

Good morning,

The market roundup for the global and domestic markets for **Wednesday (September 15, 2021)** is as follows:

- **US stocks** rebounded on Wednesday with all the three major indices closing firmly in positive territory. The S&P 500 and the Dow Jones indices rose, with sectors such as energy and financials recovering some of their losses. Although a slowing economic recovery and uncertainty over higher taxes kept sentiment subdued.
- **Asian and European shares** fell on Wednesday as weak Chinese economic data reinforced worries about slowing growth globally. Japan's Nikkei shed 0.52% while FTSE 100 declined 0.25% as traders contemplated disparate data on the global recovery.
- **10-year US benchmark treasury yield** rose, bouncing back from a decline after a cooler-than-expected inflation reading. **Dollar** slipped against its major peers on the inflation figures. **Gold prices** declined amid a correction in global precious metal prices tracking weakness in dollar.
- **Crude oil prices** climbed after industry data showed a larger-than-expected drawdown in U.S. crude inventories and on expectations that demand will rise as vaccination rollouts widen.
- **Domestic equity market** benchmarks BSE Sensex and Nifty 50 closed at record highs as risk appetite of investors improved with government announcing various incentives to boost manufacturing and uplift ailing sectors such as telecom and auto. Gains were concentrated in key sectors such as banks, information technology, auto and metals.
- **Rupee** closed 18 paise higher at 73.50 against the US dollar, tracking a firm trend in domestic equities and sustained foreign fund inflows. **10-year benchmark G-sec yield** eased by 4 bps to settle at 6.16%.

Table 1: Global Markets indicators

	14-09-2021	15-09-2021	% / bps change
Dow	34,578	34,814	0.68
NASDAQ	15,038	15,162	0.82
S & P 500	4,443	4,481	0.85
Nikkei 225	30,670	30,512	-0.52
FTSE 100	7,034	7,016	-0.25
US 10-yr (%)	1.29	1.30	1.00 bps
UK 10-yr (%)	0.65	0.69	3.60 bps
Germany 10-yr (%)	-0.34	-0.31	3.20 bps
Gold	1,807	1,792	-0.81
Crude Oil (WTI)	70.81	72.61	2.54
Crude Oil (Brent)	73.93	75.46	2.07
\$/€*	1.18	1.18	0.10
¥/\$*	109.69	109.37	-0.29
\$/£*	1.38	1.38	0.23

* (-) Appreciation/ (+) Depreciation
Source: CNN, WSJ, Bloomberg

Table 2: Domestic Market indicators

	14-09-2021	15-09-2021	% change
Sensex	58,247	58,723	0.82
NIFTY	17,380	17,519	0.80
BSE SME IPO	6,475	6,779	4.69
Rs/\$	73.68	73.50	-0.24
Rs/€	86.61	86.67	0.07

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

Table 3: FPI and MFs investment flows

US \$ Mn	Equity Purchase	Sale	Net	Debt Purchase	Sale	Net	Total (Net) ^
Net FPI Flows (US \$ mn)							
Aug-21	23,390	23,106	284	3,639	1,696	1,936	2,233
Sept-21*	13,645	12,470	1,175	1,919	1,394	524	1,702
14-Sept-21	1,178	987	192	132	146	(14)	180
15-Sept-21	1,464	1,243	221	74	116	(43)	181
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 15, 2021# Data till September 08, 2021, ^Total (Net) of equity, debt & hybrid

Table 4: Money Market view

	14-09-2021	15-09-2021
Avg. Call Rate (%)	3.14	3.18
Vol. Traded (Rs. Cr.)	6,654	7,083
Net banking system liquidity outstanding*	(8,46,135)	(7,98,750)
Daily liquidity injection (+) /absorption (-) #	(5,97,908)	(4,50,504)
T-Bills 91 days	3.28	3.26
182 days	3.35	3.26
364 days	3.5	3.39
G-Sec 3 years	4.87	4.84
5 years	5.64	5.60
10 years	6.20	6.16

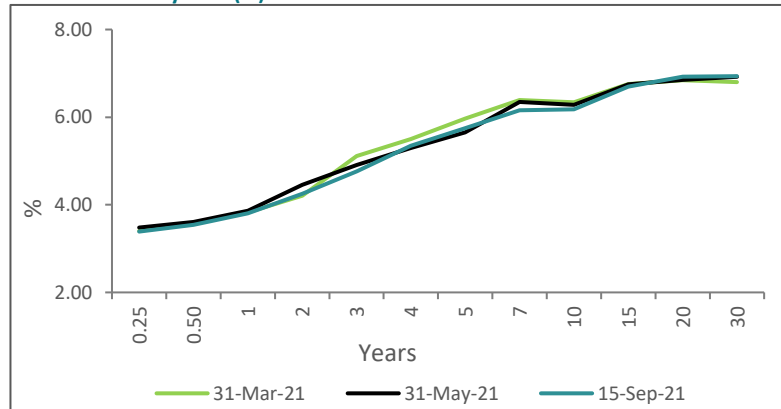
* + deficit/ - surplus (Net banking system liquidity outstanding = total repo + MSF + SLF - total reverse repo) #Daily liquidity injection (+) / absorption (-) = (Repo + MSF - Reverse Repo) auctioned on that day
Source: RBI, FBIL, CCIL

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

	10 Year	PSU, FIs & Banks	NBFCs	Corporates
AAA		0.38	0.51	0.47
AA+		1.02	0.93	0.95
AA		1.33	1.27	1.27
AA-		1.73	1.62	1.67
A+		2.73	3.62	3.17
A		2.98	3.87	3.42
A-		3.23	4.12	3.92
BBB+		3.73	4.62	4.42
BBB		3.98	4.87	4.67
BBB-		4.48	5.37	5.17

Source: FIMMDA; *as on 14th September 2021

Exhibit 1: G-Sec yields (%)



Source: FIMMDA