

Macro Economic Release

Indicators	Actual	Consensus	Previous
WPI inflation (Oct 2018)	5.28%	5.00%	5.13%
CPI inflation (Oct 2018)	3.31%	3.67%	3.70%
IIP growth (Sep 2018)	4.50%	4.30%	4.70%
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	16-Nov-18	% Change (WoW)	% Change (YoY)	% Change (YTD)
S&P BSE Sensex	35,457	0.85	7.10	4.11
Nifty 50	10,682	0.92	4.58	1.44
S&P BSE 100	10,946	0.69	2.66	-0.76
Nifty 500	8,993	0.52	-0.79	-5.24
Nifty Mid cap 50	4,807	-0.49	-5.73	-13.23
Nifty Small cap 100	6,247	-1.23	-25.22	-31.30

Sector Indices	16-Nov-18	% Change (WoW)	% Change (YoY)	% Change (YTD)
S&P BSE AUTO	20,517	-1.58	-17.52	-23.31
S&P BSE Bankex	29,519	1.45	2.13	2.30
S&P BSE CD	20,126	3.15	0.42	-11.30
S&P BSE CG	18,412	0.91	1.42	-3.77
S&P BSE FMCG	11,339	1.15	11.28	6.02
S&P BSE HC	14,349	-2.34	5.49	-3.05
S&P BSE IT	14,019	-1.17	28.82	24.31
S&P BSE METAL	12,567	-2.30	-10.22	-15.88
S&P BSE Oil & Gas	13,629	0.33	-12.98	-16.30
S&P BSE Power	1,964	-0.66	-12.89	-17.52
S&P BSE PSU	7,192	-0.39	-21.94	-21.60
S&P BSE Realty	1,728	-1.96	-24.13	-33.74
S&P BSE Teck	7,063	-0.53	15.18	10.22

Source: BSE & NSE

Macro economic Update

- The consumer price index (CPI)-based inflation or retail inflation came in at a 13-month low of 3.31% in Oct 2018 compared with 3.70% in the previous month and 3.58% in the same month of the previous year. The consumer food price index-based inflation subsequently stood at -0.86% in Oct 2018 compared with 0.51% in the previous month. Inflation for fuel and light grew 8.55% in Oct 2018 from 8.47% in the previous month.
- The Index of Industrial Production (IIP) slowed to 4.5% in Sep 2018 from 4.7% in the last month but rose from 4.1% in the same period of the last year. For the period from Apr to Sep of 2018, IIP grew 5.1% from 2.6% in the same period of the last year. On the sectoral front, the manufacturing sector grew 4.6% in Sep 2018 from 3.8% in the same month of the previous year.
- India's Wholesale Price Index-based inflation (WPI) increased to 5.28% in Oct 2018 from 5.13% in Sep 2018 as fuel and power and manufactured products inflation went up compared with the past month. WPI inflation was at 3.68% in Oct 2017. Inflation in fuel and power increased to 18.44% in Oct 2018 from 16.65 in Sep 2018.
- India's trade deficit in Oct 2018 increased to \$17.13 billion from \$13.98 billion in Sep 2018. Exports increased 17.86% in Oct against a decrease of 2.15% in Sep 2018. Imports also increased 17.62% in Oct 2018 compared with a rise of 10.45% in Sep 2018. For the seven months ended Oct 2018, trade deficit stood at \$66.57 billion, exports rose 17.17% and imports increased 18.88%.

Domestic Equity Market Update

- Domestic market got support on some positive economic data including the consumer price index-based inflation. CPI or retail inflation came in at a 13-month low of 3.31% in Oct 2018 and exports increased 17.86% in Oct against a decrease of 2.15% in Sep 2018. The index of industrial production (IIP) although slowed to 4.5% in Sep 2018 from 4.7% in the previous month but rose from 4.1% in the same period of the previous year.
- Weakness in global crude oil prices lent support to oil marketing companies and lowered concerns of higher fiscal deficit and inflationary pressure too.
- Nonetheless, market participants continued to monitor the development over the tussle between the government and the Reserve Bank of India (RBI).
- On the global front, Chinese government's pledge to support the economy to counter the ill effects of the trade dispute with U.S. further buoyed investor sentiment. Reports suggested that China and U.S. have resumed high-level trade talks though conflicting news did the rounds too. Meanwhile, rift between the European Union and Italy deepened further.
- On the BSE sectoral front, the indices witnessed a mixed trend. S&P BSE HC was the major loser (-2.34%) followed by S&P BSE Metal (-2.30%) and S&P BSE Realty (-1.96%).
- Meanwhile, S&P BSE CD (3.15%) stood as the major gainer followed by S&P BSE Bankex (1.45%) and S&P BSE FMCG (1.15%). The S&P BSE Oil & Gas (0.33%) gained as global crude oil prices witnessed fall.

Indian Debt Market Indicators

Broad Indices	16-Nov-18	Week Ago	Month Ago	Year Ago
Call Rate	6.36%	6.47%	6.54%	5.84%
T-Repo	6.29%	6.50%	N.A.	N.A.
Repo	6.50%	6.50%	6.50%	6.00%
Reverse Repo	6.25%	6.25%	6.25%	5.75%
3 Month CP	8.35%	8.55%	7.80%	6.81%
1 Year CP	8.95%	9.00%	8.85%	7.16%
3 Month CD	7.65%	7.64%	7.46%	6.23%
1 Year CD	8.17%	8.30%	8.41%	6.60%

Broad Indices	16-Nov-18	Week Ago	Month Ago	Year Ago
1 Year AAA Corporate Bond	8.71%	8.72%	8.90%	7.23%
3 Year AAA Corporate Bond	8.65%	8.59%	8.87%	7.41%
5 Year AAA Corporate Bond	8.62%	8.58%	8.80%	7.73%
1 Year G-Sec	7.34%	7.34%	7.51%	6.37%
3 Year G-Sec	7.55%	7.51%	7.69%	6.71%
5 Year G-Sec	7.69%	7.66%	7.86%	6.90%
10 Year G-Sec	7.82%	7.77%	7.87%	7.06%
Forex Reserve (\$ in billion)	393.01*	393.13**	393.52®	399.53®®

Source: CCIL, Thomson Reuters Eikon * as on Nov 9, 2018; ** as on Nov 2, 2018; @ as on Oct 19, 2018; @@ as on Nov 17, 2017

10 - Year benchmark G-Sec Movement



Source: Thomson Reuters Eikon

Domestic Debt Market Update

- Bond yields rose as market participants resorted to profit booking. Yields rose further as investors were cautious ahead of the RBI's board meeting scheduled on Nov 19. The board meeting will be a key factor for the bonds as it may provide crucial announcements. Investors were also cautious after a major credit rating agency indicated potential macro risks for the economy.
- However, gains in rupee and fall in crude oil prices restricted the losses as it reduced concerns over expanding current account deficit and inflationary pressure.
- Yield on the 10-year benchmark paper (7.17% GS 2028) rose 5 bps to close at 7.82% from the last week's close at 7.77%, after trading in a range of 7.71% to 7.82%.
- RBI conducted auction of 91-, 182-, and 364-Days Treasury Bills for notified amount of Rs. 7,000 crore, Rs. 4,000 crore, Rs. 4,000 crore, respectively, of which the entire value was accepted. The cut-off prices were Rs. 98.31 (6.90%), Rs. 96.55 (7.17%), and Rs. 93.19 (7.33%), respectively.

Global Commodity Update

Commodities	16-Nov-18	% Change (WoW)	% Change (YoY)	% Change (YTD)
NYMEX Crude Oil (\$/barrel)	55.61	-6.94	0.89	-7.47
Brent Crude Oil (\$/barrel)	67.08	-3.91	9.30	0.69
Gold (\$/ounce)	1221.39	1.01	-4.46	-6.22
Silver (\$/ounce)	14.41	1.80	-15.63	-14.97

Source: Thomson Reuters Eikon

Currencies Update

Currency	16-Nov-18	Week Ago	Year Ago
U.S. Dollar	71.98	72.48	65.29
GBP	92.39	94.03	86.14
Euro	82.18	82.14	76.84
100 Yen	63.78	63.66	57.74

Source: Thomson Reuters Eikon

Global Equity Market Performance

Country/Region	Indices	16-Nov-18	% Change (WoW)	% Change (YoY)	% Change (YTD)
U.S.	Dow Jones	25,413	-2.22	8.33	2.81
	S&P 500	2,736	-1.61	5.83	2.34
U.K.	FTSE	7,014	-1.29	-5.05	-8.77
France	CAC 40	5,025	-1.60	-5.83	-5.41
Germany	DAX	11,341	-1.63	-13.08	-12.21
Japan	Nikkei 225	21,680	-2.56	-3.00	-4.76
China	Shanghai Composite	2,679	3.09	-21.19	-18.99
Hong Kong	Hang Seng	26,184	2.27	-9.77	-12.49
Singapore	Straits Times	3,084	0.18	-7.71	-9.38
Russia	RTS Index	1,135	1.21	0.75	-1.69
Brazil	Sao Paulo Se Bovespa	88,515	3.36	22.07	15.85

Source: Thomson Reuters Eikon

Global Bond Yield Update

Indicators	16-Nov-18	Week ago	Month ago	Year ago
U.S. 10 Year Bond yield (%)	3.07	3.19	3.16	2.36
U.K. 10 Year Bond yield (%)	1.41	1.49	1.61	1.31
German 10 Year Bond yield (%)	0.37	0.41	0.49	0.38
Japan 10 Year Bond yield (%)	0.11	0.13	0.15	0.04

Source: Thomson Reuters Eikon

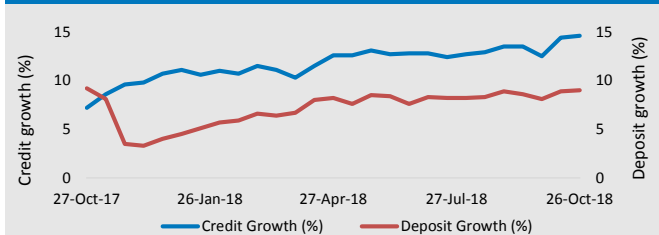
Global Economic Calendar

Economic Events	Release date	Actual	Consensus	Previous
Japan Machine Tool Orders (YoY) (Oct)	12-Nov	-1.10%	--	2.90%
Japan GDP Annualized (QoQ) (3Q P)	13-Nov	-1.20%	-1.00%	3.00%
U.S. Retail Sales Advance (Oct)	15-Nov	0.80%	--	-0.10%
U.S. Initial Jobless Claims (Nov 10)	15-Nov	216k	213k	214k

Source: FX Street

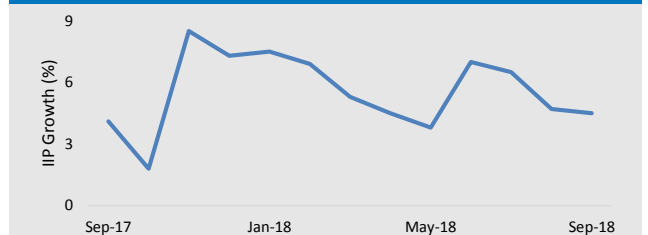
Macro Economic Performance of India

Credit growth vs Deposit growth



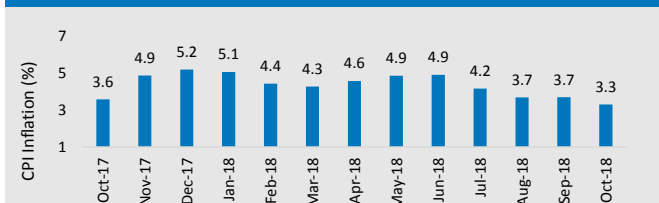
Source: Thomson Reuters Eikon

IIP Growth (%)



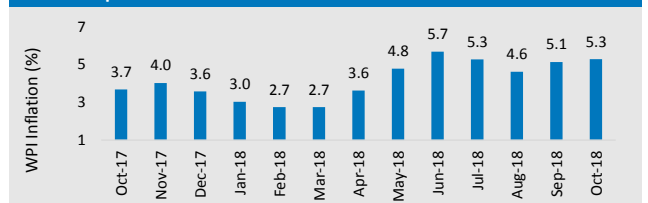
Source: Thomson Reuters Eikon

Retail inflation movement



Source: Thomson Reuters Eikon

Wholesale price inflation movement



Source: Thomson Reuters Eikon

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