

Good Morning,

The market roundup for the global and domestic markets for **Thursday (September 23, 2021)** is as follows.

- **US equity markets** ended higher as investors digested the outcome of the FOMC meeting. On the data front, flash manufacturing and services PMI pointed towards slow business activity and weekly jobless claims inched higher.
- **FTSE** ended marginally lower as UK services and manufacturing flash PMI data missed the market forecasts dampening the overall market sentiments. On the policy front, Bank of England maintained status quo on the key policy rate and downgraded the Q3 GDP forecast.
- Stock markets in **Japan** were closed on account of a national holiday.
- The **10-year US benchmark treasury yields** inched up on tapering signals by the Fed. The yields were higher despite weak unemployment claims data. The **US Dollar** weakened against Euro and Pound despite a hawkish tone by the Federal Reserve.
- **Crude oil** prices extended gains as concerns over tight supply conditions persisted on account of decline in US crude stocks and concerns over the pace of recovery in US Gulf of Mexico oil production. **Gold prices** fell despite weakness in US Dollar.
- **Indian equity markets** scaled fresh peaks tracking upbeat sentiments in the US and European equity markets and easing concerns over China's Evergrande default crisis. The gains were led by financial and real estate stocks.
- **Rupee** strengthened against US Dollar on the back of strong domestic equities and weakness in the American currency. **The 10-year benchmark G-sec yields** remained unchanged at 6.14%.

Table 1: Global Markets indicators

	22-09-2021	23-09-2021	% / bps change
Dow	34,258	34,765	1.48
NASDAQ	14,897	15,052	1.04
S & P 500	4,396	4,449	1.21
Nikkei 225	29,639	NA	NA
FTSE 100	7,083	7,078	-0.07
US 10-yr (%)	1.33	1.41	7.90 bps
UK 10-yr (%)	0.80	0.91	11.30 bps
Germany 10-yr (%)	-0.33	-0.25	7.45 bps
Gold	1,779	1,750	-1.63
Crude Oil (WTI)	71.97	73.28	1.82
Crude Oil (Brent)	75.85	77.26	1.86
\$/€*	1.17	1.17	0.39
¥/\$*	109.89	110.36	0.43
\$/£*	1.36	1.37	0.71

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

Table 2: Domestic Market indicators

	22-09-2021	23-09-2021	% change
Sensex	58,927	59,885	1.63
NIFTY	17,547	17,823	1.57
BSE SME IPO	7,243	7,570	4.52
Rs/\$	73.86	73.64	-0.30
Rs/€	86.64	86.32	-0.37

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)						
Aug-21	23,390	23,106	284	3,639	1,696	1,936
Sept-21*	23,395	21,633	1,761	3,347	2,372	975
22-Sept-21	1,101	920	181	174	118	56
23-Sept-21	1,032	1,245	-213	240	117	123
MF Investments (Rs. Cr.)						
Sept-21#	58,343	58,935	(592)	95,867	82,067	13,801

Source: NSDL, SEBI *Latest Data as of previous trading day # Data till September 20, 2021 ^Total (Net) of equity, debt & hybrid

Table 4: Money Market view#

	22-09-2021	23-09-2021
Avg. Call Rate (%)	3.16	3.22
Vol. Traded (Rs. Cr.)	7,089	9,796
Net banking system liquidity outstanding	(6,85,355)	(7,41,925)
Daily liquidity injection (+) /absorption (-) #	(2,85,971)	(3,42,541)
T-Bills 91 days	3.33	3.25
182 days	3.40	3.33
364 days	3.58	NA
G-Sec 3 years	4.84	4.85
5 years	5.59	5.58
10 years	6.14	6.14

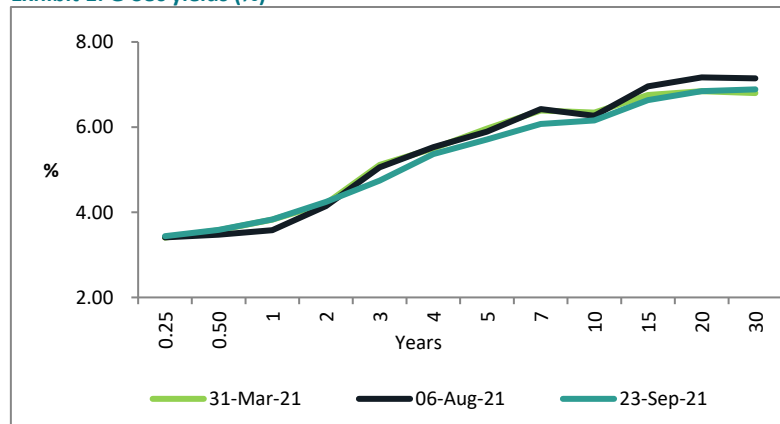
* + deficit/ - surplus (Net banking system liquidity outstanding = total repo + MSF + SLF - total reverse repo) #Daily liquidity injection (+) / absorption (-) = (Repo + MSF - Reverse Repo) auctioned on that day; Source: RBI, FBI, CCIL.

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

	10 Year	PSU, FIs & Banks	NBFCs	Corporates
AAA		0.51	0.30	0.29
AA+		0.97	0.74	0.78
AA		1.29	1.09	1.09
AA-		1.70	1.44	1.49
A+		2.70	3.44	2.99
A		2.95	3.69	3.24
A-		3.20	3.94	3.74
BBB+		3.70	4.44	4.24
BBB		3.95	4.69	4.49
BBB-		4.45	5.19	4.99

Source: FIMMDA *As on 22nd September 2021

Exhibit 1: G-Sec yields (%)



Source: FIMMDA