

DEBT MARKETS

- International crude oil prices fell sharply during the week. The benchmark ICE Brent Futures Contract for 3 months delivery fell to levels below USD 60 per barrel. Nymex WTI contract fell to approx. USD 50 per barrel.
- The Indian Rupee too rose in sympathy with the fall in oil prices and closed the week trading at approx.. 70.30 to the US dollar.
- RBI conducted open market purchase of securities worth 8000 crores during the week taking the total liquidity infusion through open market operations during the month to over 40,000 crores.
- The much awaited RBI board meeting also took place during the week. Amongst measures announced were the postponement of meeting Basel III requirements by a year to 2020 and a committee to be set up (jointly by RBI and Government) to discuss and give recommendations on the issue of "Economic Capital Requirement" of RBI

Yield Movement

- The benchmark 10 year government bond closed the week trading at a yield of 7.71%, down by 11 basis points from the closing levels of the previous week.
- Yield on 10 year AAA PSU bond traded at approx. 8.60%, a fall of 10 basis points from the previous week.
- One year CDs yielded about 8.05%, down by 10 basis points from the previous week.

Fund Manager Comments

Falling oil prices has come as a pleasant surprise to the Indian bond markets, and the sentiment has therefore been buoyant. This is also reflected in the rising prices (falling yields) in the bond market. However, tight liquidity conditions are expected to persist (in spite of liquidity infusions carried out by RBI) and this may provide a floor to bond prices.



EQUITY MARKETS

Sensex and Nifty went down by 476 pts. (-1.30%) and 155 pts. (-1.50%) to close at 34,981 and 10,527 respectively.

The Reserve Bank of India board agreed to restructure small-scale loans and set up a committee to discuss the controversial issue of transfer of surplus reserves to the government as the central bank and the finance ministry appeared to put aside some of their differences to resolve some key issues.

The investigation arm of the Finance Ministry has detected tax evasion worth Rs 29,088 crore in 1,835 cases during April-October period of the current financial year. Of this, the Directorate General of GST Intelligence (DGGI) has detected evasion of goods and services tax (GST) worth Rs 4,562 crore in 571 cases.

As per, the Ministry of Statistics and Program Implementation as many as 358 infrastructure projects, each worth Rs 1.5 Bn or above, have shown cost overruns to the tune of over Rs 3.37 trillion owing to delays and other reasons.

On Tuesday, oil prices tumbled more than 6%, with US crude diving to its lowest level in more than a year. WTI Nymex crude fell as much as 7.7% to touch \$52.77 a barrel, the lowest since October 2017. US president Donald Trump praised Saudi Arabia for helping to reduce oil prices and ramped up pressure on the kingdom to maintain the decline, even as talks have gathered pace among producer nations to enact new production curbs.

Taurus Benchmark Indices Movement

Indices	22-11-18	16-11-18	Points change	% change
S&P BSE Sensex	34981.02	35457.16	-476.14	-1.34%
Nifty 50	10526.75	10682.20	-155.45	-1.46%
S&P BSE 100	10807.19	10946.32	-139.13	-1.27%
S&P BSE 200	4504.50	4559.65	-55.15	-1.21%
Nifty Midcap 100	17347.20	17507.85	-160.65	-0.92%

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

	Equity	Debt
FPIs (19/11/2018 - 22/11/2018)	-2938.86	963.07
MFs (15/11/2018 - 21/11/2018)	835.14	17054.49

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.