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ALL ABOUT TRUST

# Weekly Market Update

News & WSS | Bond | Money Market | Equity | Forex & Crude

# Key Domestic News

### Chief Economic Advisor projects steady 6.5-7% growth and enduring demographic dividend amid shifting global trade dynamics

- According to the Chief Economic Advisor, India's economy is set for a robust growth trajectory of 6.5-7% with a demographic advantage expected to last another 15-20 years, even as the rupee depreciates by 3% annually due to inflation differentials.
- While strong capital markets continue to offer solid exit opportunities for investors, he cautioned that global trade and capital flows may be constrained by higher inflation and tighter financial conditions, emphasizing the need for a structured regulatory approach that balances financial growth with reduced compliance burdens on businesses.

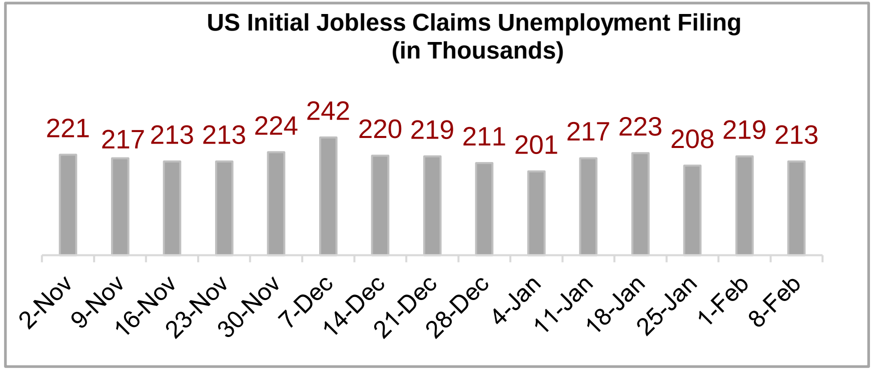
### India’s net direct tax collections surge 15% to INR 17.78 Lakh Cr in FY25, driven by a 21% boost in personal income tax

- India's net direct tax collection surged 15% to INR 17.78 Lakh Cr in FY25, driven by a 21% rise in personal income tax to approximately INR 9.48 Lakh Cr and over 6% increase in net corporate tax revenue to over INR 7.78 Lakh Cr between April 1, 2024 and February 10, 2025.
- The government revised its fiscal estimates, raising the income tax target to INR 12.57 Lakh Cr from INR 11.87 Lakh Cr and lowering the corporate tax target to INR 9.80 Lakh Cr from INR 10.20 Lakh Cr, resulting in overall direct tax collections of INR 22.37 Lakh Cr compared to the budgeted INR 22.07 Lakh Cr.

### According to media reports, India’s trade deficit projected to narrow in Jan’24 amid declining gold imports

- India’s merchandise trade deficit is projected to decrease to USD 20.88 Bn in Jan’25 from USD 21.94 Bn in Dec’24, primarily driven by a decline in gold imports, influenced by rising global prices and the end of the festive and wedding season.
- Despite an increase in oil imports because of higher crude prices, exports of petroleum products face challenges amid sluggish demand from developed economies. Consequently, the widening oil trade deficit remains a key concern as global market conditions continue to impact India’s trade balance.

# Key International News




### United States

- In Jan’25, U.S. retail sales fell by 0.9% MoM, marking the steepest decline since Mar’23, driven by severe weather and LA fires, while core retail sales dropped by 0.8%.
- The downturn was led by sectors such as sporting goods, hobby, musical instrument, and book stores, followed by motor vehicles and parts dealers, nonstore retailers, furniture, building materials and garden equipment, clothing, health and personal care, and food and beverages, whereas sectors like gasoline stations, food services and drinking places, general merchandise, and miscellaneous store retailers recorded modest gains.
- Americans filing for unemployment benefits decreased to 213,000 for the week ended Feb 08, 2025.

### United Kingdom

- UK’s GDP grew by 0.1% in Q4 CY24, with modest gains in the services and construction sectors, while production experienced a contraction driven by declines in manufacturing and mining.
- The overall performance was tempered by falling exports and reduced gross fixed capital formation, although these were partly offset by increased inventory changes and higher government spending, with household expenditure remaining flat.

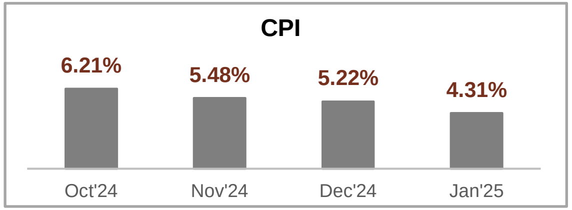
### Euro Area

- Eurozone industrial production fell by 1.1% MoM in Dec’24, reversing an upwardly revised 0.4% growth in Nov’24 driven by reduced output in capital goods, intermediate goods, and durable consumer goods, while production increased for non-durable consumer goods and energy. Among the Eurozone largest economies, industrial activity contracted in Germany by 2.9%, Italy by 3.1%, the Netherlands by 1.0%, and France by 0.4%, whereas Spain recorded a 1.4% increase.

### Japan

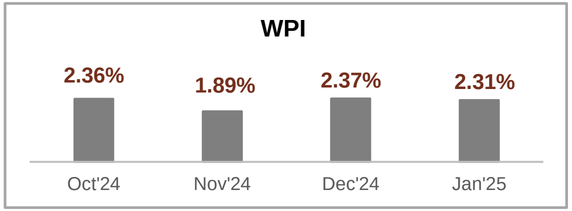
- Japan's current account surplus increased to INR 1,077.3 Bn in Dec'24 from INR 914.5 Bn in Dec'23, marking 23 consecutive months of surplus. The services account deficit saw a significant reduction to INR 0.21 Bn from INR 266.3 Bn, while the secondary income gap narrowed to INR 240.1 Bn. The primary income surplus slightly declined to INR 1,275.5 Bn, while the goods account surplus dropped sharply to INR 0.62 Bn due to a 0.9% contraction in exports, surpassing the 0.3% decline in imports.

# Domestic Macroeconomic Indicators



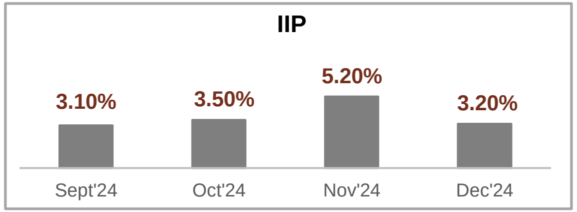

***CPI decreased by 0.91% MoM**

India's retail inflation eased to a five-month low of 4.31% in Jan’25 from 5.22% in Dec’24, driven by slowing food price rises, with rural inflation cooling to 4.64% and urban inflation to 3.87%. This decline was supported by fresh winter produce and a strong kharif output, brought relief to households.



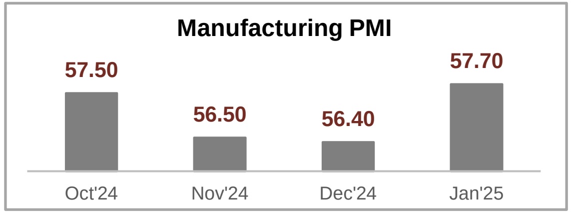

***WPI decreased by 0.60% MoM**

India’s WPI eased to 2.30% in Jan’25 from 2.37% in Dec’24, as softer price increases in primary articles and food contributed to the moderation. However, manufacturing prices surged to a two-year high due to faster rises in food, wearing apparel, and leather products, while fuel and power prices experienced modest declines.



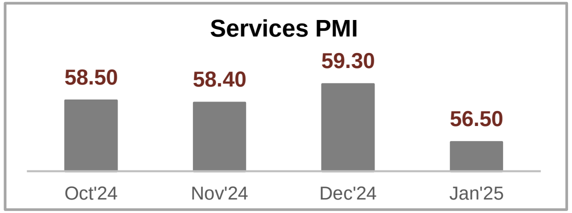

***IIP decreased by 2.00% MoM**

India's industrial production growth slowed to 3.20% in Dec’24 from a six-month high of 5.20% in Nov’24, primarily due to a slowdown in the manufacturing sector. The mining, manufacturing, and electricity sectors recorded growth rates of 2.6%, 3.0%, and 6.2%, respectively, reflecting mixed momentum across industries.



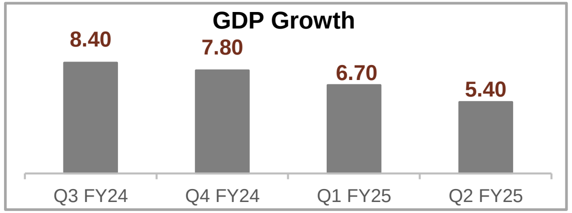

**Manufacturing PMI increased by 1.30% MoM**

India's Manufacturing PMI increased to 57.7 in Jan’25 from 56.4 in Dec’24, marking the fastest expansion since Jul’24. Furthermore, new orders rose sharply, driven by a significant increase in exports, prompting manufacturers to ramp up production and input purchases. Additionally, employment expanded at the fastest pace in nearly two decades, and inventory levels were successfully increased.




**Services PMI decreased by 2.80% MoM**

India’s Services PMI was revised lower to 56.5 in Jan’25 from 59.3 in Dec’24, marking the slowest growth since Nov’22. Furthermore, while new orders increased, the pace was the weakest since Nov’23, though foreign sales saw faster growth, particularly from Asia, Europe, the Middle East, and the Americas.

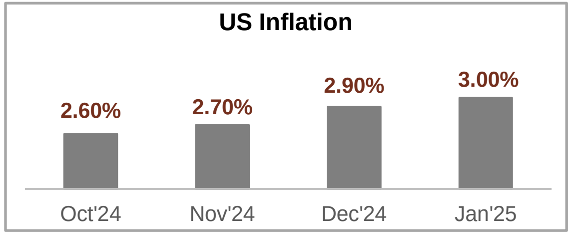



**GDP growth decreased to 5.40% YoY**

India's economic growth eased to 5.4% in Q2FY25, down from 6.7% in Q1FY25, due to weaker consumption, subdued government spending, and adverse weather conditions. Additionally slowdown, was impacted by muted urban demand, rising food inflation in Oct’24, and higher borrowing costs.

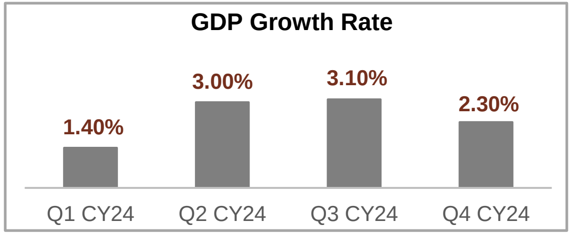
*There has been an update to the data in the last week.*

# Global Macroeconomic Indicators




***US Inflation increased by 0.10% MoM**

US inflation rose to 3.00% in Jan’25 from 2.90% in Dec’24 as energy costs rose 1.00% YoY, the first increase in six months, mainly due to rise in prices of gasoline, fuel oil and natural gas. Also, prices for used cars and trucks rebounded, cost accelerated for transportation and fell less for new vehicles.

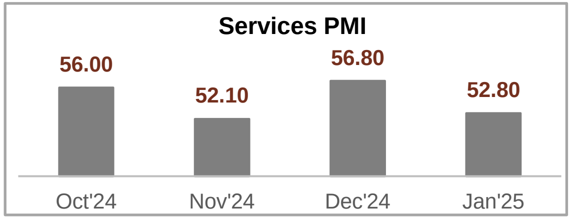



**US GDP rate decreased by 0.80% QoQ**

US economy growth fell to 2.3% in Q4CY24, the slowest growth in three quarters, down from 3.1% in Q3CY24. Additionally, government expenditure rose at a slower pace at 2.5% in Q4CY24 as compared to 5.1% Q3CY24. Further, the economy advanced at 2.8% for the full year of 2024.

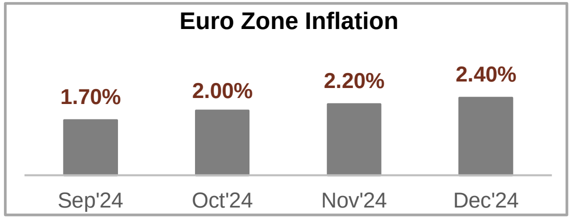

**US Manufacturing PMI increased by 1.60% MoM**

The US Manufacturing PMI rose to 50.9 in Jan’25, up from 49.2 in Dec’24, signalling the first expansion in 26 months. Moreover, new orders increased at a faster pace, while production and employment rebounded. Additionally, supplier deliveries slowed slightly, and inventories declined further.



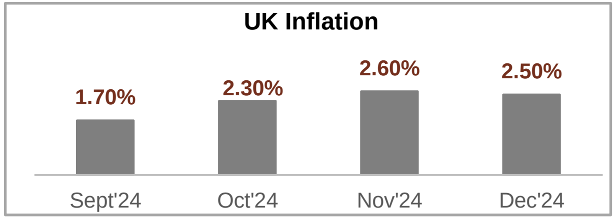

**US Services PMI decreased by 4.00% MoM**

The US Services PMI declined to 52.8 in Jan’25 from 54 in Dec’24, signaling a slower expansion in the services sector. Furthermore, business activity and new orders saw smaller increases, while inventories remained in contraction for the third consecutive month.




**Eurozone Inflation increased by 0.20% MoM**

Euro Area's Inflation increased to 2.4% in Dec’24, primarily due to base effect. Further, energy costs increased by 0.1% MoM and inflation to services increased to 4% while cost for non-energy industrial goods increased 0.7%.




**UK Inflation decreased by 0.10% MoM**

UK’s inflation rate fell to 2.5% in Dec'24 from 2.6% in Nov'24, primarily due to slower price increases in services, recreation, and hospitality, while food inflation remained steady. Additionally, transport costs contracted at a slower pace.

** There has been an update to the data in the last week.*

# RBI WSS Data (Data in INR Billion)

| Scheduled Commercial Banks Business (SCBs) | Latest Data | % Change from | % Change from | % Change from |
|---|---|---|---|---|
| | 24-Jan-25 | 10-Jan-25 | 29-Dec-24 | 26-Jan-24 |
| Food Credit | 561.79 | -2.67 | 30.23 | 23.15 |
| Non-Food Credit | 1,78,185.77 | 0.42 | 11.94 | 11.37 |
| Bank Credit | 1,78,747.56 | 0.41 | 11.99 | 11.41 |
| Aggregate Deposits | 2,21,289.32 | -0.10 | 10.19 | 10.32 |
| Investments (SLR) | 66,355.26 | 0.24 | 10.75 | 11.03 |
| | 24-Jan-25 | 10-Jan-25 | 29-Dec-24 | 26-Jan-24 |
| Cash/ Deposit Ratio | 4.42 | -3.28 | -14.67 | -10.57 |
| Credit/ Deposit Ratio | 79.01 | 0.47 | 2.49 | 1.24 |
| Investment/ Deposit Ratio | 29.84 | 0.34 | 1.12 | 0.81 |

# Weekly Market Update

News & WSS | **Bond** | Money Market | Equity | Forex & Crude

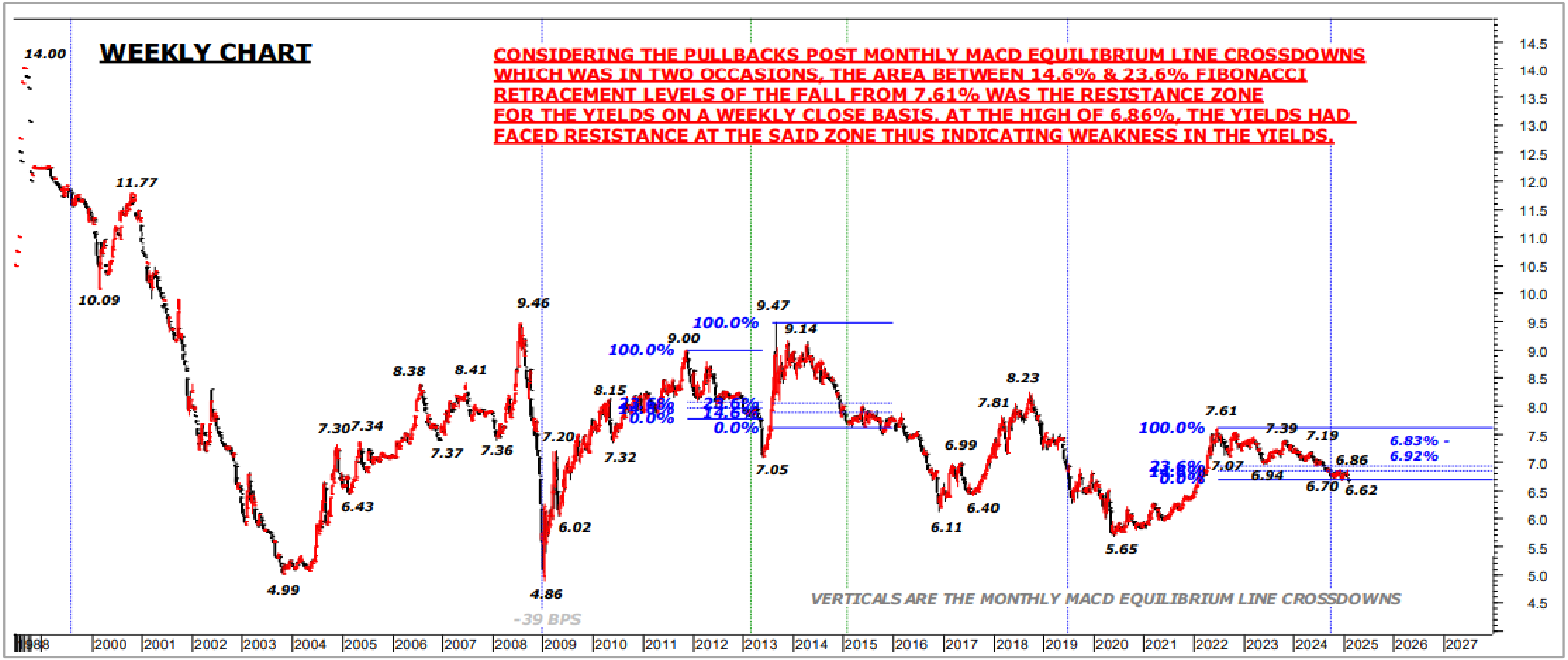
# Government Securities

| G-Sec Yields | | | |
|---|---|---|---|
| **Security** | **Tenor** | **07 February 2025** | **31 January 2025** |
| 364 DTB | 1 | 6.52 | 6.57 |
| 5.74% GS 2026 | 2 | 6.58 | 6.57 |
| 7.04% GS 2029 | 5 | 6.63 | 6.63 |
| 6.79% GS 2034 | 10 | 6.70 | 6.69 |
| 7.23% GS 2039 | 15 | 6.86 | 6.84 |
| 8.17% GS 2044 | 20 | 6.94 | 6.93 |
| 7.40% GS 2062 | 38 | 7.02 | 7.02 |
| 7.09% GS 2074 | 49 | 7.03 | 7.04 |

| G-Sec Auction Results - Feb 14 2025 | | | |
|---|---|---|---|
| **Security** | **Amount (INR Cr)** | **Cut-Off Yield** | **B/C** |
| 6.64% GS 2027 | 7,000 | 6.61% | 0.31 |
| 6.79% GS 2034 | 22,000 | 6.71% | 0.41 |
| 7.09% GS 2074 | 10,000 | 7.07% | 0.40 |
| | **39,000** | | |

- For the week ended February 14, 2025, the new 10-year benchmark recorded a close at 6.71%, rising by 1 bp from the close of the previous week.
- The yields opened the week higher and traded upwards primarily due to global trade concerns after the U.S. administration proposed 25% tariffs on steel and aluminum imports, fueling fears of escalating trade tensions and their potential repercussions, negatively impacting investor sentiment. However, positive remarks by the RBI Governor stating that the Indian economy could achieve a growth of more than 7% in the upcoming years driven by increased capital expenditure limited the further up move in the yields.
- During the mid-week, yields reversed their trajectory and traded with a downward bias after India's net direct tax collections rose by 14.69% YoY to INR 17.78 lakh Cr amid rise in personal income tax by 21% YoY to INR 9.48 lakh Cr and corporate tax by 6% YoY to INR 7.79 lakh Cr. Additionally India's CPI inflation fell to 4.31% YoY in Jan'25 compared to 5.22% YoY in Dec'24 amid deceleration in food prices primarily vegetables.
- Towards the end of the week, the down move in the yields was limited India's industrial production grew by 3.2% YoY in Dec'24 compared to a growth of 5% YoY in Nov'24 primarily attributed to a slowdown in manufacturing activity. However, India's wholesale inflation eased to 2.31% YoY in Jan'25 compared to 2.37% YoY in Dec'24 amid moderation in prices of food prices and primary articles along with softer decline in fuel & power prices which limited the further up move in the yields.
- The RBI conducted an auction of G-Sec for a notified amount of INR 39,000 Cr during the week ending February 14, 2025, with cut-off yields ranging around 6.61% - 7.07%.

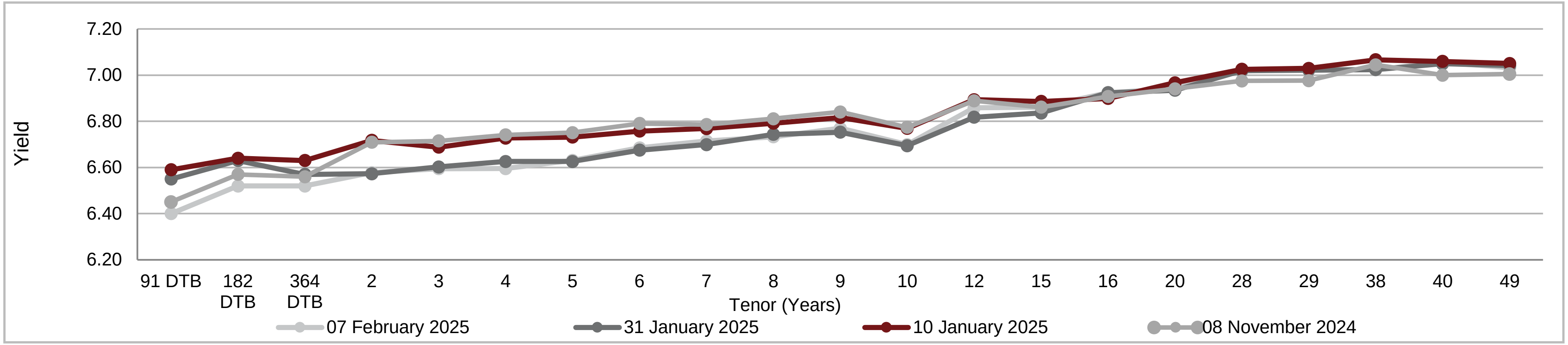
# Ten Year GOI Yields – 6.71% (February 14, 2025)



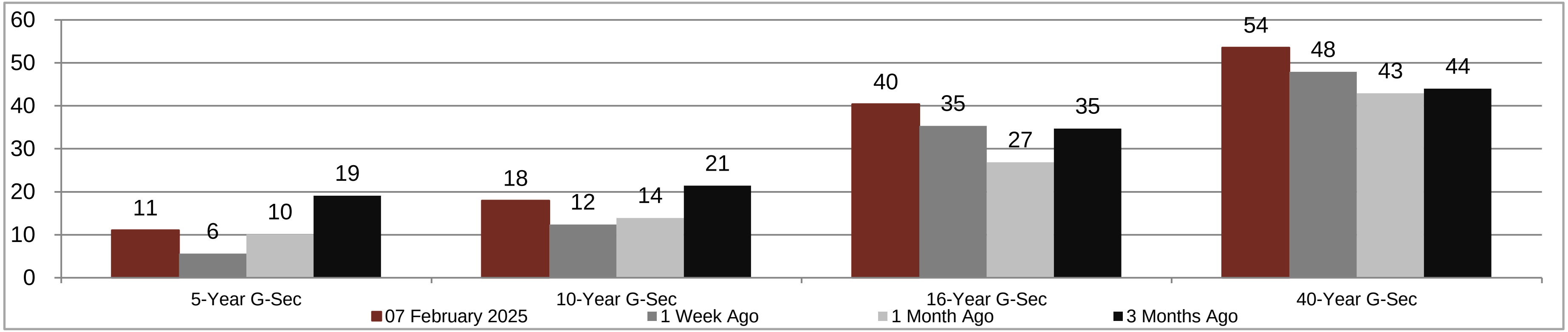

Support:- 6.63%, 6.24%

Resistance: 6.71% & 6.73% (Daily Close basis)

# Sovereign Yield Curve – February 07, 2025




## Spread between 364 DTB and G-Sec



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# State Development Loans Auction Results – February 11, 2025

| Auction Result: February 11, 2025 | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| S No. | Rank | State | Amount to be Raised (INR Cr) | Tenure (Years) | Cut-Off Yield | Cut-Off Yield (Annualized) | Amount Raised (FY24) (INR Cr) | Amount Raised FYTD25 (INR Cr) |
| 1 | 18 | Bihar | 1,000 | 12 | 7.14% | 7.27% | 47,612 | 44,000 |
| | | | 1,000 | 20 | 7.18% | 7.31% | | |
| 2 | 8 | Chhattisgarh | 1,000 | 8 | 7.14% | 7.27% | 32,000 | 7,500 |
| 3 | 1 | Gujarat | 1,000 | 7 | 7.07% | 7.19% | 30,500 | 25,700 |
| | | | 1,500 | 9 | 7.08% | 7.21% | | |
| 4 | 6 | Haryana | 1,500 | 13 | 7.14% | 7.27% | 47,500 | 34,500 |
| 5 | | Jammu and Kashmir | 200 | 20 | 7.18% | 7.31% | 16,337 | 12,870 |
| 6 | 3 | Karnataka | 2,000 | 06 years and 06 months | 7.08% | 7.21% | 81,000 | 64,025 |
| | | | 2,000 | 08 years and 06 months | 7.11% | 7.24% | | |
| 7 | 2 | Maharashtra | 1,000 | Re-issue of 7.12% Maharashtra SGS 2036, issued on February 05, 2025 | 7.13% | 7.26% | 1,10,000 | 94,000 |
| | | | 1,000 | Re-issue of 7.13% Maharashtra SGS 2037, issued on February 05, 2025 | 7.13% | 7.26% | | |
| | | | 1,000 | Re-issue of 7.12% Maharashtra SGS 2038, issued on February 05, 2025 | 7.13% | 7.26% | | |
| | | | 1,000 | Re-issue of 7.14% Maharashtra SGS 2039, issued on February 05, 2025 | 7.13% | 7.26% | | |
| 8 | 9* | Mizoram | 119 | 10 | 7.16% | 7.29% | 901 | 1,049 |
| 9 | 7 | Tamil Nadu | 1,000 | 10 | 7.09% | 7.22% | 1,14,000 | 94,000 |
| | | | 1,000 | 20 | 7.17% | 7.30% | | |
| | | | 1,000 | 30 | 7.18% | 7.31% | | |
| | | **Total** | **18,319** | | **-** | **-** | **4,79,850** | **3,77,644** |

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 – February 18, 2025

| Notification: February 18, 2025 | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| 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 | 10 | 900 | - | 12,200 | 12,950 | 106 |
| 2 | 18 | Bihar | 12 | 1,000 | - | 42,000 | 44,000 | 105 |
| | | | 20 | 1,000 | - | | | |
| 3 | 1 | Gujarat | 6 | 500 | - | 27,200 | 25,700 | 94 |
| | | | 8 | 1,500 | - | | | |
| | | | 12 | 1,500 | - | | | |
| 4 | 6 | Haryana | 13 | 1,000 | - | 34,500 | 34,500 | 100 |
| 5 | 3 | Karnataka | 9 years and 6 months | 2,000 | - | 66,000 | 64,025 | 97 |
| | | | 11 years and 6 months | 2,000 | - | | | |
| 6 | 10 | Madhya Pradesh | 12 | 2,000 | - | 30,000 | 35,000 | 117 |
| | | | 15 | 2,000 | - | | | |
| | | | 23 | 2,000 | - | | | |
| 7 | 5 | Odisha | 3 | 1,000 | - | 4,000 | 4,000 | 100 |
| | | | 6 | 1,000 | - | | | |

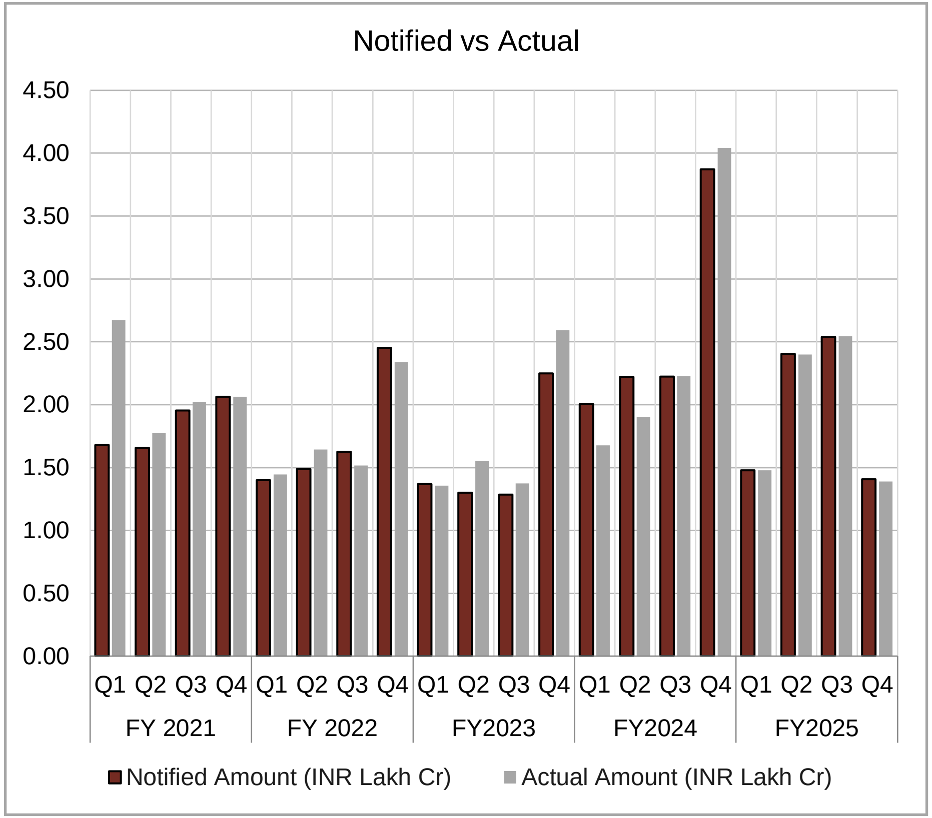
Note: Ranking of States as per the Darashaw State Finance Study 2022-23. *Special State Ranking as per Darashaw State Finance Study 2022-23.

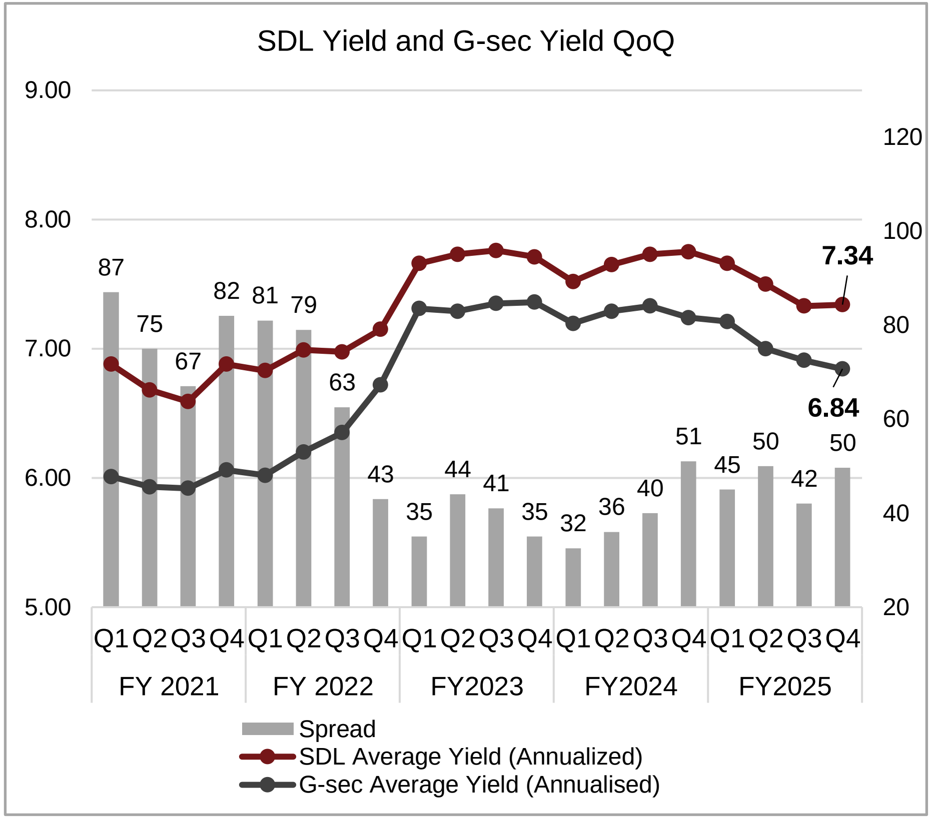
# State Development Loans Auction Notification – February 18, 2025

| Notification: February 18, 2025 | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| 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 (%) |
| 8 | - | Puducherry | 6 | 100 | - | 1,200 | 900 | 75 |
| | | | 14 | 100 | - | | | |
| | | | 15 | 200 | - | | | |
| 9 | 15 | Rajasthan | 12 | 500 | - | 58,950 | 57,800 | 98 |
| | | | Re-issue of 7.62% Rajasthan SGS 2043, issued on October 18, 2023 | 1,000 | - | | | |
| 10 | 7 | Tamil Nadu | Re-issue of 7.09% Tamil Nadu SGS 2035, issued on February 12, 2025 | 1,000 | - | 93,000 | 94,000 | 101 |
| | | | Re-issue of 7.18% Tamil Nadu SGS 2055, issued on February 12, 2025 | 2,000 | - | | | |
| 11 | 12 | Uttar Pradesh | 14 | 3,000 | - | 32,000 | 29,000 | 91 |
| 12 | 16 | West Bengal | Re-issue of 7.15% West Bengal SGS 2040, issued on January 01, 2025 | 2,500 | - | 46,000 | 46,500 | 101 |
| | | **Total** | | **29,800** | | **4,47,050** | **4,48,375** | |

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



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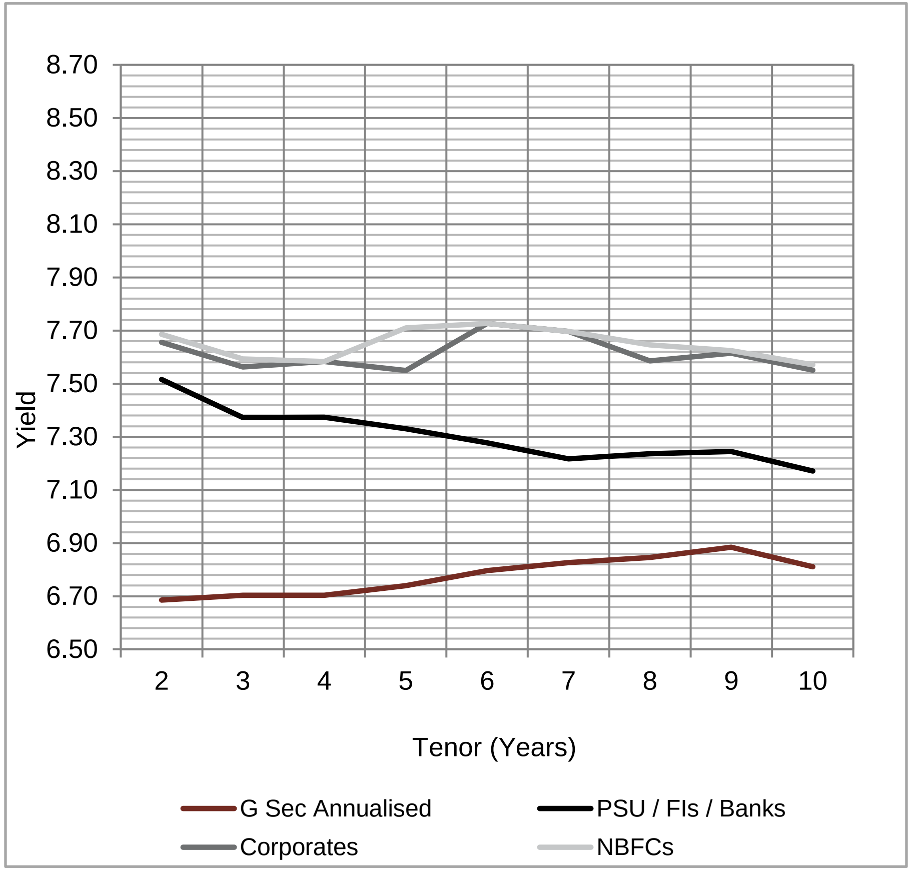
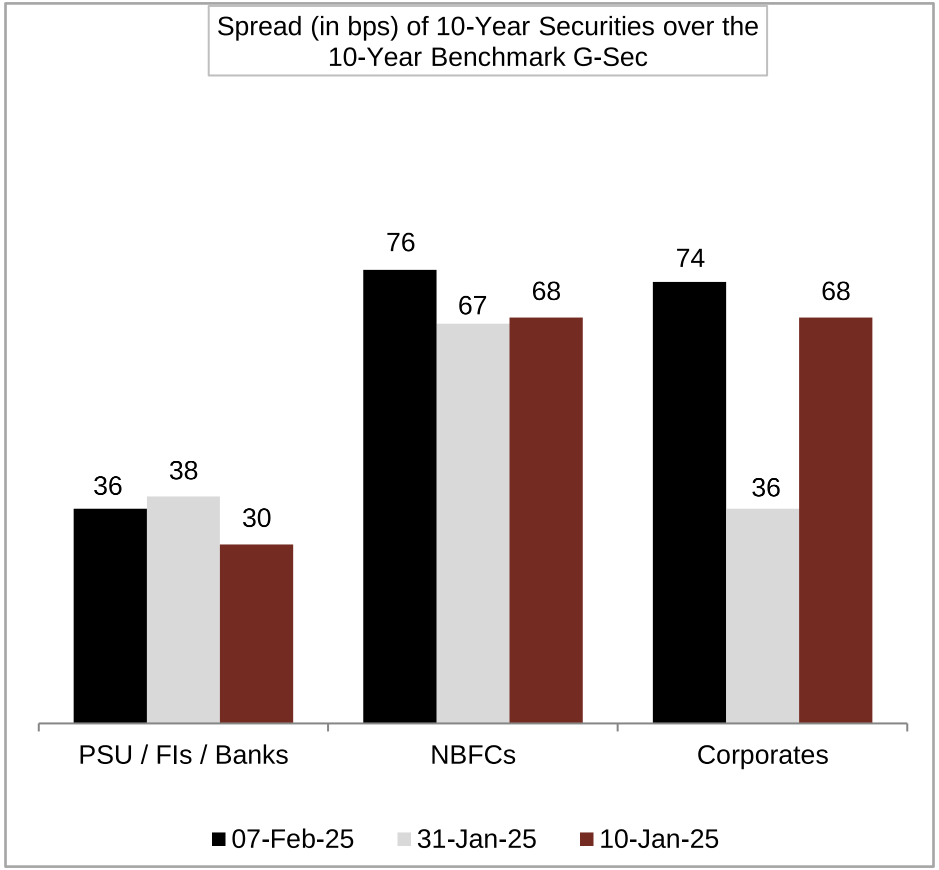
# AAA Rated Bond Yield Curves – February 07, 2025



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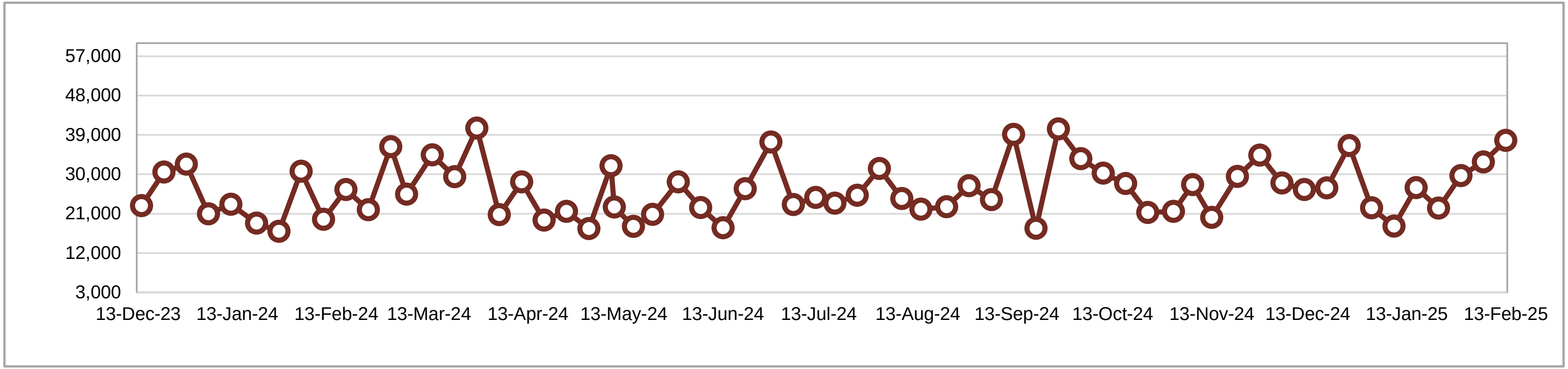
# Corporate Bonds

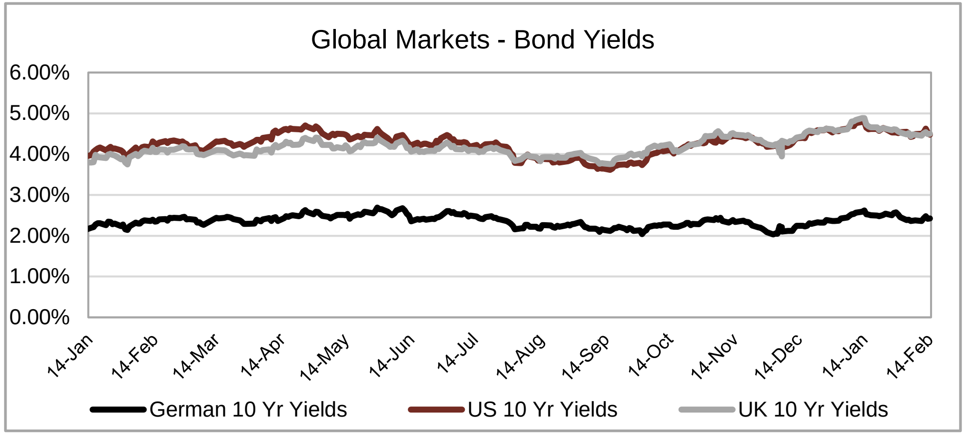
## Volume of Corporate Bonds Traded (INR Cr.)




# Recent Issuances

| ISIN | Issuer | Type | Maturity | Coupon (%) | Date of Allotment | Rating | Amount (INR Cr) |
|---|---|---|---|---|---|---|---|
| INE539K07296 | Credila Financial Services | Secured | 10 | 9.00% | 10-Feb-25 | AA | 740 |
| INE0NR607033 | Cube Highways Trust | Secured | 17 | 7.67% | 12-Feb-25 | AAA | 860 |
| INE498L07111 | L&T Finance | Secured | 5 | 7.80% | 13-Feb-25 | AAA | 500 |
| INE031A08939 | Housing and Urban Development Corporation | Unsecured | 10 | 7.29% | 12-Feb-25 | AAA | 2,910 |
| INE860H08EN4 | Aditya Birla Finance | Unsecured | Perpetual | 8.73% | 12-Feb-25 | AA+ | 500 |
| INE020B08FO3 | Rural Electrification Corporation | Unsecured | 15 | 7.28% | 13-Feb-25 | AAA | 2,595 |
| INE053F08478 | Indian Railway Finance Corporation | Unsecured | 15 | 7.28% | 14-Feb-25 | AAA | 3,000 |
| INE160A08324 | Punjab National Bank | Unsecured | 10 | 7.34% | 14-Feb-25 | AAA | 2,950 |

# Global Bond Yields




| Global 10-Year Yields | | | |
|---|---|---|---|
| **Country** | **14-Feb-25** | **07-Feb-25** | **Change (bps)** |
| US | 4.48% | 4.49% | -2 |
| UK | 4.50% | 4.48% | 2 |
| Germany | 2.42% | 2.38% | 5 |
| China | 1.65% | 1.61% | 4 |
| Japan | 1.36% | 1.30% | 5 |

- **U.S. Treasury yields** fell during the week after US producer price inflation decreased to 0.4% MoM in Jan’25 compared to 0.5% MoM in Dec’24 amid marginal moderation in increase in food and energy prices. Moreover, industrial production in the US increased by 2% YoY in Jan’25, up from 0.3% YoY in Dec’24 amid rise in output of utilities, mining and manufacturing. Additionally, the US initial jobless claims data exceeded market expectations which buoyed investor sentiment about further rate cuts by the Fed in the upcoming policy meetings which added to the down move in the yields.
- **UK yields** rose during the week after the British economy rose by 1.5% YoY in Dec’24 compared to 1.1% YoY in Nov’24 and marked the highest rise in GDP data since Oct’22 which dampened investor sentiment of more rate cuts by the BoE in CY25. Additionally, investors turned cautious amid announcement of further tariffs by the US President Donald Trump.
- **German Bund yields** rose during the week after Euro Area industrial production declined by 1.1% MoM in Dec’24, from a revised 0.4% increase in Nov’24 driven by contractions in capital goods, intermediate goods, and durable consumer goods. Furthermore, industrial activity weakened across major economies, with Germany, Italy, the Netherlands, and France registering declines. Moreover, production rose for non-durable consumer goods and energy, partially offsetting the overall downturn.

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# Weekly Market Update

News & WSS | Bond | **Money Market** | Equity | Forex & Crude

# Treasury Bills / Policy Rates / Systemic Liquidity

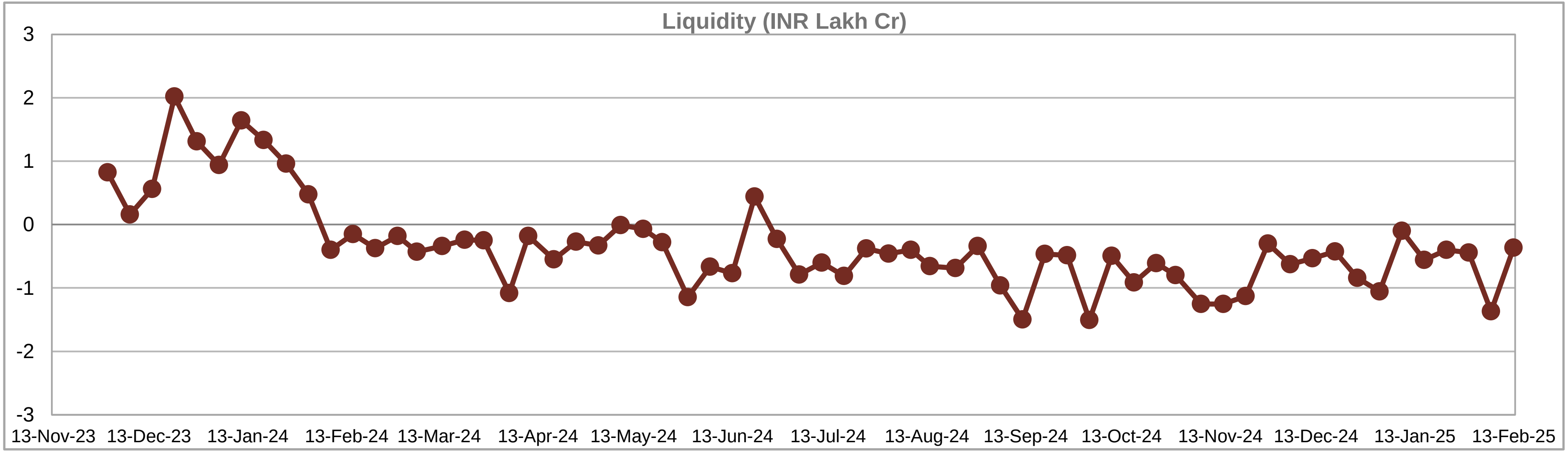
| Policy Rates | | T-Bill Yields | | |
|---|---|---|---|---|
| **Bank Rate** | 6.50% | **Tenor** | **14-Feb-25** | **7-Feb-25** |
| **Repo Rate** | 6.25% | 91 Day | 6.44% | 6.47% |
| **Rev Repo Rate** | 3.35% | 182 Day | 6.57% | 6.58% |
| **MSF** | 6.50% | 364 Day | 6.55% | 6.54% |
| **CRR** | 4.00% | | | |
| **SLR** | 18.00% | | | |

**T-Bill Auction**

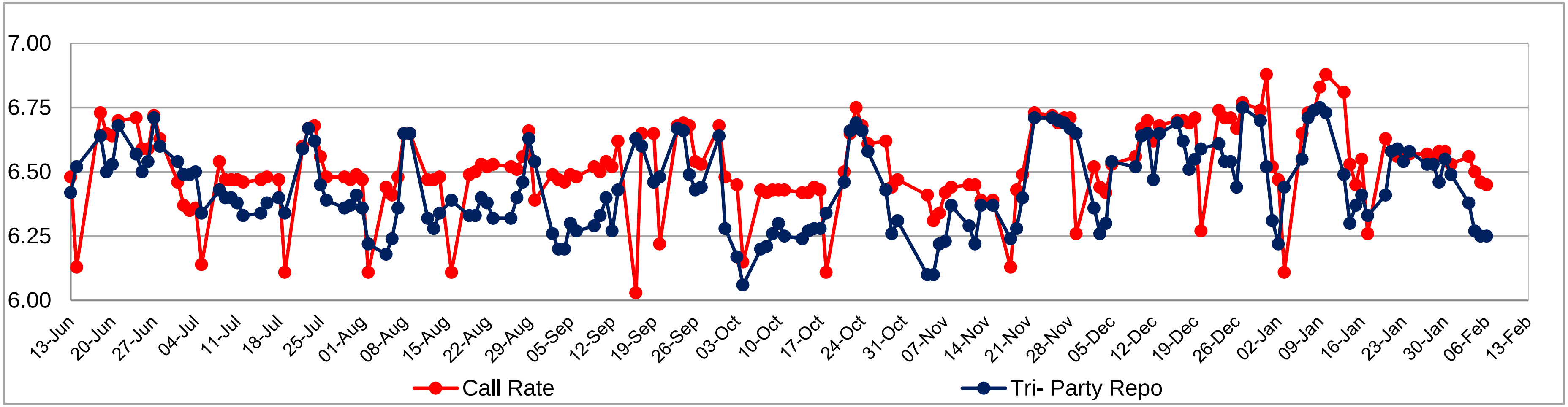
| Tenor | Amount (INR Cr) | B/C Ratio | | Cut Off Yield (%) | | Auction on February 20, 2025 Amount (INR Cr) |
|---|---|---|---|---|---|---|
| | | As on Feb 12, 2025 | As on Feb 05, 2025 | As on Feb 12, 2025 | As on Feb 05, 2025 | |
| **91 Days** | 12,000.00 | 2.73 | 3.50 | 6.44% | 6.47% | 14,000.00 |
| **182 Days** | 8,000.00 | 2.07 | 2.87 | 6.57% | 6.58% | 12,000.00 |
| **364 Days** | 8,000.00 | 3.30 | 4.10 | 6.55% | 6.54% | 7,000.00 |
| **Total** | **28,000.00** | | | | | **33,000.00** |

# Treasury Bills/ Policy Rates/ Systemic Liquidity

| Liquidity Position (₹ Bn) | | |
|---|---|---|
| **Weekly Data** | **February 13, 2025** | **February 6, 2025** |
| Average Reverse Repo | 60.38 | 135.51 |
| Average Net LAF | (48.28) | (123.41) |
| Average MSF | 3.04 | 0.53 |
| **Average Liquidity Position** | **(36.59)** | **(113.79)** |



# Call Rate/ Tri-Party Repo Rate

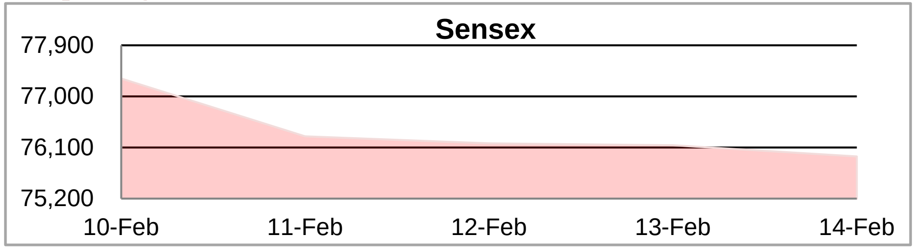


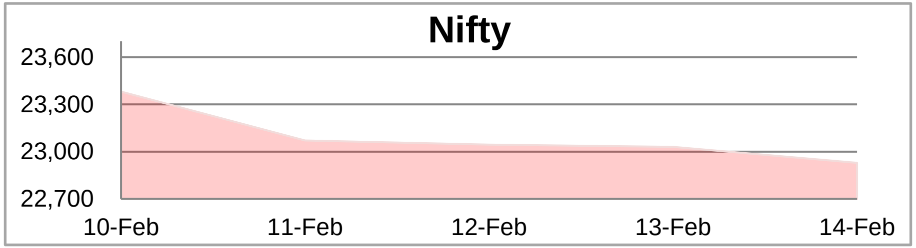

| Particulars | February 13, 2025 | February 7, 2025 |
|---|---|---|
| Call Rate | 6.34 | 6.26 |
| Tri-Party Repo | 6.31 | 6.26 |

# Weekly Market Update

News & WSS | Bond | Money Market | Equity | Forex & Crude

# Equity Markets




| Domestic Indices | | | |
|---|---|---|---|
| Index | 14-Feb-25 | 07-Feb-25 | % Change |
| Sensex | 75,939.21 | 77,860.19 | -2.47 |
| Nifty | 22,929.25 | 23,559.95 | -2.68 |
| Nifty Mid Cap 50 | 13,927.35 | 15,010.10 | -7.21 |
| Nifty Small Cap 50 | 7,402.70 | 8,214.20 | -9.88 |
| **Global Indices** | | | |
| S&P 500 | 6,114.63 | 6,025.99 | 1.47 |
| DJIA | 44,546.08 | 44,303.40 | 0.55 |
| NASDAQ Composite | 20,026.77 | 19,523.40 | 2.58 |
| FTSE 100 | 8,732.46 | 8,700.53 | 0.37 |
| Nikkei | 39,149.43 | 38,787.02 | 0.93 |
| Hang Seng | 22,620.33 | 21,133.54 | 7.04 |

**Domestic benchmark Indices**

- Indices opened the week lower and traded downwards, primarily due to global trade concerns after the U.S. administration proposed 25% tariffs on steel and aluminum imports, fueling fears of escalating trade tensions and their potential repercussions, negatively impacting investor sentiment. Investors sentiment further dampened as a media report highlighted that RBI's cautious rate cut underscores fundamental economic vulnerabilities amid mounting global and domestic headwinds and that any additional monetary policy measures will not be aggressive.
- During the mid-week, the indices continued to trade downward after India's industrial output, grew by 3.2% in Dec'24, slowing from 5.2% in Nov'24. Furthermore, the deceleration in IIP growth suggested underlying challenges in the manufacturing sector despite steady performance in electricity and mining.
- Moreover, towards the end of the week, the down move continued as investor sentiment wavered following a decline in RBI's consumer confidence survey for Jan'25 to 93.7 from 98, signaling weakening household sentiment amid rising inflation, potentially slowing economic growth. Further, sentiments was weighed down by persistent FII selling and disappointing Q3 FY25 earnings.

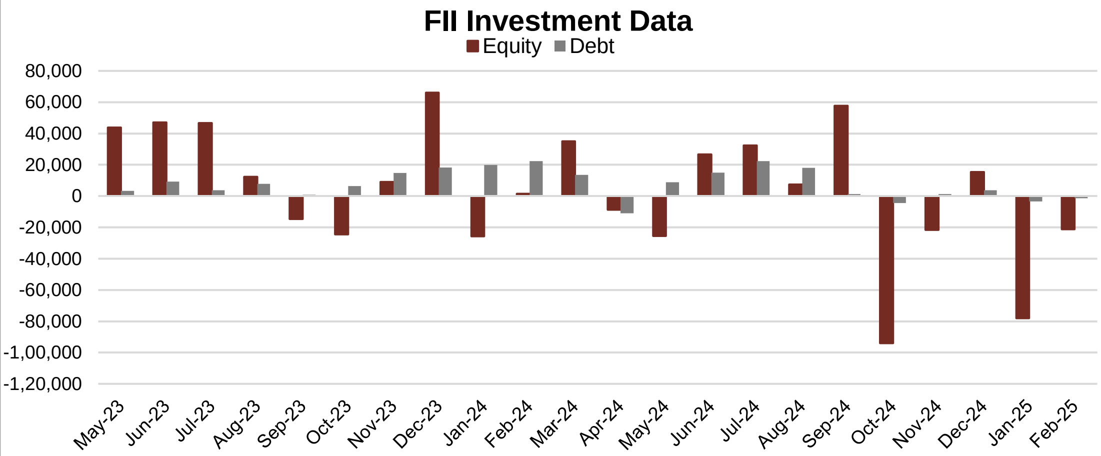
**US Indices**

- US benchmark indices traded positively following significant policy shifts, including new tariff plans announced by President Trump and ongoing peace negotiations in Ukraine. Investors responded positively to the postponement of reciprocal tariffs, contributing to strong weekly gains. Additionally, Industrial production in US increase by 0.5% in Jan'25, surpassing market expectations. The technology sector led the market's advance, while Consumer Staples and Healthcare sectors underperformed.

# Nifty – 22929.25 (February 14, 2025)


**Support:- 23281 – 22275** **Resistance: 23523, 23807**

# Markets Investment Data




**FII Investment Data**

| Month | Equity Net Invest. (INR Cr) | Debt Net Invest. (INR Cr) |
|---|---|---|
| Feb-25 | -21,272 | -1,296 |
| Jan-25 | -78,027 | -3,424 |
| Dec-24 | 15,446 | 3,755 |
| Nov-24 | -21,612 | 1,217 |
| Oct-24 | -94,017 | -4,406 |
| Sep-24 | 57,724 | 1,299 |
| Aug-24 | 7,320 | 17,960 |
| Jul-24 | 32,365 | 22,363 |
| June-24 | 26,565 | 14,955 |

**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 | 41,391.47 | 32,707.61 | 8,683.86 | 34,256.18 | 42,941.55 | -8,685.37 |
| FII | 61,505.90 | 75,436.38 | -13,930.48 | 1,789.89 | 4,301.35 | -2,511.46 |

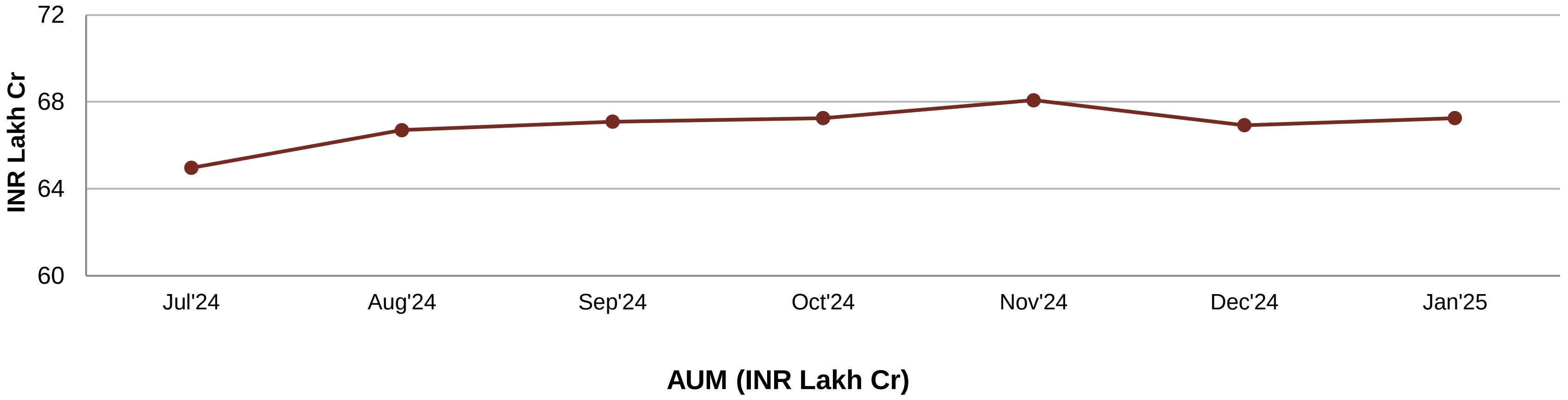
**FII Investment Data**

| Year | Equity Net Invest. (INR Cr) | Debt Net Invest. (INR Cr) |
|---|---|---|
| FY25 | -1,09,766 | 50,235 |
| 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 07th Feb'25 to 12th Feb'25 and FII data is from 10th Jan'25 to 14th Feb'25.

# 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** |
| **Jan'25** | 67,25,450 | 26,400 | 39,688 | **Jan’24** | 52,74,001 | 18,838 |
| **Dec’24** | 66,93,032 | 26,459 | 41,156 | **Dec’23** | 50,77,900 | 17,610 |
| **Nov’24** | 68,08,101 | 25,320 | 35,943 | **Nov’23** | 48,74,812 | 17,073 |
| **Total** | **-** | **78,179** | **1,16,787** | **Total** | **-** | **53,521** |



# Corporate earnings

| Particulars | Q3 FY25 (Dec'24) | Q3 FY24 (Dec'23) | Change from Q3 FY24 | Q2 FY25 (Sep'24) | Change from Q2 FY25 | Remarks |
|---|---|---|---|---|---|---|
| **Apollo Hospitals** | | | | | | |
| Total Income | 5,590.70 | 4,878.40 | 14.60% | 5,627.50 | -0.65% | • The company reported a ~49% rise in net profit on the back of improvement in online and offline pharmacy business, while Healthcare revenue increased by 21% YoY to INR 2,785 Cr.<br>• The company's hospital occupancy rose to 69% in Q3FY25 as compared to 66% in Q3FY24, driven by increased patient volume. |
| Operating Profit | 530.90 | 361.90 | 46.70% | 551.70 | -3.77% | |
| Net Profit | 379.40 | 254.40 | 49.14% | 395.70 | -4.12% | |
| **Eicher Motors** | | | | | | |
| Total Income | 5,261.90 | 4,432.57 | 18.71% | 4,616.85 | 13.97% | • The EBITDA of the company grew by 10% YoY to INR 1,201 Cr following strength in commercial vehicle business and strong demand.<br>• The subsidiary of the company – Royal Enfield recorded highest quarterly sales volume at 269,039 as compared to 229,214. |
| Operating Profit | 1,297.31 | 1,184.03 | 9.57% | 1,248.30 | 3.93% | |
| Net Profit | 1,170.50 | 995.97 | 17.52% | 1,100.33 | 6.38% | |
| **Grasim Industries** | | | | | | |
| Total Income | 35,161.83 | 32,221.97 | 9.12% | 33,958.21 | 3.54% | • The company reported a fall in EBITDA of ~9% YoY mainly due to mainly due to lower realizations in the cement business and initial investments for building a strong consumer-facing paints business - Birla Opus.<br>• Company's chemical segment reported a 25% higher EBITDA YoY, led by improved realization of caustic soda and better profitability. |
| Operating Profit | 2,438.04 | 3,472.53 | -29.79% | 1,965.18 | 24.06% | |
| Net Profit | 1,844.29 | 2,603.43 | -29.16% | 1,100.16 | 67.64% | |
| **Hindalco Industries** | | | | | | |
| Total Income | 58,899.00 | 53,088.00 | 10.95% | 59,278.00 | -0.64% | • The company reported a ~29% rise in EBITDA YoY to INR 7,583 Cr on the back of strong operational performance, favorable macros and prudent cost management.<br>• The margins of the company improved to 13% in Q3FY25 as compared to 11.1% during the year ago period. |
| Operating Profit | 5,336.00 | 3,327.00 | 60.38% | 6,157.00 | -13.33% | |
| Net Profit | 3,735.00 | 2,331.00 | 60.23% | 3,909.00 | -4.45% | |

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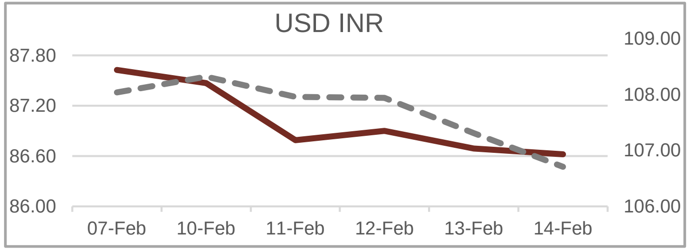
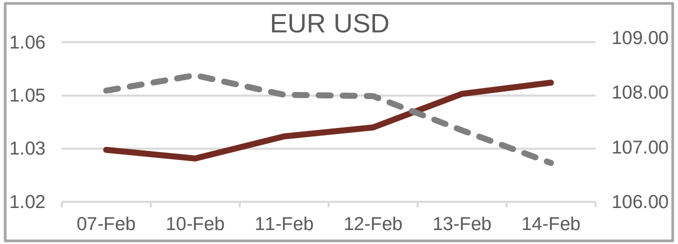
# Weekly Market Update

# Foreign Exchange Report



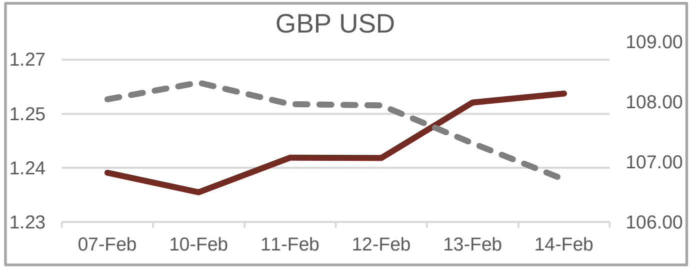

| 07-Feb | 14-Feb |
|---|---|
| 87.63 | 86.62 |
| **1.15%** | |

**The Indian Rupee appreciated as** India's CPI inflation fell to 4.31% YoY in Jan'25 compared to 5.22% YoY in Dec'24 amid deceleration in food prices primarily vegetables coupled with India's net direct tax collection growing by 14.69% to over INR 17.78 lakh Cr in FY25, while gross direct tax mop-up rose 19.06% to more than INR 21.88 lakh Cr, with corporate tax collection increasing over 6% to INR 7.78 lakh Cr, waiving positive market sentiments.



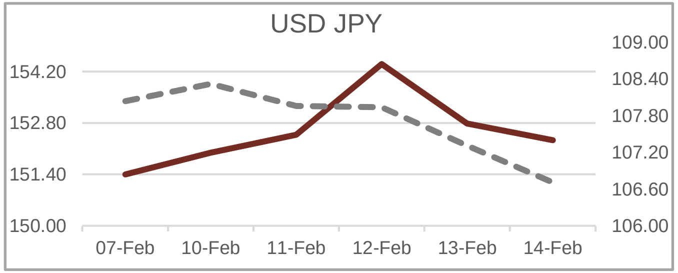

| 07-Feb | 14-Feb |
|---|---|
| 1.0327 | 1.0491 |
| **1.59%** | |

**The Euro appreciated** reaching strongest level since January after a weaker-than-expected U.S. retail sales report renewed optimism that the Federal Reserve may consider cutting interest rates later this year, even as inflationary pressures persist. Further, The data revealed a sharp 0.9% drop in US retail sales for Jan'25, against the expectations of expected 0.1% decline, as severe winter weather and wildfires disrupted consumer spending




| 07-Feb | 14-Feb |
|---|---|
| 1.2409 | 1.2585 |
| **1.42%** | |

**The British Pound appreciated** after U.S. President Trump indicated that the implementation of his proposed reciprocal tariffs might be delayed until Apr'25, leading to the strength in pound and weakness in the greenback. Furthermore, the United Kingdom's GDP 0.1% grew by in Q4CY24, surpassing the Bank of England's forecast and defying expectations of an economic contraction.




| 07-Feb | 14-Feb |
|---|---|
| 151.40 | 152.33 |
| **0.61%** | |

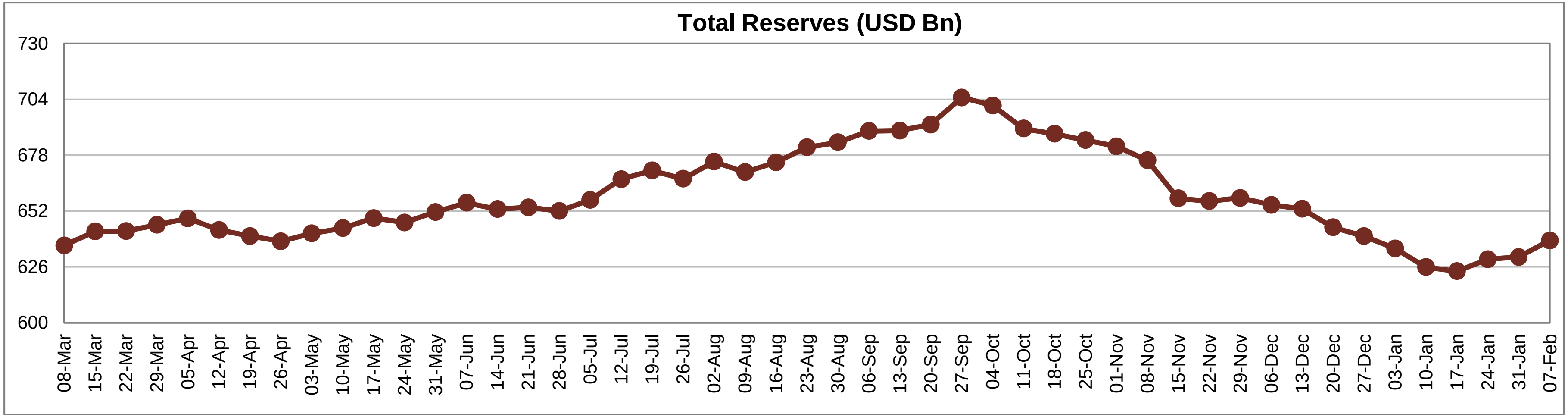
**The Japanese Yen appreciated** following Japan's industrial production data wich rose by 0.3% MoM in Dec'24, reversing from the 2.2% decline recorded in the previous month, with key contributors including production machinery (2.9%), electronic parts and devices (2.1%), and inorganic and organic chemicals (1.4%). Additionally, hawkish stance on the Bank of Japan's monetary policy also continued to support the yen

**Dollar Index** ended the week lower by 1.23% at 106.71

Dollar Index

# RBI Forex Reserves

| | 07-Feb-25 | 31-Jan-25 | % Change (WoW) | % Change (MoM) | % Change (YoY) |
|---|---|---|---|---|---|
| Forex Reserves (USD Bn) | 638.261 | 630.607 | 1.21% | 1.98% | 3.41% |
| Foreign Currency Assets (USD Bn) | 544.106 | 537.684 | 1.19% | 1.51% | -0.44% |
| Gold Reserves (USD Bn) | 72.208 | 70.893 | 1.85% | 6.37% | 51.26% |
| SDRs (USD Bn) | 17.878 | 17.889 | -0.06% | 0.55% | -1.42% |
| Reserves with IMF (USD Bn) | 4.069 | 4.141 | -1.74% | -3.00% | -15.79% |



# Brent Crude

| Date | Day | Price (USD/bbl.) | |
|---|---|---|---|
| February 14, 2025 | Friday | 74.74 | ↓ |
| February 13, 2025 | Thursday | 75.02 | ↓ |
| February 12, 2025 | Wednesday | 75.18 | ↓ |
| February 11, 2025 | Tuesday | 77.00 | ↑ |
| February 10, 2025 | Monday | 75.87 | ↓ |


- Brent Crude ended the week higher by 0.11% to close at USD 74.74, and WTI Crude ended the week lower by 0.37% to close at USD 70.74.
- Crude oil prices opened the week higher and traded upwards after reports expected Russia's Federal Antimonopoly Service to initiate a one month ban on gasoline exports by large producers in order to stabilize the wholesale prices. Further, China's announcement of the retaliatory tariffs on U.S. exports weighed on the sentiment.
- During the mid-week, the crude oil prices reversed their trajectory and traded downwards as U.S. tariffs announcements were delayed until at least Apr'25, easing concerns over the uncertainty in the markets. Further, traders remained cautioned ahead of the peace deal between Russia and Ukraine and end of sanctions on Moscow could boost global energy supplies.
- Towards the end of the week, the decline in crude oil prices continued after U.S. President Donald Trump took steps towards diplomacy over the war in Ukraine and urged for discussion talks to conclude the war. Additionally, OPEC in a monthly report kept oil demand forecasts unchanged from last month and expects the global demand to rise by 1.45 million barrels per day in 2025.
- As per Baker Hughes, the number of active crude oil rigs in the US increased to 481 for the week ending February 14, 2025.

# Things to watch out for during the week

| Date | Country | Things to Watch Out For |
|---|---|---|
| 17-Feb-25 | India | Balance of Trade |
| 18-Feb-25 | UK | Unemployment Rate |
| 19-Feb-25 | Japan | Balance of Trade |
| | UK | Inflation Rate |
| 20-Feb-25 | US | FOMC Minutes |
| 21-Feb-25 | Japan | Inflation Rate |

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