Weekly Market Update

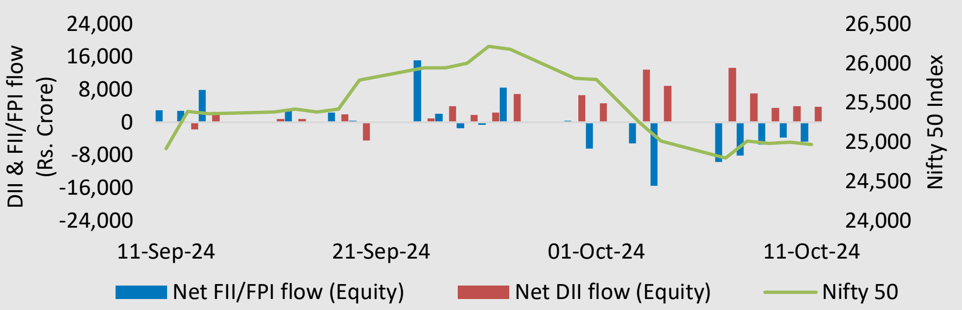
11 October, 2024

Macro Economic Release

Indicators	Actual	Consensus	Previous
India Services PMI (Sep 2024)	57.7	NA	60.9
India Manufacturing PMI (Sep 2024)	56.5	NA	57.5
India Composite PMI (Sep 2024)	58.3	NA	60.7
Fiscal Deficit % of BE (Aug 2024)	27.0	NA	17.2

Source: Refinitiv

FII and DII Investment vs Nifty 50



Source: NSDL, SEBI & NSE

Macro Economic Update

- The Monetary Policy Committee (MPC) in its fourth bi-monthly monetary policy review of FY25 kept key policy repo rate unchanged at 6.50% with immediate effect for the tenth consecutive time. The standing deposit facility (SDF) rate also remained unchanged at 6.25%. Five out of six members voted to keep the policy repo rate unchanged. The MPC decided to change the monetary policy stance from withdrawal of accommodation to neutral and remain unambiguously focused on a durable alignment of inflation with the target, while supporting growth. All the members voted in favour of the same.
- The RBI has projected CPI inflation for 2024-25 at 4.5% with Q2 at 4.1%, Q3 at 4.8%, Q4 at 4.2% and Q1 of 2025-26 at 4.3%, with the risks are evenly balanced.
- The RBI has projected real GDP growth for 2024-25 at 7.2% with Q2 at 7.0%, Q3 at 7.4%, Q4 at 7.4% and Q1 of 2025-26 at 7.3%, with the risks are evenly balanced.
- Index of Industrial production (IIP) contracted 0.1% YoY in Aug 2024, as compared to a 4.7% rise in Jul 2024. Production in mining and electricity decreased by 4.3% and 3.7%, respectively, while manufacturing witnessed a growth of 1% in Aug 2024.

Indian Equity Market Performance

Broad Indices	11-Oct-24	% Change (WoW)	% Change (YoY)	% Change (YTD)
BSE Sensex	81,381	-0.38	22.43	12.65
Nifty 50	24,964	-0.20	26.01	14.88
BSE 100	26,491	0.01	30.62	18.35
Nifty 500	23,611	0.32	35.64	21.52
Nifty Mid cap 50	16,521	0.81	42.33	25.68
Nifty Small cap 100	19,009	1.33	47.73	25.52

Sector Indices	11-Oct-24	% Change (WoW)	% Change (YoY)	% Change (YTD)
BSE AUTO	59,701	1.98	62.74	41.37
BSE Bankex	58,264	-0.22	16.31	7.15
BSE CD	65,606	-0.38	42.03	31.21
BSE CG	71,580	1.82	49.24	28.64
BSE FMCG	22,614	-1.73	19.57	10.48
BSE HC	44,445	2.02	57.88	40.88
BSE IT	42,827	1.10	30.14	18.93
BSE METAL	33,648	-1.84	45.92	24.66
BSE Oil & Gas	30,158	-1.15	61.24	31.00
BSE Power	8,420	0.77	85.95	44.70
BSE PSU	20,700	-0.41	65.85	33.05
BSE Realty	8,126	0.86	66.60	31.35
BSE Teck	19,767	1.11	33.35	24.02

Source: BSE & NSE

Domestic Equity Market Update

- Domestic equity markets fell for the second consecutive week as key benchmark indices BSE Sensex and Nifty 50 fell 0.38% and 0.20%, respectively. However, the mid-cap segment and the small-cap segment closed the week in green.
- Domestic equity markets fell amid selling in heavyweight large-cap stocks as investors turned cautious ahead of second-quarter earnings season of FY25.
- Losses were extended following a rise in global crude oil prices amid escalating tensions in the Middle East due to the Israel-Iran conflict. Furthermore, persistent FII outflows kept the market under pressure.
- Additionally, an upward revision of inflation in Q3 FY25 by the RBI reiterates that the sticky inflation continues to remain a concern for the central bank, leading to further losses.
- However, sentiment was boosted after the RBI, in its monetary policy meeting concluded on Oct 9, 2024, kept the repo rate unchanged at 6.50% for the tenth consecutive time, and shifted its stance from ‘withdrawal of accommodation’ to ‘neutral’, paving the way for potential rate cuts in the future.
- On the BSE sectoral front, BSE Healthcare rose 2.02% following the recovery in the U.S. economy which remained one of the largest markets for Indian pharma companies.
- BSE Metal plunged 1.84% as China fails to introduce new stimulus measures. Investors were expecting China to announce significant fiscal support, including trillions of yuan in bond issuances and initiatives to stimulate consumption. However, the Chinese government instead unveiled a modest investment plan of CNY 100 billion for 2025.

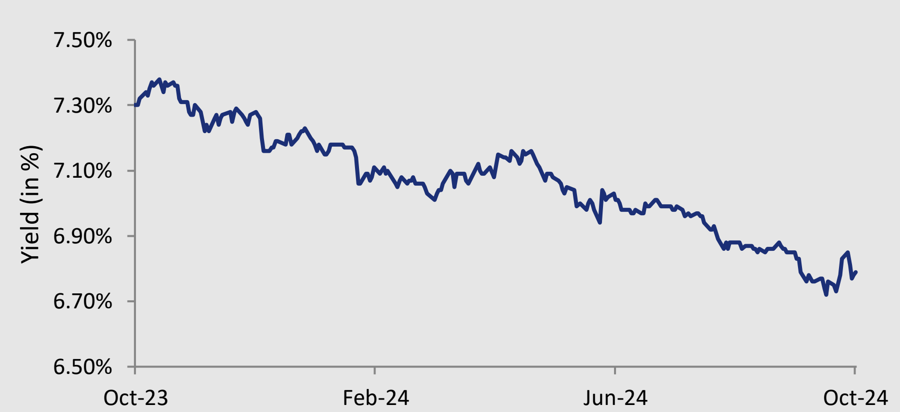
Indian Debt Market Indicators

Broad Indices	11-Oct-24	Week Ago	Month Ago	6 Months Ago	Year Ago
Call Rate	6.43%	6.45%	6.54%	6.55%	6.72%
T-Repo	6.25%	6.20%	6.40%	6.55%	6.76%
Repo	6.50%	6.50%	6.50%	6.50%	6.50%
Reverse Repo	3.35%	3.35%	3.35%	3.35%	3.35%
3 Month CP	7.17%	7.21%	7.32%	7.20%	7.22%
1 Year CP	7.54%	7.69%	7.72%	7.65%	7.65%
3 Month CD	7.13%	7.16%	7.30%	7.37%	7.15%
1 Year CD	7.50%	7.59%	7.68%	7.39%	7.53%

Broad Indices	11-Oct-24	Week Ago	Month Ago	6 Months Ago	Year Ago
1 Year AAA Corporate Bond	7.51%	7.49%	7.60%	7.88%	7.93%
3 Year AAA Corporate Bond	7.36%	7.41%	7.41%	7.74%	7.90%
5 Year AAA Corporate Bond	7.37%	7.42%	7.40%	7.69%	7.72%
1 Year G-Sec	6.57%	6.59%	6.75%	6.99%	7.16%
3 Year G-Sec	6.65%	6.70%	6.72%	7.08%	7.34%
5 Year G-Sec	6.70%	6.74%	6.72%	7.11%	7.35%
10 Year G-Sec	6.79%	6.83%	6.83%	7.12%	7.31%
Forex Reserve ($ in billion)	701.18*	704.89**	689.24@	648.56@@	584.74@@@

*Source: CCIL,Refinitiv * As on Oct 04, 2024; ** As on Sep 27, 2024; @ As on Sep 06, 2024; @@ As on Apr 05, 2024; @@@ As on Oct 06, 2023*

10 - Year benchmark G-Sec Movement



Source: Refinitiv

Domestic Debt Market Update

- Bond yields fell following the RBI’s decision to shift its stance from withdrawal of accommodation to neutral, in its monetary policy meeting concluded on Oct 9, 2024. Gains were extended following the announcement of inclusion of India's sovereign bonds in the FTSE Russell Emerging Market Government Bond Index in Sep 2025 by FTSE Russell. However, gains were restricted tracking an increase in U.S. Treasury yields as the likelihood of a significant rate cut by the U.S. Federal Reserve in Nov 2024 diminished sharply after a robust U.S. employment report of Sep 2024.
- Yield on the 10-year benchmark paper (7.10% GS 2034) fell by 4 bps to close at 6.79% from the previous week’s close of 6.83%.
- Data from Reserve Bank of India showed that reserve money grew 5.7% on a yearly basis for the week ended Oct 04, 2024, compared to an increase of 7.2% in the same period of the previous year. The currency in circulation grew 6.1% on a yearly basis for the week ended Oct 04, 2024, compared to an increase of 3.4% in the same period of the previous year.

Weekly Market Update

11 October, 2024

Global Commodity Update

Commodities	11-Oct-24	% Change (WoW)	% Change (YoY)	% Change (YTD)
NYMEX Crude Oil ($/barrel)	75.40	1.29	-9.42	5.75
Brent Crude Oil ($/barrel)	78.76	0.91	-7.89	2.21
Gold ($/ounce)	2,656.00	0.14	41.76	28.77
Silver ($/ounce)	31.53	-2.00	42.92	32.69

Source: Refinitiv

Currencies Update

Currency	11-Oct-24	Week Ago	Month ago	6 Months Ago	Year Ago
U.S. Dollar	84.10	84.02	83.96	83.32	83.16
GBP	109.89	110.21	109.50	104.57	102.38
Euro	91.98	92.22	92.45	89.36	88.29
100 Yen	56.38	56.49	58.97	54.36	55.74

Source: Refinitiv

Global Equity Market Performance

Country/ Region	Indices	11-Oct-24	% Change (WoW)	% Change (YoY)	% Change (YTD)
U.S.	Russell 1000	3,177	1.16	32.50	21.15
U.K.	FTSE	8,254	-0.33	8.32	6.73
France	CAC 40	7,578	0.48	6.26	0.46
Germany	DAX	19,374	1.32	25.32	15.65
Japan	Nikkei 225	39,606	2.51	24.01	18.35
China	Shanghai Composite	3,218	-3.56	4.51	8.16
Hong Kong[1]	Hang Seng	21,252	-6.53	18.77	24.66
Singapore	Straits Times	3,574	-0.43	11.93	10.29
Brazil	Sao Paulo Se Bovespa	129,992	-1.37	11.06	-3.12

Source: Refinitiv

Global Bond Yield Update

Indicators	11-Oct-24	Week ago	Month ago	6 Months Ago	Year ago
U.S. 10 Year Bond yield (%)	4.07	3.98	3.65	4.58	4.60
U.K. 10 Year Bond yield (%)	4.21	4.13	3.76	4.21	4.33
German 10 Year Bond yield (%)	2.28	2.21	2.10	2.48	2.72
Japan 10 Year Bond yield (%)	0.95	0.89	0.85	0.87	0.76

Source: Refinitiv

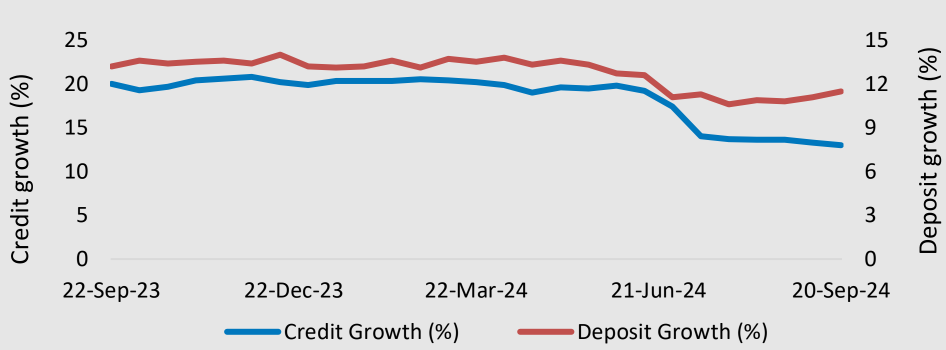
Global Economic Calendar

Economic Events	Release date	Actual	Consensus	Previous
Germany Industrial Output MM Aug 2024	8-Oct	2.90%	0.80%	-2.90%
U.S. CPI YY, NSA Sep 2024	10-Oct	2.40%	2.30%	2.50%
U.K. GDP Estimate YY Aug 2024	11-Oct	1.00%	1.40%	0.90%
Germany HICP Final YY Sep 2024	11-Oct	1.80%	1.80%	1.80%

Source: Refinitiv

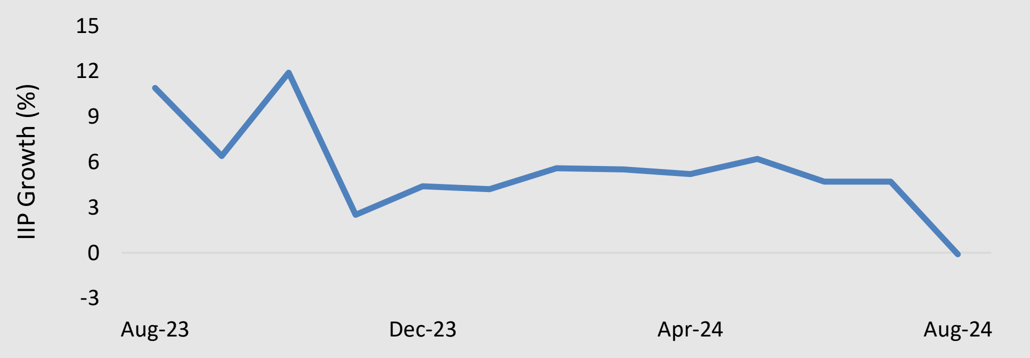
Macro Economic Performance of India

Credit growth vs Deposit growth



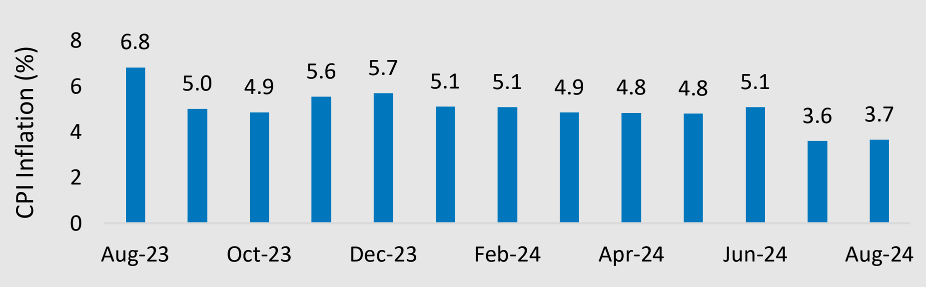
Source: Refinitiv

IIP Growth (%)



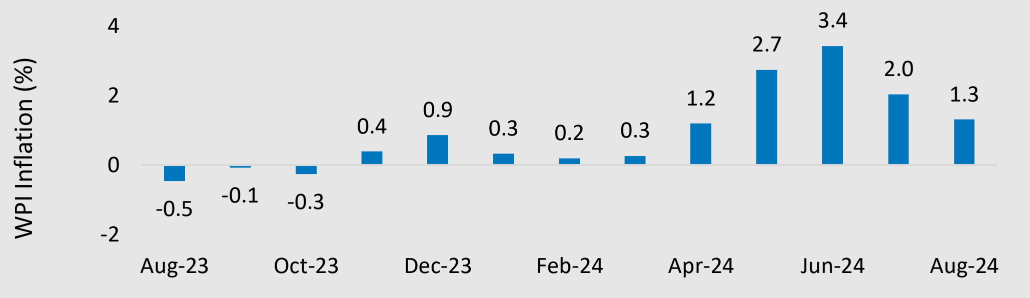
Source: Refinitiv

Retail inflation movement



Source: Refinitiv

Wholesale price inflation movement



Source: Refinitiv

[1] Data as on 10 Oct, 2024

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