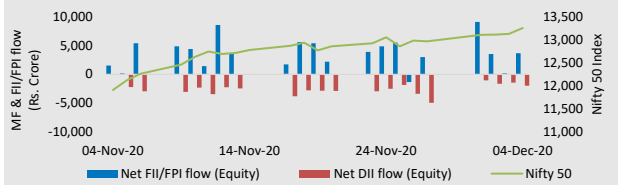


## Macro Economic Release

Indicators	Actual	Consensus	Previous
Nikkei India Services PMI (Nov 2020)	53.7	55.5	54.10
Nikkei India Manufacturing PMI (Nov 2020)	56.3	57.3	58.9
Forex Reserve (Nov 27, 2020) (\$ Billion)	574.82	NA	575.29
GDP Quarterly Growth (Q2FY21)	-7.5%	-8.8%	-23.9%

Source: Refinitiv

## FII and DII Investment vs Nifty 50



Source: NSDL, SEBI & NSE

## Macro economic Update

- The Monetary Policy Committee (MPC) in its monetary policy review kept key policy repo rate unchanged at 4.0%. The reverse repo rate thus remained unchanged at 3.35% and the marginal standing facility rate and the bank rate also stood unchanged at 4.25%. The MPC also decided to continue with its accommodative stance as long as necessary – at least during the current financial year and into the next financial year – to revive growth of the Indian economy on a durable basis and mitigate the impact of COVID-19 pandemic on the economy, while ensuring that inflation remains within the target going forward. All the members of the MPC unanimously voted for keeping the policy repo rate unchanged and continuing with the accommodative stance on the monetary policy.
- Data from a private survey showed that the growth in the Indian manufacturing sector lost momentum in Nov 2020. The seasonally adjusted IHS Markit India Manufacturing Purchasing Managers' Index (PMI) fell to 56.3 in Nov 2020 from 58.9 in Oct 2020.
- Results from a private survey showed that the seasonally adjusted India Services Business Activity Index came above the critical 50.0 mark that separates growth from contraction for the second month in a row in Nov 2020. However, the same fell from 54.1 in Oct 2020 to 53.7 in Nov 2020. The Composite PMI Output Index also came down to 56.3 in Nov 2020 from 58.0 in Oct 2020.

## Indian Equity Market Performance

Broad Indices	04-Dec-20	% Change (WoW)	% Change (YoY)	% Change (YTD)
S&P BSE Sensex	45,080	2.11	10.35	9.27
Nifty 50	13,259	2.23	10.09	8.96
S&P BSE 100	13,387	2.58	10.49	9.40
Nifty 500	10,979	2.42	12.23	11.21
Nifty Mid cap 50	5,696	2.48	22.42	21.16
Nifty Small cap 100	6,699	1.92	16.63	14.82

Sector Indices	04-Dec-20	% Change (WoW)	% Change (YoY)	% Change (YTD)
S&P BSE AUTO	21,020	4.43	17.27	13.71
S&P BSE Bankex	34,360	1.41	-5.66	-6.30
S&P BSE CD	28,272	4.53	12.73	13.03
S&P BSE CG	17,571	3.23	3.74	3.70
S&P BSE FMCG	11,960	2.00	2.80	4.86
S&P BSE HC	20,977	3.24	54.69	56.21
S&P BSE IT	22,265	2.91	48.04	43.87
S&P BSE METAL	11,039	8.03	13.79	5.86
S&P BSE Oil & Gas	14,019	5.79	-6.23	-4.92
S&P BSE Power	2,084	4.25	9.79	8.21
S&P BSE PSU	5,643	6.57	-19.14	-18.87
S&P BSE Realty	2,239	8.60	2.05	-1.82
S&P BSE Teck	10,302	3.34	36.53	33.49

Source: BSE & NSE

## Domestic Equity Market Update

- Indian equity markets settled for the week with fresh record highs. Investors took initial positive cues from recovery in the GDP data for the Sep quarter, although the same remained in contraction. Consistency in GST revenue figures for Nov also generated positive vibes.
- Additionally, market participants focused on updates on COVID-19 vaccines and cues from the global markets.
- Later market participants keenly awaited for the cues from the MPC's latest monetary policy meeting, held during Dec 2-4 and pinned hopes for upward economic growth forecast.
- The MPC did not disappoint the market by keeping key rates unchanged, as expected, and revised upwards the economic growth projections for FY21 coupled with assurance ample liquidity for the stressed sectors.
- On the BSE sectoral front, all the major indices closed in the green. S&P BSE Realty was the major gainer, up 8.60%, followed by S&P BSE Metal and S&P BSE Oil & Gas, which rose 8.03% and 5.79%, respectively.
- Rate sensitive sector went up with overall positive tone led by the MPC policy meeting.
- Metal sector rose primarily on account of higher capacity utilisation and healthy realizations sequentially. The boosted investment sentiments, along with demand recovery from China is expected to support base metals to trade up.

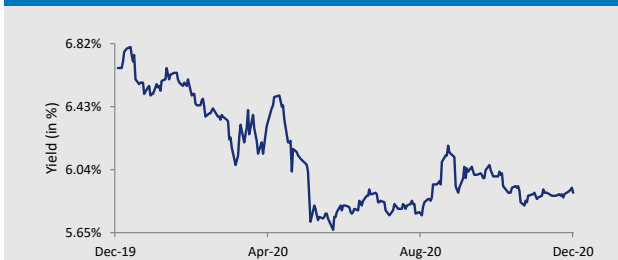
## Indian Debt Market Indicators

Broad Indices	04-Dec-20	Week Ago	Month Ago	6 Months Ago	Year Ago
Call Rate	3.06%	3.13%	3.16%	3.75%	5.02%
T-Repo	3.00%	2.88%	2.96%	3.11%	4.73%
Repo	4.00%	4.00%	4.00%	4.00%	5.15%
Reverse Repo	3.35%	3.35%	3.35%	3.35%	4.90%
3 Month CP	3.30%	3.15%	3.35%	4.35%	5.25%
1 Year CP	4.05%	4.00%	4.30%	5.70%	6.60%
3 Month CD	3.30%	3.22%	3.19%	3.70%	5.01%
1 Year CD	3.61%	3.57%	3.72%	4.08%	5.76%

Source: CCL, Refinitiv \* As on Nov 27, 2020; \*\* As on Nov 20, 2020; @ As on Oct 30, 2020; @@ As on May 29, 2020; @@@ As on Nov 29, 2019

Broad Indices	04-Dec-20	Week Ago	Month Ago	6 Months Ago	Year Ago
1 Year AAA Corporate Bond	4.90%	4.75%	4.93%	5.93%	6.66%
3 Year AAA Corporate Bond	5.31%	5.28%	5.41%	6.45%	7.09%
5 Year AAA Corporate Bond	6.37%	6.39%	6.48%	6.86%	7.39%
1 Year G-Sec	3.69%	3.33%	3.49%	3.77%	5.35%
3 Year G-Sec	4.43%	4.42%	4.62%	4.56%	6.01%
5 Year G-Sec	5.06%	5.08%	5.17%	5.43%	6.16%
10 Year G-Sec	5.90%	5.91%	5.89%	5.80%	6.46%
Forex Reserve (\$ in billion)	574.82*	575.29**	560.72@	493.48@@	451.08@@@

## 10 - Year benchmark G-Sec Movement



Source: Refinitiv

## Domestic Debt Market Update

- Bond yields rose initially ahead of the MPC monetary policy review on Dec 04, 2020, which remained status quo as market expected. However, losses almost reversed as many market participants had expected some liquidity absorbing measure from the Reserve Bank of India (RBI), which was not announced in the meeting.
- Yield on the 10-year benchmark paper (5.77% GS 2030) eased 1 bps to close at 5.90% from the previous week's close of 5.91% after moving in a range of 5.89% to 5.95%.
- RBI conducted the auction of 91 days, 182 days and 364 days Treasury bills auction for a notified amount of Rs. 9,000 crore, Rs. 3,000 crore and Rs. 4,000 crore, respectively, which was completely accepted. The cut-off stood at Rs. 99.2460 (YTM: 3.0473%), Rs. 98.3701 (YTM: 3.3229%) and Rs. 96.7255 (YTM: 3.3947%), respectively.
- According to the RBI's scheduled banks' statement of position in India as on Nov 20, 2020, banks credit and deposit growth stood at 5.82% and 10.90%, respectively.

## Global Commodity Update

Commodities	04-Dec-20	% Change (WoW)	% Change (YoY)	% Change (YTD)
NYMEX Crude Oil (\$/barrel)	46.03	1.23	-21.06	-24.76
Brent Crude Oil (\$/barrel)	48.93	1.43	-22.37	-25.89
Gold (\$/ounce)	1,837.61	2.77	24.66	21.13
Silver (\$/ounce)	24.17	6.48	43.67	35.53

Source: Refinitiv

## Global Equity Market Performance

Country/Region	Indices	04-Dec-20	% Change (WoW)	% Change (YoY)	% Change (YTD)
U.S.	Russell 1000	2,082.21	1.71	20.99	16.70
U.K.	FTSE	6,550	2.87	-8.88	-13.16
France	CAC 40	5,609	0.20	-3.29	-6.17
Germany	DAX	13,299	-0.28	1.21	0.38
Japan	Nikkei 225	26,751	0.40	15.63	13.08
China	Shanghai Composite	3,445	1.06	19.68	12.93
Hong Kong	Hang Seng	26,836	-0.22	2.97	-4.80
Singapore	Straits Times	2,840	-0.56	-10.12	-11.88
Russia	RTS Index	1,357	4.22	-5.08	-12.37
Brazil	Sao Paulo Se Bovespa	113,750	2.87	3.13	-1.64

Source: Refinitiv

## Currencies Update

Currency	04-Dec-20	Week Ago	Month ago	6 Months Ago	Year Ago
U.S. Dollar	73.76	73.93	74.37	75.44	71.47
GBP	99.11	98.43	96.56	95.01	93.65
Euro	89.39	88.44	87.18	85.52	79.16
100 Yen	70.80	71.00	71.13	69.12	65.64

Source: Refinitiv

## Global Bond Yield Update

Indicators	04-Dec-20	Week ago	Month ago	6 Months Ago	Year ago
U.S. 10 Year Bond yield (%)	0.97	0.84	0.77	0.82	1.78
U.K. 10 Year Bond yield (%)	0.35	0.29	0.21	0.31	0.74
German 10 Year Bond yield (%)	-0.54	-0.59	-0.64	-0.32	-0.32
Japan 10 Year Bond yield (%)	0.03	0.03	0.03	0.03	-0.03

Source: Refinitiv

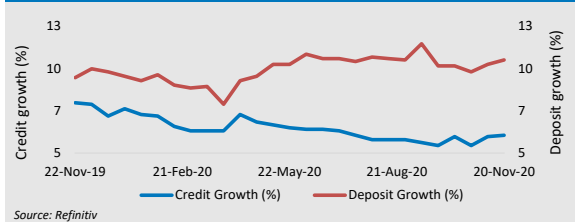
## Global Economic Calendar

Economic Events	Release date	Actual	Consensus	Previous
U.S. Markit Mfg PMI Final Nov 2020	1-Dec	56.70	56.70	53.40
Euro Zone Unemployment Rate Oct 2020	2-Dec	8.4%	8.4%	8.5%
U.S. Initial Jobless Claims W 28 Nov	3-Dec	712K	725K	787K
U.S. Non-Farm Payrolls Nov 2020	4-Dec	245K	469K	610K

Source: FX Street; Refinitiv

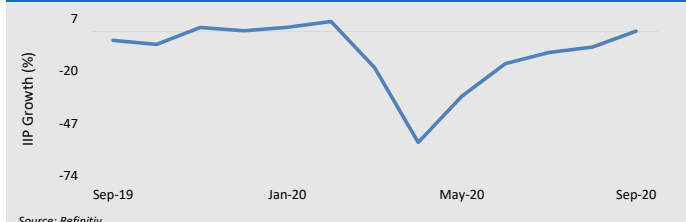
## Macro Economic Performance of India

### Credit growth vs Deposit growth



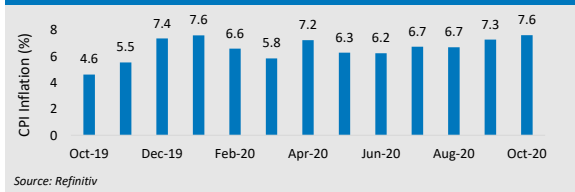
Source: Refinitiv

### IIP Growth (%)



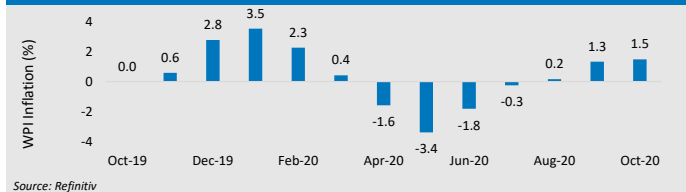
Source: Refinitiv

### Retail inflation movement



Source: Refinitiv

### Wholesale price inflation movement



Source: Refinitiv

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