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Weekly Market Update

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Key Domestic News

RBI Highlights Decline in Household Savings amid Rising Financial Liabilities

- In its Financial Stability Report, the RBI India’s overall household savings declined to 18.4% of GDP in FY23 from an average of 20% between CY13-CY22, while net financial savings declined to 5.3% from an average of 8%.
- The report also highlighted that India's economy remained resilient due to rising demand and strong business optimism. Furthermore, the central bank indicated that increased government capital expenditure could stimulate additional private investment through a multiplier effect across various sectors.

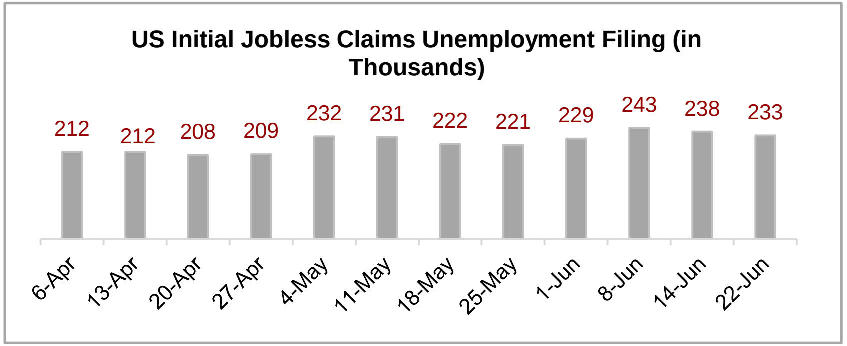
India's External Debt Rises to USD 663.8 Billion in FY24, Debt-to-GDP Ratio Declines to 18.7%

- India’s external debt increased by 6% YoY to USD 663.8 Billion in FY24 compared to USD 624.1 Billion in FY23. The data highlighted that loans as a component of external debt stood at 33.4% while currency & deposits stood at 23.3% of external debt.
- The RBI highlighted that India's external debt-to-GDP ratio declined to 18.7% in FY24 compared to 19% in FY23. Moreover, the central bank noted that the government's external debt stood at 4.2% of the GDP while the non-government sector's external debt was at 14.5% of the GDP in FY24.

Core Infrastructure Sectors expanded by 6.3% in May’24, Maintains Over 6% Growth for the Fourth Consecutive Month

- India’s core sector growth eased to 6.3% in May'24, as compared to 6.7% in Apr’24. The growth was largely driven by notable increases were witnessed in power generation and coal output.
- However, sectors like fertilizers and cement production witnessed contractions. Overall, the growth trajectory in the first two months of the fiscal year remained positive.

Key International News



United States

- US's PCE Price Index edged lower to 2.6% in May’24 compared to 2.7% in Apr’24. Moreover, the core PCE Price Index, excluding volatile food and energy prices, rose 2.6% in the same period, down from the 2.8% increase in April'24. Furthermore, US personal income witnessed a growth by 0.5% MoM in May’24, while personal spending rose by 0.2%.
- Americans filing for unemployment benefits decreased to 233,000 in the week ended June 22, 2024.

United Kingdom

- The British economy grew by 0.3% YoY in Q1 FY24, reversing from a contraction of 0.2% in Q4 FY23, on account of a 0.4% YoY growth in the services sector, as well as 0.3% YoY rise in industrial production.
- However, household consumption, business investment, exports and imports witnessed significant declines, indicating towards a fragile macroeconomic scenario.

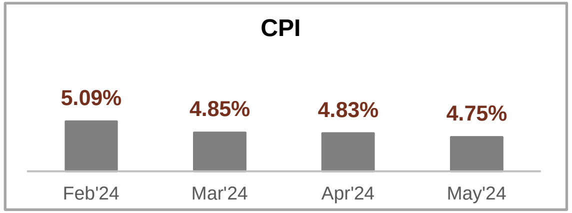
Japan

- Unemployment rate in Japan remained unchanged at 2.6% in May'24 compared to the prior month, marking the highest jobless rate since Sep'23. Further, the number of unemployed individuals declined by 10,000 to 1.82 million in May'24 while employment increased by 10,000 to 67.61 million in May'24.

China

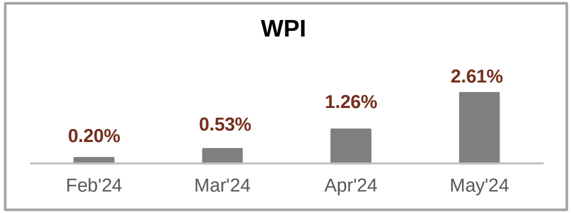
- China's manufacturing PMI stood at 51.8 in Jun'24, declining marginally from 51.7 in May’24, marking the eighth consecutive month of increase in manufacturing activity, amid a rise in new orders, and growth in exports.
- Further, input prices rose at the fastest pace since FY23, while delivery times lengthened, largely on account of material shortages.

Domestic Macroeconomic Indicators



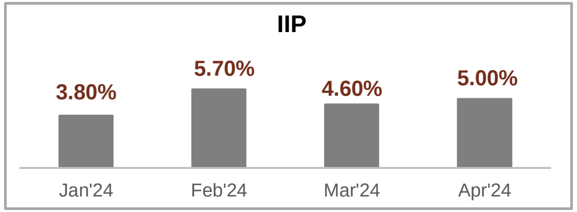
CPI decreased by 0.08% MoM

India's retail inflation eased to 4.75% YoY in May'24 raising expectations of rate cuts in CY24. Further, retail food inflation increased to 8.7% in May'24 from 8.52% in Mar'24 amid a rise in prices of vegetables, pulses, and cereal prices.



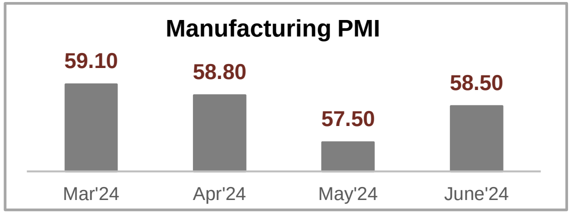
WPI increased by 1.35% MoM

India's WPI index increased to 2.61% YoY in May'24 marked by the seventh consecutive period of wholesale inflation and the fastest pace since Feb'23, driven by a rebound in manufacturing activity and rising prices of food and primary articles.



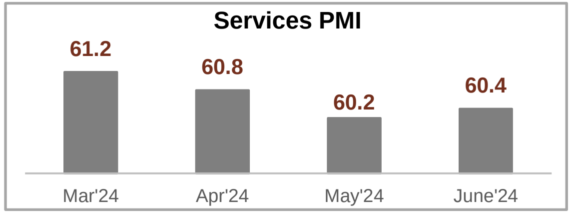
IIP decreased by 0.40% MoM

India's industrial output rose to 5.0% YoY in Apr'24 as compared to 4.60% YoY in Mar'24. Further, the growth in the manufacturing sector was on the back of a significant increase in the manufacturing sector by 3.9%.



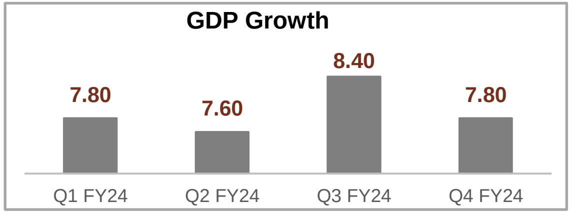
Manufacturing PMI increased by 1.50 MoM

India's Manufacturing PMI increased indicating a faster expansion in the country's manufacturing sector due to stronger growth in output and new orders. In the meantime, employment continued to increase, with the job creation.



Services PMI increased by 0.20 MoM

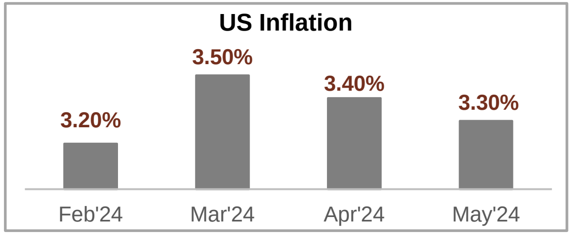
India's Service PMI increased to 60.4 in June'24 from 60.2 in May'24, marking the 35th consecutive month of expansion. Further, new export orders expanded for the 22nd straight month, with the service economy contributing mostly to this growth.



GDP growth decreased to 7.80% YoY

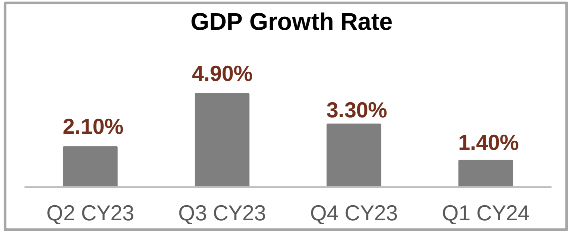
India's GDP growth rate contracted to 7% in Q4FY24 as compared to 8.40% in Q3FY24. The real Gross Value Added grew by 7.2% in FY24 over 6.7% in FY23 amid robust growth in manufacturing sector coupled with 7.1% increase in mining activities.

Global Macroeconomic Indicators



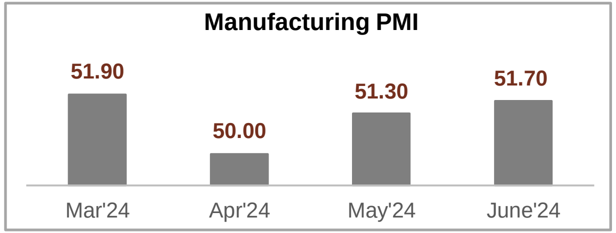
US Inflation decreased by 0.10% MoM

US inflation declined to 3.3% in May'24 compared to 3.5% in Mar'24 amid a decline in prices of for food, shelter, transportation and clothing. However, energy prices rose with gasoline, utility gas service and fuel oil prices witnessing significant



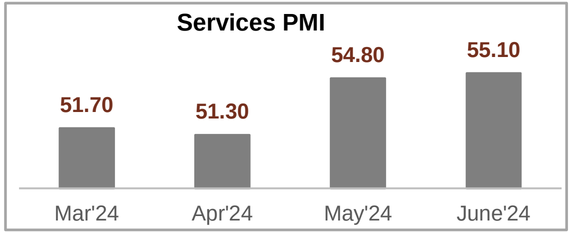
US GDP rate decreased by 1.90% QoQ

The US economy expanded, however at a significantly lower pace than the previous quarter on account of slow growth in private inventories and consumer spending due to a fall in goods and service consumption.



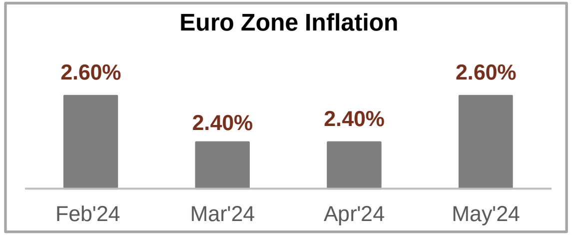
US Manufacturing PMI increased by 0.04 MoM

US Manufacturing PMI increased to 51.7 in June'24 given the growth in new orders, supporting an expansion in employment. Selling prices hit a six-month low amid rising raw material costs and prolonged supplier delivery times, highlighting growing supply chain pressures.



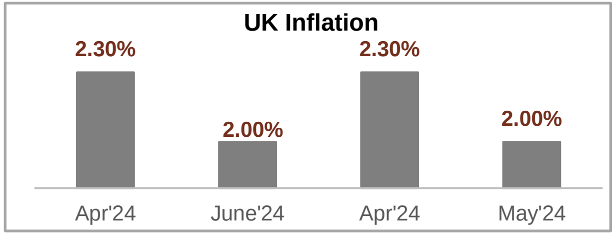
US Services PMI increased by 3.50 MoM

US Service PMI rose to 55.1 in June'24 on the back of sharpest expansion in services sector activity since April, 2022. However, economic activity in the US was moderating, adding leeway for the Fed to maintain rates at a restrictive territory.



Eurozone Inflation increased by 0.20% MoM

Euro Area's Inflation increased to 2.6% in May'24 compared to Apr'24 amid surge in the price of energy. Further, the core inflation rose to 2.9% in May'24 from 2.7% in Apr'24.



UK Inflation decreased by 0.30% MoM

UK's inflation rate declined to 2% YoY in May'24 from 2.3% YoY in Apr'24 amid a decline in cost of food. At the same time, cost for housing and utilities and furniture, household equipment and continued to decline.

RBI WSS Data (Data in INR Billion)

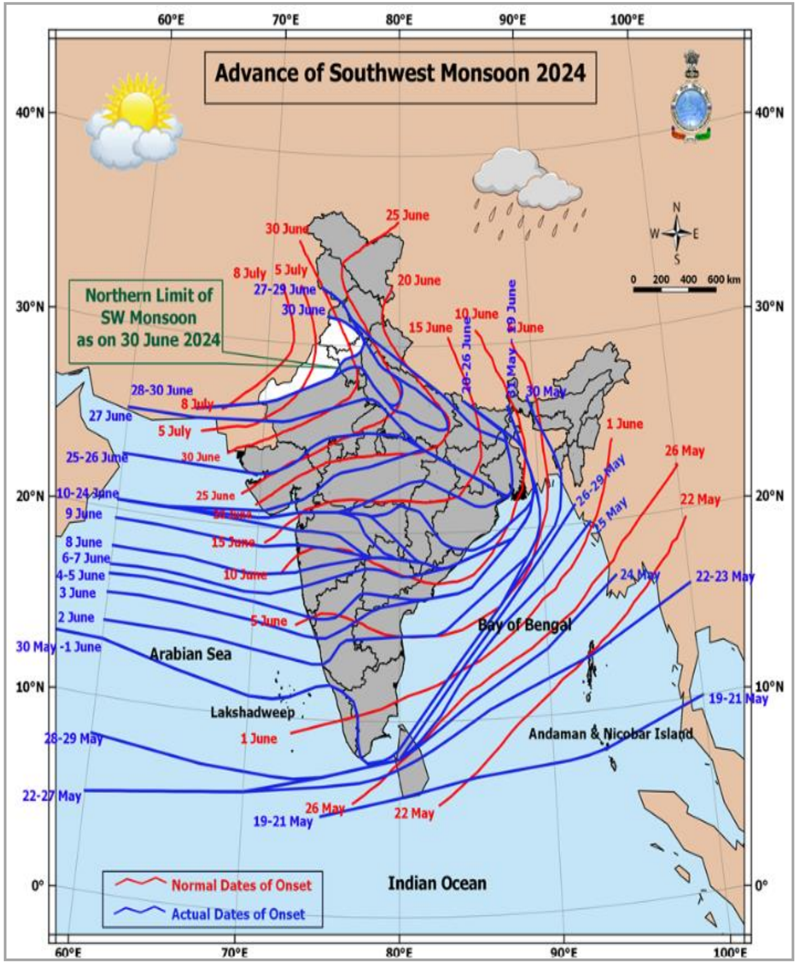
Scheduled Commercial Banks Business (SCBs)	Latest Data	% Change from	% Change from	% Change from
	14-Jun-24	31-May-24	17-May-24	16-Jun-23
Food Credit	369.23	-8.29	-10.54	28.50
Non-Food Credit	1,66,738.74	-0.40	0.64	19.14
Bank Credit	1,67,107.97	-0.42	0.62	19.16
Aggregate Deposits	2,09,029.20	-0.88	0.43	12.58
Investments (SLR)	62,287.97	0.74	0.47	-98.90
	14-Jun-24	31-May-24	17-May-24	16-Jun-23
Cash/ Deposit Ratio	5.13	2.81	0.60	-3.29
Credit/ Deposit Ratio	77.87	0.23	0.23	2.86
Investment/ Deposit Ratio	29.52	0.00	1.62	-2.86

Monsoon Update

- Heavy to very heavy rainfall with extremely heavy falls very likely at isolated places over Arunachal Pradesh, Assam & Meghalaya; Heavy to very heavy rainfall at isolated places over Himachal Pradesh, Uttarakhand, Punjab; Heavy rainfall at isolated places over East Madhya Pradesh, Bihar, Gujarat State, Coastal Karnataka & Kerala.
- Thunderstorm accompanied with lightning, gusty winds (speed reaching 30-40 kmph) likely at isolated places over Rajasthan; with lightning at isolated places over Jammu-Kashmir-Ladakh-Gilgit-Baltistan-Muzaffarabad, Himachal Pradesh, Uttarakhand & Punjab.
- Towards the end of the week, Squally weather with wind speed 35 kmph to 45 kmph gusting to 55 kmph likely to prevail over east central and adjoining west central Arabian sea, northern parts of southeast & southwest Arabian sea, along and off Gujarat, Maharashtra, Konkan, Goa coasts and gulf of Mannar.

Seasonal Rainfall (As on 29th June, 2024)

Region	Actual Rainfall (mm)	Normal Rainfall (mm)	% Departure from LPA
East and North-East India	261.1	315.8	- 17%
North-West India	47.4	72.9	- 35%
Central India	134.4	161.9	- 17%
South Peninsula India	175.9	154.9	+ 14%
Country as a Whole	**136.0**	**157.7**	**- 14%**



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Government Securities

G-Sec Yields			
Security	**Tenor**	**Jun 21, 2024**	**Jun 14, 2024**
364 DTB	1	6.97	6.98
6.99 GS 2026	2	6.95	6.97
7.10 GS 2029	5	7.00	6.99
7.1 GS 2034	10	6.97	6.98
7.23 GS 2039	15	7.01	7.03
8.17 GS 2044	20	7.04	7.11
7.40 GS 2062	38	7.07	7.07
7.46 GS 2073	49	7.06	7.11

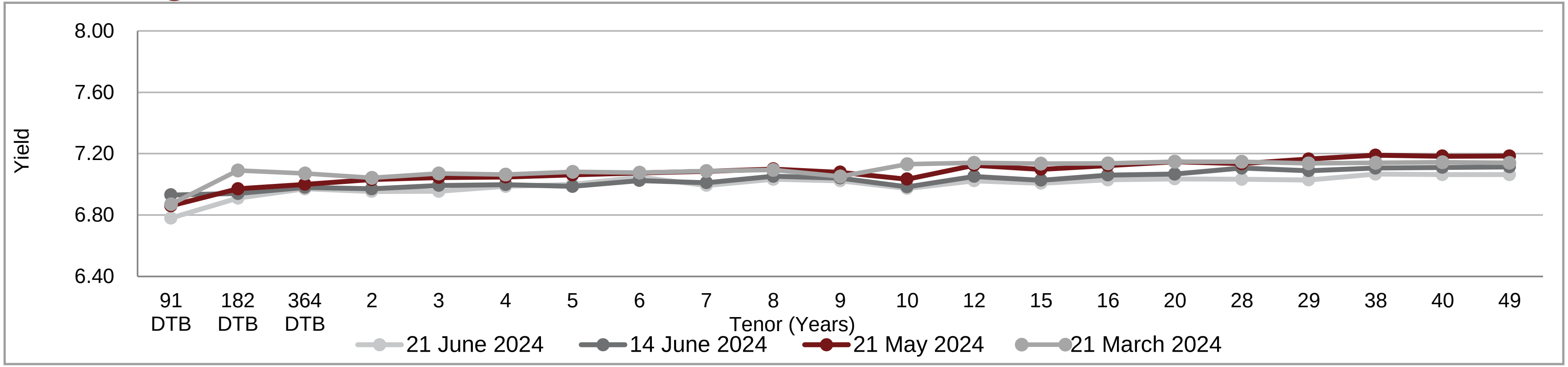
G-Sec Auction Results - Jun 28 2024			
Security	**Amount (INR Cr)**	**Cut-Off Yield**	**B/C**
7.10% GS 2034	20,000	7.02%	0.42
7.34% GS 2064	11,000	7.10%	0.43
	31,000		

- For the week ended Jun 28, 2024, the 10-year benchmark recorded a close at 7.01%, rising by 4 bps from the close of the previous week.
- The yields opened unchanged and traded downwards ahead of expected inflows after domestic bonds are included in JPMorgan's emerging market debt index later this week. Further, India's current account deficit improved significantly to 0.7% of GDP to USD 23.2 Billion in FY24 compared to 2% in FY23 on account of the decrease in merchandise trade deficit, while the current account balance reported a surplus of 0.6% of the GDP in Q4 FY24.
- During the mid-week, the yields reversed their trajectory and traded marginally upwards after India's external debt stood at USD 663.8 billion in FY24, an increase of USD 39.7 billion over its level in FY23, with dollar-denominated debt remaining the largest component of India’s external debt, with a share of 53.8%. Further, economists stated that patchy and delayed monsoon posed upside risk to food inflation which already remained at elevated levels.
- Towards the fag end of the week, the yields traded upwards as investors cautiously awaited the release of US PCE inflation prints to gauge the inflation trajectory. Further, yields on the bonds were unable to decline meaningfully on the day of the much-awaited inclusion in JP Morgan Bond EM Index amid underwhelming inflows.
- The RBI conducted an auction of G-Sec for a notified amount of INR 31,000 Cr during the week ending 28th June 2024, with cut-off yields ranging between 7.02% - 7.10%.

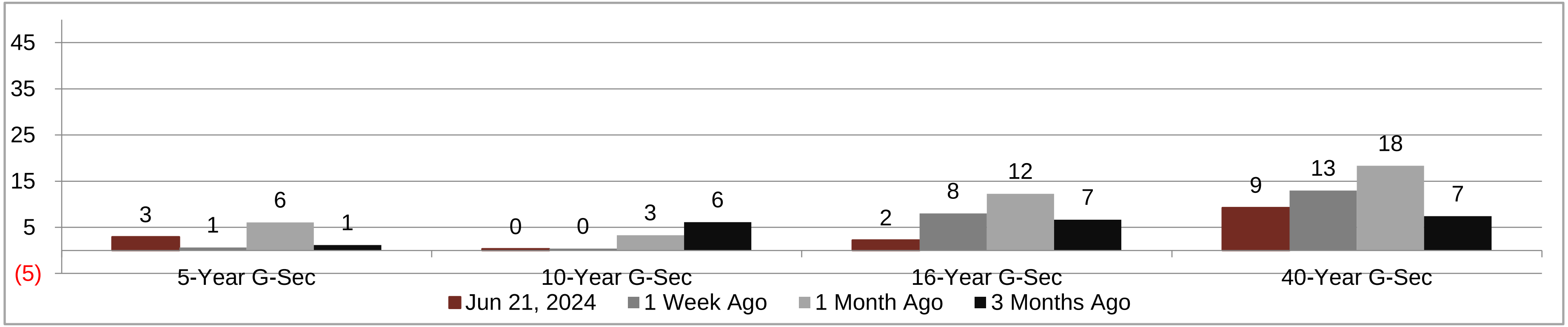
Ten Year GOI Yields – 7.00% (June 28, 2024)

Support:- 6.94%, 6.85% (Weekly Close)   Resistance: 7.02%, 7.06% (Weekly Close)

Sovereign Yield Curve – June 21, 2024



Spread between 364 DTB and G-Sec



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State Development Loans Auction Results – June 25, 2024

Auction Result: June 25, 2024								
S No.	Rank	State	Amount Raised (INR Cr)	Tenure (Years)	Cut-Off Yield	Cut-Off Yield (Annualized)	Amount Raised (FY24TD) (INR Cr)	Amount Raised FYTD25 (INR Cr)
1	11	Andhra Pradesh	1000	11	7.34%	7.47%	22,500	27,000
			1000	20	7.31%	7.44%		
2	6	Haryana	1500	12	7.33%	7.46%	10,000	8,500
3	3*	Jammu and Kashmir	500	30	7.28%	7.41%	2,300	4,800
4	13	Kerala	1500	17	7.32%	7.45%	7,000	10,000
5	9*	Mizoram	71	15	7.36%	7.50%	350	271
6	15	Rajasthan	1500	10	7.34%	7.47%	16,000	18,500
			1000	19	7.33%	7.46%		
			1500	20	7.33%	7.46%		
7	7	Tamil Nadu	3000	30	7.27%	7.40%	25,000	21,000
8	4	Telangana	1000	18	7.31%	7.44%	12,000	13,000
9	16	West Bengal	2000	15	7.34%	7.47%	5,000	5,500
			1500	18	7.34%	7.47%		
		Total	**17,071**				**34,800**	**40,300**

Note: Ranking of States as per the Darashaw State Finance Study 2022-23. **Special State Ranking as per Darashaw State Finance Study 2022-23.

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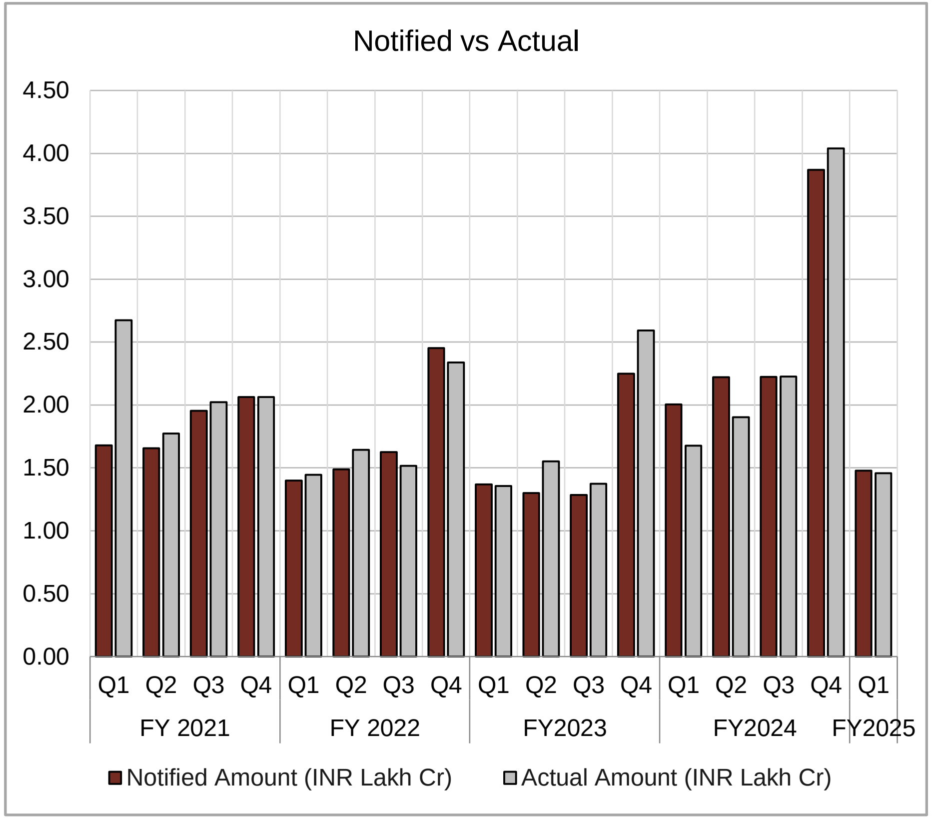
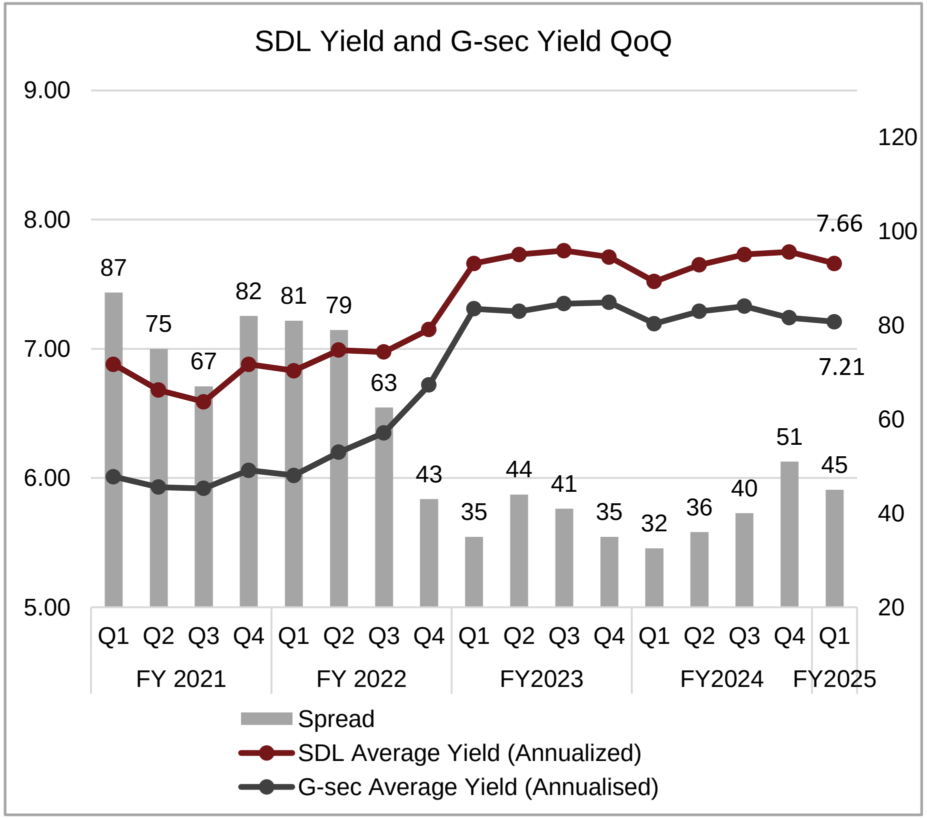
State Development Loans Auction Notification – July 02, 2024

Notification: July 02, 2024								
S No.	Rank	State	Tenure (Years)	Amount to be Raised (INR Cr)	Additional borrowing (INR Cr)	Notified Amount (FYTD) (INR Cr)	Actual Amount (FYTD) (INR Cr)	Actual amount raised compared to Notified (%)
1	11	Andhra Pradesh	9	1000	-	29,000	27,000	93
			12	1000	-			
			17	1000	-			
			21	1000	-			
			24	1000	-			
2	3*	Jammu and Kashmir	22	500	-	4.800	4.800	100
3	13	Kerala	22	1500	-	10,00	10,00	100
4	8*	Manipur	12	200	-	200	200	100
5	6*	Meghalaya	10	400	-	500	500	100
6	17	Punjab	9	1000	-	16,700	16,700	100
			10	1500	-			
7	7	Tamil Nadu	10	2000	-	21,000	21,000	100
8	4	Telangana	13	1000	-	13,000	13,000	100
			18	1000	-			
		Total		**14,100**		**80,405**	**78,405**	

Note: Ranking of States as per the Darashaw State Finance Study 2022-23. **Special State Ranking as per Darashaw State Finance Study 2022-23.

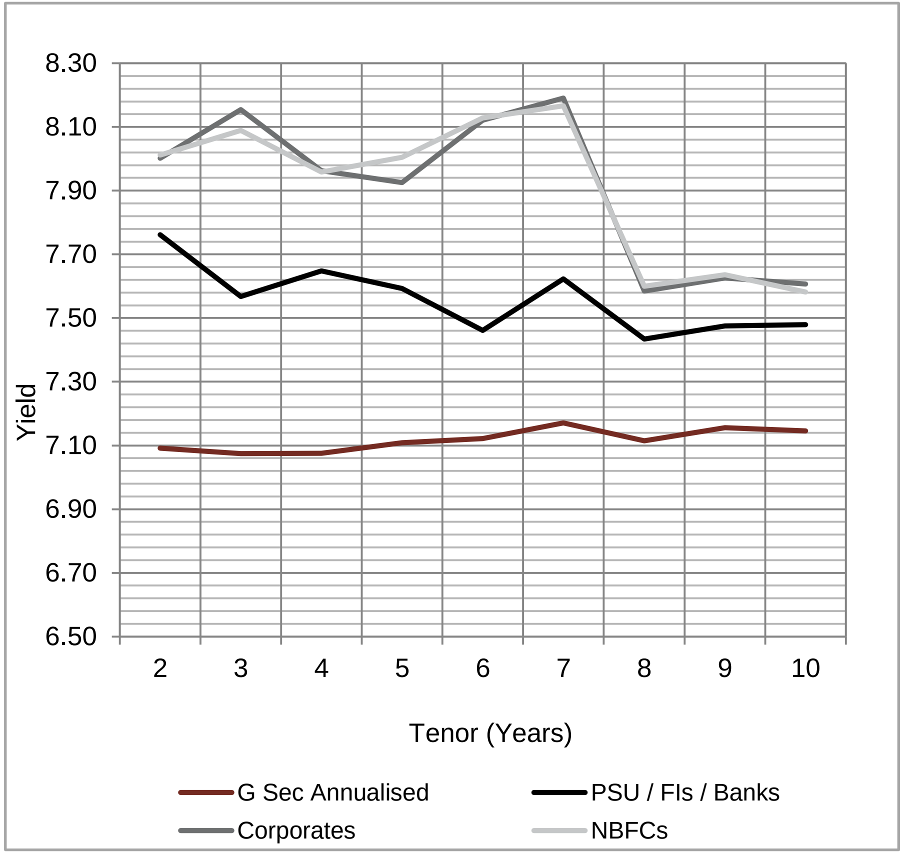
SDL Auction- Notified vs Actual and Spread Analysis

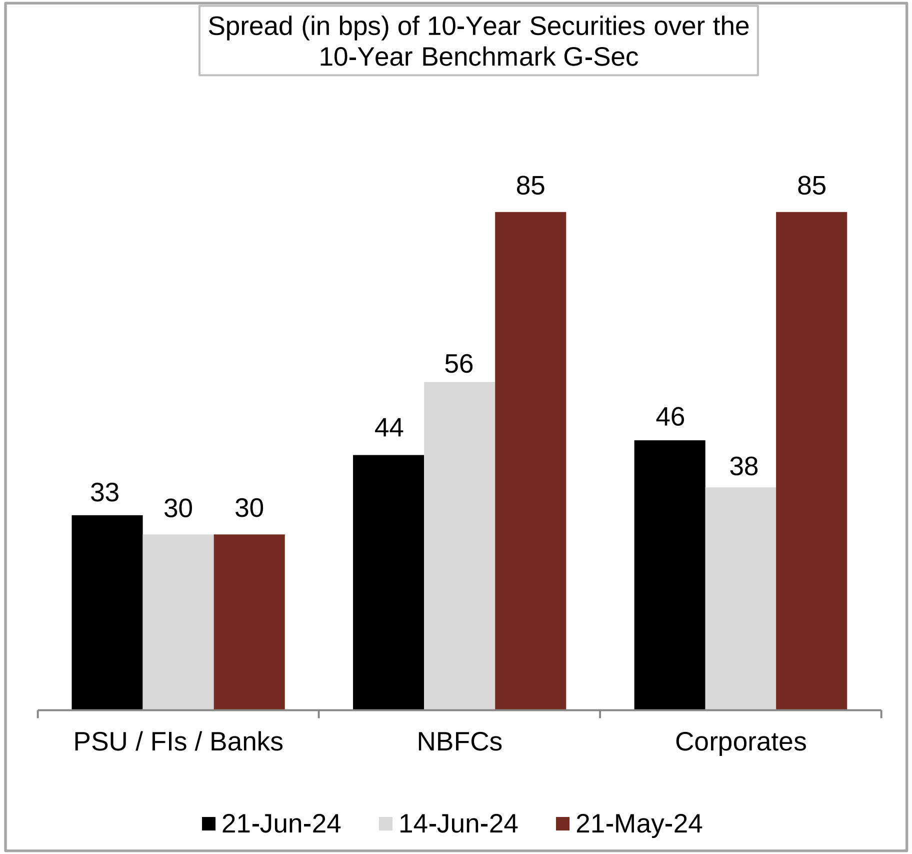




The SDL Yield and G-sec are sourced from the Secondary market

AAA Rated Bond Yield Curves – Jun 21, 2024





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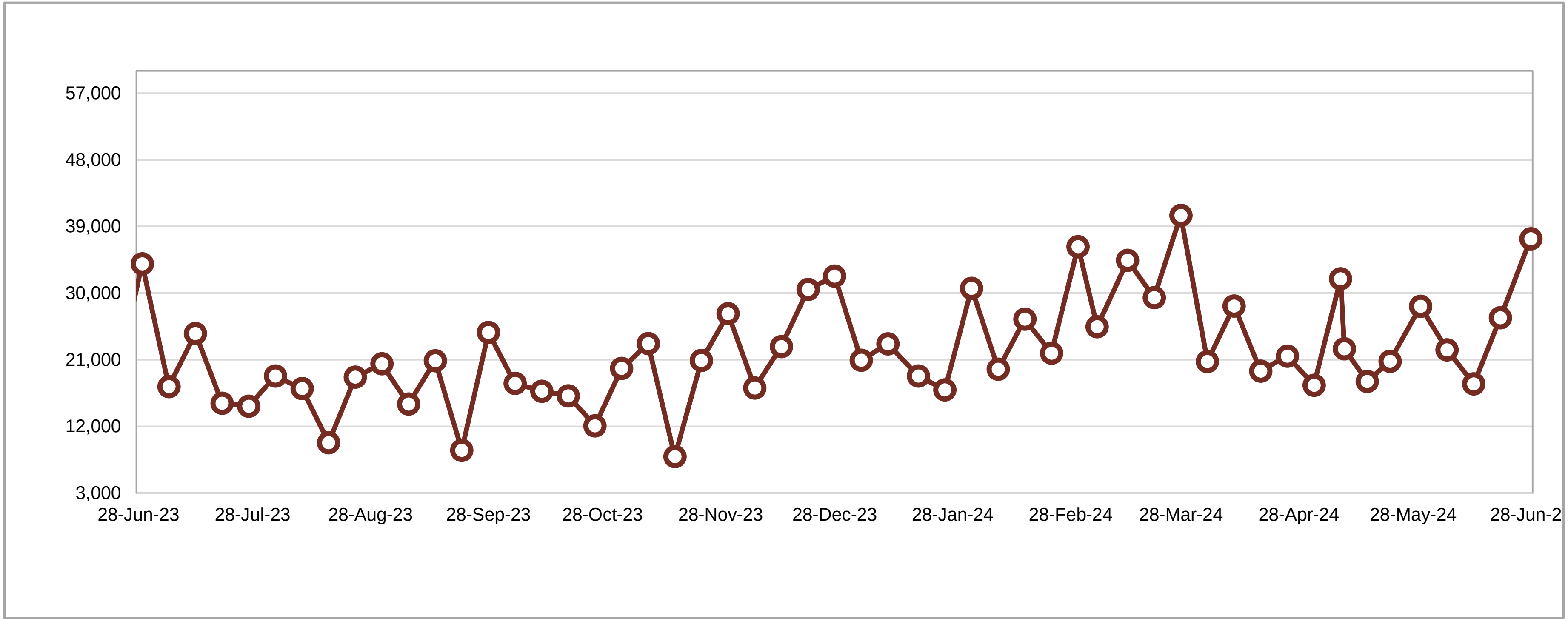
Corporate Bonds

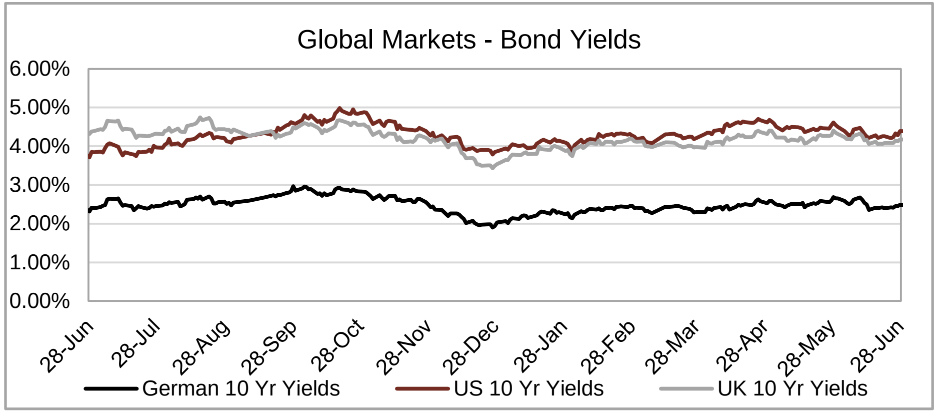
Volume of Corporate Bonds Traded (INR Cr.)



Recent Issuances

Issuer	Type	Maturity (Years)	Coupon (%)	Date of Allotment	Benchmark (Annualized)	Rating	Amount (INR Cr)
India Infradebt Limited	Secured	12	7.99%	28-Jun-24	7.15%	AAA	900
Mahindra Rural Housing Finance Limited	Secured	5	8.35%	24-Jun-24	7.12%	AAA	100
Cholamandalam Investment And Finance Company Limited	Secured	5	8.64%	26-Jun-24	7.12%	AA+	1000
Shriram Finance Limited	Secured	5	9.15%	28-Jun-24	7.12%	AA+	1200
State Bank Of India	Unsecured	15	7.36%	27-Jun-24	7.13%	AAA	10000
Indian Renewable Energy Development Agency Limited	Unsecured	10	7.44%	25-Jun-24	7.09%	AAA	1500
India Infrastructure Finance Company Limited	Unsecured	15	7.41%	26-Jun-24	7.13%	AAA	1025
Axis Finance Limited	Unsecured	10	8.35%	24-Jun-24	7.09%	AAA	200
Tata Power Renewable Energy Limited	Unsecured	10	7.93%	26-Jun-24	7.09%	AA+	500
Tata Power Renewable Energy Limited	Unsecured	5	7.93%	26-Jun-24	7.12%	AA+	500

Global Bond Yields



Global 10-Year Yields			
Country	**28-Jun-24**	**21-Jun-24**	**Change (bps)**
US	4.39%	4.26%	13
UK	4.18%	4.08%	10
Germany	2.49%	2.40%	9
China	2.21%	2.26%	-5
Japan	1.05%	0.97%	8

- **US Treasury yields** was higher during the week as household spending rebounded after a pullback in April, and income showed solid growth. Further, investors assessed the core PCE price index which showed a gain of 0.1% for the month of may'24, marking the smallest increase in seven months. The upward movement in the yields was further accentuated after Fed officials reiterated that borrowing costs may continue to remain elevated, and further rate hikes may be required to bring inflation durably to the 2% target
- **UK yields** rose during the week as the British economy expanded by 0.7% in Q1 2024, surpassing initial estimates of 0.6% and marking the strongest growth in over two years, thereby increasing the bets that BoE will keep the interest rates steady. Further, the investors evaluated new economic data and Britain's political future with expectations of a significant realignment ahead of the July 4 elections.
- **German Bund** yields traded upwards during the week tracking a rise in US treasury yields and amid resurfacing inflation worries ahead of key data releases towards the end of the week. The upmove was further supported as investors turned cautious ahead of awaited economic and political developments later in the week. Meanwhile, the unemployment rate unexpectedly edged up to 6%, the highest since May 2021, from 5.9%.

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Treasury Bills / Policy Rates / Systemic Liquidity

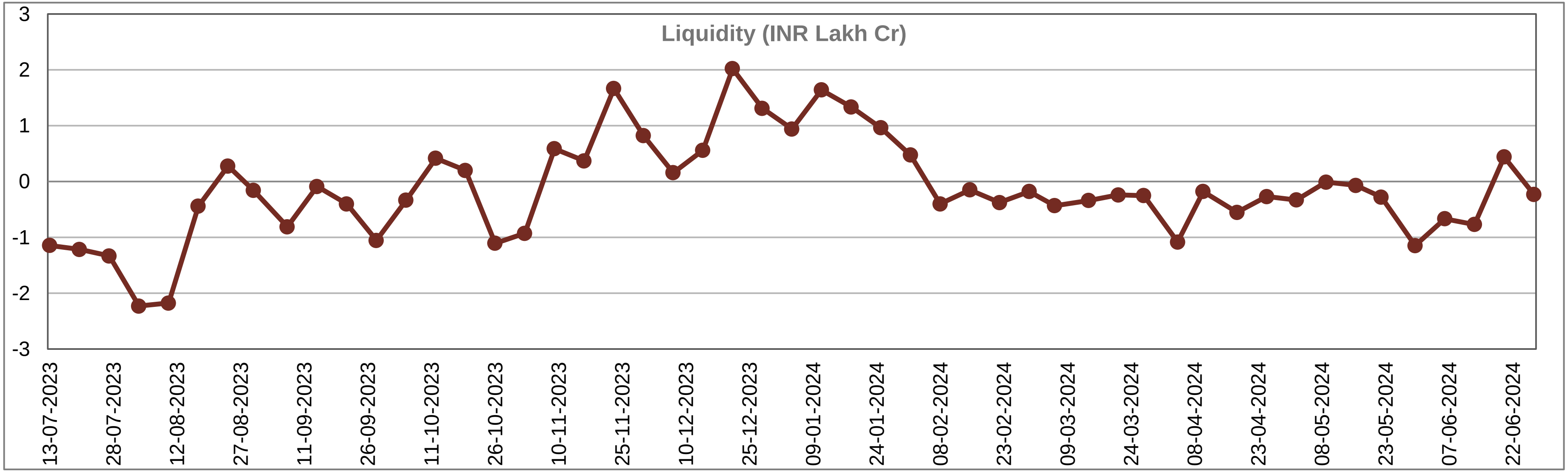
Policy Rates		T-Bill Yields		
		Tenor	**21-Jun-24**	**14-Jun-24**
Bank Rate	6.75%	91 Day	6.82	6.93
Repo Rate	6.50%	182 Day	6.96	6.94
Rev Repo Rate	3.35%	364 Day	6.98	6.98
MSF	6.75%			
CRR	4.50%			
SLR	18.0%			

T-Bill Auction

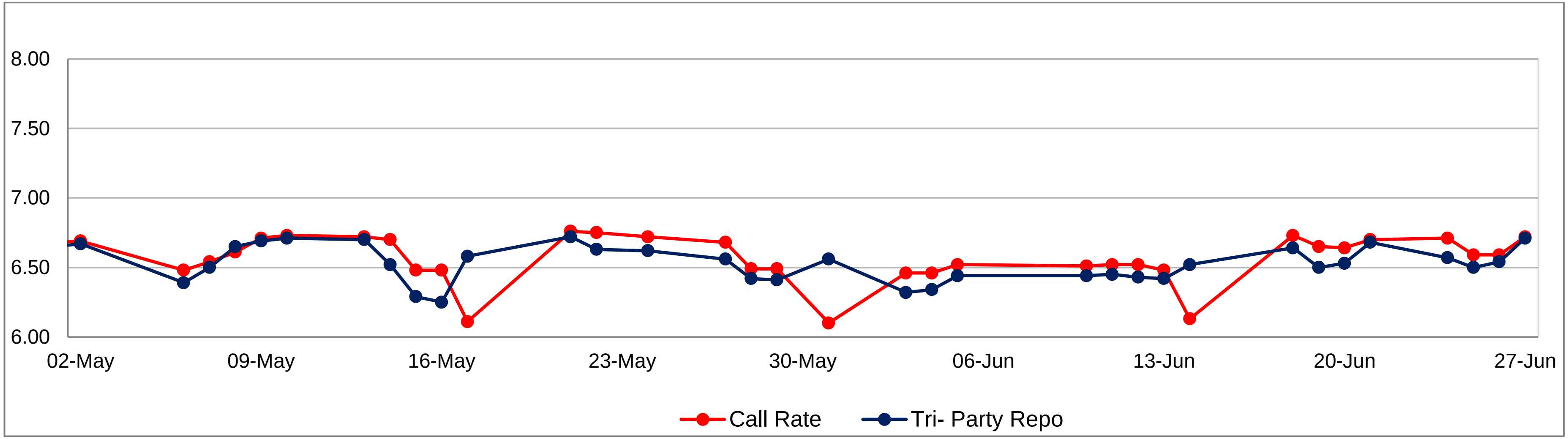
Tenor	Amount (INR Cr)	B/C Ratio		Cut Off Yield (%)		Auction on July 03, 2024 Amount (INR Cr)
		As on Jun 26, 2024	As on Jun 19, 2024	As on Jun 26, 2024	As on Jun 19, 2024	
91 Days	4,000.00	4.35	6.11	6.84%	6.82%	4,000.00
182 Days	4,000.00	5.11	6.10	6.99%	6.96%	4,000.00
364 Days	4,000.00	6.22	5.40	7.01%	6.98%	4,000.00
Total	**12,000.00**					**12,000.00**

Treasury Bills / Policy Rates / Systemic Liquidity

Liquidity Position (₹ Bn)		
Weekly Data	**June 27, 2024**	**June 20, 2024**
Average Reverse Repo	70.15	14.21
Average Net LAF	(51.79)	31.22
Average MSF	19.65	3.74
Average Liquidity Position	**23.07**	**44.27**



Call Rate / Tri-Party Repo Rate



Particulars	June 21, 2024	June 27, 2024
Call Rate	6.70	6.72
Tri-Party Repo	6.68	6.71

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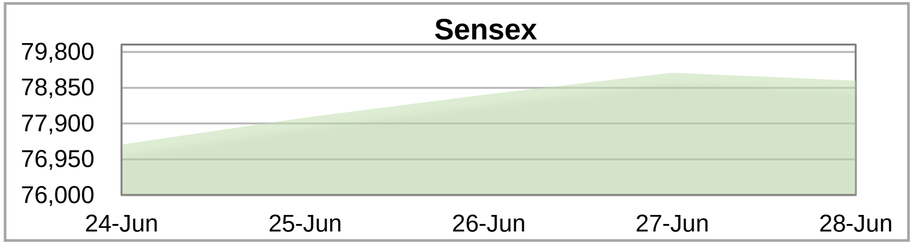
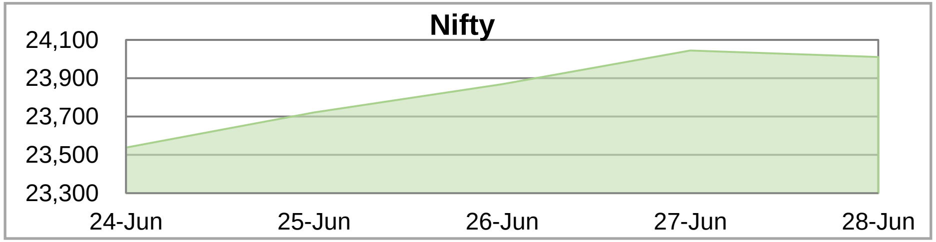
Equity Markets





Domestic Indices			
Index	28-Jun-24	21-Jun-24	% Change
Sensex	79,032.73	77,209.90	2.36
Nifty	24,010.60	23,501.10	2.17
Nifty Mid Cap 50	15,711.15	15,623.80	0.56
Nifty Small Cap 50	8,575.60	8,533.50	0.49
Global Indices			
S&P 500	5,460.48	5,464.62	-0.08
DJIA	39,118.86	39,150.33	-0.08
NASDAQ	17,723.83	17,689.36	0.19
FTSE 100	8,164.12	8,237.72	-0.89
Nikkei	39,557.50	38,596.47	2.49
Hang Seng	17,722.32	18,028.52	-1.70

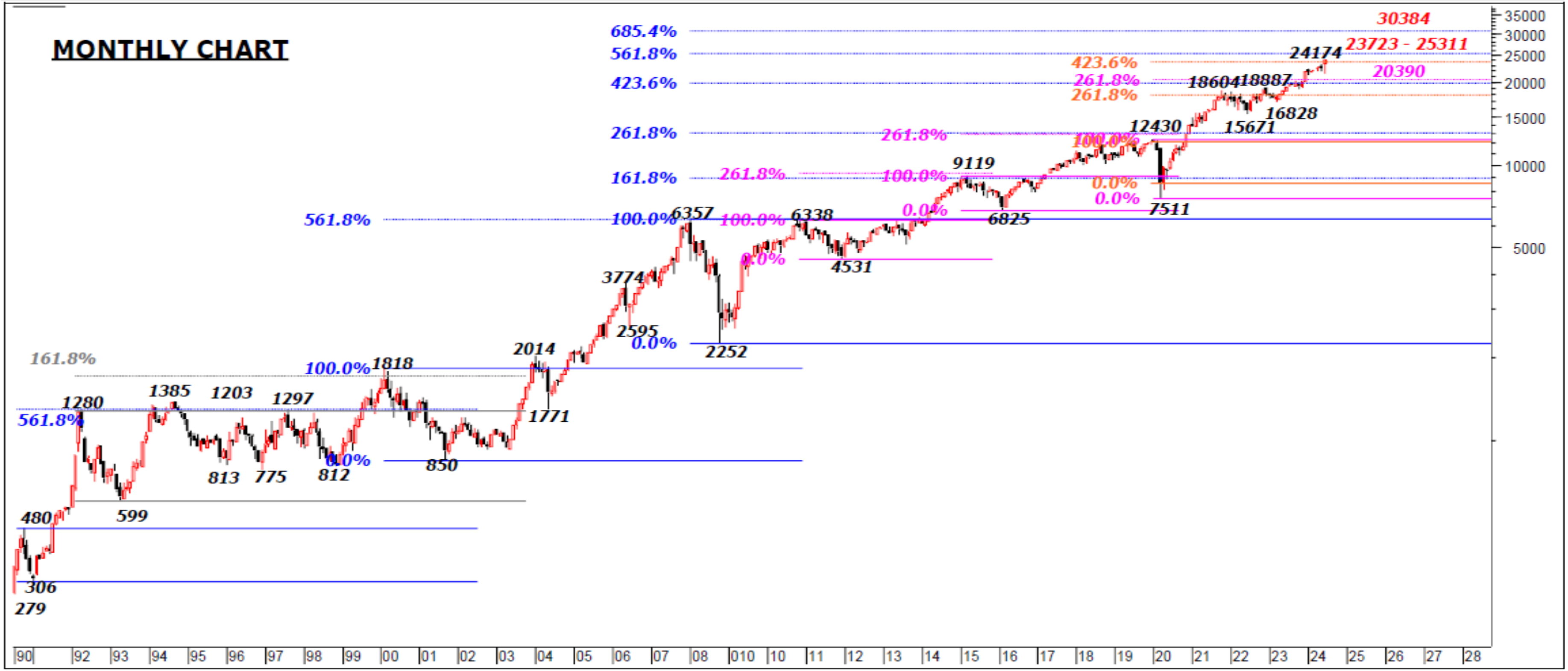
Domestic benchmark Indices

- Indices opened the week higher and traded upwards after S&P Global Ratings retained India’s growth rate at 6.8% for FY25 in its economic outlook of the Asia Pacific region, despite high borrowing costs and a lower level of fiscal stimulus coupled with members of the MPC stating that there may be a rate cut in CY24 despite persistent food inflation, on account of concerns over a possible slowdown in economic growth.
- During the mid-week, Indices continued to trade upwards after India’s current account deficit moderated to 0.7% of the GDP in FY24 as compared to 2% in FY23, on account of an increase in services exports, as well as higher net portfolio inflows. Additionally, the RBI governor stated that India’s growth momentum remained robust and was expected to improve further while retaining the growth forecast for FY25 at 7.2%.
- Towards the end of the week, the up move in the indices was limited after the RBI, in its Financial Stability Report, highlighted a rise in financial liabilities post-COVID, with overall savings dropping to 18.4% of GDP in FY23 compared to an average of 20% over the last ten years coupled with slowing growth of core sector to 6.3% in May’24 on the back of deceleration in output.

US Indices

- The US stock indices initially traded in a range-bound manner as investors became cautious ahead of the presidential debate later in the week coupled with the energy sector outperformance due to increased summer demand amid geopolitical tensions.
- However, then the indices traded marginally downwards as US inflation data remained unchanged in May’24 as a slight increase in service costs was balanced by the most significant drop in goods prices in six months.

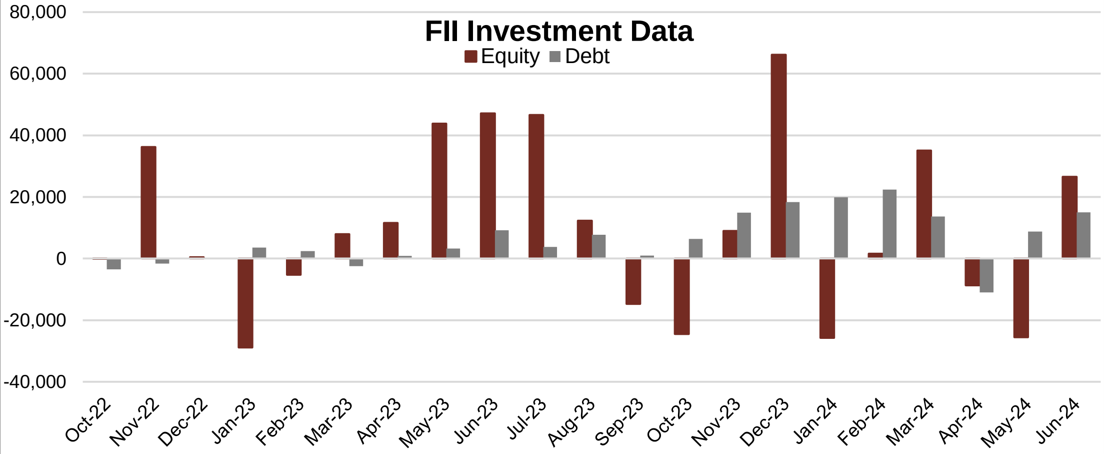
Nifty – June 28, 2024 (24,010.60)



Support:- 23468, 22526

Resistance: 25311, 30384

Markets Investment Data



Weekly Investment Data

Week	Equity			Debt		
	Gross Purchase (INR Cr)	Gross Sale (INR Cr)	Net Invest. (INR Cr)	Gross Purchase (INR Cr)	Gross Sales (INR Cr)	Net Invest. (INR Cr)
DII	59,169.89	54,400.28	**4,769.61**	43,914.04	46,813.39	**-2,899.35**
FII	1,15,573.73	1,07,689.80	**7,883.93**	12,633.96	8,259.21	**4,374.75**

*DII data is from 20th Jun'24 to 26th Jun'24 and FII data is from 21st Jun'24 to 27th Jun'24.

FII Investment Data

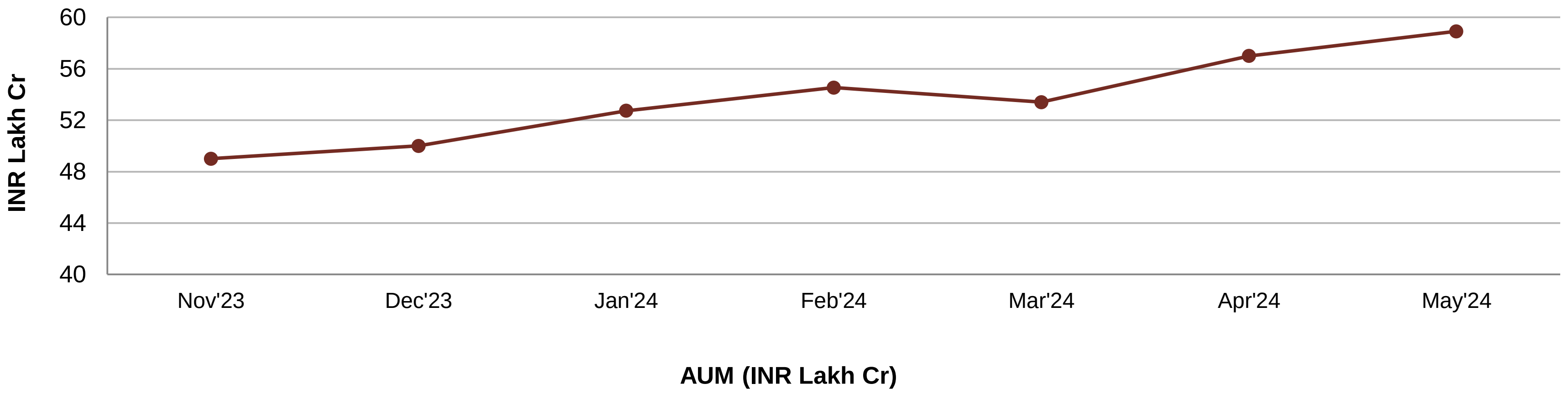
Month	Equity Net Invest. (INR Cr)	Debt Net Invest. (INR Cr)
June-24	26,565	14,955
May-24	-25,586	8,761
Apr-24	-6,304	-10,640
Mar-24	35,098	13,602
Feb-24	1539	22,419
Jan-24	-25,744	19,837
Dec-23	66,135	18,302
Nov-23	9001	14860
Oct-23	-24,548	6,382

FII Investment Data

Year	Equity Net Invest. (INR Cr)	Debt Net Invest. (INR Cr)
FY25	-7,693	12,766
FY24	2,08,212	1,21,059
FY23	-37,632	-8,937
FY22	-1,40,010	1,628
FY21	2,74,032	-50,443
FY20	6,153	-48,710

Mutual Funds Investment Data

Mutual Funds - All Schemes (INR Cr)						
Month	**AUM**	**SIP Inflows**	**Net Inflow/(Outflow) in Equity Funds**	**Y-o-Y**	**AUM**	**SIP Inflows**
May'24	58,91,160	20,904	34,697	**May'23**	43,20,468	14,749
Apr'24	57,25,897	20,371	18,917	**April'23**	41,61,822	13,728
Mar'24	53,40,195	19,271	22,633	**Mar'23**	39,42,031	14,276
Total	**1,69,57,252**	**60,546**	**76,247**	**Total**	**1,24,24,321**	**42,753**



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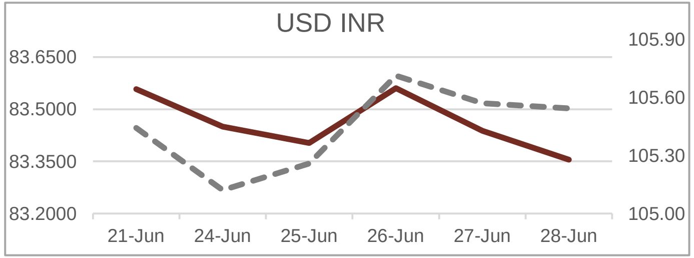
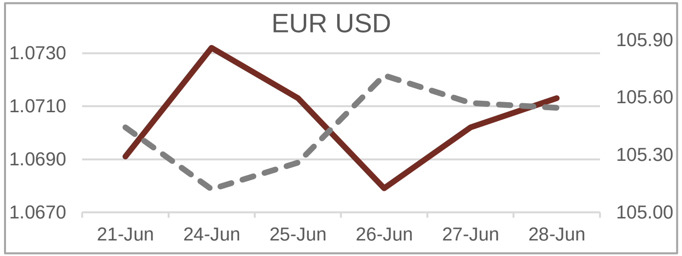
Foreign Exchange Report



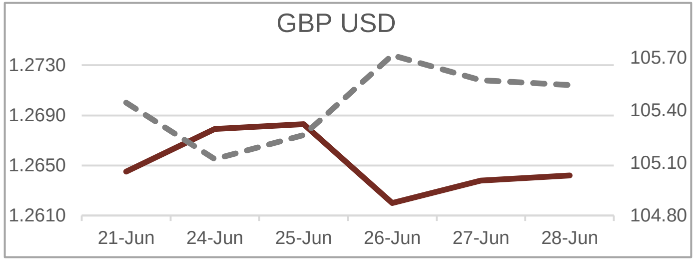
21-Jun	28-Jun
83.56	83.36
0.24%	



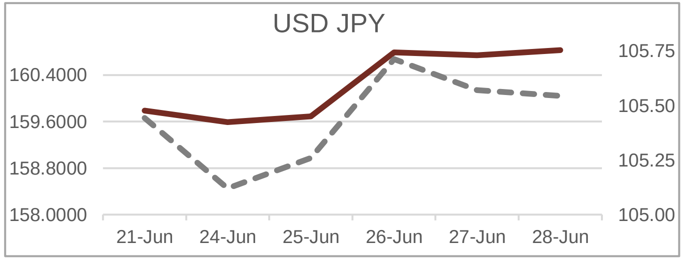
21-Jun	28-Jun
1.0691	1.0713
0.21%	

The Indian rupee appreciated during the week, amid decline in US GDP to 1.4% in Q1CY24 as compared to 3.4% in Q4CY23 amid an increase in imports & decrease in business inventories. Further, the up move was accentuated amid foreign inflows in the bond market and strong economic fundamentals coupled with RBIs likely intervention to prevent the sharp depreciation in the Rupee.

The Euro appreciated during the week, amid decline in US core PCE Price index to 0.1% MoM in May’24 as compared to 0.3% MoM in Apr’24 due to fall in energy prices. Further, there is rising expectations that signs of easing inflationary pressure leads to Fed rate cut. Additionally, the Euro Area consumer confidence rose by 0.3 to -14.0 in Jun’24, marking the highest rise since Fed’22.



21-Jun	28-Jun
1.2645	1.2642
-0.02%	



21-Jun	28-Jun
159.79	160.83
-0.65%	

The British Pound marginally depreciated during the week as investors remained ahead of general elections in the UK. Further, the down move was limited after UK’s GDP grew by 0.7% in Q1CY24 as compared to contraction of -0.3% in Q4CY23 amid rise in service and manufacturing sector by 0.8% & 0.6% respectively, marking the strongest expansion in two years, with this UK ended the recession it entered last year.

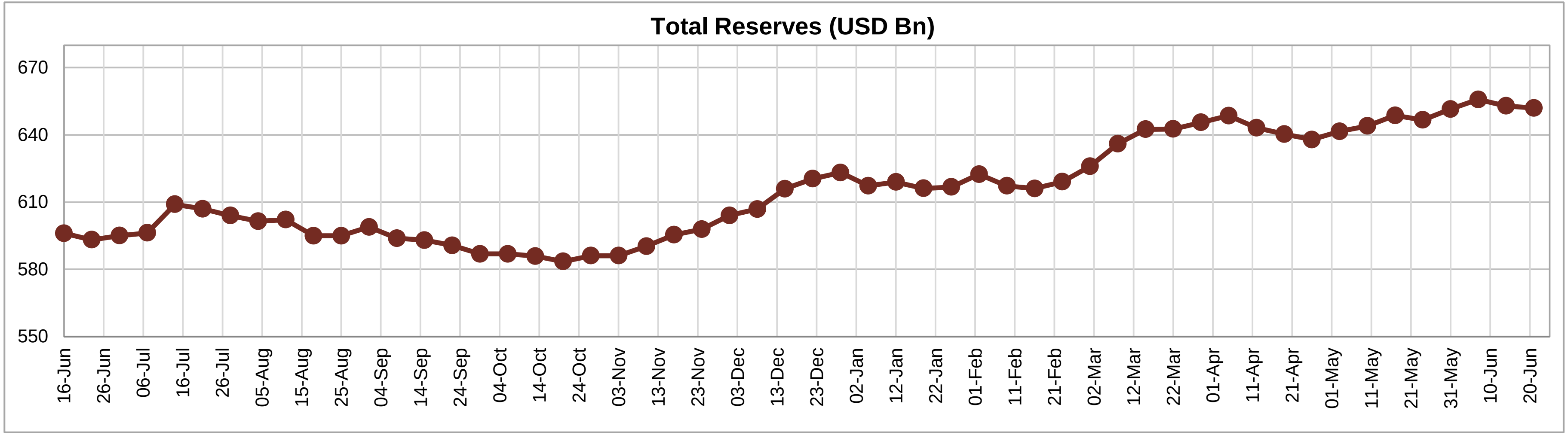
The yen depreciated during the week due to significant interest rate disparities between the U.S. and Japan coupled with rise in US treasury yields. Further, it marked the biggest fall in 38 years in the currency, prompting expectations of potential intervention by authorities to support the yen in currency markets. Moreover, the down move further accentuated due to strong demand for US dollar on the back of resilient US economic data.

Dollar Index ended the week lower by 0.06% at 105.48

Dollar Index

RBI Forex Reserves

	21-Jun-24	14-Jun-24	% Change (WoW)	% Change (MoM)	% Change (YoY)
Forex Reserves (USD Bn)	653.711	652.895	0.12%	1.09%	10.20%
Foreign Currency Assets (USD Bn)	574.134	574.240	-0.02%	1.17%	9.27%
Gold Reserves (USD Bn)	56.956	55.967	1.77%	0.43%	28.56%
SDRs (USD Bn)	18.049	18.107	-0.32%	-0.47%	-1.6%
Reserves with IMF (USD Bn)	4.572	4.581	-0.20%	5.69%	-10.70%



Brent Crude

Date	Day	Price (USD/bbl.)	
June 28, 2024	Friday	86.41	⬆
June 27, 2024	Thursday	86.39	⬆
June 26, 2024	Wednesday	85.25	⬆
June 25, 2024	Tuesday	85.01	⬇
June 24, 2024	Monday	86.01	⬆

- Brent Crude ended the week higher by 1.37% to close at USD 86.41 and WTI Crude ended the week higher by 0.95% to close at USD 81.50.
- Crude oil prices opened the week higher, and initially traded upwards due to rise in expectations of potential increase in summer demand and geopolitical tensions in the middle east coupled with continued drone attacks on Russian refineries, posing a threat to physical global supply. However, the up move in the prices was limited after the release of weak U.S. consumer confidence data.
- During the mid-week, oil prices traded upwards as investors remained cautious amid potential expansion of the Gaza war that could disrupt crude supplies from the Middle East. Further, the up move in price was accentuated as cross border tensions between Israel and Lebanon's Hezbollah have been escalating fears of an all-out Israel-Hezbollah war.
- In the fag end of the week, oil prices continued to trade upwards after the U.S. Energy Information Administration reported rise in crude oil inventories and demand coupled with data showing decline in US Price index increased the expectations for rate cut to happen earlier than anticipated.
- As per Baker Hughes, the number of active oil rigs drilling for oil declined to 479 for the week ending June 28, 2024.

Things to watch out for during the week

Date	Country	Things to Watch Out For
01-Jul-24	India	Manufacturing PMI
	UK	
	US	
03-Jul-24	India	Service PMI
	UK	
	US	Balance of Trade
		FOMC Minutes
	Euro Area	PPI
05-Jul-24	US	Non Farm Payroll
		Unemployment Rate
	Euro Area	Retail Sales

Weekly Market Update

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