

Good Morning,

The market roundup for the global and domestic markets for **Monday (September 6, 2021)** is as follows.

- **US equity and treasury markets** were closed on account of Labor Day.
- **European stocks** closed higher as investors digested the weaker than forecast US jobs data and its implications for tapering by the Federal Reserve. Speculations of more stimulus in Japan and China further boosted the positive market sentiments. Investor sentiments will be guided by the European Central Bank meeting scheduled for Thursday.
- **Nikkei** ended higher as investors remained optimistic of fiscal spending by the new prime minister and likely easing of Covid-19 restrictive measures as vaccinations gather momentum. Investors await the release of Q2-GDP data due later in the week.
- **Crude oil** prices plunged following larger than expected oil price cut by Saudi Arabia for Asia. Slowdown in the pace of recovery in US and China further dented the oil demand outlook.
- **US Dollar** weakened against Euro and Yen on expectations of unlikely tapering by the Fed in the near term following weak jobs data.
- **Indian equity markets** climbed to record highs and Nifty surpassed the 17,350-mark driven by gains in technology stocks. Market sentiments were boosted by the disappointing US jobs data and expectations of unlikely change in Fed's monetary policy stance in the near term.
- **Rupee** weakened tracking strength in **US Dollar** despite rallying domestic equity markets. The **10-year benchmark G-sec yields** rose to 6.17%.

**Table 1: Global Markets indicators**

	03-09-2021	06-09-2021	% / bps change
Dow	35,369	NA	NA
NASDAQ	15,364	NA	NA
S & P 500	4,535	NA	NA
Nikkei 225	29,128	29,660	1.83
FTSE 100	7,138	7,187	0.68
US 10-yr (%)	1.32	NA	NA
UK 10-yr (%)	0.71	0.69	-1.85 bps
Germany 10-yr (%)	-0.37	-0.37	-0.40 bps
Gold	1,834	NA	NA
Crude Oil (WTI)	69.29	68.80	-0.71
Crude Oil (Brent)	72.61	72.09	-0.72
\$/€*	1.19	1.19	0.04
¥/\$*	109.78	109.71	-0.06
\$/£*	1.39	1.39	-0.01

\* (-) Appreciation/ (+) Depreciation; ^ with a day's lag  
Source: CNN, WSJ, Bloomberg.

**Table 2: Domestic Market indicators**

	03-09-2021	06-09-2021	% change
Sensex	58,130	58,297	0.29
NIFTY	17,324	17,378	0.31
BSE SME IPO	6,115	6,160	0.73
Rs/\$	73.02	73.11	0.12
Rs/€	86.71	86.67	-0.04

Source: BSE, NSE, Mint \* (-) Appreciation/ (+) Depreciation.

**Table 3: FPI and MFs investment flows**

US \$ Mn	Equity		Net	Debt		Net	Total (Net) ^
	Purchase	Sale		Purchase	Sale		
Net FPI Flows (US \$ mn)							
Aug-21	23,390	23,106	284	3,639	1,696	1,936	2,233
Sept-21*	6,482	5,914	568	977	578	399	962
03-Sept-21	1,381	1,198	183	128	115	13	194
06-Sept-21	830	917	(87)	137	146	(9)	(98)
MF Investments (Rs. Cr.)							
Sept-21#	8,800	8,464	336	14,333	9,832	4,501	4,837

Source: NSDL, SEBI \*Data till September 6, 2021# Data till September 2, 2021 ^Total (Net) of equity, debt & hybrid

**Table 4: Money Market view#**

	03-09-2021	06-09-2021
Avg. Call Rate (%)	2.85	3.15
Vol. Traded (Rs. Cr.)	520	7,579
Net banking system liquidity outstanding	(8,78,113)	(8,78,767)
Daily liquidity injection (+) /absorption (-) #	(6,83,539)	(6,84,193)
T-Bills 91 days	3.27	3.27
182 days	3.38	3.35
364 days	3.58	3.55
G-Sec 3 years	4.80	4.81
5 years	5.57	5.60
10 years	6.16	6.17

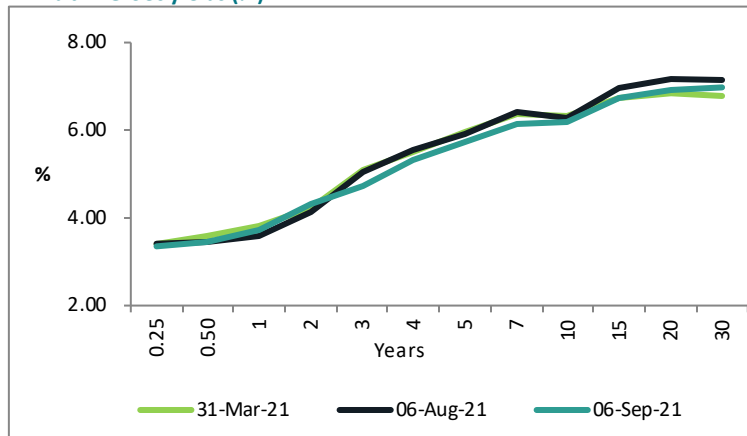
\* + deficit/ - surplus (Net banking system liquidity outstanding = total repo + MSF + SLF - total reverse repo) #Daily liquidity injection (+) / absorption (-) = (Repo + MSF - Reverse Repo) auctioned on that day; Source: RBI, FBI, CCIL.

**Table 5: Corporate bond spreads over G-sec (%) \***

	10 Year	PSU, Fis & Banks	NBFCs	Corporates
AAA		0.66	0.61	0.48
AA+		1.12	0.94	0.96
AA		1.43	1.28	1.28
AA-		1.83	1.63	1.68
A+		2.83	3.63	3.18
A		3.08	3.88	3.43
A-		3.33	4.13	3.93
BBB+		3.83	4.63	4.43
BBB		4.08	4.88	4.68
BBB-		4.58	5.38	5.18

Source: FIMMDA \*As on 3<sup>rd</sup> September 2021

**Exhibit 1: G-Sec yields (%)**



Source: FIMMDA

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