

## Indian Equity Markets

Benchmark Indices rallied sharply, touched an all-time high during the month led by strong Q2 Earnings (Index heavy weights declared results better than expected), FII's remained net buyers (bought ₹12,368 Cr in equities).

Mid & Small Cap Indices closed at 5.58% and 3.27% respectively.

Except Telecom and IT all other sectoral indices closed positively.

## Debt Markets

SEBI directed all listed banks to disclose any divergence in bad loan provisioning within 24 hours of receiving RBI's risk assessment report.

10 Y G-Sec Yields dropped from 6.7% to 6.45% prompted by the risk aversion for the corporate bonds and demand from FII's (bought ₹3,670 Cr) continuing into this month.

## Global Markets

Global markets continued to record gains supported by easing US-China trade tensions with a partial deal likely to be signed by mid-November, EU accepting UK's request for Brexit extension until 1<sup>st</sup> Jan'20 and 25 bps rate cut by US Fed for the third time in 2019.

IMF expects, Chinese economy could grow at 5.8% in 2020 vs 6.1% forecast for 2019.

Gold and Silver ended with gains of 2.87% and 6.29% respectively.

## Corporate Announcements

Allegation of unethical practices by a Whistleblower to be examined by **Infosys**.

**Vodafone Idea** and **Airtel** to pay outstanding balance after verdict of SC on AGR case.

USFDA issues EIR for **Dr.Reddy's** API manufacturing plant at Bollaram, Hyderabad.

USFDA concludes inspection with 7 observations at **Aurobindo Pharma's** facility.

RBI rejects **Indiabulls Housing Finance** and **Lakshmi Vilas Bank's** proposed merger.

**Yes bank** receives offer from global investor for investment of \$ 1.2 bn.

**Ujjivan Small Finance Bank** has received SEBI's approval to raise ₹1,200 Cr through IPO.

Government approved the plan to merge **MTNL** with BSNL.

**Cochin Shipyard** won ₹3,000Cr contract for construction of indigenous aircraft carrier.

Tata sons to infuse ₹6,500Cr into **Tata Motors** via preferential shares at ₹150 each.

**PVR** issues QIP at ₹1,719.05 per share, at 5% discount on floor price at ₹1,809.53 each.

**IRCTC** stock listed at ₹644, premium of 101% over its issue price of ₹320 a share.

NSE Indices Ltd launched Nifty Midcap150 Quality 50 Index.

**Bajaj Finance** fixes QIPs floor price at ₹4,019.78 per equity share.

## Market Outlook

Assembly Election in Maharashtra and Haryana, first test of public opinion after the General election voted in favour of BJP indicating political stability in key states.

India's rank in World Bank's Ease of Doing Business improved to 63 from 77 reflecting governments efforts in attracting FDIs however IMF's downward revision of GDP forecast for FY20 by 90 bps to 6.1% vs 7% estimate in July coupled with contraction in exports by 6.57% to \$26 bn in September due to significant dip in shipments from key sectors remain key concerns.

Government has shown its commitment by rationalizing corporate tax rate and a similar initiative towards Dividend distribution tax, Securities transaction tax and Capital gains tax on equities can revive capital markets in the near term.

**Key Events to watch out are** Jharkhand Assembly election scheduled to take place in 5 phases (Nov 30, Dec 7, Dec 12, Dec 16, Dec 20; results to be announced on Dec 23), Q3 GDP data and residual Q2 earnings season.

Benchmark	31-Oct-19	MTD	2019
SENSEX	40,129.05	3.78%	10.68%
NIFTY	11,877.45	3.49%	9.78%
10Y G-Sec	6.45%	-3.73%	-11.4%

Top Gainers	Change	Top Losers	Change
Yes Bank	69.96%	Infosys	1.12%
Tata Motors	51.3%	IndusInd	0.11%
SBI	15.26%	Kotak	0.21%
Maruti	12.51%	Vedanta	0.03%
Sun Pharma	11.28%	ITC	0.05%

BSE Sector Performance	MTD	2019
Basic Materials	1.49%	-0.69%
Telecom	-6.67%	-7.46%
Utilities	3.09%	-0.08%
Industrials	2.84%	4.55%
Finance	4.00%	12.11%
Consumer Discretionary	6.81%	8.5%
FMCG	4.07%	5.42%
Energy	8.85%	17.19%
Healthcare	5.89%	-4.7%
IT	-1.77%	0.84%

FII (Cr)	EQUITY	DEBT	HYBRID	TOTAL
MTD	12,368	3,670	31	16,069
YTD	68,553	32,856	8,829	110,234

Currencies	31-Oct-19	MTD	2019
USDINR	70.8095	0.18%	-0.32%
EURINR	79.0338	2.21%	-3.24%
GBPINR	91.5	5.26%	-1.86%

Global Indices	31-Oct-19	MTD	2019
DJIA	27,046.23	0.48%	8.19%
NASDAQ	8,292.36	3.66%	13.88%
DAX	12,866.79	3.53%	21.86%
FTSE	7,248.38	-2.16%	4.01%
CAC	5,729.86	0.92%	14.76%
NIKKEI	22,927.04	5.38%	10.37%
HSI	26,906.72	3.12%	-3.71%
KOSPI	2,083.48	0.99%	-5.5%
RTSI	1,422.92	6.67%	33.14%
SHANGHAI	2,929.06	0.82%	17.45%

Commodity (\$)	31-Oct-19	MTD	2019
Gold	1,514.8	2.87%	14.31%
Silver	18.07	6.29%	12.45%
Brent	60.23	-0.9%	-2.68%

Q2 Earnings (YoY)			
Company	PAT Growth	Company	PAT Growth
SBI	NA	Lupin	-147.77%
Dr. Reddy	113.54%	Axis Bank	-102.07%
Petronet LNG	90.09%	Tata M	-81.41%
Bajaj Finserv	69.81%	Maruti	-38.99%
Asian Paints	66.85%	Hero	-10%
Bajaj Finance	63.11%	ICICI Bank	-6.09%

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