

Indian Market View

Asian stocks fell after a reversal in U.S. equities on Friday, amid concern over whether trade tensions with China can be mended. With just five months to go until Britain exits the European Union divorce talks are at an impasse, fuelling severe uncertainty among businesses and whipsawing sterling on any news of a possible breakthrough in the negotiations. U.S. stock futures were down 0.4 percent after Wall Street closed in the red on Friday on concerns a trade deal between the United States and China may not be struck soon.

Japan's Nikkei erased 310 points or 1.39 percent. China A50 was down 190 points or 1.67 percent. Hang Seng plunges 560 points or 2.20 percent. ASX 200 was trading down 0.22 percent. Kospi index was down 1.65 percent.

Oil prices fell on Monday as the start to U.S. sanctions against Iran's fuel exports was softened by waivers that will allow some countries to still import Iranian crude, at least temporarily. Prices have been coming under pressure since it became clear that Washington was allowing several countries to continue importing crude from Iran despite the sanctions, which officially started on Monday. Front-month Brent crude futures were at \$72.39 per barrel on Monday, down 44 cents, or 0.6 percent from their last close. U.S. WTI crude futures were down 53 cents, or 0.8 percent, at \$62.61 a barrel. Brent has lost more than 16 percent in value since early October, while WTI has declined by more than 18 percent since then.

So far, SGX Nifty traded at 10536. NIFTY Future expected to start the festivity laden truncated week on soft note countering key global events wherein reversal of words from Trump administration on Sino-US trade pact near term on diplomatic color would weigh on equities. On Tuesday, U.S. mid-term elections will determine whether Republicans keep control of Congress, and set the stage for Trump's 2020 re-election bid. Federal Reserve policy makers are meeting on 7 and 8 Nov, and are expected to leave the main interest rate unchanged Thursday at their penultimate gathering of 2018. (Next meet is scheduled for 18-19 Dec). The softening trend crude oil prices prior to US mid-terms would be looked at suspicious stance, for changing stand of Trump administration on many facets. Investors are hoping lower oil prices will benefit India's current account deficit (CAD), ease pressure on the rupee and spur a return of FPI inflows. Corporate results as usual have been mixed with banks reporting stable to improved asset quality, relaying sense that the stress level barring few sectors have reduced and could look up in 2H'19. Investor sentiments will also weigh on Dhanteras, a gold buying festival in India, ahead of the festival of Diwali.

Nifty50 view:

As long as NIFTY Future stays above 10500 level optimism to stay for higher levels. NIFTY likely to outperform Asian peers. *Days Trade Set up* Likely to trade closer to Pivot level of 10562, with 10493 (S1) being demand zone, and 10647 (R1) and above upto 10716 (R2) would attract supply

Noted Corporate Development

- Axis Bank's V Srinivasan will see the end of his term as deputy managing director of the bank on Dec. 20. The board has approved the appointment of Amitabh Chaudhry as Managing Director-Designate from Nov. 19 to Dec. 31, who will take over as the MD and CEO of the bank with effect from Jan. 1 next year.
- Laurus Labs announced the completion of U.S. FDA inspections of its Unit 6 API intermediate facility in Andhra Pradesh with one observation.
- KEC International signed a sales purchase agreement with Adani Transmission regarding the sale of its entire subsidiary for Rs 227.5 crore.
- Johnson Controls-Hitachi Air Conditioning plans to invest Rs 140 crore in setting a development center.
- Strides Pharma Science announced the completion of inspection by the U.S.FDA at its flagship facility in Bangalore with zero Form 483 observations.
- Oriental Carbon & Chemicals will buyback 3.04 lakh shares, representing 2.96 percent of the paid-up equity capital for Rs 1,150 per share, aggregating to Rs 35 crore.
- Force Motors' October Sales stood at 2,202 units while exports stood at 77 units.

SGX Nifty: Daily and Weekly Chart



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