

November 02, 2017

Equity Market Update

Indian Indices	Px Last	Change in %		52 Week		PE
		1 Day	1 Month	High	Low	
S&P BSE Sensex	33600	1.17	7.41	33652	25718	25.04
Nifty 50	10441	1.02	6.66	10452	7894	26.49
S&P BSE Midcap	16647	0.35	7.84	16735	11449	42.33
S&P BSE 100	10879	0.95	6.94	10897	8085	25.02
S&P BSE 200	4581	0.88	7.01	4590	3379	26.14
Nifty Free Float	19687	0.55	8.72	19775	13658	46.18
Midcap 100						
Nifty 500	9235	0.89	7.38	9249	6712	31.16

Sector Indices	Px Last	Change in %		52 Week		PE
		1 Day	1 Month	High	Low	
S&P BSE Auto	25363	-0.20	4.89	25608	19164	27.79
S&P BSE Metal	15008	1.89	10.65	15158	9620	33.27
S&P BSE Oil	16606	0.32	11.88	16719	11098	14.08
S&P BSE Healthcare	14259	-0.16	5.72	16292	12513	33.12
S&P BSE IT	10356	-0.06	4.12	10642	9123	16.73
S&P BSE CD	18353	-0.61	4.55	18577	10502	39.85
S&P BSE PSU	9502	1.07	14.17	9657	7173	22.33
S&P BSE FMCG	10400	1.33	6.42	10936	7653	42.14
S&P BSE CG	18443	0.11	7.40	18625	13255	30.31
Nifty Bank	25490	1.88	5.98	25549	17607	28.27
S&P BSE Realty	2369	2.93	14.69	2400	1163	66.05

Global Indices	Px Last	Change in %		52 Week		PE
		1 Day	1 Month	High	Low	
Dow Jones	23435	0.25	4.60	23518	17884	21.03
S&P 500	2579	0.16	2.38	2588	2084	22.51
Nasdaq	6717	-0.17	3.40	6760	5034	25.32
FTSE 100	7488	-0.07	1.56	7599	6677	20.44
CAC 40	5514	0.20	3.46	5536	4345	17.06
DAX	13466	1.78	4.96	13489	10175	14.26
Nikkei	22420	1.86	10.14	22456	16112	18.04
Hang Seng	28594	1.23	3.77	28799	21489	13.36
Shanghai Comp.	3396	0.08	1.40	3421	3017	14.97

F&O Trends	Px Last	Previous	Change %
Near Futures	10,477.30	10,368.50	1.05
Near Basis	36.80	33.20	10.84
Mid Futures	10,516.30	10,406.20	1.06
Mid Basis	75.80	70.90	6.91
Near Open Interest (Cr.)	2.43	2.37	2.45
Mid Open Interest (Cr.)	0.10	0.09	15.31
Rollover (%)	4.32	3.77	14.81

Volatility	Px Last	Change in %		52 Week	
		1 Day	1 Month	High	Low
CBOE VIX	10.20	0.20	7.26	23.01	8.84
Nifty VIX	12.14	-2.43	-2.78	23.09	8.76

Fund Flow				
Amount in Rs. Crore				
Nature	Gross Pur.	Gross Sale	Net	YTD
FIs				
Equity	6307.20	6362.29	-55.09	37353.41
Debt	3161.37	1397.83	1763.54	147689.30
MF¹				
Equity	2927.07	2619.52	307.55	96991.53
Debt	4576.26	4508.22	68.04	320901.73

1 As on 27th October 2017

Indian Equity Market

- Indian equity markets touched a fresh high after India went up by 30 notches to 100th position on World Bank's 'Ease of Doing Business' list. Investors' sentiment improved further after growth in eight core sector touched a six-month high in Sep 2017. Better than expected earnings by some more companies and positive leads from global market amid solid economic growth globally further supported buying interest.
- Key benchmark indices S&P BSE Sensex and Nifty 50 grew 1.17% and 1.02% to close at 33,600.27 and 10,440.50, respectively. Both S&P BSE Small-Cap and S&P BSE Mid-Cap grew 0.55% and 0.35%, respectively.
- On the BSE sectoral front, the gainers comprised S&P BSE Telecom (3.93%), S&P BSE Realty (2.93%), S&P BSE Bankex (2.01%), S&P BSE Metal (1.89%) and S&P BSE Finance (1.65%). Meanwhile, the losers were S&P BSE Consumer Durables, down 0.61%, trailed by S&P BSE Auto (-0.2%) and S&P BSE Healthcare (-0.16%).

Indian Economy

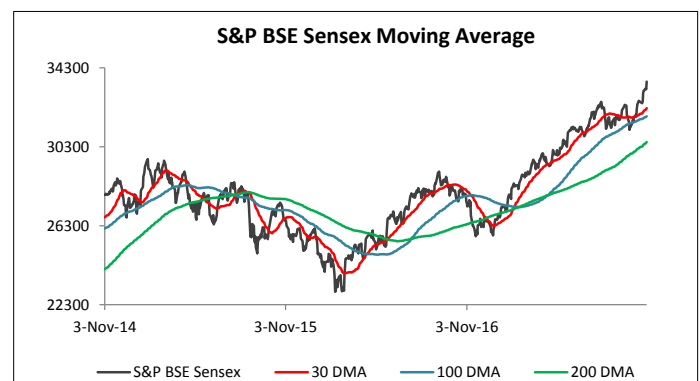
- The Nikkei India Manufacturing Purchasing Managers' Index (PMI) fell to 50.3 in Oct 2017 from 51.2 recorded in Sep 2017. The decline reflects negative effects arising from the implementation of the Goods and Services Tax, which dampened demand levels and pulled down overseas demand for Indian goods to the greatest extent since Sep 2013.
- According to an official data, total number of companies registered in the country came in at 16.97 lakh as on Sep 30, 2017. As per a data from the corporate affairs ministry, there were 11.27 lakh active companies as of Sep 2017. Meanwhile, the active Limited Liability Partnerships stood at 1.03 lakh.

Global Equity Market

- As per the last close, U.S markets ended mixed. Indices got a boost after U.S. Federal kept the rates unchanged as expected. However, ISM reports showing slowdown in growth in manufacturing sector in Oct weighed on market sentiment.
- As per the last close, European market ended almost higher amid easing concerns over Catalonia and its potential exit from Spain. However, gains were capped as retail stocks were down on disappointing outlooks for the industry.
- Asian market closed in the green following gains in U.S. equities after U.S. consumer confidence data came better than expected in Oct 2017. Today (As of Nov 2), Asian markets opened mixed on mixed lead from Wall Street.

Indian Derivative Market

- Nifty Nov 2017 Futures were at 10,477.30, a premium of 36.80 points above the spot closing of 10,440.50. The turnover on NSE's Futures and Options segment went up from Rs. 3,45,493.57 crore on Oct 31 to Rs. 6,93,998.18 crore on Nov 1.
- The Put-Call ratio stood at 1.01 against the previous session's close of 0.87.
- The Nifty Put-Call ratio stood at 1.50 against the previous session's close of 1.45.
- India VIX moved down 2.43% to 12.1375 from 12.4400 in the previous trading session.
- Open interest on Nifty Futures stood at 25.42 million as against the previous session's close of 24.67 million.



November 02, 2017

Debt Market Update

Policy Rates (%)	1-Nov-17	Wk Ago	Mth Ago	Yr Ago
Reverse Repo	5.75	5.75	5.75	5.75
Repo	6.00	6.00	6.00	6.25
CRR	4.00	4.00	4.00	4.00
SLR	19.50	19.50	20.00	20.75
Bank Rate	6.25	6.25	6.25	6.75

Daily Rates (%)	1-Nov-17	Wk Ago	Mth Ago	Yr Ago
FBIL MIBOR	6.00	6.00	6.05	6.25
CALL	5.87	5.88	5.98	6.09
CBLO	5.88	5.90	5.55	6.17
OIS- 1 Yr	6.17	6.15	6.09	6.35
OIS- 5 Yr	6.39	6.34	6.27	6.35

Liquidity Indicators (in Rs. Cr.)	1-Nov-17	Wk Ago	Mth Ago	Yr Ago
Govt Securities	33,317	36,063	68,046	38,554
Call Money	12,664	12,778	16,368	13,411
CBLO	118,396	122,118	79,842	77,923
LAF	2,910	-13,276	-64,608	-4,537
Treasury Bills	6,551	5,362	2,906	520

Top 5 Traded G-Sec	Maturity	Yield %		Change %
		Closing	Previous	
06.68 GS 2031	17-Sep-31	7.03	7.01	0.36
06.79 GS 2027	15-May-27	6.89	6.86	0.45
06.79 GS 2029	26-Dec-29	7.11	7.08	0.40
07.68 GS 2023	15-Dec-23	6.85	6.84	0.23
07.16 GS 2023	20-May-23	6.86	6.84	0.25

Certificate of Deposit (%)	1-Nov-17	Wk Ago	Mth Ago	Yr Ago
3-Month	6.21	6.20	6.14	6.62
6-Month	6.41	6.43	6.34	6.83
9-Month	6.49	6.50	6.45	6.88
12-Month	6.57	6.57	6.57	6.93

Commercial Paper (%)	1-Nov-17	Wk Ago	Mth Ago	Yr Ago
3-Month	6.78	6.75	6.64	6.96
6-Month	6.97	6.92	6.84	7.26
9-Month	7.05	7.00	6.94	7.34
12-Month	7.13	7.09	7.04	7.42

Govt. Borrowing Program	Scheduled (Amt in Rs. Cr.)	Completed	Cut-off YTM
91 Days T - Bills	7,000	7,000	6.11%
182 Days T - Bills	2,000	2,000	6.18%
364 Days T - Bills	2,000	2,000	6.24%

Key Indicators	
GDP (Q1 FY'18)	5.70%
Manufacturing PMI (Sep'17)	51.20
Current Account Deficit (Q1 of FY18, in \$ Billion)	14.30
Fiscal Deficit (FY 2017, as a % of GDP)	3.20%
Credit Growth (Oct 13, 2017)	7.70%
Deposit Growth (Oct 13, 2017)	9.80%

Indian Debt Market

- Bond yields rose as investors were cautious ahead of fresh supply of notes later this week and U.S. Federal Reserve's policy decision due on Nov 1.
- Yield on the 10-year benchmark paper (6.79% GS 2027) rose 3 bps to close at 6.89% from the previous close of 6.86%. During the session, bond yields traded in the range of 6.87% and 6.90%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 2,910 crore (gross) on Nov 1 compared with borrowings of Rs. 10,650 crore (gross) on Oct 31. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 19,098 crore on Oct 31.
- RBI conducted the auction of 91-, 182- and 364-days Treasury Bills for the notified amount of Rs. 7,000 crore, 2,000 crore and Rs. 2,000 crore, respectively. The cut-off for 91-, 182- and 364-days T-Bill stood at Rs. 98.50 (6.11%), Rs. 97.01 (6.18%) and Rs. 94.14 (6.24%), respectively.
- Data from RBI showed that reserve money decreased at an annualized rate of 5.1% in the week to Oct 27, compared with an increase of 16.0% a year earlier. The currency in circulation fell 8.0% during the week compared with 17.2% increase recorded a year earlier.

Spread Analysis

- Yields on gilt securities increased across the maturities by up to 3 bps, barring 30-year paper that closed steady.
- Corporate bond yields closed steady across the maturities.
- Spread between AAA corporate bond and gilt contracted across the maturities by up to 3 bps, barring 15-year paper that closed steady.

Govt. Borrowing Program FYTD

Description	Scheduled	Completed	% Completed
	(Amt in Rs. Cr.)		
Week: Oct 30 - Nov 03	15,000	0	0.00%
Month: Oct 2017	45,000	43,000	95.56%
H2: Oct'17-Mar'18	208,000	43,000	20.67%

Maturity Bucket Wise Govt. Borrowing

Description	Scheduled H2'18	Completed H2'18
5 to 9 Yrs	20.19%	21.43%
10 to 14 Yrs	51.44%	22.43%
Long Dated (above 14 Yrs)	28.37%	16.95%

Upcoming Issuances

Name	Tenure	Amt in Rs. Cr.
GOI FRB 2024	8 Yrs	3,000
6.79% GS 2027	10 Yrs	8,000
7.73% GS 2034	19 Yrs	2,000
6.62% GS 2051	40 Yrs	2,000

Corporate Bond Spread Matrix (in bps)

Period	AAA	AA+	AA
1 Yr	48.10	67.10	91.10
3 Yr	35.20	64.20	90.20
5 Yr	39.20	59.20	96.20
10 Yr	41.40	65.40	91.40

Key Indicators	Current	Previous
WPI (Sep'17)	2.60%	3.24%
CPI (Sep'17)	3.28%	3.28%
IIP (Aug'17)	4.30%	0.94%
Trade Deficit (In \$ billion-Sep 17)	-8.98	-11.64

November 02, 2017

Commodity Market Update

International Commodities	Px Last	Change in %		52 Week	
		1 Day	1 Month	High	Low
Gold (\$/oz)	1274	0.22	-0.40	1349	1128
Silver (\$/oz)	17	2.58	3.10	19	16
NYMEX Crude(\$/bbl)	54	-0.07	5.13	54	42
Brent Crude(\$/bbl)	61	-0.60	7.27	62	41
Baltic Dry Index	1496	-1.71	10.32	1588	685
RJ/CRB Index	188	0.20	2.65	195	167

Indian Commodities	Px Last	Change in %		52 Week	
		1 Day	1 Month	High	Low
Gold (10 gm)	29,264	-0.24	-1.44	30,776	27,172
Silver (1 kg)	39,029	0.51	-0.83	44,527	35,660
Crude Oil (1 bbl)	3,522	0.17	3.86	3,688	2,748
Natural Gas (1 mmbtu)	188	-2.60	-5.44	693	172
Aluminium (1 kg)	141	1.84	2.36	141	114
Copper (1 kg)	443	-0.59	2.46	462	134
Nickel (1 kg)	819	6.88	18.42	819	561
Lead (1 kg)	158	0.89	-3.89	169	131
Zinc (1 kg)	215	-0.05	2.26	220	145
Mentha Oil (1 kg)	1,532	4.27	14.76	1,532	164
Cotton (1 bales)	18,300	0.11	-2.03	21,120	18,240

MF Schemes Category-wise Performance (%)

Category-Equity	1 Week	1 Month	6 Month	1 Year	3 Year	5 Year
Large Cap	1.50	5.91	10.33	18.76	10.57	15.65
Small/Mid Cap	2.54	6.93	11.02	23.22	19.10	25.35
Diversified	1.68	5.98	11.29	20.67	12.43	17.35
Balanced	1.40	4.80	9.05	16.75	11.46	15.99
Banking	1.62	5.38	11.51	26.88	16.45	17.47
FMCG	1.25	5.89	12.37	23.07	15.04	15.70
Pharma	2.65	4.80	-2.06	-9.61	3.04	15.34
Technology	0.87	4.64	10.46	11.07	3.50	16.35
Infrastructure	2.61	10.05	13.55	29.98	15.15	17.53
Gold Funds	-0.53	-2.11	-0.32	-5.86	2.91	-2.34
Nifty 50	1.41	6.66	12.21	21.03	7.84	13.08
S&P BSE Sensex	1.69	7.40	12.31	20.53	6.42	12.59
S&P BSE 500	1.79	7.33	12.56	23.15	11.28	15.33
S&P BSE Midcap	2.44	7.84	12.49	23.85	19.14	20.23
CRISIL Balanced	0.89	4.30	9.46	16.17	8.79	11.97

Less than 1 yr return are absolute and greater than 1 yr returns are CAGR

Category-Debt	1 Week	1 Month	6 Month	1 Year	SI
Liquid	5.99	6.05	6.32	6.34	7.34
Ultrashort Bond	5.86	6.37	7.08	6.82	7.68
Short-T Bond	4.12	5.07	7.62	6.86	8.08
Long-T Bond	2.41	3.35	7.84	7.02	8.43
Long T Govt Sec	-7.82	-4.81	6.96	6.39	8.42
Crisil Liquid	6.29	6.31	6.59	6.71	6.80
Crisil ST Bond	3.12	4.50	7.43	7.29	7.30
Crisil Composite	-3.46	0.31	8.68	7.21	7.17
NSE G-Sec Comp	--	--	--	--	--

Less than 1 yr return are simple annualised and greater than 1 yr returns are CAGR

Commodity Market

- Gold prices gained ahead of the outcome of U.S. Federal Reserve's (Fed) policy meeting. Although the U.S. Fed was expected to leave interest rates unchanged in its policy meeting, investors were waiting for fresh cues on future rates hikes decision. Gold prices were last seen trading at \$1,275.56 per ounce, compared with the previous close of \$1,271.20 per ounce.
- Brent crude prices gained on news that the Organization of the Petroleum Exporting Countries' (OPEC) output declined by 80,000 bpd to 32.78 million bpd in Oct 2017, while Russia has also reduced its output by around 300,000 bpd during the same period. Oil prices were last seen trading at \$62.22 per barrel, compared with the previous close of \$61.79 per barrel.

International Market Update

- Data from payroll processor ADP showed that private sector employment in U.S. in Oct 2017 grew more than expected as it added 235,000 jobs during the month after rising by a downwardly revised 110,000 jobs in Sep 2017 (135,000 jobs originally reported).
- A report from the IHS Markit showed that U.K.'s manufacturing sector activity surpassed market expectations. The IHS Markit/Chartered Institute of Procurement & Supply Purchasing Managers' Index surged to 56.3 in Oct 2017 as against revised 56.0 in Sep 2017. The upside was driven by production and new order volumes that continued to rise at accelerating rates.
- According to a report from the Conference Board, U.S. consumer confidence index surpassed market expectations and grew to 125.9 in Oct 2017, up from upwardly revised score of 120.6 (119.8 originally reported) in Sep 2017. This marked the highest level since Dec 2000.

Mutual Fund & Insurance Update

- According to media reports, the Association of Mutual Funds in India (AMFI) is likely to approach the Securities and Exchange Board of India (SEBI) requesting modification of certain regulations of the scheme consolidation guidelines. Among other things, AMFI is planning to request the market regulator on modification of norms related to market capitalization, Macaulay duration and inclusion of gold as an asset class in the multi asset funds. On debt funds, AMFI will request the market regulator to consider modified duration instead of Macaulay duration.
- Bharti AXA Life Insurance announced the appointment of Vikas Seth as the Chief Executive Officer of the company. The appointment is subject to requisite approval from the Insurance Regulatory and Development Authority of India.

Dividend Update

- Canara Robeco Mutual Fund has announced Nov 6 as the record date for declaration of dividend under the dividend option of Canara Robeco India Opportunities Fund. The rate of dividend is Re. 1.00 per unit.
- ICICI Prudential Mutual Fund has announced Nov 6 as the record date for declaration of dividend under the dividend option of ICICI Prudential Balanced Advantage Fund. The rate of dividend is Re. 0.10 per unit.
- ICICI Prudential Mutual Fund has announced Nov 6 as the record date for declaration of dividend under the dividend option of ICICI Prudential Multiple Yield Fund - Series 3 Plan D. The rate of dividend is Re. 0.05 per unit.

NFO Update

- According to media reports, Indiabulls Mutual Fund has announced NFO of Indiabulls Tax Savings Fund. The NFO period is open from Sep 21 to Dec 20.
- According to media reports, UTI Mutual Fund has announced NFO of UTI Long Term Advantage Fund Series VI. The NFO period is open from Oct 5, 2017 to Jan 5, 2018.

November 02, 2017

Currency Market Update

Currency Spot

Currency	Px Last	Change in %		52 Week	
		1 Day	1 Month	High	Low
USD/INR	64.59	-0.24	-1.06	68.87	63.56
EUR/INR	75.00	-0.51	-2.77	77.89	67.92
YEN(100)/INR	56.53	-0.76	-2.60	66.10	56.22
SGD/INR	47.42	-0.16	-1.42	48.43	45.58
EUR/USD	1.16	-0.23	-1.65	1.21	1.03
GBP/USD	1.32	-0.29	-1.13	1.37	1.20
JPY/USD	0.01	-0.46	-1.47	0.01	0.01
SGD/USD	0.74	0.15	-0.24	0.69	0.75

Currency Futures (MCX-SX)

Currency	Closing	Chg % 1 Day	Open Interest	Chg % 1 Day
USD/INR	64.82	-0.24	89,938	35.19
EUR/INR	75.56	-0.20	161	3.21
GBP/INR	86.30	0.45	1,262	1.53
JPY/INR	56.92	-1.06	28	21.74

RBI Reference rate	Current	Previous	Chg % 1 Day
USD	64.53	64.77	-0.38
GBP	85.67	85.60	0.08
EURO	75.08	75.42	-0.46
100 Yen	56.70	57.27	-1.00

Currency Update

- The Indian rupee strengthened against the greenback following strength in the domestic equity market. However, gains were capped as market participants remained on the sidelines ahead of the outcome of U.S. Federal Reserve's monetary policy review due later in the day. The rupee rose 0.24% to close at 64.59 per dollar from the previous close of 64.75.
- The euro weakened against the greenback after data showed a bigger than expected increase in U.S. private sector employment in Oct 2017. Euro fell 0.27% and was trading at \$1.1612 from the previous close of 1.1644.

Global Economy

- According to a report from the National Institute of Economic and Social Research (NIESR), the Bank of England is set to lift the policy rate by 25 basis points in Oct 2017 and again at an interval of every six months until it touches 2%. The report also showed that NIESR has downgraded its growth outlook for U.K. to 1.6% and 1.7% in 2017 and 2018, respectively, citing a concern over productivity prospects of the economy. According to NIESR, inflation is expected to peak at 3.2% in the fourth quarter of 2017 before easing back to the target rate of 2% in the second half of 2019.
- According to a survey data published by IHS Markit, China's Caixin manufacturing Purchasing Managers' Index remained unchanged at 51.0 in Oct 2017. The steady pace comes amid acceleration in new orders and slowdown in production growth. Meanwhile, the official Purchasing Managers' survey showed that the manufacturing sector growth eased to 51.6 in Oct as against 52.4 in Sep mainly due to weak new orders..

Events Calendar

Event	Date	Event	Date
Nikkei India Manufacturing PMI (Oct)	1-Nov-17	Consumer Price Index (Oct)	13-Nov-17
Nikkei India Service PMI (Oct)	3-Nov-17	Wholesale Price Index (Oct)	14-Nov-17
Forex Reserves	3-Nov-17	Index of Eight Core Industries (Oct)	30-Nov-17
Index of Industrial Production (Sep)	10-Nov-17	GDP (2Q FY18)	30-Nov-17

Contact Details

L&T Financial Services

7th Floor, Brindavan, Plot No. 177,
 CST Road, Kalina,
 Santacruz (East). Mumbai – 400 098, INDIA
 Board: +91 22 6621 7310
 Email : LNTPWM@lfs.com

Disclaimer: This presentation is strictly meant for private circulation and not for public distribution and is being furnished by L&T Capital Markets Limited ("LTCML") strictly on confidential basis. This presentation and communication is for the personal information of the Authorised Recipient and LTCML will not treat recipients as clients by virtue of their receiving this presentation. It shall not be photocopied, reproduced or distributed to other person(s) at any time in any form without prior written consent of LTCML. This presentation or communication does not solicit any action based on the material contained herein. It does not constitute a personal recommendation or take into account the particular investment objectives, financial situation / circumstances and the particular needs of any specific person who may receive this presentation. The product / strategy / data discussed in the presentation may not be suitable for all the investors. Further this information also does not constitute any investment, legal or tax advice to the recipient. Information and statistical data herein have been extracted from publicly available information sources and also obtained from sources LTCML believes to be reliable but in no way are warranted by LTCML, its affiliates, directors and officers as to its accuracy or completeness. The information is compiled by L&T Capital Markets Ltd and while LTCML endeavours to keep the information up to date and correct, it makes no representations or warranties of any kind, express or implied, about the completeness, accuracy, reliability, suitability or availability with respect to the report for any purpose. Any reliance the recipient may place on such information is therefore strictly at his / her / their own risk. LTCML, its affiliates, directors and officers accept no responsibility for any direct, indirect, incidental or consequential losses and / or damages resulting from the use, operation or transmission of the data / information / views represented in this presentation or inability to use this presentation and information contained herein. The recipient of this material alone shall be fully responsible / liable for any decision taken on the basis of this material. Person(s) who may receive this presentation should consider and independently evaluate whether it is suitable for his / her / their particular circumstances and, if necessary, seek professional, financial, legal and/or tax advice before investing. This Presentation does not constitute, nor should it be regarded as, an offer, invitation, inducement, solicitation or advertisement with respect to any other investment or development or implementation of an investment strategy. The views should not be construed as investment advice. All opinions and estimates included here constitute our view as of this time and are subject to change without notice. **Statements made herein regarding future prospects may not be realized.** Any performance information shown refers to the past should not be seen as an indication or assurance of any future returns.