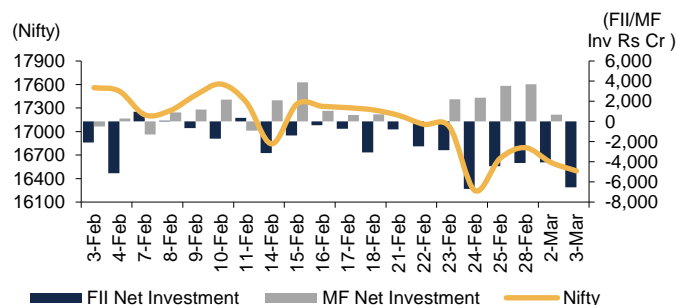


Indian equity benchmark indices' returns

Broad Indices	Mar 4	% chg week	% chg 3 Mth	% chg Year
S&P BSE Sensex	54,334	-2.73	-5.83	6.86
Nifty 50	16,245	-2.48	-5.53	7.72
Nifty 500	13,893	-2.07	-6.48	9.49
S&P BSE 100	16,514	-2.27	-5.83	7.92
S&P BSE Midcap	22,619	-2.35	-10.18	7.79
S&P BSE Smallcap	26,287	-0.62	-7.51	23.68

FII and mutual fund investment vs. Nifty



Sectoral Indices	Mar 4	% chg week	% chg 3 Mth	% chg Year
S&P BSE Metal	21,286	8.01	12.51	49.77
S&P BSE Oil & Gas	17,719	4.86	-0.32	10.31
S&P BSE Power	3,916	3.21	10.71	52.84
S&P BSE IT	33,691	1.62	-3.88	30.55
S&P BSE Healthcare	22,887	-1.43	-9.00	6.35
S&P BSE FMCG	12,736	-1.47	-7.24	3.26
S&P BSE CG	26,550	-2.33	-3.69	19.61
S&P BSE CD	40,973	-2.99	-4.92	24.26
S&P BSE Realty Index	3,302	-4.15	-14.70	14.30
S&P BSE Bankex	39,543	-5.59	-4.00	-1.73
S&P BSE Auto	22,578	-8.83	-7.48	-5.74

Source: BSE, NSE, SEBI, NSDL

Indian debt market indicators

Indicators	Mar 4	Previous Week	1 month ago
Call Rate	3.25%	2.90%	2.95%
10 Yr G-Sec [^]	6.81%	6.76%	6.89%

[^]6.54% 2032 paper [^]Weighted Average Yield

Currencies vs INR

Currency	Mar 4	Week ago	3 months ago	1 year ago
USD	76.16	75.29	75.18	72.84
GBP	101.33	101.21	99.86	101.45
Euro	83.90	84.57	84.92	87.64
Yen*	66.01	65.39	66.32	67.87

*exchange rate represents 100 units of the currency

Markets update

A. Domestic

1. Equity

- Indian equity indices extended losses for the fourth straight week on concerns over inflationary pressure owing to soaring global crude oil prices amid rising Russia-Ukraine tensions. S&P BSE Sensex and Nifty 50 fell ~3% and 2.5%, respectively
- Lower-than-expected domestic manufacturing data and weak auto sales data also weighed on investor sentiment
- Most of the sectors ended in the negative, with auto, banking, and realty declining the most. S&P BSE Auto, S&P BSE Bankex and S&P BSE Realty fell 8.8%, 5.6% and 4.2%, respectively
- However, Federal Reserve Chairman Jerome Powell hinting at a slower pace of rate hikes capped some losses
- Shares of GAIL (India) emerged the top gainer on the Nifty 50, up ~15% on week to settle at Rs 155.45 per share owing to rally in oil & gas stocks amid sanctions on Russia
- Shares of Maruti Suzuki India emerged the top decliner on the Nifty 50, down ~13% on week to settle at Rs 7247.3 per share following a decline in February sales numbers

2. Debt

- Government bond prices declined in the week. The yield of the 10-year benchmark 6.54% 2032 settled at 6.81% on March 4 compared with 6.75% on February 25
- Bond prices declined after global crude oil prices soared due to escalating Russia-Ukraine tensions
- However, a sharp fall in the bond prices was prevented due to short covering and an intermittent fall in the crude prices later in the week

3. Forex

- The rupee fell against the United States (US) dollar as the intensifying Russia-Ukraine crisis pushed global crude prices higher, raising investor fears over possible widening of the trade deficit and inflationary pressure
- Further, continued foreign fund outflows and a weak trend in domestic equities also pressurised the local unit

International equity benchmark indices' returns

Indices	Mar 4	% chg week	% chg 3 Mth	% chg Year
DJIA*	33,795	-0.78	-2.27	8.07
Nasdaq Composite*	13,538	-1.14	-10.26	4.16
FTSE 100*	7,239	-3.35	1.64	8.44
Nikkei 225	25,985	-1.85	-8.37	-10.18
Straits Times	3,227	-2.05	5.93	7.03
Hang Seng	21,905	-3.79	-3.92	-25.08
Shanghai Comp	3,448	-0.11	-0.85	-1.59

*As of Mar 3

International debt market indicators

Indicators	Mar 4	Feb 25
US 10-Year*	1.84%	1.99%
UK 10-Year*	1.32%	1.46%
German 10-Year*	0.02%	0.22%
Japan 10-Year	0.15%	0.20%
3-M USD Libor^	0.58%	0.52%
6-M USD Libor^	0.89%	0.83%
1-Y USD Libor^	1.33%	1.33%

*As of Mar 3

Commodities

Commodity	Mar 4	% chg week	% chg 3 Mth	% chg Year
Brent Crude Oil (\$ per barrel)*	110.46	12.79	58.55	72.41
Indian gold (Rs per 10 gm)	51,784.00	2.20	8.92	15.95
Indian Silver (Rs per Kg)	67,931.00	4.23	11.65	3.02

*As of Mar 3

Source: Respective commodity exchanges, ibjrates.com

B. International

1. Equity

- Global equities ended lower on the escalating Russia-Ukraine crisis.
- US stocks ended lower as investors kept a close watch on the progress of Russia-Ukraine crisis and as the US and European Union imposed more sanctions on Russia
- However, sharp losses in the markets were capped after Powell, during testimony at the US Congress, said the central bank would "carefully" start raising interest rates at its March meeting
- US non-farm payrolls came in at 678,000 in February compared to 481,000 in January. The unemployment rate fell to 3.8% in February from 4% in January
- The US ISM manufacturing index rose to 58.6 in February from 57.6 in January
- Britain's FTSE plunged 3.4% on weak earnings reports and concerns over rising Russia-Ukraine conflict
- Asian equities ended mostly lower. Japan's Nikkei declined 1.85% on the back of Russia-Ukraine tensions and on concerns over the impact of more Western sanctions on Russia
- However, losses were limited after Powell signalled a slower pace in monetary policy tightening
- Hong Kong's Hang Seng plummeted 3.8% following rising Covid-19 cases in the city, the Russia-Ukraine conflict and Beijing's regulation crackdown on the technology sector
- China's Shanghai Composite fell ~0.11% on weak local services activity data, worries about the property market and Ukraine-Russia tensions
- However, sharp losses were prevented due to heavy buying interest in energy, raw material, consumer staples, and healthcare stocks

2. Commodity

- Crude oil prices surged in this week on concerns over global energy supply disruptions following imposition of more sanctions on Russia by the Western allies
- Gold price advanced this week due to inflation worries after West ramped up sanctions on Russia for invading Ukraine, tracking gains in global metal prices and intermittent weakness in Indian rupee
- Silver prices rose this week tracking upbeat gold and industrial metals

C. News summary

1. Domestic

- India's gross domestic product (GDP) grew 5.4% on-year in the October-December quarter, slower than the 8.5% and 20.3% growth seen in the previous two quarters. The economy is expected to grow 8.9% in fiscal 2022 as against a contraction of 6.6% in fiscal 2021
- India's fiscal deficit reached Rs 9.38 lakh crore or 58.9% of the fiscal 2022 target in the April 2021-January 2022 period
- India's eight infrastructure sectors grew 3.7% on-year in January compared with 1.3% growth in the same month last year following better performance in the coal, natural gas and cement sectors
- India's IHS Markit Manufacturing PMI rose to 54.9 in February from 54.0 in January and the services PMI edged up to 51.8 from 51.5. The Composite PMI increased to 53.5 in February from 53.0 in the month before
- India and Japan renewed their bilateral swap arrangements worth \$75 billion
- The Union Cabinet approved a proposal to allow 20% foreign direct investment in LIC through the automatic route
- The Cabinet approved offering coal through a common e-auction window, instead of sector-specific auctions
- It also approved the nationwide rollout of the Ayushman Bharat Digital Mission (ABDM), with a budget of Rs 1,600 crore for five years
- The finance ministry made e-invoicing compulsory for all entities with more than Rs 20 crore annual sales from April 1
- The Reserve Bank of India exempted urban cooperative banks from the 10% cap for their investments in the umbrella organisation
- The Securities and Exchange Board of India (SEBI) proposed allowing the participation of foreign portfolio investors in the exchange-traded commodity derivatives market

2. International

- US non-farm payrolls came in at 678,000 in February compared to 481,000 in January. The unemployment rate fell to 3.8% in February from 4% in January
- US ADP employment report showed that 475,000 private sector jobs were added in February compared to revised 509,000 jobs added in January
- Eurozone retail sales rose 7.8% on-year in January compared to a 2.1% rise in December
- Eurozone producer price inflation soared 30.6% on-year in January compared to 26.3% rise in December
- UK manufacturing PMI rose to 58 in February from 57.3 in January

D. Week ahead

Day	Events
Monday, Mar 07, 2022	<ul style="list-style-type: none"> Eurozone Sentix Investor Confidence, March 2022 China Trade Balance, January-February 2022
Tuesday, Mar 08, 2022	<ul style="list-style-type: none"> US Goods Trade Balance, January 2022 US Wholesale Inventories, January 2022 Eurozone GDP, Q4 2021 Japan Trade Balance, January 2022 Japan Eco Watchers Survey, February 2022
Wednesday, Mar 09, 2022	<ul style="list-style-type: none"> Japan GDP, Q4 2021 Japan Machine Tool Orders, February 2022 Japan Produce Price Index, February 2022 China Inflation Rate, February 2022
Thursday, Mar 10, 2022	<ul style="list-style-type: none"> US Consumer Price Index, February 2022 ECB Interest rate decision
Friday, Mar 11, 2022	<ul style="list-style-type: none"> US Michigan Consumer Sentiment Index, March 2022 UK GDP, January 2022 UK Trade Balance, January 2022 UK Industrial Production, January 2022 India Industrial Production, January 2022

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