

The background features a collage of business-related elements. On the left, a world map is overlaid with a grid of numerical data. On the right, there are several charts: a 3D bar chart with blue, orange, and red bars, a 3D pie chart with blue, green, and red segments, and a tablet displaying a bar chart. Text fragments like 'successful year plans successful' and 'Aenean pretium' are visible on the documents.

# WEEKLY WRAP

Issue 08

**BRICKWORK RESEARCH**

**30 December 2024**

# Weekly Wrap

30 December 2024

## India Economic News

- According to a bulletin from RBI, the Indian economy is showing signs of recovery from the slowdown observed in the Q2 of the fiscal year, driven by strong festive demand and continued growth in rural consumption
- FDI into India has significantly slowed, with the latest data from RBI, revealing a decline to \$2.1 billion during April-October 2024, compared to \$7.7 billion during the same period last year
- The Finance Ministry projects the Indian economy to grow at approximately 6.5% in the FY25, near the lower end of the 6.5-7% range, down from 8.2% in the previous year. This slowdown is attributed to global uncertainties and other factors that could dampen growth

## Global Economic News

- Experts caution that the global economy could face significant risks in 2025, with concerns over Trump's protectionist trade policies, the imposition of additional tariffs, and the potential for retaliation by China and Europe
- BRICS has expanded to include nine new partner countries, now representing half of the world's population and 41% of the global economy. This makes it a major economic powerhouse, home to leading producers of essential commodities such as oil, gas, grains, meat, and minerals
- Economists expect that China's annual GDP growth will slow to 4.4% in 2025, as the potential for tariffs imposed by U.S. President-elect Donald Trump and ongoing property sector challenges dampen domestic consumption
- China's banks are injecting new funds into halted housing projects and lowering rates on existing mortgages. Nearly 300 local governments are collaborating with banks to restart unfinished development projects. New loans have exceeded \$400 billion

Equity Markets	Last	1 Week	YTD
Nifty	23,762.75	-0.21%	9.58%
Dow Jones	42,992.21	0.35%	14.07%
S&P 500	5,970.95	-0.05%	25.18%
Nasdaq	19,718.09	-0.22%	31.35%
FTSE 100	8,149.78	0.81%	5.55%
Nikkei 225	39,922.50	-0.89%	19.44%
Shanghai	3,397.12	-0.09%	14.45%
Commodities	Last	1 Week	YTD
Gold	\$2,613.8	-0.50%	26.03%%
Silver	\$29.6	-1.00%	23.30%
Crude Oil WTI	\$70.26	-0.48%	-1.37%
Currency	Last	1 Week	YTD
USD / INR	85.26	-0.18%	5.67%
EUR / INR	89.30	0.31%	-2.72%
Government Bond	Last	1 Week	1 Year
India 10 Year G-Bond	6.90%	1.72%	-5.52%

## Central Bank and Regulatory Updates

- The Federal Reserve is considering "significant changes" to its annual stress tests for major U.S. banks, aiming to reduce the volatility of test results and increase transparency. While the Fed did not elaborate on the specifics, it suggested that it may revise the models used to calculate hypothetical losses for banks
- ECB President Christine Lagarde stated that the euro zone is "very close" to achieving the central bank's medium-term inflation target of 2%. Lagarde had stated that the central bank would lower interest rates further if inflation continued to move toward its target

## Sectoral News

- The Indian cement industry expects an 8% sales growth by 2025, fueled by government infrastructure spending, despite challenges such as lower sales realization in 2024. Market share of top 5 cement makers is estimated to reach 55% by March 2025
- VC activity in India from January to November 2024 reached \$16.77 billion across 888 deals, reflecting a 14.1% increase in value and a 21.8% rise in deal count compared to \$14.69 billion across 729 deals during the same period in 2023. The technology sector received the largest portion of VC funding, totaling \$6.50 billion
- The telecom department has waived the bank guarantee requirement for spectrum auctions held before the reform package
- According to RBI data, banks saw an improvement in profitability for the sixth straight year in 2023-24, while their gross bad debts, or NPAs, dropped to a 13-year low of 2.7%

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 (Dec)	57.4	56.5
HSBC India Services PMI (Dec)	60.8	58.4
<b>FX Reserves, USD Billion</b>	<b>644.39</b>	<b>652.87</b>
<b>Bank Deposit Growth</b>	<b>11.5%</b>	<b>10.6%</b>
GST Collections (₹ Trillion) (Nov)	1.82	1.87
Infra Output (YoY) (Oct)	3.10%	2.00%
<b>Trade Balance (Dec) Q3 USD Billion</b>	<b>-75.30</b>	<b>-65.10</b>
WPI Food (YoY) (Nov)	8.92%	11.59%
WPI Fuel (YoY) (Nov)	-5.83%	-5.79%
WPI Inflation (YoY) (Nov)	1.89%	2.36%
WPI Mfg Inflation (YoY) (Nov)	2.00%	1.50%
CPI Inflation (YoY) (Nov)	5.48%	6.21%
Industrial Production (YoY) (Oct)	3.50%	3.10%
Mfg Output (MoM) (Oct)	4.10%	3.90%

\* Views are personal

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