

In Focus: Yubi Daily Wrap

21 March, 2023

News update

The US regulators are studying ways to temporarily expand Federal Deposit Insurance Corporation's coverage to all deposits, and beyond the current cap of \$250,000 without requiring a formal consent from the Congress.

The Indian government reduced the windfall tax on locally produced crude oil to Rs 3,500 per tonne from Rs 4,400 per tonne earlier. However, it hiked the export duty on diesel from Rs 0.50 per litre to Rs 1 per litre.

India's Department of Telecommunications (DoT) is exploring the possibility to liaise private companies to manage its telecom R&D wing – Centre for Development of Telematics (C-DOT), with an aim of making it a global R&D centre and a technological systems integrator. Additionally, telecom is also aiming exporting the relatively economical Indian 4G/5G stack, which has garnered interest from other countries.

The Ministry of Finance is expecting inflation to fall in 5-6% range in FY 2023-24. Even though process saw some easing on the back of lower commodity prices in February, extreme weather events like heatwaves and El Nino.

Unseasonal rains and hailstorms in large parts of India over the past 3 days have damaged standing crops, particularly wheat and mustard, across thousands of acres of agricultural land. This could possibly impact agricultural produce (official estimates on crop damage and financial losses not yet released).

In a boost to the Indian FMCG segment, consumers are gradually switching back to mid-priced/regular sized packs from smaller packs since the past few weeks – especially in categories like snacks, biscuits, edible oil, and detergents after more than a year.

Major events: RBI to hold state government bonds auction, more than 7 Indian companies seeking bids as borrowing costs fall most in last week (corporate bond yield for 3Y fell the most).

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Equity indices	Current level	Previous close	Change %	One month ago
S&P500	3916.64	3951.57	-0.88	4348.87
Dow Jones	31861.98	32244.58	-1.19	34079.18
FTSE 100	7335.40	7403.85	-0.92	7484.33
Nikkei 225	26945.67	27333.79	-1.42	26910.87
Hang Seng	19068.99	19000.71	0.36	24170.07
Shanghai Composite	3238.44	3234.91	0.11	3490.61
Kospi 50	2391.84	2379.20	0.53	2743.80
Sensex	57628.95	57989.90	-0.62	57683.59
Nifty50	16988.40	17100.05	-0.65	17844.60

Govt yields	Current level	Previous close	Change %	One month ago
US 10-yr	3.48	3.43	1.64	3.95
UK 10-yr	3.31	3.28	0.77	3.61
Japan 10-yr	0.25	0.28	-13.73	0.50
Germany 10-yr	2.12	2.10	0.86	2.53
India Govt 30-yr	7.39	7.41	-0.34	7.39
India Govt 10-yr	7.33	7.34	-0.20	7.36
India Govt 5-yr	7.19	7.23	-0.55	7.35



Corp yields: India	Current level	Previous close	Change %	One month ago
AAA 10-yr	7.83	7.85	-0.26	7.79
AAA 5-yr	7.90	7.91	-0.13	7.78
AAA 3-yr	7.79	7.85	-0.66	7.79
AAA 1-yr	7.78	7.79	-0.13	7.87

Global FX rates	Current level	Previous close	Change %	One month ago
DXY	103.33	103.28	0.05	104.18
EUR/USD	1.07	1.07	-0.03	1.06
GBP/USD	1.23	1.23	-0.14	1.21
AUD/USD	0.67	0.67	-0.36	0.72
USD/JPY	131.24	131.32	-0.06	135.01
USD/CNY	6.88	6.88	0.05	6.34
USD/INR	82.54	82.64	-0.11	82.80
Gold (USD/oz)	1984.80	1978.84	0.30	1841.38
Brent (USD/bbl)	72.01	73.14	12.00	81.92



Money market India	Current level	Previous close
Call money rate	5.74	5.93
CBLO rate	6.67	6.16
Call traded volume (INR bn)	5310.80	31.04
Net banking system liquidity injection (+)/absorption(-) (INR bn)	790.78	1238.81
	T-bills	
91-days	6.78	6.81
182-days	7.24	7.25
364-days	7.21	7.18



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