

The background features a collage of business-related imagery. On the left, a world map is overlaid with a grid of numerical data. On the right, there are several overlapping elements: a tablet displaying a bar chart, a document titled "Year plans successful" with various charts and text, and a 3D pie chart. The overall color palette is dominated by blue and yellow.

WEEKLY WRAP

Issue 06

BRICKWORK RESEARCH

16 December 2024

Weekly Wrap

16 December 2024

India Economic News

- India's Index of Industrial Production increased by 3.5% in October, compared to 3.1% in September 2024. This growth was primarily fueled by strong performances in major sectors such as basic metals, electrical equipment, and refined petroleum products
- India's retail inflation decreased to 5.48% in November, down from 6.21% in October, as food prices showed signs of moderation, cooling down to 9.04% from 10.87% in October 2024
- According to the India Outlook by S&P Global Ratings, the Indian economy is projected to grow by 6.8% in 2024-25 and 6.9% in 2025-26
- India will need an investment of \$2.2 trillion in infrastructure development to achieve a \$7 trillion economy by 2030, according to report by Knight Frank
- Nirmala Sitharaman stated that inflation and geopolitics are major global economic challenges. She highlighted that wars are disrupting supply chains and fueling inflation worldwide, posing a significant challenge for all nations

Global Economic News

- JP Morgan predicts an optimistic but intricate global economic outlook for 2025, forecasting a low chance of recession with only a 15% probability of an economic downturn in the first half of the year
- According to the latest report from Wells Fargo Investment Institute, the U.S. is projected to lead the global economy in 2025. The report forecasts strong domestic growth and wider participation in equity markets in the coming year

Equity Markets	Last	1 Week	YTD
Nifty	24,840	-0.15	6.10
Dow Jones	43,828.06	-0.20	17.95%
S&P 500	6,050.03	-0.05%	26.84%
Nasdaq	19,923.52	0.99%	32.72%
FTSE 100	8,300.33	-0.10%	7.50%
Nikkei 225	39,470.44	-0.95%	11.54%
Shanghai	3,454.51	1.51%	18.23%
Commodities	Last	1 Week	YTD
Gold	\$2682.1	1.53%	33.72%
Silver	\$31.6	2.06%	35.16%
Crude Oil WTI	\$68.65	-0.35%	-2.09%
Currency	Last	1 Week	YTD
USD / INR	84.82	-0.02%	1.77%
EUR / INR	88.71	0.66%	4.38%
Government Bond	Last	1 Week	1 Year
India 10 Year G-Bond	6.85	1.78%	-6.04%

Weekly Wrap

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Central Bank and Regulatory Updates

- Sanjay Malhotra assumes the position of RBI Governor at a critical juncture for India's economy, which is grappling with issues such as rising inflation and sluggish growth
- The Bank of Canada reduced its interest rate to 3.25%, an anticipated decision to move away from restrictive levels as inflation has largely been brought under control
- European Central Bank lowered interest rates for the fourth time this year by 25 basis points to 3.0% and left the option for further easing open, as the Eurozone economy faces challenges from domestic political instability and the looming threat of a new U.S. trade war
- China's central bank has pledged to stabilize the yuan in the face of global pressures, stressing that it will employ various measures to maintain a "reasonable and balanced" exchange rate for the currency
- Swiss central bank made an unexpected move by cutting interest rates by half a percentage point to 0.5% citing growing "uncertainty" regarding the economic outlook due to potential US policies and political instability in Europe

Sectoral News

- According to PwC, the Indian Entertainment and Media industry is expected to surpass global growth, with a CAGR of 8.3%, reaching Rupees 3.65 lakh crore by 2028. This contrasts with the global E&M industry's projected CAGR of 4.6%
- Union Minister Nitin Gadkari expressed confidence that India's automobile industry will become the global leader within the next five years. He also outlined his ministry's ambitious goal to reduce logistics costs in India to 9% within the next two years
- According to Julia Simpson, President and CEO of the World Travel and Tourism Council, the Indian tourism sector is projected to grow from \$256 to \$523 over the next decade
- India's gaming sector, currently valued at INR 6,715 crores in 2024, is projected to reach INR 10,487 crores by 2026, growing at a CAGR of 24%, According to report released by Dentsu India

Economic Indicators	Last	Previous
GDP Annual Growth Rate	5.4%	6.7%
Unemployment Rate	8%	8.7%
Interest Rate	6.50%	6.50%
Government Debt to GDP	81.59%	82.49%
Consumer Confidence	94	94.7
Business Confidence	119	127
HSBC India Mfg PMI (Nov)	56.5	57.5
HSBC India Services PMI (Nov)	58.4	58.5
FX Reserves, USD	654.86	658.09
Bank Deposit Growth	10.70%	11.20%
GST Collections (₹ Trillion) (Nov)	1.82	1.87
Infra Output (YoY) (Oct)	3.10%	2.00%
Trade Balance (Oct)	-27.14B	-20.78B
WPI Food (YoY) (Oct)	11.59%	9.47%
WPI Fuel (YoY) (Oct)	-5.79%	-4.05%
WPI Inflation (YoY) (Oct)	2.36%	1.84%
WPI Mfg Inflation (YoY) (Oct)	1.50%	1.00%
CPI Inflation (YoY) (Nov)	5.48%	6.21%
Industrial Production (YoY) (Oct)	3.5%	3.10%
Mfg Output (MoM) (Sep)	4.10%	3.90%

* Views are personal

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