



Nippon india Mutual Fund

Wealth sets you free

(Formerly Reliance Mutual Fund)

Markets for You

22 Oct 2019

Good gets *better*

Indices Performance				
Global Indices	21-Oct	Prev_Day	Abs. Change	% Change [#]
Russell 3000	1,312	1,304	8	0.62
Nasdaq	8,163	8,090	73	0.91
FTSE	7,164	7,151	13	0.18
Nikkei	22,549	22,493	41	0.25
Hang Seng	26,726	26,720	-129	0.02
Indian Indices	18-Oct	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	39,298	39,052	246	0.63
Nifty 50	11,662	11,586	76	0.65
Nifty 100	11,806	11,718	88	0.75
Nifty 500	9,479	9,391	88	0.94
Nifty Bank	29,120	28,989	131	0.45
S&P BSE Power	1,983	1,932	51	2.63
S&P BSE Small Cap	13,127	12,914	213	1.65
S&P BSE HC	12,635	12,503	132	1.06

P/E Dividend Yield				
Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
18-Oct	27.51	1.17	26.94	1.28
Month Ago	25.85	1.26	26.66	1.42
Year Ago	22.40	1.28	25.19	1.29

Nifty 50 Top 3 Gainers				
Company	18-Oct	Prev_Day	% Change [#]	
Yes Bank	51	47	8.44	
Coal India	206	199	3.28	
Adani Ports & SEZ	422	409	3.07	

Nifty 50 Top 3 Losers				
Company	18-Oct	Prev_Day	% Change [#]	
Zee Ente.	250	264	-5.39	
Tata Motors	137	140	-1.90	
Eicher Motors	20276	20492	-1.05	

Advance Decline Ratio			
	BSE	NSE	
Advances	1588	1304	
Declines	939	517	
Unchanged	180	134	

Institutional Flows (Equity)		
Description (Cr)	Inflow/Outflow	YTD
FII Flows*	1274	61154
MF Flows**	1441	57647

*18th Oct 2019; **16th 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 mixed after a Brexit deal was delayed as the British parliament delayed a vote on the same, forcing the Prime Minister to seek another postponement of U.K.'s exit from the European Union. Sentiment was supported by positive U.S.-China trade developments after the heads of both countries spoke in favour of a deal. Today (as of Oct 22), Asian markets were up on overnight gains at the Wall Street. Nikkei was trading up 0.25% and Hang Seng was trading down 0.09% (as at 8.a.m. IST).
- European markets gained even though the Brexit vote in the parliament was delayed, pushing back the exit of U.K. from the European Union. U.S.-China trade developments supported sentiment after the leaders of both nations spoke positively about the chances of a deal.
- U.S. markets gained on the back of optimism around corporate earnings and U.S.-China trade developments. The U.S. President said an agreement could be signed by the middle of Nov 2019, while the Chinese Vice Premier said Beijing would work with the U.S. to address one another's trade concerns.

Indian Equity Market

- Indian equity markets continued their gaining streak and ended the week on a positive note. Indices gained as investors looked forward to the earnings of the most prominent Indian multinational conglomerate, due to be released after market hours. Also, the finance minister hinting that more stimulus measures could be on their way to propel the economy supported sentiment.
- Key benchmark indices S&P BSE Sensex and Nifty 50 gained 0.63% and 0.65% to close at 39,298.38 and 11,661.85, respectively. S&P BSE MidCap and S&P BSE SmallCap gained 1.78% and 1.65% respectively.
- The overall market breadth on BSE was strong with 1,588 scrips advancing and 939 scrips declining. A total of 180 scrips remained unchanged.
- On the BSE sectoral front, all sectors gained. S&P BSE Power was the major gainer, up 2.63%, followed by S&P BSE Capital Goods and S&P BSE Realty, up 2.05% and 1.96%, respectively. S&P BSE Utilities and S&P BSE Metal gained 1.91% and 1.83% respectively.

Domestic News

- According to the minutes of Reserve Bank of India's Monetary Policy Committee (MPC) meeting on rate review on Oct 5, 2019, members sparred over whether monetary easing alone is sufficient to revive the economy. Though all the members agreed to maintain an accommodative policy stance, some members felt that monetary policy cannot be the first line of defence.
- Media reports showed the Pension Fund Regulatory and Development Authority (PFRDA) plans to cover around 45 crore people in the unorganised sector under its schemes. The authority, which runs Atal Pension Yojana (APY) and National Pension System (NPS) schemes, has around three crore subscribers.
- The Securities & Exchange Board of India (SEBI) has announced stricter disclosure standards for auditors in case of resignations. SEBI said in a circular that if an auditor resigns within 45 days before the end of a quarter, they would still need to issue a limited review or audit report for the said quarter. If the resignation happens after 45 days before the end of the quarter, the auditor would need to issue limited review for the said quarter as well as the next one. This comes in the wake of listed companies witnessing a slew of auditor resignations in the past two years, sometimes just few weeks ahead of the announcement of financial results.
- Reliance Industries' second quarter net profit increased 18% to a record Rs. 11,262 crore on turnaround in refining margins against Rs. 9,516 crore in the a year-ago period, media reports showed. Revenue from operations grew 4.8% to Rs. 1.64 trillion for the quarter ended Sep 30, 2019, from Rs. 1.56 trillion for the same quarter last year.
- According to media reports, Reliance Jio Infocomm Ltd's net profit increased 45.4% to Rs. 990 crore in the Sep 2019 quarter as data consumption surged on the back of more subscribers onboarding the network. The company's operating revenue rose 33.7% YoY to Rs. 12,354 crore.

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FII Derivative Trade Statistics		18-Oct	
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	4810.61	4016.75	12216.06
Index Options	383265.98	378682.80	53802.52
Stock Futures	13876.94	12641.59	91659.37
Stock Options	5334.49	5310.23	5207.01
Total	407288.02	400651.37	162884.96

Derivative Statistics- Nifty Options			
	18-Oct	Prev_Day	Change
Put Call Ratio (OI)	1.44	1.58	-0.15
Put Call Ratio(Vol)	0.92	1.03	-0.12

Debt Watch				
	18-Oct	Wk. Ago	Mth. Ago	Year Ago
Call Rate	5.10%	5.04%	5.36%	6.58%
T-Repo	4.90%	4.58%	5.30%	NA
Repo	5.15%	5.15%	5.40%	6.50%
Reverse Repo	4.90%	4.90%	5.15%	6.25%
91 Day T-Bill	5.05%	5.15%	5.26%	6.93%
364 Day T-Bill	5.25%	5.38%	5.60%	7.47%
10 Year Gilt	6.70%	6.73%	6.62%	7.91%
G-Sec Vol. (Rs.Cr)	24960	36469	50530	22510
FBIL MIBOR*	5.25%	5.20%	5.45%	6.60%
3 Month CP Rate	5.80%	6.00%	5.70%	7.90%
5 Year Corp Bond	7.55%	7.59%	7.54%	8.84%
1 Month CD Rate	4.94%	5.00%	5.35%	6.99%
3 Month CD Rate	5.67%	5.31%	5.63%	8.23%
1 Year CD Rate	5.86%	6.21%	6.41%	8.38%

Currency Market			
Currency	18-Oct	Prev_Day	Change
USD/INR	71.20	71.41	-0.21
GBP/INR	91.52	91.11	0.41
EURO/INR	79.19	79.06	0.13
JPY/INR	0.66	0.66	0.00

Commodity Prices				
Commodity	21-Oct	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	53.23	53.52	57.87	69.11
Brent Crude(\$/bl)	59.79	59.45	66.12	81.17
Gold(\$/oz)	1484	1493	1517	1226
Gold(Rs./10 gm)^	38241	38154	37542	31722

Source: Thomson Reuters Eikon

*As on previous trading day

Disclaimer:

^As on 18-Oct-19

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Derivatives Market

- Nifty Oct 2019 Futures stood at 11,670.00, a premium of 8.15 points above the spot closing of 11,661.85. The turnover on NSE's Futures and Options segment fell to Rs. 7,45,110.04 crore on October 18, 2019, compared with Rs. 26,50,662.03 crore on October 17, 2019.
- The Put-Call ratio stood at 0.81 compared with the previous session's close of 0.77.
- The Nifty Put-Call ratio stood at 1.44 compared with the previous session's close of 1.58.
- Open interest on Nifty Futures stood at 15.3 million, compared with the previous session's close of 15.65 million.

Indian Debt Market

- Bond yields went down on speculations of additional policy rate cuts in the next monetary policy meeting. However, further fall in yield was restricted by concerns over a fiscal slippage.
- Yield on the 10-year benchmark paper (7.26% GS 2029) dropped 1 bps to 6.70% compared with the previous close of 6.71% after trading in a range of 6.69% to 6.71%.
- Banks borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 3,832 crore (gross) on Oct 18, 2019 compared with borrowings of Rs. 3,812 crore (gross) on Oct 17, 2019. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 37,676 crore on Oct 17, 2019.
- Banks borrowed Rs. 5,275 crore under the central bank's Marginal Standing Facility on Oct 17, 2019 compared with borrowings of Rs. 4,401 crore on Oct 16, 2019.

Currency Market Update

- The Indian rupee was little changed against the U.S. dollar as market participants remained on the sidelines ahead of the U.K. parliament acceptance on the Brexit deal. The rupee rose 0.03% to close at Rs. 71.14 per dollar compared with the previous close of Rs. 71.16.
- Euro was almost unchanged against the greenback due to renewed uncertainty over Brexit after the U.K. Prime Minister was denied a parliamentary vote on his Brexit deal. Euro was trading at \$1.1149, up 0.01% compared with the previous close of \$1.1148.

Commodity Market Update

- Gold prices fell as the investor risk appetite improved on hopes for a resolution to the protracted U.S.-China trade war.
- Brent crude prices fell as the demand outlook of the commodity dampened amid concerns of a slowdown in global growth.

International News

- A Federal Reserve report showed a bigger than expected drop in industrial production in U.S. in Sep 2019. The Fed said industrial production fell 0.4% in Sep after climbing 0.8% in Aug 2019.
- Data from the National Bureau of Statistics showed China's gross domestic product expanded 6% YoY in the third quarter after rising 6.2% in the second quarter. This was the slowest growth since 1992 and below expectations.
- Japan's government has lowered its economic assessment as exports are expected to remain weak for a longer period. The cabinet office repeated that the economy is recovering at a moderate pace but said the "weakness lasting longer mainly in exports."


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**Thank you for
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