

Weekly Wrap

11th November 2024

India Economic News

- India has 4th largest forex reserves after China, Japan, Switzerland
- SBI economists predict India's Q2 GDP growth will slow to 6.5%, but FY25 growth is expected to approach 7%
- India's factory growth accelerated in October with the Manufacturing PMI rising to 57.5 from 56.5 in September

Global Economic News

- Trump's victory could significantly impact the global economy with a 10% universal tariff on all imports and a 60% tariff on imports from China, potentially inhibiting trade, lowering growth, and raising U.S. inflation
- Trump's win in the US elections could disrupt global rate-cut expectations, with promised levies on US imports, tax cuts, and deportations potentially slowing global economic expansion and increasing US inflation, making the Federal Reserve less likely to lower interest rates

Equity Markets	Last	1 Week	YTD
Nifty	24148.20	+0.23%	10.67%
Dow Jones	43,988.99	+5.25%	+16.71%
S&P 500	5,995.54	+4.95%	+25.7%
Nasdaq	21,117.18	+6.09%	+28.48%
FTSE 100	8,072.39	-1.37%	+4.39%
Nikkei 225	39,520.00	+3.68%	+17.89%
Shanghai	3,449.70	+4.21%	+15.96%
Commodities	Last	1 Week	YTD
Gold	2,694.80	-2.54%	+29.18%
Silver	31.449	-3.92%	30.67%
Crude Oil WTI	70.38	-1.94%	-2.19%
Currency	Last	1 Week	YTD
USD / INR	84.38	+0.15%	+1.41%
EUR / INR	90.46	+0.64%	-0.18%
Government Bond	Last	1 Week	1 Year
India 10 Year G-Bond	6.774	+1.85%	-7.26%

Central Banks & Regulatory Updates

- The U.S. Federal Reserve cut its key interest rate by a quarter-point to support the job market and maintain 2% inflation
- Central bankers reassess rate-cut plans as Trump's return could stifle global growth and fuel US inflation
- India's gold reserves rose from 618 to 854 metric tonnes in five years, marking a 60% domestic increase
- China's central bank paused gold purchases for the sixth month, with holdings at 72.8 million troy ounces and values rising to \$199.06 billion from \$191.47 billion
- CRAs are required to obtain NOC from RBI before evaluating unlisted bonds, corporate deposits, and securitized debt instruments
- SEBI permits mutual funds to invest in overseas funds with up to 25% exposure to Indian securities

Sectoral News

- Trump's return has uplifted India's IT industry, start-ups, and crypto markets, anticipating positive impacts on the tech ecosystem
- In Q3 2024, India's smartphone market ranked second globally by unit volume and third by value, with 15.5% of global shipments, behind China's 22%
- India's petroleum exports surged to \$84.96 billion in 2023, increasing market share from 6.45% to 12.59%
- India's home textile industry expects 6-8% revenue growth in FY25, driven by US demand and domestic market expansion
- India and the US are expected to bolster energy ties under Trump's second presidency, with increased US oil production keeping prices in check, benefiting India

Economic Indicators	Last	Previous
GDP Annual Growth Rate	6.7%	7.8%
Unemployment Rate	7.8%	8.5%
Interest Rate	6.5%	6.5%
Government Debt to GDP	81.59%	82.49%
Consumer Confidence	94.7	93.9
Business Confidence	119	127
HSBC India Mfg PMI (Oct)	57.5	56.5
HSBC India Services PMI (Oct)	58.5	57.7
FX Reserves, USD	682.13B	684.81B
Bank Deposit Growth	11.7%	11.8%
Bank Loan Growth	11.5%	12.8%
Infra Output (YoY) (Sep)	2.0%	-1.8%
Trade Balance (Sep)	-20.78B	-29.65B
WPI Food (YoY) (Sep)	11.53%	3.11%
WPI Fuel (YoY) (Sep)	-4.05%	-0.67%
WPI Inflation (YoY) (Sep)	1.84%	1.31%
WPI Mfg Inflation (YoY) (Sep)	1.00%	1.22%
CPI Inflation (YoY) (Sep)	5.49%	3.65%
Industrial Production (YoY) Aug	-0.10%	4.70%
Mfg Output (MoM) (Aug)	1.00%	4.40%

** Views are personal*

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