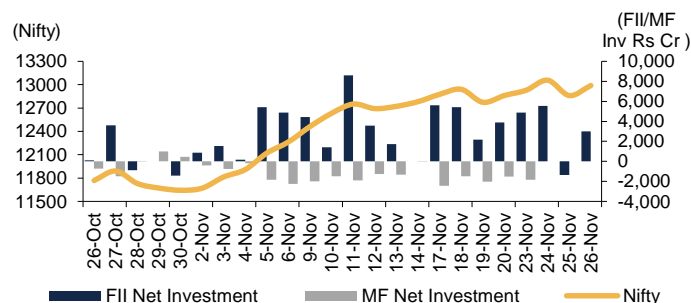


Indian equity benchmark indices' returns

Broad Indices	Nov 27	% chg week	% chg 3 Mth	% chg Year
S&P BSE Sensex	44,150	0.61	12.88	7.63
Nifty 50	12,969	0.85	12.20	7.18
Nifty 500	10,719	1.50	11.88	9.20
S&P BSE 100	13,051	0.95	11.64	7.12
S&P BSE Midcap	16,915	2.91	11.61	13.40
S&P BSE Smallcap	16,875	4.28	12.31	25.58

FII and mutual fund investment vs. Nifty



Sectoral Indices	Nov 27	% chg week	% chg 3 Mth	% chg Year
S&P BSE Metal	10,219	5.94	11.38	5.36
S&P BSE Realty Index	2,062	3.99	11.91	-2.92
S&P BSE Healthcare	20,319	3.02	5.21	48.88
S&P BSE Oil & Gas	13,251	2.60	-0.32	-12.84
S&P BSE Auto	20,129	2.47	9.09	9.68
S&P BSE Power	1,999	1.87	15.35	4.45
S&P BSE CD	27,046	1.33	15.09	8.84
S&P BSE FMCG	11,726	1.21	0.85	-0.78
S&P BSE Bankex	33,884	0.83	26.34	-6.16
S&P BSE IT	21,635	0.79	18.32	45.42
S&P BSE CG	17,022	0.20	19.96	-2.20

Source: BSE, NSE, SEBI, NSDL

Indian debt market indicators

Indicators	Nov 27	Previous Week	1 month ago
Call Rate	3.40%	2.40%	2.00%
10 Yr G-Sec [^]	5.91%	5.88%	5.85%

[^]5.77% 2030 paper [^]Weighted Average Yield

Currencies vs INR

Currency	Nov 27	Week ago	3 months ago	1 year ago
USD	74.03	74.15	73.82	71.35
GBP	98.85	98.45	97.55	91.88
Euro	88.15	87.93	87.38	78.57
Yen*	71.12	71.43	69.63	65.40

*exchange rate represents 100 units of the currency

Markets update

A. Domestic

1. Equity

- Indian equities rallied for the fourth consecutive week. S&P BSE Sensex and Nifty 50 rose about 1% each.
- Upbeat global cues including signs of progress of coronavirus vaccine, renewed hopes of US stimulus package and formal approval to the newly elected US President Joe Biden to begin his transition to White house boosted the market.
- A rally in metal, realty and healthcare counters brought in more gains into the market.
- Shares of ONGC emerged the top gainer on the Nifty 50, rising ~10% on week to settle at Rs 78.5 per share, aided by oil prices that rose on encouraging developments on the Covid-19 vaccine front.
- However, some gains were trimmed as investors turned cautious ahead of the release of domestic gross domestic product (GDP) numbers.
- Shares of Bharti Airtel emerged the top laggard on the Nifty 50, declining 4.2% on week to settle at Rs 463.25 per share weighed by muted sentiment for telecom stocks.

2. Debt

- Government bond prices ended lower. The yield of the 10-year benchmark 5.77% 2030 paper settled at 5.91% on November 27 compared with 5.88% on November 20.
- Bonds began the week on a dim note as the Centre's Rs 20,000 crore (notified) debt switch auction saw muted demand for longer maturity papers.
- Bond prices rose after the central bank notified that it would be selling a new 10-year paper as part of the week's debt auction.
- Prices remained range-bound in the second half of the week in the absence of firm cues.
- Bond prices fell slightly in the last session as the absence of more special open market operation (OMO) announcements hurt sentiment.
- Furthermore, in the weekly gilt auction, the coupon rate for the new 10-year paper has been set at 5.85%.

3. Forex

- The rupee ended higher against the US dollar aided by hopes of an early rollout of Covid-19 vaccines.
- News of progress in development of Covid-19 vaccines, and a formal transition approval for Biden by the current administration, gave the rupee support.
- Broad US dollar weakness following the release of a weekly US jobless claims report, intra-week gains in other Asian currencies, and a rise in domestic equity indices, which settled at record highs midweek, also benefitted the local unit.
- The rising number of Covid-19 cases worldwide and intermittent dollar demand from state-owned banks prevented the rupee from appreciating further.

International equity benchmark indices' returns

Indices	Nov 27	% chg week	% chg 3 Mth	% chg Year
DJIA [^]	29,872	2.08	5.75	6.43
Nasdaq Composite [^]	12,094	2.02	5.48	40.10
FTSE 100*	6,363	0.18	5.25	-14.05
Nikkei 225	26,645	4.38	14.80	13.68
Straits Times	2,856	1.52	13.33	-11.19
Hang Seng	26,895	1.68	6.38	-0.22
Shanghai Comp	3,408	0.91	1.74	17.40

*As of Nov 26 [^]As of Nov 25

International debt market indicators

Indicators	Nov 27	Nov 20
US 10-Year [^]	0.88	0.83
UK 10-Year*	0.28	0.30
German 10-Year*	-0.59	-0.58
Japan 10-Year	0.03	0.01
3-M USD Libor*	0.22%	0.20%
6-M USD Libor*	0.26%	0.25%
1-Y USD Libor*	0.33%	0.34%

*As of Nov 26 [^]As of Nov 25

Commodities

Commodity	Nov 27	% chg week	% chg 3 Mth	% chg Year
Brent Crude Oil (\$ per barrel)*	47.91	6.56	4.97	-25.46
Gold (\$ per troy ounce)*	1807.40	-3.64	-6.50	24.25
Silver (\$ per ounce)*	23.36	-3.33	-11.50	37.94
Indian gold (Rs per 10 gm)	48751.00	-2.88	-4.85	29.14
Indian Silver (Rs per Kg)	59664.00	-3.81	-8.41	34.62

*As of Nov 26

Source: Respective commodity exchanges, LBMA, MCX

B. International

1. Equity

- Signs of progress in the development of the coronavirus vaccine buoyed global equities.
- US stocks jumped due to optimism on coronavirus vaccine and after the newly elected President Joe Biden got the formal go-ahead to begin his transition to the White House.
- US GDP skyrocketed by an annual rate of 33.1% in the third quarter after plunging by 31.4% in the second quarter.
- US durable goods orders jumped by 1.3% in October after spiking by 2.1% in September.
- Some gains were reduced on weak domestic economic data and rising coronavirus cases.
- US personal income fell 0.7% in October, reversing a 0.7% gain in September, while consumer spending rose 0.5% in October after increasing 1.2% in September.
- US initial jobless claims climbed to 778,000 for the week ended November 21, an increase of 30,000 from the previous week's revised level of 748,000.
- Britain's FTSE index rose 0.2% buoyed by hopes of coronavirus vaccine and gains in energy and mining stocks.
- UK manufacturing PMI was 55.2 in November compared to 53.7 in October while services PMI was 45.8 in November compared to 51.4 in October. The composite PMI was 47.4 in November compared to 52.1 in October.
- UK retail sales grew 1.2% month-on-month in October following a 1.4% rise logged in September.
- Asian equities ended in the green. Japan's Nikkei index surged 4.4% on optimism about coronavirus vaccine and after newly elected US President Joe Biden got approval to begin the transition process to the White House.
- Hong Kong's Hang Seng index gained 1.7% as positive reports on coronavirus vaccine raised hopes of faster economic recovery.
- China's Shanghai Composite rose 1% on hopes of global economic recovery and positive domestic economic data.
- China one-year loan prime rate was retained at 3.85% and the five-year loan prime rate was maintained at 4.65%.

2. Commodity

- Crude oil prices gained in the week as a third promising coronavirus vaccine fueled demand growth hopes.
- Indian gold prices extended fall in this week owing to muted offtake from jewelers.
- Indian silver prices declined this week on falling demand from coin-makers amid spike in coronavirus cases.

• News summary

1. Domestic

- India's GDP contracted 7.5% in the September quarter of FY21 compared to a contraction of 23.9% in the June quarter. The GDP had expanded 4.4% annually in the September quarter of FY20.
- India's fiscal deficit for April-October touched Rs 9.53 lakh crore, accounting for 119.7% of the full-year budgeted target as tax collections remained under pressure; In the year-ago period, fiscal deficit was at Rs 7.96 lakh crore or 102.4% of the amount budgeted.
- India eight core industrial sectors shrank by 2.5% on a yearly basis in October compared to a 0.1% contraction in September.
- RBI Governor Shaktikanta Das said the Indian economy has exhibited stronger pick up in momentum of recovery than expected.
- The Cabinet approved Rs 6000 cr infusion by the government in National Investment and Infrastructure Fund (NIIIF) debt platform.
- The Cabinet approved the merger of Lakshmi Vilas Bank with DBS Bank India Ltd.
- Prime Minister Narendra Modi said India would offer business prospects of around \$20 bn in the renewable energy space every year for the next decade; added that production-linked incentives will be offered for high-efficiency solar modules to boost the generation of electricity from renewable sources.
- A RBI working group recommended allowing promoters to hold higher stake in private banks; also suggested permitting large NBFCs to convert into banks, besides allowing large corporate and industrial houses to own banks.
- SEBI proposed changes to the rules governing initial public offers (IPO) to encourage issuances by large firms.

2. International

- US GDP skyrocketed by an annual rate of 33.1% in the third quarter after plunging by 31.4% in the second quarter.
- Eurozone manufacturing PMI was 53.6 in November compared to 54.8 in October while services PMI was 41.3 in November compared to 46.9 in October. The composite PMI was 45.1 in November compared to 50 in October.
- Japan's government retained its economic view, stating that the Japanese economy is still in a severe situation due to the novel coronavirus, but it is showing movements of picking up; the government however downgraded its view on capital spending.
- Japan core consumer prices were down 0.7% on year in October following a 0.3% fall in September.

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Week ahead

Day	Events
Monday, November 30, 2020	<ul style="list-style-type: none"> • US Chicago PMI, November 2020 • US Pending Home Sales, October 2020
Tuesday, December 1, 2020	<ul style="list-style-type: none"> • US ISM Manufacturing Index, November 2020 • US Markit Manufacturing PMI, November 2020 • US Construction Spending, October 2020 • Eurozone Consumer Price Index, November 2020 • India Markit Manufacturing PMI, November 2020
Wednesday, December 2, 2020	<ul style="list-style-type: none"> • US ADP Employment Report, November 2020
Thursday, December 3, 2020	<ul style="list-style-type: none"> • US ISM Services Index, November 2020 • Eurozone Markit Services & Composite PMI, November 2020 • Eurozone Retail sales, October 2020 • UK Markit Services & Composite PMI, November 2020
Friday, December 4, 2020	<ul style="list-style-type: none"> • US Nonfarm Payrolls and Unemployment rate, November 2020 • US Trade Balance, November 2020 • UK Markit Construction PMI, November 2020



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