



Weekly Market Update

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Key Domestic News

India's fiscal deficit declines to 8.1% of the budgetary estimate

- India's fiscal deficit declined to 8.1% of the budgetary estimate for FY25 in Q1FY25 compared to 25.3% in Q1FY24. Further, India's fiscal deficit stood at INR 1.36 Lakh Cr in Q1FY25 as total receipts stood at INR 8.34 Lakh Cr while overall expenditure stood at INR 9.70 Lakh Cr. Moreover, India's Tax & non-tax revenue for Q1FY25 stood at 21.1% & 70.1% respectively of the budgetary estimate as compared to 18.6% & 51.4% in Q1FY24.
- Separately, India's infrastructure output declined to 4% YoY in Jun'24 compared to 6.3% YoY in May'24 amid a decrease in production of crude & petroleum products.

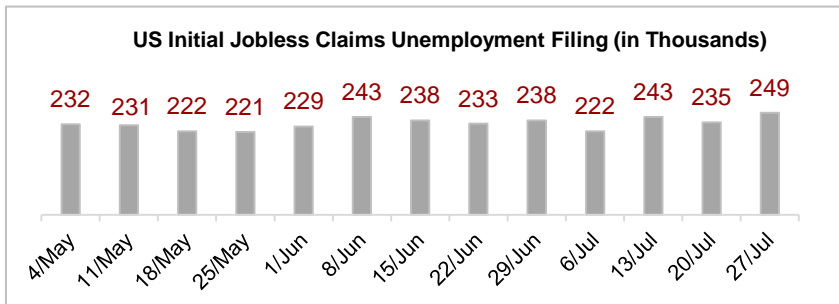
India's gross GST collection increases by 10.3% YoY in Jul'24

- India's gross GST collection increased by 10.3% YoY to INR 1.82 Trillion in Jul'24 from INR 1.65 Trillion in Jul'23 amid a rise in taxes from domestic activity. Further, net GST collection after refunds increased by 14.4% to INR 1.66 Trillion in Jul'24 compared to INR 1.45 Trillion in Jul'23.
- Moreover, the revenue from domestic activity increased by 8.9% to INR 1.34 Trillion in Jul'24 from INR 1.34 Trillion in Jul'23.

NITI Aayog states that India's GDP must grow 7%-10% annually to reach USD 30 trillion by FY47

- According to NITI Aayog, India's GDP is required to grow at a sustained pace of 7%-10% to achieve the size of USD 30 trillion by FY47. Also, the agency stated that the economy needs to grow at 7%-10% for 20-30 years to escape the middle-income trap and become a developed nation with a per capita income of USD 18,000 per annum.
- Moreover, NITI Aayog highlighted that to avoid the middle-income trap the government need to focus on upgrading capabilities in manufacturing and R&D, achieving a balance between energy security, and sustainability, improving the competitiveness of India's industry and bridging the gap between rural and urban incomes.

Key International News



United States

- In its July 2024 meeting, the US Federal Reserve kept the key policy rate at 5.25-5.5% for the eighth time in a row. Further, the Fed officials hinted that a rate cut could be considered in Sep'24. Officials noted that while inflation has eased somewhat, it is still elevated, and they remain cautious about the uncertain economic outlook, monitoring risks related to both inflation and employment as the US unemployment rate increased to 4.3% in Jul'24 from 4.1% in Jun'24, reflecting a slowdown labor market.
- Americans filing for unemployment benefits increased to 249,000 in the week ended Jul 27, 2024.

Euro Area

- The BoE reduced the key policy rate by 25 bps to 5% in its Aug'24 meeting, marking its first reduction in four years. Further, the BoE emphasized that monetary policy would remain restrictive until the risk of inflation returning to the 2% target in the medium term had dissipated. Separately, the UK's Manufacturing PMI increased to 52.1 in Jul'24 compared to 50.9 in Jun'24 amid an increase in production volume.

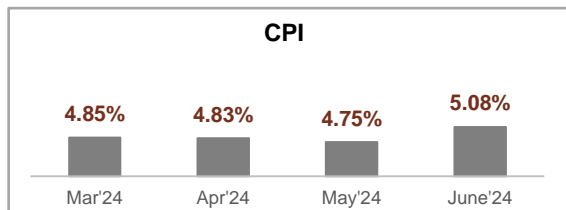
China

- China's Manufacturing PMI marginally declined to 49.4 in Jul'24 compared to 49.5 in Jun'24 amid weak demand and protracted property weakness. Further, new orders declined to 49.3 in Jul'24 compared to 49.5 in Jun'24 while foreign sales rose to 48.5 in Jul'24 compared to 48.3 in Jun'24.

Japan

- Bank of Japan increased its key policy rate to 0.25% in the Jul'24 meeting from the previous range of 0%-0.1%, marking the highest interest rate since CY08. Further, the central bank announced its plans to lower its bond-buying program signaling the central bank's growing confidence in the recovery of the domestic.
- Japan's industrial production declined by 3.6% MoM in Jun'24 compared to a rise of 3.6% MoM in May'24 amid lower production in motor vehicles & production machinery. Further, production of the motor vehicle declined by 8.9% in Jun'24 compared to a rise of 18.1% in May'24 while production of machinery declined by 8.7% in Jun'24 compared to 6.8% in May'24.

Domestic Macroeconomic Indicators



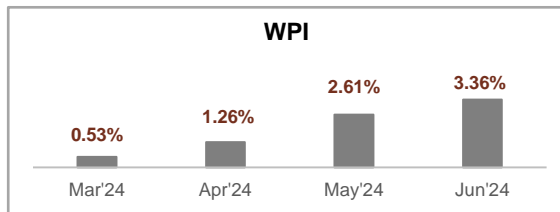
CPI increased by 1.33% MoM

India's retail inflation rose to 5.08% annually from 4.75% in the previous month. Factors contributing to the increase include heatwaves, below-normal monsoon rains, and higher prices for fruits and vegetables.



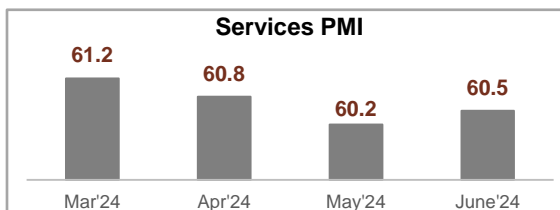
Manufacturing PMI decreased by 0.20 MoM

India's Manufacturing PMI decreased to 58.10 indicating a slower expansion in the country's manufacturing sector due to weak growth in output and new orders. In the meantime, employment continued to increase, with the job creation.



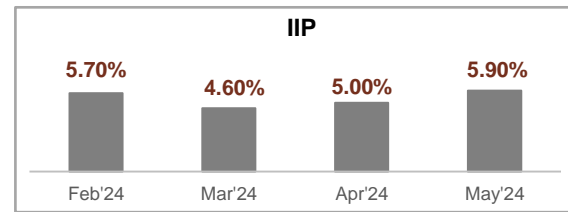
WPI increased by 0.75% MoM

India's WPI index increased to 3.36% YoY in Jun'24 marked by the eighth 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.



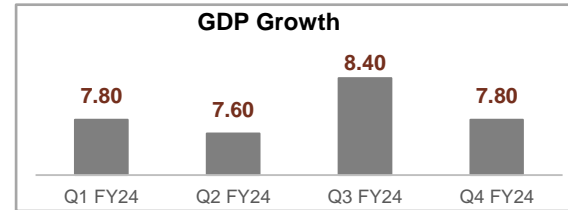
Services PMI increased by 0.30 MoM

India's service PMI increased to 60.5 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.



IIP increased by 0.40% MoM

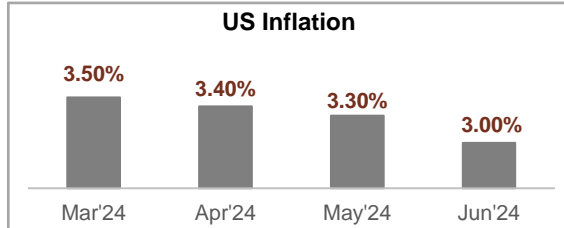
India's Index of Industrial Production (IIP) increased by 5.9% in May, up from 5% in April. Moreover, the growth rates of the three sectors Mining, Manufacturing and Electricity in May 2024 stood at 6.6%, 4.6% and 13.7% YoY respectively.



GDP growth decreased to 7.80% YoY

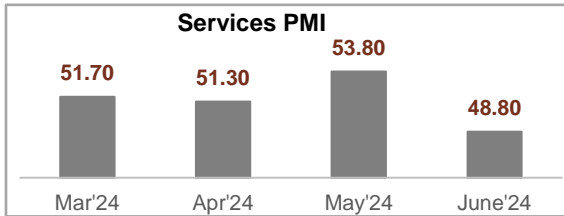
India's GDP growth rate contracted to 7% in Q4FY24 as compared to 8.40% in Q3FY24. The real Gross Value Added grew by 7.2% in FY24 over 6.7% in FY23 amid robust growth in manufacturing sector coupled with 7.1% increase in mining activities.

Global Macroeconomic Indicators



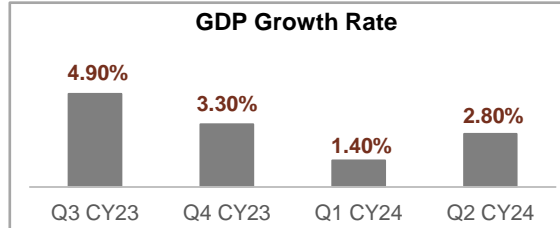
US Inflation decreased by 0.10% MoM

The inflation rate in the US fell to 3% in June 2024, compared to 3.3% in May. Energy costs rose at a slower pace (1%), due to gasoline (-2.5%) and fuel oil (3.6%) while utility gas service (3.7%) accelerated.



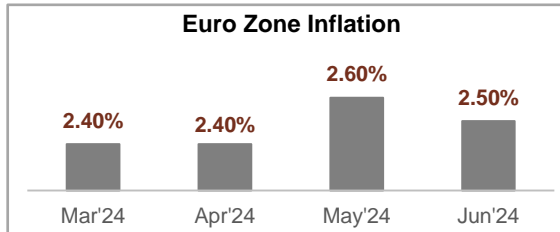
US Services PMI decreased by 4.50 MoM

US Service PMI fell to 48.80 in Jun'24, the sharpest contraction since April 2020 amid a sharp drop in orders. Further the new orders declined by 47.3 in Jun'24 as compared to 54.1 in May'24 and employment fell to 46.1 in Jun'24.



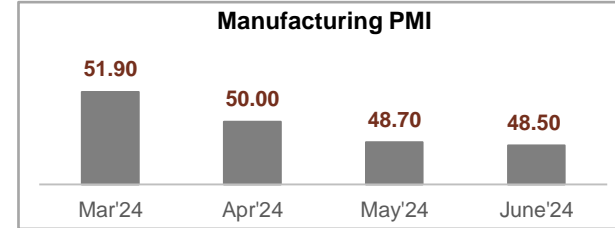
***US GDP rate increased by 1.40% QoQ**

US economy expanded significantly driven primarily by increased consumption of goods. Consumer spending rose by 2.3%, with a notable rebound in the purchase of motor vehicles, recreational goods and vehicles, and gasoline. Additionally, private inventories contributed 0.82% to the growth.



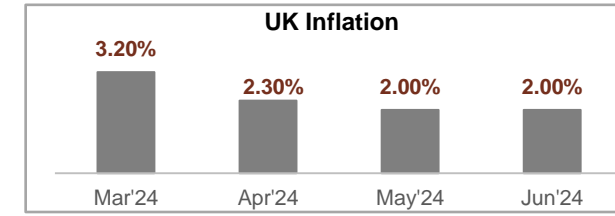
Eurozone Inflation decreased by 0.10% MoM

Euro Area's Inflation decreased to 2.5% in Jun'24 amid easing prices for energy, food, alcohol and tobacco, while inflation remained unchanged for services and non-energy industrial goods.



US Manufacturing PMI decreased by 0.20 MoM

US Manufacturing PMI decreased to 48.50 in Jun'24 marking a third straight month of falling manufacturing activity and the weakest reading since February, as demand remained weak, output declined, and inputs stayed accommodative.



UK Inflation remained unchanged MoM

UK's inflation rate remained unchanged at 2% YoY in Jun'24 as a decline in cost of clothing and footwear, as well as food and non-alcoholic beverages was offset by a rise in the costs of transportation, and prices for restaurants and hotels.

RBI WSS Data (Data in INR Billion)

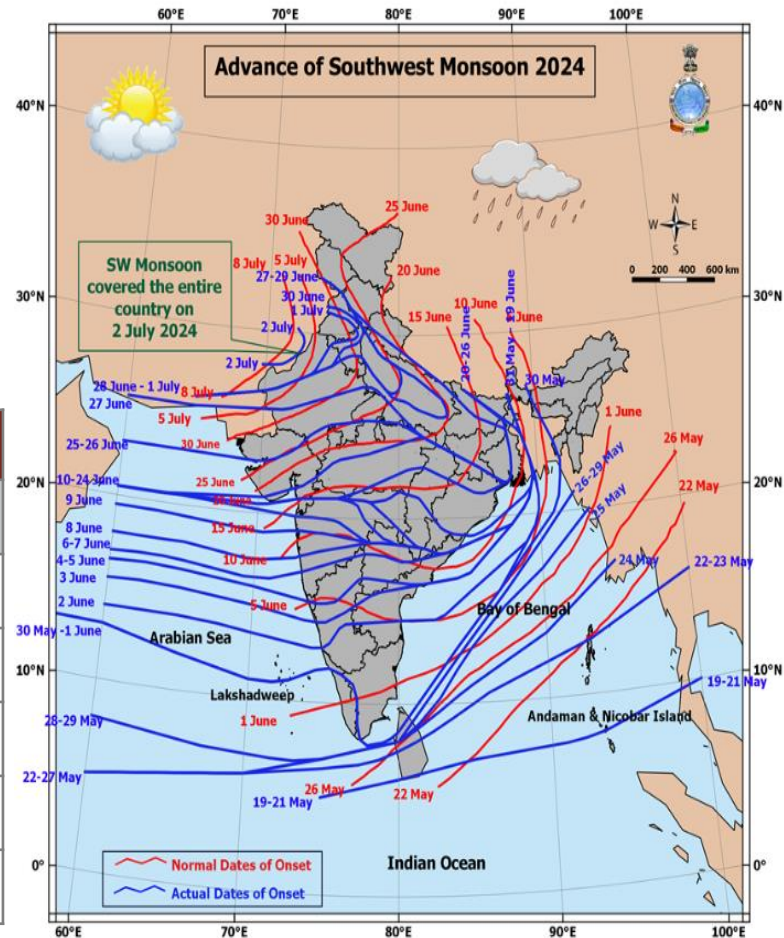
Scheduled Commercial Banks Business (SCBs)	Latest Data	% Change from	% Change from	% Change from
	12-Jul-24	28-Jun-24	14-Jun-24	14-Jul-23
Food Credit	302.63	-10.74	-18.04	24.52
Non-Food Credit	1,67,821.59	-0.38	0.65	13.85
Bank Credit	1,68,124.21	-0.40	0.61	13.87
Aggregate Deposits	2,11,772.16	-0.51	1.31	11.28
Investments (SLR)	63,165.27	2.45	1.41	8.57
	12-Jul-24	28-Jun-24	14-Jun-24	14-Jul-23
Cash/ Deposit Ratio	4.96	-3.50	0.19	-1.91
Credit/ Deposit Ratio	77.37	-0.62	-0.03	4.64
Investment/ Deposit Ratio	29.64	0.34	0.07	-2.28
Investments by SCBs	Latest Data	% Change from	% Change from	% Change from
	31-May-24	17-May-24	19-Apr-24	19-May-23
Commercial Papers	432.25	-12.54	-9.79	-29.34
Shares issued by PSU	129.72	-0.23	1.07	53.06
Shares issued by PCS	918.21	-0.19	3.74	18.14
Bonds & Debentures By PSUs	1,161.95	4.06	0.94	12.73
Bonds & Debentures By Private Corporate Sector	2,436.91	-4.02	-2.32	-15.27
Total	5,079.04	-2.32	-1.16	-5.60

Monsoon Update

- Heavy to very heavy rainfall with extremely heavy falls very likely at isolated places over East Madhya Pradesh, Chhattisgarh, Maharashtra, Gujarat region, East Rajasthan and West Madhya Pradesh. Heavy to very heavy rainfall very likely at isolated places over East Uttar Pradesh, Saurashtra & Kutch, Konkan & Goa, Sub-Himalayan West Bengal & Sikkim, Assam and Meghalaya;
- Thunderstorm accompanied with lightning likely at isolated places over Madhya Pradesh, Uttar Pradesh, Chhattisgarh, Sub-Himalayan West Bengal & Sikkim, Jharkhand and Bihar.
- Towards the end of the week, Squally weather with wind speed reaching 35 kmph to 45 kmph likely to prevail over northeast Arabian sea, most parts of east central Arabian sea, many parts of west central Arabian Sea, along and off south and north Maharashtra coast off Gujarat, over few parts of south Bay of Bengal & many parts of central Bay of Bengal.

Seasonal Rainfall (As on 03rd August, 2024)

Region	Actual Rainfall (mm)	Normal Rainfall (mm)	% Departure from LPA
East and North-East India	677.4	785.3	14%
North-West India	279.2	308.9	10%
Central India	624.4	524.7	19%
South Peninsula India	486.5	385.7	26%
Country as a Whole	499.6	472.6	6%





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Government Securities

G-Sec Yields

Security	Tenor	Jul 26, 2024	Jul 19, 2024
364 DTB	1	6.78	6.85
6.99 GS 2026	2	6.83	6.87
7.10 GS 2029	5	6.84	6.92
7.10 GS 2034	10	6.84	6.92
7.23 GS 2039	15	6.98	7.00
8.17 GS 2044	20	7.02	7.03
7.40 GS 2062	38	6.99	7.03
7.46 GS 2073	49	7.07	7.08

G-Sec Auction Results - Aug 02, 2024

Security	Amount (INR Cr)	Cut-Off Yield	B/C
7.02 GS 2027	6,000	6.81%	0.18
New GOI SGrB 2034	6,000	6.90%	0.14
New GS 2054	10,000	7.09%	0.21
	22,000		

- For the week ended Aug 02, 2024, the 10-year benchmark recorded a close at 6.89%, falling by 5 bps from the close of the previous week.
- Initially, the yields opened unchanged and traded downward driven by continued demand for government securities from domestic banks after the RBI had released draft guidelines to bolster the liquidity resilience of lenders.
- During the mid-week, the yields continued to trade upwards after tracking rise in crude oil prices by 1.90% as the killing of a Hamas leader in Iran ratcheted up tensions in the Middle East. However, the upward movement in the yields was limited as India's gross GST collection increased by 10.3% YoY to INR 1.82 Trillion in Jul'24 from INR 1.65 Trillion in Jul'23 amid a rise in taxes from domestic activity.
- Towards the fag end of the week, the yields reversed their trajectory & traded downwards tracking fall in US treasury yields as Fed Chair comments after the latest policy meeting indicated a rate cut will be on the table in September because of slow down in inflation coupled with manufacturing and jobless claims data reinforcing the idea that the US labor market has cooled. Moreover down move in yields was further accentuated after India's fiscal deficit declined sharply to 8.1% of the budgetary estimate for FY25 in Q1FY25 compared to 25.3% in Q1FY24.
- The RBI had conducted an auction of G-Sec for a notified amount of INR 22,000 Cr during the week ending August 02, 2024, with cut-off yields ranging around 6.81%-7.09%.

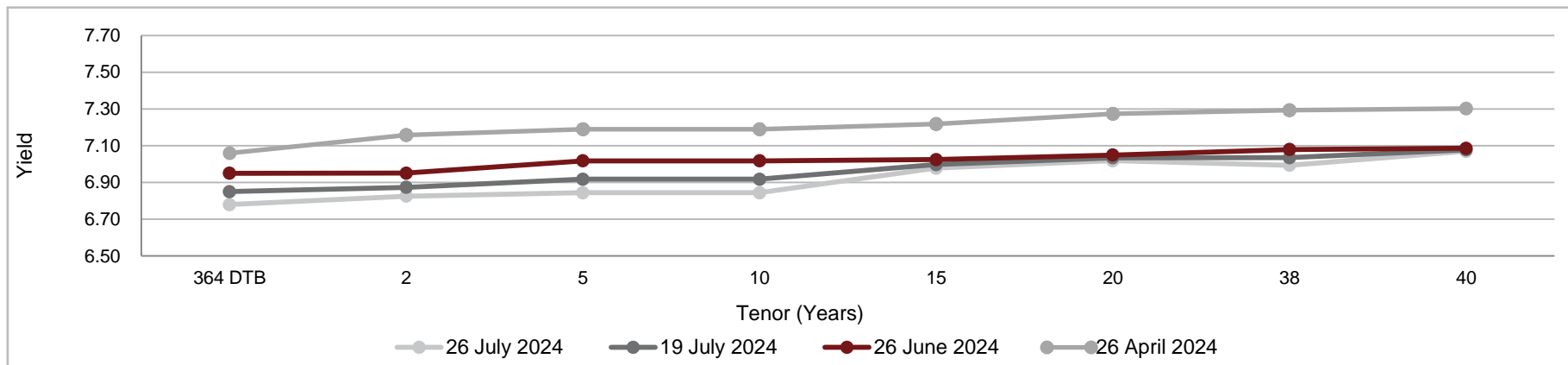
Ten Year GOI Yields – 6.85% (Aug 02, 2024)



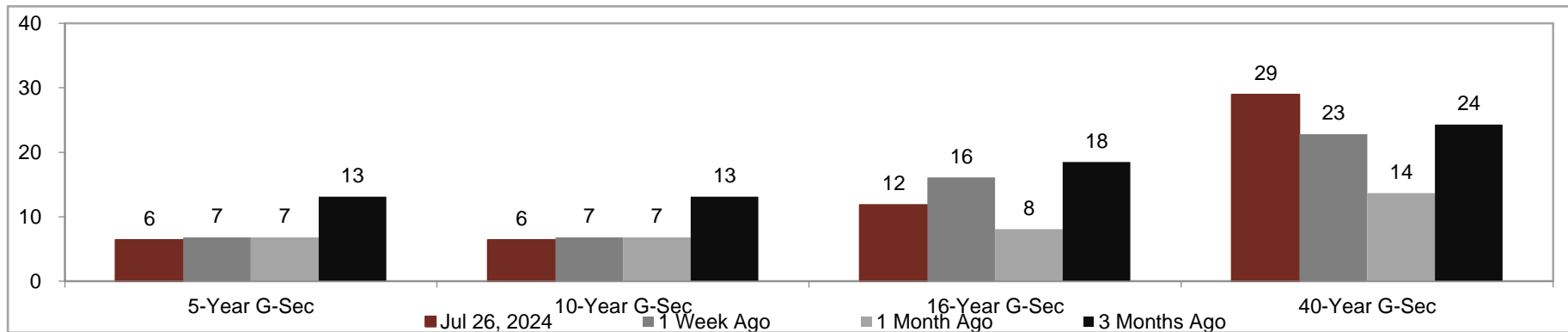
Support:- 6.85%, 6.63%, 6.24% (Weekly Close)

Resistance: 6.94%, 7.07% (Weekly Close)

Sovereign Yield Curve – July 26, 2024



Spread between 364 DTB and G-Sec



State Development Loans Auction Results – July 30, 2024

Auction Result: Jul 30, 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	15	7.33%	7.46%	68,400	35,500
			1000	20	7.34%	7.47%		
			1000	25	7.34%	7.47%		
2	6	Haryana	1500	12	7.34%	7.47%	47,500	11,250
3	3*	Jammu and Kashmir	500	22	7.35%	7.49%	16,337	7,800
4	13	Kerala	2000	28	7.30%	7.43%	42,438	13,500
5	2	Maharashtra	1500	10	7.27%	7.40%	1,10,000	13,000
			1500	14	7.30%	7.43%		
			1500	15	7.30%	7.43%		
			1500	20	7.33%	7.46%		
6	17	Punjab	1500	8	7.34%	7.47%	42,386	20,443
			1000	11	7.34%	7.47%		
7	15	Rajasthan	1000	10	7.29%	7.42%	73,624	23,500
			1500	21	7.34%	7.47%		
			1500	25	7.35%	7.49%		

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

State Development Loans Auction Results – July 30, 2024

Auction Results: Jul 30, 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)
8	7	Tamil Nadu	1000	6	7.24%	7.37%	1,14,000	33,000
			1000	8	7.27%	7.40%		
			3000	30	7.29%	7.42%		
9	4	Telangana	1000	26	7.31%	7.44%	49,618	21,000
10	16	West Bengal	2000	16	7.35%	7.49%	72,800	10,500
			2000	19	7.35%	7.49%		
Total			29,500				3,10,042	88,000

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

State Development Loans Auction Notification – August 06, 2024

Notification: Aug 06, 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	4*	Assam	15	1000	-	4,000	4,000	100
2	8	Chhattisgarh	Reissue of 6.94% Chhattisgarh SDL 2029 issued on March 24, 2021	500	-	4,000	0	0
3	6	Haryana	12	1000	-	12,000	11,250	94
4	7*	Himachal Pradesh	9	500	-	3,400	3,400	100
			11	500	-			
5	3*	Jammu and Kashmir	21	500	-	7,800	7,800	100
6	13	Kerala	16	1000	-	14,500	13,500	93
			35	2000	-			
7	10	Madhya Pradesh	11	2500	-	14,500	0	0
			21	2500	-			
8	2	Maharashtra	10	1500	-	16,000	13,000	81
			15	1500	-			
			20	1500	-			
			25	1500	-			

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

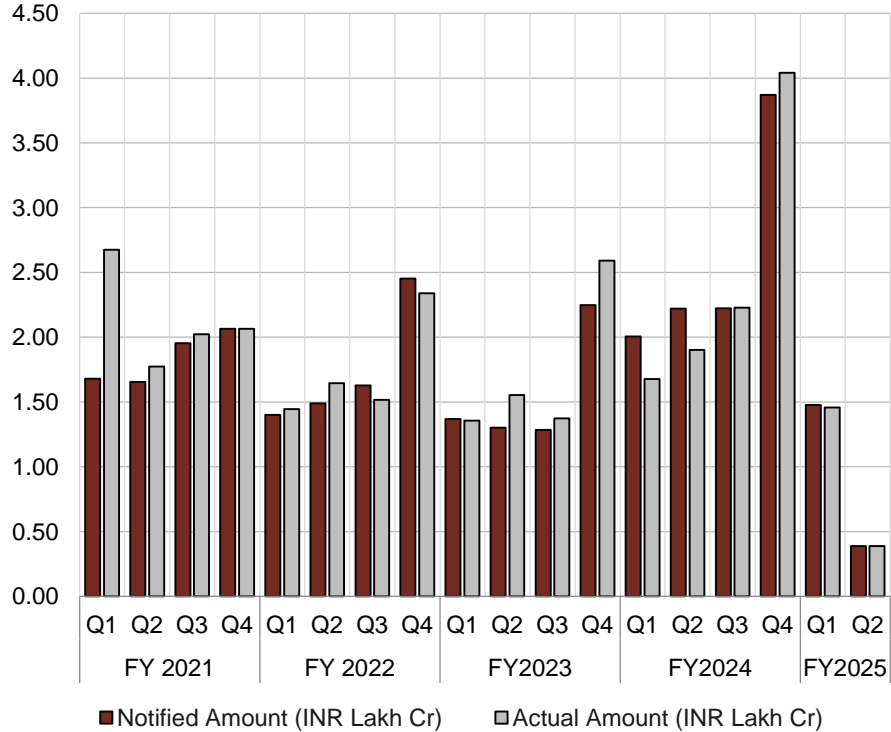
State Development Loans Auction Notification – August 06, 2024

Notification: Aug 06, 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 (%)
9	17	Punjab	Reissue of 7.34% Punjab SGS 2035 issued on July 31, 2024	700	-	21,700	20,443	94
10	7	Tamil Nadu	10	2000	-	33,000	33,000	100
11	4	Telangana	16	1000	-	21,000	21,000	100
			18	1000	-			
			22	1000	-			
				23,700	-	1,51,900	1,27,393	

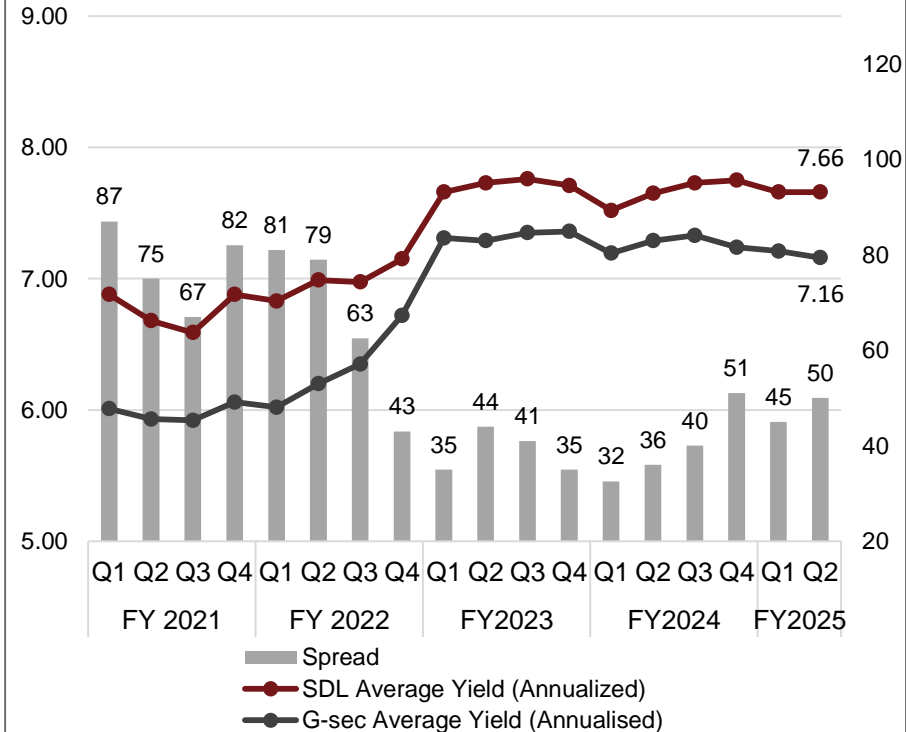
Note: Ranking of States as per the Darashaw State Finance Study 2022-23. **Special State Ranking as per Darashaw State Finance Study 2022-23.

SDL Auction- Notified vs Actual and Spread Analysis

Notified vs Actual

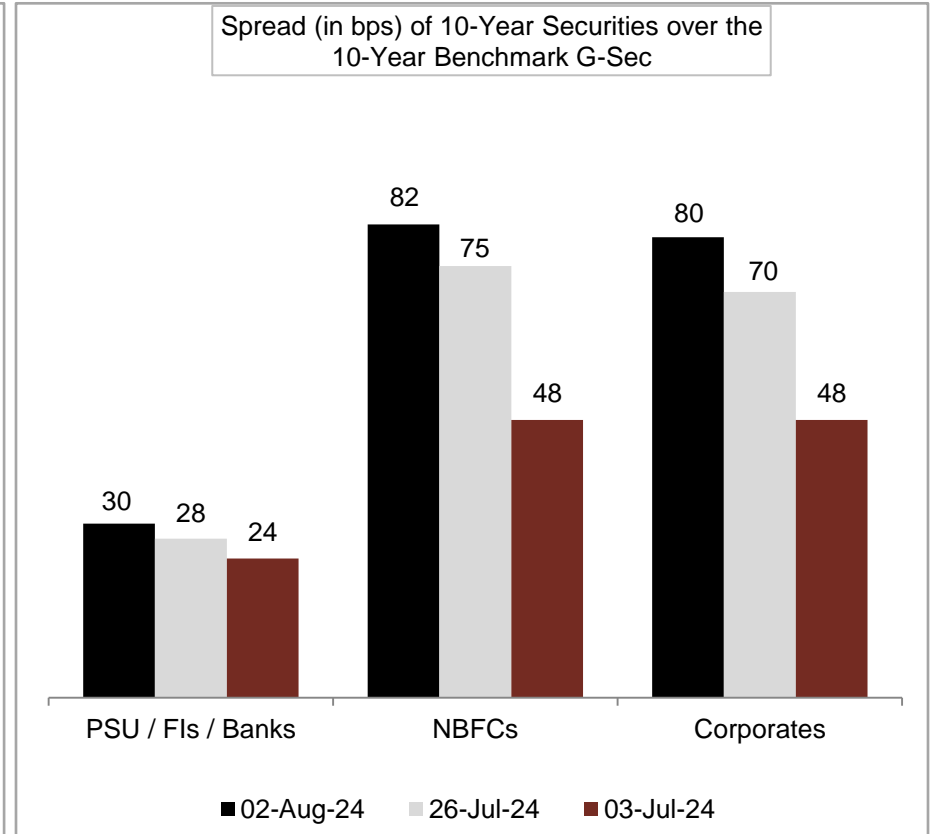
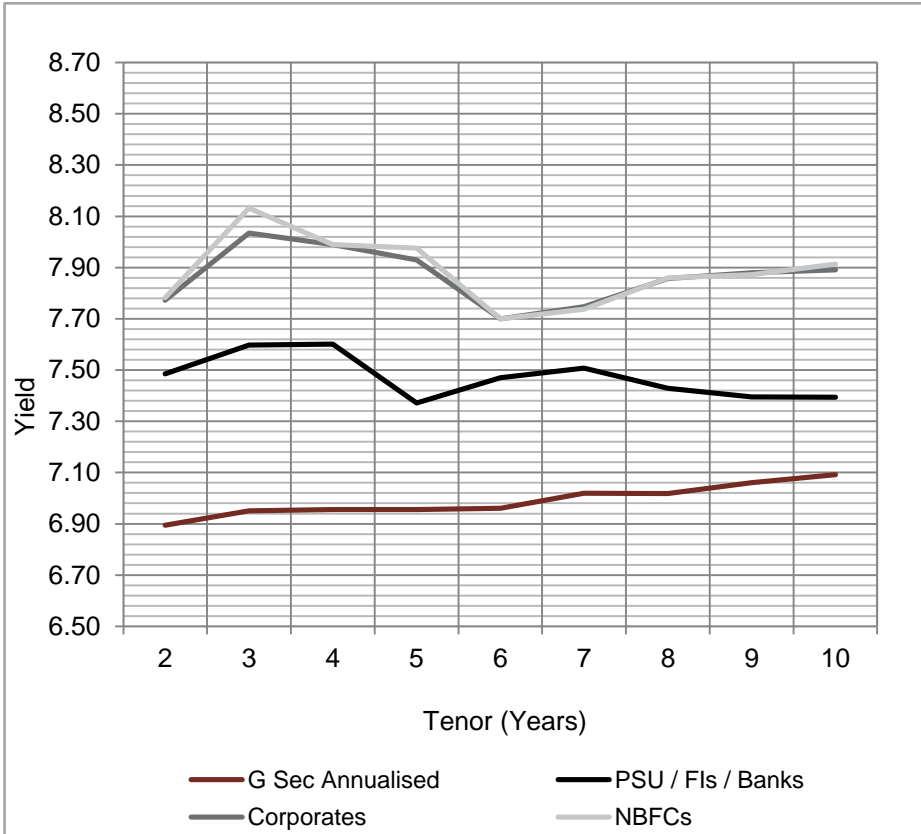


SDL Yield and G-sec Yield QoQ



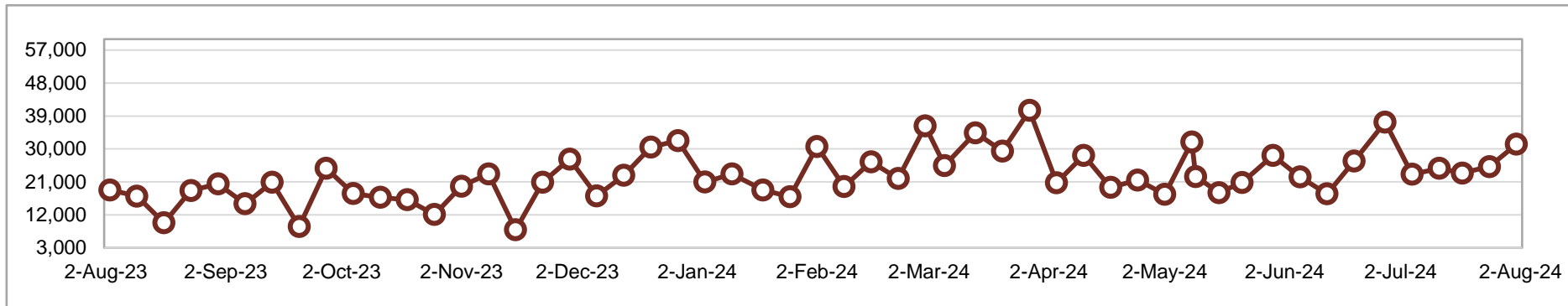
The SDL Yield and G-sec are sourced from the Secondary market

AAA Rated Bond Yield Curves – Aug 02, 2024



Corporate Bonds

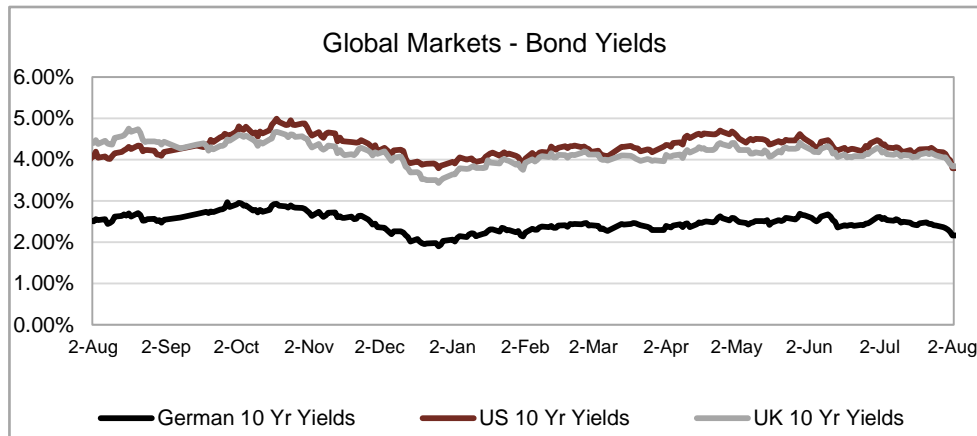
Volume of Corporate Bonds Traded (INR Cr.)



Recent Issuances

Issuer	Type	Maturity (Years)	Coupon (%)	Date of Allotment	Benchmark (Annualized)	Rating	Amount (INR Cr)
Bank of Maharashtra	Unsecured	10	7.80%	31-Jul-24	7.05%	AA+	811
Indian Railway Finance Corporation Limited	Unsecured	4	7.37%	31-Jul-24	6.96%	AAA	2960
Power Finance Corporation Limited	Secured	4	5.25%	31-Jul-24	6.96%	AAA	500
Bajaj Finance Limited	Secured	4	8.18%	31-Jul-24	6.96%	AAA	3000
Toyota Financial Services India Limited	Secured	3	8.18%	01-Aug-24	6.96%	AAA	300
India Infrastructure Finance Company Limited	Unsecured	15	7.39%	30-Jul-24	7.06%	AAA	515
Aditya Birla Housing Finance Limited	Unsecured	10	8.30%	30-Jul-24	7.06%	AAA	150

Global Bond Yields



- US Treasury yields** fell during the week after US's Manufacturing PMI declined to 49.6 in Jul'24 compared to 51.6 in Jun'24 amid a decline in new orders. Moreover, US treasury yields traded downwards as Fed Chair comments after the latest policy meeting indicated a rate cut would be on the table in September because of a slowdown in inflation coupled with manufacturing and jobless claims data reinforcing the idea that the US labor market has cooled.
- UK yields** fell during the week tracking a decline in the US Treasury yields. Further, the down move in the yields was accentuated after the BoE reduced the key policy rate by 25 bps to 5% in its Aug'24 meeting, marking its first reduction in four years. Further, the BoE emphasized that monetary policy would remain restrictive until the risk of inflation returning to the 2% target in the medium term had dissipated.
- German Bund yields** during the week tracking decline in the US Treasury . Moreover, the yields traded downwards after the preliminary data indicated that Euro area's inflation grew by 0% MoM in Jul'24 compared to the rise of 0.2% MoM in Jun'24 as inflation eased for services.

Global 10-Year Yields

Country	02-Aug-24	26-Jul-24	Change (bps)
US	3.79%	4.19%	-40
UK	3.84%	4.10%	-27
Germany	2.16%	2.40%	-24
China	2.12%	2.20%	-8
Japan	0.96%	1.06%	-10



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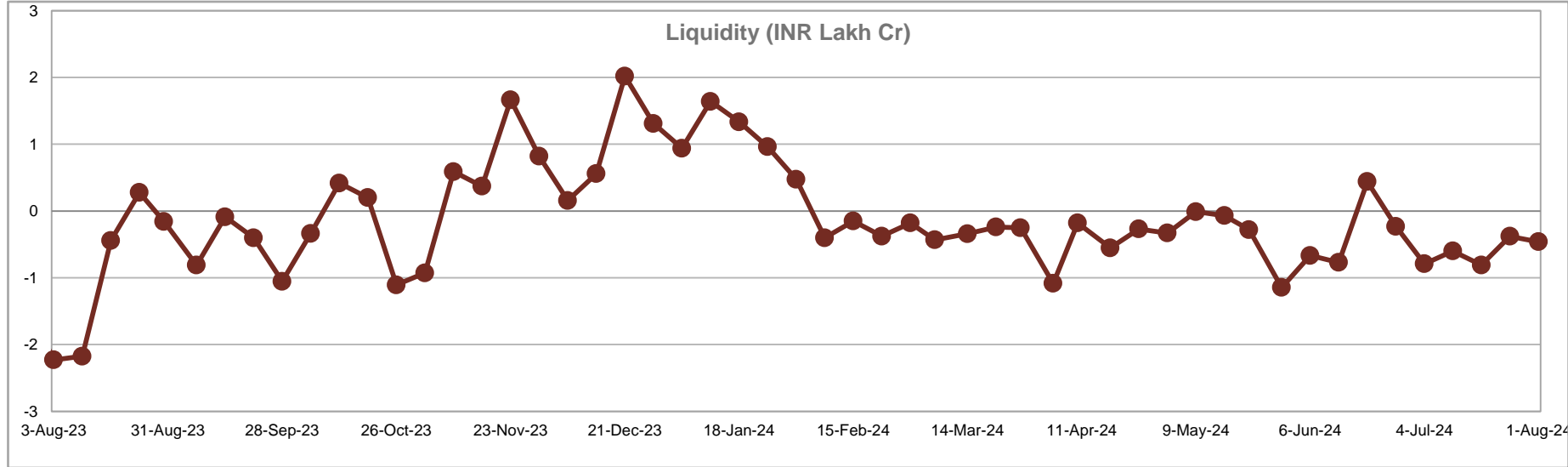
Forex & Crude

Treasury Bills / Policy Rates / Systemic Liquidity

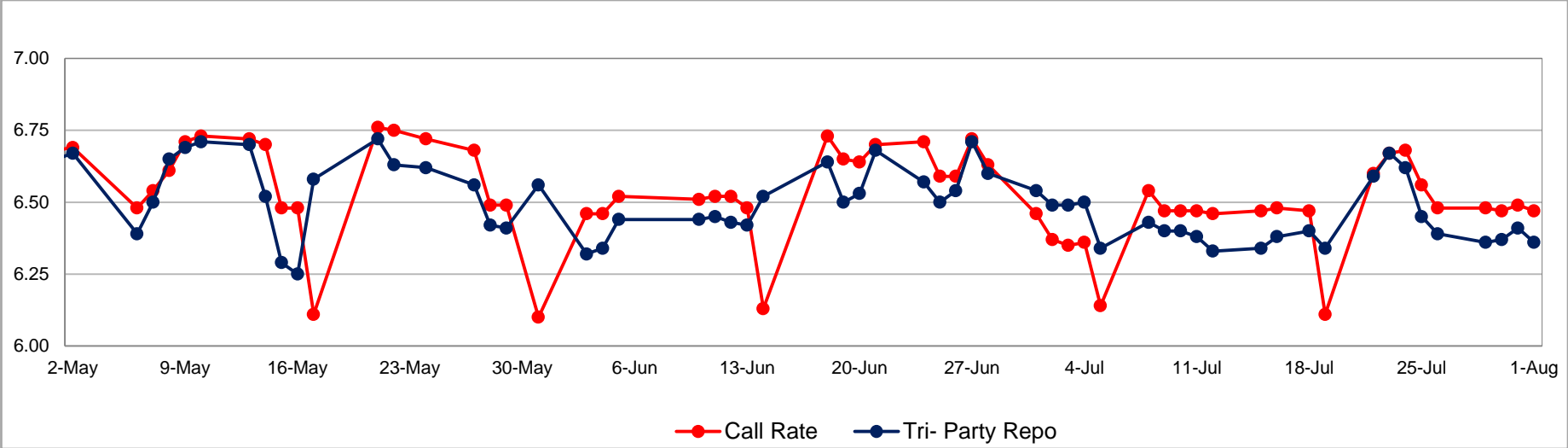
Policy Rates				T-Bill Yields		
Bank Rate	6.75%			Tenor	26-Jul-24	19-Jul-24
Repo Rate	6.50%			91 Day	6.60%	6.74%
Rev Repo Rate	3.35%			182 Day	6.77%	6.85%
MSF	6.75%			364 Day	6.78%	6.87%
CRR	4.50%					
SLR	18.0%					
T-Bill Auction						
Tenor	Amount (INR Cr)	B/C Ratio		Cut Off Yield (%)		Auction on August 07, 2024 Amount (INR Cr)
		As on July 31, 2024	As on July 24, 2024	As on July 31, 2024	As on July 24, 2024	
91 Days	8,000.00	2.49	3.87	6.67%	6.71%	8,000.00
182 Days	6,000.00	2.94	3.34	6.79%	6.82%	6,000.00
364 Days	6,000.00	4.33	4.56	6.80%	6.84%	6,000.00
Total	20,000.00					20,000.00

Treasury Bills / Policy Rates / Systemic Liquidity

Liquidity Position (₹ Bn)		
Weekly Data	Aug 01, 2024	July 25, 2024
Average Reverse Repo	68.25	63.94
Average Net LAF	(51.15)	(51.84)
Average MSF	1.16	3.85
Average Liquidity Position	(46.16)	(38.93)



Call Rate / Tri-Party Repo Rate



Particulars	July 26, 2024	August 1, 2024
Call Rate	6.48	6.47
Tri-Party Repo	6.39	6.36



Weekly Market Update

News & WSS

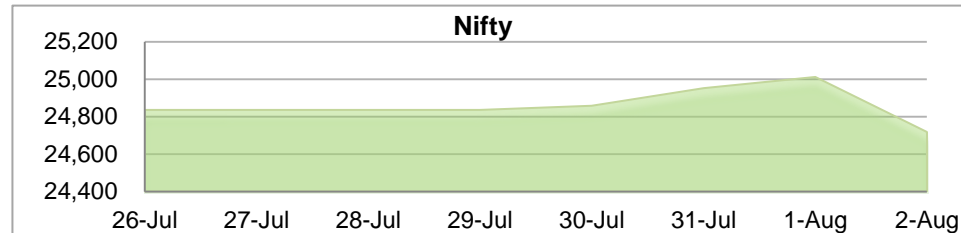
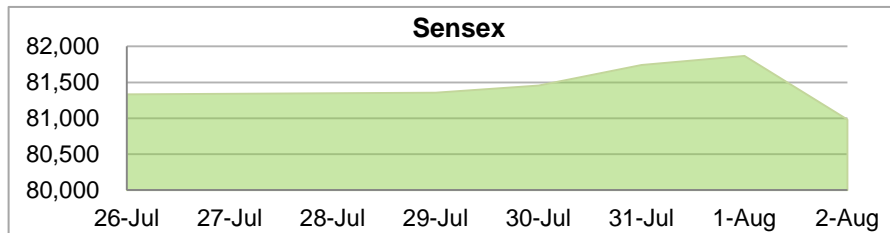
Bond

Money Market

Equity

Forex & Crude

Equity Markets



Domestic Indices

Index	02-Aug-24	26-Jul-24	% Change
Sensex	80,981.95	81,332.72	-0.43
Nifty	24,717.70	24,834.85	-0.47
Nifty Mid Cap 50	16,269.15	16,296.30	-0.17
Nifty Small Cap 50	8,774.95	8,713.45	0.71

Global Indices

S&P 500	5,346.56	5,459.10	-2.06
DJIA	39,737.26	40,589.34	-2.10
NASDAQ	16,776.16	17,357.88	-3.35
FTSE 100	8,174.71	8,285.71	-1.34
Nikkei	35,909.70	37,667.41	-4.67
Hang Seng	16,945.51	17,021.31	-0.45

Domestic benchmark Indices

- Indices opened the week higher and initially traded upwards after NCAER in its economic review forecasted India's GDP to expand by 7% - 7.5% in FY25, on the back of a stable monsoon cycle. Moreover, this positive outlook was further supported by a rise in the India's Business Confidence Index to 149.8 in Q1 FY25 compared to 138.2 in the Q4 FY24 coupled with an upwardly projection of India's nominal GDP to 10.5%, while the fiscal deficit is estimated at 4.9% of GDP for FY25.
- During the mid-week, the indices continued to trade upwards after Bloomberg data highlighted that India's market cap crossed USD 5.5 Trillion amid broader market outperformance given India's macroeconomic stability. The up move in the indices was further accentuated after India Ratings upwardly revised India's GDP growth forecast to 7.5% for FY25 from its earlier projection of 7.1% amid expectation of improved consumption demand.
- Towards the end of the week, indices reversed their trajectory and traded downwards after India's Manufacturing PMI decreased to 58.1 in July 2024 from 58.3 in June 2024 and rising input costs due to inflation. Likewise, core sector growth witnessed a decline of 4% in Jun'24 due to contractions in crude oil production and refinery output by 2.6% and 1.5%, respectively.

US Indices

- The US stock indices initially traded upwards after the US Fed maintained the federal funds rate at 5.25%-5.50% for the 8th consecutive meeting, in line with expectations.
- However, the upward movement in the indices was limited by a weaker than expected jobs report, raising concerns about a slowing economy. Nonfarm payrolls increased by only 114,000, while the unemployment rate unexpectedly rose to 4.3%, the highest since Oct'21. These developments fueled worries that the US Fed's decision to maintain rates at a two-decade high could lead to a deeper economic slowdown, sparking a surge in market volatility. Additionally, disappointing earnings from major tech firms and a decline in the US Manufacturing PMI to 49.6 in Jul'24, led to the biggest fall for Nasdaq since FY20, following the outbreak of COVID.

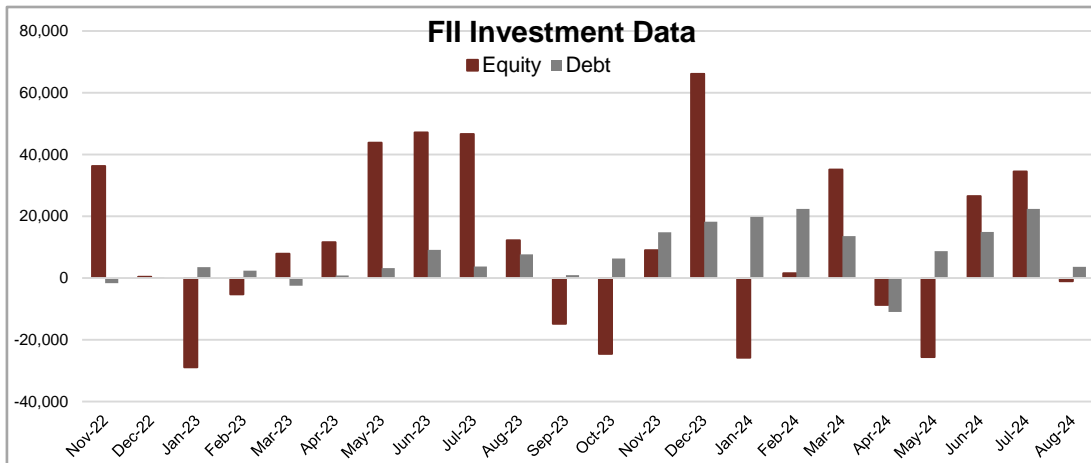
Nifty – Aug 02, 2024 (24,717.70)



Support:- 24074 , 23627

Resistance: 25311 , 30384

Markets Investment Data



FII Investment Data		
Month	Equity	Debt
	Net Invest.	Net Invest.
	(INR Cr)	(INR Cr)
Aug-24	-1,027	3,641
Jul-24	33,688	19,223
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	1,539	22,419
Jan-24	-25,744	19,837
Dec-23	66,135	18,302

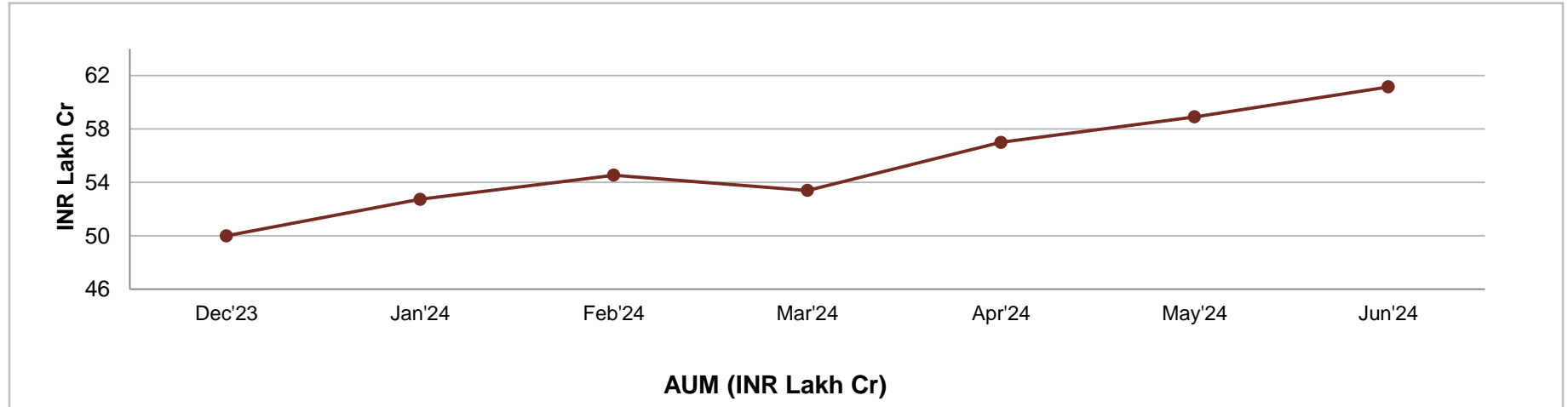
Weekly Investment Data						
Week	Equity			Debt		
	Gross Purchase	Gross Sale	Net Invest.	Gross Purchase	Gross Sales	Net Invest.
	(INR Cr)	(INR Cr)	(INR Cr)	(INR Cr)	(INR Cr)	(INR Cr)
DII	69,619.05	68,450.08	1,168.97	57,609.42	50,340.94	7,268.48
FII	70,257.66	65,143.72	5,113.94	9,762.43	5,487.37	4,275.06

FII Investment Data		
Year	Equity	Debt
	Net Invest.	Net Invest.
	(INR Cr)	(INR Cr)
FY25	23,644	38,770
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

*DII data is from 25th Jul'24 to 31st Jul'24 and FII data is from 25th Jul'24 to 2nd Aug'24.

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
Jun'24	61,15,582	21,262	40,608	Jun'23	44,39,187.2	14,734
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
Total	1,77,32,639	62,537	94,222	Total	1,29,21,477	43,211



Corporate earnings

Particulars	Q1 FY25 (Jun'24)	Q1 FY24 (Jun'23)	Change from Q1 FY24	Q4 FY24 (Mar'24)	Change from Q4 FY24	Remarks
ITC Limited						
Total Income	20,724	19,362	7.04%	20,130	2.95%	<ul style="list-style-type: none"> The operating profit and total income for ITC was seen to increase, driven by strong performance in the cigarette and FMCG businesses, which saw 6-7% revenue growth and improved margins. However, the agri and paperboard, paper & packaging segments faced a decline in profitability, impacting the overall margins of the company. Cost increases in leaf tobacco and other agricultural commodities impacted EBIT margins, while the paper segment saw a 6.8% YoY decline in sales, mainly due to competition from low cost Chinese supplies.
Operating Profit	7,448	7,402	0.62%	7,314	1.84%	
Net Profit	5,177	5,190	-0.24%	5,191	-0.26%	
Sun Pharmaceutical Industries Limited						
Total Income	13,185	12,145	8.56%	12,589	4.74%	<ul style="list-style-type: none"> The company's increase in profit margins can be attributed to the approval of Leqselvi in the US, the filing of Nidlegly in Europe, and the completion of the acquisition of Taro Pharmaceuticals Industries. Additionally, Sun Pharma's India formulation sales grew by 16.4% due to the launch of six new products in the Indian market during the quarter. Furthermore, the company reported a 14.7% rise in global specialty sales to USD 266 Million, contributing 17.7% to total sales, thereby leading to increased profit margins.
Operating Profit	4,140	3,535	17.10%	3,641	13.71%	
Net Profit	2,835	2,023	40.17%	2,655	6.80%	
TATA Motors Limited						
Total Income	1,09,623	1,03,597	5.82%	1,21,446	-9.74%	<ul style="list-style-type: none"> The decline in profit margins for TATA motors on quarterly basis was influenced by the moderation in retails (registrations) in the passenger vehicle industry during Q1FY25, due to factors such as the general elections and intense heatwaves across the country. Another factor contributing to the significant decline in income was the slight drop in Tata Motors' sales of 138,682 cars and SUVs compared to Q1 FY24, which impacted profit margins.
Operating Profit	17,532	11,497	52.49%	16,520	6.13%	
Net Profit	5,692	3,301	72.43%	17,529	-67.53%	

*Consolidated figures have been used for the data

Corporate earnings

Particulars	Q1 FY25 (Jun'24)	Q1 FY24 (Jun'23)	Change from Q1 FY24	Q4 FY24 (Mar'24)	Change from Q4 FY24	Remarks
Britannia Industries Limited						
Total Income	4,305.90	4,064.63	5.94%	4,126.70	4.34%	<ul style="list-style-type: none"> Britannia industries' income growth was driven significantly by high single-digit volume increases and improved operating margins compared to FY24. However, profit margins faced challenges on a quarterly basis due to a consumption slowdown, especially in rural India coupled with risks from commodity price fluctuations and the evolving geopolitical landscape.
Operating Profit	809.27	742.81	8.95%	844.79	-4.20%	
Net Profit	681.00	622.00	9.49%	734.62	-7.30%	
Divi's Laboratories Limited						
Total Income	2,197.00	1,859.00	18.18%	2,382.00	-7.77%	<ul style="list-style-type: none"> The company witnessed improved profits due to the low base of the previous fiscal year and strong sales in the custom synthesis segment, which boosted both profit and revenue growth for Divis. However, the company experienced a decline in net profit, as it reported a forex loss of INR 1 crore for Q1FY25, compared to a gain of INR 3 crores in Q1FY24.
Operating Profit	993.00	585.00	69.74%	715.00	38.88%	
Net Profit	430.00	356.00	20.79%	538.00	-20.07%	
SBI						
Total Income	1,52,125	1,32,330.00	14.96%	1,64,911.00	-7.75%	<ul style="list-style-type: none"> SBI reported increase in growth margins with interest income rising to INR 1,11,526 Cr from INR 95,975 Cr the previous year. Gross NPAs were also seen to decrease to 2.21% from 2.76%, likewise net NPAs also improved, falling to 0.57% from 0.71%. Apart from this the board has also approved raising up to INR 25,000 Cr through Basel III compliant Additional Tier 1 and Tier 2 Bonds, in rupees or dollars, from domestic and/or international investors during FY25.
Operating Profit	26,449	25,297	4.55%	28,748	-8.00%	
Net Profit	17,035	16,884	0.89%	20,698	-17.70%	

*Consolidated figures have been used for the data

Corporate earnings

Particulars	Q1 FY25 (Jun'24)	Q1 FY24 (Jun'23)	Change from Q1 FY24	Q4 FY24 (Mar'24)	Change from Q4 FY24	Remarks
Coal India Limited						
Total Income	38,349.21	37,521.03	2.21%	39,654.50	-3.29%	<ul style="list-style-type: none"> Coal India reported a increase in net profit on the back of higher e-auction volumes and a strong premium. Coal India aims to boost production in the coming years to meet growing domestic demand, targeting 850-1000 mn tonnes annually. The company also plans to leverage e-auction channels and explore new markets like critical mineral mining for long-term growth.
Operating Profit	14,061.81	13,408.21	4.87%	11,356.09	23.83%	
Net Profit	10,943.55	10,498.39	4.24%	8,640.45	26.65%	
Mahindra & Mahindra Limited						
Total Income	37,626.49	34,698.68	8.44%	35,807.44	5.08%	<ul style="list-style-type: none"> The company reported a decrease in the net profit due to the absence of one-time gains that were present in the previous year's quarter. However, the profit increased after the company saw a 8.44% increase in revenue, driven by gains in market share across its auto and farm businesses. Tractor volumes reached record highs, and profitability improved due to margin gains in core segments.
Operating Profit	4,296.43	4,206.60	2.14%	3,635.27	18.19%	
Net Profit	3,545.78	3,683.87	-3.75%	3,124.94	13.47%	
Maruti Suzuki India Limited						
Total Income	36,506.50	33,328.10	9.54%	39,352.90	-7.23%	<ul style="list-style-type: none"> The company experienced a nearly 6% decline in profit margins on quarterly basis due to reduced demand from India's general elections and extreme heat. Additionally, sales grew at their slowest rate in nine quarters. However, on a quarterly basis, the company could recoup, with domestic sales reaching 451,308 units increasing by 3.8% YoY and export sales totaling 70,560 units during the review period.
Operating Profit	4,689.10	3,190.20	46.98%	4,997.80	-6.18%	
Net Profit	3,649.90	2,485.10	46.87%	3,877.80	-5.88%	

*Consolidated figures have been used for the data

Corporate earnings

Particulars	Q1 FY25 (Jun'24)	Q1 FY24 (Jun'23)	Change from Q1 FY24	Q4 FY24 (Mar'24)	Change from Q4 FY24	Remarks
TATA Steel Limited						
Total Income	55,031.30	60,666.48	-9.29%	58,863.00	-6.51%	<ul style="list-style-type: none"> The company's total income was significantly impacted by sluggish sales in India, influenced by the general elections and extreme heat. However, the increase in profit was attributed to cost reductions and stable raw material prices. The company noted improvements in its European operations, especially in the Netherlands. Additionally, Tata Steel is expanding its production capacity in India, particularly at its Kalinganagar facility.
Operating Profit	2,642.24	2,113.23	25.03%	2,366.34	11.66%	
Net Profit	918.57	524.85	75.02%	554.56	65.64%	
Adani Enterprise Limited						
Total Income	26,066.72	23,015.94	13.26%	29,630.29	-12.03%	<ul style="list-style-type: none"> On a quarterly basis, income declined due to a 28% drop in revenue from the company's core coal trading business, falling to INR 10,794 Cr as a result of lower coal prices. However, the company reported a major YoY increase in consolidated profit for accounting to a 13.26% rise in revenue. This growth was largely attributed to strong performances from Adani New Industries Ltd (ANIL) and airport operations. ANIL's solar and wind turbine businesses contributed nearly 38% to the total EBITDA, which rose to INR 4,300 crore.
Operating Profit	2,235.56	1,080.00	107.00%	1,321.62	69.15%	
Net Profit	1,772.26	676.93	161.81%	352.25	403.13%	
Adani Ports & Special Economic Zone Limited						
Total Income	67,270.06	52,084.00	29.16%	67,181.70	0.13%	<ul style="list-style-type: none"> The company delivered a strong performance in Q1 FY25, with net profit rising by 46.61% YoY and revenue increasing by 21.46%. This growth was accounted to higher cargo volumes, especially in the containers and liquid/gas sectors. Despite a brief disruption at Gangavaram Port, operational performance remained solid, with Mundra Port achieving its highest-ever quarterly volume.
Operating Profit	18077.28	15659.670	15.44%	16851.55	7.27%	
Net Profit	11695.840	10636.120	9.96%	11671.520	0.21%	

*Consolidated figures have been used for the data



Weekly Market Update

News & WSS

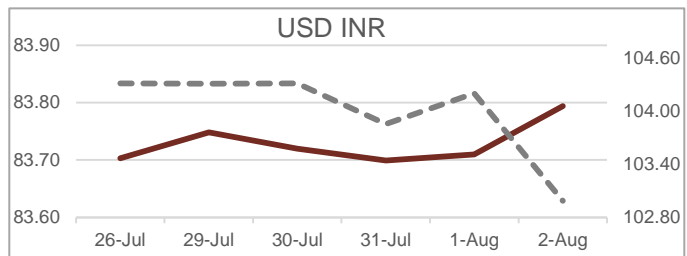
Bond

Money Market

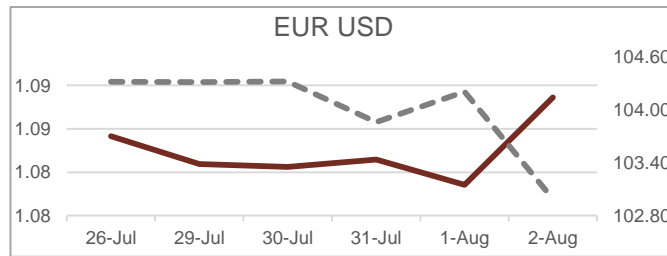
Equity

Forex & Crude

Foreign Exchange Report



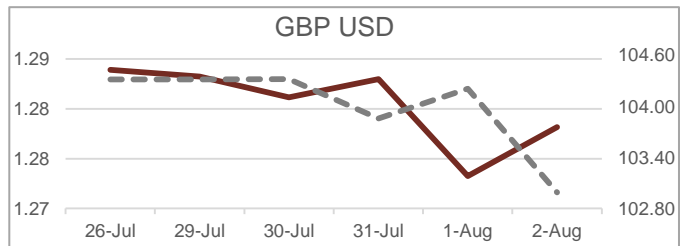
26-Jul	2-Aug
83.70	83.79
0.11%	



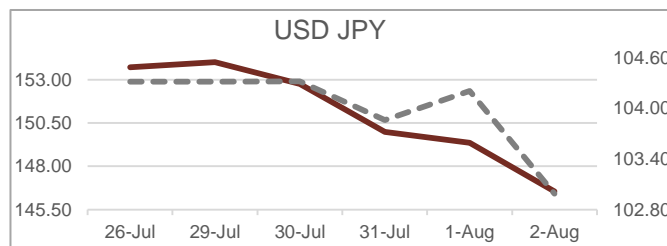
26-Jul	2-Aug
1.0856	1.0908
0.48%	

The Indian rupee depreciated during the week as local stocks declined tracking a global equity sell-off caused by concerns of a slowdown in the United States and rising geopolitical tensions in the Middle East. The downmove in the currency was limited amid release of subdued economic data from the U.S. and fresh intervention by RBI limiting the volatility.

The Euro appreciated during the week after as the US dollar weakened due to concerns over the strength of the US economy following a lower than expected Non Farm pay rolls data and unemployment increased to 4.3%, pointing to raising fears of a possible recession. However, the euro sagged following the contraction in PMI data and dovish comments from the European Central Bank.



26-Jul	2-Aug
1.2867	1.2798
-0.54%	



26-Jul	2-Aug
153.72	146.54
-4.67%	

The British pound depreciated during the week indicating strong bearish sentiment, with the pound extending its decline following the Bank of England's rate cut by 25 bps. However, the losses were limited as the US manufacturing PMI fell to an 8-month low of 46.8 in Jul'24, remaining below 50 mark indicating contraction in the sector and US unemployment claims rose, suggesting a weaker labor market.

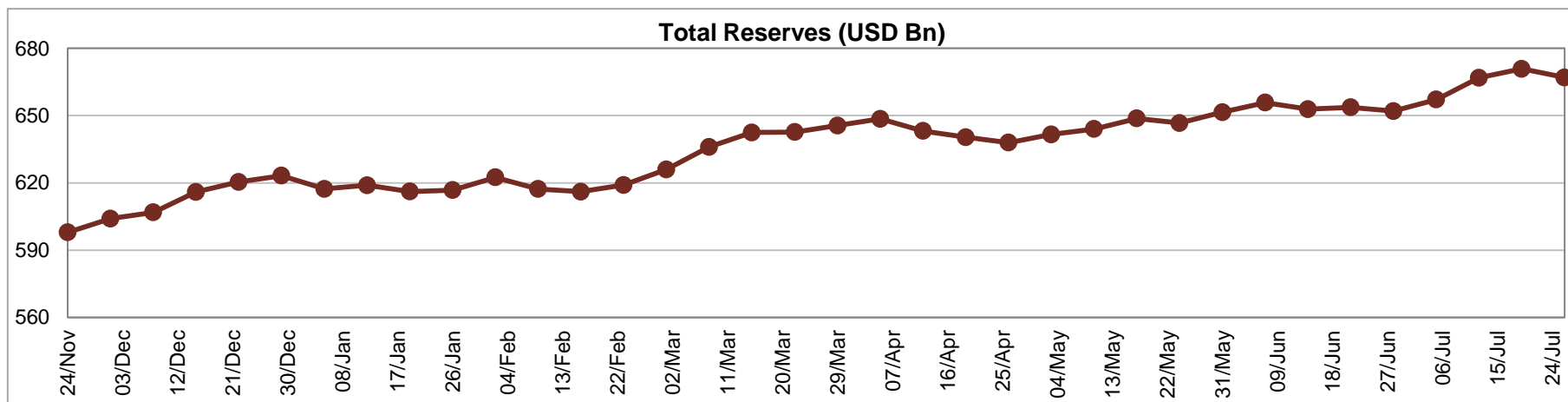
The Japanese yen appreciated largely during the week after the BoJ raised interest rates by less than a quarter point and stated it intends to buy fewer government bonds. Further, This hike in interest rates impacted the Yen carry trade, prompting investors to sell off equities, which benefited from lower interest rates in Japan.

Dollar Index ended the week lower by **-1.27%** at 102.99

--- Dollar Index

RBI Forex Reserves

	26-Jul-24	19-Jul-24	% Change (WoW)	% Change (MoM)	% Change (YoY)
Forex Reserves (USD Bn)	667.386	670.857	-0.52%	2.36%	10.52%
Foreign Currency Assets (USD Bn)	586.877	588.048	-0.20%	2.44%	9.63%
Gold Reserves (USD Bn)	57.695	59.992	-3.83%	2.06%	28.49%
SDRs (USD Bn)	18.202	18.207	-0.03%	1.04%	-1.3%
Reserves with IMF (USD Bn)	4.612	4.610	0.04%	0.85%	-11.05%



Brent Crude

Date	Day	Price (USD/bbl.)	
August 2, 2024	Friday	76.81	↓
August 1, 2024	Thursday	79.52	↓
July 31, 2024	Wednesday	80.72	↑
July 30, 2024	Tuesday	78.63	↓
July 29, 2024	Monday	79.78	↓



- Brent Crude ended the week lower by 5.32% to close at USD 76.81 and WTI Crude ended the week lower by 4.72% to close at USD 73.52.
- Crude oil prices opened the week lower and initially traded downwards as investors worried that demand from China could be weakening while OPEC+ seems likely to stick to plans to increase supplies. However, the fears of escalating tension in the Middle East following a rocket strike in the Israeli-occupied Golan Heights limited the losses.
- During mid-week, oil prices traded upwards as worries about a wider conflict in the Middle East were stoked by the killing of Hamas leader Ismail Haniyeh in the Iranian capital Tehran shortly after Hezbollah's most senior military commander in Beirut coupled with a sharp fall in U.S. crude stockpiles.
- In the fag end of the week, oil prices reversed their trajectory and traded downward settling at their lowest since January after data showed the U.S. economy added fewer jobs than expected last month, and weak Chinese economic data added more pressure to oil prices.
- As per Baker Hughes, the number of active oil rigs drilling for oil remain unchanged at 482 for the week ending August 02, 2024.

Things to watch out for during the week

Date	Country	Things to Watch Out For
5-Aug-24	Japan	Services PMI
	India	
	China	
	Euro Area	
	UK	
	US	
	Euro Area	
6-Aug-24	Euro Area	Retail Sales
	US	Balance of Trade
	China	
8-Aug-24	India	RBI interest rate decision
	US	Initial Jobless claims
9-Aug-24	China	Inflation rate
		PPI

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