

MACRO DAILY

Macro developments

- India's trade deficit expanded to US\$ 15.7bn in Dec'20 from US\$ 9.9bn in Nov'20 as imports bounced back by 7.6% (26-month high), led by gold imports. Non-oil-non-gold imports too improved to 7.9% in Dec'20 led by electronics and edible oils. Exports fell by only 0.8%. Pharma and chemical exports held-up. Both exports and imports are likely to see a pickup in Q4FY21 as lockdowns in other parts of the world are lifted and domestic activity improves.
- Total GST collections for Nov'20 rose by 11.6% on a YoY basis to Rs 1.15tn from Rs 1.05tn in Oct'20 (1.4% increase). On MoM basis, IGST collections inched up from Rs 520bn in Oct'20 to Rs 574bn in Nov'20. Unadjusted figures for CGST and IGST stood at Rs 214bn and Rs 278bn, respectively.
- South Korea's exports rose at the fastest pace since Oct'18 at 12.6% in Dec'20 versus 4.1% in Nov'20. This was driven by exports of IT products, especially semiconductors (30% jump). Exports to EU (26.4%), US (11.6%) and China (3.3%) rose. For CY20, exports declined by 5.4% compared with a 10.4% decline in CY19. Imports also showed a recovery in Dec'20 and rose by 1.8% following a 1.9% decline in Nov'20.

Markets

- Bonds: Global yields closed almost flat due to thin trading in the holiday week and absence of any fresh cues. Crude prices rose by 0.9% at US\$ 52/bbl due to vaccine rollout. India's 10Y yield rose by 1bps (5.88%) amidst speculation of higher borrowing next year. It is trading flat today.
- Currency: Global currencies closed broadly stable due to thin trading in the holiday truncated week. DXY started CY21 on a weak footing and dipped by 0.3%, following a 6.7% in CY20. INR depreciated by 0.1%. It had declined by 2.3% in CY20. However, it is trading higher today in line with other Asian currencies.
- Equity: Global indices ended mixed in the absence of any fresh cues, in the
 truncated week. However, Sensex gained by 0.2% driven by rally in capital
 goods and tech stocks. It is trading higher today in line with other Asian
 stocks on the back of expansion in China's manufacturing PMI.

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FIG 1 - MOVEMENT IN KEY GLOBAL ASSET CLASSES

10Y yield (Δ bp) 0.91 0 (1) (2) 21 (8/7) JK 0.02 0 66 (4) 0.50 0.32 Japan 0.02 0 0 0 0 0 Germany (0.57) 0 0 0 0 0 Inlie 5.88 1 0 3 0 0 China 3.15 0 0 0 0 0 0 Visidi (Abp) 0	Particulars	Current	1D	1W	1M	3M	12M
UK 0.02 0 (6) (7) 0 3 7 2 1	10Y yields (Δ bps)						
Japan 0.02 0	US	0.91	0	(1)	(2)	21	(87)
Genmany (0.57) 0 (2) (5) (3) (29) India 5.88 1 (1) 3 (2) (46) Chine 3.15 0 (5) (70) (20) (46) 27 Yigida Kabay UK (0.16) 0 (4) (3) (10) (40) UK (0.16) 0 (4) (3) (1) (2) Japan (0.12) 0 2 1 1 (2) Japan (0.12) 0 2 1 1 2 Japan (0.12) 0 2 1 1 2 Japan (0.12) 0 2 1 1 2 Japan (0.12) 0 2 1 1 2 2 1 2 1 2 1 2 1 2 1 2 1 2 1 1 1 1 1 1 <t< td=""><td>UK</td><td>0.20</td><td>0</td><td>(6)</td><td>(16)</td><td>(5)</td><td>(54)</td></t<>	UK	0.20	0	(6)	(16)	(5)	(54)
India 5.88 1 (1) 3 (1) (2) (3) (3) (1) (3) <td>Japan</td> <td>0.02</td> <td>0</td> <td>0</td> <td>(1)</td> <td>0</td> <td>3</td>	Japan	0.02	0	0	(1)	0	3
China 315 0 (5) (17) (3) 0 Typichic La bays US 0.12 0 0 (4) (1) (10 (14) UK (0.16) 0 2 1 1 2 (7) Japan (0.10) 0 1 2 1 (2) (3) (4)<	Germany	(0.57)	0	(2)	(5)	(3)	(29)
Visidak Cabph Company OLY O CA CA <td>India</td> <td>5.88</td> <td>1</td> <td>(1)</td> <td>3</td> <td>(12)</td> <td>(64)</td>	India	5.88	1	(1)	3	(12)	(64)
US 0.12 0 04 (4) (1) (1) Japan (0.12) 0 2 1 1 2 Germany (0.70) 0 1 2 1 (8) Glade 3.87 0 (1) (4) (1) (2) 1 2 1 2 2 1 2 2 2 2 2 4 4 4 4 1 1 1 2 4 4 4 1 1 1 1 1 1 2 4 4 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 <	China	3.15	0	(5)	(17)	(0)	0
UK 0.016 0 44 138 0.12 7.0 Japan 0.012 0 2 1 1 2 Germany 0.070 0 1 2 1 88 India 3.87 0 0 1 0 150 188 China 2.48 0 0 1 0 <	2Y yields (Δ bps)						
Japan (0,12) 0 2 1 1 2 Germany (0,70) 0 1 2 1 (8) India 3.87 0 (2) (6) (50) (18) China 2.48 0 (14) (40) (12) 20 China 2.48 0 (4) (40) (12) 20 China 2.48 0 0 2 0.8 4.3 9.4 China 1.215 0 0.2 0.8 2.3 5.7 4.5 GBP 1.3672 0 0 2 1.2 2.0 4.5 JPY 103.20 0 0 0 0 0 4.5 AUD 0.7694 0	US	0.12	0	0	(4)	(1)	(140)
Germany (0,70) 0 1 2 1 (8) India 3.87 0 (2) (6) (50) (188) China 2.48 0 (14) (40) (12) 20 China 2.48 0 (14) (40) (12) 20 China 2.48 0 (14) (40) (12) 20 China 2.48 0 0.2 0.8 4.3 9.4 GBP 1.3672 0 0.8 2.3 5.7 4.5 JPY 103.20 0 0 1.2 3.7 7.4 10.7 MIX 7.513 (0.1) 0.6 0.9 0.0 10.9 10.0 CNY 6.5272 0 0 2 5.9 0 6 6 1.2 9.9 (15.2 Dow 30,606 0 1.3 2.6 10.0 6 1.2 1.2	UK	(0.16)	0	(4)	(13)	(12)	(71)
India 3.87 0 (2) (6) (50) (18) China 2.48 0 (14) (40) (12) 20 Currencies (λ %) EUR 1.2215 0 0.2 0.8 4.3 9.4 GBP 1.3672 0 0.8 2.3 5.7 4.5 JPY 103.20 0 0.2 1.2 2.0 4.5 AUD 0.7694 0 1.2 3.7 7.4 10.7 INR 73.13 0.10 0.6 0.9 0.0 1.9 CNY 6.5272 0 0.2 0.5 3.9 6.3 Equity & Other indices (Δ %) 0 <t< td=""><td>Japan</td><td>(0.12)</td><td>0</td><td>2</td><td>1</td><td>1</td><td>2</td></t<>	Japan	(0.12)	0	2	1	1	2
China 2.48 0 (14) (40) (12) 20 Currencies (Δ X) EUR 1.2215 0 0.2 0.8 4.3 9.4 GBP 1.3672 0 0.8 2.3 5.7 4.5 JPY 103.20 0 0.2 1.2 2.0 4.5 AUD 0.7694 0 1.2 3.7 7.4 10.7 INR 73.13 (0.1) 0.6 0.9 0.0 10.9 CNY 6.5272 0 0.2 0.5 3.9 6.3 Equity & Other indices (Δ X) 0	Germany	(0.70)	0	1	2	1	(8)
Currencies (Δ %) Currencies (Δ %) 1.2215 0 0.2 0.8 4.3 9.4 GBP 1.3672 0 0.8 2.3 5.7 4.5 JPY 103.20 0 0.2 1.2 2.0 4.5 AUD 0.7694 0 1.2 3.7 7.4 10.7 INR 73.33 (0.1) 0.6 0.9 0.0 10.9 CNY 6.5272 0 0 0 0 9.0 0.0 CNY 6.5272 0	India	3.87	0	(2)	(6)	(50)	(188)
EUR 12215 0 0.2 0.8 4.3 9.4 GBP 13672 0 0.8 2.3 5.7 4.5 JPY 10320 0 0.2 1.2 2.0 4.5 AUD 0.7694 0 1.2 3.7 7.4 10.7 INR 7313 (0.1) 0.6 0.9 0.0 1.9 CNY 6.5272 0 0.2 0.5 3.9 6.3 Equity & Other indices (Δ %) 0 0 0 0 0 1.0 0 0 0 0 1.0 0 0 0 0 1.0 0 <td< td=""><td>China</td><td>2.48</td><td>0</td><td>(14)</td><td>(40)</td><td>(12)</td><td>20</td></td<>	China	2.48	0	(14)	(40)	(12)	20
GBP 1.3672 0 0.8 2.3 5.7 4.5 JPY 103.20 0 0.2 1.2 2.0 4.5 AUD 0.7694 0 1.2 3.7 7.4 10.7 INR 73.13 (0.1) 0.6 0.9 0.0 (1.9) CNY 6.5272 0 0.2 0.5 3.9 6.3 Equity & Other indices (Δ %) Dow 30,606 0.6 1.3 2.6 10.0 6.9 FISE 6,461 (1.5) (0.6) 1.2 9.9 (15.2) DAX 13,719 (0.3) 1.0 3.2 7.5 2.5 NIKKEI 27,444 (0.4) 3.5 3.8 18.4 16.0 SENSEX 47,869 0.2 1.9 7.3 23.7 15.4 Gold (US\$/oz) 1,899 0 0 3.7 (0.1) 2.2 Gold (US\$/oz) 1,899 0	Currencies (Δ %)						
PY	EUR	1.2215	0	0.2	0.8	4.3	9.4
AUD 0.7694 0 1.2 3.7 7.4 10.7 INR 73.13 (0.1) 0.6 0.9 0.0 (1.9) CNY 6.5272 0 0.2 0.5 3.9 6.3 Equity & Other indices (Δ %) Equity & Other indices (Δ %) Dow 30,606 0.6 1.3 2.6 10.0 6.9 (15.2 2.5 2.5 2.5 2.5 2.5 2.5 2.5 2.5 2.5	GBP	1.3672	0	0.8	2.3	5.7	4.5
NRR 73.13 (0.1) 0.6 0.9 0.0 (1.9) CNY 6.5272 0 0.2 0.5 3.9 6.3 Equity & Other indices (Δ %) Dow 30,606 0.6 1.3 2.6 10.0 6.9 FTSE 6,461 (1.5) (0.6) 1.2 9.9 (15.2) DAX 13,719 (0.3) 1.0 3.2 7.5 2.5 NIKKEI 27,444 (0.4) 3.5 3.8 18.4 16.0 Shanghai Comp 3,473 1.7 3.3 0.6 7.9 12.6 SENSEX 47,869 0.2 1.9 7.3 23.7 15.4 Brent (US\$/rbb) 51.80 0.9 1.0 9.2 2.66 (24.5) Gold (US\$/c2) 1,899 0 0.8 3.7 (0.1) 2.23 CRB Index 443.8 0.1 0.7 3.9 9.8 10.7 Rogers Agri Index 884.7 (0.1) 2.5 7.9 17.7 17.3 LIBOR (3M)* 0.24 0 0 0 1 0 0 10 0 0 0 0 0 0 0 0 0 0 0 0	JPY	103.20	0	0.2	1.2	2.0	4.5
CNY 6.5272 0 0.2 0.5 3.9 6.3 Equity & Other indices (Δ %) 30,606 0.6 1.3 2.6 10.0 6.9 FTSE 6,461 (1.5) (0.6) 1.2 9.9 (15.2) DAX 13,719 (0.3) 1.0 3.2 7.5 2.5 NIKKEI 27,444 (0.4) 3.5 3.8 18.4 16.0 Shanghai Comp 3,473 1.7 3.3 0.6 7.9 12.6 SENSEX 47,869 0.2 1.9 7.3 2.3 15.4 Brent (US\$/rbbl) 51.80 0.9 1.0 9.2 2.6 (24.5) Gold (US\$/o2) 1,899 0 0.8 3.7 (0.1) 2.2 Rogers Agri Index 84.7 (0.1) 2.5 7.9 17.7 17.3 LIBOR (3M)* 0.2 0 0 1 0 16.4 INR 5Y Swap* 5.32 30 De	AUD	0.7694	0	1.2	3.7	7.4	10.7
Equity & Other indices (Δ %) Dow 30,606 0.6 1.3 2.6 10.0 6.9 FTSE 6,461 (1.5) (0.6) 1.2 9.9 (15.2) DAX 13,719 (0.3) 1.0 3.2 7.5 2.5 NIKKEI 27,444 (0.4) 3.5 3.8 18.4 16.0 Shanghai Comp 3,473 1.7 3.3 0.6 7.9 12.6 SENSEX 47,869 0.2 1.9 7.3 23.7 15.4 Brent (US\$/bbl) 51.80 0.9 1.0 9.2 26.6 (24.5) Gold (US\$/co2) 1,899 0 0.8 3.7 (0.1) 22.3 Rogers Agri Index 443.8 0.1 0.7 3.9 9.8 10.7 IbOR (30M)* 0.24 0 0 1 0 11.0 (16.4) IbOR (30M)* 0.2 0 1 0 1.0 (13.8) (10.0) </td <td>INR</td> <td>73.13</td> <td>(0.1)</td> <td>0.6</td> <td>0.9</td> <td>0.0</td> <td>(1.9)</td>	INR	73.13	(0.1)	0.6	0.9	0.0	(1.9)
Dow 30,606 0.6 1.3 2.6 10.0 6.9 FTSE 6,461 (1.5) (0.6) 1.2 9.9 (15.2) DAX 13,719 (0.3) 1.0 3.2 7.5 2.5 NIKKEI 27,444 (0.4) 3.5 3.8 18.4 16.0 Shanghai Comp 3,473 1.7 3.3 0.6 7.9 12.6 SENSEX 47,869 0.2 1.9 7.3 23.7 15.4 Brent (US\$/bbl) 51.80 0.9 1.0 9.2 26.6 (24.5) Gold (US\$/o2) 1,899 0 0.8 3.7 (0.1) 22.3 Rogers Agri Index 443.8 0.1 0.7 3.9 9.8 10.7 Rogers Agri Index 884.7 (0.1) 2.5 7.9 17.7 17.3 LIBOR (3M)* 0.2 0 1 0 14 0 14 INR 5Y Swap* 5.3 0	CNY	6.5272	0	0.2	0.5	3.9	6.3
FTSE 6,461 (1.5) (0.6) 1.2 9.9 (15.2) DAX 13,719 (0.3) 1.0 3.2 7.5 2.5 NIKKEI 27,444 (0.4) 3.5 3.8 18.4 16.0 Shanghai Comp 3,473 1.7 3.3 0.6 7.9 12.6 SENSEX 47,869 0.2 1.9 7.3 23.7 15.4 Brent (US\$/bbl) 51.80 0.9 1.0 9.2 26.6 (24.5) Gold (US\$/oz) 1,899 0 0.8 3.7 (0.1) 22.3 Rogers Agri Index 443.8 0.1 0.7 3.9 9.8 10.7 LIBOR (3M)* 0.24 0 0 1 0 164 INR 5Y Swap* 5.32 (1) 6 13 (1) (164) India FII data (US\$ mn) 31 Dec 30 Dec WTD Dec-20 CY20 FYTD	Equity & Other indices (Δ %)						
DAX 13,719 (0.3) 1.0 3.2 7.5 2.5 NIKKEI 27,444 (0.4) 3.5 3.8 18.4 16.0 Shanghai Comp 3,473 1.7 3.3 0.6 7.9 12.6 SENSEX 47,869 0.2 1.9 7.3 23.7 15.4 Brent (US\$/bbl) 51.80 0.9 1.0 9.2 26.6 (24.5) Gold (US\$/o2) 1,899 0 0.8 3.7 (0.1) 22.3 CRB Index 443.8 0.1 0.7 3.9 9.8 10.7 Rogers Agri Index 884.7 (0.1) 2.5 7.9 17.7 17.3 LIBOR (3M)* 0.24 0 0 1 0 (164) INR 5Y Swap* 5.32 (1) 6 13 (10) 771 India FII data (US\$ mn) 31 Dec 30 Dec WTD Dec-20 CY20 FYTD	Dow	30,606	0.6	1.3	2.6	10.0	6.9
NIKKEI 27,444 (0.4) 3.5 3.8 18.4 16.0 Shanghai Comp 3,473 1.7 3.3 0.6 7.9 12.6 SENSEX 47,869 0.2 1.9 7.3 23.7 15.4 Brent (US\$/bbl) 51.80 0.9 1.0 9.2 26.6 (24.5) Gold (US\$/oz) 1,899 0 0.8 3.7 (0.1) 22.3 CRB Index 443.8 0.1 0.7 3.9 9.8 10.7 Rogers Agri Index 884.7 (0.1) 2.5 7.9 17.7 17.3 LIBOR (3M)* 0.24 0 0 1 0 (164) INR 5Y Swap* 5.32 (1) 6 13 (10) 131 India FII data (US\$ mn) 31 Dec 30 Dec WTD Dec-20 CY20 FYTD	FTSE	6,461	(1.5)	(0.6)	1.2	9.9	(15.2)
Shanghai Comp 3,473 1.7 3.3 0.6 7.9 12.6 SENSEX 47,869 0.2 1.9 7.3 23.7 15.4 Brent (US\$/bbl) 51.80 0.9 1.0 9.2 26.6 (24.5) Gold (US\$/oz) 1,899 0 0.8 3.7 (0.1) 22.3 CRB Index 443.8 0.1 0.7 3.9 9.8 10.7 Rogers Agri Index 884.7 (0.1) 2.5 7.9 17.7 17.3 LIBOR (3M)* 0.24 0 0 1 0 (164) INR 5Y Swap* 5.32 (1) 6 13 (10) (131) India FII data (US\$ mn) 31 Dec 30 Dec WTD Dec-20 CY20 FYTD FII-Debt 130.7 (21.9) 121.1 766.1 (13,853.1) (4,093.6)	DAX	13,719	(0.3)	1.0	3.2	7.5	2.5
SENSEX 47,869 0.2 1.9 7.3 23.7 15.4 Brent (US\$/bbl) 51.80 0.9 1.0 9.2 26.6 (24.5) Gold (US\$/oz) 1,899 0 0.8 3.7 (0.1) 22.3 CRB Index 443.8 0.1 0.7 3.9 9.8 10.7 Rogers Agri Index 884.7 (0.1) 2.5 7.9 17.7 17.3 LIBOR (3M)* 0.24 0 0 1 0 (164) INR 5Y Swap* 5.32 (1) 6 13 (10) (131) India FII data (US\$ mn) 31 Dec 30 Dec WTD Dec-20 CY20 FYTD FII-Debt 130.7 (21.9) 121.1 766.1 (13,853.1) (4,093.6)	NIKKEI	27,444	(0.4)	3.5	3.8	18.4	16.0
Brent (US\$/bbl) 51.80 0.9 1.0 9.2 26.6 (24.5) Gold (US\$/oz) 1,899 0 0.8 3.7 (0.1) 22.3 CRB Index 443.8 0.1 0.7 3.9 9.8 10.7 Rogers Agri Index 884.7 (0.1) 2.5 7.9 17.7 17.3 LIBOR (3M)* 0.24 0 0 1 0 (164) INR 5Y Swap* 5.32 (1) 6 13 (10) (131) India FII data (US\$ mn) 31 Dec 30 Dec WTD Dec-20 CY20 FYTD FII-Debt 130.7 (21.9) 121.1 766.1 (13,853.1) (4,093.6)	Shanghai Comp	3,473	1.7	3.3	0.6	7.9	12.6
Gold (US\$/oz) 1,899 0 0.8 3.7 (0.1) 22.3 CRB Index 443.8 0.1 0.7 3.9 9.8 10.7 Rogers Agri Index 884.7 (0.1) 2.5 7.9 17.7 17.3 LIBOR (3M)* 0.24 0 0 1 0 (164) INR 5Y Swap* 5.32 (1) 6 13 (10) (131) India FII data (US\$ mn) 31 Dec 30 Dec WTD Dec-20 CY20 FYTD FII-Debt 130.7 (21.9) 121.1 766.1 (13,853.1) (4,093.6)	SENSEX	47,869	0.2	1.9	7.3	23.7	15.4
CRB Index 443.8 0.1 0.7 3.9 9.8 10.7 Rogers Agri Index 884.7 (0.1) 2.5 7.9 17.7 17.3 LIBOR (3M)* 0.24 0 0 1 0 (164) INR 5Y Swap* 5.32 (1) 6 13 (10) (131) India FII data (US\$ mn) 31 Dec 30 Dec WTD Dec-20 CY20 FYTD FII-Debt 130.7 (21.9) 121.1 766.1 (13,853.1) (4,093.6)	Brent (US\$/bbl)	51.80	0.9	1.0	9.2	26.6	(24.5)
Rogers Agri Index 884.7 (0.1) 2.5 7.9 17.7 17.3 LIBOR (3M)* 0.24 0 0 1 0 (164) INR 5Y Swap* 5.32 (1) 6 13 (10) (131) India FII data (US\$ mn) 31 Dec 30 Dec WTD Dec-20 CY20 FYTD FII-Debt 130.7 (21.9) 121.1 766.1 (13,853.1) (4,093.6)	Gold (US\$/oz)	1,899	0	0.8	3.7	(0.1)	22.3
LIBOR (3M)* 0.24 0 0 1 0 (164) INR 5Y Swap* 5.32 (1) 6 13 (10) (131) India FII data (US\$ mn) 31 Dec 30 Dec WTD Dec-20 CY20 FYTD FII-Debt 130.7 (21.9) 121.1 766.1 (13,853.1) (4,093.6)	CRB Index	443.8	0.1	0.7	3.9	9.8	10.7
INR 5Y Swap* 5.32 (1) 6 13 (10) (131) India FII data (US\$ mn) 31 Dec 30 Dec WTD Dec-20 CY20 FYTD FII-Debt 130.7 (21.9) 121.1 766.1 (13,853.1) (4,093.6)	Rogers Agri Index	884.7	(0.1)	2.5	7.9	17.7	17.3
India FII data (US\$ mn) 31 Dec 30 Dec WTD Dec-20 CY20 FYTD FII-Debt 130.7 (21.9) 121.1 766.1 (13,853.1) (4,093.6)	LIBOR (3M)*	0.24	0	0	1	0	(164)
FII-Debt 130.7 (21.9) 121.1 766.1 (13,853.1) (4,093.6)	INR 5Y Swap*	5.32	(1)	6	13	(10)	(131)
	India FII data (US\$ mn)	31 Dec	30 Dec	WTD	Dec-20	CY20	FYTD
FII-Equity 84.4 240.5 884.8 7,267.1 23,372.8 29,975.8	FII-Debt	130.7	(21.9)	121.1	766.1	(13,853.1)	(4,093.6)
	FII-Equity	84.4	240.5	884.8	7,267.1		

Source: Bloomberg, Bank of Baroda | *Indicates change in bps | Apart from India, all equity indices were closed on 1 Jan 2020



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