

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

Global:

- US retail spending fell a seasonally adjusted 0.3% in May from the previous month, as consumers felt the pinch from inflation, higher gasoline prices and rising interest rates.
- The Bank of England raised interest rates by 0.25 percentage points to 1.25% on Thursday and warned it expected inflation to climb above 11% before the end of the year.
- The Swiss National Bank raised its benchmark rate by 50 basis points from minus 0.75% to minus 0.25%. By hiking the policy rate for the first time in 15 years, it became the latest rate-setter to shift away from ultra-loose monetary policy.

Domestic:

- The unemployment rate for persons aged 15 years and above in urban areas dipped to 8.2% in January-March 2022 from 9.3% in the year-ago quarter, showed the periodic labour force survey by the National Statistical Office (NSO).
- Advance tax paid by companies in the first quarter of the fiscal year grew 46% over that in the equivalent period in FY22, indicating healthy tax buoyancy that will provide the government the cushion to absorb part of the higher subsidy bill.
- Wheat procurement by the government is 57.5% less than the original target this season due to higher private trade as well as a dip in harvest on account of extreme heat in March impacting production.

Global Indicators

	15-06-2022	16-06-2022	% / bps change
Dow	30,669	29,927	-2.42
NASDAQ	11,099	10,646	-4.08
S & P 500	3,790	3,667	-3.25
Nikkei 225	26,326	26,431	0.40
FTSE 100	7,273	7,045	-3.14
US 10-yr (%)	3.29	3.20	-9 bps
UK 10-yr (%)	2.47	2.52	5 bps
Germany 10-yr (%)	1.64	1.72	7 bps
Gold (\$/t oz)	1,820	1,850	1.67
Crude Oil-WTI (\$/bbl)	115.31	117.59	1.98
Crude Oil-Brent (\$/bbl)	118.51	119.81	1.10
\$/€*	1.04	1.06	1.00
¥/\$*	133.83	132.17	-1.24
\$/£*	1.22	1.24	1.42

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

Equity and Currency Markets - Domestic

	15-06-2022	16-06-2022	% change
Sensex	52,541	51,496	-1.99
NIFTY	15,692	15,361	-2.11
BSE SME IPO	12,227	11,961	-2.18
Rs/\$*	78.07	78.10	0.04
Rs/€*	81.91	81.29	-0.76

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

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

10 Year	PSU, FIs & Banks	NBFCs	Corporates
AAA	0.08	0.22	0.17
AA+	0.42	0.72	0.53
AA	0.77	1.02	0.85
AA-	1.23	1.47	1.26
A+	1.98	3.22	2.51
A	2.23	3.47	2.76
A-	2.48	3.72	3.26
BBB+	2.98	4.22	3.76
BBB	3.23	4.47	4.01
BBB-	3.73	4.97	4.51

*As of June 15, 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*	(3,636)	(171)	(3,782)
15-Jun-22	(553)	(10)	(564)
16-Jun-22	(430)	(3)	(435)
MF Investments (Rs crore)			
Jun-22#	10,368	(1,277)	9,090

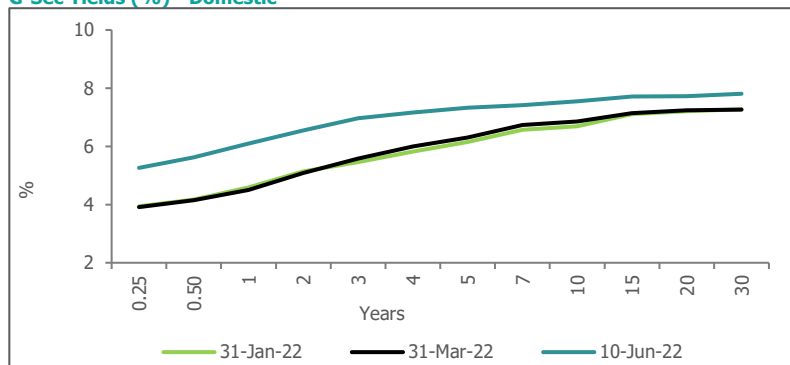
*Latest data as of previous trading day; #Data till June 15, 2022; ^Total (Net) of equity, debt & hybrid; Source: NSDL, SEBI

Money Market - Domestic

	15-06-2022	16-06-2022
Avg. Call Rate (%)	4.54	4.54
Vol. Traded (Rs crore)	11,191	11,923
Net banking system liquidity outstanding (Rs crore)*	(3,46,262)	(2,86,641)
T-Bills 91 days (%)	5.04	5.05
182 days (%)	5.70	5.69
364 days (%)	6.25	6.24
G-sec 3 years (%)	7.06	7.06
5 years (%)	7.32	7.30
10 years (%)	7.60	7.58

*(+/-)Deficit/(-)Surplus (Net banking system liquidity outstanding = total repo + MSF + SLF - total reverse repo); Source: RBI, CCLL

G-Sec Yields (%) - Domestic



Source: FBIL

Contact

Shambhavi Priya | Associate Economist | shambhavi.priya@careedge.in | +91 - 22 - 6754 3493

CARE Ratings Limited

Corporate Office: 4th Floor, Godrej Coliseum, Somaiya Hospital Road, Off Eastern Express Highway, Sion (East), Mumbai - 400 022 | Phone: +91-22-6754 3456 | CIN: L67190MH1993PLC071691

Connect :

Disclaimer: This report has been prepared by CareEdge (CARE Ratings Limited). CareEdge has taken utmost care to ensure accuracy and objectivity based on information available in the public domain. However, neither the accuracy nor completeness of the information contained in this report is guaranteed. CareEdge is not responsible for any errors or omissions in analysis/inferences/views or for results obtained from the use of the information contained in this report and especially states that CareEdge has no financial liability whatsoever to the user of this report.