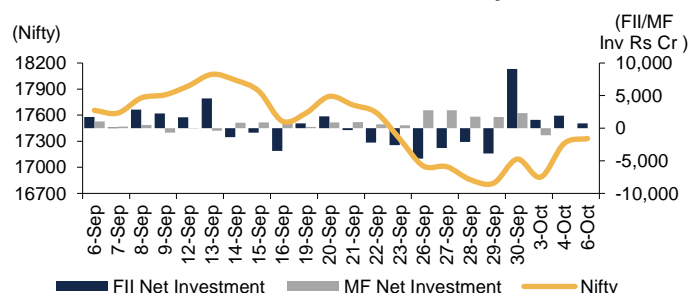


Indian equity benchmark indices' returns

Broad Indices	Oct 7	% chg week	% chg 3 Mth	% chg Year
S&P BSE Sensex	58,191	1.33	7.41	-2.49
Nifty 50	17,315	1.29	7.33	-2.67
Nifty 500	15,037	1.40	9.23	-1.66
S&P BSE 100	17,789	1.22	8.15	-1.66
S&P BSE Midcap	25,385	2.14	12.27	-1.61
S&P BSE Smallcap	29,183	2.57	14.14	0.32

FII and mutual fund investment vs. Nifty



Sectoral Indices	Oct 7	% chg week	% chg 3 Mth	% chg Year
S&P BSE Metal	19,058	5.79	18.33	-5.99
S&P BSE CG	32,346	3.61	19.89	23.03
S&P BSE Realty Index	3,493	3.44	6.66	-17.76
S&P BSE IT	28,189	2.55	-1.81	-19.73
S&P BSE CD	43,263	1.82	16.53	-1.21
S&P BSE Healthcare	23,643	1.30	7.11	-10.00
S&P BSE Bankex	44,721	1.22	11.30	3.98
S&P BSE Power	4,789	0.85	15.99	44.33
S&P BSE Oil & Gas	18,675	0.62	6.20	-1.19
S&P BSE Auto	29,223	0.16	5.23	17.88
S&P BSE FMCG	16,026	-0.95	8.36	8.28

Source: BSE, NSE, SEBI, NSDL

Indian debt market indicators

Indicators	Oct 7	Previous Week	1 month ago
Call Rate	5.00%	5.50%	4.50%
10 Yr G-Sec*^	7.47%	7.39%	7.18%

*7.26% 2032 paper ^Weighted Average Yield

Currencies vs INR

Currency	Oct 7	Week ago	3 months ago	1 year ago
USD	82.33	81.35	79.18	74.78
GBP	92.14	90.77	94.55	101.56
Euro	80.70	79.72	80.63	86.41
Yen*	56.86	56.33	58.17	67.15

*exchange rate represents 100 units of the currency

Markets update

A. Domestic

1. Equity

- Indian equity indices snapped their three-week losing streak on expectations of a strong quarterly corporate earnings season. S&P BSE Sensex and Nifty 50 rose about 1.3% each.
- Almost all sectors ended positive, with metal, capital goods and realty counters rising the most. S&P BSE Metal, S&P BSE Capital Goods and S&P BSE Realty advanced about 5.8%, 3.6% and 3.4% respectively.
- However, some gains were cut short on caution ahead of the release of US jobs data, and persistent recession fears.
- Selling in FMCG stocks also capped some gains. S&P BSE FMCG fell about 1%.
- Shares of Coal India emerged the top gainer on the Nifty 50, up ~8% on week to settle at Rs 229.7 per share following strong growth in its coal output in the first half of the current fiscal.
- Shares of Eicher Motors emerged the top decliner on the Nifty 50, down ~5% on week to settle at Rs 3498.55 per share on profit booking.

2. Debt

- Government bond prices ended lower in the week ended October 7, 2022. Yield on the 10-year benchmark 7.26% 2032 paper ended higher at 7.46% on October 7, 2022 compared with 7.40% on September 30, 2022. Meanwhile, yield on the 10-year benchmark 6.54% 2032 paper settled at 7.48% compared to 7.43% on September 30, 2022.
- Yield rose following delay in inclusion of local bonds in the global indices, spike in global crude oil prices and rise in US treasury yield.
- Sentiments for bonds dented further on debt supply worries after state debt sale in the past week saw higher-than-expected cut-off yields.
- However, value buying limited further fall in bond prices.
- Meanwhile, in the debt sale held on October 7, 2022, the RBI auctioned 7.38% GS (government securities) 2027, 7.26% GS 2032, and 7.36% GS 2052 for a total notified amount of Rs 28,000 crore.

3. Forex

- The rupee breached the 82-mark against the US dollar this week following soaring crude oil prices and strong dollar index.
- The local currency was also under pressure on a view that the US Federal Reserve (Fed) would continue with its aggressive policy stance on strong ADP employment change and jobs opening data.
- Comments from Fed officials that the central bank won't deviate from its rate hike pivot also hammered the domestic currency.
- Additionally, dollar demand from corporates and defence-related payments and caution ahead of US non-farm payroll data weighed on the local currency.
- However, fall in the rupee was cushioned on reports of dollar sales by state-run banks on behalf of the RBI.

International equity benchmark indices' returns

Indices	Oct 7	% chg week	% chg 3 Mth	% chg Year
DJIA*	29,927	4.18	-3.58	-13.05
Nasdaq Composite*	11,073	4.71	-2.54	-23.64
FTSE 100*	6,997	1.50	-1.55	0.02
Nikkei 225	27,116	4.55	2.36	-2.03
Straits Times	3,146	0.50	0.52	1.44
Hang Seng	17,740	3.00	-18.04	-28.18
Shanghai Comp	Closed	NA	NA	NA

*As of Oct 6

International debt market indicators

Indicators	Oct 7	Sep 30
US 10-Year*	3.83%	3.80%
UK 10-Year*	4.17%	4.10%
German 10-Year*	2.09%	2.11%
Japan 10-Year	0.24%	0.24%
3-M USD Libor*	3.83%	3.75%
6-M USD Libor*	4.31%	4.23%
1-Y USD Libor*	4.88%	4.78%

*As of Oct 6

Commodities

Commodity	Oct 7	% chg week	% chg 3 Mth	% chg Year
Brent Crude Oil (\$ per barrel)*	94.42	10.90	-6.23	16.45
Indian gold (Rs per 10 gm)	51,765.00	2.91	1.73	10.33
Indian Silver (Rs per Kg)	60,848.00	8.01	6.97	-0.87

*As of Oct 6

Source: Respective commodity exchanges, ibjrates.com

B. International

1. Equity

- Global equity markets ended higher on region-specific cues.
- US stocks ended higher this week buoyed by buying in rate-sensitive growth stocks and weaker-than-expected manufacturing data stirred hopes of less aggressive tightening by the Fed.
- However, these hopes were short-lived as strong personal consumption expenditure (PCE) price and labour data reinstated fears of the Fed's hawkish stance.
- US PCE price index increased 6.2% on-year in August from an upwardly revised 6.4% rise in July.
- US ISM Manufacturing PMI fell to 50.9 in September from 52.8 in August.
- US ADP employment change came in at 208,000 in September, compared with an upwardly revised 185,000 in August.
- Britain's FTSE rose 1.5% following strong growth data, gains in shares of financials, retailers and commodity companies.
- UK economy grew 4.4% on-year in the second quarter of 2022, lower from an upward revision of 10.9% growth in the previous quarter.
- Persistent worries over global economic slowdown kept gains in the market under check.
- Asian equities ended higher. Japan's Nikkei rallied 5% tracking a similar trend in the global markets and buoyed by gains in the automobile and parts, power, mining, chip-related, and energy stocks.
- Losses in technology stocks after industry outlook warning signs from overseas heavyweights undermined some gains in the market.
- Hong Kong's Hang Seng advanced 3% tracking similar gains in the global markets.
- However, there was sell-off due to profit taking, global economic growth concerns, losses in Chinese property shares, and caution ahead of US jobs data.
- China's Shanghai Composite market was closed for the Golden Week holidays.

2. Commodity

- Crude oil prices advanced in this week after OPEC+ decided to tighten global supply by cutting production by 2 million barrels per day (bpd) and a fall in US crude oil supply.
- Gold prices rose this week on improved domestic festive demand.
- Silver prices rose mirroring similar trend in gold and industrial metals.

C. News summary

1. Domestic

- India's S&P Global manufacturing Purchasing Managers' Index (PMI) slowed to 55.1 in September, from 56.2 in August and the services PMI fell to 54.3 in September from 57.2 in August; the composite PMI declined to 55.1 in September from 58.2 in August.
- World Bank trimmed India's growth forecast to 6.5% for 2022-23 from an earlier estimate of 7.5%.
- Government allocated Rs 26000 crore for installing 25000 telecom towers in 500 days.
- Government released Rs 7183 crore as revenue deficit grant to 14 states.
- Finance Ministry allowed airlines to avail of up to Rs 1500 crore loan under the Emergency Credit Line Guarantee Scheme (ECLGS).
- Government simplified the financial eligibility requirements in the policy guidelines for the expansion of private FM radio stations.
- RBI introduced internal ombudsman mechanism for Credit Information Companies (CICs).
- RBI Governor Shaktikanta Das launched DAKSH, a bank's advanced supervisory monitoring system, which is expected to make the supervisory processes more robust.
- RBI proposed to ease norms for internet banking for customers of regional rural banks.
- RBI said offline payment aggregators (PAs) who aid in face-to-face transactions at merchant outlets will now come under the regulatory purview of the banking regulator.
- SEBI expanded the scope of the Demat Debit and Pledge Instruction (DDPI) for pledging and repledging of securities for margin purposes.
- SEBI relaxed rules for offer for sale of shares by non-promoters of companies by doing away with the requirement of minimum shareholding.

2. International

- US non-farm payroll advanced 263000 in September, lower than 315000 in August and the unemployment rate declined to 3.5% in September from 3.7% in August.
- US personal consumption expenditure (PCE) price index increased 6.2% on-year in August from an upwardly revised 6.4% rise in July.
- Eurozone consumer prices annual inflation rate rose to 10% in September from 9.1% in August
- UK S&P Global/CIPS services PMI was at 50 in September from 50.9 in August

D. Week ahead

Day	Events
Tuesday, Oct 11, 2022	<ul style="list-style-type: none"> US Consumer Inflation Expectation, September UK Unemployment Rate, August
Wednesday, Oct 12, 2022	<ul style="list-style-type: none"> US Producer Prices, September US FOMC Minutes Eurozone Industrial Production, August UK GDP, August UK Industrial/Manufacturing Production, August Japan Machinery Orders, August India Inflation Rate, September India Manufacturing/Industrial Production, August
Thursday, Oct 13, 2022	<ul style="list-style-type: none"> US Inflation Rate, September China New Yuan Loans, September Japan Producer Prices, September
Friday Oct 14, 2022	<ul style="list-style-type: none"> US Retail Sales, September Eurozone Trade Balance, August China Inflation Rate, September China Producer Prices, September India WPI Inflation, September India Trade Balance, September India Foreign Exchange Reserves, October 7

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