



Nippon india Mutual Fund

Wealth sets you free

(Formerly Reliance Mutual Fund)

Markets for You

18 Oct 2019

Good gets *better*

Indices Performance				
Global Indices	17-Oct	Prev_Day	Abs. Change	% Change [#]
Russell 3000	1,313	1,308	5	0.37
Nasdaq	8,157	8,124	33	0.40
FTSE	7,182	7,168	14	0.20
Nikkei	22,452	22,473	-21	-0.09
Hang Seng	26,848	26,664	184	0.69
Indian Indices	17-Oct	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	39,052	38,599	453	1.17
Nifty 50	11,586	11,464	122	1.07
Nifty 100	11,718	11,589	130	1.12
Nifty 500	9,391	9,282	109	1.18
Nifty Bank	28,989	28,539	451	1.58
S&P BSE Power	1,932	1,918	14	0.73
S&P BSE Small Cap	12,914	12,800	114	0.89
S&P BSE HC	12,503	12,399	104	0.84

P/E Dividend Yield				
Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
17-Oct	27.35	1.18	26.76	1.29
Month Ago	25.35	1.28	26.60	1.42
Year Ago	22.40	1.28	25.19	1.29

Nifty 50 Top 3 Gainers				
Company	17-Oct	Prev_Day	% Change [#]	
Yes Bank	47	41	15.47	
Tata Motors	140	126	10.85	
Eicher Motors	20492	19221	6.61	

Nifty 50 Top 3 Losers				
Company	17-Oct	Prev_Day	% Change [#]	
Vedanta Limited	148	150	-1.07	
Grasim Indus	725	731	-0.86	
TCS	2031	2046	-0.76	

Advance Decline Ratio			
	BSE	NSE	
Advances	1414	1125	
Declines	1077	707	
Unchanged	189	127	

Institutional Flows (Equity)		
Description (Cr)	Inflow/Outflow	YTD
FII Flows*	897	59880
MF Flows**	686	56206

*17th Oct 2019; **15th 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 fell after data showed U.S. retail sales decreased unexpectedly in Sep 2019 and U.K. and European Union (EU) had not yet agreed on a final Brexit deal ahead of an EU summit in Brussels. Today (as of Oct 18), Asian markets were mixed as investors looked forward to the release of China's third quarter GDP data to assess the state of the economy. Both Nikkei and Hang Seng were trading up 0.47% and 0.12%, respectively (as at 8.a.m. IST).
- European markets dropped slightly after initially rising on news that U.K. and European Union had struck a Brexit deal. Later, doubts arose as to whether the U.K. Prime Minister will be able to get the deal approved in a vote at the British Parliament.
- U.S. markets gained on the back of strong corporate earnings across sectors. Also, news emerged that the European Union and the U.K. have struck a deal on Brexit.

Indian Equity Market

- Indian equity markets gained on strong global cues as the U.K. and European Union reached a new Brexit deal. This to some extent eased concerns over global economic growth as Brexit and U.S.-China trade war have been for a long time upsetting the fabric of markets.
- Key benchmark indices S&P BSE Sensex and Nifty 50 gained 1.17% and 1.07% to close at 39,052.06 and 11,586.35, respectively. S&P BSE MidCap and S&P BSE SmallCap gained 1.77% and 0.89% respectively.
- The overall market breadth on BSE was strong with 1,414 scrips advancing and 1,077 scrips declining. A total of 189 scrips remained unchanged.
- On the BSE sectoral front, all sectors gained. S&P BSE Auto was the major gainer, up 2.93%, followed by S&P BSE Consumer Discretionary Goods & Services and S&P BSE Bankex, up 1.82% and 1.59%, respectively. S&P BSE Finance and S&P BSE Energy gained 1.55% and 1.34% respectively.

Domestic News

- Finance minister said the government plans to take sector-specific measures to revive stressed sectors. To deal with the slowdown, government has announced specific measures for the automobile sector and similar initiatives are being taken and will continue for each of the stressed sectors, she said. Government's positive intervention has to be a continuous process till the slowdown stops, she added.
- The government has started redrafting the proposed national industrial policy, which will offer benefits in addition to what states provide. The government has constituted a working group to prepare the new industrial policy to make India a manufacturing hub. The working group will consult stakeholders, identify problems of industry and develop solutions for short and medium term.
- The International Monetary Fund said there are problems that India needs to address in spite of working on the fundamentals of its economy. These include the long-term drivers of growth.
- A private research report showed rural household consumption decreased to a seven-year low in the Sep 2019 quarter. This is a sign of the prolonged agrarian distress and near-stagnant rural incomes eroding demand for consumer goods. Consumption of packaged consumer goods by rural households also grew at a slower pace than in urban areas for the first time in seven years.
- TVS Motor Company Ltd's standalone income for the quarter ended Sep 2019 fell 13% YoY due to subdued domestic sales across its product portfolio. India's third largest two-wheeler manufacturer's total income came in at Rs. 4,353 crore compared with Rs. 4,994 crore in the year-ago period.
- Mindtree's net profit grew 45.6% sequentially to Rs. 135 crore for the second quarter ended Sep 2019 on the back of "EBITDA improvement that neutralised some of the other costs." The EBITDA margin improved by 300 basis points compared to last quarter.

Good gets better

FII Derivative Trade Statistics		17-Oct	
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	3419.92	3012.32	12323.83
Index Options	246238.16	247318.50	59278.40
Stock Futures	12614.20	11867.83	90270.84
Stock Options	4413.15	4410.81	5012.15
Total	266685.43	266609.46	166885.22

Derivative Statistics- Nifty Options			
	17-Oct	Prev_Day	Change
Put Call Ratio (OI)	1.58	1.32	0.26
Put Call Ratio(Vol)	1.03	1.03	0.00

Debt Watch				
	17-Oct	Wk. Ago	Mth. Ago	Year Ago
Call Rate	5.04%	5.07%	5.37%	6.58%
T-Repo	4.81%	4.73%	5.37%	NA
Repo	5.15%	5.15%	5.40%	6.50%
Reverse Repo	4.90%	4.90%	5.15%	6.25%
91 Day T-Bill	5.00%	5.17%	5.25%	6.93%
364 Day T-Bill	5.35%	5.38%	5.60%	7.47%
10 Year Gilt	6.71%	6.69%	6.73%	7.91%
G-Sec Vol. (Rs.Cr)	49183	23791	31017	22510
FBIL MIBOR*	5.24%	5.20%	5.45%	6.57%
3 Month CP Rate	5.80%	6.05%	5.70%	7.90%
5 Year Corp Bond	7.56%	7.53%	7.63%	8.84%
1 Month CD Rate	4.96%	5.02%	5.39%	6.99%
3 Month CD Rate	5.66%	5.29%	5.39%	8.23%
1 Year CD Rate	5.91%	6.21%	6.30%	8.38%

Currency Market			
Currency	17-Oct	Prev_Day	Change
USD/INR	71.41	71.51	-0.10
GBP/INR	91.11	91.35	-0.24
EURO/INR	79.06	79.02	0.04
JPY/INR	0.66	0.66	0.00

Commodity Prices				
Commodity	17-Oct	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	53.84	53.52	59.21	69.58
Brent Crude(\$/bl)	59.89	59.97	66.48	80.48
Gold(\$/oz)	1492	1494	1502	1222
Gold(Rs./10 gm)	38227	38361	37855	31722

Source: Thomson Reuters Eikon

*As on previous trading day

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Derivatives Market

- Nifty Oct 2019 Futures stood at 11,600.65, a premium of 14.30 points above the spot closing of 11,586.35. The turnover on NSE's Futures and Options segment rose to Rs. 26,50,662.03 crore on October 17, 2019, compared with Rs. 12,07,214.31 crore on October 16, 2019.
- The Put-Call ratio stood at 0.77 compared with the previous session's close of 0.92.
- The Nifty Put-Call ratio stood at 1.58 compared with the previous session's close of 1.32.
- Open interest on Nifty Futures stood at 15.65 million, compared with the previous session's close of 15.76 million.

Indian Debt Market

- Bond yields spiked as fiscal slippage concerns renewed following a government official's comment. Market participants are wary on how the government will manage covering the revenue shortfall in a scenario where tax is consistently declining. This led to selloff in the bond market, dampening sentiments.
- Yield on the 10-year benchmark paper (7.26% GS 2029) rose 5 bps to 6.71% compared with the previous close of 6.66% after trading in a range of 6.64% to 6.73%.
- Banks borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 3,812 crore (gross) on Oct 17, 2019 compared with borrowings of Rs. 3,794 crore (gross) on Oct 16, 2019. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 19,391 crore on Oct 16, 2019.
- Banks borrowed Rs. 4,401 crore under the central bank's Marginal Standing Facility on Oct 16, 2019 compared with borrowings of Rs. 5,550 crore on Oct 15, 2019.

Currency Market Update

- The Indian rupee gained against the greenback following reports that the European Union and Britain have agreed a new Brexit deal. Gains in domestic equity markets also boosted the currency. The rupee closed at 71.16 a dollar compared with the previous close 71.44.
- The euro gained against the greenback amid reports that European Union and Britain have struck a long-awaited Brexit deal. The euro closed at 1.1122 compared with previous close of 1.1070.

Commodity Market Update

- Gold prices inched up as initial weakness seen on signs of a Brexit deal was reversed as resistance from U.K. lawmakers emerged.
- Brent crude prices edged higher with investors focusing on slump in fuel stockpiles as the maintenance season for refineries caused an unusual deficit in oil products.

International News

- A Labor Department report showed initial jobless claims edged up to 214,000 in the week ended Oct 12, 2019, an increase of 4,000 from the previous week's 210,000.
- A Federal Reserve report showed a bigger than expected drop in industrial production in Sep 2019. Industrial production fell 0.4% in Sep after climbing 0.8% in Aug 2019.
- Data from the Office for National Statistics showed U.K. retail sales stagnated in Sep 2019 as consumers were cautious about spending amid uncertainties surrounding Brexit.
- A Commerce Department report showed a sharp pullback in U.S. housing starts in Sep 2019. Housing starts plunged 9.4% to an annual rate of 1.256 million in Sep after soaring 15.1% to a revised 1.386 million in Aug 2019.





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**Thank you for
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Mutual Fund Investments are subject to market risks, read all scheme related documents carefully.