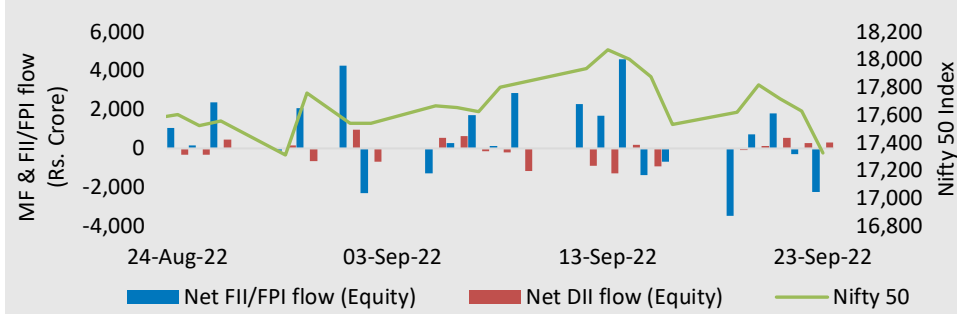


## Macro Economic Release

Indicators	Actual	Consensus	Previous
Imports (\$ billion) (Aug 2022)	61.90	NA	66.27
Exports (\$ billion) (Aug 2022)	33.92	NA	36.27
Trade Deficit (\$ billion) (Aug 2022)	27.98	28.68	30.00
WPI Inflation (Aug 2022)	12.41%	13.00%	13.93%

Source: Refinitiv

## FII and DII Investment vs Nifty 50



Source: NSDL, SEBI & NSE

## Indian Equity Market Performance

Broad Indices	23-Sep-22	% Change (WoW)	% Change (YoY)	% Change (YTD)
S&P BSE Sensex	58,099	-1.26	-2.98	-0.27
Nifty 50	17,327	-1.16	-2.78	-0.15
S&P BSE 100	17,828	-1.21	-1.55	1.15
Nifty 500	15,058	-1.22	-0.97	0.41
Nifty Mid cap 50	8,429	-1.69	1.90	0.21
Nifty Small cap 100	9,589	-2.32	-11.40	-15.05

Sector Indices	23-Sep-22	% Change (WoW)	% Change (YoY)	% Change (YTD)
S&P BSE AUTO	30,026	1.04	28.40	20.99
S&P BSE Bankex	45,281	-2.98	4.64	12.06
S&P BSE CD	42,450	0.72	3.28	-5.18
S&P BSE CG	31,698	-3.02	19.78	10.25
S&P BSE FMCG	16,364	3.68	7.29	18.71
S&P BSE HC	22,936	1.20	-13.71	-12.48
S&P BSE IT	27,135	-0.67	-24.15	-28.30
S&P BSE METAL	18,685	-2.50	-7.64	-2.91
S&P BSE Oil & Gas	19,057	-2.01	7.32	8.85
S&P BSE Power	4,983	-5.10	63.70	43.11
S&P BSE PSU	8,953	-3.84	10.12	9.97
S&P BSE Realty	3,479	-3.95	-11.61	-9.42
S&P BSE Teck	12,577	-0.95	-20.94	-24.31

Source: BSE & NSE

## Macro economic Update

- The Asian Development Bank lowered its prediction for India's GDP growth for the FY23 to 7% from 7.2%, mentioning weak global demand and tightening monetary policy to battle inflationary pressures emanated by high prices for oil and other commodities. The multilateral institution also decreased its FY24 forecast to 7.2% from 7.8%.
- Retail inflation for farm and rural workers accelerated due to higher prices of certain food items in Jul 2022. Inflation for farm and rural workers increased to 6.94% and 7.26% in Aug 2022 from 6.60% and 6.82%, respectively in July 2022. Food inflation for agricultural labourers and rural labourers increased to 6.16% and 6.21% in Aug 2022 from 5.38% and 5.44%, respectively in Jul 2022 and 2.13% and 2.32%, respectively during the corresponding month of the previous year.
- According to the Finance Minister, the success of India in popularising digital payments through the Unified Payments Interface (UPI) and RuPay cards has sparked interest from other nations in the locally developed payment stack.
- The Chief Economic Advisor believes that India's economy is well positioned to grow at a consistent rate of 7% as we go into 2023 and for the rest of the decade. His predictions fall short of the government's Economic Survey's prediction of 8% to 8.5% GDP growth in FY23. The chief economic advisor emphasised the critical need of interoperability in the financial technology sector and stated that Singapore and India would cooperate to streamline remittance processes and reduce costs.

## Domestic Equity Market Update

- Domestic headline indices S&P BSE Sensex and Nifty 50 turned negative for 2022 as domestic equity markets fell during the week under review. Concerns over aggressive monetary policy tightening by central banks across the globe kept market participants on tenterhooks. The selling pressure was widespread as the mid cap segment, small cap segment and most of the sectoral indices witnessed losses over the week.
- Domestic equity markets fell on concerns that rising interest rates across the globe may lead to a global recession which may adversely impact the growth prospects of the domestic economy. The U.S. Federal Reserve raised interest rates by 75 bps and indicated more rate hikes in the coming month to get inflation back in control. The Bank of England too followed suit as it raised interest rates by 50 bps and gave indication that the U.K. economy was in recession. Market participants also remained wary that the Monetary Policy Committee in its upcoming policy review on Sep 30 may raise interest rates again. Markets were of the view that central banks were willing to trade off with a painful economic slump to tame the rising inflation.
- Sentiments also took a hit after Indian banking system liquidity slipped into a deficit for the first time in forty months as per reports. The deficit can be attributed to outflow on account of advance tax payments, rise in credit demand and slower pace of growth in deposits. Lofty valuations of Indian markets compared to its global peers further kept market participants on the sidelines.
- On the sectoral front, all the sectoral indices closed in the red barring S&P BSE Auto, S&P BSE CD, S&P BSE FMCG and S&P BSE Healthcare which rose 1.04%, 0.72%, 3.68% and 1.20% respectively. Auto stocks and consumer durable stocks rose on optimism regarding the upcoming festive season. Meaning S&P BSE Power fell the most by 5.10% followed by S&P BSE Realty which came down 3.95%.

## Indian Debt Market Indicators

Broad Indices	23-Sep-22	Week Ago	Month Ago	6 Months Ago	Year Ago
Call Rate	5.40%	5.33%	5.12%	3.30%	3.22%
T-Repo	5.45%	5.55%	5.20%	3.51%	3.30%
Repo	5.40%	5.40%	5.40%	4.00%	4.00%
Reverse Repo	3.35%	3.35%	3.35%	3.35%	3.35%
3 Month CP	6.40%	6.15%	5.94%	4.25%	3.58%
1 Year CP	7.25%	6.95%	6.75%	5.30%	4.25%
3 Month CD	6.24%	6.04%	5.85%	4.07%	3.43%
1 Year CD	7.15%	6.90%	6.56%	5.06%	3.87%

Source: CCL, Refinitiv \* As on Sep 16, 2022; \*\* As on Sep 09, 2022; @ As on Aug 19, 2022; @@ As on Mar 18, 2022; @@@ As on Sep 17, 2021

Broad Indices	23-Sep-22	Week Ago	Month Ago	6 Months Ago	Year Ago
1 Year AAA Corporate Bond	7.22%	6.94%	6.82%	5.13%	5.39%
3 Year AAA Corporate Bond	7.42%	7.38%	7.35%	6.17%	5.15%
5 Year AAA Corporate Bond	7.70%	7.78%	7.71%	6.92%	6.23%
1 Year G-Sec	6.71%	6.36%	6.27%	4.54%	3.94%
3 Year G-Sec	7.33%	7.10%	6.88%	5.70%	4.85%
5 Year G-Sec	7.37%	7.19%	6.99%	6.09%	5.58%
10 Year G-Sec	7.39%	7.27%	7.28%	6.83%	6.14%
Forex Reserve (\$ in billion)	545.65*	550.87**	564.05@	619.68@@	639.64@@@

## 10 - Year benchmark G-Sec Movement



Source: Refinitiv

## Domestic Debt Market Update

- Bond yields rose after the U.S. Federal Reserve raised interest rates by 75 bps in its monetary policy review and indicated more rate hikes in the upcoming meetings. Market sentiments were further dampened on concerns that the Monetary Policy Committee might raise key policy repo rate by 50 bps in its upcoming monetary policy review which is scheduled on Sep 30, 2022. Lack of any visible progress on the inclusion of domestic debt in global indices also added to the losses.
- Yield on the 10-year benchmark paper (7.26% GS 2032) surged 16 bps to close at 7.39% from the previous week's close of 7.23%.
- Data from Reserve Bank of India showed that India's foreign exchange reserves fell to \$545.65 billion for the week ended Sep 16, 2022 from \$550.87 billion in the previous week. Foreign exchange reserves came down for the seventh consecutive week and stood at the lowest level since the week ended Oct 2, 2020.
- Reserve Bank of India conducted the auction of four government securities namely 7.38% GS 2027, GOI FRB 2028, 7.54% GS 2036 and 7.36% GS 2052 for a notified amount of Rs. 32,000 crore, which was completely accepted barring GOI FRB 2028 that was not auctioned. The cut off price/implicit yield at cut-off for 7.38% GS 2027, 7.54% GS 2036 and 7.36% GS 2052 stood at Rs. 99.98/7.3809%, Rs. 100.41/7.4898% and Rs. 97.98/7.5303%, respectively.

## Global Commodity Update

Commodities	23-Sep-22	% Change (WoW)	% Change (YoY)	% Change (YTD)
NYMEX Crude Oil (\$/barrel)	79.30	-6.36	8.32	5.21
Brent Crude Oil (\$/barrel)	86.64	-5.38	12.20	11.23
Gold (\$/ounce)	1,643.09	-1.90	-5.71	-10.13
Silver (\$/ounce)	18.84	-3.69	-16.22	-19.04

Source: Refinitiv

## Currencies Update

Currency	23-Sep-22	Week Ago	Month ago	6 Months Ago	Year Ago
U.S. Dollar	81.25	79.69	79.85	76.52	73.80
GBP	88.21	90.94	94.47	101.03	101.22
Euro	78.73	79.81	79.58	84.20	86.61
100 Yen	56.68	55.75	58.36	63.16	66.89

Source: Refinitiv

## Global Equity Market Performance

Country/Region	Indices	23-Sep-22	% Change (WoW)	% Change (YoY)	% Change (YTD)
U.S.	Russell 1000	2,028	-4.89	-18.88	-23.36
U.K.	FTSE	7,019	-3.01	-0.84	-4.96
France	CAC 40	5,783	-4.84	-13.71	-19.15
Germany	DAX	12,284	-3.59	-21.48	-22.67
Japan	Nikkei 225	27,154	-1.50	-8.39	-5.69
China	Shanghai Composite	3,088	-1.22	-15.21	-15.15
Hong Kong	Hang Seng	17,933	-4.42	-26.84	-23.35
Singapore	Straits Times	3,227	-1.26	4.90	3.31
Russia	RTS Index	1,142	-10.45	-34.87	-28.45
Brazil	Sao Paulo Se Bovespa	111,716	2.23	-2.06	6.58

Source: Refinitiv

## Global Bond Yield Update

Indicators	23-Sep-22	Week ago	Month ago	6 Months Ago	Year ago
U.S. 10 Year Bond yield (%)	3.70	3.45	3.05	2.29	1.44
U.K. 10 Year Bond yield (%)	3.83	3.14	2.58	1.63	0.91
German 10 Year Bond yield (%)	2.04	1.76	1.32	0.48	-0.26
Japan 10 Year Bond yield (%)	0.24	0.25	0.22	0.22	0.03

Source: Refinitiv

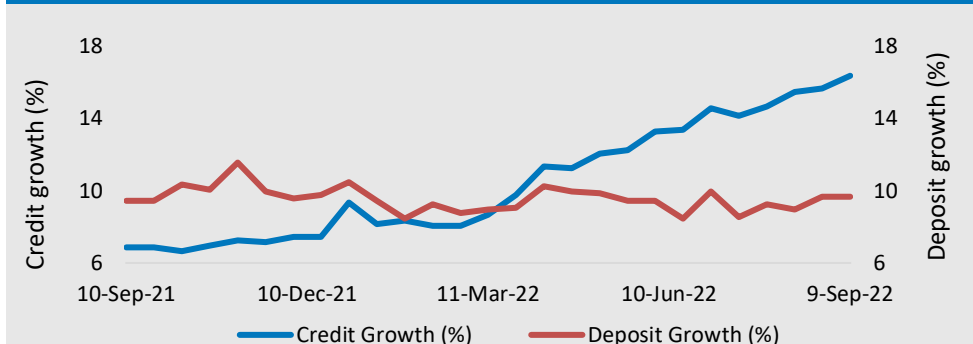
## Global Economic Calendar

Economic Events	Release date	Actual	Consensus	Previous
Japan CPI, Core Nationwide YY Aug 2022	19-Sep	2.80%	2.70%	2.40%
U.S. Housing Starts Number Aug 2022	20-Sep	1.58 M	1.45 M	1.40 M
U.S. Fed Funds Target Rate 22 Sep	21-Sep	3.13%	3.13%	2.38%
U.S. Initial Jobless Claims W 17 Sep	22-Sep	213.00 K	218.00 K	208.00 K

Source: Refinitiv

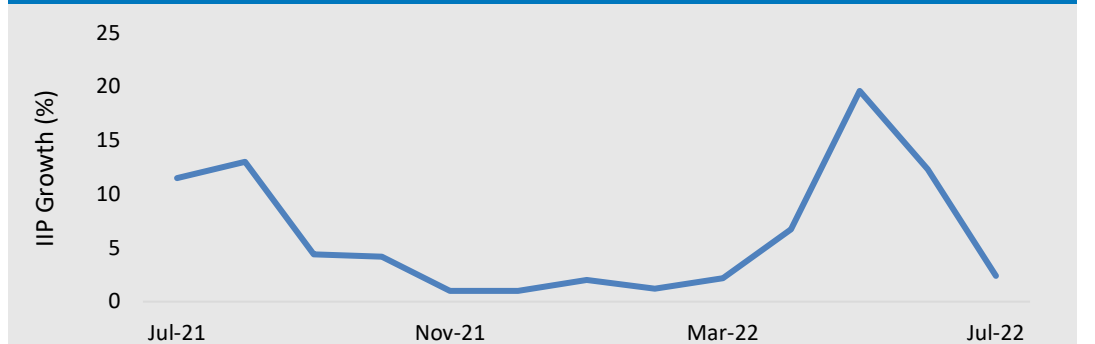
## Macro Economic Performance of India

### Credit growth vs Deposit growth



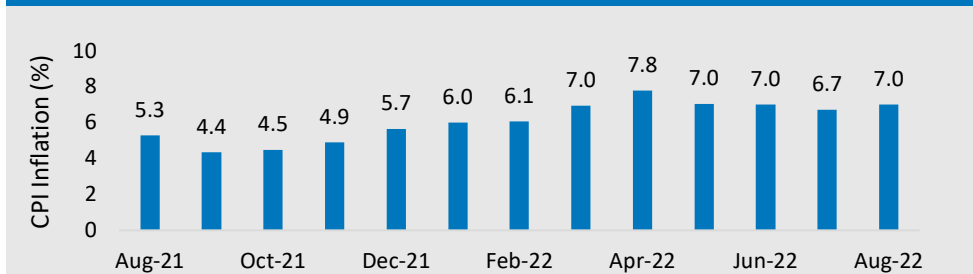
Source: Refinitiv

### IIP Growth (%)



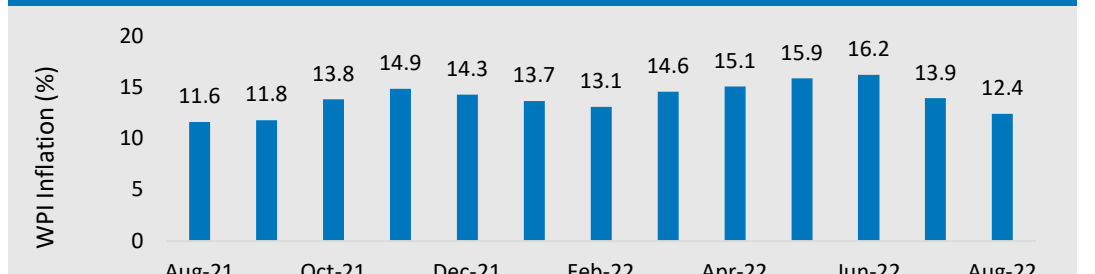
Source: Refinitiv

### Retail inflation movement



Source: Refinitiv

### Wholesale price inflation movement



Source: Refinitiv

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Regd. Office Address: Bajaj Allianz House, Airport Road, Yerawada, Pune - 411006, Reg.No.: 116. | CIN : U66010PN2001PLC015959 | Mail us : [customercare@bajajallianz.co.in](mailto:customercare@bajajallianz.co.in) | Call on : Toll free no. 1800 209 7272 | Fax No: 02066026789 |