

DEBT MARKETS

- Tax collection under GST crossed the INR 1 trn mark for the month of October. This is the highest tax collection ever since the GST regime was introduced in India last year.
- India's October manufacturing PMI came in at a four month high of 53.1 rising from 52.2 in September as stronger order inflows led to scaling up of production.
- News came in that the government may have given a direction to the RBI under Sec 7 of the RBI Act. This brings the Nov 19 board meeting of the central bank into sharp focus.
- International oil prices remained soft, thereby aiding bond market sentiment.
- The Indian Rupee rallied sharply towards the end of the week to settle at 72.45 to the USD. It witnessed the highest single day gain in more than 5 years on Friday, Nov 2, 2018.

Yield Movement

- The benchmark 10 year government bond closed the week trading at a yield of 7.78%, down by 10 basis points from the closing levels of the previous week.
- Yield on 10 year AAA PSU bond traded at approx. 8.70%, a fall of 5 basis points from the previous week.
- One year CDs yielded about 8.35%, unchanged from the previous week.

Fund Manager Comments

Bond market sentiment has improved markedly as international oil prices and the rupee regain some measure of stability. Bonds may now consolidate the recent gains and remain rangebound as tensions between the government and the central bank take centre stage.



EQUITY MARKETS

Sensex and Nifty went up by 1,662 pts. (5.00%) and 523 pts. (5.20%) to close at 35,012 and 10,553 respectively.

America's economy grew at an annualized rate of 3.5% in the third quarter, driven by a surge in consumer spending that compensated for weaker business investment. The second quarter chalked up growth of 4.2%, which makes this the economy's best six-month performance since mid-2014.

In India, tensions surfaced between the government and the country's central bank. The finance ministry has been putting pressure on the Reserve Bank of India to ease monetary policy and lending restrictions. The bank's deputy governor warned of "catastrophic" consequences if the government tried to interfere with its independence.

PM Narendra Modi and his Japanese counterpart Shinzo Abe in the 13th India-Japan annual summit have signed a \$75 billion bilateral currency swap agreement to deepen their strategic ties and build synergy across various fields - from technology to security and health. The agreement should help bring greater stability to foreign exchange and capital markets in India.

In a big boost for NDA government, India climbed another 23 points in the World Bank's ease of doing business index to 77th place, becoming the top ranked country in South Asia for the first time and third among the BRICS. India was ranked 100th in World Bank's Doing Business Report last year, moving up from 131th position that it recorded in 2016.

Taurus Benchmark Indices Movement

Indices	02-11-18	26-10-18	Points change	% change
S&P BSE Sensex	35011.65	33349.31	1662.34	4.98%
Nifty 50	10553.00	10030.00	523.00	5.21%
S&P BSE 100	10825.30	10266.12	559.18	5.45%
S&P BSE 200	4512.22	4273.19	239.03	5.59%
Nifty Midcap 100	17430.95	16256.60	1174.35	7.22%

Weekly FPI and MF net flows (₹ in crs.)

	Equity	Debt
FPIs (29/10/2018 - 02/11/2018)	-4195.08	1288.50
MFs (25/10/2018 - 31/10/2018)	7231.41	-909.15

Source : FPI - CDSL

Source : MF - SEBI

Any information contained herein is for informational purpose only and does not constitute advice or offer to sell/purchase units of the schemes of Taurus Mutual Fund. Information gathered and provided in this document is believed to be from reliable sources and the Fund does not warrant the accuracy and/or completeness of any information. Taurus AMC disclaims any liability for actions taken by anyone on the basis of the opinions contained herein. The material contained herein cannot be reproduced, distributed or quoted anywhere without express written consent of Taurus AMC.

Mutual Fund Investments are subject to market risks, read all Scheme related Documents carefully.