



August 16, 2022

News Wrap

- US Dollar Index flat after softness in retail and wholesale inflation
- Berkshire Hathaway posted a loss in Q2 of 2022
- Elon Musk sold Tesla shares worth \$6.88 billion
- Walt Disney subscriptions to Disney+ rose to 152.1 million
- RBI hikes its key rates by 50 bps to 5.40% in its August meeting

Global indices	15-08-2022	29-07-2022	% chg
Dow Jones	33,912.44	32,845.13	3.25
S&P 500	4,297.14	4,130.29	4.04
Nasdaq 100	13,128.05	12,390.69	5.95
Dollar Index	106.54	105.61	0.88
Rupee spot	79.532	79.336	0.25

Source: Bloomberg

Performance of leading US Equity Stocks (NYSE) (\$)

	Last Price	1 Day %chg	15 Day %chg	1 Month %chg	1 Year %chg	YTD %chg
Apple	173.19	0.6334	10.46	15.33	14.60	-2.47
Amazon	143.18	-0.2577	18.36	26.09	-13.20	-14.12
Alphabet	122.08	0.3287	7.98	9.22	-11.73	-15.72
Tesla	927.96	3.0964	12.55	28.85	35.24	-12.19
Meta	180.89	0.2161	6.67	9.83	-50.65	-46.22
Microsoft	293.47	0.5344	9.20	14.32	-0.38	-12.74
Netflix	249.11	-0.0762	9.86	31.73	-51.90	-58.65
Walmart	132.6	0.2874	4.75	2.73	-12.04	-8.36

Source: Bloomberg, Price as on 15th August, 2022

NSE IFSC RECEIPTS – Top Ten Active Stocks i(\$)

Company	Open	High	Low	Close	Trade Qty (Lots)	Traded Value (\$)
Apple Inc	6.8	6.81	6.8	6.8	149	1013.23
Comcast Corporation	7.94	7.97	7.93	7.97	36	285.91
Coca-Cola Co	12.69	12.7	12.67	12.7	16	203.08
QUALCOMM Inc.	5.92	5.92	5.92	5.92	30	177.6
Adobe Inc	8.76	8.83	8.73	8.83	16	140.77
Thermo Fisher Scientific Inc.	11.97	11.97	11.97	11.97	10	119.7
Intel Corporation	7.19	7.19	7.17	7.17	16	114.78
Alphabet Inc Class A	12	12.03	11.97	11.97	8	95.97
Wells Fargo & Co	9.12	9.12	9.12	9.12	10	91.2
AbbVie Inc	5.72	5.72	5.69	5.69	16	91.16

Source: NSE IFSC Website, Data of 12th August, 2022

Briefings

US Dollar Index flat after softness in retail and wholesale inflation

US Dollar Index was flat during the last fortnight mainly due to softness in retail and wholesale inflation which led to expectation that the US Federal Reserve will slowdown its stance on rate hikes going forward. The headline Consumer Price Index (CPI) rose by 8.5% in July YoY and was flat when compared to June. Economists had forecasted an increase of 8.7% and 0.2% respectively. July producer price index (PPI) showed a surprise decline of 0.5% compared to an estimated gain of a 0.2% as against a rise of 1.1% in June. The PPI reading excluding food and energy. In addition to this, Chicago Fed President Charles Evans stated that the central bank can raise its benchmark interest rate by 50 bps in September and then continue with 25 bps hikes until the start of the second quarter in 2023 which kept pressure on the currency. However, sharp downside in the currency was cushioned due to strong labor market and Non Farm employment change jumped sharply to 528,000 in July vs. 398,000 in June, fall in unemployment rate to 3.5% in last month along with better average hourly earnings rising to 0.5% In July.

* In the form of Un-sponsored Depository Receipts



Elon Musk sold Tesla shares worth \$6.88 billion

Tesla CEO Elon Musk sold 7.92 million shares of the company amounting to \$6.88 billion. The SEC filings revealed that transaction of shares took place between 5th and 9th August post Tesla's annual general meeting which took place in Austin, Texas on 4th August.

Berkshire Hathaway posted a loss in Q2 of 2022

Berkshire Hathaway saw earnings slipping below the analyst forecast and reported Earnings Per Share (EPS) for a loss of \$29,754 in Q2 of 2022 vs. analysts estimates for a smaller loss of \$4,079; however EPS for the same period in 2021 was at positive \$18,488. With respect to revenues also plunged by 90.4% to \$9.261 billion (YoY) and missed the estimate by 83.9%. Revenue figures includes sum of operating revenues from Berkshire's operating subsidiaries (\$76.180 billion) and the pretax loss on Berkshire's investments and derivative contracts (-\$66.919 billion). In addition to this, company recorded an after tax net loss of \$53.038 billion on investments and derivative contracts in Q2 of 2022 as against a gain of \$21.408 billion during the same period last year.

Walt Disney subscriptions to Disney+ rose to 152.1 million

Walt Disney shares jumped after the company reported that Disney+ subscriptions rose to 152.1 million during the fiscal third quarter which was higher than analysts forecast of 147 million. At the end of the fiscal third quarter, Hulu had 46.2 million subscribers and ESPN+ had 22.8 million. Combined, Hulu, ESPN+ and Disney+ have over 221 million streaming subscribers. Further, the company unveiled a new pricing structure that incorporates an advertising-supported Disney+ as part of an effort to make its streaming business profitable.

RBI hikes its key rates by 50 bps to 5.40% in its August meeting

Reserve Bank of India (RBI) in its meeting on 5th August, 2022 decided to hike its repo rates by 50 basis points (bps) to 5.40%. Standing Deposit Facility (SDF) rate stands adjusted to 5.15 per cent and the Marginal Standing Facility (MSF) rate and the Bank Rate to 5.65 per cent. The central bank decided to remain focused on withdrawal of accommodation to ensure that inflation remains within the target going forward, while supporting growth. Inflation forecast for the current FY is estimated at 6.7% which will be near the central banks comfortable range of 4-6% and GDP growth forecast was retained at 7.2% for FY 21-22.

Key economic indicators to watch out

Economic Calendar				
Date	Time	Event	Forecast	Previous
17-08-22	18:00	Retail Sales	0.10%	1.00%
17-08-22	23:30	FOMC Meeting Minutes	-	-
18-08-22	18:00	Philly Fed Manufacturing Index	-4.9	-12.3
18-08-22	19:30	Existing Home Sales	4.87M	5.12M
24-08-22	18:00	Durable Goods Orders	-	2.00%
24-08-22	19:30	Pending Home Sales	-	-8.60%
25-08-22	18:00	Prelim GDP	-	-0.9%
25-08-22	Day 1	Jackson Hole Symposium	-	-
26-08-22	18:00	Core PCE Price Index	-	0.60%
26-08-22	Day 2	Jackson Hole Symposium	-	-
30-08-22	19:30	CB Consumer Confidence	-	-

The update and data points are compiled from Bloomberg, NSE IFSC website along with other media reports

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* In the form of Un-sponsored Depository Receipts