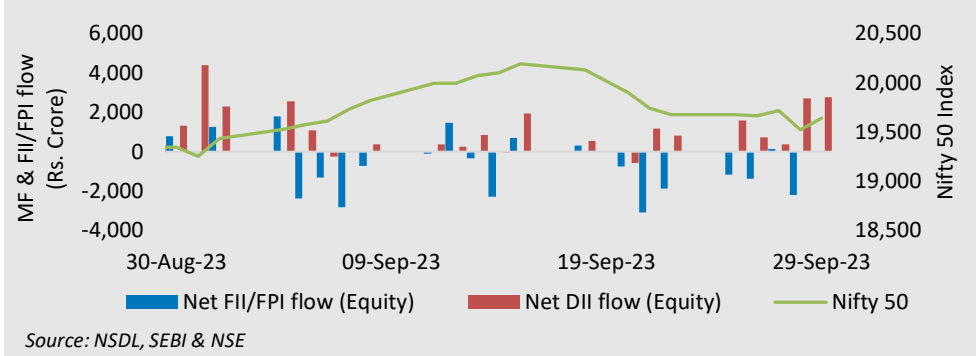


## Macro Economic Release

Indicators	Actual	Consensus	Previous
Fiscal Deficit % of BE (Aug 2023)	35.98	NA	33.89
Fiscal Deficit FYTD (\$ bn) (Aug 2023)	64.28	NA	60.56
Infrastructure Growth (Aug 2023)	12.07%	NA	8.40%
Imports (\$ billion) (Aug 2023)	58.64	NA	52.92

Source: Refinitiv

## FII and DII Investment vs Nifty 50



Source: NSDL, SEBI & NSE

## Indian Equity Market Performance

Broad Indices	29-Sep-23	% Change (WoW)	% Change (YoY)	% Change (YTD)
S&P BSE Sensex	65,828	-0.27	14.63	8.20
Nifty 50	19,638	-0.18	14.88	8.47
S&P BSE 100	20,123	-0.12	14.50	9.22
Nifty 500	17,293	0.18	16.61	11.93
Nifty Mid cap 50	11,612	1.02	39.35	32.68
Nifty Small cap 100	12,749	2.18	35.02	31.01

Sector Indices	29-Sep-23	% Change (WoW)	% Change (YoY)	% Change (YTD)
S&P BSE AUTO	36,629	-0.46	25.54	26.64
S&P BSE Bankex	50,175	-0.05	13.57	2.59
S&P BSE CD	45,360	-1.29	6.76	14.19
S&P BSE CG	47,729	2.16	52.89	43.15
S&P BSE FMCG	18,679	0.08	15.45	16.20
S&P BSE HC	28,498	2.64	22.09	23.72
S&P BSE IT	32,065	-2.81	16.65	11.84
S&P BSE METAL	23,206	2.16	28.82	11.27
S&P BSE Oil & Gas	19,026	0.11	2.51	-6.78
S&P BSE Power	4,660	0.72	-1.88	6.35
S&P BSE PSU	12,647	1.59	44.19	26.24
S&P BSE Realty	4,606	2.54	36.40	33.63
S&P BSE Teck	14,471	-2.27	12.75	7.88

Source: BSE & NSE

## Macro Economic Update

- Government data showed that India's fiscal deficit for the period from Apr to Aug of FY24 stood at Rs. 6.43 lakh crore or 36% of budget estimates of the current fiscal. India's fiscal deficit stood at 32.6% of the budget estimate in the corresponding period of the previous fiscal year. Total expenditure stood at Rs. 16.72 lakh crore or 37.1% of the budget estimate as compared to 35.2% of the budget estimate in the corresponding period of the previous fiscal year.
- According to government data, the combined Index of Eight Core Industries (ICI) increased by 12.1% in Aug 2023 as compared to 4.2% in Aug 2022. The production of all Eight Core Industries recorded positive growth in Aug 2023 over the corresponding month of last year. Cement witnessed the maximum growth at 18.9% followed by coal with 17.9% growth in Aug 2023.
- India's current account deficit (CAD) narrowed to US\$ 9.2 billion (1.1% of GDP) in Q1 FY24 from US\$ 17.9 billion (2.1% of GDP) in Q1 FY23 but it was higher than US\$ 1.3 billion (0.2% of GDP) in the preceding quarter. The narrowing of CAD in Q1 FY23 was mainly on account of a higher trade deficit coupled with a lower surplus in net services and decline in private transfer receipts.

## Domestic Equity Market Update

- Domestic equity markets witnessed losses for the second consecutive week as key benchmark indices S&P BSE Sensex and Nifty 50 came down 0.27% and 0.18% respectively. However, there was some volatility in the market as the mid cap segment and the small cap segment closed the week in green.
- Domestic equity markets fell following negative cues from global equity markets amid concerns that higher interest rates for an extended period may lead to a slowdown in global growth. Uncertainty regarding the global interest rate outlook also added to the losses as the U.S. Federal Reserve indicated one more rate hike may come by the end of the year while European Central Bank and Bank of England hinted that interest rates might not go up further. Increase in global crude oil prices, rise in U.S. Treasury yields and strengthening of the dollar index also added to the losses.
- However, further losses were restricted after India's current account deficit narrowed in the quarter ended Jun 2023 as compared to the same period of the previous year. Hopes that the Reserve Bank of India led Monetary Policy Committee will keep interest rates on hold in its upcoming monetary policy review also provided some support to the markets.
- On the BSE sectoral front, S&P BSE IT fell the most by 2.81% followed by S&P BSE Teck which fell 2.27%. IT stocks remained under pressure after a major IT services company reported its Q4 earning numbers which fell short of market expectations. The company indicated that high inflation and interest rates pressures may adversely impact demand next year. S&P BSE Healthcare rose the most by 2.64% as the sector benefitted due to improved performance in the U.S. generics market, lower raw material costs, and new product launches. S&P BSE Realty rose 2.54% due to rising demand for houses and prospects of a rate cut in the next 12 to 14 months.

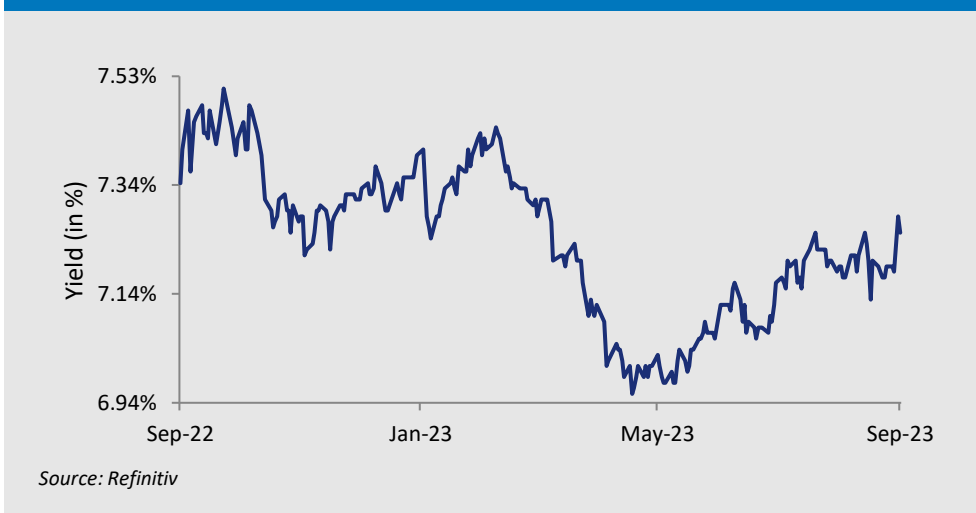
## Indian Debt Market Indicators

Broad Indices	29-Sep-23	Week Ago	Month Ago	6 Months Ago	Year Ago
Call Rate	6.87%	6.77%	6.75%	6.72%	5.55%
T-Repo	6.80%	6.76%	6.75%	6.77%	5.65%
Repo	6.50%	6.50%	6.50%	6.50%	5.40%
Reverse Repo	3.35%	3.35%	3.35%	3.35%	3.35%
3 Month CP	7.04%	7.07%	7.05%	7.40%	6.60%
1 Year CP	7.49%	7.50%	7.50%	7.75%	7.25%
3 Month CD	7.01%	6.98%	7.03%	7.47%	6.34%
1 Year CD	7.40%	7.53%	7.38%	7.74%	7.18%

Source: CCIL, Refinitiv \* As on Sep 22, 2023; \*\* As on Sep 15, 2023; @ As on Aug 25, 2023; @@ As on Mar 24, 2023; @@@ As on Sep 23, 2022

Broad Indices	29-Sep-23	Week Ago	Month Ago	6 Months Ago	Year Ago
1 Year AAA Corporate Bond	7.83%	7.76%	7.80%	7.92%	7.24%
3 Year AAA Corporate Bond	7.80%	7.70%	7.99%	8.01%	7.62%
5 Year AAA Corporate Bond	7.60%	7.53%	7.60%	7.96%	7.87%
1 Year G-Sec	6.98%	7.04%	7.02%	7.19%	6.69%
3 Year G-Sec	7.26%	7.18%	7.17%	7.15%	7.28%
5 Year G-Sec	7.23%	7.18%	7.18%	7.18%	7.31%
10 Year G-Sec	7.21%	7.15%	7.18%	7.30%	7.34%
Forex Reserve (\$ in billion)	590.70*	593.04**	594.86@	578.78@@	537.52@@@

## 10 - Year benchmark G-Sec Movement



Source: Refinitiv

## Domestic Debt Market Update

- Bond yields increased sharply tracking the all time high U.S. yield since 2007 and rising crude oil prices. Losses extended further after government maintained its borrowing goal for the second half of FY24, defying market expectations that supply would decrease. However, losses eased as market responded favourably to the little easing of U.S. yields from its highs and a correction in crude oil prices.
- Yield on the new 10-year benchmark paper (7.18% GS 2033) increased by 6 bps to close at 7.21% from the previous week's close of 7.15%.
- Reserve Bank of India conducted the auction of government securities for twelve states for a notified amount of Rs. 27,000 crore for which the whole amount was accepted. The cut off yield ranged from 7.43% to 7.59%. The lowest yield was witnessed in case of Rajasthan and Tamil Nadu and the highest yield was witnessed in case of Manipur.
- Data from Reserve Bank of India showed that reserve money grew 8.5% on a yearly basis for the week ended Sep 22, 2023 compared to an increase of 10.7% in the same period of the previous year. The currency in circulation grew 4.3% on a yearly basis for the week ended Sep 22, 2023 compared to an increase of 8.3% in the same period of the previous year.

[1] Data as on 28 Sep, 2023

## Global Commodity Update

Commodities	29-Sep-23	% Change (WoW)	% Change (YoY)	% Change (YTD)
NYMEX Crude Oil (\$/barrel)	90.75	0.49	11.28	12.87
Brent Crude Oil (\$/barrel)	95.24	1.61	7.65	10.76
Gold (\$/ounce)	1,848.31	-3.98	11.32	1.31
Silver (\$/ounce)	22.16	-5.82	17.78	-7.53

Source: Refinitiv

## Currencies Update

Currency	29-Sep-23	Week Ago	Month ago	6 Months Ago	Year Ago
U.S. Dollar	83.03	82.97	82.57	82.18	81.46
GBP	101.27	101.54	104.39	101.17	90.54
Euro	87.76	88.38	89.82	89.11	79.95
100 Yen	55.58	55.91	56.60	61.84	56.38

Source: Refinitiv

## Global Equity Market Performance

Country/Region	Indices	29-Sep-23	% Change (WoW)	% Change (YoY)	% Change (YTD)
U.S.	Russell 1000	2,351	-0.61	17.54	11.66
U.K.	FTSE	7,608	-0.99	10.56	2.10
France	CAC 40	7,135	-0.69	25.69	10.22
Germany	DAX	15,387	-1.10	28.48	10.51
Japan	Nikkei 225	31,858	-1.68	20.57	22.09
China <sup>[1]</sup>	Shanghai Composite	3,110	-0.70	2.28	0.69
Hong Kong	Hang Seng	17,810	-1.37	3.75	-9.97
Singapore	Straits Times	3,217	0.39	3.28	-1.04
Russia	RTS Index	1,008	0.76	-6.03	3.81
Brazil	Sao Paulo Se Bovespa	116,565	0.48	8.27	6.22

Source: Refinitiv

## Global Bond Yield Update

Indicators	29-Sep-23	Week ago	Month ago	6 Months Ago	Year ago
U.S. 10 Year Bond yield (%)	4.57	4.44	4.12	3.57	3.75
U.K. 10 Year Bond yield (%)	4.44	4.25	4.43	3.47	4.14
German 10 Year Bond yield (%)	2.84	2.74	2.51	2.31	2.21
Japan 10 Year Bond yield (%)	0.77	0.74	0.65	0.32	0.26

Source: Refinitiv

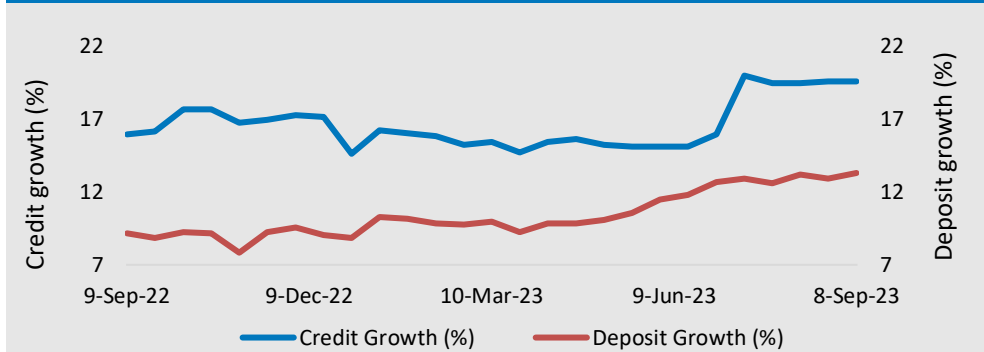
## Global Economic Calendar

Economic Events	Release date	Actual	Consensus	Previous
Germany CPI Prelim YY Sep 2023	28-Sep	4.50%	4.60%	6.10%
Japan CPI, Overall Tokyo Sep 2023	28-Sep	2.80%	NA	2.90%
U.S. GDP Final Q2 2023	28-Sep	2.10%	2.10%	2.10%
U.K. GDP QQ Q2 2023	29-Sep	0.20%	0.20%	0.20%

Source: Refinitiv

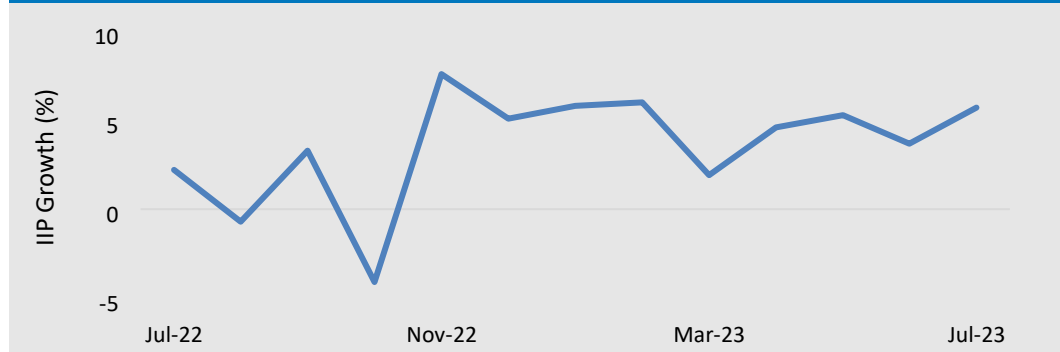
## Macro Economic Performance of India

### Credit growth vs Deposit growth



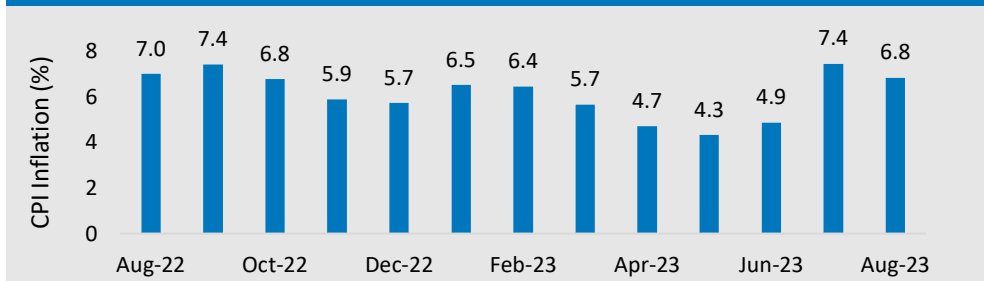
Source: Refinitiv

### IIP Growth (%)



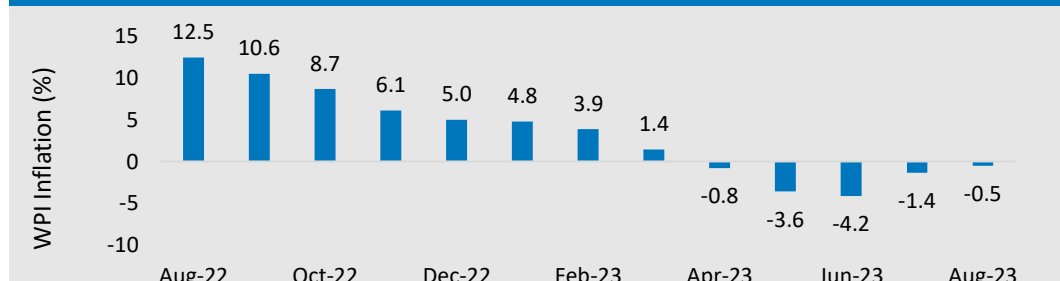
Source: Refinitiv

### Retail inflation movement



Source: Refinitiv

### Wholesale price inflation movement



Source: Refinitiv

[1] Data as on 28 Sep, 2023

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