by S&P BSE Utilities, down 0.88% and S&P BSE Metal, down 0.42%.

### Domestic News

- Finance minister said trade negotiations between India and the U.S. are going well and will conclude sooner than expected, media reports showed. In Sep 2019, India and the U.S. failed to announce a limited trade deal in New York during the meeting of the Prime Minister and U.S. President because of differences over the package including Washington's access to Indian markets for medical devices, such as stents and knee implants, information and communications technology products and dairy products with the removal of price caps.
- According to data from the Petroleum Planning and Analysis Cell (PPAC), India's fuel demand slipped to its lowest in more than two years in Sep 2019 after a fall in diesel and industrial fuel consumption negated the rise in petrol and LPG consumption. Consumption of petroleum products in Sep dropped to 16.01 million tonne, its lowest since Jul 2017, from 16.06 million tonnes in the same month last year. Diesel saw demand drop 3.2% to 5.8 million tonne, while naphtha sales dipped by a quarter to 844,000 tonne.
- A joint survey report by a state-run financial institution and a credit information company said commercial credit demand has contracted 2.6 percentage points to Rs. 63.80 lakh crore in the Jun 2019 quarter over the preceding three months. This was accompanied by a steep deterioration in asset quality, said the report. The contraction has been across all the four segments of the commercial credit segment, including micro, small, medium, mid and large enterprises.
- Wipro's consolidated net profit increased 35.82% YoY to Rs. 2,561.30 crore for the Sep 2019 quarter compared with Rs. 1,885.70 crore in the year-ago period. On a sequential basis, profit was up 6.2%. Gross revenue for the quarter increased 4% YoY to Rs. 15,130 crore.
- Cognizant has entered into a deal to acquire Contino, which is a privately-held technology consulting firm, for an undisclosed amount. The transaction is expected to close in the fourth quarter of 2019. This is Cognizant's third acquisition in 2019. Earlier in 2019, Cognizant acquired fintech software firm Meritsoft, and life sciences manufacturing technology company Zenith Technologies.

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FII Derivative Trade Statistics		16-Oct	
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	3662.26	2918.59	12703.60
Index Options	185849.08	185712.05	59850.82
Stock Futures	11625.54	11267.59	89883.65
Stock Options	4518.79	4513.40	4847.96
Total	205655.67	204411.63	167286.03

Derivative Statistics- Nifty Options			
	16-Oct	Prev_Day	Change
Put Call Ratio (OI)	1.32	1.32	0.00
Put Call Ratio(Vol)	1.03	1.00	0.03

Debt Watch				
	16-Oct	Wk. Ago	Mth. Ago	Year Ago
Call Rate	5.05%	5.07%	5.36%	6.54%
T-Repo	4.73%	4.86%	5.35%	NA
Repo	5.15%	5.15%	5.40%	6.50%
Reverse Repo	4.90%	4.90%	5.15%	6.25%
91 Day T-Bill	5.09%	5.22%	5.25%	6.87%
364 Day T-Bill	5.37%	5.39%	5.60%	7.49%
10 Year Gilt	6.66%	6.66%	6.72%	7.87%
G-Sec Vol. (Rs.Cr)	41517	38160	45279	42832
FBIL MIBOR*	5.22%	5.21%	5.43%	6.50%
3 Month CP Rate	5.80%	6.05%	5.65%	7.80%
5 Year Corp Bond	7.50%	7.50%	7.60%	8.80%
1 Month CD Rate	4.90%	5.07%	5.35%	6.88%
3 Month CD Rate	5.57%	5.31%	5.43%	7.46%
1 Year CD Rate	5.97%	6.22%	6.23%	8.41%

Currency Market			
Currency	16-Oct	Prev_Day	Change
USD/INR	71.51	71.32	0.19
GBP/INR	91.35	90.41	0.94
EURO/INR	79.02	78.74	0.28
JPY/INR	0.66	0.66	0.00

Commodity Prices				
Commodity	16-Oct	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	53.37	52.58	63.05	71.88
Brent Crude(\$/bl)	59.84	60.59	69.31	80.97
Gold( \$/oz)	1489	1505	1498	1224
Gold(Rs./10 gm)	38203	38179	37780	31799

Source: Thomson Reuters Eikon

\*As on previous trading day

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**Derivatives Market**

- Nifty Oct 2019 Futures stood at 11,475.55, a premium of 11.55 points above the spot closing of 11,464.00. The turnover on NSE's Futures and Options segment rose to Rs. 12,07,214.31 crore on October 16, 2019, compared with Rs. 9,30,743.21 crore on October 15, 2019.
- The Put-Call ratio remained unchanged compared with the previous session's close of 0.92.
- The Nifty Put-Call ratio remained unchanged compared with the previous session's close of 1.32.
- Open interest on Nifty Futures stood at 15.76 million, compared with the previous session's close of 16.17 million.

**Indian Debt Market**

- Bond yields lowered as likely purchases of bonds by an insurance firm encouraged market participants to resort to short covering. Besides, speculations of further policy rate cuts also supported the sentiments.
- Yield on the 10-year benchmark paper (7.26% GS 2029) declined 1 bps to 6.66% compared with the previous close of 6.67% after trading in a range of 6.65% to 6.68%.
- Banks borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 3,794 crore (gross) on Oct 16, 2019 compared with borrowings of Rs. 3,842 crore (gross) on Oct 15, 2019. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 32,977 crore on Oct 15, 2019.
- Banks borrowed Rs. 5,550 crore under the central bank's Marginal Standing Facility on Oct 15, 2019 compared with borrowings of Rs. 4,535 crore on Oct 15, 2019.

**Currency Market Update**

- The Indian strengthened gained against the greenback following gains in domestic equity market and foreign fund inflows. Greenback sales also added to the gains. The rupee closed at 71.44 a dollar compared with the previous close 71.54.
- The euro gained against the greenback amid concerns that intensifying trade tensions between U.S. and Beijing will continue to weigh on the global growth outlook. The euro closed at 1.1070 compared with previous close of 1.1031.

**Commodity Market Update**

- Gold prices edged higher as weak U.S. retail sales data revived hopes of further interest rate cuts by the U.S. Fed. Meanwhile, Brexit talks between the EU and the U.K. failed to deliver a breakthrough,
- Brent crude prices inched up on hopes that both OPEC and the allied producers will continue to curb supplies in Dec.

**International News**

- The National Association of Home Builders Homebuilder report showed confidence in the U.S. unexpectedly climbed to its highest level in well over a year in Oct 2019. The NAHB/Wells Fargo Housing Market Index jumped to 71 in Oct after inching up to 68 in Sep 2019.
- Figures from the Office for National Statistics showed U.K. consumer prices advanced 1.7% YoY in Sep 2019, the same pace of growth as Aug 2019, and the lowest since late 2016. Factory gate inflation eased to the weakest in three years.





**Thank you for  
your time.**

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