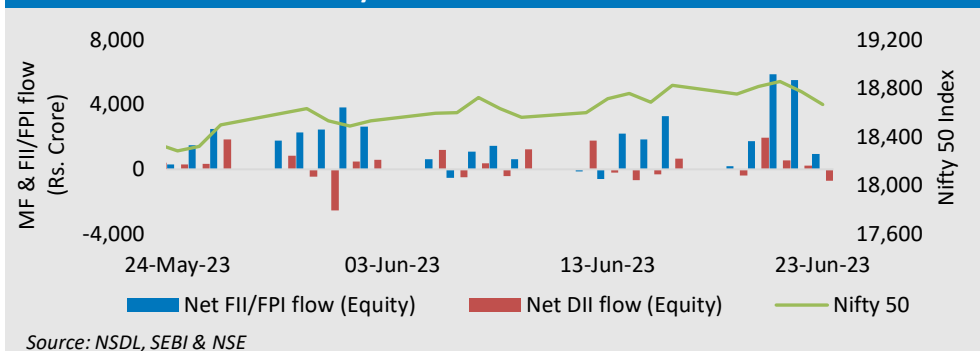


## Macro Economic Release

Indicators	Actual	Consensus	Previous
Imports (\$ billion) (May 2023)	57.10	NA	49.90
Exports (\$ billion) (May 2023)	34.98	NA	34.66
Trade Deficit (\$ billion) (May 2023)	22.12	17.26	15.24
WPI Inflation (May 2023)	-3.48%	-2.35%	-0.92%

Source: Refinitiv

## FII and DII Investment vs Nifty 50



Source: NSDL, SEBI & NSE

## Indian Equity Market Performance

Broad Indices	23-Jun-23	% Change (WoW)	% Change (YoY)	% Change (YTD)
S&P BSE Sensex	62,979	-0.64	20.50	3.52
Nifty 50	18,666	-0.85	19.98	3.09
S&P BSE 100	19,057	-1.10	20.53	3.43
Nifty 500	16,012	-1.05	21.50	3.64
Nifty Mid cap 50	9,807	-0.78	35.97	12.06
Nifty Small cap 100	10,624	-1.08	28.84	9.17

Sector Indices	23-Jun-23	% Change (WoW)	% Change (YoY)	% Change (YTD)
S&P BSE AUTO	33,636	-1.27	29.80	16.29
S&P BSE Bankex	49,292	-0.79	29.02	0.79
S&P BSE CD	41,916	-2.28	20.08	5.52
S&P BSE CG	39,477	-1.13	56.66	18.40
S&P BSE FMCG	18,387	-2.03	35.22	14.38
S&P BSE HC	24,905	-0.64	15.64	8.13
S&P BSE IT	28,855	-0.40	1.91	0.64
S&P BSE METAL	20,096	-2.41	33.28	-3.64
S&P BSE Oil & Gas	17,940	-2.21	4.44	-12.10
S&P BSE Power	3,938	-1.52	2.31	-10.13
S&P BSE PSU	10,482	-1.71	34.64	4.64
S&P BSE Realty	4,056	-2.13	33.33	17.68
S&P BSE Teck	12,990	-0.17	0.62	-3.16

Source: BSE & NSE

## Macro Economic Update

- According to the RBI minutes, various factors, including El Nino, geopolitical conflicts, and erratic financial markets need to be actively watched. These concerns about India's inflation prognosis for the second half of the current fiscal year have not subsided. The RBI Governor emphasised that the rate-setting panel chose to take a break in the most recent meeting to evaluate the effects of the cumulative 250 bps raise adopted in meetings over the previous year.
- According to a labour bureau statement, retail inflation for farm workers and rural labourers eased to 5.99% and 5.84%, respectively, in May 2023. Point-to-point rate of inflation for farm workers and rural labourers stood at 6.50% and 6.52%, respectively, in Apr 2023. The All-India Consumer Price Index Number for Agricultural Labourers and Rural Labourers in May 2023 increased by 6 & 5 points to stand at 1186 points and 1197 points, respectively.
- A major rating agency revised its forecast for India's economic growth from previously forecasted 6% to 6.3% for FY24. The increase is mainly due to a strong performance in first quarter and near-term momentum. For FY25 and FY26, the rating agency estimated a growth of 6.5% each.
- According to the finance ministry, this fiscal year's total net direct tax collections have increased 11% to Rs. 3.80 lakh crore, personal income tax collections so far in FY24 are at Rs. 2.22 lakh crore, while corporate tax collections are at Rs. 1.57 lakh crore.

## Domestic Equity Market Update

- Domestic equity markets fell during the week under review with key benchmark indices S&P BSE Sensex and Nifty 50 coming down 0.64% and 0.85% respectively. Selling pressure was also witnessed in the mid cap segment and the small segment.
- Domestic equities fell initially as market participants resorted to profit booking. Market participants also remained on the sidelines as they awaited China's interest rate decision and U.S. Federal Reserve Chief's congressional testimony for clues on the path ahead.
- Sentiments were further dampened after People's Bank of China cut interest rates as the quantum of rate cut was less than market expectations. Market participants worried that China's latest rate cut was not enough to boost the growth prospects of its weakening economy which has come under pressure following the COVID-19 pandemic. A lack of concrete stimulus details from China's State Council meeting too added to the losses.
- Losses were extended after the U.S. Federal Reserve Chief in its congressional testimony suggested that interest rates in U.S. may move higher at a moderate pace to tackle inflation in U.S. which continued to remain at elevated levels. Markets also remained under pressure in anticipation that domestic equities are trading at stretched valuations and may witness some consolidation in the coming weeks. Anxiety over the dismal performance of monsoons also weighed on the market sentiment.
- However, further losses were restricted on hopes that the U.S. might avoid a recession this year. Expectations that the Reserve Bank of India is through with its rate hike cycle amid easing domestic inflationary pressures also provided some support to markets.
- On the BSE sectoral front, all the sectoral indices witnessed losses over the week. S&P BSE Metal fell the most by 2.41% followed by S&P BSE Consumer Durables which fell 2.28%. Mounting fears over China's growth prospects kept metal stocks under pressure. The IT sector also came down over the week after a major U.S. technology company cut revenue growth guidance for its financial year ending Aug 31 which led to concerns of growth moderation for Indian IT companies.

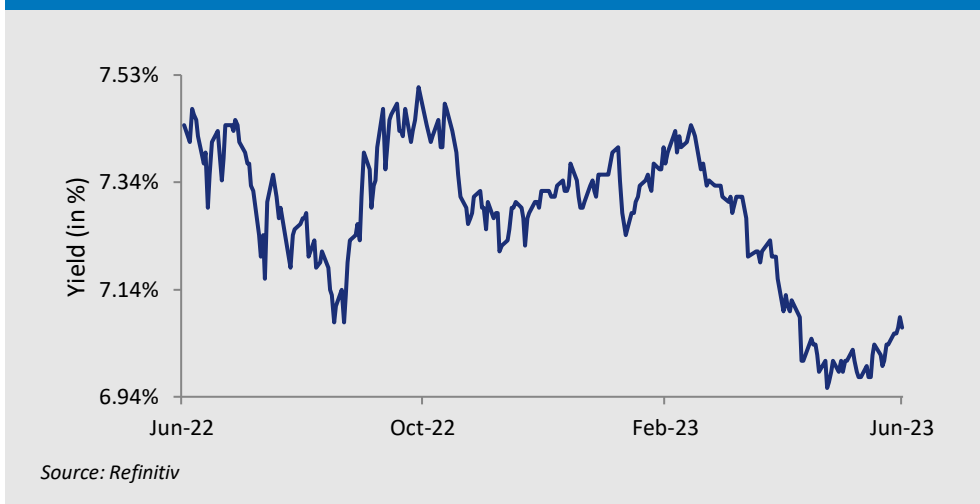
## Indian Debt Market Indicators

Broad Indices	23-Jun-23	Week Ago	Month Ago	6 Months Ago	Year Ago
Call Rate	6.56%	6.65%	6.37%	6.46%	4.64%
T-Repo	6.64%	6.54%	6.31%	6.39%	4.73%
Repo	6.50%	6.50%	6.50%	6.25%	4.90%
Reverse Repo	3.35%	3.35%	3.35%	3.35%	3.35%
3 Month CP	6.92%	6.95%	6.93%	6.90%	5.60%
1 Year CP	7.44%	7.45%	7.52%	7.70%	6.70%
3 Month CD	6.92%	6.89%	6.86%	6.81%	5.28%
1 Year CD	7.50%	7.34%	7.39%	7.56%	6.51%

Source: CCIL, Refinitiv \* As on Jun 16, 2023; \*\* As on Jun 09, 2023; @ As on May 19, 2023; @@ As on Dec 23, 2022; @@@ As on Jun 17, 2022

Broad Indices	23-Jun-23	Week Ago	Month Ago	6 Months Ago	Year Ago
1 Year AAA Corporate Bond	7.58%	7.55%	7.57%	7.68%	6.61%
3 Year AAA Corporate Bond	7.80%	7.73%	7.50%	7.65%	7.24%
5 Year AAA Corporate Bond	7.51%	7.47%	7.44%	7.77%	7.94%
1 Year G-Sec	6.87%	6.82%	6.79%	6.87%	6.29%
3 Year G-Sec	7.01%	6.97%	6.87%	7.09%	6.94%
5 Year G-Sec	7.03%	6.97%	6.92%	7.23%	7.22%
10 Year G-Sec	7.07%	7.03%	7.02%	7.32%	7.42%
Forex Reserve (\$ in billion)	596.10*	593.75**	593.48@	562.81@@	590.59@@@

## 10 - Year benchmark G-Sec Movement



Source: Refinitiv

## Domestic Debt Market Update

- Bond yields rose after the U.S. Federal Reserve Chief in its congressional testimony indicated that interest rates could go higher in the current year. Lack of fresh market triggers also weighed on the market sentiment. However, upbeat demand at the weekly debt auction restricted further losses.
- Yield on the 10-year benchmark paper (7.26% GS 2033) rose 4 bps over the week to close at 7.07% as compared to the previous week's close of 7.03%.
- Data from Reserve Bank of India showed that reserve money grew 5.6% on a yearly basis for the week ended June 16, 2023, compared to an increase of 10.2% in the same period of the previous year. The currency in circulation grew 5.0% on a yearly basis for the week ended June 16, 2023, compared to an increase of 8.0% in the same period of the previous year.
- Data from Reserve Bank of India showed that India's foreign exchange reserves increased by \$2.35 billion to \$596.10 billion for the week ended Jun 16 from \$593.75 billion in the previous week.
- Reserve Bank of India announced the auction of state government securities for twelve states for a notified amount of Rs. 22,450 crore. The auction will be carried out on June 27, 2023.

[1] Data as on 21 Jun, 2023

## Global Commodity Update

Commodities	23-Jun-23	% Change (WoW)	% Change (YoY)	% Change (YTD)
NYMEX Crude Oil (\$/barrel)	69.36	-1.25	-33.27	-13.73
Brent Crude Oil (\$/barrel)	74.28	-2.60	-32.28	-13.62
Gold (\$/ounce)	1,921.36	-1.84	5.43	5.31
Silver (\$/ounce)	22.42	-7.16	7.07	-6.47

Source: Refinitiv

## Currencies Update

Currency	23-Jun-23	Week Ago	Month ago	6 Months Ago	Year Ago
U.S. Dollar	81.98	81.91	82.83	82.78	78.14
GBP	104.21	104.98	102.81	99.82	95.80
Euro	89.27	89.59	89.21	87.86	82.24
100 Yen	57.05	57.74	59.77	62.33	57.90

Source: Refinitiv

## Global Equity Market Performance

Country/Region	Indices	23-Jun-23	% Change (WoW)	% Change (YoY)	% Change (YTD)
U.S.	Russell 1000	2,378	-1.52	14.08	12.91
U.K.	FTSE	7,462	-2.37	6.29	0.14
France	CAC 40	7,163	-3.05	21.76	10.65
Germany	DAX	15,830	-3.23	22.59	13.69
Japan	Nikkei 225	32,782	-2.74	25.26	25.63
China <sup>[1]</sup>	Shanghai Composite	3,198	-2.30	-3.68	3.52
Hong Kong	Hang Seng	18,890	-5.74	-11.21	-4.51
Singapore	Straits Times	3,192	-2.10	3.19	-1.84
Russia	RTS Index	1,040	-0.71	-26.58	7.15
Brazil	Sao Paulo Se Bovespa	118,977	0.18	21.31	8.42

Source: Refinitiv

## Global Bond Yield Update

Indicators	23-Jun-23	Week ago	Month ago	6 Months Ago	Year ago
U.S. 10 Year Bond yield (%)	3.74	3.77	3.70	3.75	3.07
U.K. 10 Year Bond yield (%)	4.32	4.41	4.16	3.63	2.32
German 10 Year Bond yield (%)	2.36	2.46	2.46	2.39	1.44
Japan 10 Year Bond yield (%)	0.37	0.40	0.42	0.39	0.24

Source: Refinitiv

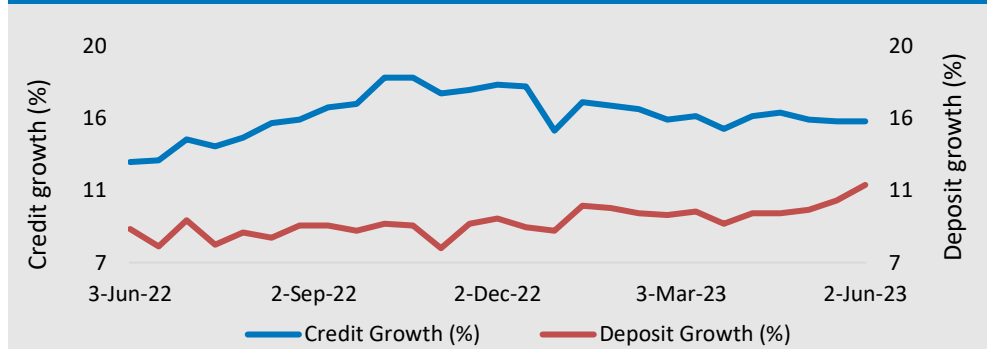
## Global Economic Calendar

Economic Events	Release date	Actual	Consensus	Previous
U.S. NAHB Housing Market Indx Jun 2023	19-Jun	55.00	51.00	50.00
U.S. Housing Starts Number May 2023	20-Jun	1.63 M	1.40 M	1.34 M
U.K. CPI YY May 2023	21-Jun	8.70%	8.40%	8.70%
U.S. Existing Home Sales May 2023	22-Jun	4.30 M	4.25 M	4.29 M

Source: FX Street; Refinitiv

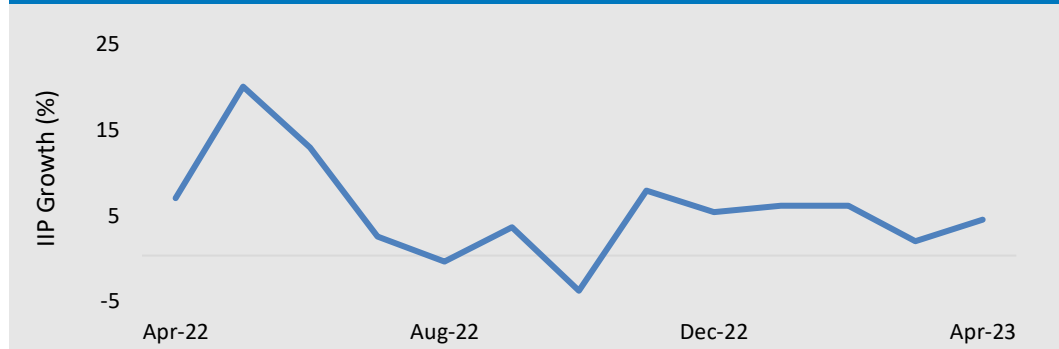
## Macro Economic Performance of India

### Credit growth vs Deposit growth



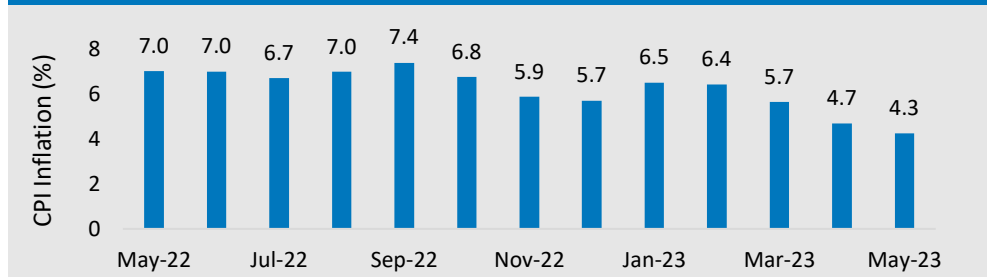
Source: Refinitiv

### IIP Growth (%)



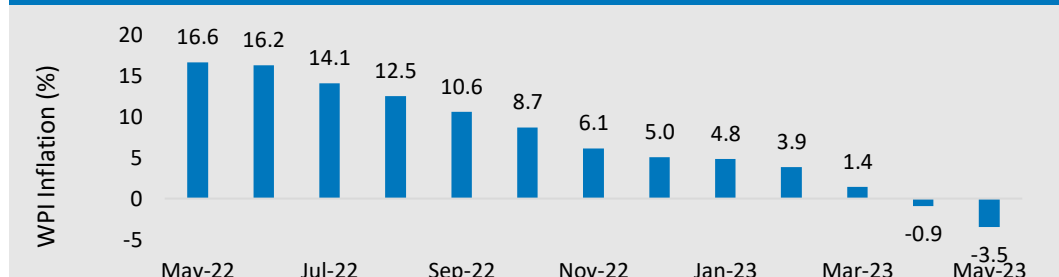
Source: Refinitiv

### Retail inflation movement



Source: Refinitiv

### Wholesale price inflation movement



Source: Refinitiv

[1] Data as on 21 Jun, 2023

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