

Good Morning,

The market roundup for the global and domestic markets for **Monday (June 14, 2021)** is as follows.

- **Global equity markets** ended broadly higher (**NASDAQ, S&P 500, European and Japanese** equity markets) barring **Dow Jones** as gains owing to post pandemic economic recovery outweighed persistent inflation fears, cautious trading ahead of the US Fed policy and tapering talks by other central banks. Decline in COVID-19 infections and upward revisions in Japan's industrial output further supported gains in **Nikkei**.
- The **10-year US benchmark treasury yields** rose, and **US Dollar** strengthened against Yen and Pound as investors factored in higher inflation and upbeat economic prospects.
- **Crude oil prices** ended mixed (**WTI** ended flat while **Brent** rose) as strong oil demand prospects amid travel relaxations and uncertainty around US-Iran nuclear talks outweighed gradual easing of supply curbs by OPEC+. **Gold prices** declined tracking the strength in the US dollar and uptick in US Treasury yields.
- **Indian equity benchmark indices** pared losses to close marginally higher as optimism over falling caseload and hopes of recovery outweighed profit-booking by investors amid mixed global cues. Investors were cautious ahead of the Fed meeting later in the week and release of domestic inflation data later in the day.
- **Rupee** weakened against the **US dollar** pressured by rising crude oil prices and strength in US dollar. **The 10-year benchmark G-sec yields** declined on upbeat demand following details of the 3rd tranche of GSAP 1.0.

Table 1: Global Markets indicators

	11-06-2021	14-06-2021	% / bps change
Dow	34,480	34,394	-0.25
NASDAQ	14,069	14,174	0.74
S & P 500	4,247	4,255	0.18
Nikkei 225	28,949	29,162	0.74
FTSE 100	7,134	7,147	0.18
US 10-yr (%)	1.46	1.48	1.8 bps
UK 10-yr (%)	0.71	0.73	2.75 bps
Germany 10-yr (%)	-0.27	-0.25	2.45 bps
3-month Libor (%) ^	0.119	0.119	-0.01 bps
6-month Libor (%) ^	0.148	0.153	0.43 bps
Gold	1,880	1,866	-0.73
Crude Oil (WTI)	70.91	70.88	-0.04
Crude Oil (Brent)	72.69	72.86	0.23
\$/€*	1.21	1.21	0.19
¥/\$*	109.75	110.12	0.34
\$/£*	1.41	1.41	-0.02

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

Table 2: Domestic Market indicators

	11-06-2021	14-06-2021	% change
Sensex	52,475	52,552	0.15
NIFTY	15,799	15,812	0.08
BSE SME IPO	3,462	3,506	1.29
Rs/\$	73.08	73.27	0.26
Rs/€	88.67	88.79	0.14

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

Table 3: FPI and MFs investment flows

US \$ Mn	Equity		Debt		Total		
	Purchase	Sale	Net	Purchase	Sale	Net	
Net FPI Flows (US \$ mn)							
May-21	24,294	23,545	749	2,287	2,220	67	906
June-21*	9,440	8,006	1,434	1,406	1,617	(211)	1,191
10-June-21	1,054	857	198	544	316	228	425
11-June-21	708	693	14	182	179	3	17
MF Investments (Rs. Cr.)							
June-21#	23786	24468	(682)	47092	42753	4339	3657

Source: NSDL, SEBI *Data till June 11, 2021# Data till June 10, 2021 ^Total (Net) of equity, debt & hybrid

Table 4: Money Market view#

	11-06-2021	14-06-2021
Avg. Call Rate (%)	3.1	3.11
Vol. Traded (Rs. Cr.)	6,927	7,330
MIBOR (Overnight) ^	3.36	3.37
Net banking system liquidity outstanding	(4,78,312)	(4,77,307)
Daily liquidity injection (+) /absorption (-) #	(3,62,277)	(3,61,272)
T-Bills 91 days *	3.38	3.38
182 days *	3.60	3.61
364 days *	3.69	3.71
G-Sec 3 years	4.89	4.92
5 years	5.51	5.54
10 years	6.01	6.00

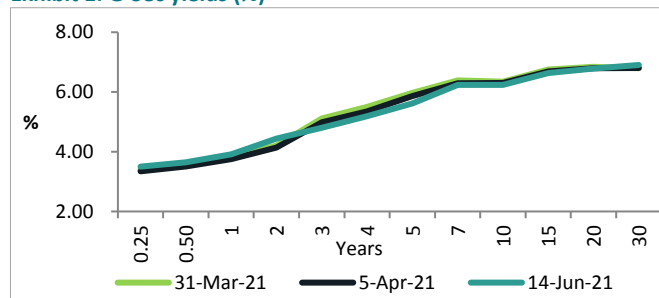
* + deficit/ - surplus (Net banking system liquidity outstanding = total repo + MSF + SLF - total reverse repo) #Daily liquidity injection (+) / absorption (-) = (Repo + MSF - Reverse Repo) auctioned on that day; Source: RBI, FBI, CCIL; ^pertains to 4th & 7th June 2021 *with a day's lag

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

10 Year	10-06-2021	11-06-2021	10 year	10-06-2021	11-06-2021
AAA	0.30	0.33	A	3.17	3.20
AA+	0.76	0.79	A-	3.67	3.70
AA	1.02	1.05	BBB+	4.17	4.20
AA-	1.42	1.45	BBB	4.42	4.45
A+	2.92	2.95	BBB-	4.92	4.95

Source: FIMMDA

Exhibit 1: G-Sec yields (%)



Source: FIMMDA