



## Weekly Market Update

News & WSS

Bond

Money Market

Equity

Forex & Crude

# Key Domestic News

## RBI keeps interest rates unchanged for the eight consecutive meeting

- In its MPC meeting in Jun'24, the RBI elected to keep borrowing costs unchanged for the eight consecutive time, amid persistent inflationary pressures coupled with continued resilience in the economy; as well as continue with its stance of 'withdrawal of accommodation'.
- Additionally, the central bank raised its GDP growth forecast for FY25 to 7.2% from 7% earlier, while retaining its inflation forecast for FY25 at 4.5%. The RBI governor also stated that the MPC will take action on the policy rates when inflation aligns durably with its 4% target.

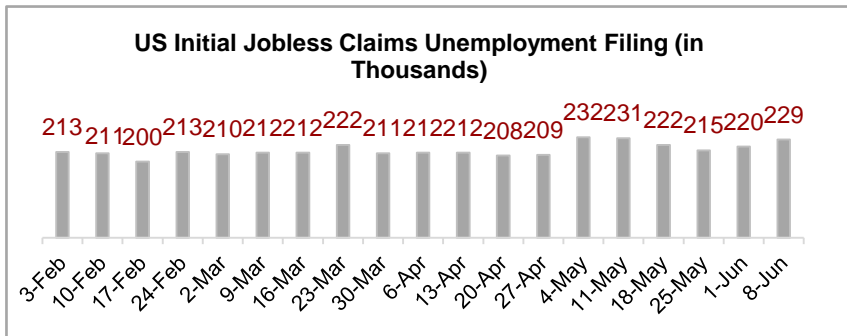
## Moody's raises concerns over possible slowdown in India's fiscal consolidation after election results

- Moody's Ratings stated that the narrower margin of victory for the incumbent government in the 2024 Indian general elections may result in a slowdown in the pace of India's fiscal consolidation and forestall reforms.
- Moreover, the rating agency raised concerns over a possible expansion in populist spending by the government to garner support which may adversely impact the possibility of an upgrade of India's sovereign rating, but also highlighted the country's high growth and robust economic prospects over the medium term.

## India Ratings projects current account surplus for India in Q4 FY24

- India Ratings stated that it expects India's current account balance (CAB) to achieve a surplus of approximately USD 6 billion in Q4 FY24, representing 0.6% of the domestic GDP, which would mark the first surplus since Q1 FY22.
- Further, the rating agency forecasted an increase of 8% YoY in merchandise exports to approximately USD 112 billion in Q1 FY25, although growth in services exports is expected to slow down due to weakening demand for IT/ITES.

# Key International News



## United States

- The US unemployment rate rose to 4.0% in May'24, from 3.9% in Apr'24, marking the first time the unemployment rate has risen above the 4% threshold in 27 months. Nevertheless, non farm payrolls increased significantly, to 272,000 jobs added in May'24 as compared to 165,000 in Apr'24, as hiring expanded in several industries such as healthcare, leisure and hospitality as well as social assistance. Moreover, accelerating wage gains and expanded payrolls raised concerns that the Fed could delay its rate cuts beyond Sep'24.
- The number of Americans filing for unemployment benefits increased to 229,000 in the week ended June 07, 2024.

## Euro Area

- The ECB lowered its interest rates by 25 bps in its Jun'24 meeting, marking the first reduction by the central bank since CY19, amid easing price pressures in the Eurozone as inflation has steadily declined to the ECB's 2% target.
- Additionally, the Euro Area's Services PMI stood at 53.2 in May'24 as compared to 53.3 in Apr'24, amid strong order inflows and easing price pressures, while the Manufacturing PMI rose to 47.3 in May'24 from 45.7 in Apr'24, marking the slowest pace of decline in the manufacturing sector since Mar'23.

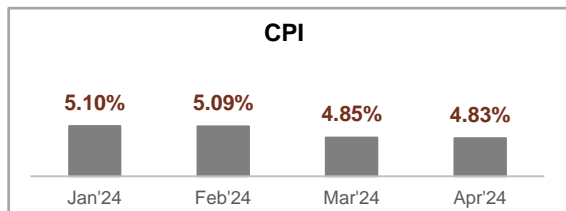
## UK

- UK's Manufacturing PMI rose to 51.2 in May'24 from 49.1 in Apr'24, marking the highest reading since Jul'22, driven by increased work orders, improved demand conditions in the economy as well as declining backlogs. However, new export orders continued to fall.
- UK's Services PMI fell to 52.9 in May'24 from 55 in Apr'24, marking the seventh consecutive month of expansion in the British services sector amid growth in new sales, while employment rose at the fastest pace since Feb'24.

## China

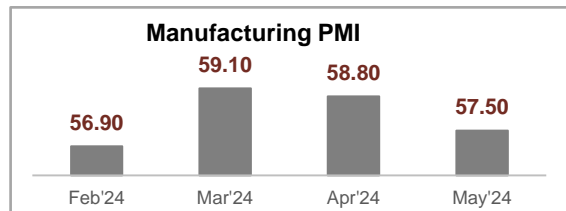
- China's trade surplus widened to USD 82.62 billion in May'24 from USD 65.55 billion in May'23, as exports grew by 7.6% YoY, while imports grew much more slowly, by 1.8%.
- Further, it marked the largest trade surplus since Feb'24, and indicated towards improved demand conditions both domestically, as well as in its export markets.

# Domestic Macroeconomic Indicators



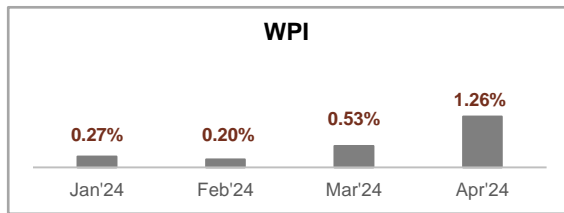
**CPI decreased by 0.02% MoM**

India's retail inflation eased to 4.83% YoY in Apr'24 from 4.85% in Mar'24. Further, retail food inflation increased to 8.7% in Apr'24 from 8.52% in Mar'24 amid a rise in prices of vegetables, pulses, and cereal prices.



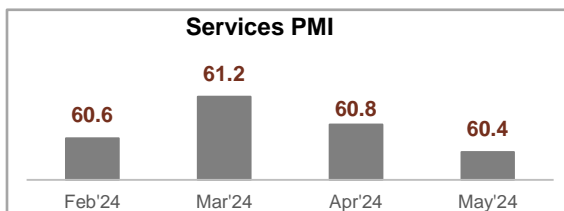
**Manufacturing PMI decreased by 1.30 MoM**

India's Manufacturing PMI decreased amid a decrease in output and new orders due to volatile demand conditions. Moreover, companies stated that working hours had reduced due to adverse weather conditions, which is expected to have affected production volumes. Input prices rose due to higher raw material and freight costs.



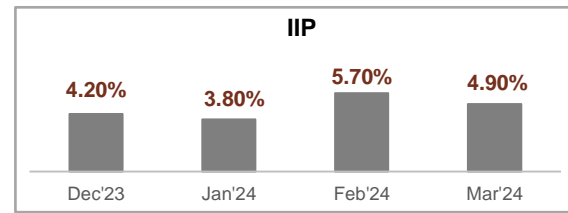
**WPI increased by 0.73% MoM**

India's WPI index increased to 1.26% YoY in Apr'24 compared to 0.53% YoY in Mar'24 amid the rise in prices of food and primary articles. Additionally, on a monthly basis, WPI increased to 0.79% in Apr'24 from 0.40% in Mar'24.



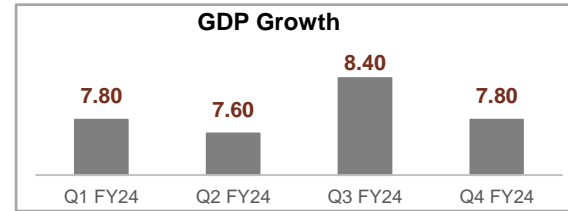
**Services PMI decreased by 0.40 MoM**

India's service PMI decreased to 60.4 in May'24 from 60.8 in Apr'24, marking the 34<sup>th</sup> consecutive month of expansion. Further, input prices continued to rise due to higher labor and material costs, while new orders continued to rise substantially, while growth in export orders reached the highest level on record.



**IIP decreased by 0.80% MoM**

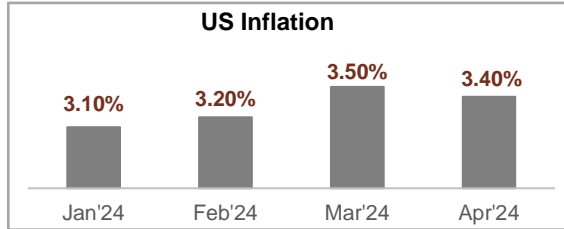
India's industrial output rose by 4.9% YoY in Mar'24 as compared to 5.7% YoY in Feb'24. Further, the growth in the manufacturing sector showed a slight increase, rising to 5.2% in Mar'24 from 5% in Feb'24.



**GDP growth decreased to 7.80% YoY**

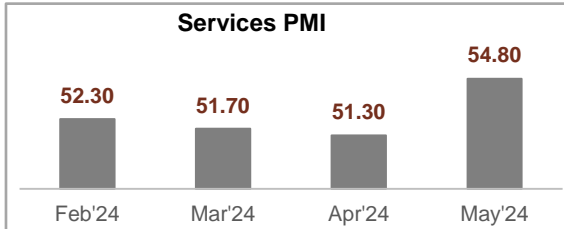
India's GDP growth rate contracted to 7% in Q4FY24 as compared to 8.40% in Q3FY24. The real Gross Value Added grew by 7.2% in FY24 over 6.7% in FY23 amid robust growth in manufacturing sector coupled with 7.1% increase in mining activities.

# Global Macroeconomic Indicators



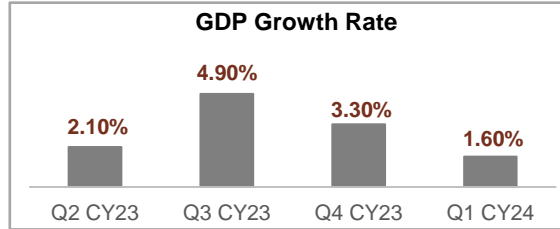
**US Inflation decreased by 0.10% MoM**

US inflation declined to 3.4% in Apr'24 compared to 3.5% in Mar'24 amid a decline in prices of shelter and new vehicles. Further, food inflation remained unchanged at 2.2% in Apr'24 while inflation declined for shelter to 5.5% in Apr'24 from 5.7% in Mar'24.



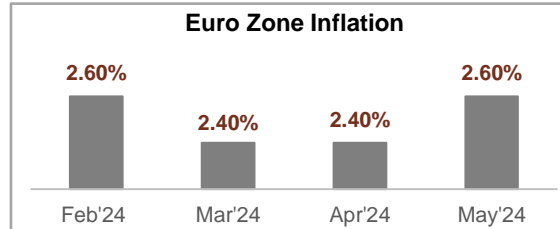
**US Services PMI increased by 3.50 MoM**

US Service PMI rose to 54.8 in May'24 on the back of an expansion in new orders amid improvements in economic conditions; however, services exports declined due to tepid overseas demand. Input prices rose amid a rise in wage costs for firms.



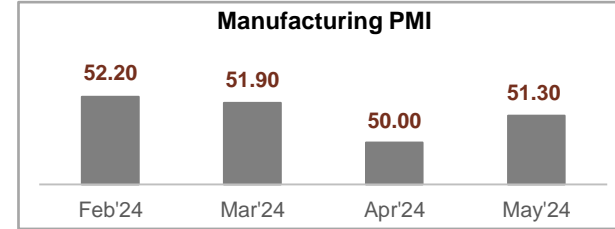
**US GDP rate decreased by 1.70% QoQ**

The US economy expanded, however at a significantly lower pace than the previous quarter on account of slow growth in consumer spending due to a fall in goods consumption. Moreover, exports slowed sharply to 0.9% from 5.1%.



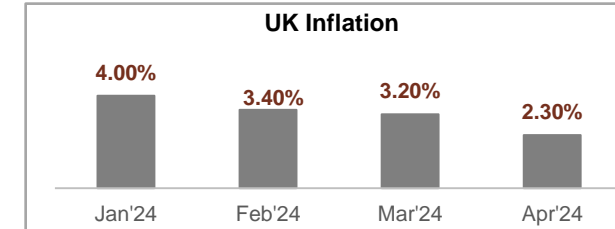
**Eurozone Inflation remained unchanged MoM**

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.



**US Manufacturing PMI increased by 1.30 MoM**

US Manufacturing PMI increased to 51.3 in May'24 given the growth in new orders, supporting an expansion in production. Further, exports rose amid increasing demand from Europe, Asia, Canada and Mexico; while firms continued to hire additional staff.



**UK Inflation decreased by 0.20% MoM**

UK's inflation rate declined to 2.3% YoY in Apr'24 from 3.2% YoY in Mar'24 amid a decline in cost of gas and electricity, food and recreation & culture. However, upward contribution came from cost of motor fuels which rose by 3.3% per litre.

# RBI WSS Data (Data in INR Billion)

Scheduled Commercial Banks Business (SCBs)	Latest Data	% Change from	% Change from	% Change from
	17-May-24	03-May-24	19-Apr-24	19-May-23
Food Credit	412.73	9.25	128.15	93.84
Non-Food Credit	1,65,672.40	-0.16	0.55	19.74
Bank Credit	1,66,085.13	-0.14	0.69	19.85
Aggregate Deposits	2,08,140.92	-0.58	0.31	13.67
Investments (SLR)	61,995.39	-0.33	0.83	13.84
	17-May-24	03-May-24	19-Apr-24	19-May-23
Cash/ Deposit Ratio	4.99	-1.19	-0.20	-1.17
Credit/ Deposit Ratio	77.69	0.44	-0.04	2.21
Investment/ Deposit Ratio	29.52	0.24	0.31	-0.98
Investments by SCBs	Latest Data	% Change from	% Change from	% Change from
	23-Feb-24	09-Feb-24	26-Jan-24	24-Feb-23
Commercial Papers	534.67	0.98	8.40	-5.13
Shares issued by PSU	86.36	-1.75	-3.03	-12.12
Shares issued by PCS	799.35	-0.27	-0.33	12.86
Bonds & Debentures By PSUs	969.48	-0.84	0.51	6.69
Bonds & Debentures By Private Corporate Sector	2,882.05	-0.33	1.11	-11.50
<b>Total</b>	<b>5,271.91</b>	<b>-0.31</b>	<b>1.40</b>	<b>-4.76</b>



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# Government Securities

## G-Sec Yields

Security	Tenor	May 31, 2024	May 24, 2024
364 DTB	1	7.02	7.00
5.63 GS 2026	2	7.00	7.00
7.10 GS 2029	5	6.99	7.04
7.1 GS 2034	10	6.99	7.00
7.23 GS 2039	15	7.03	7.04
8.17 GS 2044	20	7.10	7.12
7.40 GS 2062	38	7.15	7.13
7.46 GS 2073	49	7.16	7.15

## G-Sec Auction Results – June 07, 2024

Security	Amount (INR Cr)	Cut-Off Yield	B/C
7.10% GS 2034	20,000	7.02%	0.41
7.30% GS 2053	9,000	7.14%	0.32
	<b>29,000</b>		

- For the week ended Jun 07, 2024, the 10-year benchmark recorded a close at 7.02%, increasing by 4 bps from the close of the previous week.
- The yields opened lower from the close of the previous week and initially traded downwards after India's GDP increased to 7.8% YoY in Q4FY24 compared to 6.1% YoY in Q4FY23 amid steady growth in private consumption expenditure and robust export growth.
- During the mid-week, the yields reversed their trajectory and traded upwards, as investors turned cautious over a lower-than-expected majority for the incumbent government, which diverged from the exit polls and raised concerns over continuity in economic policies. Further, Moody's stated that the reduced margin of victory for the incumbent government in the Indian elections could result in a slowdown in the pace of fiscal consolidation
- Towards the fag end of the week, the yields reversed their trajectory and traded downwards after India's services PMI stood at 60.2 in May'24 as compared to 60.8 in Apr'24, marking the 34th consecutive month of robust expansion in the services sector amid strong growth in new orders, resilient domestic demand, and a rise in exports. Further, the downward movement of the yield was limited as RBI kept its key policy rate unchanged at 6.5% and continued with its stance of 'withdrawal of accommodation'
- The RBI conducted an auction of G-Sec for a notified amount of INR 29,000 Cr during the week ending 07<sup>th</sup> June 2024, with cut-off yields ranging between 7.02% - 7.14%.

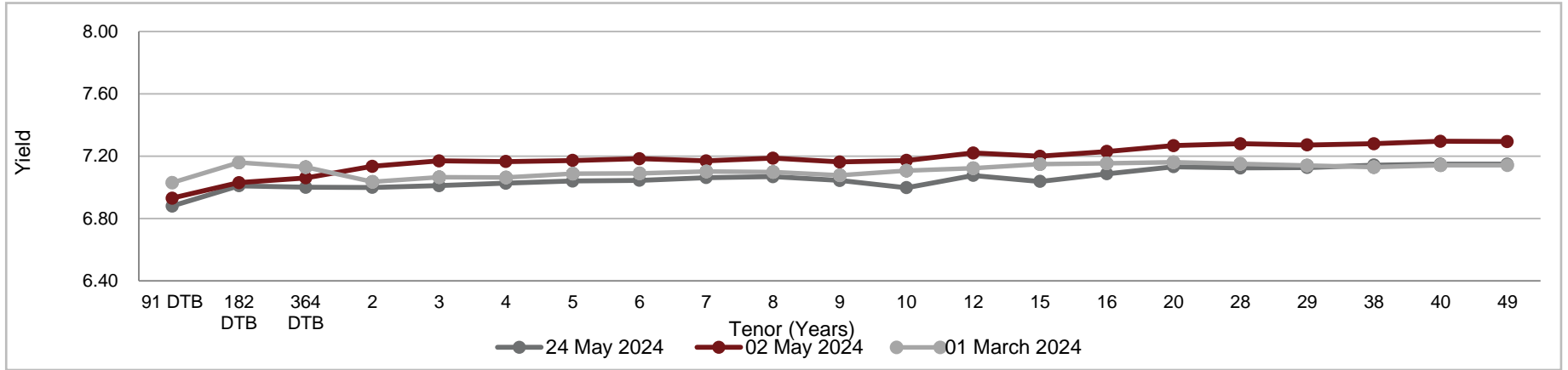
# Ten Year GOI Yields – 7.01% (June 07, 2024)



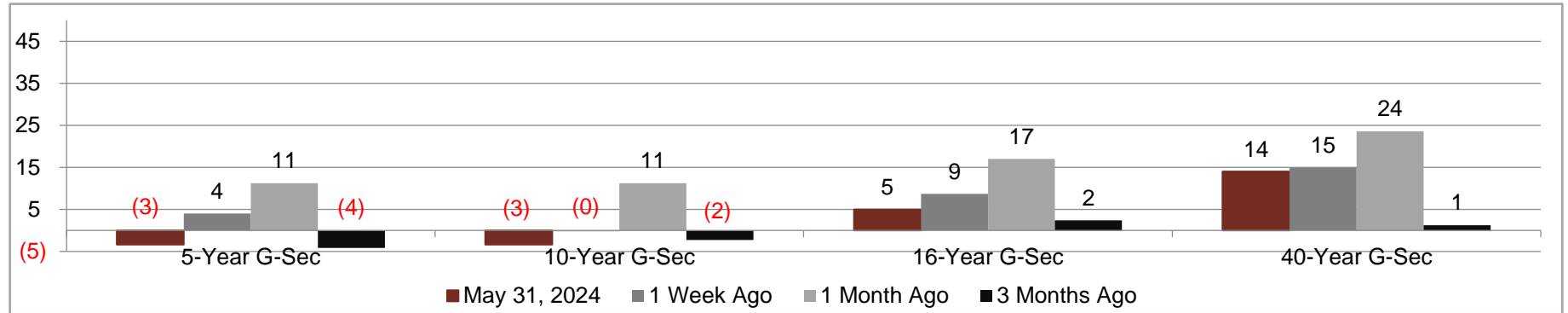
Support:- 6.63%, 6.24% (Daily Close)

Resistance: 7.10%, 7.11% (Weekly Close)

# Sovereign Yield Curve – May 31, 2024



## Spread between 364 DTB and G-Sec



# State Development Loans Auction Results – June 04, 2024

Auction Result: June 04, 2024								
S No.	Rank	State	Amount Raised (INR Cr)	Tenure (Years)	Cut-Off Yield	Cut-Off Yield (Annualized)	Amount Raised (FY24) (INR Cr)	Amount Raised FYTD25 (INR Cr)
1	11	Andhra Pradesh	1000	18	7.43%	7.57%	18,500	23,000
			1000	20	7.43%	7.57%		
			1000	22	7.43%	7.57%		
			1000	25	7.38%	7.52%		
2	6	Haryana	1500	10	7.43%	7.57%	7,500	3,750
3	7*	Himachal Pradesh	500	10	7.44%	7.58%	800	2,300
			700	12	7.46%	7.60%		
4	3*	Jammu and Kashmir	800	22	7.43%	7.57%	1,800	2,900
5	13	Kerala	2000	31	7.38%	7.52%	6,000	7,500
6	6*	Meghalaya	200	10	7.45%	7.59%	150	400

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 – June 04, 2024

Auction Result: June 04, 2024								
S No.	Rank	State	Amount Raised (INR Cr)	Tenure (Years)	Cut-Off Yield	Cut-Off Yield (Annualized)	Amount Raised (FY24) (INR Cr)	Amount Raised FYTD25 (INR Cr)
7	11*	Nagaland	300	10	7.45%	7.59%	750	150
8	17	Punjab	1500	11	7.48%	7.62%	10,200	12,450
			1000	13	7.47%	7.61%		
9	15	Rajasthan	1000	10	7.43%	7.57%	14,500	11,500
			1000	16	7.45%	7.59%		
10	7	Tamil Nadu	1000	8	7.43%	7.57%	13,000	14,500
			2000	10	7.44%	7.58%		
11	4	Telangana	1000	16	7.44%	7.58%	7,500	9,000
			1000	19	7.43%	7.57%		
			19,500				73,200	78,450

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

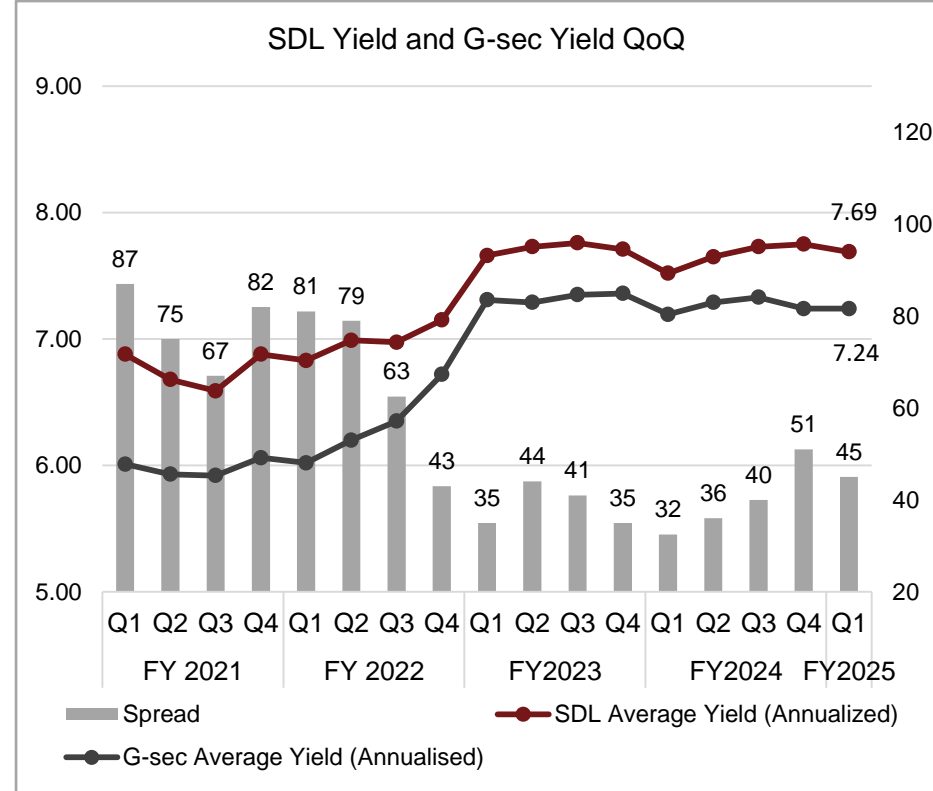
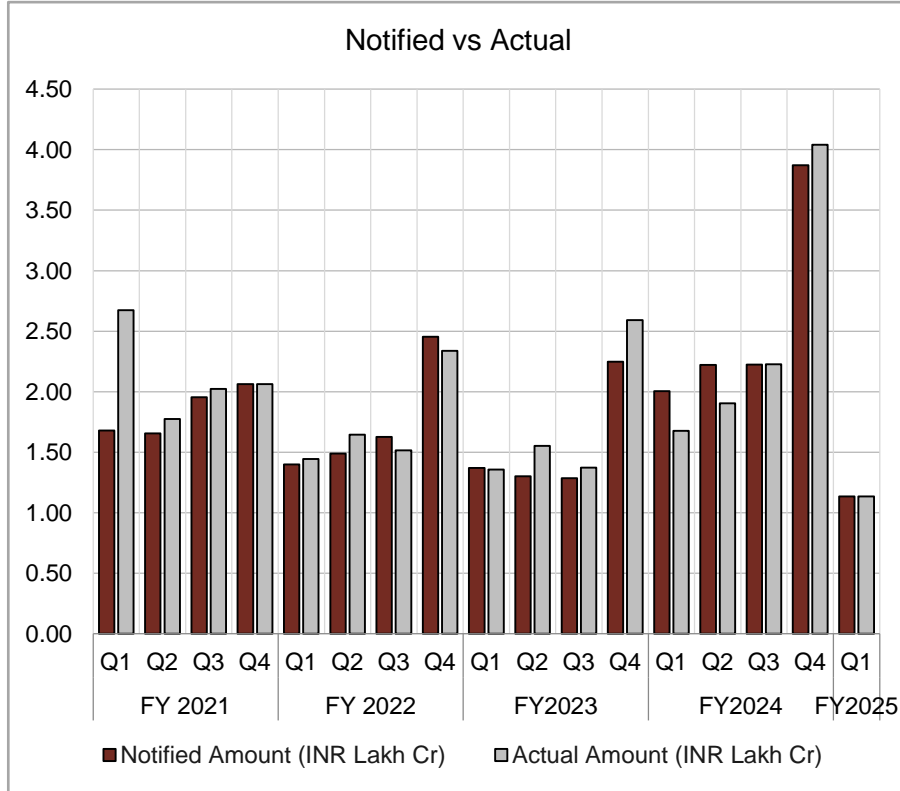
# State Development Loans Auction Notification – June 11, 2024

Notification: June 11, 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	15	500	-	23,000	23,000	100
			19	500	-			
			21	1000	-			
2	6	Haryana	10	1000	-	3,750	3,750	100
3	3*	Jammu and Kashmir	25	500	-	2,900	2,900	100
4		Puducherry	6	150	-	0	0	0
			14	100				
5	17	Punjab	10	1500	-	12,450	12,450	100
6	7	Tamil Nadu	8	2000	-	14,500	14,500	100
7	1*	Uttarakhand	6	500	-	900	900	100
		<b>Total</b>		<b>7,750</b>				

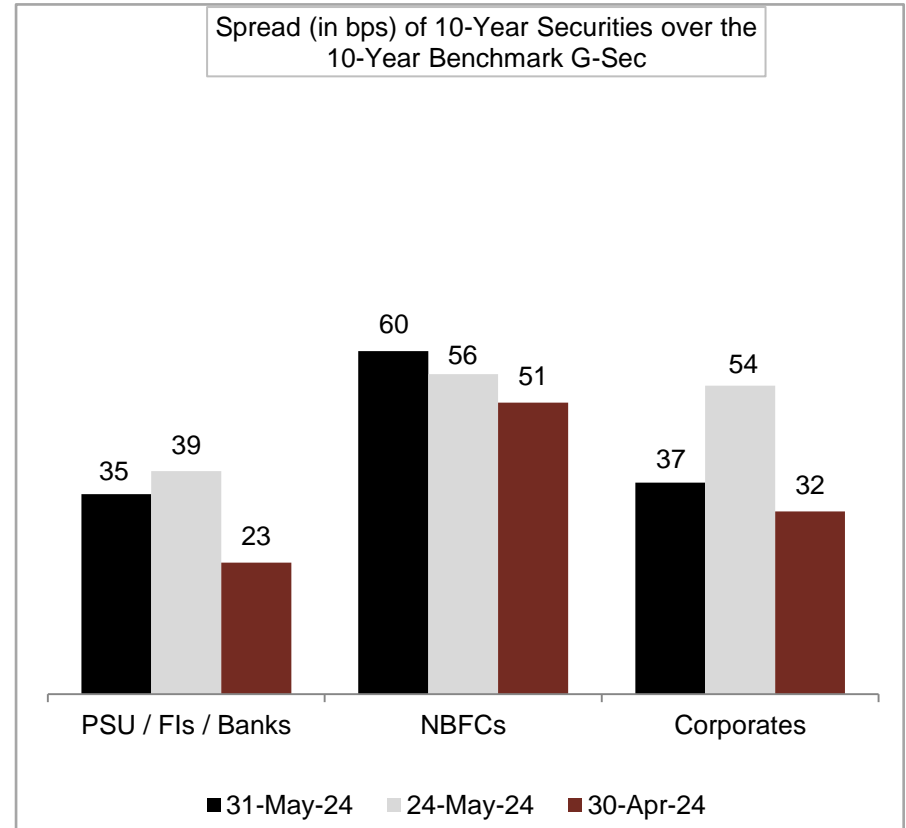
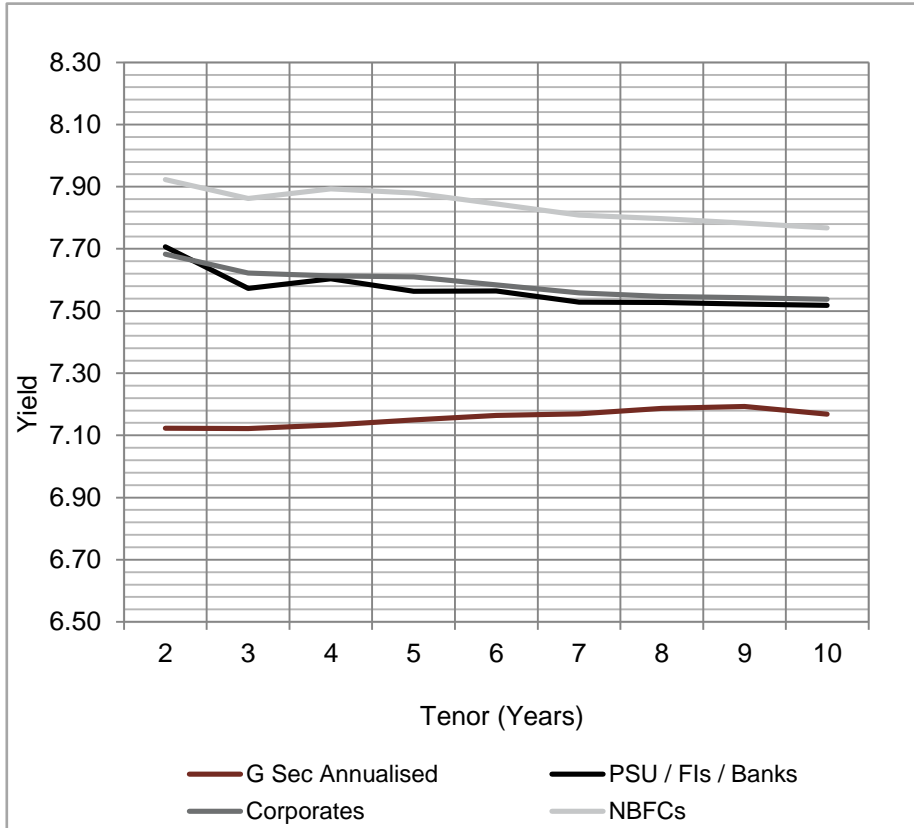
Note: Ranking of States as per the Darashaw State Finance Study 2022-23. \*\*Special State Ranking as per Darashaw State Finance Study 2022-23.

# SDL Auction- Notified vs Actual and Spread Analysis



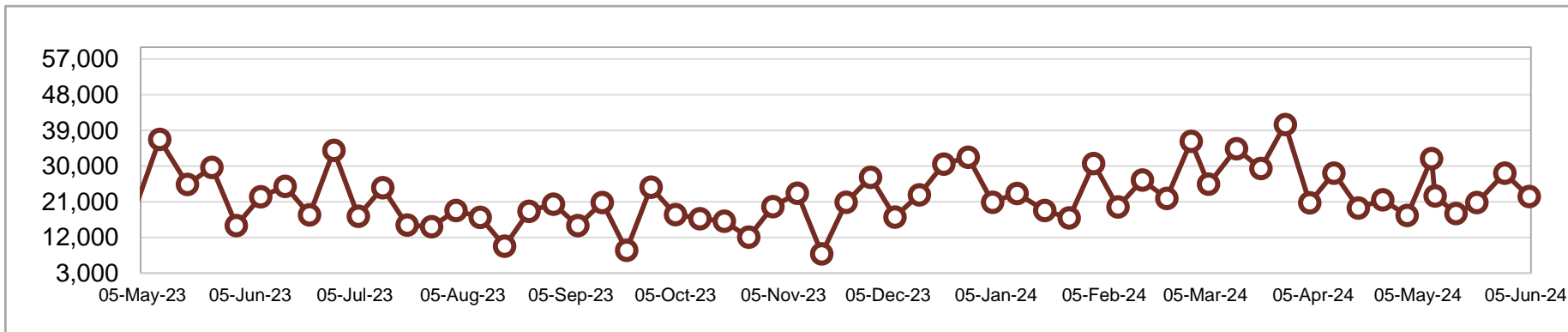
The SDL Yield and G-sec are sourced from the Secondary market

# AAA Rated Bond Yield Curves – May 24, 2024



# Corporate Bonds

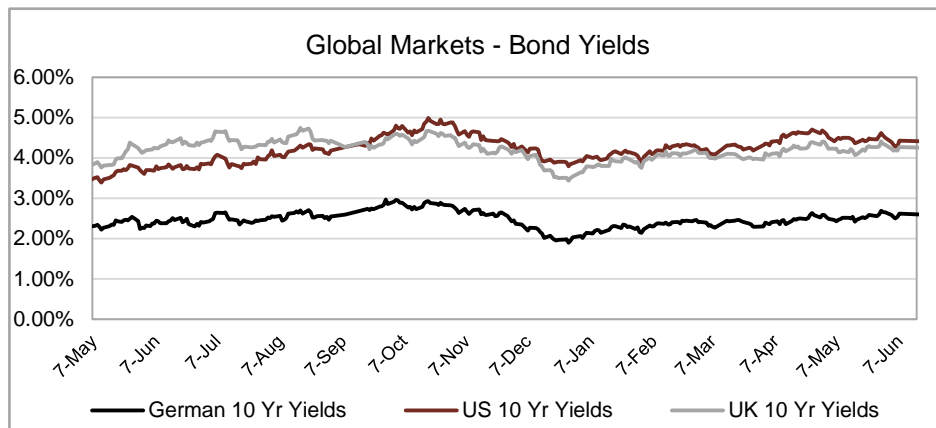
## Volume of Corporate Bonds Traded (INR Cr.)



## Recent Issuances

Issuer	Type	Maturity (Years)	Coupon (%)	Date of Allotment	Benchmark (Annualized)	Rating	Amount (INR Cr)
IREDA	Unsecured	10	7.50%	05-Jun-24	7.12%	AAA	1000
SMFG India Credit Company Ltd	Secured	3	8.28%	03-Jun-24	7.13%	AAA	700
HDB Financial Services Ltd	Secured	3	8.33%	07-Jun-24	7.13%	AAA	780
Hero Fincorp Ltd	Perpetual	-	9.60%	04-Jun-24	7.12%	AA	75
Axis Finance Ltd	Perpetual	-	8.67%	04-Jun-24	7.12%	AAA	100

# Global Bond Yields



## Global 10-Year Yields

Country	07-Jun-24	31-May-24	Change (bps)
US	4.43%	4.50%	-7
UK	4.26%	4.35%	-9
Germany	2.62%	2.66%	-4
China	2.32%	2.33%	-1
Japan	0.98%	1.07%	-10

- US Treasury yields** declined during the week after ISM Manufacturing PMI declined to 48.7 in May'24 from 49.2 in Apr'24 amid a decline in demand. Further, new orders declined to 45.4 in May'24 compared to 49.1 in Apr'24 while production eased to 50.2 in May'24 compared to 51.3 in Apr'24. However, the downward movement in the yield was limited amid more-than-expected rise in US Non-farm Payrolls in May'24 compared to the previous month.
- UK yields** traded downwards following a decline in the US yields. Moreover, the downward movement of the yield was further accentuated as UK's Manufacturing PMI increased to 51.2 in May'24 from 49.1 in Apr'24 due to strong market conditions. Further, new business for UK manufacturers rose for the second time in three months and reached the highest level since Apr'22.
- German Bund yields** traded downward during the week tracking a fall in US Treasury yields. Moreover, the downward movement of the yield was further accentuated after the European Central Bank reduced its key policy rates by 25 bps Jun'24 amid a decline in inflationary pressure. Further, the ECB reduced its deposit facility rate to 3.75% in Jun'24 from 4% and its main refinancing rate to 4.25% in Jun'24 from 4.5% while the marginal lending facility rate was reduced to 4.5% in Jun'24 from 4.75%.



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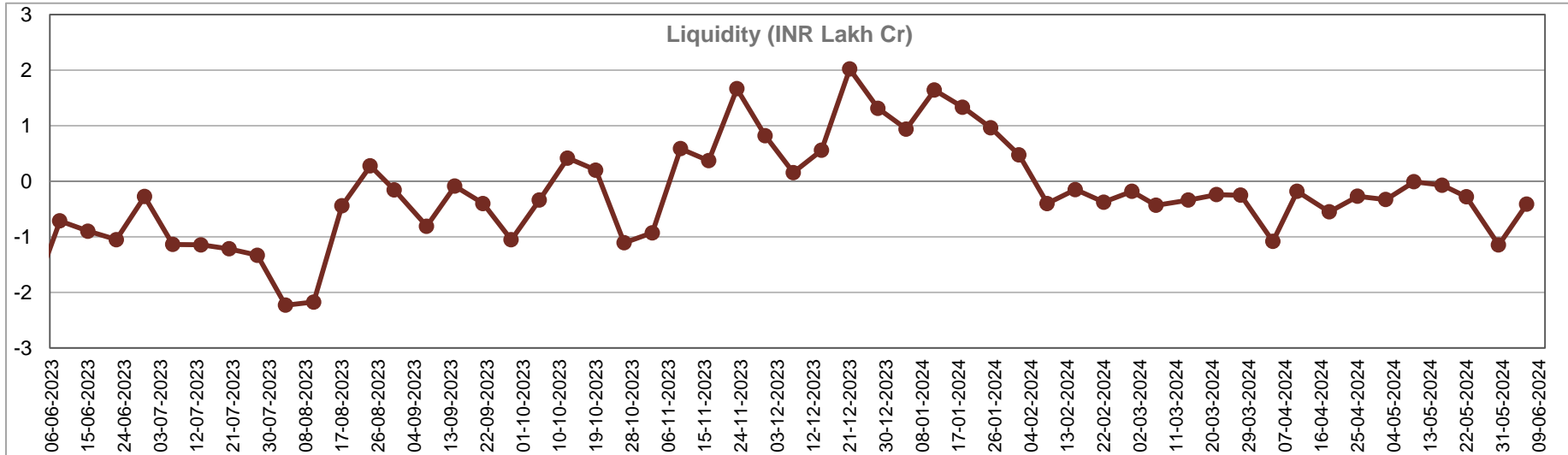
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# Treasury Bills / Policy Rates / Systemic Liquidity

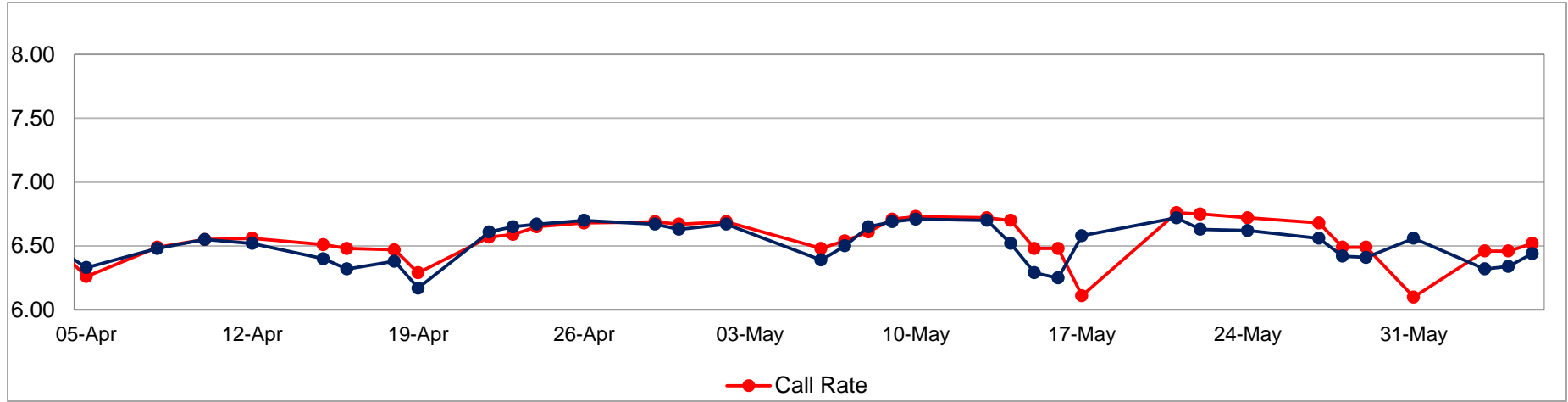
Policy Rates			T-Bill Yields			
Bank Rate	6.75%		Tenor	31-May-24	24-May-24	
Repo Rate	6.50%		91 Day	6.89	6.85	
Rev Repo Rate	3.35%		182 Day	7.00	7.00	
MSF	6.75%		364 Day	7.02	7.04	
CRR	4.50%					
SLR	18.0%					
T-Bill Auction						
Tenor	Amount (INR Cr)	B/C Ratio		Cut Off Yield (%)		Auction on June 12, 2024 Amount (INR Cr)
		As on Jun 05, 2024	As on May 29, 2024	As on Jun 05, 2024	As on May 29, 2024	
91 Days	4,000.00	3.24	3.64	6.86%	6.85%	4,000.00
182 Days	4,000.00	3.26	3.97	7.02%	7.01%	4,000.00
364 Days	4,000.00	4.18	3.43	7.03%	7.02%	4,000.00
<b>Total</b>	<b>12,000.00</b>					<b>12,000.00</b>

# Treasury Bills / Policy Rates / Systemic Liquidity

Liquidity Position (₹ Bn)		
Weekly Data	June 3, 2024	May 30, 2024
Average Reverse Repo	42.15	65.29
Average Net LAF	(11.30)	(34.44)
Average MSF	2.39	4.49
<b>Average Liquidity Position</b>	<b>0.41</b>	<b>(20.64)</b>



# Call Rate / Tri-Party Repo Rate



Particulars	May 29, 2024	June 5, 2024
Call Rate	6.49	6.52
Tri-Party Repo	6.41	6.44



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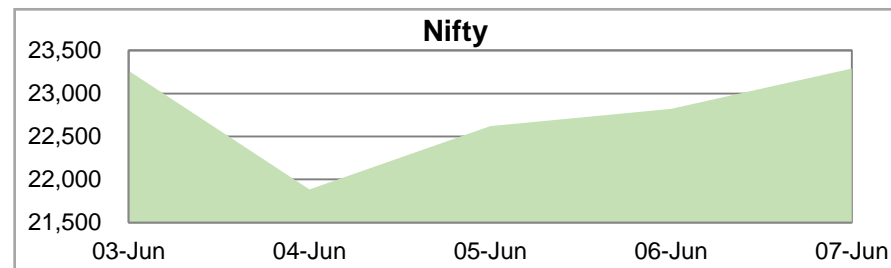
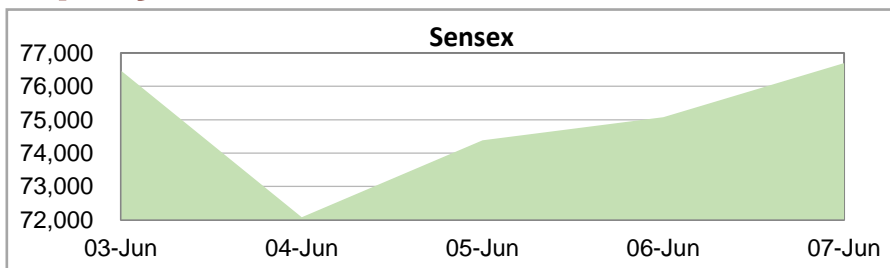
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# Equity Markets



## Domestic Indices

Index	07-June-24	31-May-24	% Change
Sensex	76,693.36	73,961.31	3.69
Nifty	23,290.15	22,530.70	3.37
Nifty Mid Cap 50	14,952.40	14,443.45	3.52
Nifty Small Cap 50	8,086.40	7,726.75	4.65

## Global Indices

S&P 500	5,346.99	5,277.51	1.32
DJIA	38,798.99	38,688.32	0.29
NASDAQ	17,133.13	16,735.01	2.38
FTSE 100	8,245.37	8,275.38	-0.36
Nikkei	38,683.93	38,487.90	0.51
Hang Seng	18,366.95	18,079.61	1.59

## Domestic benchmark Indices

- Indices opened the week higher and surged to new closing highs as investors anticipated the likelihood that the incumbent party would return to power with a strong majority, based on exit poll numbers. However, the indices traded downwards towards the second half of the session as investors turned cautious as early vote counts suggested that current government alliance failed to achieve the anticipated landslide victory, leading to 8% intraday fall in the market. Further, there was raising concerns with regards to continuation of economic policies and a renewed push for market-friendly measures such as land and labor reforms that are deemed crucial for India's robust growth momentum.
- During the mid-week, the indices reversed their trajectory and traded upwards after general elections for FY24 concluded with the ruling party securing the winning position for the third consecutive term providing political stability to investors. Further, Fitch rating maintained a positive outlook on India's medium-term economic growth amid expectations of potential increase in government capital expenditure.
- Towards the end of the week, the indices continue to trade upward after RBI upwardly revised India's GDP forecast to 7.2% from 7% for FY25 on account of growing demand from rural and urban economy coupled with bolstered monsoon projections. Meanwhile, RBI MPC kept the policies rates unchanged and maintained its stance of withdrawal of accommodation to ensure that inflation progressively aligns to the 4% inflation target.

## US Indices

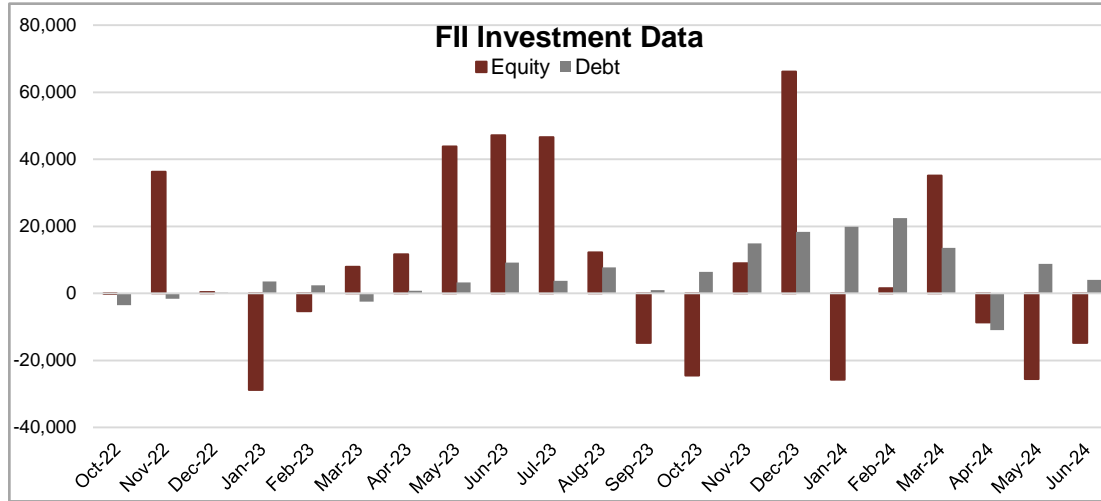
- The US stock indices initially traded upwards after US Manufacturing PMI increased to 51.3 in May'24 from 50 in Apr'24 amid a rise in new orders. The indices continued to trade upwards as market sentiment buoyed after the US unemployment rate rose to 4% in May'24 as compared to 3.9% in Apr'24 indicating that the US Fed may cut interest rates in its upcoming FOMC meeting. However, the Non-Farm payrolls increased to 272k in May'24 as compared to 165k in Apr'24 amid seasonal demand at this time of the year.

# Nifty – June 10, 2024 (23,290.15)



Support:- 22526, 21894 Resistance: 23338, 23723 - 25311

# Markets Investment Data



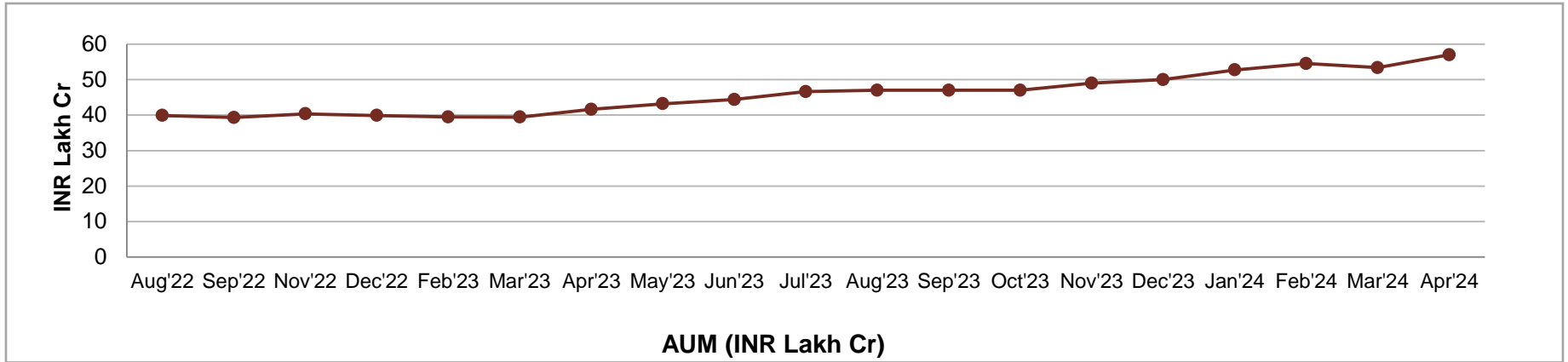
Weekly Investment Data						
Week	Equity			Debt		
	Gross Purchase	Gross Sale	Net Invest.	Gross Purchase	Gross Sales	Net Invest.
	(INR Cr)	(INR Cr)	(INR Cr)	(INR Cr)	(INR Cr)	(INR Cr)
DII	1,05,153.63	1,18,872.05	-13,718.42	1,09,824.70	1,04,245.99	5,578.71
FII	1,84,212.94	1,99,007.17	-4,793.14	10,740.86	6,732.97	4,443.11

FII Investment Data		
Month	Equity	Debt
	Net Invest.	Net Invest.
	(INR Cr)	(INR Cr)
June-24	-14,794	4,008
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
Nov-23	9001	14,860
Oct-23	-24,548	6,382
Sep-23	-14,768	938

FII Investment Data		
Year	Equity	Debt
	Net Invest.	Net Invest.
	(INR Cr)	(INR Cr)
FY25	-49,052	1,819
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
<b>Apr'24</b>	5,725,898	20,371	18,917	<b>Apr'23</b>	4,161,822	13,728
<b>Mar'24</b>	5,340,195	19,271	22,633	<b>Mar'23</b>	3,942,031	14,276
<b>Feb'24</b>	5,454,214	19,187	26,866	<b>Feb'23</b>	3,946,256	13,686
<b>Jan'24</b>	5,274,001	18,838	21,780	<b>Jan'23</b>	3,931,446	13,856
<b>Total</b>	<b>21,794,308</b>	<b>77,667</b>	<b>90,196</b>	<b>Total</b>	<b>15,981,555</b>	<b>55,546</b>





## Weekly Market Update

News & WSS

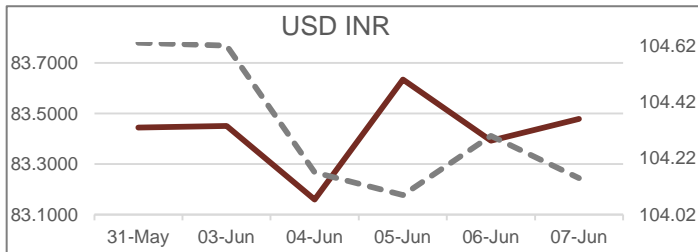
Bond

Money Market

Equity

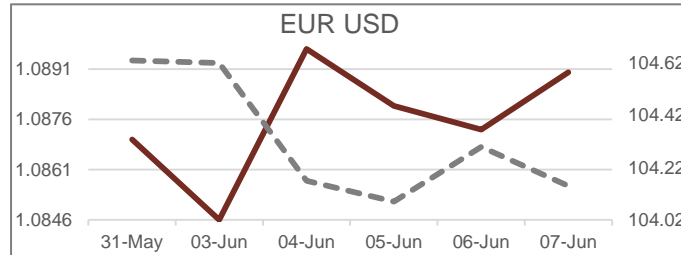
Forex & Crude

# Foreign Exchange Report



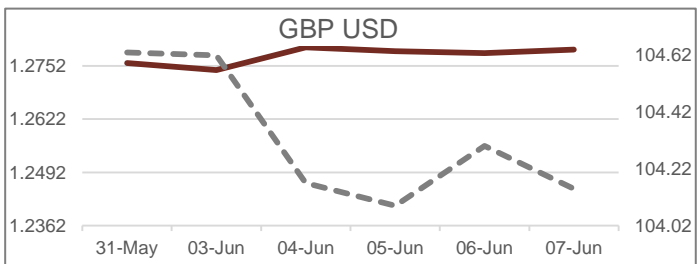
31-May	07-Jun
83.45	83.48
<b>0.04%</b>	

**The Indian rupee** depreciated marginally during the week, after the incumbent government secured victory in the general elections with a reduced margin of victory, raising concerns over a possible deterioration in fiscal policy. However, the down move was limited after the RBI maintained interest rates at their current levels in its Jun'24 MPC meeting.



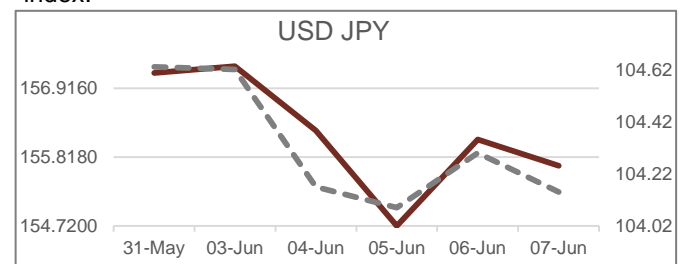
31-May	07-Jun
1.0870	1.0890
<b>0.18%</b>	

**The Euro** appreciated during the week, despite an interest rate reduction by the ECB in its Jun'24 meeting, as the central bank's officials stated that policy would continue to remain restrictive in order to bring inflation durably to its 2% target. Moreover, the currency was also supported by a slight fall in the dollar index.



31-May	07-Jun
1.2759	1.2792
<b>0.26%</b>	

**The British Pound** appreciated during the week amid anticipation that the BoE will maintain interest rates at their current level in its upcoming meeting, coupled with expectations of delayed rate cuts by the US Federal Reserve. However, ongoing political uncertainty in the UK due to the upcoming elections limited the appreciation.



31-May	07-Jun
157.16	155.68
<b>-0.94%</b>	

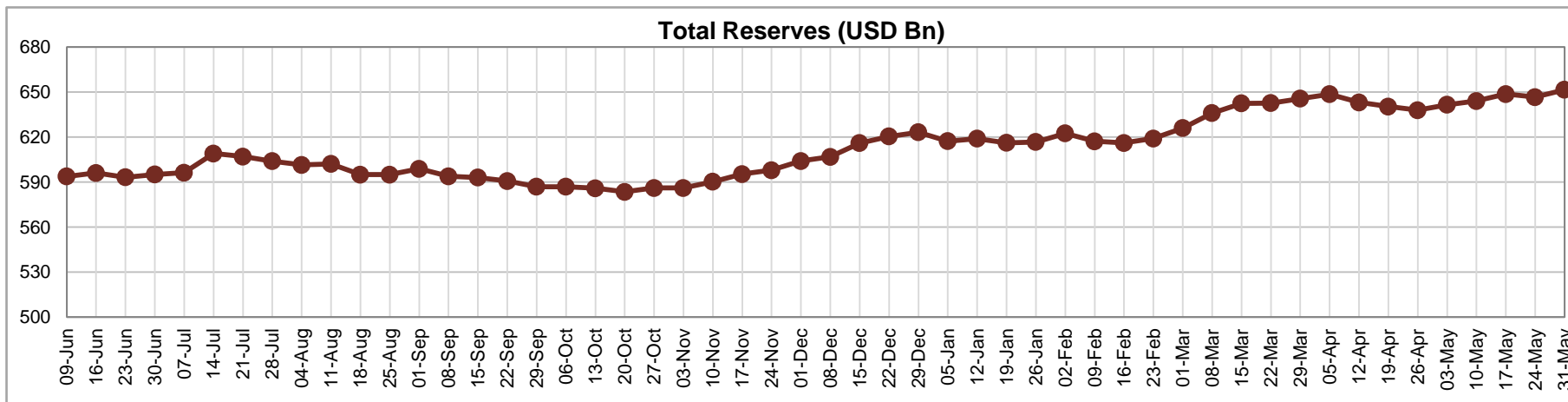
**The yen** appreciated during the week as the BoJ hinted at possible rate hikes if the yen's decline spurs inflation ahead of its upcoming Jun'24 meeting, coupled with expectations that the central bank will begin to reduce its bond purchases.

**Dollar Index** ended the week lower by **0.09%** at 104.63

--- Dollar Index

# RBI Forex Reserves

	31-May-24	24-May-24	% Change (WoW)	% Change (MoM)	% Change (YoY)
Forex Reserves (USD Bn)	651.510	646.673	0.75%	1.55%	9.49%
Foreign Currency Assets (USD Bn)	572.564	567.499	0.89%	1.49%	8.81%
Gold Reserves (USD Bn)	56.501	66.713	-15.31%	2.95%	24.02%
SDRs (USD Bn)	18.118	18.135	-0.09%	0.37%	-0.4%
Reserves with IMF (USD Bn)	4.326	4.326	0.00%	-3.85%	-15.51%



# Brent Crude

Date	Day	Price (USD/bbl.)	
June 7, 2024	Friday	79.98	↑
June 6, 2024	Thursday	79.87	↑
June 5, 2024	Wednesday	78.41	↑
June 4, 2024	Tuesday	77.52	↓
June 3, 2024	Monday	78.36	↓



- Brent Crude ended the week lower by 2.01% to close at USD 79.98 and WTI Crude ended the week lower by 1.48% to close at USD 75.85.
- Crude oil prices opened the week lower, and initially traded downwards given the uncertainty over muted demand after incoming data indicated a slowdown in US manufacturing coupled with rising production from non-OPEC+ countries.
- During the mid-week, oil prices reversed their trajectory and traded upwards after the ECB cut interest rate for the first time in five years, indicating towards a potential increase in demand.
- In the fag end of the week, oil prices continued to trade upwards after Saudi Arabia stated that OPEC+ countries will cut production in FY25 in case of persistent weakness in demand.
- As per Baker Hughes, the number of active oil rigs drilling for oil declined to 492 for the week ending June 07, 2024.

# Things to watch out for during the week

Date	Country	Things to Watch Out For
10-Jun-24	Japan	GDP Growth Rate
11-Jun-24	UK	Unemployment Rate
12-Jun-24	China	Inflation Rate
12-Jun-24	UK	GDP Growth Rate
		Balance of Trade
12-Jun-24	India	CPI inflation
		IIP
12-Jun-24	US	FOMC Meeting
		Inflation Rate
14-Jun-24	Japan	BOJ Interest Rate decision
14-Jun-24	India	WPI Inflation
		Balance of Trade

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