

Good morning,

Here's your daily market and economy update:

Global:

- US labour market added 390,000 jobs in May, the slowest pace of growth since April last year, while the unemployment rate remained at 3.6%. Wages grew 5.2% in May, down from 5.5% in April.
- US is mulling the option of lifting some tariffs on Chinese goods that were put into place by the former President, to combat the current high inflation.
- US services industry growth slowed for a second straight month in May as per the ISM's non-manufacturing activity index which fell to 55.9 in May from 57.1 in April.

Domestic:

- India's services PMI rose to 58.9 in May from 57.9 in April, its highest since April 2011, on strong demand and new orders.
- India aims to achieve at least 60% of the FY23 capital expenditure budgeted target by the end of September to support the economy buffeted by high inflation, geopolitical risk and monetary tightening.
- India's foreign exchange reserves increased by USD 3.8 billion to USD 601.4 billion in the week ended May 27 due to an increase in the Foreign Currency Assets (FCA) and the gold reserves.

Global Indicators

	02-06-2022	03-06-2022	% / bps change
Dow	33,248	32,900	-1.05
NASDAQ	12,317	12,013	-2.47
S & P 500	4,177	4,109	-1.63
Nikkei 225	27,414	27,762	1.27
US 10-yr (%)	2.91	2.94	3 bps
UK 10-yr (%)	2.16	2.16	0 bps
Germany 10-yr (%)	1.24	1.28	4 bps
Gold (\$/t oz)	1,871	1,850	-1.13
Crude Oil-WTI (\$/bbl)	116.87	118.87	1.71
Crude Oil-Brent (\$/bbl)	118.22	119.72	1.79
\$/€*	1.07	1.07	-0.27
¥/\$*	129.88	130.83	0.73
\$/£*	1.26	1.25	-0.71

*(-)Appreciation/(+)Depreciation; Source: WSJ

Equity and Currency Markets - Domestic

	02-06-2022	03-06-2022	% change
Sensex	55,818	55,769	-0.09
NIFTY	16,628	16,584	-0.26
BSE SME IPO	12,490	12,483	-0.06
Rs/\$*	77.61	77.63	0.03
Rs/€*	82.96	83.43	0.56

*(-)Appreciation/(+) Depreciation; Source: Business Standard

Corporate Bond Spreads over G-Sec (percentage point)*- Domestic

10 Year	PSU, FIs & Banks	NBFCs	Corporates
AAA	0.15	0.31	0.25
AA+	0.5	0.78	0.63
AA	0.87	1.15	0.93
AA-	1.32	1.54	1.34
A+	2.07	3.29	2.59
A	2.32	3.54	2.84
A-	2.57	3.79	3.34
BBB+	3.07	4.29	3.84
BBB	3.32	4.54	4.09
BBB-	3.82	5.04	4.59

*As of June 02, 2022; Source: FIMMDA

FPI and MFs Investment Flows - Domestic

	Equity Net	Debt Net	Total (Net)^
Net FPI Flows (USD million)			
May-22	(5,179)	456	(4,730)
Jun-22*	(295)	75	(213)
02-Jun-22	(93)	(17)	(109)
03-Jun-22	(74)	77	4
MF Investments (Rs crore)			
May-22#	28	123	151

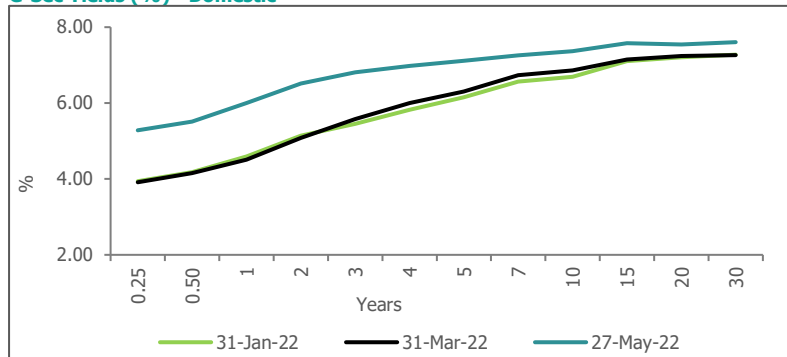
*Latest data as of previous trading day; #Data till June 01, 2022; ^Total (Net) of equity, debt & hybrid; Source: NSDL, SEBI

Money Market - Domestic

	02-06-2022	03-06-2022
Avg. Call Rate (%)	4.07	3.83
Vol. Traded (Rs crore)	11,866	919
Net banking system liquidity outstanding (Rs crore)*	(3,64,052)	(3,39,737)
T-Bills 91 days (%)	4.94	4.95
182 days (%)	NA	5.50
364 days (%)	6.07	6.07
G-sec 3 years (%)	6.97	7.01
5 years (%)	7.17	7.22
10 years (%)	7.43	7.46

*(+/-)Deficit/(+)Surplus (Net banking system liquidity outstanding = total repo + MSF + SLF - total reverse repo); Source: RBI, CCIL

G-Sec Yields (%) - Domestic



Source: FBIL

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