

Markets for You

25 Oct 2019

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Indices Performance

Global Indices	24-Oct	Prev_Day	Abs. Change	% Change [#]
Russell 3000	1,312	1,303	9	0.71
Nasdaq	8,186	8,120	66	0.81
FTSE	7,328	7,261	68	0.93
Nikkei	22,751	22,625	125	0.55
Hang Seng	26,798	26,567	231	0.87
Indian Indices	24-Oct	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	39,020	39,059	-38	-0.10
Nifty 50	11,583	11,604	-22	-0.19
Nifty 100	11,738	11,762	-24	-0.21
Nifty 500	9,438	9,459	-21	-0.22
Nifty Bank	29,108	29,460	-352	-1.19
S&P BSE Power	1,976	2,001	-25	-1.24
S&P BSE Small Cap	13,204	13,223	-19	-0.14
S&P BSE HC	12,888	12,861	27	0.21

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
24-Oct	26.86	1.19	26.70	1.29
Month Ago	27.44	1.18	28.49	1.32
Year Ago	21.88	1.31	24.60	1.31

Nifty 50 Top 3 Gainers

Company	24-Oct	Prev_Day	% Change [#]
Bharti Airtel	372	360	3.33
RIL	1436	1392	3.16
Eicher Motors	21032	20521	2.49

Nifty 50 Top 3 Losers

Company	24-Oct	Prev_Day	% Change [#]
Bharti Infratel	238	259	-8.41
Yes Bank	48	51	-5.66
Grasim Indus	706	743	-5.05

Advance Decline Ratio

	BSE	NSE
Advances	1072	775
Declines	1383	1030
Unchanged	164	123

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-149	60039
MF Flows**	103	57294

*24th Oct 2019; **23rd 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 higher on upbeat U.S. corporate earnings. This helped offset concerns around Brexit and the U.S.-China trade war. Today (as of Oct 25), Asian markets were trading cautiously looking for cues on the U.S.-China trade and Brexit fronts. Both Nikkei and Hang Seng were trading down 0.08% and 0.47%, respectively (as at 8.a.m. IST).
- European markets gained on upbeat corporate earnings even though investors searched for direction in Brexit developments. U.K.'s exit from the European Union has been pushed back from the Oct 31, 2019, deadline.
- U.S. markets were mostly up as corporate earnings announcements poured in and investors tried to find a direction. A big tech company posted strong numbers, while a mining and manufacturing major cut its earnings forecast for the year.

Indian Equity Market

- Indian equity markets closed lower in volatile trade as investors focused on corporate earnings and Assembly election results in two states. Also, the telecom sector came under pressure after the Supreme Court upheld the definition of adjusted gross revenue (AGR) provided by the department of telecommunications. This means telcos will have to shell out a hefty Rs. 92,000 crore in past dues to the government.
- Key benchmark indices S&P BSE Sensex lost 0.1% and Nifty 50 gained 0.14% to close at 39,020.39 and 11,604.10, respectively. S&P BSE MidCap and S&P BSE SmallCap lost 0.39% and 0.14%, respectively.
- The overall market breadth on BSE was weak with 1,078 scrips advancing and 1,378 scrips declining. A total of 163 scrips remained unchanged.
- On the BSE sectoral front, S&P BSE Energy was the major gainer, up 1.57% followed by S&P BSE Realty, up 1.14% and S&P BSE Consumer Durables, up 0.55%. S&P BSE Power was the major loser, down 1.24% followed by S&P BSE Bankex, down 1.16% and S&P BSE Utilities, down 0.92%.

Domestic News

- The World Bank said China and India have made to the top 10 list of governments that have improved the most in the past year in the ease of doing business. Despite a bitter trade war, China has made to the top 10 list for the second year in a row. India has featured on the most-improved list for the third year in a row, easing the process of doing business by abolishing filing fees, lowering the time and cost of seeking construction permits and making trade easier with port improvements and an improved electronic platform for submitting documents.
- A major global rating agency has cut India's GDP growth forecast for FY20 to 5.5%. It cited a large credit squeeze arising from shadow banks pushing economic growth to a six-year low. The agency had in Jun 2019 put India's GDP growth at 6.6% for FY20. It added that the recent government measures to boost economy, including a cut in corporate tax rates, will gradually nudge growth. The projection is lower than 6.1% estimated by the Reserve Bank of India in early Oct 2019.
- According to media reports, India could announce tax relief for individuals as it aims to accelerate consumer demand and boost economic growth. The government is thinking over a proposal to increase the taxable income limits, especially the Rs. 10 lakh slab, which attracts a 30% rate. The move will be accompanied by excluding some tax breaks, including the one offered on house rent payments and interest earned on some bank deposits.
- Maruti Suzuki India Ltd's Sep 2019 quarter profit decreased 39.35% YoY to Rs. 1,359 crore against Rs. 2,240 crore in the year-ago period. The automaker beat street estimates. The reduced tax expenditure softened the anticipated steep decline in Maruti Suzuki's profit.
- Bandhan Bank's net profit for the second quarter increased to Rs. 972 crore. It had posted Rs. 488 crore profit in the corresponding quarter of the previous year. In view of the merger with Gruh Finance, the figures for the current quarter are not comparable with the corresponding figures of previous year/period, the bank said.

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FII Derivative Trade Statistics		24-Oct	
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	3625.74	3972.12	13432.27
Index Options	257649.89	257076.80	61173.42
Stock Futures	14034.97	13778.07	92918.16
Stock Options	8163.43	8228.41	6778.03
Total	283474.03	283055.40	174301.88

Derivative Statistics- Nifty Options			
	24-Oct	Prev_Day	Change
Put Call Ratio (OI)	1.02	1.19	-0.17
Put Call Ratio(Vol)	0.84	0.89	-0.05

Debt Watch				
	24-Oct	Wk. Ago	Mth. Ago	Year Ago
Call Rate	5.06%	5.04%	5.32%	6.50%
T-Repo	4.89%	4.81%	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	5.08%	5.00%	5.40%	6.94%
364 Day T-Bill	5.25%	5.35%	5.53%	7.45%
10 Year Gilt	6.69%	6.71%	6.78%	7.87%
G-Sec Vol. (Rs.Cr)	18511	49183	35197	41414
FBIL MIBOR*	5.25%	5.24%	5.45%	6.60%
3 Month CP Rate	5.65%	5.80%	5.90%	8.25%
5 Year Corp Bond	7.52%	7.52%	7.55%	8.81%
1 Month CD Rate	4.92%	4.96%	5.54%	7.20%
3 Month CD Rate	5.44%	5.66%	5.71%	8.38%
1 Year CD Rate	5.85%	5.91%	6.50%	8.37%

Currency Market			
Currency	24-Oct	Prev_Day	Change
USD/INR	70.93	70.94	0.00
GBP/INR	91.63	91.33	0.31
EURO/INR	78.98	78.92	0.06
JPY/INR	0.65	0.65	0.00

Commodity Prices				
Commodity	24-Oct	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	56.08	53.84	57.17	66.46
Brent Crude(\$/bl)	62.55	59.89	65.02	78.23
Gold(\$/oz)	1503	1492	1532	1234
Gold(Rs./10 gm)	38281	38227	37771	31692

Source: Thomson Reuters Eikon

*As on previous trading day

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Derivatives Market

- Nifty Oct 2019 Futures stood at 11,611.15, a premium of 28.55 points above the spot closing of 11,582.60. The turnover on NSE's Futures and Options segment rose to Rs. 28,81,936.54 crore on October 24, 2019, compared with Rs. 12,78,289.90 crore on October 23, 2019.
- The Put-Call ratio stood at 0.73 compared with the previous session's close of 0.88.
- The Nifty Put-Call ratio stood at 1.02 compared with the previous session's close of 1.19.
- Open interest on Nifty Futures stood at 16.52 million, compared with the previous session's close of 16.48 million.

Indian Debt Market

- Bond yields rose initially amid concerns over fiscal slippage following increase in global crude oil prices. However, losses were neutralised after the Reserve Bank of India issued a sharply-lower-than-scheduled quantum of a new 10-year note which eased supply concerns in the domestic debt market to some extent. According to reports, India issued only around Rs. 58 billion of the 6.45% 2029 paper at a debt switch auction, against the planned quantum of up to Rs. 200 billion.
- Yield on the 10-year benchmark paper (7.26% GS 2029) closed unchanged at 6.68% after trading in a range of 6.68% to 6.71%.
- Yield on the 6.45% GS 2029 which is set to replace the existing benchmark note soon closed unchanged at 6.50% after trading in a range of 6.49% to 6.53%.
- Banks borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 4,035 crore (gross) on Oct 24, 2019 compared with borrowings of Rs. 5,789 crore (gross) on Oct 23, 2019.

Currency Market Update

- The Indian rupee fell against the U.S. dollar following greenback purchases by foreign banks and month end dollar demand from oil importers.
- Euro fell against the greenback after the IHS Markit's flash composite Purchasing Managers' Index of euro zone for Oct 2019 came below market expectations which fuelled concerns of stagnation in the euro zone economy. However, further losses were restricted after the European Central Bank chief opined that the lower possibility of a hard Brexit is positive for the euro zone.

Commodity Market Update

- Gold prices regained its \$1500 per ounce level amid strong hopes of rate cut by the U.S. Federal Reserve.
- Brent crude prices rose after data from the U.S Energy Information Administration showed domestic crude stockpiles fell by 1.7 million barrels in the week to Oct 18.

International News

- A Labor Department report showed a modest decrease in first-time claims for U.S. unemployment benefits in the week ended Oct 19, 2019. The report said initial jobless claims dipped to 212,000, a decrease of 6,000 from the previous week's 218,000.
- The European Central Bank left its key interest rates, forward guidance, and stimulus measures unchanged, as expected, in the final policy session chaired by the outgoing President. The main refinancing rate was retained at its record low 0% and the deposit rate at -0.50%.


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