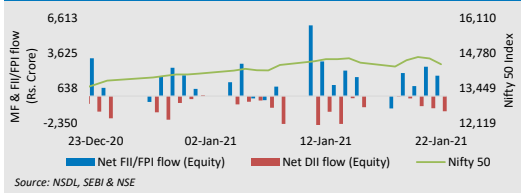


## Macro Economic Release

Indicators	Actual	Consensus	Previous
CPI Inflation (Dec 2020)	4.59%	5.28%	6.93%
IIP Growth (Nov 2020)	-1.94%	-0.40%	4.19%
WPI Inflation (Dec 2020)	1.22%	1.30%	1.55%
Trade Deficit (\$ billion) (Dec 2020)	15.44	15.70	9.87

Source: Refinitiv

## FII and DII Investment vs Nifty 50



## Indian Equity Market Performance

Broad Indices	22-Jan-21	% Change (WoW)	% Change (YoY)	% Change (YTD)
S&P BSE Sensex	48,879	-0.32	18.88	2.36
Nifty 50	14,372	-0.43	18.71	2.79
S&P BSE 100	14,524	-0.47	18.81	3.01
Nifty 500	11,855	-0.64	19.18	2.92
Nifty Mid cap 50	6,244	-1.33	26.87	6.32
Nifty Small cap 100	7,348	-0.72	17.71	3.68

Sector Indices	22-Jan-21	% Change (WoW)	% Change (YoY)	% Change (YTD)
S&P BSE AUTO	23,705	3.24	29.19	13.90
S&P BSE Bankex	35,380	-3.18	1.17	-1.42
S&P BSE CD	30,978	2.71	20.88	1.92
S&P BSE CG	20,099	2.39	17.77	7.22
S&P BSE FMCG	12,669	-0.66	7.13	0.47
S&P BSE HC	21,334	-3.18	52.35	-1.60
S&P BSE IT	26,413	0.23	64.07	8.93
S&P BSE METAL	11,546	-6.48	12.99	-0.46
S&P BSE Oil & Gas	14,512	-2.97	1.22	3.00
S&P BSE Power	2,092	-1.03	7.19	1.47
S&P BSE PSU	5,900	-5.18	-12.03	2.06
S&P BSE Realty	2,535	-3.20	3.17	2.31
S&P BSE Teck	12,102	-0.58	50.15	9.02

Source: BSE & NSE

## Macro economic Update

- Data from the Ministry of Labor & Employment showed that the All-India Consumer Price Index Numbers for Agricultural Laborers (CPI-AL) and Rural Laborers and (CPI-RL) decreased to 3.25% and 3.34% in Dec 2020 from 6.00% and 5.86% respectively in Nov 2020. Inflation based on food index of CPI-AL and CPI-RL stood at 2.97% and 2.96% respectively in Dec 2020.
- Government data showed that the Employees' Provident Fund Organization (EPFO) added around 10.11 lakh net subscribers in Nov 2020. For the current fiscal from Apr 2020 to Nov 2020, EPFO added around 45.29 lakh net subscribers.
- According to media reports, the Centre aims to complete the awarding of the projects envisaged under its flagship development program for highways, Bharatmala, by 2023. In addition to 10,000 km of road balance works under the National Highway Development Programme, the first phase of the Bharatmala scheme approved in 2017 involves the construction of 24,800 km of national highways (NHDP).
- According to media reports, the Indian government is considering tightening the foreign direct investment (FDI) rules for e-commerce sector. The move comes amid reports that there are some e-commerce companies who are being non-compliant and are holding indirect stakes in different affiliates.

## Domestic Equity Market Update

- Indian equity markets settled with modest losses, although Sensex breached the 50,000-mark for the first time during the week.
- Bourses went down with investors booking profit after a record-breaking streak ahead of Union Budget presentation on Feb 1.
- Weak global cues also kept market participants wary as growing coronavirus infections around the world sparked worries about a slow recovery from the pandemic.
- Towards the weekend investor sentiments were hurt by news reports of a massive fire at the Pune-based Serum Institute of India, the manufacturer of Covidshield vaccine.
- The downturn was cushioned by positive vibes generated from better-than-expected corporate earnings for the Dec quarter and hopes of favourable economic reforms in the upcoming Union Budget.
- Global cues also soothed investor nerves following swearing-in of the 46th President of the United States. Expectations of hefty U.S. spending, after U.S. Treasury Secretary nominee urged lawmakers to act big to save the economy, further supported buying interest.
- On the BSE sectoral front, majority of the indices closed in the red. S&P BSE Metal was the major loser, down 6.48%, followed by S&P BSE Realty and S&P BSE Healthcare, which slipped 3.20% and 3.18%, respectively.
- The major sectors were weighed down by profit booking following recent gains.

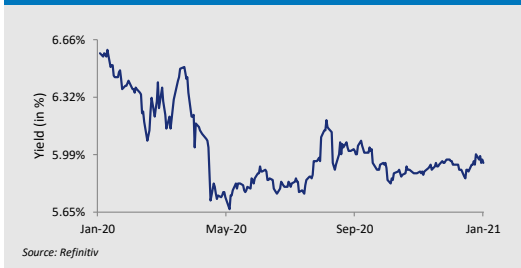
## Indian Debt Market Indicators

Broad Indices	22-Jan-21	Week Ago	Month Ago	6 Months Ago	Year Ago
Call Rate	3.20%	3.22%	3.26%	3.48%	4.98%
T-Repo	3.23%	3.20%	3.25%	3.18%	5.00%
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	3.85%	3.75%	3.35%	3.65%	5.80%
1 Year CP	4.50%	4.40%	4.15%	4.45%	6.80%
3 Month CD	3.38%	3.32%	3.11%	3.32%	5.65%
1 Year CD	3.92%	3.90%	3.75%	3.84%	6.03%

Broad Indices	22-Jan-21	Week Ago	Month Ago	6 Months Ago	Year Ago
1 Year AAA Corporate Bond	4.60%	4.74%	4.95%	5.32%	6.66%
3 Year AAA Corporate Bond	5.11%	5.33%	5.40%	5.63%	7.15%
5 Year AAA Corporate Bond	6.52%	6.54%	6.30%	6.39%	7.39%
1 Year G-Sec	3.96%	3.91%	3.72%	3.63%	5.43%
3 Year G-Sec	4.71%	4.66%	4.45%	4.36%	6.27%
5 Year G-Sec	5.31%	5.33%	5.09%	4.94%	6.41%
10 Year G-Sec	5.94%	5.99%	5.95%	5.81%	6.64%
Forex Reserve (\$ in billion)	584.24 <sup>**</sup>	586.08 <sup>**</sup>	581.13 <sup>@</sup>	517.64 <sup>@@</sup>	462.16 <sup>@@@</sup>

Source: CCL, Refinitiv <sup>\*</sup>As on Jan 15, 2021; <sup>\*\*</sup>As on Jan 08, 2021; <sup>@</sup>As on Dec 18, 2020; <sup>@@</sup>As on Jul 17, 2020; <sup>@@@</sup>As on Jan 17, 2020

## 10 - Year benchmark G-Sec Movement



## Domestic Debt Market Update

- Bond yields fell initially during the week under review after the Reserve Bank of India (RBI) decided to conduct purchase of Government securities under Open Market Operations (OMO) for an aggregate amount of Rs. 21,000 crore on Jan 21, 2021. Yields fell further after RBI did not accept any bid for the 10-year 5.85% 2030 bond at the weekly debt auction on Jan 22, 2021. The move was aimed at retaining yields in sync with policy benchmarks and it also indicated the discomfort of RBI with higher yields.
- Yield on the 10-year benchmark paper (5.77% GS 2030) fell 5 bps to close at 5.94% from the previous week's close of 5.99%.
- RBI conducted the auction of four government securities- 3.96% GS 2022, 5.15% GS 2025, 5.85% GS 2030 and 6.80% GS 2060 for an aggregate amount of Rs. 27,000 crore for which Rs. 10,170.095 crore was accepted. No bids were accepted for 5.85% GS 2030 while the devolvement on primary dealers for 5.15% GS 2025 stood at Rs. 10,749.905 crore.
- Data from RBI showed that reserve money increased at an annualized rate of 15.2% in the week to Jan 15, 2021, compared with an increase of 11.4% a year earlier. The currency in circulation rose 21.9% during the same week compared with an increase of 11.6% a year earlier.

## Global Commodity Update

Commodities	22-Jan-21	% Change (WoW)	% Change (YoY)	% Change (YTD)
NYMEX Crude Oil (\$/barrel)	51.98	-0.12	-7.23	7.40
Brent Crude Oil (\$/barrel)	55.20	0.56	-11.91	6.73
Gold (\$/ounce)	1,852.55	1.42	18.86	-2.32
Silver (\$/ounce)	25.40	2.69	42.55	-3.64

Source: Refinitiv

## Global Equity Market Performance

Country/Region	Indices	22-Jan-21	% Change (WoW)	% Change (YoY)	% Change (YTD)
U.S.	Russell 1000	2,175.88	1.89	18.49	2.59
U.K.	FTSE	6,695	-0.60	-11.58	3.63
France	CAC 40	5,560	-0.93	-7.51	0.15
Germany	DAX	13,874	0.63	2.65	1.13
Japan	Nikkei 225	28,631	0.39	19.14	4.33
China	Shanghai Composite	3,607	1.13	17.84	3.85
Hong Kong	Hang Seng	29,448	3.06	3.91	8.14
Singapore	Straits Times	2,992	-0.44	-8.06	5.19
Russia	RTS Index	1,418	-3.80	-12.06	2.22
Brazil	Sao Paulo Se Bovespa	117,380	-2.47	-0.85	-1.38

Source: Refinitiv

## Currencies Update

Currency	22-Jan-21	Week Ago	Month ago	6 Months Ago	Year Ago
U.S. Dollar	72.98	73.12	73.85	74.60	71.07
GBP	99.87	99.34	98.67	94.98	93.39
Euro	88.80	88.31	89.81	86.30	78.82
100 Yen	70.31	70.38	71.24	69.62	64.70

Source: Refinitiv

## Global Bond Yield Update

Indicators	22-Jan-21	Week ago	Month ago	6 Months Ago	Year ago
U.S. 10 Year Bond yield (%)	1.09	1.10	0.92	0.60	1.77
U.K. 10 Year Bond yield (%)	0.31	0.29	0.18	0.12	0.64
German 10 Year Bond yield (%)	-0.51	-0.54	-0.59	-0.49	-0.26
Japan 10 Year Bond yield (%)	0.04	0.04	0.01	0.01	0.00

Source: Refinitiv

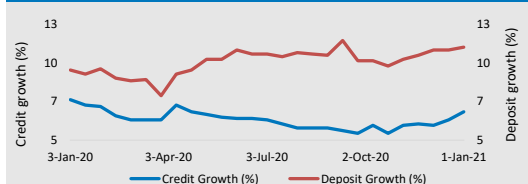
## Global Economic Calendar

Economic Events	Release date	Actual	Consensus	Previous
China Gross Domestic Product (QoQ)(Q4)	18-Jan	2.6%	3.2%	2.7%
U.K. Consumer Price Index (YoY)(Dec)	20-Jan	0.6%	0.5%	0.3%
Eurozone Consumer Price Index (MoM)(Dec)	20-Jan	0.3%	0.3%	0.3%
Japan Consumer Price Index (YoY)(Dec)	21-Jan	-1.2%	-1.3%	-0.9%

Source: Dailyfx

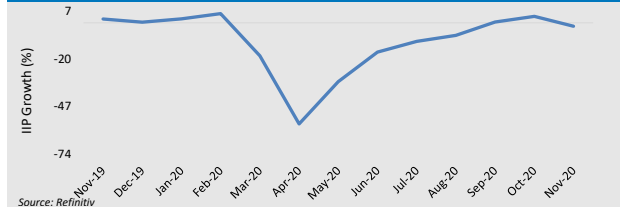
## Macro Economic Performance of India

### Credit growth vs Deposit growth



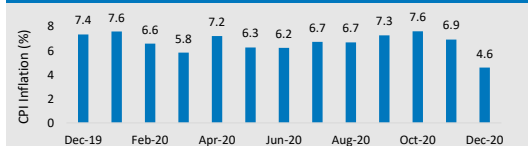
Source: Refinitiv

### IIP Growth (%)



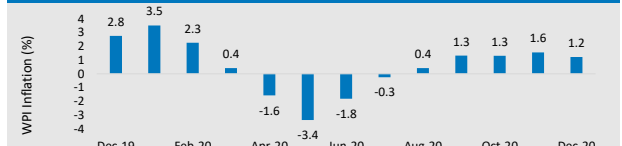
Source: Refinitiv

### Retail inflation movement



Source: Refinitiv

### Wholesale price inflation movement



Source: Refinitiv

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