



**Nippon india Mutual Fund**

Wealth sets you free

(Formerly Reliance Mutual Fund)

# Markets for You

23 Oct 2019

Good gets *better*

Indices Performance				
Global Indices	22-Oct	Prev_Day	Abs. Change	% Change <sup>#</sup>
Russell 3000	1,300	1,312	-12	-0.91
Nasdaq	8,104	8,163	-59	-0.72
FTSE	7,212	7,164	49	0.68
Nikkei	Closed	22,549	NA	NA
Hang Seng	26,786	26,726	61	0.23
Indian Indices	22-Oct	Prev_Day	Abs. Change	% Change <sup>#</sup>
S&P BSE Sensex	38,964	39,298	-335	-0.85
Nifty 50	11,588	11,662	-74	-0.63
Nifty 100	11,750	11,806	-56	-0.48
Nifty 500	9,448	9,479	-31	-0.33
Nifty Bank	29,411	29,120	291	1.00
S&P BSE Power	1,986	1,983	3	0.15
S&P BSE Small Cap	13,190	13,127	64	0.48
S&P BSE HC	12,832	12,635	197	1.56

P/E Dividend Yield				
Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
22-Oct	27.09	1.18	26.71	1.29
Month Ago	26.78	1.21	27.72	1.36
Year Ago	21.90	1.31	24.65	1.31

Nifty 50 Top 3 Gainers				
Company	22-Oct	Prev_Day	% Change <sup>#</sup>	
Dr.Reddy	2811	2725	3.15	
ICICI Bank	451	438	3.05	
BPCL	534	520	2.65	

Nifty 50 Top 3 Losers				
Company	22-Oct	Prev_Day	% Change <sup>#</sup>	
Infosys	644	768	-16.19	
Tata Motors	132	137	-3.73	
Bajaj Finserv Limited	8009	8266	-3.11	

Advance Decline Ratio			
	BSE	NSE	
Advances	1238	912	
Declines	1313	942	
Unchanged	208	129	

Institutional Flows (Equity)		
Description (Cr)	Inflow/Outflow	YTD
FII Flows*	108	61262
MF Flows**	334	57860

\*22<sup>nd</sup> Oct 2019; \*\*18<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 gained on the U.S. President's comments that negotiations over an initial trade agreement with China are progressing and that the first phase will be signed in Nov 2019. Today (as of Oct 23), Asian markets were down as overnight Brexit happenings meant the deadline for the U.K. to exit the European Union will most likely get postponed again. Both Nikkei and Hang Seng were trading down 0.09% and 0.60%, respectively (as at 8.a.m. IST).
- European markets were a tad higher as investors kept their eyes on Brexit developments and corporate earnings. U.K. lawmakers debated Prime Minister's EU Withdrawal Agreement Bill ahead of two crucial votes in the parliament.
- U.S. markets traded lower on disappointing earnings by a few major companies across sectors. This led to worries over the health of the economy.

### Indian Equity Market

- Indian equity markets snapped their six-session gaining streak. Profit booking after the rally and heavy losses in an information technology major led to the losses. A whistleblowers group accused the company's CEO of shoring up profits through irregular accounting.
- Key benchmark indices S&P BSE Sensex and Nifty 50 lost 0.85% and 0.63% to close at 38,963.84 and 11,588.35, respectively. S&P BSE MidCap lost 0.09% and S&P BSE SmallCap gained 0.48%.
- The overall market breadth on BSE was weak with 1,238 scrips advancing and 1,313 scrips declining. A total of 208 scrips remained unchanged.
- On the BSE sectoral front, S&P BSE Healthcare was the major gainer, up 1.56% followed by S&P BSE Consumer Durables, up 1.52% and S&P BSE Bankex, up 1.05%. S&P BSE IT was the major loser, down 7.01%, followed by S&P BSE Teck, down 6.35% and S&P BSE Telecom, down 2%.

### Domestic News

- Media reports showed the government is considering putting curbs on some imports from Turkey and Malaysia after these countries commented on the autonomy of Kashmir. The government is exploring the possibility of both tariff and non-tariff measures to limit import of goods from the two countries, such as stringent quality tests and a safeguard tax in addition to existing levies.
- The government will soon give a designated person to those looking to invest \$500 million or more in the country. The person will facilitate all clearances right from the centre to local bodies. Officials from state governments and central ministries will converge in one place to address investor queries and increase flows.
- The Department for Promotion of Industry and Internal Trade (DPIIT) is planning to set up a single window system to guide foreign investors keen to invest in India, media reports showed. The single-window system could have representatives from both the Centre and state governments. The system will help in attaining all relevant approvals and clearances needed by foreign investors.
- Kotak Mahindra Bank's second quarter FY20 net profit increased 51% to Rs. 1,724 crore from Rs. 1,142 crore in Q2 FY19. Net interest income for Q2FY20 increased to Rs. 3,350 crore from Rs. 2,676 crore in Q2FY19, up 25%. Net interest margin, which is a key indicator of a bank's profitability, rose 4.61% from 4.19% last year.
- Media reports showed an anonymous whistleblower group has accused Infosys management of taking "unethical" steps to boost short-term revenue and profits. In response, Infosys said in a statement that "the whistleblower complaint has been placed before the Audit Committee as per the company's practice and will be dealt with in accordance with the company's whistleblowers policy."
- Bajaj Finance's net profit increased 63% in the quarter ended Sep 30, 2019. Gross NPA and net NPA remained stable at 1.61% and 0.65%. Adjusted for IL&FS exposure, GNPA and NNPA stood at 1.44% and 0.52%. Bajaj Finance said new customer acquisition momentum was at 1.92 million. Total customer franchise stood at 38.70 million, a growth of 29% YoY.

**Good gets better**

FII Derivative Trade Statistics		22-Oct	
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	3222.72	3782.63	11896.88
Index Options	136609.42	136985.93	59690.65
Stock Futures	14129.29	13473.47	92664.79
Stock Options	7352.83	7295.72	5614.71
Total	161314.26	161537.75	169867.03

Derivative Statistics- Nifty Options			
	22-Oct	Prev_Day	Change
Put Call Ratio (OI)	1.20	1.44	-0.23
Put Call Ratio(Vol)	0.98	0.92	0.06

Debt Watch				
	22-Oct	Wk. Ago	Mth. Ago	Year Ago
Call Rate	5.10%	5.05%	5.37%	6.54%
T-Repo	4.96%	4.60%	5.36%	NA
Repo	5.15%	5.15%	5.40%	6.50%
Reverse Repo	4.90%	4.90%	5.15%	6.25%
91 Day T-Bill	5.06%	5.08%	5.30%	6.93%
364 Day T-Bill	5.28%	5.34%	5.55%	7.46%
10 Year Gilt	6.71%	6.67%	6.79%	7.93%
G-Sec Vol. (Rs.Cr)	16045	34075	82191	19083
FBIL MIBOR*	5.25%	5.20%	5.45%	6.60%
3 Month CP Rate	5.80%	5.90%	5.70%	7.90%
5 Year Corp Bond	7.53%	7.50%	7.68%	8.84%
1 Month CD Rate	4.94%	4.87%	5.44%	7.11%
3 Month CD Rate	5.67%	5.53%	5.43%	8.23%
1 Year CD Rate	5.86%	6.15%	6.35%	8.38%

Currency Market			
Currency	22-Oct	Prev_Day	Change
USD/INR	70.87	71.20	-0.33
GBP/INR	91.96	91.52	0.44
EURO/INR	79.06	79.19	-0.12
JPY/INR	0.65	0.66	0.00

Commodity Prices				
Commodity	22-Oct	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	54.16	52.76	57.87	69.20
Brent Crude(\$/bl)	61.34	59.73	66.12	81.34
Gold( \$/oz)	1488	1481	1517	1222
Gold(Rs./10 gm)	38173	38534	37390	31607

Source: Thomson Reuters Eikon

\*As on previous trading day

**Disclaimer:**

The information herein is meant only for general reading purposes and contains all factual and statistical information pertaining to industry and markets which have been obtained from independent third party sources and which are deemed to be reliable. The information provided cannot be considered as guidelines, recommendations or as a professional guide for the readers. It may be noted that since Reliance Nippon Life Asset Management Company Limited (RNLAM) (formerly Reliance Capital Asset Management Limited) has not independently verified the accuracy or authenticity of such information or data, or for that matter the reasonableness of the assumptions upon which such data and information has been processed or arrive data; RNLAM does not in any manner assure the accuracy or authenticity of such data and information. Some of the statements & assertions contained in these materials may reflect RNLAM's views or opinions, which in turn may have been formed on the basis of such data or information. The Sponsor(s), the Investment Manager, the Trustee or any of their respective directors, employees, affiliates or representatives do not assume any responsibility for, or warrant the accuracy, completeness, adequacy and reliability of such data or information. Whilst no action has been solicited based upon the information provided herein, due care has been taken to ensure that the facts are accurate and opinions given are fair and reasonable, to the extent possible. This information is not intended to be an offer or solicitation for the purchase or sale of any financial product or instrument. Recipients of this information should rely on information/data arising out of their own investigations. Before making any investments, the readers are advised to seek independent professional advice, verify the contents in order to arrive at an informed investment decision. None of the Sponsor(s), the Investment Manager, the Trustee, their respective directors, employees, affiliates or representatives shall be liable in any way for any direct, indirect, special, incidental, consequential, punitive or exemplary damages, including on account of lost profits arising from the information contained in this material. Readers are requested to click here for ICRON disclaimer - <http://www.icraonline.com/legal/standard-disclaimer.html>

**Derivatives Market**

- Nifty Oct 2019 Futures stood at 11,624.35, a premium of 36.00 points above the spot closing of 11,588.35. The turnover on NSE's Futures and Options segment rose to Rs. 10,27,370.49 crore on October 22, 2019, compared with Rs. 7,45,110.04 crore on October 18, 2019.
- The Put-Call ratio stood at 0.91 compared with the previous session's close of 0.81.
- The Nifty Put-Call ratio stood at 1.2 compared with the previous session's close of 1.44.
- Open interest on Nifty Futures stood at 16.72 million, compared with the previous session's close of 15.3 million.

**Indian Debt Market**

- Bond yields rose on concerns over a fiscal slippage which dampened investors' sentiment. In addition, rise in supply on account of the new 10-year bond in the switch auction encouraged selling among investors.
- Yield on the 10-year benchmark paper (7.26% GS 2029) rose 1 bps to 6.71% compared with the previous close of 6.70% after trading in a range of 6.70% to 6.72%.
- Banks borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 3,872 crore (gross) on Oct 22, 2019 compared with borrowings of Rs. 3,832 crore (gross) on Oct 18, 2019. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 12,644 crore on Oct 18, 2019.
- Banks borrowed Rs. 4,975 crore under the central bank's Marginal Standing Facility on Oct 18, 2019 compared with borrowings of Rs. 5,275 crore on Oct 17, 2019.

**Currency Market Update**

- The Indian rupee rose against the greenback as the investor risk sentiment improved amid signs of progress in the U.S.-China trade talks.
- Euro fell against the greenback after UK lawmakers rejected the government's proposed Brexit timetable. However, further losses were restricted as market participants were of the view that there was a low possibility of a no-deal exit from the European Union.

**Commodity Market Update**

- Gold prices rose ahead of a crucial vote by British lawmakers on the Brexit withdrawal agreement.
- Brent crude prices rose amid reports that that OPEC and its allies would consider deeper production cuts when they meet in Dec 2019 also contributed to the upside.

**International News**

- A National Association of Realtors report showed existing home sales pulled back by much more than anticipated in Sep 2019. NAR said existing home sales plunged 2.2% to an annual rate of 5.38 million in Sep after jumping 1.5% to an upwardly revised 5.50 million in Aug 2019.
- Survey results from the Confederation of British Industry showed U.K. manufacturing output continued its downturn in three months to Oct 2019. According to the Industrial Trends survey, the balance of output volume decreased to -10 % from +1 % in Sep 2019.
- Data from the third quarter euro area bank lending survey from the European Central Bank showed euro area banks slightly eased the credit standards for loans to enterprises and those to households for house purchase in the third quarter. Banks had expected them to remain broadly unchanged in the previous survey.


**Good gets better**





**Nippon *india* Mutual Fund**

Wealth sets you free

(Formerly Reliance Mutual Fund)

**Thank you for  
your time.**

**Good gets *better***

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