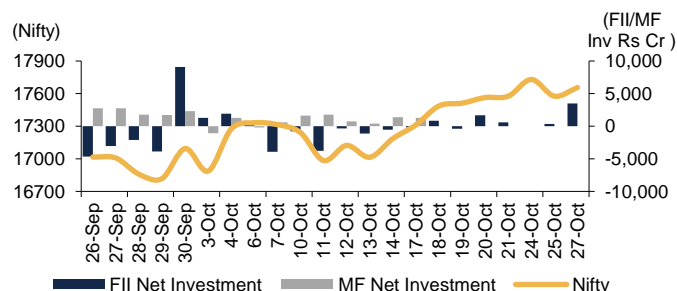


Indian equity benchmark indices' returns

Broad Indices	Oct 28	% chg week	% chg 3 Mth	% chg Year
S&P BSE Sensex	59,960	1.10	5.46	-0.04
Nifty 50	17,787	1.20	5.06	-0.39
Nifty 500	15,242	1.06	5.34	0.33
S&P BSE 100	18,180	1.17	5.14	0.60
S&P BSE Midcap	25,047	0.98	5.19	-0.75
S&P BSE Smallcap	28,689	0.43	7.49	2.13

FII and mutual fund investment vs. Nifty



Sectoral Indices	Oct 28	% chg week	% chg 3 Mth	% chg Year
S&P BSE Auto	30,244	3.91	6.64	19.78
S&P BSE Oil & Gas	19,247	3.26	3.55	5.53
S&P BSE CG	32,762	3.22	11.20	21.92
S&P BSE Metal	18,987	2.92	9.17	-5.01
S&P BSE Power	4,831	2.20	7.43	43.71
S&P BSE Realty Index	3,472	2.15	-2.39	-12.42
S&P BSE CD	42,077	1.14	7.90	-2.35
S&P BSE Healthcare	23,639	1.08	4.29	-5.25
S&P BSE Bankex	47,044	0.41	9.26	4.18
S&P BSE IT	28,571	-0.04	-1.46	-16.05
S&P BSE FMCG	16,019	-0.89	4.05	14.16

Source: BSE, NSE, SEBI, NSDL

Indian debt market indicators

Indicators	Oct 28	Previous Week	1 month ago
Call Rate	6.21%	6.15%	5.15%
10 Yr G-Sec [^]	7.41%	7.52%	7.34%

^{*}7.26% 2032 paper [^]Weighted Average Yield

Currencies vs INR

Currency	Oct 28	Week ago	3 months ago	1 year ago
USD	82.47	82.67	79.75	74.92
GBP	95.08	92.66	96.74	102.87
Euro	82.09	80.93	80.98	86.87
Yen [*]	56.04	55.05	58.93	65.93

^{*}exchange rate represents 100 units of the currency

Markets update

A. Domestic

1. Equity

- Indian equity indices ended higher for the second straight week on strong corporate earnings reports. S&P BSE Sensex and Nifty 50 rose about 1.1% and 1.2% respectively.
- Further, markets were also up on expectations that the US Federal Reserve (Fed) may shift to a less aggressive monetary policy stance.
- Almost all sectors ended positive with auto, oil & gas and capital goods rising the most. S&P BSE Auto, S&P BSE Oil & Gas and S&P BSE Capital Goods advanced about 3.9%, 3.3% and 3.2% respectively.
- However, selling in FMCG and IT stocks capped some gains. S&P BSE FMCG and S&P BSE IT fell about 0.9% and 0.04%, respectively.
- Shares of Maruti Suzuki emerged the top gainer on the Nifty 50, up ~9% on week to settle at Rs 9492.55 per share owing to strong quarterly earnings.
- Shares of IndusInd Bank emerged the top decliner on the Nifty 50, down ~5% on week to settle at Rs 2524.25 per share on weak earnings.

2. Debt

- Government bond prices posted first weekly gain in seven, in a holiday truncated week ended October 28, 2022. The yield of the 10-year benchmark 7.26% 2032 paper ended at 7.41% on October 28, 2022 compared to 7.51% on October 21, 2022.
- Domestic yields fell tracking a sharp fall in the US Treasury yield after the US consumer and business spending data suggested a possible peak in inflation that could allow the US Federal Reserve (Fed) to ease its aggressive rate hikes.
- Sentiments were boosted further over speculation that the Fed might slow its pace of rate hikes, and that could also result in the Reserve Bank of India (RBI) tempering its policy stance.

3. Forex

- The rupee ended higher against the US dollar this week after the dollar index eased from elevated levels as a series of weak economic indicators from the US raised hopes that the Fed may slower the pace of rate hike.
- An intermittent fall in crude prices also aided the upside trend in the local unit.
- The rupee was also supported by a positive trend in the domestic equity market and foreign fund inflows.
- Some gains in the local currency were, however, restricted on dollar demand from importers.

International equity benchmark indices' returns

Indices	Oct 28	% chg week	% chg 3 Mth	% chg Year
DJIA*	32,033	3.06	-0.51	-9.74
Nasdaq Composite*	10,793	-0.62	-10.30	-29.16
FTSE 100*	7,074	1.49	-3.74	-2.48
Nikkei 225	27,105	0.80	-2.55	-5.95
Straits Times	3,059	3.00	-5.01	-4.51
Hang Seng	14,863	-8.32	-27.93	-41.84
Shanghai Comp	2,916	-4.05	-11.17	-17.12

*As of Oct 27

International debt market indicators

Indicators	Oct 28	Oct 21
US 10-Year*	3.94%	4.21%
UK 10-Year*	3.45%	4.03%
German 10-Year*	1.96%	2.44%
Japan 10-Year	0.24%	0.26%
3-M USD Libor*	4.41%	4.36%
6-M USD Libor*	4.93%	4.88%
1-Y USD Libor*	5.37%	5.48%

*As of Oct 27

Commodities

Commodity	Oct 28	% chg week	% chg 3 Mth	% chg Year
Brent Crude Oil (\$ per barrel)*	96.96	3.70	-9.06	14.64
Indian gold (Rs per 10 gm)	50,502.00	0.88	-1.41	5.07
Indian Silver (Rs per Kg)	57,419.00	3.36	2.59	-11.31

*As of Oct 27

Source: Respective commodity exchanges, ibjrates.com

B. International

1. Equity

- Most global equity markets ended higher on hopes of slower rate hikes by the Fed.
- US Treasury prices ended higher in the week ended October 27, as the latest US growth numbers eased investors' worries about the aggressive monetary policy stance of the Fed.
- Crude prices rose this week on supply worries after Saudi Arabia's energy minister highlighted misuse of oil stocks, hopes of robust global oil demand, intermittent weakness in dollar index and easing of recession fears.
- US stocks ended mixed this week, with Dow Jones rallying over 3%, and Nasdaq falling about 0.62%.
- Markets, especially Dow Jones, gained amid renewed hopes of less aggressive policy stance by the Fed and as stronger-than-expected growth data eased recession fears.
- The US economy grew an annualised 2.6% in the third quarter of 2022 compared with a contraction of 0.6% in the second quarter.
- Markets however witnessed some weakness, especially Nasdaq, on a mixed bag of corporate earnings.
- Britain's FTSE advanced 1.5% following optimism over Rishi Sunak's appointment as the new Prime Minister, improved corporate earnings, and on hopes of slower rate hikes by the major central banks.
- Asian equities ended mostly lower. Japan's Nikkei rose 0.8% on hopes of slower rate hikes by the Fed, and as a weak yen boosted the outlook for earnings.
- A few weak corporate earnings, however, kept the gains restricted.
- Meanwhile, the Bank of Japan maintained its key short-term interest rate at -0.1% during its October meeting.
- Hong Kong's Hang Seng plummeted 8% on worries over China's economic slowdown and weak corporate earnings outlook.
- China's Shanghai Composite market slipped 4% as investors feared that the country's growth would be sacrificed through policies under President Xi Jinping's new leadership team, and rising Covid-19 cases.
- China's trade surplus increased to \$84.74 billion in September, from \$67.78 billion in the same month a year ago.
- China's industrial profits declined 2.3% on-year to yuan 62.44 trillion in the first nine months of the year from a 2.1% fall in the period.

2. Commodity

- Crude oil prices rose in this week on supply worries after Saudi Arabia's energy minister highlighted misuse of oil stocks, hopes of robust global oil demand on strong US growth data, intermittent weakness in dollar index and easing of recession fears.
- Gold prices rose this week tracking similar trend in the global metal prices amid intermittent weakness in dollar index and improved local festive buying.
- Silver prices advanced mirroring similar trend in gold and industrial metals amid demand hopes.

C. News summary

1. Domestic

- RBI in its latest paper said India's 'green' gross domestic product (GDP) has turned a corner in the 21st century by growing faster than traditional GDP, as the country has taken measures to cut carbon emissions, improve resource use efficiency, and boost clean energy capacity.
- The finance ministry's economic review stated inflation might witness another resurgence in case of deterioration in the geo-political situation, leading to higher global energy prices and supply chain pressures.
- India and China bilateral trade continued to boom, crossing \$100 billion for the second year in the first nine months of 2022.
- Government asked public sector banks to set up a "single national helpline" to facilitate expeditious redressal of consumer grievances.
- Government got Rs 952 crore as dividend from IRFC, NALCO, and CONCOR.
- Finance Ministry extended the deadline for filing income tax returns for the assessment year 2022-23 till November 7 from October 31.
- The RBI scheduled an additional meeting of the Monetary Policy Committee (MPC) on November 3, 2022.
- MPC member Ashima Goyal attributed the rise in tax collections to demonetisation and said that it would help the nation move towards the ideal situation where low taxes are levied on a large base.
- RBI deputy governor T Rabi Sankar said internationalisation of the rupee is a desirable objective of public policy as usage of rupee in cross-border transactions eases currency risk for local business and also lessened the need for holding foreign exchange.
- SEBI said that block mechanism facility pertaining to demat accounts would not be applicable for clients having arrangements with custodians for clearing and settling trades.

2. International

- US economy grew an annualized 2.6% in Q3 of 2022 compared to a contraction of 0.6% in Q2 of 2022.
- The European Central Bank raised its deposit rate by 75 basis points to 1.5%, the highest rate since 2009.
- UK retail sales fell 6.9% on-year in September from a revised 5.6% decline in August.
- China economy advanced 3.9% on year in Q3 of 2022, up from a 0.4% growth in Q2.
- Bank of Japan maintained its key short-term interest rate at -0.1% during its October meeting.

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D. Week ahead

Day	Events
Monday, Oct 31, 2022	<ul style="list-style-type: none"> • US Chicago PMI, October • Eurozone GDP Growth Rate Flash, Q3 • Eurozone Inflation Rate Flash, October • UK BoE Consumer Credit, September • China NBS Manufacturing/ Non-manufacturing/ General PMI, October • Japan Industrial Production Preliminary, September • Japan Consumer Confidence, October • India Infrastructure Output, September
Tuesday, Nov 1, 2022	<ul style="list-style-type: none"> • US S&P Global Manufacturing PMI, October • US ISM Manufacturing PMI, October • UK S&P Global/CIPS Manufacturing PMI, October • China Caixin Manufacturing PMI, October • Japan Jibun Bank Manufacturing PMI, October • India S&P Global Manufacturing PMI, October • India Trade Balance, Preliminary, October
Wednesday, Nov 2, 2022	<ul style="list-style-type: none"> • US Fed Interest Rate Decision • US ADP Employment Change, October • Eurozone S&P Global Manufacturing PMI, October • BoJ Monetary Policy Meeting Minutes
Thursday, Nov 3, 2022	<ul style="list-style-type: none"> • US S&P Global Services/Composite PMI, October • BoE Interest Rate Decision • UK S&P Global/CIPS Services/Composite PMI, October • China Caixin Services/Composite PMI, October • India S&P Global Services/Composite PMI, October
Friday Nov 4, 2022	<ul style="list-style-type: none"> • US Non-Farm Payrolls, October



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