



**Nippon india Mutual Fund**

Wealth sets you free

(Formerly Reliance Mutual Fund)

# Markets for You

29 Oct 2019

Good gets *better*

Indices Performance				
Global Indices	28-Oct	Prev_Day	Abs. Change	% Change <sup>#</sup>
Russell 3000	1,329	1,318	11	0.85
Nasdaq	8,326	8,243	83	1.01
FTSE	7,331	7,324	7	0.09
Nikkei	22,867	22,800	49	0.22
Hang Seng	26,891	26,667	-131	-0.49
Indian Indices	25-Oct	Prev_Day	Abs. Change	% Change <sup>#</sup>
S&P BSE Sensex	39,058	39,020	38	0.10
Nifty 50	11,584	11,583	1	0.01
Nifty 100	11,734	11,738	-4	-0.03
Nifty 500	9,431	9,438	-7	-0.07
Nifty Bank	29,396	29,108	288	0.99
S&P BSE Power	1,959	1,976	-17	-0.86
S&P BSE Small Cap	13,153	13,204	-51	-0.39
S&P BSE HC	12,898	12,888	10	0.08

P/E Dividend Yield				
Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
25-Oct	26.76	1.18	26.70	1.29
Month Ago	26.89	1.20	25.92	1.34
Year Ago	21.63	1.32	24.36	1.33

Nifty 50 Top 3 Gainers			
Company	25-Oct	Prev_Day	% Change <sup>#</sup>
Yes Bank	52	48	7.97
SBI	282	263	7.26
ICICI Bank	469	455	3.16

Nifty 50 Top 3 Losers			
Company	25-Oct	Prev_Day	% Change <sup>#</sup>
Bharti Infratel	217	238	-8.65
Tata Motors	127	134	-4.98
Titan Industries Limited	1335	1375	-2.88

Advance Decline Ratio			
	BSE	NSE	
Advances	1060	746	
Declines	1382	1018	
Unchanged	151	135	

Institutional Flows (Equity)		
Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-193	59846
MF Flows**	103	57294

\*25<sup>th</sup> Oct 2019; \*\*23<sup>rd</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 rose on Brexit and U.S.-China trade optimism. A Brexit deadline extension was agreed upon by the European Union and reports showed Washington and Beijing could finalize parts of a trade deal. The U.S. President said he plans to sign the deal with the Chinese President at a summit in Chile in Nov 2019. Today (as of Oct 29), Asian markets opened higher as U.S. and China move closer to cracking a pact. Both Nikkei and Hang Seng were trading up 0.49% and 0.07%, respectively (as at 8.a.m. IST).
- European markets gained after the U.S. President said he could sign a deal with China soon. The European Union (EU) approving a three-month extension to Britain's exit from EU and healthy corporate earnings supported sentiment.
- U.S. markets gained on U.S.-China trade optimism and strong corporate earnings. The U.S. President said he plans to sign a deal with China in Chile in Nov 2019 and U.S. officials said they were "close to finalizing" parts of a trade pact.

## Indian Equity Market

- Indian equity markets remained flat on the last day of the week and ahead of the Diwali festival on Oct 27, 2019. The largest public sector bank gained after its second quarter earnings increased three-fold as provisions for bad loans went down.
- Key benchmark indices S&P BSE Sensex and Nifty 50 gained 0.1% and 0.01% to close at 39,058.06 and 11,583.90 respectively. S&P BSE MidCap gained 0.02% and S&P BSE SmallCap lost 0.39%.
- The overall market breadth on BSE was weak with 1,060 scrips advancing and 1,382 scrips declining. A total of 151 scrips remained unchanged.
- On the BSE sectoral front, S&P BSE Bankex was the major gainer, up 1.07% followed by S&P BSE IT, up 0.99% and S&P BSE Teck, up 0.66%. S&P BSE Consumer Durables was the major loser, down 1.78% followed by S&P BSE Telecom, down 1.67% and S&P BSE Industrials, down 1%.

## Domestic News

- The finance minister said efforts will be made to further simplify the Goods and Services Tax (GST), media reports showed. She expressed hope that it will help in further improve the country's ranking in the World Bank's ease of doing business index. India has moved up 14 places to rank 63rd out of 190 countries in the World Bank's Doing Business 2020 as it made significant improvement in resolving insolvency and obtaining construction permits.
- Media reports showed the Reserve Bank of India (RBI) has prohibited banks from deploying direct selling agents (DSAs) to sell retail loans and verifying borrowers' documents. At present, a large proportion of retail assets such as personal loans, credit cards and consumer credit are sourced via DSAs. The aim of the move is to bring down cases of data theft and reduce operational risks.
- The Securities & Exchange Board of India (SEBI) has levied a total penalty of Rs. 62 lakh on seven entities for failing to make public announcement with regard to an acquisition. The firms have violated Substantial Acquisition of Shares and Takeovers (SAST) rules, media reports cited a SEBI order.
- State Bank of India's (SBI) net profit for the Sep 2019 quarter more than tripled YoY on the back of higher net interest income and one-time gain from SBI Life stake sale. The bank reported a net profit Rs. 3011.73 crore for the period compared with Rs. 944.87 crore in the year-ago period.
- Tata Motors Ltd (TML) reported a consolidated net loss of ₹217 crore in Q2FY20 on increased tax expenses and accumulated losses from joint ventures, mainly the Cherry Jaguar Land Rover Automotive Company Ltd, which is its joint venture unit in China.
- Marico Ltd's consolidated net profit increased 17% in the second quarter to Rs. 253 crore on the back of benign input costs even as domestic demand continued to remain weak during the quarter. In the same quarter last year, the company had posted a net profit of Rs. 216 crore.

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FII Derivative Trade Statistics		25-Oct	
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	4604.77	4931.73	14129.39
Index Options	516391.27	515580.99	49215.97
Stock Futures	16260.08	16629.48	92924.81
Stock Options	9672.15	9619.00	6723.72
Total	546928.27	546761.20	162993.89

Derivative Statistics- Nifty Options			
	25-Oct	Prev_Day	Change
Put Call Ratio (OI)	1.21	1.02	0.19
Put Call Ratio(Vol)	0.87	0.84	0.04

Debt Watch				
	25-Oct	Wk. Ago	Mth. Ago	Year Ago
Call Rate	5.10%	5.10%	5.33%	6.50%
T-Repo	4.89%	4.90%	5.22%	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%	5.05%	5.37%	6.94%
364 Day T-Bill	5.26%	5.25%	5.57%	7.42%
10 Year Gilt	6.68%	6.70%	6.76%	7.87%
G-Sec Vol. (Rs.Cr)	20088	24960	29494	32817
FBIL MIBOR	5.25%	5.25%	5.45%	6.60%
3 Month CP Rate	5.65%	5.80%	6.05%	8.35%
5 Year Corp Bond	7.52%	7.55%	7.50%	8.82%
1 Month CD Rate	4.88%	4.94%	5.50%	7.12%
3 Month CD Rate	5.42%	5.67%	5.83%	8.39%
1 Year CD Rate	5.87%	5.86%	6.63%	8.34%

Currency Market			
Currency	25-Oct	Prev_Day	Change
USD/INR	70.96	70.93	0.03
GBP/INR	91.19	91.63	-0.45
EURO/INR	78.81	78.98	-0.17
JPY/INR	0.65	0.65	0.00

Commodity Prices				
Commodity	28-Oct	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	55.55	53.23	55.90	67.53
Brent Crude(\$/bl)	60.13	59.79	63.37	78.29
Gold(\$/oz)	1492	1484	1497	1233
Gold(Rs./10 gm)*	38630	38241	38006	31736

Source: Thomson Reuters Eikon; \*As on 25-Oct

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**Derivatives Market**

- Nifty Oct 2019 Futures stood at 11,611.15, a premium of 27.25 points above the spot closing of 11,583.90. The turnover on NSE's Futures and Options segment fell to Rs. 9,24,657.70 crore on October 25, 2019, compared with Rs. 28,81,936.54 crore on October 24, 2019.
- The Put-Call ratio stood at 0.93 compared with the previous session's close of 0.73.
- The Nifty Put-Call ratio stood at 1.21 compared with the previous session's close of 1.02.
- Open interest on Nifty Futures stood at 16.29 million, compared with the previous session's close of 16.52 million.

**Indian Debt Market**

- Bond yields remained unchanged as investors traded cautiously amid fiscal worries and tension over the government's additional borrowing plan in the upcoming months.
- Yield on the 10-year benchmark paper (7.26% GS 2029) closed unchanged at 6.68% after trading in a range of 6.67% to 6.69%.
- 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. 4,152 crore (gross) on Oct 25, 2019 compared with borrowings of Rs. 4,035 crore (gross) on Oct 24, 2019. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 46,683 crore on Oct 24, 2019.
- Banks borrowed Rs. 4,790 crore under the central bank's Marginal Standing Facility on Oct 24, 2019 compared with borrowings of Rs. 5,000 crore on Oct 23, 2019.

**Currency Market Update**

- The Indian rupee rose against the greenback following selling of the greenback by foreign banks. The rupee rose 0.18% to close at Rs. 70.88 per dollar compared with the previous close of Rs. 71.01.
- Euro rose against the greenback as the investor risk sentiment improved on optimism that U.S. and China will reach a trade deal. Expectations that Britain will avoid a disorderly exit from the euro zone also boosted the common bloc currency. Euro was trading at \$1.1098, up 0.18% compared with the previous close of \$1.1078.

**Commodity Market Update**

- Gold prices retreated from the \$1500 level yet again as U.S. President hinted on the possibility of a faster-than-expected U.S.-China trade deal.
- Brent Crude prices slumped as data released in China reinforced signs that its economy is slowing, thereby overshadowing the demand outlook of the commodity.

**International News**

- According to a report from the University of Michigan, U.S. consumer sentiment improved slightly less than preliminary expectations and came in at 95.5 in Oct 2019. However, it was up against reading of 93.2 in Sep 2019.
- Results of a survey by the European Central Bank showed professional forecasters lowered the growth, inflation and unemployment expectations for the euro area for this year and next. They thus justified the need for monetary and fiscal stimulus. Inflation expectations for this year and next were cut to 1.2%, from 1.3% and 1.4%, respectively, predicted previously, the Survey of Professional Forecasters for the fourth quarter revealed. The inflation expectation for 2021 was trimmed to 1.4% from 1.5%.


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**Thank you for  
your time.**

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