

# WEEKLY WRAP

Version 03

**BRICKWORK RESEARCH**

**25th November 2024**

# Weekly Wrap

25<sup>th</sup> November 2024

## India Economic News

- Moody's has projected India's GDP growth at 7.2% for 2024, indicating that the Indian economy is in a favorable position
- RBI Governor Shaktikanta Das stated that the Indian economy is well-equipped to manage any potential spillovers from global events
- The RBI cautioned that unchecked inflation could negatively impact India's real economy, even with a positive growth outlook
- India's bilateral trade with China reached USD 10.7 billion in October, marking a 0.46% decline due to a slowdown in the neighboring country
- India's services sector PMI surged to 59.2 in November, marking the fastest growth since 2005, the manufacturing sector experienced a slight slowdown, with its PMI dropping to 60.2 in November from 60.4 in October 2024

## Global Economic News

- U.S. jobless claims for the week ending November 22<sup>th</sup> totaled 213K, down from 219K the previous week
- Global GDP is projected to grow by 2.7% next year on an annual average, slightly surpassing the consensus forecast by Bloomberg
- According to new forecasts from the EU, the Eurozone economy is expected to grow at a slightly slower pace than previously anticipated next year. However, even this subdued projection may turn out to be optimistic if exporters are hit with higher U.S. tariffs
- Companies across Europe are being compelled to freeze hiring or reduce their workforce due to a challenging economy and ongoing weak demand for numerous products

Equity Markets	Last	1 Week	YTD
Nifty	23,907.25	-0.72%	22.08%
Dow Jones	44,296.51	1.00%	5.80%
S&P 500	5,969.34	0.35%	12.30%
Nasdaq	19,003.65	0.16%	15.60%
FTSE 100	8,191.29	0.60%	4.70%
Nikkei 225	38,499.50	0.19%	14.79%
Shanghai	3,346.00	-3.10%	11.30%
Commodities	Last	1 Week	YTD
Gold	\$2,650.00	3.50%	12.00%
Silver	\$32.50	2.00%	10.00%
Crude Oil WTI	\$71.18	5.00%	-7.34%
Currency	Last	1 Week	YTD
USD / INR	84.44	-0.10%	1.29%
EUR / INR	87.93	-1.11%	-3.18%
Government Bond	Last	1 Week	1 Year
India 10 Year G-Bond	6.964	0.42%	-5.8

## Central Bank and Regulatory Updates

- The RBI and the Maldives Monetary Authority have signed a MoU to create a framework that encourages the use of local currencies the Indian Rupee and Maldivian Rufiyaa for cross-border transactions
- The U.S. Federal Reserve is expected to lower interest rates next month, but the cuts in 2025 are likely to be smaller than previously anticipated, due to concerns about higher inflation from the proposed policies of President-elect Donald Trump
- The RBI has highlighted significant concerns regarding the disbursement of gold loans, urging lenders to reform repayment practices. In response, banks and NBFCs are now considering EMI-based models to address regulatory issues
- ECB Vice-President Luis de Guindos warned that low growth and high debt pose a risk to a Eurozone crisis. He highlighted concerns over elevated debt levels, high budget deficits, sluggish growth, and uncertainties stemming from recent European and national election outcomes, particularly in France

## Sectoral News

- India's data center industry is poised for significant expansion, driven by AI, cloud adoption, and 5G. The sector is drawing considerable investments, with expectations of a 66% growth in capacity and USD 4 billion in investments by 2026
- India's global capability centers are expected to grow into a USD 100 billion industry by 2030, providing employment to more than 2.5 million professionals
- India's luxury weddings have reached new heights, driving a ₹70,000 crore industry. This surge in luxury weddings reflects not only changing preferences but also evolving cultural and economic dynamics

Economic Indicators	Last	Previous
GDP Annual Growth Rate	6.70%	7.80%
Unemployment Rate	10.10%	7.80%
Interest Rate	6.50%	6.50%
Government Debt to GDP	81.59%	82.49%
Consumer Confidence	94.7	93.9
Business Confidence	119	127
HSBC India Mfg PMI (Nov)	57.3	57.5
HSBC India Services PMI (Nov)	59.2	58.5
FX Reserves, USD	657.89B	675.65B
Bank Deposit Growth	11.80%	11.70%
GST Collections (₹ Trillion) (Oct)	1.87	1.73
Infra Output (YoY) (Sep)	2.00%	-1.80%
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) (Oct)	6.21%	5.49%
Industrial Production (YoY) (Sep)	3.10%	-0.10%
Mfg Output (MoM) (Sep)	3.90%	3.1.00%

\* Views are personal

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