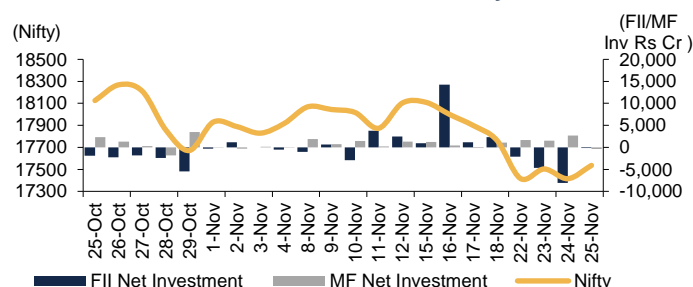


Indian equity benchmark indices' returns

Broad Indices	Nov 26	% chg week	% chg 3 Mth	% chg Year
S&P BSE Sensex	57,107	-4.24	2.07	29.03
Nifty 50	17,026	-4.16	2.34	31.10
Nifty 500	14,707	-3.89	4.25	37.78
S&P BSE 100	17,374	-4.10	3.09	32.97
S&P BSE Midcap	24,847	-4.14	7.96	49.70
S&P BSE Smallcap	28,071	-2.52	7.79	70.34

FII and mutual fund investment vs. Nifty



Sectoral Indices	Nov 26	% chg week	% chg 3 Mth	% chg Year
S&P BSE Healthcare	25,627	1.75	0.09	27.35
S&P BSE Power	3,538	-0.58	27.19	77.54
S&P BSE Metal	18,704	-1.95	-4.24	83.08
S&P BSE FMCG	13,749	-3.28	-3.86	17.31
S&P BSE IT	33,839	-3.62	-0.20	54.95
S&P BSE Oil & Gas	17,783	-3.75	7.94	33.97
S&P BSE CG	27,059	-5.02	12.95	59.43
S&P BSE Bankex	41,118	-5.09	1.82	21.49
S&P BSE CD	41,920	-6.21	16.73	58.78
S&P BSE Realty Index	3,850	-6.87	28.52	91.87
S&P BSE Auto	24,331	-8.11	10.48	22.69

Source: BSE, NSE, SEBI, NSDL

Indian debt market indicators

Indicators	Nov 26	Previous Week	1 month ago
Call Rate	3.30%	3.90%	3.25%
10 Yr G-Sec*^	6.33%	6.34%	6.36%

*6.10% 2031 paper ^Weighted Average Yield

Currencies vs INR

Currency	Nov 26	Week ago	3 months ago	1 year ago
USD	74.87	74.23	74.22	73.88
GBP	99.69	100.17	102.03	98.72
Euro	84.34	84.11	87.36	87.94
Yen*	65.65	65.03	67.38	70.86

*exchange rate represents 100 units of the currency

Markets update

A. Domestic

1. Equity

- Indian equities extended their losses for the second straight week owing to rising Covid-19 cases in Europe, a new coronavirus variant in South Africa and global inflationary pressure. The S&P BSE Sensex and Nifty 50 lost ~4% each
- Locally, investors were concerned over recent disappointing IPO (initial public offer) listings and persistent selling by foreign investors
- Auto, realty and consumer durables witnessed heavy selloff in the week. S&P BSE Auto, S&P BSE Realty and S&P BSE Consumer Durables fell nearly 8%, 7% and 6%, respectively
- Shares of Maruti Suzuki India emerged the top laggard on the Nifty 50, declining ~12% on week to settle at Rs 7170.5 per share, weighed by the broad selloff in auto stocks
- Some losses were recovered due to buying in healthcare stocks. S&P BSE Healthcare rose nearly 2%
- Shares of Cipla emerged the top gainer on the Nifty 50, rising ~8% on week to settle at Rs 966.7 per share, benefitting from the broad gains registered by pharmaceutical companies following reports of a new coronavirus variant

2. Debt

- Government bond prices recouped mid-week losses to end higher. The yield of the 10-year benchmark 6.10% 2031 paper settled at 6.33% on November 26 compared to 6.35% on November 18
- Firm demand for dated securities seen in the previous week's gilt sale kept sentiment for bonds upbeat early in the week
- An uptick in US benchmark bond yields following the re-appointment of Jerome Powell as the US Federal Reserve chief, and a rise in global crude oil prices, put local bond prices under pressure mid-week
- Domestic bonds received some support, tracking a fall in US bond yields following the discovery of a new coronavirus mutation in South Africa that could disrupt global economic growth
- In the weekly gilt sale, the RBI auctioned the 5.74% 2026 paper, the 6.67% 2035 paper, the 6.99% 2051 paper and a new paper maturing in 2023 for a total notified Rs 24,000 crore. The coupon rate for the new security has been set at 4.56%

3. Forex

- The rupee fell against the US dollar, weighed by a rise in the US dollar index
- Broad strength in the US dollar after the minutes of the latest US central bank policy meeting indicated several members were in favour of speeding up the tapering process and raising interest rates sooner rather than later, put the rupee under pressure
- The rupee declined further alongside other Asian units with investor risk appetite for emerging market assets taking a hit after South African scientists identified the new virus variant
- Intermittent rise in domestic equity indices provided the rupee support

International equity benchmark indices' returns

Indices	Nov 26	% chg week	% chg 3 Mth	% chg Year
DJIA [^]	35,804	0.57	1.24	19.16
Nasdaq Composite [^]	15,845	-1.32	5.50	31.64
FTSE 100*	7,310	1.20	2.24	14.38
Nikkei 225	28,752	-3.34	3.64	8.34
Straits Times	3,166	-2.04	1.83	10.81
Hang Seng	24,081	-3.87	-5.25	-10.21
Shanghai Comp	3,564	0.10	1.78	5.77

*As of Nov 25 [^]As of Nov 24

International debt market indicators

Indicators	Nov 26	Nov 19
US 10-Year [^]	1.65%	1.54%
UK 10-Year*	0.97%	0.88%
German 10-Year*	-0.25%	-0.34%
Japan 10-Year	0.07%	0.07%
3-M USD Libor*	0.18%	0.16%
6-M USD Libor*	0.26%	0.23%
1-Y USD Libor*	0.47%	0.39%

*As of Nov 25 [^]As of Nov 24

Commodities

Commodity	Nov 26	% chg week	% chg 3 Mth	% chg Year
Brent Crude Oil (\$ per barrel)*	80.92	2.57	12.00	66.47
Indian gold (Rs per 10 gm)	48466.00	-1.17	2.36	-1.02
Indian Silver (Rs per Kg)	63612.00	-3.96	0.60	5.57

*As of Nov 25

Source: Respective commodity exchanges, ibjrates.com

B. International

1. Equity

- Global equities ended mostly lower on fears about the impact the new variant would have on the economic recovery.
- US stocks ended mixed with the Dow Jones gaining 0.57% and Nasdaq falling 1.3%
- Markets gained earlier, especially the Dow Jones, after Powell was retained for a second term
- Some buying interest in banking and energy stocks also aided the market
- US GDP grew an annualised 2.1% in the third quarter, compared with 6.7% growth in the second quarter
- Minutes from the latest Fed meeting showed several members were in favour of speeding the tapering process of quantitative easing and possibly raising interest rates soon, citing surging inflation
- However, sharp advances were capped, especially in Nasdaq, due to a selloff in technology stocks, rising US treasury yields and concerns over lockdowns in Europe that raised fears about new restrictions
- Britain's FTSE ended higher 1.2% due to heavy buying interest in the mining and financial stocks coupled with strong corporate earnings
- The UK IHS Markit/CIPS manufacturing Purchasing Managers' Index (PMI) rose to 58.2 in November from 57.8 in October, while services PMI rose to 58.6 from 59.1
- Japan's Nikkei plummeted 3.3% as investors worried over reports of the new vaccine-immune Covid-19 variant
- Markets also fell due to a selloff in growth-oriented stocks and worries the Fed may tighten monetary policy to tackle inflationary risks
- Japan's Jibun Bank Manufacturing PMI rose to 54.2 in November, compared with 53.2 in October while services PMI rose to 52.1 from 50.7
- Hong Kong's Hang Seng nosedived ~4%, tracking similar sentiments in global markets over new variant and worries over Beijing's new rules in the technology sector
- China's Shanghai Composite gained marginally as investors cheered the country's central bank stance to balance risk control and economic growth
- However, a sharp upside in the markets was capped owing to worries over fresh Covid-19 cases

2. Commodity

- Crude oil prices rose in this week on reports that OPEC+ may reassess output plan if major economies release crude from their reserves or if the Covid-19 pandemic reduces demand.
- Gold price fell in this week tracking weak global metal prices on fears over rate hike by the Federal Reserve.
- Indian silver prices declined in this week tracking weakness in gold and industrial metal prices.

C. News summary

1. Domestic

- According to preliminary data of the commerce ministry, India's exports rose 18.8% to \$20.01 billion during November 1-21, while imports during the period increased 45.34% to \$35.11 billion.
- Fitch Ratings said that Indian's FY22 fiscal deficit could better at 6.6% of GDP on stronger-than-expected revenue buoyancy, even if the budgeted disinvestment target is not met.
- Asian Development Bank approved \$1.5 billion loan to India for Covid-19 vaccine procurement. The bank has also inked a \$300 million loan agreement with India to strengthen and improve access to comprehensive primary healthcare in urban areas of 13 states.
- India and the US reached an agreement on 2% equalisation levy imposed by the former on e-commerce operators.
- Prime Minister Narendra Modi announced that the three farm Acts would be repealed in the upcoming Parliament session.
- The Reserve Bank of India (RBI) garnered nearly 32000 registrations from retail investors to buy government bonds.
- RBI data showed that overall outward remittances under Liberalised Remittances Scheme (LRS) rose 56% during April-September 2021 to \$8.9 billion compared to \$5.7 billion in the same period a year earlier.
- SEBI Chairman Ajay Tyagi cautioned investors against investing on the basis of market rumours and asked them to deal only with registered intermediaries.
- SEBI issued clarifications with respect to the latest amendment to norms governing alternative investment funds (AIFs).

2. International

- US economy grew an annualized 2.1% on-quarter in the third quarter, compared to 6.7% growth in the second quarter.
- Eurozone consumer confidence index fell to -6.8 in November from -4.8 in October.
- UK GfK Consumer Confidence index rose to -14 in November from low reading of -17 in October.
- China kept the one-year Loan Prime Rate (LPR) unchanged at 3.85% and five-year LPR was also left steady at 4.65%.
- Japan's Cabinet approved a record 56 trillion yen (\$490 billion) stimulus package, including cash handouts and support to troubled businesses, to help the economy out of the doldrums worsened by the coronavirus pandemic.

D. Week ahead

Day	Events
Monday, Nov 29, 2021	<ul style="list-style-type: none"> • US Pending Home Sales, October 2021 • Eurozone Consumer Confidence, November 2021
Tuesday, Nov 30, 2021	<ul style="list-style-type: none"> • US Chicago PMI, November 2021 • US Conference Board Consumer Confidence, November 2021 • US Case Shiller House Price Index, September 2021 • Eurozone Consumer Prices, November 2021 • China Official Manufacturing PMI, November 2021 • Japan Industrial Production, October 2021 • India GDP, Q3 FY2022 • India Fiscal Deficit, Apr – Oct 2021 • India Core Sector Growth, October 2021
Wednesday, Dec 01, 2021	<ul style="list-style-type: none"> • US Markit/ ISM Manufacturing PMI, November 2021 • US ADP Employment Change, November 2021 • China Caixin Manufacturing PMI, November 2021 • Japan Jibun Bank Manufacturing/Services PMI, November 2021 • India Markit Manufacturing PMI, November 2021
Thursday, Dec 02, 2021	<ul style="list-style-type: none"> • Eurozone Unemployment Rate, October 2021
Friday, Dec 03, 2021	<ul style="list-style-type: none"> • US Non-farm Payrolls, November 2021 • US Unemployment Rate, November 2021 • Eurozone Retail Sales, October 2021 • Japan Markit Composite/Services PMI, November 2021

Disclaimer - Produced by SBM Bank India Limited based on information available at the time of publishing. We believe that the information in this report is correct and any opinion, conclusions or recommendations are reasonably held or made as at the time of its compilation, but no warranty is made as to accuracy, reliability or completeness. SBM Bank India Limited does not accept liability to any person for loss or damage arising from the use of this report. The report has been prepared without taking into account of the objectives, financial situation or needs of any particular individual or financial institution or corporate. For this reason any individual or financial institution or corporate should before action on the information in this report, consider the appropriateness of the information having regard to the individual's objectives, financial situation and needs and if necessary seek appropriate professional advice.



**ATTRACTIVE INTEREST RATES ON OUR
TERM DEPOSITS**

[Know More](#)