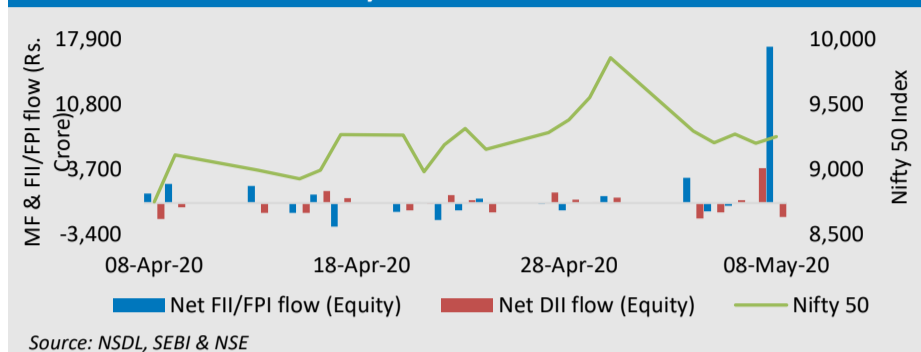


## Macro Economic Release

Indicators	Actual	Consensus	Previous
WPI inflation (Mar 2020)	0.90%	2.00%	2.26%
CPI inflation (Mar 2020)	5.91%	5.93%	6.58%
IIP growth (Feb 2020) (%)	4.50%	3.20%	2.10%
Nikkei India Manufacturing PMI (Apr 2020)	27.40	41.00	51.80

Source: Thomson Reuters Eikon

## FII and DII Investment vs Nifty 50



## Indian Equity Market Performance

Broad Indices	08-May-20	% Change (WoW)	% Change (YoY)	% Change (YTD)
S&P BSE Sensex	31,643	-6.15	-16.27	-23.30
Nifty 50	9,252	-6.17	-18.56	-23.97
S&P BSE 100	9,357	-5.97	-18.41	-23.53
Nifty 500	7,552	-5.75	-19.15	-23.51
Nifty Mid cap 50	3,538	-4.97	-24.67	-24.75
Nifty Small cap 100	3,911	-4.10	-37.55	-32.98

Sector Indices	08-May-20	% Change (WoW)	% Change (YoY)	% Change (YTD)
S&P BSE AUTO	12,345	-7.53	-32.34	-33.22
S&P BSE Bankex	22,211	-10.17	-31.33	-39.43
S&P BSE CD	18,107	-11.78	-20.92	-27.61
S&P BSE CG	11,156	-8.46	-37.29	-34.16
S&P BSE FMCG	10,062	-6.58	-12.11	-11.79
S&P BSE HC	15,271	-0.40	10.21	13.72
S&P BSE IT	13,534	-4.92	-13.31	-12.55
S&P BSE METAL	6,070	-10.01	-44.98	-41.79
S&P BSE Oil & Gas	11,525	-4.49	-22.58	-21.84
S&P BSE Power	1,405	-5.77	-26.92	-27.08
S&P BSE PSU	4,350	-9.09	-39.88	-37.46
S&P BSE Realty	1,315	-9.34	-32.25	-42.34
S&P BSE Teck	6,878	-3.84	-10.04	-10.88

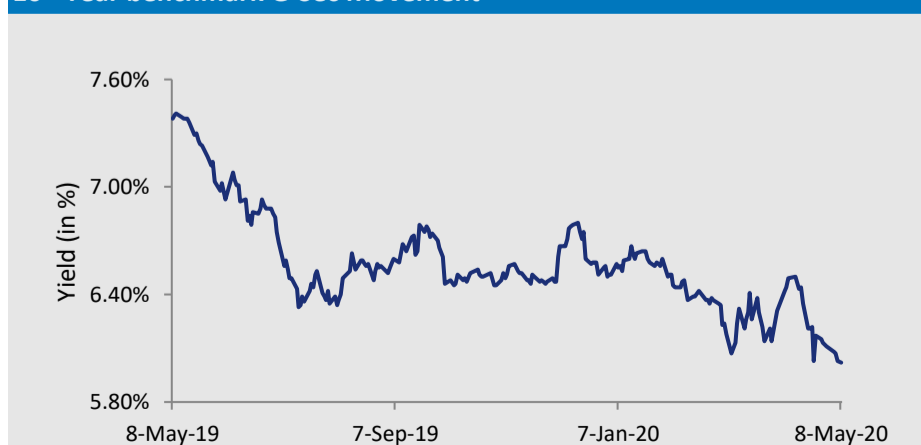
Source: BSE & NSE

## Indian Debt Market Indicators

Broad Indices	08-May-20	Week Ago	Month Ago	Year Ago
Call Rate	3.98%	4.19%	4.24%	5.96%
T-Repo	3.39%	3.75%	2.22%	5.84%
Repo	4.40%	4.40%	4.40%	6.00%
Reverse Repo	3.75%	3.75%	4.00%	5.75%
3 Month CP	5.35%	5.45%	6.20%	7.80%
1 Year CP	6.85%	6.90%	6.75%	8.50%
3 Month CD	4.16%	4.60%	4.53%	7.06%
1 Year CD	4.67%	4.79%	5.79%	7.54%

Source: CCIL, Refinitiv \*As on May 01, 2020; \*\*As on Apr 24, 2020; @As on Apr 03, 2020; @@As on May 03, 2019

## 10 - Year benchmark G-Sec Movement



## Macro economic Update

- Data from a private survey showed that the seasonally adjusted IHS Markit India Manufacturing Purchasing Managers' Index fell to 27.4 in Apr 2020 from 51.8 in Mar 2020. The unprecedented contraction can be attributed to the nationwide lockdown imposed by the government to combat the COVID-19 pandemic. The latest reading depicts the sharpest deterioration in business conditions across the sector since data collection began over 15 years ago. A reading above 50 indicates expansion while below it indicates contraction.
- Data from a private survey showed that India's services sector collapsed in Apr 2020 which can be attributed to the nationwide lockdown imposed by the government to combat the COVID-19 pandemic. The IHS Markit India Services Business Activity Index plummeted to 5.4 in Apr 2020 from 49.3 in Mar 2020 on the back of a sharp drop in new orders during the month under review. This marks an unprecedented fall since the survey began 14 years ago. The IHS Markit India Composite Purchasing Managers' Index (PMI) which takes into account both the manufacturing output and the services output also plunged to a new record low of 7.2 in Apr 2020 from 50.6 in Mar 2020.
- The Central government raised the excise duty on petrol by Rs. 10 per litre and on diesel by Rs. 13 per litre. The move comes after several state government increased the value added tax (VAT) on petrol and diesel to take benefit of the lower price regime. The government aims to gain close to around Rs. 1.6 lakh crore from the record excise duty hike.

## Domestic Equity Market Update

- Indian equity markets ended the week in the red. Investors remained concerned over U.S.- China tension as media reports stated that U.S. intelligence documents accused China of concealing the severity of the coronavirus outbreak to hoard medical supplies. Back home, another extension of the nation-wide lockdown weighed on investor sentiment.
- Rising cases of COVID-19 in India too dented market sentiments. According to the health ministry, the number of Covid-19 cases reached nearly 53,000 with rising deaths rates. Global cues continued to play spoilsport as Bank of England stated that Britain could be headed for its biggest economic slump in over 300 years due to the coronavirus lockdown.
- However, the fall was restricted to some extent by value buying in recent beaten down stocks. Stock specific positive cues provided additional support after an industry behemoth announced that a U.S.-based private equity firm will buy a 2.32% stake in its digital unit, for Rs. 11,367 crore.
- On the BSE sectoral front, the indices closed in the red. S&P BSE Consumer Durables was the major loser, down 11.78%, followed by S&P BSE Bankex and S&P BSE Metal which slipped 10.17% and 10.01%, respectively. Consumer sector was weighed down by weak corporate earning results from one of the industry heavyweights.

## Domestic Debt Market Update

Broad Indices	08-May-20	Week Ago	Month Ago	Year Ago
1 Year AAA Corporate Bond	5.87%	5.72%	6.14%	8.29%
3 Year AAA Corporate Bond	6.49%	6.55%	6.99%	8.27%
5 Year AAA Corporate Bond	6.85%	6.86%	7.39%	8.46%
1 Year G-Sec	3.87%	3.93%	4.58%	6.56%
3 Year G-Sec	4.62%	4.73%	5.51%	7.02%
5 Year G-Sec	5.50%	5.15%	5.91%	7.24%
10 Year G-Sec	5.97%	6.11%	6.44%	7.38%
Forex Reserve (\$ in billion)	481.08*	479.46**	474.66@	418.69@@

## Domestic Debt Market Update

- Bond yields declined following buying by state-run banks and after the central bank announced the auction of a new 10-year paper. Yields declined further as a hike in special additional excise duty on petrol and diesel by Rs. 2 and 5 per litre, respectively eased concerns on rise in fiscal deficit. At the end, sentiments remained positive on aggressive demand for the new 10-year gilt paper at the weekly auction.
- Yield on the 10-year benchmark paper (6.45% GS 2029) plunged 14 bps to close at 5.97% compared with the previous week's close of 6.11% after trading in a range of 5.97% to 6.14%.
- Data from RBI showed that reserve money increased at an annualised rate of 10.0% in the week to May 01, 2020, compared with an increase of 14.2% a year earlier. The currency in circulation rose 15.9% during the week compared with an increase of 14.2% a year earlier. India's money supply (M3) grew 10.7% on a yearly basis in the fortnight ending Apr 24, compared with a rise of 10.0% a year earlier. Demand deposits with bank increased 8.4% for the same period as against a growth of 10.2% a year earlier.
- RBI conducted auction of 91-, 182- and 364-Days Treasury Bills for notified amount of Rs. 15,000 crore, Rs. 16,000 crore and Rs. 14,000 crore, respectively. The cut-off prices stood at Rs. 99.13 (YTM: 3.5202%), Rs. 98.26 (YTM: 3.5499%) and Rs. 96.55 (YTM: 3.5799%), respectively.

## Global Commodity Update

Commodities	08-May-20	% Change (WoW)	% Change (YoY)	% Change (YTD)
NYMEX Crude Oil (\$/barrel)	24.45	24.30	-60.53	-60.04
Brent Crude Oil (\$/barrel)	30.85	15.98	-56.10	-53.27
Gold (\$/ounce)	1700.65	0.09	32.81	12.11
Silver (\$/ounce)	15.45	3.41	4.15	-13.35

Source: Thomson Reuters Eikon

## Currencies Update

Currency	08-May-20	Week Ago	Year Ago
U.S. Dollar	75.58	75.75	69.71
GBP	93.42	94.71	90.67
Euro	81.84	83.16	78.01
100 Yen	70.87	70.84	63.31

Source: Thomson Reuters Eikon

## Global Equity Market Performance

Country/Region	Indices	08-May-20	% Change (WoW)	% Change (YoY)	% Change (YTD)
U.S.	Russell 1000	1616	3.88	1.27	-9.42
U.K.	FTSE*	5,936	3.00	-18.36	-21.30
France	CAC 40	4,550	-0.49	-16.02	-23.89
Germany	DAX	10,904	0.39	-10.47	-17.70
Japan	Nikkei 225	20,179	2.85	-6.59	-14.70
China	Shanghai Composite	2,895	1.23	0.05	-5.07
Hong Kong	Hang Seng	24,230	-1.68	-16.46	-14.05
Singapore	Straits Times	2,592	-1.23	-21.07	-19.58
Russia	RTS Index	1,136	1.01	-7.84	-26.64
Brazil	Sao Paulo Se Bovespa	80,263	-0.30	-16.04	-30.60

Source: Thomson Reuters Eikon

\* As on 07-May-2020

## Global Bond Yield Update

Indicators	08-May-20	Week ago	Month ago	Year ago
U.S. 10 Year Bond yield (%)	0.68	0.64	0.76	2.48
U.K. 10 Year Bond yield (%)	0.23	0.25	0.38	1.14
German 10 Year Bond yield (%)	-0.53	-0.59	-0.31	-0.04
Japan 10 Year Bond yield (%)	0.00	-0.03	0.01	-0.06

Source: Thomson Reuters Eikon

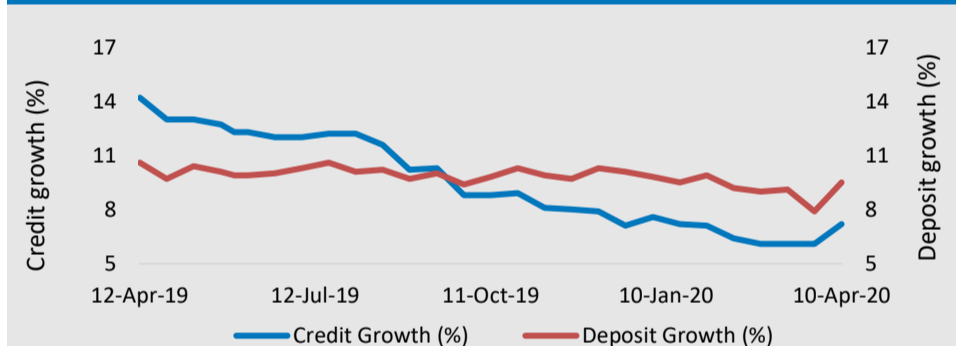
## Global Economic Calendar

Economic Events	Release date	Actual	Consensus	Previous
Eurozone Sentix Index May 2020	4-May	-41.8	-33.5	-42.9
U.S. Markit Services PMI Apr 2020	5-May	26.7	27.0	27.0
Eurozone Markit Comp PMI Apr 2020	6-May	13.6	13.5	13.5
U.S. Non-Farm Payrolls Apr 2020	8-May	-0.8%	-1.0%	-0.6%

Source: FX Street; Thomson Reuters Eikon

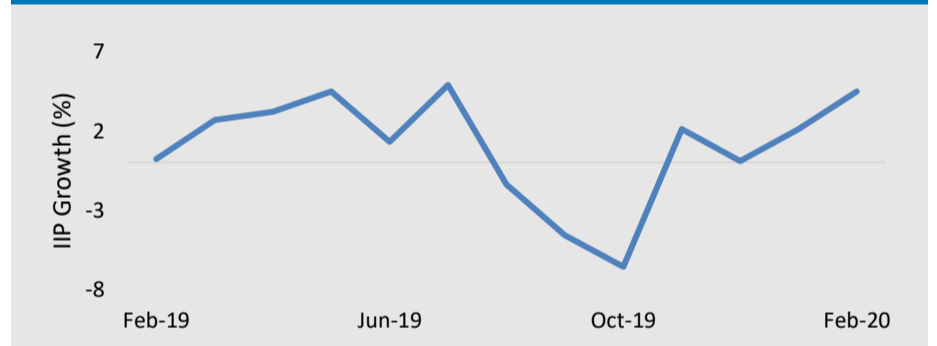
## Macro Economic Performance of India

### Credit growth vs Deposit growth



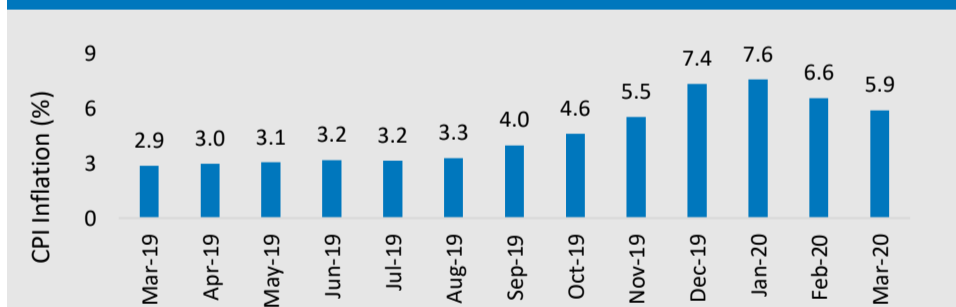
Source: Thomson Reuters Eikon

### IIP Growth (%)



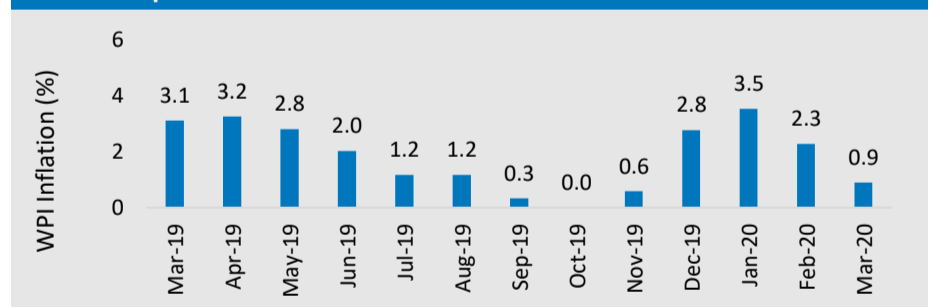
Source: Thomson Reuters Eikon

### Retail inflation movement



Source: Thomson Reuters Eikon

### Wholesale price inflation movement



Source: Thomson Reuters Eikon

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