

Indices Performance

Global Indices	18-Oct	Prev_Day	Abs. Change	% Change [#]
Dow Jones	18,162	18,086	76	0.42
Nasdaq	5,244	5,200	44	0.85
FTSE	7,000	6,948	53	0.76
Nikkei	16,964	16,900	63	0.38
Hang Seng	23,394	23,038	357	1.55
Indian Indices	18-Oct	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	28,051	27,530	521	1.89
Nifty 50	8,678	8,520	158	1.85
Nifty 100	8,946	8,784	161	1.83
Nifty Bank	19,495	19,070	425	2.23
SGX Nifty	8,686	8,547	140	1.63
S&P BSE Power	1,999	1,980	19	0.96
S&P BSE Small Cap	13,279	13,108	171	1.30
S&P BSE HC	16,292	16,029	263	1.64

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
18-Oct	21.05	1.40	23.22	1.28
Month Ago	20.96	1.37	24.07	1.26
Year Ago	21.95	1.35	22.51	1.38

Nifty 50 Top 3 Gainers

Company	18-Oct	Prev_Day	% Change [#]
Adani Ports & SEZ	267	251	6.48
ICICI Bank	270	259	4.48
HDFC	1355	1302	4.09

Nifty 50 Top 3 Losers

Company	18-Oct	Prev_Day	% Change [#]
Bharti Infratel	355	359	-1.14
ONGC	277	278	-0.70
Asian Paints	1175	1182	-0.66

Advance Decline Ratio

	BSE	NSE
Advances	1899	1216
Declines	934	432
Unchanged	204	66

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-220	50308
MF Flows**	244	19127

*18th Oct 2016; **17th Oct 2016

Economic Indicator

YoY(%)	Current	Quarter Ago	Year Ago
WPI	3.57% (Sep-16)	2.12% (Jun-16)	-4.59% (Sep-15)
IIP	-0.70% (Aug-16)	1.3% (May-16)	6.30% (Aug-15)
GDP	7.10 (Jun-16)	7.90 (Mar-16)	7.50 (Jun -15)

Global Indices

- Asian markets surged as mixed batch of U.S. economic data eased worries about a possible rate hike by the Federal Reserve in Nov. Improved crude oil prices and weak yen also supported gains. However, cautious note was also observed ahead of Chinese economic data and the European Central Bank meeting. As on (Oct 19), Asian markets opened mixed, as investors remained cautious ahead of the Chinese GDP data and European Central Bank's policy decision. Nikkie Average and Hang Seng was traded up 0.11% and 0.01% respectively (as at 8.00 a.m IST).
- As per the last close, European stocks closed on positive note after market found support on the sharp uptick in mining and energy stocks as commodity prices rebounded.
- As per the last close, U.S. stocks closed higher led by the stronger-than-expected corporate quarterly reports and after mixed inflation data. On economic front, Labor Department said that consumer price index improved 0.3% in Sep after edging up by 0.2% in August.

Indian Equity Market

- Indian equity market closed in the green as a banking major extended its gains from the previous session, and also as investors awaited results from the on-going GST council's three-day meeting. Short covering in stocks also helped the growth.
- Key benchmark indices S&P BSE Sensex and Nifty 50 gained 1.89% and 1.85%, to close at 28,050.88 points and 8,677.90 points, respectively. S&P BSE MidCap and S&P BSE SmallCap moved up 1.89% and 1.30%, respectively.
- The overall market breadth on BSE was strong with 1,899 scrips advancing and 934 scrips declining. A total of 204 scrips remained unchanged.
- On the BSE sectoral front, all stocks closed in the positive territory, with S&P BSE Finance, up 2.55%, leading the pack. The next to follow were S&P BSE Bankex (2.37%), S&P BSE Capital Goods (2.07%), S&P BSE Industrials (1.89%), and S&P BSE IT (1.84%).

Domestic News

- Government is unlikely to reduce public expenditure in the current fiscal year despite shortfall from spectrum auction as it has received bids worth Rs. 65,789 crore for telecom spectrum, which is only 40% of the total quantum of spectrum. There is also lower progress on strategic sale of loss making PSU. However, Revenue from Income Disclosure Scheme is expected to bring some respite.
- The Union cabinet is expected to clear the plan of reducing stake in 20 public sector undertakings (PSUs) on Oct 19. This will ensure that these PSUs are managed professionally and there is more efficiency. The cabinet will also review the plan in detail to reduce 10% stake in public sector general insurance companies, a move aimed at helping the insurers raise funds to take on private sector players.
- According to the Commerce and Industry ministry, protecting and promoting brand "India" overseas is crucial for not only inviting assets but also gaining access to global markets. Therefore, the government plans to hold a day-long deliberation on this where people across the world can give ideas on how to promote Indian brand abroad. Also, the government will consider on improving the India Brand Equity Foundation for future.
- According to a major credit rating agency, the draft bill on resolution of financial firms is positive for the Indian banks as it will enhance the overall systemic stability. The bill will make the stressed financial firms to have comprehensive framework in place. However, this change is negative for the senior unsecured creditors as the bill ranks depositors above senior unsecured creditors in a liquidation scenario. Whereas under existing laws senior unsecured creditors rank on equal footing with uninsured depositors.
- According to Infosys' chief operating officer, the company is considering modifying its merger and acquisition strategy in an effort to broaden domain expertise and geographic footprint.

FII Derivative Trade Statistics	18-Oct		
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	1939.60	2972.06	14166.56
Index Options	39955.86	40162.37	71560.15
Stock Futures	8029.49	6928.34	56905.35
Stock Options	5366.26	5519.02	6923.38
Total	55291.21	55581.79	149555.44

Derivative Statistics- Nifty Options			
	18-Oct	Prev_Day	Change
Put Call Ratio (OI)	0.96	0.87	0.09
Put Call Ratio(Vol)	1.03	0.87	0.16

Debt Watch				
	18-Oct	Wk. Ago	Mth. Ago	Year Ago
Call Rate	6.23%	6.18%	6.46%	6.73%
CBLO	6.23%	6.21%	5.62%	6.50%
Repo	6.25%	6.25%	6.50%	6.75%
Reverse Repo	5.75%	5.75%	6.00%	5.75%
91 Day T-Bill	6.37%	6.36%	6.51%	6.97%
364 Day T-Bill	6.41%	6.42%	6.61%	7.12%
10 Year Gilt	6.81%	6.82%	7.05%	7.56%
G-Sec Vol. (Rs.Cr)	75434	62089	56142	44003
1 Month CP Rate	6.61%	6.56%	6.84%	7.34%
3 Month CP Rate	6.82%	6.80%	6.96%	7.54%
5 Year Corp Bond	7.31%	7.26%	7.51%	8.20%
1 Month CD Rate	6.39%	6.35%	6.54%	6.99%
3 Month CD Rate	6.53%	6.48%	6.60%	7.17%
1 Year CD Rate	6.90%	6.87%	7.22%	7.41%

Currency Market			
Currency	18-Oct	Prev_Day	Change
USD/INR	66.73	66.78	-0.05
GBP/INR	81.71	81.31	0.40
EURO/INR	73.55	73.37	0.18
JPY/INR	0.64	0.64	0.00

Commodity Prices				
Commodity	18-Oct	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	50.30	49.76	43.04	47.30
Brent Crude(\$/bl)	49.58	51.04	45.56	49.01
Gold (\$/oz)	1262	1259	1310	1177
Gold(Rs./10 gm)	29845	29863	30920	26876

Source: ICRON Research

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Derivatives Market

- Nifty Oct 2016 Futures were at 8,679.85 points, a premium of 1.95 points, over the spot closing of 8,677.90 points. The turnover on NSE's Futures and Options segment went up from Rs. 3,63,565.20 crore on Oct 17 to Rs. 4,44,940.56 crore on Oct 18.
- The Put-Call ratio stood at 0.93, compared with the previous session's close of 0.82.
- The Nifty Put-Call ratio stood at 0.96, compared with the previous session's close of 0.87.
- The open interest on Nifty Futures stood at 21.08 million compared with the previous session's close of 20.99 million.

Indian Debt Market

- Bond yields dropped on expectations that the Reserve Bank of India (RBI) will announce to conduct Open Market Operation (OMO) purchases, to further improve the liquidity situation in the banking sector.
- Yield on the new 10-year benchmark bond (6.97% GS 2026) fell 2 bps to close at 6.72% from the previous session's close of 6.74%. During the session, bond yields moved in the region of 6.72% to 6.74%.
- Yield on the existing 10-year benchmark bond (7.59% GS 2026) declined 3 bps to close at 6.81% from the previous session's close of 6.84%. During the session, bond yields moved in the region of 6.81% to 6.84%.
- Data from RBI showed that India's money supply grew 12.1% YoY in the fortnight ending Sep 30, as against 10.5% a year earlier.

Currency Market Update

- The rupee rose against the U.S. dollar following gains in the domestic equity market, which can be attributed to the hopes of foreign fund inflows in the Indian economy. The rupee moved up 0.25% to close at 66.72 per dollar from the previous close of 66.89.
- The euro remained almost steady against the greenback as investor awaited U.S. consumer price inflation data for Sep 2016. Euro was trading at \$1.0996, up 0.01% compared with the previous close of \$1.0997.

Commodity Market Update

- Gold prices went up as the U.S. dollar lost sheen, contributing to the safe-haven appeal of gold.
- Brent crude prices traded higher as investors looked ahead to a planned reduction of crude supply by the Organization of the Petroleum Exporting Countries.

International News

- Data from the U.S. Federal Reserve showed that industrial production in the U.S. rose less than expected in Sep 2016. Industrial production rose 0.1% in Sep after falling by a revised 0.5% in Aug 2016. Manufacturing output rose 0.2% in Sep after sliding by 0.5% in Aug.
- Data from the Office for National Statistics showed that U.K. inflation accelerated in Sep 2016 on higher clothing and transport costs. Inflation rose to 1% from 0.6% in Aug 2016. The rate was the highest since Nov 2014, when it was also 1.0%.
- Data from the Office for National Statistics showed that British house price inflation quickened unexpectedly in Aug 2016. The house price index rose 8.4% on a yearly basis Aug, faster than the 8.0% climb in Jul 2016.