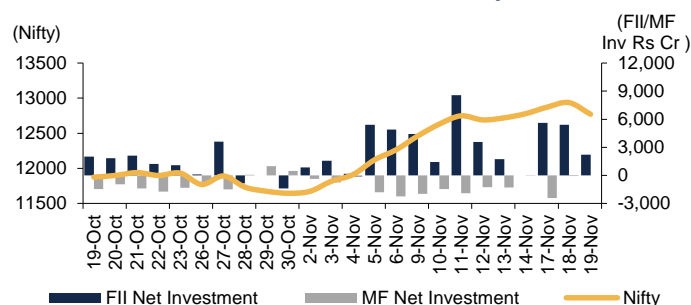


Indian equity benchmark indices' returns

Broad Indices	Nov 20	% chg week	% chg 3 Mth	% chg Year
S&P BSE Sensex	43,882	1.01	14.81	7.95
Nifty 50	12,859	1.09	13.67	7.17
Nifty 500	10,561	1.67	12.72	8.37
S&P BSE 100	12,928	1.13	12.84	7.01
S&P BSE Midcap	16,437	3.53	10.54	10.55
S&P BSE Smallcap	16,183	3.47	12.21	20.64

FII and mutual fund investment vs. Nifty



Sectoral Indices	Nov 20	% chg week	% chg 3 Mth	% chg Year
S&P BSE CG	16,989	7.45	20.83	-4.83
S&P BSE Power	1,963	4.96	15.78	1.81
S&P BSE Auto	19,643	4.59	10.04	8.64
S&P BSE CD	26,692	4.18	16.29	6.01
S&P BSE Realty Index	1,983	3.81	13.63	-5.60
S&P BSE Bankex	33,605	2.70	34.63	-5.24
S&P BSE Metal	9,646	2.37	4.47	2.66
S&P BSE FMCG	11,586	0.65	-0.71	-1.44
S&P BSE Oil & Gas	12,915	-0.33	-3.63	-16.42
S&P BSE Healthcare	19,723	-0.52	3.32	46.40
S&P BSE IT	21,466	-0.62	17.23	41.28

Source: BSE, NSE, SEBI, NSDL

Indian debt market indicators

Indicators	Nov 20	Previous Week	1 month ago
Call Rate	2.40%	3.40%	2.00%
10 Yr G-Sec*^	5.88%	5.88%	5.93%

*5.77% 2030 paper ^Weighted Average Yield

Currencies vs INR

Currency	Nov 20	Week ago	3 months ago	1 year ago
USD	74.15	74.61	75.03	71.81
GBP	98.45	98.20	98.20	92.70
Euro	87.93	88.11	88.86	79.44
Yen*	71.43	70.97	70.72	66.23

*exchange rate represents 100 units of the currency

Markets update

A. Domestic

1. Equity

- Indian equity indices remained in the positive territory for the third consecutive week. Benchmarks S&P BSE Sensex and Nifty 50 rose 1% each.
- Market rose following positive global cues including reports of development of effective covid-19 vaccine from Pfizer and Moderna.
- Strong buying interest in capital goods, power, auto and consumer durable counters also boosted the sentiments. S&P BSE Capital Goods, S&P BSE Power, S&P BSE Auto and S&P BSE Consumer Durables advanced 7.5%, 5.0%, 4.6% and 4.2%, respectively.
- Shares of Tata Motors were among the top gainers on the Nifty 50, rising ~16% on week to settle at Rs 169.1 per share on reports of healthy festive sales.
- Further gains were however capped due to profit booking after the recent rally, rapid increase in the covid-19 cases and fears of more lockdown restrictions worldwide.
- Information technology (IT) and healthcare were the top sectoral laggards with S&P BSE IT and S&P BSE Healthcare losing 0.6% and 0.5%, respectively.
- Shares of Reliance Industries emerged the top laggard on the Nifty 50, declining ~5% on week to settle at Rs 1899.5 per share as investors focused on the company's earnings after the conglomerate said it had completed a fundraising programme by selling 10% stake in Reliance Retail Venture.

2. Debt

- Government bond prices ended flat in the holiday shortened trading week. The yield of the 10 year benchmark 5.77% 2030 paper settled flat at 5.88% on November 20.
- Bonds remained locked in a tight range in the absence of firm cues.
- Market players took cues from the state development loan (SDL) auction, special open market buy/sell operation, and the weekly gilt auction. In the SDL auction, state governments raised a total notified Rs 8,716 crore via sale of dated securities.
- Expectation that the central bank would make more bond purchase announcements persisted.

3. Forex

- The rupee strengthened against the US dollar as news of another potentially effective Covid-19 vaccine prompted bets of a swifter global economic recovery, and boosted appetite for riskier emerging market assets.
- Sporadic gains in local equity indices, dollar sales by exporters, and hopes of foreign fund inflows into the local financial market aided sentiment for the local unit.
- Worries over the economic impact of new restrictions across the US to contain the Covid-19 pandemic, and intermittent greenback demand from importers erased some of the rupee's gains.

International equity benchmark indices' returns

Indices	Nov 20	% chg week	% chg 3 Mth	% chg Year
DJIA*	29,483	0.01	6.47	5.97
Nasdaq Composite*	11,905	0.64	6.80	39.62
FTSE 100*	6,334	0.28	3.64	-12.78
Nikkei 225	25,527	0.56	11.57	10.28
Straits Times	2,813	3.75	11.28	-12.90
Hang Seng	26,452	1.13	6.70	-1.63
Shanghai Comp	3,378	2.04	0.41	16.03

*As of Nov 19

International debt market indicators

Indicators	Nov 20	Nov 13
US 10-Year*	0.85	0.89
UK 10-Year*	0.32	0.35
German 10-Year*	0.57	-0.55
Japan 10-Year	0.01	0.02
3-M USD Libor*	0.21%	0.22%
6-M USD Libor*	0.26%	0.25%
1-Y USD Libor*	0.34%	0.34%

*As of Nov 19

Commodities

Commodity	Nov 20	% chg week	% chg 3 Mth	% chg Year
Brent Crude Oil (\$ per barrel)*	44.20	3.32	-1.56	-29.17
Gold (\$ per troy ounce)*	1857.35	-1.77	-3.62	26.20
Silver (\$ per ounce)*	23.98	-1.09	-10.90	40.11
Indian gold (Rs per 10 gm)	50199.00	-1.06	-4.05	31.05
Indian Silver (Rs per Kg)	62028.00	-0.93	-5.55	38.03

*As of Nov 19

Source: Respective commodity exchanges, LBMA, MCX

B. International

1. Equity

- Global equity indices extended gains in this week as progressive reports of another Covid-19 vaccine boosted investors' appetite.
- US stocks ended mixed with Dow Jones closing almost flat as sell-off in the cyclicals and small cap stocks, weak economic data eclipsed Covid-19 vaccine hopes, while Nasdaq rose after Moderna Inc said its experimental vaccine was 94.5% effective in preventing Covid-19 and upbeat results of few companies.
- US retail sales rose by 0.3% in October after jumping by a downwardly revised 1.6% in September.
- US Initial jobless claims in regular state programs totaled 742,000 in the week ended November 14, up 31,000 from the prior week.
- Britain's FTSE index also rose marginally (up 0.28%), primarily boosted by the coronavirus vaccine hopes and upbeat economic data. Gains, however, were capped by uncertainty over a post-Brexit trade deal with the European Union and surging Covid-19 cases.
- UK consumer prices advanced 0.7% on a yearly basis in October, faster than the 0.5% increase logged in September.
- Eurozone economic GDP decreased by 4.4% annually in Q3 2020 after a 14.8% contraction recorded in Q2 2020.
- All major Asian equities also ended positively. Japan's Nikkei jumped around 1%, tracking a sharp rally in the US markets and upbeat domestic growth data. The rally halted after the government issues most severe warning about a record daily cases of the coronavirus.
- Japan economy expanded an annualised 21.4% in July-September compared to contraction of 28.8% in the second quarter of 2020.
- Japan's industrial output surged 4.0% in September from the previous month, mainly due to strength in car and production machinery manufacturing.
- Hong Kong's Hang Seng rose 1% as better-than-expected Chinese industrial production data spurred economic recovery hopes and rally in energy and auto stocks boosted the sentiments.
- China's Shanghai Composite Index higher amid optimism that China will promote economic growth to a "reasonable" range while pursuing higher quality development
- China house prices climbed an annual 4.3% in October, easing from 4.7% a month earlier.

2. Commodity

- Crude oil prices extended gains in the week as latest progress of another vaccine for the treatment of coronavirus boosted demand growth hopes.
- Indian gold prices declined in this week owing to muted demand from jewelers despite festive season.
- Indian silver prices extended fall this week on declining demand from coin-makers and recovering industrial offtake.

• News summary

1. Domestic

- Wholesale price index (WPI)-based inflation rate rose for the third straight month to an eight-month high of 1.48% in October, from 1.32% the previous month.
- India's trade deficit narrowed to \$8.71 billion in October 2020 from \$11.75 billion a year ago as both exports and imports fell during the month.
- Government data showed, India's power consumption grew 7.8% to 50.15 billion units (BU) in the first half of November this year, showing rise in economic activities.
- Moody's Investors Service lowers the contraction rate for India's gross domestic product to 10.6% for 2020-21 from its earlier 11.5%. It also revised upwards its expectation for GDP growth rate to 10.8% for 2021-22 from the earlier 10.6%.
- New Development Bank (NDB) approved \$500 mn in loan for funding the Delhi-Ghaziabad-Meerut regional rapid transit system (RRTS) project.
- The government asked rich state-owned firms to start paying dividends on a quarterly basis, even as it has demanded higher share from profits of all its companies.
- RBI modified its earlier regulations and allowed prepaid payment instruments (PPI) issuers and payment aggregators (PA) to maintain an additional escrow account with a scheduled commercial bank other than the one where they already maintain an account on an ongoing basis.
- SEBI came out with uniform structure for imposing fines for non-compliance with disclosure requirements in order to ensure effective enforcement of continuous disclosure obligations by issuers of listed debt securities.

2. International

- US producer price index for final demand rose by 0.3% in October after climbing by 0.4% in September.
- US retail sales rose by 0.3% in October after jumping by a downwardly revised 1.6% in September.
- US industrial production jumped by 1.1% in October after falling by a revised 0.4% in September; capacity utilization in the industrial sector rose to 72.8% in October from an upwardly revised 72% in September.
- Eurozone economic GDP decreased by 4.4% annually in Q3 2020 after a 14.8% contraction recorded in Q2 2020.
- Bank of England Governor Andrew Bailey says regulators and financial service firms must work together so businesses are able to get the finance they need to invest for the future.

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Week ahead

Day	Events
Monday, November 23, 2020	<ul style="list-style-type: none"> US Manufacturing PMI, November 2020 US Services / Composite PMI, November 2020 US Chicago Fed National Activity Index, October 2020 Eurozone Manufacturing PMI, November 2020 Eurozone Services / Composite PMI, November 2020 UK Manufacturing PMI, November 2020
Tuesday, November 24, 2020	<ul style="list-style-type: none"> US Consumer Confidence, November 2020 US House Prices Index, September 2020 US Case Shiller House Price Index, September 2020
Wednesday, November 25, 2020	<ul style="list-style-type: none"> US GDP, Q3 2020 US Personal Income, October 2020 US Durable Goods Orders, October 2020 US Advance Goods Trade Balance, October 2020
Thursday, November 26, 2020	<ul style="list-style-type: none"> US FOMC Minutes
Friday, November 27, 2020	<ul style="list-style-type: none"> Eurozone Economic Sentiment, November 2020 Eurozone Consumer Confidence (Final), November 2020



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