

November 09, 2017

## Equity Market Update

Indian Indices	Px Last	Change in %		52 Week		PE
		1 Day	1 Month	High	Low	
S&P BSE Sensex	33219	-0.46	4.42	33866	25718	24.31
Nifty 50	10303	-0.45	3.24	10490	7894	26.37
S&P BSE Midcap	16417	-0.77	3.64	16880	11449	41.23
S&P BSE 100	10750	-0.50	3.53	10959	8085	24.29
S&P BSE 200	4524	-0.54	3.51	4616	3379	25.36
Nifty Free Float Midcap 100	19363	-0.64	4.51	19936	13658	45.51
Nifty 500	9118	-0.57	3.76	9310	6712	30.99

Sector Indices	Px Last	Change in %		52 Week		PE
		1 Day	1 Month	High	Low	
S&P BSE Auto	25153	-0.67	2.31	25682	19164	27.28
S&P BSE Metal	14514	-1.55	2.49	15158	9620	27.71
S&P BSE Oil	16098	-1.30	4.08	16727	11098	13.51
S&P BSE Healthcare	14026	-0.08	0.34	15913	12513	32.61
S&P BSE IT	10732	0.39	6.16	10799	9123	17.04
S&P BSE CD	19616	-0.88	8.59	20627	10502	40.83
S&P BSE PSU	9267	-1.21	8.74	9657	7173	21.32
S&P BSE FMCG	10297	-0.09	2.39	10936	7653	41.17
S&P BSE CG	18310	-0.09	5.76	18700	13255	29.66
Nifty Bank	25184	-0.46	4.11	25696	17607	28.68
S&P BSE Realty	2308	-0.99	9.54	2412	1163	63.12

Global Indices	Px Last	Change in %		52 Week		PE
		1 Day	1 Month	High	Low	
Dow Jones	23563	0.03	3.47	23602	18253	21.14
S&P 500	2594	0.14	1.77	2597	2125	22.68
Nasdaq	6789	0.32	3.02	6796	5144	25.27
FTSE 100	7530	0.22	0.09	7599	6679	20.21
CAC 40	5471	-0.17	2.08	5536	4345	17.00
DAX	13382	0.02	3.29	13526	10175	14.40
Nikkei	22914	-0.10	10.74	22953	16112	18.90
Hang Seng	28908	-0.30	1.58	29123	21489	13.50
Shanghai Comp.	3415	0.06	NA	3434	3017	15.03

F&O Trends	Px Last	Previous	Change %
Near Futures	10,354.90	10,409.90	-0.53
Near Basis	51.75	59.75	-13.39
Mid Futures	10,393.10	10,453.20	-0.57
Mid Basis	89.95	103.00	-12.67
Near Open Interest (Cr.)	2.47	2.47	-0.26
Mid Open Interest (Cr.)	0.13	0.12	12.47
Rollover (%)	5.57	4.99	11.52

Volatility	Px Last	Change in %		52 Week	
		1 Day	1 Month	High	Low
CBOE VIX	9.78	-1.11	1.35	21.48	8.84
Nifty VIX	13.61	2.81	22.42	23.09	8.76

Fund Flow	Amount in Rs. Crore				
	Nature	Gross Pur.	Gross Sale	Net	YTD
<b>FIs</b>					
Equity		5652.99	4974.19	678.80	41798.36
Debt		1046.32	1412.78	-366.46	146880.91
<b>MF<sup>1</sup></b>					
Equity		3173.64	3312.13	-138.49	98222.84
Debt		6908.39	4251.68	2656.71	323348.33

<sup>1</sup> As on 1<sup>st</sup> November 2017

## Indian Equity Market

- Indian equity markets continued with the downward trend for the second consecutive session on concerns that rising crude oil prices might impact the policy decision of the central bank. Investors also remained cautious over ongoing geopolitical tension, further development of U.S. tax reform policy and upcoming key economic data. Meanwhile, the provisional figures of direct tax collections up to Oct 2017 showed that net collections were at Rs. 4.39 lakh crore, which is 15.2% higher than the net collections for the corresponding period of last year.
- Key benchmark indices S&P BSE Sensex and Nifty 50 fell 0.46% and 0.45% to close at 33,218.81 and 10,303.15, respectively. Both S&P BSE Mid-Cap and S&P BSE Small-Cap moved down 0.77% and 0.96%, respectively.
- The market breadth on BSE was weak with 1,805 scrips declining and 949 scrips advancing. A total of 120 scrips remained unchanged.

## Indian Economy

- The Insolvency and Bankruptcy Board of India (IBBI) has put in place stricter rules for the approval process of resolution plans submitted under the insolvency law. According to the rule, applicant's antecedents and credit worthiness will be checked. The amendments come amid rising number of cases being filed under the insolvency law.
- According to the provisional digital transactions data released by the Reserve Bank of India, digital transaction volume came in at 965 million in Oct 2017, up 10% from 877 million in Sep 2017. This marked the highest transaction volume since Nov 2016.

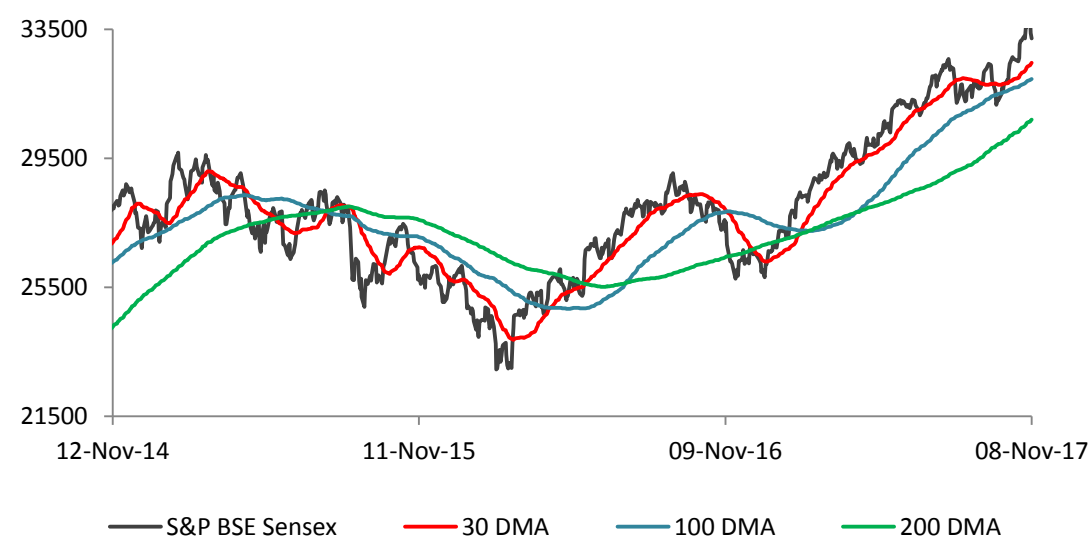
## Global Equity Market

- As per the last close, U.S markets ended higher amid developments in overseas.
- As per the last close, European market ended mixed following release of mixed earning result of few companies.
- Asian market closed mixed following the overnight U.S. equities and as geopolitical worries resurfaced in the Middle East. Investors also remained on the sidelines after China released mixed trade data and oil prices declined after data showed Chinese crude imports fell to their lowest level in a year. Today (As of Nov 9), Asian markets opened higher following gains on Wall Street and expectation of positive earnings from major corporates.

## Indian Derivative Market

- Nifty Nov 2017 Futures were at 10,354.9, a premium of 51.75 points above the spot closing of 10,303.15. The turnover on NSE's Futures and Options segment went up from Rs. 6,84,814.62 crore on Nov 7 to Rs. 8,00,879.10 crore on Nov 8.
- The Put-Call ratio stood at 0.83 against the previous session's close of 0.90.
- The Nifty Put-Call ratio stood at 1.37 against the previous session's close of 1.43.
- India VIX moved up 2.81% to 13.6100 from 13.2375 in the previous trading session.
- Open interest on Nifty Futures stood at 26.11 million as against the previous session's close of 26.02 million.

### S&P BSE Sensex Moving Average



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## Debt Market Update

Policy Rates (%)	08-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 (%)	08-Nov-17	Wk Ago	Mth Ago	Yr Ago
FBIL MIBOR	6.00	6.00	5.96	6.30
CALL	5.91	5.87	5.85	6.21
CBLO	5.97	5.88	5.79	6.26
OIS- 1 Yr	6.19	6.17	6.14	6.34
OIS- 5 Yr	6.41	6.39	6.32	6.35

Liquidity Indicators (in Rs. Cr.)	08-Nov-17	Wk Ago	Mth Ago	Yr Ago
Govt Securities	31,597	33,317	33,352	36,226
Call Money	16,030	12,664	12,557	16,255
CBLO	127,171	118,396	119,592	93,795
LAF	11,145	-11,495	-6,252	8,360
Treasury Bills	8,203	6,551	2,811	3,437

Top 5 Traded G-Sec	Maturity	Yield %		Change %
		Closing	Previous	
06.68 GS 2031	17-Sep-31	7.05	7.04	0.14
06.79 GS 2027	15-May-27	6.94	6.93	0.18
06.79 GS 2029	26-Dec-29	7.11	7.10	0.14
07.72 GS 2025	25-May-25	7.03	7.02	0.17
06.84 GS 2022	19-Dec-22	6.76	6.76	-0.03

Certificate of Deposit (%)	08-Nov-17	Wk Ago	Mth Ago	Yr Ago
3-Month	6.21	6.21	6.13	6.61
6-Month	6.42	6.41	6.40	6.84
9-Month	6.49	6.49	6.49	6.89
12-Month	6.55	6.57	6.59	6.94

Commercial Paper (%)	08-Nov-17	Wk Ago	Mth Ago	Yr Ago
3-Month	6.74	6.78	6.73	6.91
6-Month	6.99	6.97	6.90	7.28
9-Month	7.07	7.05	6.99	7.42
12-Month	7.15	7.13	7.08	7.56

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	6.25%

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 2018, as a % of GDP)	3.20%
Credit Growth (Oct 27, 2017)	7.21%
Deposit Growth (Oct 27, 2017)	9.24%

## Indian Debt Market

- Bond yields continued to climb as investors deferred purchases amid worries over persistent increase in crude oil prices that could lead to growth in inflation.
- Yield on the 10-year benchmark paper (6.79% GS 2027) rose 1 bps to close at 6.94% from the previous close of 6.93%. During the session, bond yields traded in the range of 6.92% and 6.95%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 11,145 crore (gross) on Nov 8 compared with borrowings of Rs. 5,715 crore (gross) on Nov 7. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 11,556 crore on Nov 7.
- Banks borrowed Rs. 590 crore under the central bank's MSF on Nov 7 as compared with Rs. 2,850 borrowed on Nov 6.
- RBI conducted a 14-day variable rate reverse repo auction for a notified amount of Rs. 10,000 crore for which Rs. 3,000 crore was allotted at a cut-off rate of 5.99%.
- RBI conducted a 7-day variable rate reverse repo auction for a notified amount of Rs. 15,000 crore for which Rs. 3,397 crore was allotted at a cut-off rate of 5.99%.
- Data from RBI showed that reserve money decreased at an annualised rate of 4.5% in the week to Nov 3, compared with an increase of 15.2% a year earlier. The currency in circulation fell 8.9% during the week compared with 16.6% increase recorded a year earlier.

## Spread Analysis

- Yields on gilt securities increased across the maturities by up to 3 bps barring 1-, 3-, 5-, 15- and 19-year maturities that closed steady.
- Corporate bond yields increased across the maturities by up to 3 bps barring 1-year paper that closed steady and 5-year paper that fell 2 bps.
- Spread between AAA corporate bond and gilt either closed steady or expanded by up to 3 bps barring 5- and 10-year maturities that contracted 2 bps and 1 bps, respectively.

## Govt. Borrowing Program FYTD

Description	Scheduled	Completed	% Completed
	(Amt in Rs. Cr.)		
Week: Nov 06-10	15,000	0	0.00%
Month: Nov 2017	60,000	15,000	25.00%
H2: Oct'17-Mar'18	208,000	58,000	27.88%

## Maturity Bucket Wise Govt. Borrowing

Description	Scheduled H2'18	Completed H2'18
5 to 9 Yrs	20.19%	28.57%
10 to 14 Yrs	51.44%	29.91%
Long Dated (above 14 Yrs)	28.37%	23.73%

## Upcoming Issuances

Name	Tenure	Amt in Rs. Cr.
6.84% GS 2022	6 Yrs	3,000
6.68% GS 2031	14 Yrs	8,000
6.57% GS 2033	17 Yrs	2,000
7.06% GS 2046	30 Yrs	2,000

## Corporate Bond Spread Matrix (in bps)

Period	AAA	AA+	AA
1 Yr	45.20	60.20	85.20
3 Yr	35.10	58.10	83.10
5 Yr	37.50	52.50	84.50
10 Yr	38.50	61.50	88.50

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

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## Commodity Market Update

International Commodities	Px Last	Change in %		52 Week	
		1 Day	1 Month	High	Low
Gold (\$/oz)	1281	0.43	0.44	1349	1128
Silver (\$/oz)	17	0.34	1.38	19	16
NYMEX Crude(\$/bbl)	57	-0.65	15.18	57	42
Brent Crude(\$/bbl)	65	-0.61	16.72	65	41
Baltic Dry Index	1486	0.61	5.77	1588	685
RJ/CRB Index	192	0.02	6.04	195	167

Indian Commodities	Px Last	Change in %		52 Week	
		1 Day	1 Month	High	Low
Gold (10 gm)	29,382	0.24	0.15	30,776	27,172
Silver (1 kg)	39,536	0.11	2.10	44,527	35,660
Crude Oil (1 bbl)	3,707	-0.13	11.99	3,712	2,748
Natural Gas (1 mmbtu)	204	0.69	7.24	266	172
Aluminium (1 kg)	137	-0.87	-1.08	141	114
Copper (1 kg)	441	-2.04	0.82	462	134
Nickel (1 kg)	817	-1.49	19.47	830	561
Lead (1 kg)	163	1.03	-1.87	169	131
Zinc (1 kg)	211	-0.31	-3.26	220	145
Mentha Oil (1 kg)	1,858	6.68	35.46	1,742	164
Cotton (1 bales)	18,170	-0.11	-2.94	21,120	18,190

## MF Schemes Category-wise Performance (%)

Category-Equity	1 Week	1 Month	6 Month	1 Year	3 Year	5 Year
Large Cap	-1.35	2.57	8.84	19.17	9.85	15.02
Small/Mid Cap	-1.04	3.45	9.61	25.57	18.17	24.75
Diversified	-1.19	2.80	9.78	21.32	11.63	16.73
Balanced	-0.83	2.52	7.87	17.43	10.85	15.55
Banking	-1.80	2.29	8.03	25.99	15.19	16.51
FMCG	0.08	2.61	12.85	22.83	14.93	15.15
Pharma	0.00	1.92	-0.22	-4.44	2.01	15.20
Technology	2.11	5.64	10.20	13.40	3.64	16.49
Infrastructure	-1.36	6.42	11.84	31.32	14.21	16.95
Gold Funds	0.81	0.49	3.28	-5.08	3.94	-2.34
Nifty 50	-1.32	3.24	10.62	20.60	7.30	12.41
S&P BSE Sensex	-1.14	4.41	11.00	20.40	6.02	12.00
S&P BSE 500	-1.19	3.78	11.03	23.95	10.65	14.66
S&P BSE Midcap	-1.38	3.64	10.98	26.66	17.93	19.52
CRISIL Balanced	-0.86	2.16	8.39	15.85	8.36	11.53

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	6.10	6.05	6.31	6.33	7.33
Ultrashort Bond	5.47	6.15	7.07	6.82	7.68
Short-T Bond	2.82	4.97	7.51	6.84	8.07
Long-T Bond	0.85	3.79	7.58	6.93	8.41
Long T Govt Sec	-2.25	-0.74	6.54	6.29	8.38
Crisil Liquid	6.61	6.32	6.60	6.70	6.80
Crisil ST Bond	4.80	5.26	7.34	7.24	7.29
Crisil Composite	0.02	1.87	8.37	7.08	7.16
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 on rising concerns over geopolitical tensions in North Korea. Safe-haven appeal of the metal got further support on news that Senate Republican leaders are thinking of postponing the implementation of the major corporate tax reform to comply with Senate rules.
- Brent crude prices eased on news that the Chinese oil imports in Oct 2017 fell sharply to 7.3 million barrels per day (bpd) from a near record-high of about 9 million bpd in Sep 2017. The American Petroleum Institute (API) also revealed that the oil stocks fell by 1.562 million barrels last week, which is lower than market expectations.

## International Market Update

- According to a report from the Federal Reserve, U.S. consumer credit grew higher than market expectations in Sep 2017. U.S. consumer credit grew by \$20.8 billion in Sep as against growth of \$13.1 billion in Aug 2017. Revolving credit came in at \$6.3 billion in Sep, up from \$5.6 billion growth in Aug. Meanwhile, the non-revolving credit grew by \$14.4 billion in Sep as against growth of \$7.7 billion in Aug.
- The German Council of Economic Experts, a panel of economic advisers to the German government, expects gross domestic product (GDP) to grow 2% in 2017 as against previous expectation of 1.4%.
- A report from the customs office showed that France's trade deficit widened to EUR 4.67 billion in Sep 2017 as against EUR 4.2 billion in Aug 2017. Exports grew 0.3% in Sep as against 1.7% growth in Aug. Meanwhile, imports grew 1.3% as against a drop of 1.6% in Aug.

## Mutual Fund & Insurance Update

- According to media reports, Punjab National Bank will sell its entire stake in Principal PNB Asset Management Company. The Principal group has exercised call option to buy the entire stake in the company. Consequent upon the exercise of call option by the Principal Group, the Board in its meeting held on Nov 2 has approved to offload its entire stake in Principal PNB Asset Management Company and Principal trustee Company Pvt Ltd to the Principal group.
- The Insurance Regulatory and Development Authority of India (IRDAI) has allowed the sale of indemnity-based health insurance products through Point of Sale (PoS) persons. However, the PoS will be allowed to sell these insurance products to individuals only up to a sum assured limit of Rs. 5 lakh. The PoS cannot sell group policies and the number of such PoS products per insurance company would be three.
- As per a mandate of IRDAI, all general, life and standalone health insurers must link existing and new policies with customers' unique ID and Permanent Account Number (PAN) with immediate effect. The move is in line with the government's amended Prevention of Money Laundering Act.

## Dividend Update

- ICICI Prudential Mutual Fund has announced Nov 13 as the record date for declaration of dividend under the dividend option of ICICI Prudential Balanced Advantage Fund and ICICI Prudential Interval Fund - Annual Interval Plan II. The rates of dividend are Re. 0.10 and Rs. 1.2479 per unit, respectively.

## 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.

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## Currency Market Update

### Currency Spot

Currency	Px Last	Change in %		52 Week	
		1 Day	1 Month	High	Low
USD/INR	64.95	-0.12	-0.65	68.87	63.56
EUR/INR	75.26	-0.13	-1.90	77.89	67.92
YEN(100)/INR	57.00	-0.08	-1.79	66.10	56.22
SGD/INR	47.66	-0.05	-0.53	48.43	45.58
EUR/USD	1.16	0.07	-1.19	1.21	1.03
GBP/USD	1.31	-0.39	0.38	1.37	1.20
JPY/USD	0.01	0.12	-1.08	0.01	0.01
SGD/USD	0.73	0.16	0.21	0.69	0.75

### Currency Futures (MCX-SX)

Currency	Closing	Chg % 1 Day	Open Interest	Chg % 1 Day
USD/INR	65.13	-0.11	85,367	1.50
EUR/INR	75.65	0.24	160	0.63
GBP/INR	85.53	-0.24	972	-2.80
JPY/INR	57.35	0.37	37	2.78

RBI Reference rate	Current	Previous	Chg % 1 Day
USD	65.06	64.81	0.39
GBP	85.57	85.34	0.28
EURO	75.38	75.23	0.21
100 Yen	57.12	56.85	0.47

## Currency Update

- The Indian rupee rose against the U.S. dollar for the first time in three days following selling of the greenback by exporters that neutralised losses from the domestic equity market arising out of an increase in global crude oil prices. The rupee rose 0.12% to close at 64.95 per dollar from the previous close of 65.03.
- Euro inched up against the greenback on worries that the implementation of U.S. President's tax reform plans may get delayed. However, focus on diverging monetary policy between the U.S. and the euro zone kept the latter under pressure. Euro was trading at \$1.1587, up 0.02% compared with the previous close of \$1.1585.

## Global Economy

- A report from the General Administration of Customs showed that China's exports grew lower than market expectations in Oct 2017. Exports grew 6.9% YoY in dollar terms in Oct, down from 8.1% in Sep. Meanwhile, imports grew 17.2% YoY in Oct. Therefore, the trade surplus came in lower than market expectations at \$38.2 billion in Oct.
- According to a report from the Cabinet office, Japan's leading came in line with market expectations and fell to 106.6 in Sep 2017 as against 107.2 in Aug 2017. Meanwhile, the coincident index declined to 115.8 in Sep as against 117.7 in Aug. The lagging index grew to 116.8 in Sep from 116.2 Aug.

## Events Calendar

Event	Date	Event	Date
Nikkei India Manufacturing PMI (Oct)	01-Nov-17	Consumer Price Index (Oct)	13-Nov-17
Nikkei India Service PMI (Oct)	03-Nov-17	Wholesale Price Index (Oct)	14-Nov-17
Forex Reserves	03-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

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