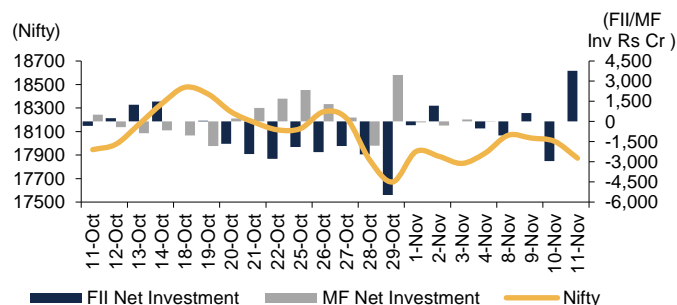


Indian equity benchmark indices' returns

Broad Indices	Nov 12	% chg week	% chg 3 Mth	% chg Year
S&P BSE Sensex	60,687	1.03	10.65	39.97
Nifty 50	18,103	1.04	10.62	42.64
Nifty 500	15,579	1.31	11.50	50.63
S&P BSE 100	18,438	1.26	10.83	44.67
S&P BSE Midcap	26,369	1.45	14.87	67.52
S&P BSE Smallcap	29,233	1.15	10.91	89.01

FII and mutual fund investment vs. Nifty



Sectoral Indices	Nov 12	% chg week	% chg 3 Mth	% chg Year
S&P BSE Oil & Gas	19,089	3.80	21.77	48.24
S&P BSE CG	29,105	3.57	21.58	83.47
S&P BSE Power	3,553	3.21	31.25	91.45
S&P BSE IT	35,351	2.71	8.94	63.82
S&P BSE CD	45,288	2.03	24.72	77.78
S&P BSE Auto	26,333	1.62	15.69	40.80
S&P BSE FMCG	14,262	0.60	4.88	23.63
S&P BSE Healthcare	25,158	-0.63	-3.53	28.54
S&P BSE Metal	20,260	-1.01	-3.68	119.20
S&P BSE Realty Index	4,311	-1.25	35.86	128.80
S&P BSE Bankex	44,235	-2.02	8.09	36.38

Source: BSE, NSE, SEBI, NSDL

Indian debt market indicators

Indicators	Nov 12	Previous Week	1 month ago
Call Rate	3.40%	3.25%	3.25%
10 Yr G-Sec [^]	6.36%	6.36%	6.33%

[^]6.10% 2031 paper [^]Weighted Average Yield

Currencies vs INR

Currency	Nov 12	Week ago	3 months ago	1 year ago
USD	74.44	74.45	74.25	74.63
GBP	99.72	101.50	102.95	98.40
Euro	85.19	86.27	87.19	88.16
Yen*	65.28	65.39	67.25	70.86

*exchange rate represents 100 units of the currency

Markets update

A. Domestic

1. Equity

- Indian equities ended in the green for the second consecutive week on upbeat corporate earnings and signs of improving economic activity. S&P BSE Sensex and Nifty 50 rose around 1% each.
- Investors continued to be buoyed by the strong GST collection and services activity numbers.
- Bargain-buying across most sectors following a sell-off earlier this week also provided some support to the market. Oil and gas, capital goods and power sectors were the top gainers.
- Shares of Mahindra and Mahindra emerged the top gainer on the Nifty 50, rising ~7% on week to settle at Rs 937.8 per share after the company posted better than expected September quarter earnings.
- However, weak global cues in the form of higher-than-expected US inflation data partly pressurised the market. Banking, realty and metals counters fell the most this week.
- Shares of IndusInd Bank emerged the top laggard on the Nifty 50, declining ~13% on week to settle at Rs 1037.05 per share despite the lender issuing clarifications about alleged evergreening of loans at one of its subsidiaries.

2. Debt

- Government bond prices ended nearly flat after shedding gains garnered earlier in the week. The yield of the 10-year benchmark paper settled at 6.37% on November 12 compared with 6.36% on November 3.
- Bonds began the week brightly as the domestic fuel tax cut announced by the Centre last week eased inflation concerns, while a fall in US treasury yields also supported domestic gilt prices.
- A mid-week rise in crude oil prices, and an increase in US benchmark treasury yields following the release of the latest US inflation figures for October put pressure on domestic bond prices.
- Bond prices dipped further weighed by supply pressure from the weekly gilt sale.
- In the debt sale, the RBI sold the 4.26% 2023 paper, and the 6.67% 2035 paper. Moreover, it sold two new government securities maturing in 2026 and 2051. The coupon rates for the papers have been set at 5.74% and 6.99% respectively.

3. Forex

- The rupee gave up gains garnered earlier in the week to end flat against the US dollar.
- The local currency was helped by foreign banks' dollar sales and central banks across the globe opting to keep their interest rates low in their respective policy announcements last week.
- Greenback demand from importers and a decline in investor risk appetite due to persistent worries over rising prices pulled the rupee down.
- The release of both Chinese and US inflation data midweek put the Indian currency under pressure.

International equity benchmark indices' returns

Indices	Nov 12	% chg week	% chg 3 Mth	% chg Year
DJIA*	35,921	-1.12	1.23	22.19
Nasdaq Composite*	15,704	-1.67	6.36	33.24
FTSE 100*	7,384	1.10	2.27	15.70
Nikkei 225	29,610	-0.01	5.69	16.02
Straits Times	3,228	-0.43	1.43	19.05
Hang Seng	25,328	1.84	-4.49	-3.22
Shanghai Comp	3,539	1.36	0.41	6.00

*As of Nov 11

International debt market indicators

Indicators	Nov 12	Nov 5
US 10-Year*	1.56	1.45
UK 10-Year*	0.92	0.85
German 10-Year*	-0.23	-0.28
Japan 10-Year	0.08	0.06
3-M USD Libor*	0.16%	0.14%
6-M USD Libor*	0.23%	0.22%
1-Y USD Libor*	0.39%	0.36%

*As of Nov 11

Commodities

Commodity	Nov 12	% chg week	% chg 3 Mth	% chg Year
Brent Crude Oil (\$ per barrel)*	82.87	0.16	16.00	89.20
Indian gold (Rs per 10 gm)	49,003.00	3.08	5.31	-3.03
Indian Silver (Rs per Kg)	66,285.00	4.92	5.68	5.71

*As of Nov 11

Source: Respective commodity exchanges, ibjrates.com

B. International

1. Equity

- Global equities ended mixed tracking region-specific cues.
- US stocks ended lower as investors feared that the Fed may soon start hiking rates after US inflation accelerated to a more than 30-year high on an annual basis in October.
- US Consumer Price Index surged 6.2% on-year in October, compared with a 5.4% rise in September.
- The Fed decided to cut its bond-buying programme by \$15 billion a month.
- However, some losses in the markets were capped by a strong domestic jobs report, passage of the \$1 trillion infrastructure bill and positive data for Pfizer's Covid-19 pill.
- US non-farm payrolls increased by 531,000 in October, compared with upwardly revised job gains of 312,000 in September. The unemployment rate fell to 4.6% in October from 4.8% in September.
- Britain's FTSE ended 1% higher on increased buying interest in banking, technology, energy and mining stocks.
- UK GDP growth decelerated to 1.3% sequentially in the third quarter, from 5.5% in the second quarter.
- Asian equities ended on a mixed note. Japan's Nikkei ended flat as losses due to some downbeat corporate earnings, sell-off in drugmakers' stocks and a stronger yen were offset by bargain-hunting in undervalued stocks.
- Hong Kong's Hang Seng surged about 2% tracking similar sentiment in the Chinese markets, and gains in technology, healthcare and real estate stocks.
- China's Shanghai Composite advanced 1.4% on hopes of improving economic growth after strong trade data and expectations of some measures to revive the struggling property sector.
- China's trade surplus for October came in at \$84.5 billion, up from \$66.8 billion in September.
- China's Consumer Price Index rose 1.5% on-year in October, compared with a 0.7% rise in September.

2. Commodity

- Crude oil prices rose marginally in this week on renewed tighter supply concerns, upbeat US jobs data, passage of US infrastructure bill and signs of global post-pandemic recovery which boosted demand outlook.
- Gold prices rose in this week tracking positive global metal prices due to strong US inflation data.
- Indian silver prices advanced in this week tracking a positive trend in gold and industrial metals.

C. News summary

1. Domestic

- India's retail inflation rose marginally to 4.48% on year in October from 4.35% in September. The retail inflation growth was 5.59% a quarter ago in July 2021 and 7.61% a year ago in October 2020.
- India's Index of Industrial Production (IIP) eased to 3.1% on year in September, from a revised 12.0% on year growth in August. The IIP growth was 13.8% a quarter ago in June 2021 and 1% a year ago in September 2020.
- India's services purchasing managers' index (PMI) rose to 58.4 in October, the strongest rate of growth in a decade, compared to 55.2 in September. The composite PMI rose from 55.3 in September to 58.7 in October.
- Prime Minister Narendra Modi launched two innovative customer centric initiatives of the RBI – RBI Retail Direct Scheme and RBI Integrated Ombudsman Scheme.
- The Cabinet approved a Rs 17409 crore 'committed price support' to the Cotton Corporation of India (CCI) for seven cotton seasons from 2014-15 to 2020-21.
- Government released GST compensation of Rs 17000 crore to states.
- RBI said foreign portfolio investors (FPIs) have been permitted to invest in debt securities issued by Infrastructure Investment Trusts and Real Estate Investment Trusts by FPIs.
- SEBI unveiled simplified norms for processing investors' service requests by registrar and share transfer agents to push ease of doing business.
- SEBI allowed FPIs to write off all debt securities that they are unable to sell.

2. International

- US non-farm payrolls increased by 531,000 jobs in October compared to upwardly revised 312,000 in September. The unemployment rate fell to 4.6% in October from 4.8% in September.
- Eurozone services PMI came in at 54.6 in October from September's 56.4; the composite PMI fell to 54.2 in October from 56.2 in September.
- UK GDP growth decelerated to 1.3% sequentially in Q3 2021 from 5.5% in Q2 2021.
- China's trade surplus for October came in at \$84.5 bn, up from \$66.8 bn in September.
- Japan Jibun Bank services PMI rose to 50.7 in October from 47.8 in September; the composite PMI rose to 50.7 in October from 47.9 in September.

D. Week ahead

Day	Events
Monday, Nov 15, 2021	<ul style="list-style-type: none"> US Empire State Manufacturing Index, November 2021 Eurozone Trade Balance, September 2021 China Industrial Output, October 2021 China Retail Sales, October 2021 India Wholesale Prices, October 2021 India Trade Deficit, October 2021
Tuesday, Nov 16, 2021	<ul style="list-style-type: none"> US Import / Export Prices, October 2021 US Retail Sales, October 2021 US Industrial Production, October 2021 US Business Inventories, September 2021 US NAHB Housing Market index, November 2021 Eurozone GDP, Q3 2021 UK ILO Unemployment Rate, September 2021
Wednesday, Nov 17, 2021	<ul style="list-style-type: none"> US Housing Starts / Building Permits, October 2021 Eurozone Consumer Prices, October 2021 UK Consumer Prices, October 2021 Japan Trade Balance, October 2021
Thursday, Nov 18, 2021	<ul style="list-style-type: none"> US Philly Fed Business Index, November 2021 Japan Consumer Prices, October 2021
Friday, Nov 19, 2021	<ul style="list-style-type: none"> Eurozone Current Account Balance, September 2021 UK Retail Sales, October 2021 UK GfK Consumer Confidence, November 2021

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