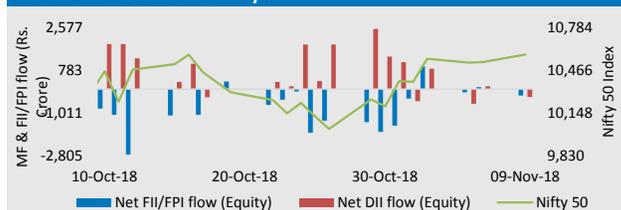


## Macro Economic Release

Indicators	Actual	Consensus	Previous
WPI inflation (Sep 2018)	5.13%	4.90%	4.53%
Growth of index of eight core industries (Sep 2018)	4.70%	--	4.20%
Nikkei India Services PMI (Oct 2018)	52.20	--	50.90
Nikkei India Manufacturing PMI (Oct 2018)	53.10	51.90	52.20

Source: Thomson Reuters Eikon

## FII and DII Investment vs Nifty 50



Source: NSDL, SEBI & NSE

## Indian Equity Market Performance

Broad Indices	09-Nov-18	% Change (WoW)	% Change (YoY)	% Change (YTD)
S&P BSE Sensex	35,159	0.42	5.74	3.23
Nifty 50	10,585	0.31	2.68	0.52
S&P BSE 100	10,871	0.42	0.94	-1.44
Nifty 500	8,946	0.53	-2.20	-5.74
Nifty Mid cap 50	4,831	1.03	-5.42	-12.81
Nifty Small cap 100	6,325	1.32	-25.91	-30.44

Sector Indices	09-Nov-18	% Change (WoW)	% Change (YoY)	% Change (YTD)
S&P BSE AUTO	20,845	0.72	-16.92	-22.08
S&P BSE Bankex	29,098	0.28	1.62	0.84
S&P BSE CD	19,512	-0.95	-3.64	-14.00
S&P BSE CG	18,246	0.64	-0.80	-4.64
S&P BSE FMCG	11,210	-0.11	8.93	4.82
S&P BSE HC	14,693	0.89	5.04	-0.72
S&P BSE IT	14,185	0.71	31.88	25.78
S&P BSE METAL	12,863	-1.60	-11.80	-13.90
S&P BSE Oil & Gas	13,585	-0.61	-15.58	-16.57
S&P BSE Power	1,978	-0.59	-13.60	-16.97
S&P BSE PSU	7,221	0.05	-22.27	-21.29
S&P BSE Realty	1,763	2.49	-23.62	-32.42
S&P BSE Teck	7,101	0.71	15.81	10.81

Source: BSE & NSE

## Macro economic Update

- The Nikkei India Services Purchasing Managers' Index (PMI) grew to 52.2 in Oct 2018 from 50.9 in Sep 2018 on the back of improvement in new orders and robust jobs growth. The rise is the highest pace of growth since Jul 2018 and fifth month of consecutive growth. Seasonally adjusted Nikkei India Composite PMI Output Index grew to 53.0 in Oct 2018 as against 51.6 in Sep 2018 because of strongest expansion in private sector activity since Jul 2018.
- World Bank signed an agreement with the Centre and the government of Andhra Pradesh to forward a loan of \$172.2 million (Rs. 1,257 crore) to help make farming in Andhra financially viable. The programme called the Andhra Pradesh Integrated Irrigation and Agriculture Transformation Project will help two lakh families of poor and marginalised farmers, agri-entrepreneurs, women and other vulnerable groups. It will be implemented in rural areas that are largely dependent upon rain-fed agriculture. Through it resilience of poor and marginalised farmers against adverse climate events will be strengthened through improved access to irrigation, drought seed varieties and post-harvest technology.
- The government cleared that it is not seeking Rs. 3.6 lakh crore capital from the Reserve Bank of India (RBI). It said there are discussions going on to fix appropriate economic capital framework of the central bank. Media had been reporting that the government has asked RBI to transfer Rs. 3.6 lakh crore as it struggles with the fiscal deficit target.

## Domestic Equity Market Update

- Indian equity markets witnessed gains during the truncated trading week. Markets were supported by strong quarterly earnings for Sep 2018 and gains in large-cap stocks. Fall in global crude oil prices also supported sentiment.
- Additionally, during Muhurat Trading, the one-hour trading session on the occasion of Diwali on Nov 7, equity markets gained and all the sectors ended in the green.
- The upside was limited after the U.S. Federal Reserve (Fed) reiterated its hawkish stance on interest rates and differences between the European Union and the Italian government seemed to deepen.
- Meanwhile, investors turned cautious on a potential China-U.S. trade deal despite the U.S. President's recent remarks fuelling expectations of a successful agreement between the two trading partners. Even the Chinese President expressed his intention to meet the U.S. President to resolve trade differences ahead of the scheduled meeting in Argentina. Investors remained pessimistic over the Chinese economy after producer price inflation slowed for the fourth consecutive month in Oct 2018.
- On the BSE sectoral front, indices witnessed a mixed trend as S&P BSE Realty (2.49%) stood as the major gainer followed by S&P BSE HC (0.89%) and S&P BSE Auto (0.72%).
- Meanwhile, S&P BSE Metal (-1.60%) stood as the major loser followed by S&P BSE CD (-0.95%) and S&P BSE Power (-0.59%). In the banking space, State Bank of India posted higher than expected earnings for the quarter ended Sep 2018 which provided support to the banking sector.

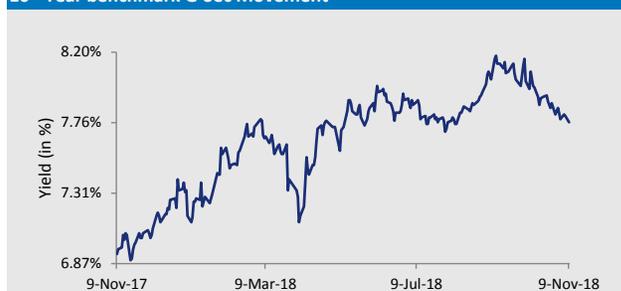
## Indian Debt Market Indicators

Broad Indices	09-Nov-18	Week Ago	Month Ago	Year Ago
Call Rate	6.47%	6.41%	6.39%	5.89%
CBLO	6.50%	6.30%	6.34%	5.97%
Repo	6.50%	6.50%	6.50%	6.00%
Reverse Repo	6.25%	6.25%	6.25%	5.75%
3 Month CP	8.55%	8.60%	7.80%	6.74%
1 Year CP	9.00%	9.10%	8.75%	7.13%
3 Month CD	7.64%	7.56%	7.01%	6.21%
1 Year CD	8.30%	8.34%	8.37%	6.57%

Broad Indices	09-Nov-18	Week Ago	Month Ago	Year Ago
1 Year AAA Corporate Bond	8.72%	8.85%	9.01%	7.17%
3 Year AAA Corporate Bond	8.59%	8.67%	8.95%	7.29%
5 Year AAA Corporate Bond	8.58%	8.65%	8.96%	7.56%
1 Year G-Sec	7.34%	7.35%	7.56%	6.30%
3 Year G-Sec	7.51%	7.62%	7.86%	6.55%
5 Year G-Sec	7.66%	7.81%	8.04%	6.76%
10 Year G-Sec	7.76%	7.78%	8.08%	6.93%
Forex Reserve (\$ in billion)	393.13 <sup>†</sup>	392.08 <sup>**</sup>	394.47 <sup>®</sup>	399.29 <sup>®®</sup>

Source: CCIL, Thomson Reuters Eikon \* as on Nov 2, 2018; \*\* as on Oct 26, 2018; <sup>®</sup> as on Oct 12, 2018; <sup>®®</sup> as on Nov 10, 2017

## 10 - Year benchmark G-Sec Movement



Source: Thomson Reuters Eikon

## Domestic Debt Market Update

- Initially, bond yield increased as rupee depreciated on better-than-expected U.S. jobs data. The rise in the U.S. Treasury yield also pulled the yield higher.
- However, losses were reversed following the appreciation in rupee and the central bank's purchase of securities under open market operation, which lifted the market sentiment. Yields also fell due to continuous decline in crude oil, which lowered inflationary concerns.
- Yield on the 10-year benchmark paper (7.17% GS 2028) fell 2 bps to close at 7.76% from the last week's close at 7.78%, after trading in a range of 7.76% to 7.81%.
- The Reserve Bank of India on Nov 6, 2018 conducted auction of 7.80% GS 2020, 7.80% GS 2021, 7.16% GS 2023, 8.33% GS 2026 and 6.79% GS 2029 under open market operation for notified amount of Rs. 10,000 crore for which the entire amount was accepted. The cut-off yield was 7.41%, 7.45%, 7.51%, 7.78%, and 8.03% at cut-off price of Rs. 100.53, Rs. 100.75, Rs. 98.68, Rs. 103.14 and Rs. 91.00, respectively.
- RBI on Nov 5, 2018 conducted auctions of state development loans of 12 state governments for notified amount of Rs. 11,550 crore of which Rs. 10,958.25 crore was accepted. The cut-off yield was in the range of 8.06% to 8.62%.

## Global Commodity Update

Commodities	09-Nov-18	% Change (WoW)	% Change (YoY)	% Change (YTD)
NYMEX Crude Oil (\$/barrel)	59.76	-4.86	4.82	-0.57
Brent Crude Oil (\$/barrel)	69.81	-3.78	9.42	4.79
Gold (\$/ounce)	1209.21	-1.89	-5.89	-7.16
Silver (\$/ounce)	14.155	-3.79	-16.70	-16.47

Source: Thomson Reuters Eikon

## Currencies Update

Currency	09-Nov-18	Week Ago	Year Ago
U.S. Dollar	72.48	72.44	64.97
GBP	94.03	93.95	85.40
Euro	82.14	82.47	75.63
100 Yen	63.66	63.97	57.25

Source: Thomson Reuters Eikon

## Global Equity Market Performance

Country/Region	Indices	09-Nov-18	% Change (WoW)	% Change (YoY)	% Change (YTD)
U.S.	Dow Jones	25,989	2.84	10.77	5.14
	S&P 500	2,781	1.48	7.60	4.02
U.K.	FTSE	7,105	0.16	-5.06	-7.58
France	CAC 40	5,107	0.09	-5.57	-3.87
Germany	DAX	11,529	0.09	-12.54	-10.75
Japan	Nikkei 225	22,250	0.03	-2.70	-2.26
China	Shanghai Composite	2,599	-2.90	-24.18	-21.42
Hong Kong	Hang Seng	25,602	-3.34	-12.13	-14.43
Singapore	Straits Times	3,078	-1.23	-10.10	-9.55
Russia	RTS Index	1,121	-1.18	-3.44	-2.86
Brazil	Sao Paulo Se Bovespa	85,641	-3.14	17.43	12.09

Source: Thomson Reuters Eikon

## Global Bond Yield Update

Indicators	09-Nov-18	Week ago	Month ago	Year ago
U.S. 10 Year Bond yield (%)	3.19	3.21	3.21	2.33
U.K. 10 Year Bond yield (%)	1.49	1.49	1.72	1.27
German 10 Year Bond yield (%)	0.41	0.44	0.54	0.38
Japan 10 Year Bond yield (%)	0.12	0.13	0.16	0.03

Source: Thomson Reuters Eikon

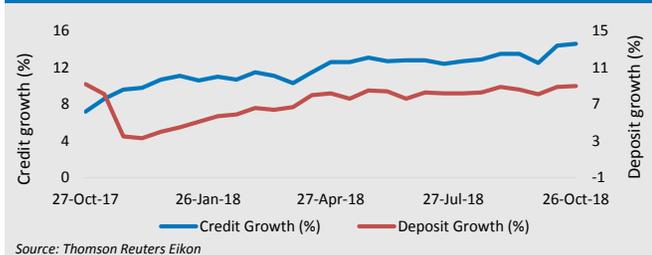
## Global Economic Calendar

Economic Events	Release date	Actual	Consensus	Previous
U.K. Markit Composite PMI (Oct-18)	5-Nov	52.10	53.40	54.10
Eurozone Producer Price Index (Sep)	6-Nov	4.5%	--	4.3%
China Consumer Price Index (YoY) (Oct)	9-Nov	2.50%	2.50%	2.50%
U.K. Gross Domestic Product (YoY) (3Q P)	9-Nov	1.50%	1.50%	1.40%

Source: FX Street; Thomson Reuters Eikon

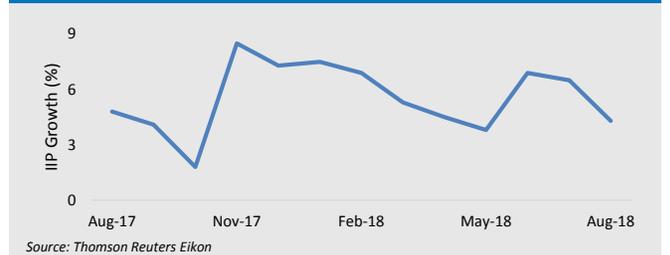
## Macro Economic Performance of India

### Credit growth vs Deposit growth



Source: Thomson Reuters Eikon

### IIP Growth (%)



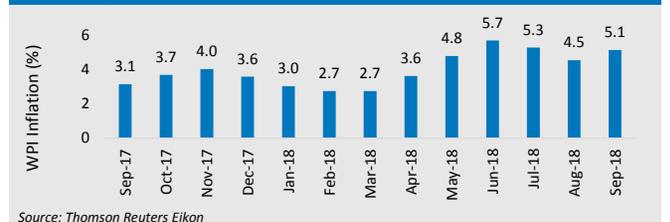
Source: Thomson Reuters Eikon

### Retail inflation movement



Source: Thomson Reuters Eikon

### Wholesale price inflation movement



Source: Thomson Reuters Eikon

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