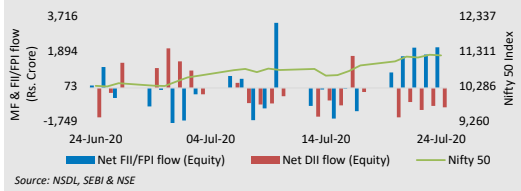


## Macro Economic Release

Indicators	Actual	Consensus	Previous
Imports (\$ billion) (Jun 2020)	21.11	NA	22.20
Exports (\$ billion) (Jun 2020)	21.91	NA	19.05
Trade Deficit (\$ billion) (Jun 2020)	-0.80	4.50	3.15
WPI Inflation (Jun 2020)	-1.81%	-2.40%	-3.21%

Source: Refinitiv

## FI and DII Investment vs Nifty 50



Source: NSDL, SEBI & NSE

## Indian Equity Market Performance

Broad Indices	24-Jul-20	% Change (WoW)	% Change (YoY)	% Change (YTD)
S&P BSE Sensex	38,129	3.00	0.74	-7.57
Nifty 50	11,194	2.68	-0.68	-8.01
S&P BSE 100	11,233	2.31	-1.03	-8.20
Nifty 500	9,086	2.14	-0.81	-7.97
Nifty Mid cap 50	4,286	0.90	-1.92	-8.83
Nifty Small cap 100	4,989	2.83	-12.56	-14.49

Sector Indices	24-Jul-20	% Change (WoW)	% Change (YoY)	% Change (YTD)
S&P BSE AUTO	16,343	1.12	2.71	-11.59
S&P BSE Bankex	25,684	3.26	-21.38	-29.96
S&P BSE CD	21,843	3.61	-3.95	-12.67
S&P BSE CG	12,813	-0.81	-27.60	-24.38
S&P BSE FMCG	11,477	-1.20	3.53	0.63
S&P BSE HC	17,083	-0.24	35.19	27.21
S&P BSE IT	17,378	1.95	12.42	12.29
S&P BSE METAL	7,567	-0.80	-25.39	-27.43
S&P BSE Oil & Gas	13,680	2.93	-0.80	-7.22
S&P BSE Power	1,556	2.51	-22.35	-19.22
S&P BSE PSU	5,065	2.14	-29.50	-27.19
S&P BSE Realty	1,564	1.08	-25.61	-31.41
S&P BSE Teck	8,521	1.19	11.95	10.41

Source: BSE & NSE

## Macro economic Update

- RBI warned that macro tests undertaken for ascertaining the credit risk indicate that the gross non-performing asset ratio of all scheduled commercial banks may increase from 8.5% in Mar 2020 to 12.5% by Mar 2021 under the baseline scenario which again might rise further to 14.7% under a very severely stressed scenario. RBI also opined that banks turned risk averse due to a series of credit defaults in 2019 as a result of which market access became difficult which resulted in funding constraints.
- RBI in its Financial Stability Report noted that both gross bad loans and aggregate loan portfolios came down under the large borrower category for the period from Mar 2018 to Mar 2020. However, formation of non-performing assets and credit increased under small borrower category during the same period.
- Data from Employees' Provident Fund Organisation (EPFO) showed that net employment creation in the formal sector stood at 3.19 lakh in May 2020 and 1.00 lakh in Apr 2020. Thus, 4.19 lakh net jobs were created in Apr 2020 and May 2020.
- Data showed that the total number of registered companies in the country as on Jun 2020 stood at 2,014,969. Out of them, 746,278 companies were closed, 2,242 companies were assigned dormant status as per the Companies Act, 2013, 6,706 were under liquidation and 43,770 companies were in the process of being struck-off. Thus, the total number of active companies as on Jun 2020 stood at 1,215,973.

## Domestic Equity Market Update

- Indian equity markets extended the rally led by a host of positive global cues. Risk appetite of investors increased after European Union leaders approved a massive stimulus package to counter the economic impact of coronavirus.
- Hopes for a coronavirus vaccine also lifted risk appetite after the first set of results from initial-stage clinical trials of the Oxford University COVID-19 vaccine candidate showed the vaccine is safe and induces an immune reaction.
- A series of encouraging corporate earning numbers also improved market sentiments.
- Nonetheless, gains largely remained restricted by the growing cases of coronavirus infection during the week.
- On the BSE sectoral front, majority of the indices closed in the green. S&P BSE Consumer Durables was the top gainer, up 3.61%, followed by S&P BSE Bankex and S&P BSE Oil & Gas which rose 3.26% and 2.93%, respectively.
- Consumer sector rose amid reports that foreign portfolio investors are giving preference to the companies benefiting from the pandemic led demand amongst which consumer sector is included.
- Meanwhile, S&P BSE FMCG was the major loser, down 1.20%, followed by S&P BSE Capital Goods and S&P BSE Metal which slipped 0.81% and 0.80%, respectively.

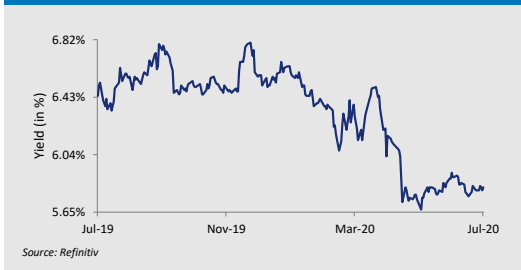
## Indian Debt Market Indicators

Broad Indices	24-Jul-20	Week Ago	Month Ago	6 Months Ago	Year Ago
Call Rate	3.42%	3.49%	3.54%	4.96%	5.58%
T-Repo	3.18%	3.17%	2.00%	5.00%	5.49%
Repo	4.00%	4.00%	4.00%	5.15%	5.75%
Reverse Repo	3.35%	3.35%	3.35%	4.90%	5.50%
3 Month CP	3.65%	3.65%	3.95%	5.75%	6.40%
1 Year CP	4.45%	4.45%	5.35%	6.70%	7.60%
3 Month CD	3.30%	3.28%	3.26%	5.61%	6.28%
1 Year CD	3.85%	3.76%	4.11%	6.13%	6.93%

Source: CCL, Refinitiv \*\* As on Jul 17, 2020; \*\*\* As on Jul 10, 2020; @ As on Jun 19, 2020; @#@ As on Jan 24, 2020; @#@#@ As on Jul 19, 2019

Broad Indices	24-Jul-20	Week Ago	Month Ago	6 Months Ago	Year Ago
1 Year AAA Corporate Bond	5.20%	5.26%	5.50%	6.54%	7.79%
3 Year AAA Corporate Bond	5.79%	5.75%	6.14%	7.12%	7.62%
5 Year AAA Corporate Bond	6.43%	6.31%	6.69%	7.23%	7.73%
1 Year G-Sec	3.63%	3.58%	3.71%	5.45%	5.93%
3 Year G-Sec	4.68%	4.32%	4.51%	6.23%	6.26%
5 Year G-Sec	4.94%	4.88%	5.43%	6.38%	6.40%
10 Year G-Sec	5.82%	5.81%	5.92%	6.58%	6.44%
Forex Reserve (\$ in billion)	517.64 <sup>@</sup>	516.36 <sup>**</sup>	505.57 <sup>@</sup>	466.69 <sup>@@</sup>	430.38 <sup>@#@@</sup>

## 10 - Year benchmark G-Sec Movement



Source: Refinitiv

## Domestic Debt Market Update

- Bond yields rose amid thin volumes with the market participants anticipating bond supportive steps from the Reserve Bank of India (RBI) in the coming months to ease oversupply concerns.
- RBI conducted auction of government securities - 5.22% GS 2025, 6.19% GS 2034 and 7.16% GS 2050 for notified amount of Rs. 30,000 crore and accepted was Rs. 34,000 crore. Cut-off price was of Rs. 101.20/4.9391%, 100.28/6.1595% and 109.82/6.4185%, respectively. Green Shoe option of Rs. 2000 crore each was exercised in 6.19% GS 2034 and 7.16% GS 2050.
- RBI conducted the auction of five government securities that were switched for an aggregate amount of Rs. 30,000 crore out of which accepted amount was Rs. 19,167 crore. Out of accepted amount in sourced or short term securities, Rs. 18,785.19 crore were considered for destination or longer run securities.
- RBI conducted the auction of five state government securities for a notified amount of Rs. 9,000 crore for which amount of Rs. 10,000 crore was accepted. Cut off yield stood in the range of 4.52% and 6.49%. Kerala has not accepted any amount in the 7 year security. Maharashtra has accepted an additional amount of Rs. 1000 crore. Tamil Nadu has accepted an additional amount of Rs. 250 crore in each of its two securities.

[1] Data as on 22 Jul, 2020

## Global Commodity Update

Commodities	24-Jul-20	% Change (WoW)	% Change (YoY)	% Change (YTD)
NYMEX Crude Oil (\$/barrel)	41.26	2.69	-26.14	-32.56
Brent Crude Oil (\$/barrel)	43.30	0.46	-31.38	-34.41
Gold (\$/ounce)	1,900.98	5.09	33.33	25.31
Silver (\$/ounce)	22.74	17.76	37.07	27.54

Source: Refinitiv

## Global Equity Market Performance

Country/Region	Indices	24-Jul-20	% Change (WoW)	% Change (YoY)	% Change (YTD)
U.S.	Russell 1000	1,783.84	-0.29	6.57	-0.02
U.K.	FTSE	6,124	-2.65	-18.36	-18.81
France	CAC 40	4,956	-2.23	-11.58	-17.09
Germany	DAX	12,838	-0.63	2.52	-3.10
Japan <sup>(1)</sup>	Nikkei 225	22,752	0.24	4.80	-3.83
China	Shanghai Composite	3,197	-0.54	9.36	4.81
Hong Kong	Hang Seng	24,705	-1.53	-13.39	-12.36
Singapore	Straits Times	2,580	-1.49	-23.42	-19.96
Russia	RTS Index	1,256	3.27	-6.24	-18.91
Brazil	Sao Paulo Se Bovespa	102,382	-0.49	-1.67	-11.47

Source: Refinitiv

## Currencies Update

Currency	24-Jul-20	Week Ago	Month ago	6 Months Ago	Year Ago
U.S. Dollar	74.75	74.88	75.65	71.32	68.97
GBP	95.61	94.09	93.94	93.26	86.10
Euro	87.11	85.56	85.11	78.62	76.83
100 Yen	70.41	69.97	70.66	65.26	63.74

Source: Refinitiv

## Global Bond Yield Update

Indicators	24-Jul-20	Week ago	Month ago	6 Months Ago	Year ago
U.S. 10 Year Bond yield (%)	0.59	0.63	0.68	1.68	2.05
U.K. 10 Year Bond yield (%)	0.15	0.16	0.19	0.56	0.68
German 10 Year Bond yield (%)	-0.44	-0.45	-0.43	-0.33	-0.38
Japan 10 Year Bond yield (%)	0.02	0.01	0.01	-0.02	-0.14

Source: Refinitiv

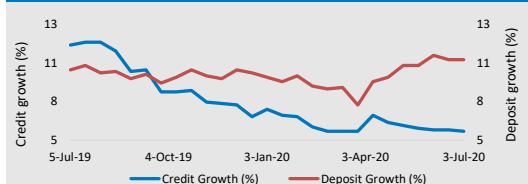
## Global Economic Calendar

Economic Events	Release date	Actual	Consensus	Previous
China Loan Prime Rate 1Y Jul 2020	20-Jul	0.04	NA	0.04
U.K. PSNB Ex Banks GBP Jun 2020	21-Jul	£35.53 B	£41.50 B	£45.47 B
U.S. Existing Home Sales Jun 2020	22-Jul	4.72 M	4.78 M	3.91 M
U.S. Initial Jobless Claims W 18 Jul	23-Jul	1416.00 K	1300.00 K	1307.00 K

Source: Refinitiv

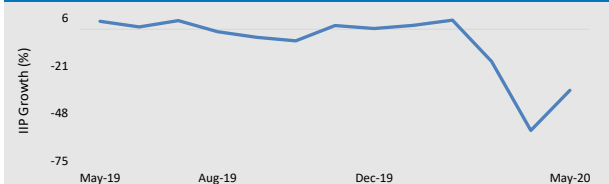
## Macro Economic Performance of India

### Credit growth vs Deposit growth



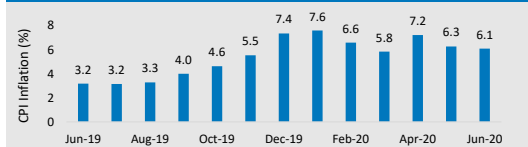
Source: Refinitiv

### IIP Growth (%)



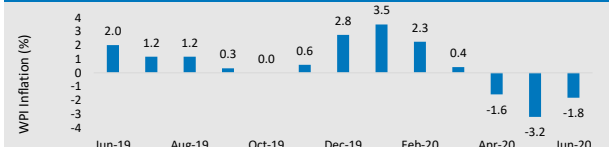
Source: Refinitiv

### Retail inflation movement



Source: Refinitiv

### Wholesale price inflation movement



Source: Refinitiv

<sup>(1)</sup>Data as on 22 Jul, 2020

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