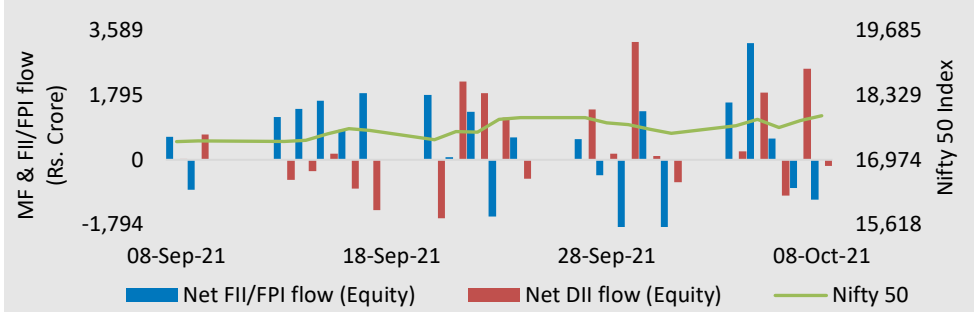


## Macro Economic Release

Indicators	Actual	Consensus	Previous
IHS India Services PMI (Sep 2021)	55.2	57	56.7
IHS India Manufacturing PMI (Sep-21)	53.7	51.8	52.3
Forex Reserve (in \$ Billion) (Oct 2021)	637.48	NA	638.65
Fiscal Deficit % of BE (Aug 2021)	31.06	NA	21.31

Source: Refinitiv

## FII and DII Investment vs Nifty 50



Source: NSDL, SEBI & NSE

## Indian Equity Market Performance

Broad Indices	08-Oct-21	% Change (WoW)	% Change (YoY)	% Change (YTD)
S&P BSE Sensex	60,059	2.20	49.47	25.77
Nifty 50	17,895	2.07	51.21	27.99
S&P BSE 100	18,170	2.05	52.43	28.86
Nifty 500	15,365	2.34	58.21	33.40
Nifty Mid cap 50	8,592	4.00	81.46	46.31
Nifty Small cap 100	11,306	3.68	91.94	59.51

Sector Indices	08-Oct-21	% Change (WoW)	% Change (YoY)	% Change (YTD)
S&P BSE AUTO	24,863	4.40	34.45	19.47
S&P BSE Bankex	43,004	1.17	63.69	19.83
S&P BSE CD	43,941	5.39	78.89	44.57
S&P BSE CG	26,333	1.62	93.20	40.48
S&P BSE FMCG	14,719	-0.92	31.88	16.73
S&P BSE HC	26,198	-0.20	27.74	20.83
S&P BSE IT	35,753	4.54	63.52	47.45
S&P BSE METAL	20,316	0.05	147.25	75.15
S&P BSE Oil & Gas	18,970	3.27	56.93	34.63
S&P BSE Power	3,291	2.69	101.85	59.57
S&P BSE PSU	8,679	2.28	92.73	50.12
S&P BSE Realty	4,140	2.48	139.66	67.05
S&P BSE Teck	15,850	4.13	58.71	42.78

Source: BSE & 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 to revive and sustain growth on a durable basis and continue to mitigate the impact of COVID-19 on the economy, while ensuring that inflation remains within the target going forward".
- MPC retained real GDP growth at 9.5% in FY22 consisting of 7.9% in Q2; 6.8% in Q3; and 6.1% in Q4 of FY22. Real GDP growth for Q1:2022-23 is projected at 17.2%. According to MPC, domestic economic activity is gaining traction with the ebbing of the second wave.
- CPI inflation is projected at 5.3% for 2021-22; 5.1% in Q2, 4.5% in Q3; 5.8% in Q4 of 2021-22, with risks broadly balanced. CPI inflation for Q1:2022-23 is projected at 5.2%. According to the MPC, consumer inflation (CPI) trajectory is set to edge down drawing comfort from the recent catch-up in kharif sowing and likely record production.
- Data from the private survey showed that the seasonally adjusted India Services Business Activity Index stood at 55.2 in Sep 2021 from 56.7 in Aug 2021.

## Domestic Equity Market Update

- Indian equity markets ended the week on a positive note. Good quarterly earnings from some of the index heavy-weights lifted the sentiments of the investors. Anticipations for better demand in the market ahead of the festive season also contributed to the upside of the benchmark indices. On the economic front, Indian service industry grew for the second consecutive months in Sep which added buying sentiments of the market participants.
- Global cues too boosted risk appetite after U.S. 10-year benchmark Treasury bond yields recoiled from highest level since June, coupled with easing of the U.S. debt ceiling deal. The concern over the crude oil supplies in Europe eased after dovish comments from the Russian President.
- The Monetary Policy Committee's seemingly dovish policy, with status quo on repo and reverse repo rates, bolstered bullish sentiment on the last session of the week. The central bank committee also retained the GDP growth forecast at 9.5 % for FY22 and revised CPI inflation projection downward to 5.3% for the whole fiscal (from earlier projection of 5.7%) which further contributed to market gains.
- On the BSE sectoral front, majority of the indices closed in the green. S&P BSE Consumer Durables was the top gainer, up 5.39%, followed by S&P BSE IT and S&P BSE Auto, which rose 4.54% and 4.40%, respectively.
- Consumer sectors witnessed strong buying interest during the week with consumer sentiment looking positive and consumer durable firms betting on the festive season to recover sales lost on account of the pandemic.
- S&P BSE FMCG and S&P BSE Healthcare were the only losers, down 0.92% and 0.20%, respectively.

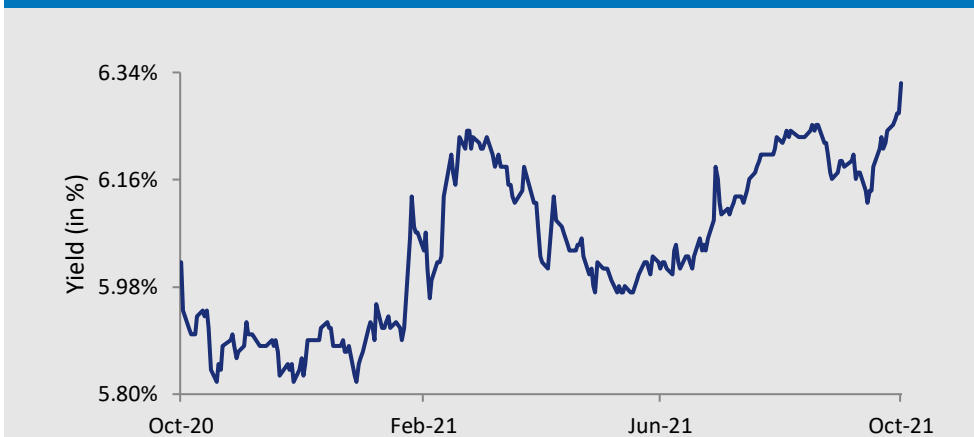
## Indian Debt Market Indicators

Broad Indices	08-Oct-21	Week Ago	Month Ago	6 Months Ago	Year Ago
Call Rate	3.21%	3.22%	3.14%	3.13%	3.43%
T-Repo	3.11%	3.27%	3.08%	2.78%	3.22%
Repo	4.00%	4.00%	4.00%	4.00%	4.00%
Reverse Repo	3.35%	3.35%	3.35%	3.35%	3.35%
3 Month CP	3.70%	3.75%	3.53%	3.70%	3.60%
1 Year CP	4.50%	4.50%	4.30%	4.60%	4.55%
3 Month CD	3.46%	3.54%	3.38%	3.34%	3.37%
1 Year CD	4.12%	4.04%	4.09%	3.91%	3.78%

Broad Indices	08-Oct-21	Week Ago	Month Ago	6 Months Ago	Year Ago
1 Year AAA Corporate Bond	4.45%	4.86%	4.67%	4.74%	5.51%
3 Year AAA Corporate Bond	5.38%	5.32%	5.21%	5.43%	5.69%
5 Year AAA Corporate Bond	6.25%	6.25%	6.11%	6.32%	6.79%
1 Year G-Sec	4.07%	4.08%	3.86%	4.05%	3.59%
3 Year G-Sec	4.99%	4.95%	4.86%	4.84%	4.86%
5 Year G-Sec	5.81%	5.79%	5.61%	5.57%	5.26%
10 Year G-Sec	6.32%	6.24%	6.19%	6.03%	6.02%
Forex Reserve (\$ in billion)	637.48*	638.65**	642.45@	576.87@@	545.64@@@

Source: CCIL, Refinitiv \* As on Oct 01, 2021; \*\* As on Sep 24, 2021; @ As on Sep 03, 2021; @@ As on Apr 02, 2021; @@@ As on Oct 02, 2020

## 10 - Year benchmark G-Sec Movement



Source: Refinitiv

## Domestic Debt Market Update

- Bond yields rose during the week on continuous increase in global crude oil prices and U.S. Treasury yields. Yields increased further as the Reserve Bank of India (RBI) said it will pause its bond purchases through open market operations and announced a plan to withdraw more liquidity from the system. Moreover, weekly government auction further added to supply.
- Yield on the 10-year benchmark paper (6.10% GS 2031) rose by 8 bps to close at 6.32% compared to the previous closing of 6.24%.
- RBI conducted the auction of three government securities namely 4.26% GS 2023, 5.63% GS 2026, 6.67% GS 2035 and 6.67% GS 2050 for a notified amount of Rs. 24,000 crore, which was completely accepted. The cut off price/Implicit Yield at cut-off for stood at Rs. 99.81/4.3818%, Rs. 99.62/5.7269%, Rs. 98.85/6.7974% and Rs. 94.47/7.1214%, respectively.
- RBI conducted auction of state development loans of eight states for a notified amount of Rs. 22,754 crore, for which amount accepted was Rs. 22,809.022 crore. The maximum yield of 7.09% was witnessed in case of Andhra Pradesh and Telangana and the minimum yield of 6.59% was witnessed in case of Chhattisgarh. Gujarat has accepted an additional amount of Rs. 500 crore. Punjab has accepted Rs. 55.022 crore for the re-issue of 6.98% Punjab SDL 2033.

## Global Commodity Update

Commodities	08-Oct-21	% Change (WoW)	% Change (YoY)	% Change (YTD)
NYMEX Crude Oil (\$/barrel)	79.58	5.13	92.92	64.42
Brent Crude Oil (\$/barrel)	82.58	4.22	90.06	59.67
Gold (\$/ounce)	1,756.67	-0.21	-7.21	-7.37
Silver (\$/ounce)	22.66	0.62	-4.89	-14.03

Source: Refinitiv

## Currencies Update

Currency	08-Oct-21	Week Ago	Month ago	6 Months Ago	Year Ago
U.S. Dollar	75.11	74.13	73.77	74.57	73.29
GBP	102.24	100.41	101.57	102.41	94.79
Euro	86.88	85.95	87.14	88.83	86.17
100 Yen	66.91	66.73	66.90	68.25	69.11

Source: Refinitiv

## Global Equity Market Performance

Country/Region	Indices	08-Oct-21	% Change (WoW)	% Change (YoY)	% Change (YTD)
U.S.	Russell 1000	2,463.85	0.74	27.92	16.17
U.K.	FTSE	7,096	0.97	18.69	9.83
France	CAC 40	6,560	0.65	33.55	18.17
Germany	DAX	15,206	0.33	16.59	10.84
Japan	Nikkei 225	28,049	-2.51	18.61	2.20
China	Shanghai Composite	3,592	0.67	NA	3.43
Hong Kong	Hang Seng	24,838	1.07	2.66	-8.79
Singapore	Straits Times	3,113	2.02	22.40	9.46
Russia	RTS Index	1,861	5.05	60.59	34.13
Brazil	Sao Paulo Se Bovespa	112,833	-0.06	15.23	-5.20

Source: Refinitiv

## Global Bond Yield Update

Indicators	08-Oct-21	Week ago	Month ago	6 Months Ago	Year ago
U.S. 10 Year Bond yield (%)	1.61	1.47	1.34	1.63	0.77
U.K. 10 Year Bond yield (%)	1.16	1.00	0.75	0.75	0.29
German 10 Year Bond yield (%)	-0.15	-0.22	-0.32	-0.33	-0.52
Japan 10 Year Bond yield (%)	0.08	0.06	0.05	0.09	0.03

Source: Refinitiv

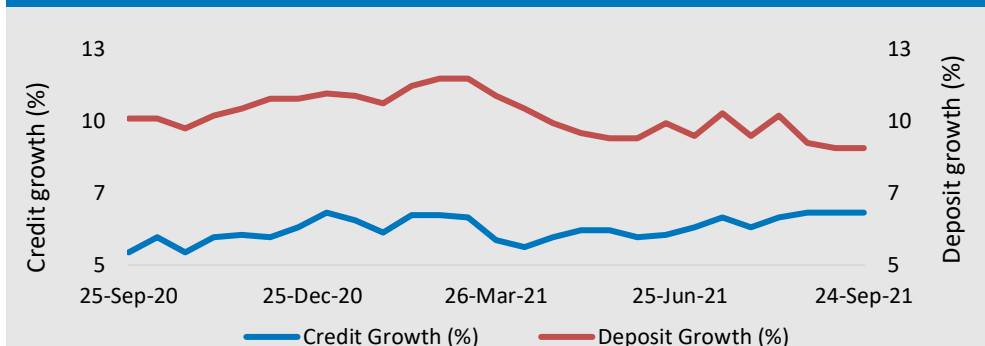
## Global Economic Calendar

Economic Events	Release date	Actual	Consensus	Previous
U.S. Factory Orders MM Aug 2021	4-Oct	1.20%	0.90%	0.70%
U.S. ISM Services PMI(Sep)	5-Oct	61.90	60.00	61.70
Eurozone Retail Sales (YoY)(Aug)	6-Oct	0.00%	0.40%	3.10%
China Caixin Services PMI(Sep)	8-Oct	53.40	50.70	46.70

Source: FX Street; Refinitiv

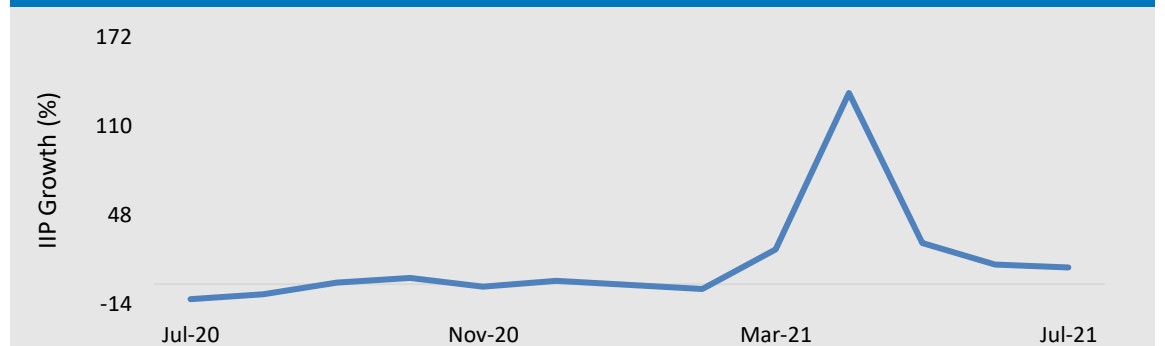
## Macro Economic Performance of India

### Credit growth vs Deposit growth



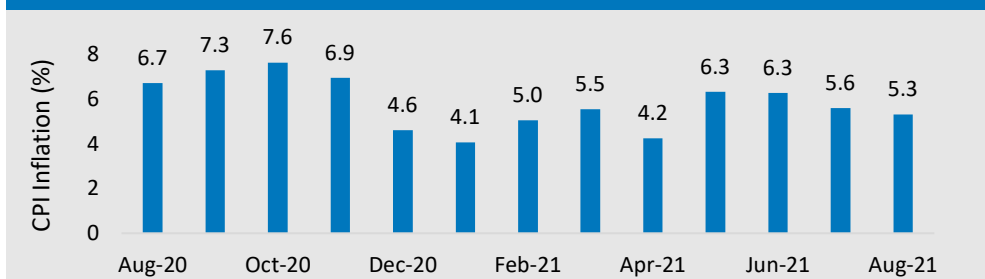
Source: Refinitiv

### IIP Growth (%)



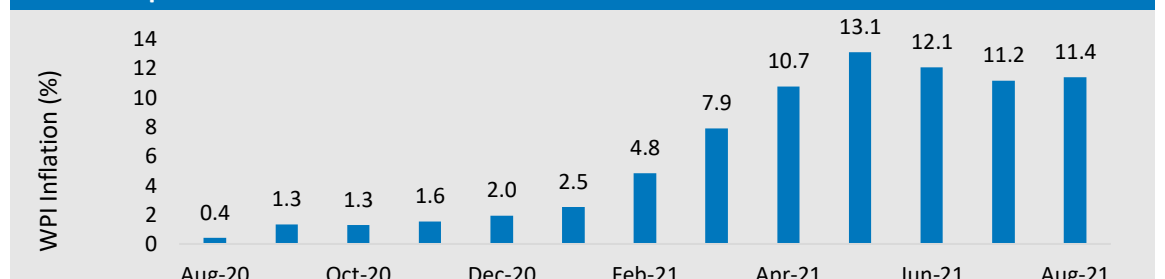
Source: Refinitiv

### Retail inflation movement



Source: Refinitiv

### Wholesale price inflation movement



Source: Refinitiv

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