

Good morning,
Here's your daily market and economy update:

Global:

- The OECD has sharply slashed its global growth forecasts to 3% for this year, much lower than its December projection of 4.5%. The weaker than expected growth is expected to be more pronounced in economies which are highly exposed to the war through energy imports and refugee flows.
- Japan's economy shrank an annualised 0.5% in the first quarter, slightly better than the initial estimate of a 1.0% contraction, as consumption remained resilient even in the face of resurgent COVID-19 infections.
- The euro zone economy grew much faster in the first quarter of the year than in the previous three months despite the impact of the war in Ukraine. As per the revised estimate, euro zone GDP rose 0.6% q-o-q, for a 5.4% y-o-y expansion.

Domestic:

- RBI's MPC unanimously voted to increase the benchmark policy repo rate by 50 bps to 4.90%. Consequently, the standing deposit facility rate stands adjusted to 4.65% and the marginal standing facility rate and the bank rate to 5.15%.
- The real GDP growth forecast for FY23 has been retained at 7.2% while the inflation projection has been revised upwards to 6.7% from the earlier estimate of 5.7%.
- The Union Cabinet has approved a hike in the Minimum Support Price for various kharif crops for the FY23 sowing season by around 5-9% with the maximum hikes reserved for pulses and oilseeds.

Global Indicators

	07-06-2022	08-06-2022	% / bps change
Dow	33,180	32,911	-0.81
NASDAQ	12,175	12,086	-0.73
S & P 500	4,161	4,116	-1.08
Nikkei 225	27,944	28,234	1.04
FTSE 100	7,599	7,593	-0.08
US 10-yr (%)	2.98	3.02	4 bps
UK 10-yr (%)	2.22	2.25	3 bps
Germany 10-yr (%)	1.30	1.36	6 bps
Gold (\$/t oz)	1,852	1,857	0.24
Crude Oil-WTI (\$/bbl)	119.41	122.11	2.26
Crude Oil-Brent (\$/bbl)	120.57	123.58	2.50
\$/€*	1.07	1.07	0.10
¥/\$*	132.60	134.26	1.25
\$/£*	1.26	1.25	-0.41

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

Equity and Currency Markets - Domestic

	07-06-2022	08-06-2022	% change
Sensex	55,107	54,892	-0.39
NIFTY	16,416	16,356	-0.37
BSE SME IPO	12,343	12,385	0.34
Rs/\$*	77.71	77.73	0.03
Rs/€*	83.17	83.00	-0.21

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

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

10 Year	PSU, FIs & Banks	NBFCs	Corporates
AAA	0.06	0.16	0.07
AA+	0.41	0.6	0.45
AA	0.78	0.97	0.75
AA-	1.23	1.36	1.16
A+	1.98	3.11	2.41
A	2.23	3.36	2.66
A-	2.48	3.61	3.16
BBB+	2.98	4.11	3.66
BBB	3.23	4.36	3.91
BBB-	3.73	4.86	4.41

*As of June 07, 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*	(1,298)	(106)	(1,391)
07-Jun-22	(239)	(201)	(439)
08-Jun-22	(288)	(9)	(291)
MF Investments (Rs crore)			
Jun-22#	3,312	1,273	4,586

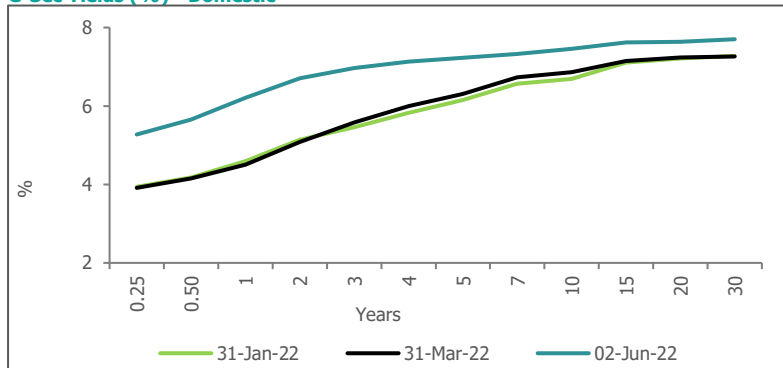
*Latest data as of previous trading day; #Data till June 06, 2022; ^Total (Net) of equity, debt & hybrid; Source: NSDL, SEBI

Money Market - Domestic

	07-06-2022	08-06-2022
Avg. Call Rate (%)	4.11	4.37
Vol. Traded (Rs crore)	12,747	13,057
Net banking system liquidity outstanding (Rs crore)*	(3,16,883)	(3,29,336)
T-Bills 91 days (%)	4.99	4.95
182 days (%)	5.48	5.58
364 days (%)	6.11	6.04
G-sec 3 years (%)	7.06	6.94
5 years (%)	7.29	7.19
10 years (%)	7.52	7.48

* (+)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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