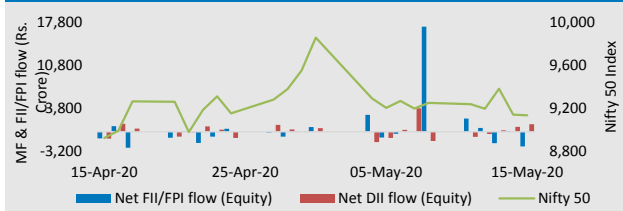


## Macro Economic Release

Indicators	Actual	Consensus	Previous
CPI inflation (Mar 2020)	5.84%	5.93%	6.58%
IIP growth (Mar 2020) (%)	-16.70%	-8.70%	4.60%
Trade Deficit (\$ billion) (Apr 2020)	6.76	7.50	9.76
Nikkei India Manufacturing PMI (Apr 2020)	27.40	41.00	51.80

Source: Thomson Reuters Eikon; MoSPI (for CPI inflation data)

## FII and DII Investment vs Nifty 50



Source: NSDL, SEBI & NSE

## Indian Equity Market Performance

Broad Indices	15-May-20	% Change (WoW)	% Change (YoY)	% Change (YTD)
S&P BSE Sensex	31,098	-1.72	-16.21	-24.62
Nifty 50	9,137	-1.24	-18.11	-24.91
S&P BSE 100	9,264	-0.99	-17.70	-24.29
Nifty 500	7,504	-0.63	-18.08	-23.99
Nifty Mid cap 50	3,619	2.29	-21.08	-23.03
Nifty Small cap 100	3,935	0.63	-35.16	-32.56

Sector Indices	15-May-20	% Change (WoW)	% Change (YoY)	% Change (YTD)
S&P BSE AUTO	13,025	5.51	-26.47	-29.54
S&P BSE Bankex	21,576	-2.86	-32.47	-41.16
S&P BSE CD	18,318	1.16	-21.66	-26.76
S&P BSE CG	11,670	4.62	-32.83	-31.12
S&P BSE FMCG	10,078	0.16	-11.15	-11.64
S&P BSE HC	15,029	-1.58	12.57	11.92
S&P BSE IT	13,314	-1.63	-13.25	-13.97
S&P BSE METAL	6,322	4.14	-38.87	-39.38
S&P BSE Oil & Gas	11,200	-2.82	-22.00	-24.04
S&P BSE Power	1,444	2.78	-21.46	-25.06
S&P BSE PSU	4,399	1.13	-37.75	-36.75
S&P BSE Realty	1,346	2.38	-30.24	-40.97
S&P BSE Teck	6,868	-0.14	-8.67	-11.01

Source: BSE & NSE

## Macro economic Update

- India's Index of industrial production (IIP) plunged 16.7% YoY in Mar 2020 compared with 2.7% rise seen in Mar 2019. Fall was mainly due to 20.6% YoY sharp fall in manufacturing output in Mar 2020 while electricity output fell 6.8%. Factories closed down towards the Mar end due to the nationwide lockdown. Industrial output growth during FY19-20 slowed substantially to 0.5% from 4% rise in FY18-19.
- According to the data released by the commerce and industry ministry, India's exports and imports plunged 60.28% YoY and 58.65% YoY to \$10.36 billion and \$17.12 billion, respectively in Apr 2020. As a result, trade deficit contracted significantly to \$6.76 billion in Apr 2020 from \$15.33 billion in Apr 2019. Exports witnessed its steepest monthly fall in at least 25 years, as manufacturing units were closed amid country lockdown to contain the spread of coronavirus.
- India's Wholesale Food Price Index based inflation slowed down to 3.60% YoY in Apr 2020 from 5.49% in Mar 2020. The government suspended the release of the headline wholesale inflation number due to the nationwide lockdown-led disruptions in data collection.
- Finance minister announced 15 relief measures as part of economic stimulus package in a bid to revive economy impacted by lockdown amid covid-19 pandemic and make India self-reliant (Atmanirbhar Bharat). India will provide Rs. 3 lakh crore worth collateral-free loans to small businesses for four years.

## Domestic Equity Market Update

- Indian equity markets fell for the second consecutive week with investors cautiously following the developments on the coronavirus front. Initial positive cues generated from hopes of an economic recovery in the event of phased easing of coronavirus lockdowns across the country was neutralised by selling pressure in bank and financial stocks.
- Weak global cues played spoilsport amid worries about a second wave of coronavirus infections after the Chinese city where the pandemic originated reported its first new cases since its lockdown was lifted. Meanwhile, U.S. Federal Reserve Chairman warned of extended economic weakness owing to the coronavirus pandemic in the world's biggest economy.
- Profit booking in the stocks of some index heavyweights further dragged the markets.
- The downturn was restricted as investors welcomed the Rs. 20 trillion - stimulus package announced by the government to revive the economy in the wake of the COVID-19 pandemic. However, a slew of announcements by the finance minister later targeting various sectors did little to lift buying interest.
- On the BSE sectoral front, S&P BSE Bankex was the major loser down 2.86%, followed by S&P BSE Oil & Gas and S&P BSE IT, which slipped 2.82% and 1.63%, respectively.
- Meanwhile, S&P BSE Auto was the major gainer, up 5.51%, followed by S&P BSE Capital Goods and S&P BSE Metal, which rose 4.62% and 4.14%, respectively. S&P BSE Power and S&P BSE Realty edged up 2.78% and 2.38%, respectively.

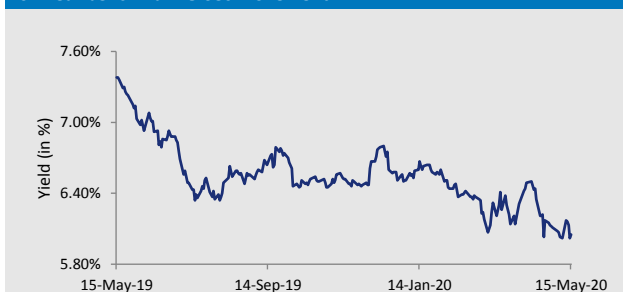
## Indian Debt Market Indicators

Broad Indices	15-May-20	Week Ago	Month Ago	Year Ago
Call Rate	3.97%	3.98%	4.27%	5.95%
T-Repo	3.00%	3.39%	3.47%	5.88%
Repo	4.40%	4.40%	4.40%	6.00%
Reverse Repo	3.75%	3.75%	4.00%	5.75%
3 Month CP	4.55%	5.35%	6.60%	7.50%
1 Year CP	6.55%	6.85%	6.85%	8.40%
3 Month CD	3.57%	4.16%	4.68%	7.16%
1 Year CD	4.60%	4.67%	5.64%	7.52%

Source: CCIL, Refinitiv \*As on May 08, 2020; \*\*As on May 01, 2020; @As on Apr 10, 2020; @@As on May 10, 2019

Broad Indices	15-May-20	Week Ago	Month Ago	Year Ago
1 Year AAA Corporate Bond	5.90%	5.87%	5.95%	8.24%
3 Year AAA Corporate Bond	6.58%	6.49%	6.66%	8.41%
5 Year AAA Corporate Bond	7.00%	6.85%	7.30%	8.45%
1 Year G-Sec	3.82%	3.87%	4.36%	6.48%
3 Year G-Sec	4.76%	4.62%	5.29%	6.95%
5 Year G-Sec	5.59%	5.50%	5.77%	7.15%
10 Year G-Sec	6.08%	5.97%	6.43%	7.38%
Forex Reserve (\$ in billion)	485.31*	481.08**	476.48 <sup>®</sup>	420.06 <sup>®®</sup>

## 10 - Year benchmark G-Sec Movement



Source: Thomson Reuters Eikon

## Domestic Debt Market Update

- Bond yields rose as lack of any announcement from the Reserve Bank of India on the upsized government borrowing plan hurt investor's sentiment.
- However, losses were restricted as state-run banks stepped up purchases after the announcement of an economic stimulus package by the Prime Minister in the speech on May 12, 2020. Prime Minister said that Rs. 20 lakh crore package, almost amounting to 10% of India's gross domestic product, will be aimed at migrant labour, the middle class and industry.
- Yield on the 10-year benchmark paper (6.45% GS 2029) rose 11 bps to close at 6.08% compared with the previous week's close of 5.97% after trading in a range of 5.99% to 6.25%.
- RBI conducted auction of state development loan of 10 state governments for the notified amount of Rs. 10,750 crore, for which whole amount was accepted. Tenor of the paper range from 4 year to 10-year. The cut-off yield stood in the range of 5.65% to 6.85%.
- 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. 99.14 (YTM: 3.48%), Rs. 98.15 (YTM: 3.79%) and Rs. 96.31 (YTM: 3.84%), respectively.

## Weekly Market Update

15 May 2020

## Global Commodity Update

Commodities	15-May-20	% Change (WoW)	% Change (YoY)	% Change (YTD)
NYMEX Crude Oil (\$/barrel)	29.53	20.78	-52.42	-51.73
Brent Crude Oil (\$/barrel)	32.58	5.61	-54.72	-50.65
Gold (\$/ounce)	1741	2.37	34.29	14.77
Silver (\$/ounce)	16.62	7.57	12.34	-6.79

Source: Thomson Reuters Eikon

## Currencies Update

Currency	15-May-20	Week Ago	Year Ago
U.S. Dollar	75.82	75.51	70.23
GBP	91.77	93.69	90.23
Euro	82.00	81.85	78.66
100 Yen	70.82	70.78	64.07

Source: Thomson Reuters Eikon

## Global Equity Market Performance

Country/Region	Indices	15-May-20	% Change (WoW)	% Change (YoY)	% Change (YTD)
U.S.	Russell 1000	1577.46	-2.39	-0.15	-11.59
U.K.	FTSE	5,800	-2.29	-20.52	-23.10
France	CAC 40	4,278	-5.98	-20.41	-28.44
Germany	DAX	10,465	-4.03	-13.51	-21.01
Japan	Nikkei 225	20,037	-0.70	-5.43	-15.30
China	Shanghai Composite	2,868	-0.93	-2.39	-5.96
Hong Kong	Hang Seng	23,797	-1.79	-15.82	-15.58
Singapore	Straits Times	2,524	-2.64	-21.60	-21.70
Russia	RTS Index	1,107	-2.54	-11.19	-28.50
Brazil	Sao Paulo Se Bovespa	77,557	-3.37	-15.35	-32.94

Source: Thomson Reuters Eikon

## Global Bond Yield Update

Indicators	15-May-20	Week ago	Month ago	Year ago
U.S. 10 Year Bond yield (%)	0.64	0.68	0.64	2.38
U.K. 10 Year Bond yield (%)	0.23	0.23	0.30	1.07
German 10 Year Bond yield (%)	-0.53	-0.53	-0.46	-0.10
Japan 10 Year Bond yield (%)	0.00	0.00	0.02	-0.05

Source: Thomson Reuters Eikon

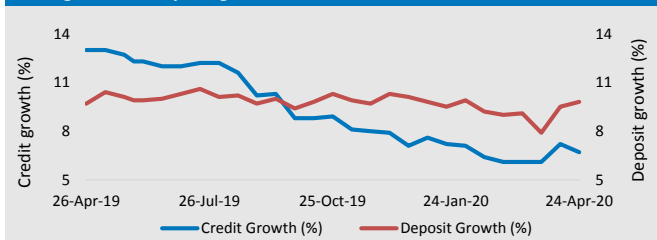
## Global Economic Calendar

Economic Events	Release date	Actual	Consensus	Previous
China New Loans (Apr)	11-May	1700B	1400B	2850B
China Consumer Price Index (YoY) (Apr)	12-May	3.30%	3.70%	4.30%
U.S. Consumer Price Index (YoY) (Apr)	12-May	0.30%	0.40%	1.50%
Eurozone Preliminary GDP (QoQ) (Q1)	15-May	-3.80%	-3.80%	-3.80%

Source: FX Street; Thomson Reuters Eikon

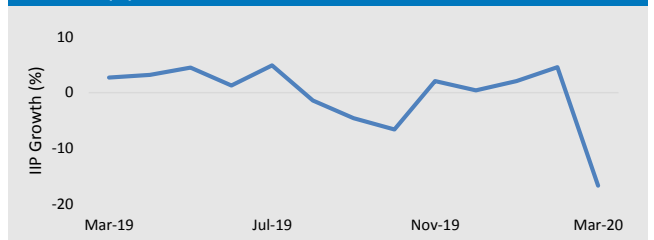
## Macro Economic Performance of India

## Credit growth vs Deposit growth



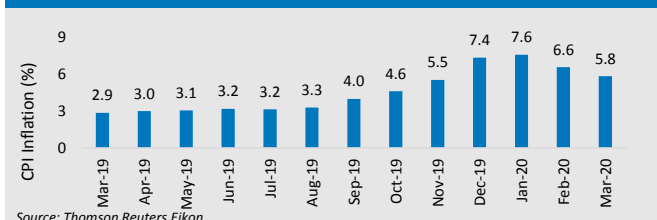
Source: Thomson Reuters Eikon

## IIP Growth (%)



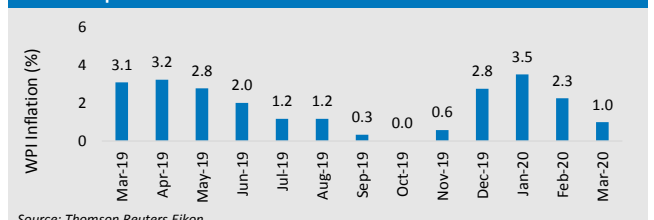
Source: Thomson Reuters Eikon

## Retail inflation movement



Source: Thomson Reuters Eikon

## Wholesale price inflation movement



Source: Thomson Reuters Eikon

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