

Good Morning,

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

- **US equity markets** ended lower on lingering concerns over the uncertain pace of economic recovery and the proposed corporate tax hike which outweighed the optimism around softer inflation data. The **10-year US benchmark treasury yields** declined, and **US Dollar** strengthened against Euro and Pound following less than expected rise in US consumer price inflation.
- **FTSE** ended lower on profit-booking in financial and metal stocks. Britain's threat to EU over unilateral suspension of Northern Ireland protocol sapped the investor risk appetite.
- **Nikkei** ended higher on the back of buying in cyclical stocks as investor risk appetite was boosted by the momentum in vaccinations and re-opening hopes. Change of leadership in Japan and hopes of stimulus support to aid the economic recovery supported the gains.
- **Crude oil** prices increased following a larger than expected decline in US crude stocks as reported by API on Tuesday. Disruptions in oil production added to the tight supply concerns. **Gold prices** rose despite strength in US Dollar.
- **Indian equity markets** ended higher led by gains in financial and IT stocks. On the economic data front retail inflation showed signs of easing albeit at a slow pace while wholesale inflation inched up in August.
- **Rupee** ended flat against the US Dollar as positive domestic equities and foreign fund inflows were offset by elevated international crude oil prices. **The 10-year benchmark G-sec yields** rose to 6.20% tracking the increase in global crude oil prices.

Table 1: Global Markets indicators

	13-09-2021	14-09-2021	% / bps change
Dow	34,870	34,578	-0.84
NASDAQ	15,106	15,038	-0.45
S & P 500	4,469	4,443	-0.57
Nikkei 225	30,447	30,670	0.73
FTSE 100	7,068	7,034	-0.49
US 10-yr (%)	1.32	1.28	-4.50 bps
UK 10-yr (%)	0.74	0.74	-0.40 bps
Germany 10-yr (%)	-0.33	-0.35	-1.60 bps
Gold	1,794	1,807	0.71
Crude Oil (WTI)	70.45	70.81	0.51
Crude Oil (Brent)	73.51	73.93	0.57
\$/€*	1.18	1.18	-0.02
¥/\$*	110.07	109.64	-0.39
\$/£*	1.38	1.38	-0.30

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

Table 2: Domestic Market indicators

	13-09-2021	14-09-2021	% change
Sensex	58,178	58,247	0.12
NIFTY	17,355	17,380	0.14
BSE SME IPO	6,255	6,475	3.53
Rs/\$	73.68	73.69	0.01
Rs/€	86.82	87.00	0.21

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

Table 3: FPI and MFs investment flows

US \$ Mn	Equity			Debt			Total (Net) ^
	Purchase	Sale	Net	Purchase	Sale	Net	
Net FPI Flows (US \$ mn)							
Aug-21	23,390	23,106	284	3,639	1,696	1,936	2,233
Sept-21*	12,181	11,227	954	1,845	1,278	567	1,521
13-Sept-21	1,456	1,294	161	278	137	141	303
14-Sept-21	1,178	987	192	132	146	(14)	180
MF Investments (Rs. Cr.)							
Sept-21#	26,835	25,208	1,627	42,785	35,307	7,478	9,105

Source: NSDL, SEBI *Data till September 14, 2021# Data till September 8, 2021 ^Total (Net) of equity, debt & hybrid

Table 4: Money Market view#

	13-09-2021	14-09-2021
Avg. Call Rate (%)	3.15	3.14
Vol. Traded (Rs. Cr.)	6,969	6,654
Net banking system liquidity outstanding	(8,38,944)	(8,46,135)
Daily liquidity injection (+) / absorption (-) #	(5,40,509)	(5,97,908)
T-Bills 91 days	3.27	3.28
182 days	3.35	3.35
364 days	3.50	3.50
G-Sec 3 years	4.86	4.87
5 years	5.63	5.64
10 years	6.19	6.20

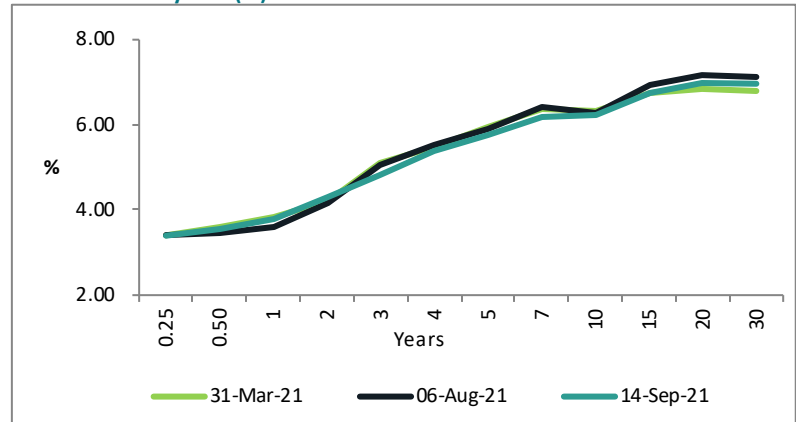
* + deficit/ - surplus (Net banking system liquidity outstanding = total repo + MSF + SLF - total reverse repo) #Daily liquidity injection (+) / absorption (-) = (Repo + MSF - Reverse Repo) auctioned on that day; Source: RBI, FBI, CCIL.

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

	10 Year	PSU, FIs & Banks	NBFCs	Corporates
AAA		0.54	0.51	0.47
AA+		1.10	0.93	0.95
AA		1.41	1.27	1.27
AA-		1.81	1.62	1.67
A+		2.81	3.62	3.17
A		3.06	3.87	3.42
A-		3.31	4.12	3.92
BBB+		3.81	4.62	4.42
BBB		4.06	4.87	4.67
BBB-		4.56	5.37	5.17

Source: FIMMDA *As on 13th September 2021

Exhibit 1: G-Sec yields (%)



Source: FIMMDA