



## Weekly Market Update

News & WSS

Bond

Money Market

Equity

Forex & Crude

# Key Domestic News

## **EPFO Reported a 2.6% Rise in New Job Creation, Reaching 1.05 Million in July 2024**

- According to EPFO, the number of new jobs created in a month increased by 2.6% to 1.05 Million in Jul'24 from 1.02 Million in Jun'24, on account of increased capex and the production-linked incentive scheme.
- As per the data, the number of subscribers in the age group of 18-28 increased to 59.4% which stood at 6.25 Lakhs in Jul'24 from 59.1% in Jun'24. Further, it highlighted that fresh women subscribers increased to 29% which stood at 3.05 Lakhs in Jul'24.
- Additionally, expert services including manpower suppliers, contractors, and security services contributed to ~20% of the total new additions made in Jul'24

## **S&P Global Retained India's FY25 GDP Growth Forecast at 6.8% amid High Food Inflation**

- S&P Global Ratings, retained India's GDP growth forecast at 6.8% for FY25, amid persisting high food inflation. Further, it highlighted that RBI is expected to cut rates in its upcoming monetary policy meeting and projected India's GDP growth forecast for FY26 to 6.9%, on account of solid growth of the Indian economy.
- Additionally, S&P stated that the Jul'24 Union Budget highlighted the government's commitment to fiscal consolidation and infrastructure spending, with a capital expenditure of INR 11.11 Lakh Crore for FY25.

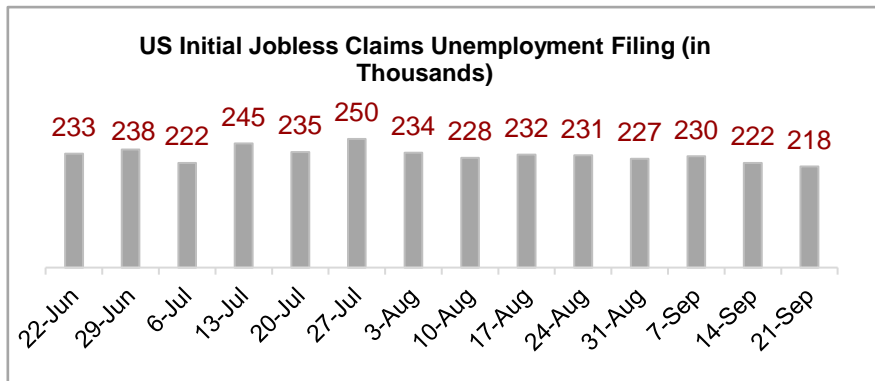
## **India's Unemployment Rate Remained Unchanged at 3.2% in Jul'23-Jun'24, With Urban Decline and Rural Rise**

- According to the Periodic Labor Force Survey, India's unemployment rate in Jul'23-Jun'24 remained unchanged at 3.2% as in the previous year. Further, the unemployment rate rose 2.5% in Jul'23-Jun'24 from 2.4% in Jul'22-Jun'23 in rural areas, while it declined to 5.1% in Jul'23-Jun'24 from .4% in Jul'22-Jun'23 in urban areas. As per the data, the overall joblessness rate in females rose to 3.2% in Jun'24 compared to 2.9% in Jun'23, while the overall joblessness rate in males eased to 3.2% in Jun'24 from 3.3% in Jun'23.

## **India's External Debt Rose by 6.4% to USD 663.8 Billion in March 2024, Debt Ratios Remained Manageable**

- According to the Union Finance Minister, India's external debt to GDP ratio at 18.7%, debt coverage ratio at 6.7%, and foreign exchange reserves to external debt ratio at 97.4% are considered within manageable and sustainable levels. Further, the country's external debt rose by 6.4% to USD 663.8 Billion in Mar'24 as compared to USD 623.8 Billion in Mar'23.

# Key International News



## United States

- United States PCE price index increase rose by 2.2% YoY in Aug'24 compared to 2.5% YoY in Jul'24, amid easing price pressures. Further, the core PCE price index is a crucial measure of economic health, as it provides insight into consumer spending habits and inflation trends increased by 2.7% YoY. Additionally, consumer spending increased moderately by 0.2% in Aug'24 compared to 0.5% in Jul'24, majorly due to rise in wages and salaries.
- Americans filing for unemployment benefits decreased to 218,000 in the week ended Sep 27, 2024.

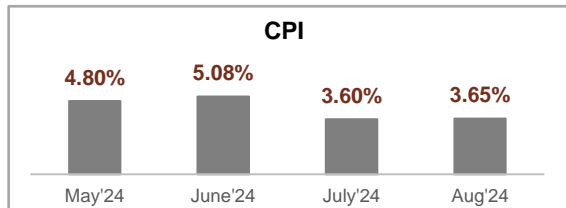
## UK

- According to the Organization of Economic Co-operation & Development, the UK economy is expected to grow faster than Japan, Italy, and Germany in CY24. Further, it upwardly revised its growth projection to 1.1% from the previously projected 0.4%, on account of stronger than expected economic performance, and increased consumer spending due to an increased labor wages. However, it highlighted that the UK's inflation at 2.2% in Aug'24 is expected to grow and sustain at 2.4% for FY25.

## China

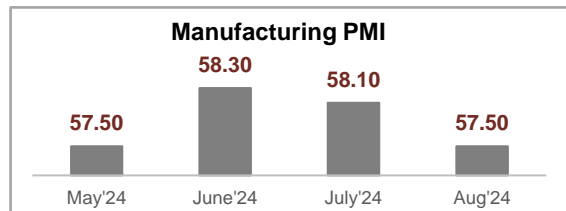
- According to Bloomberg's report, China is expected to inject up to USD 142 Billion into its largest state-owned banks to bolster their capacity to support the weakening economy. Further, the funding for the capital infusion would be largely sourced through the issuance of fresh special sovereign bonds, marking the first instance since the 2008 global financial crisis that China undertook such a capital injection into its major banks.
- Additionally, PBOC reduced the medium-term lending rate to 2% from 2.3% for the second time after it had reduced rates in Jul'24 amid attempts to increase liquidity, bringing stability to the economy and enhancing transparency of its monetary policy.

# Domestic Macroeconomic Indicators



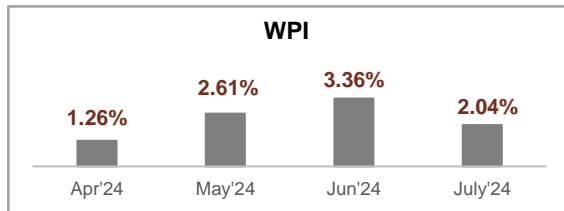
**CPI decreased by 0.05% MoM**

India's CPI index increased to 3.65% YoY in Aug'24 from 3.60% YoY in Jun'24 amid large base effects in food prices. The cost of food, which represents half of the Indian consumer basket, rose by 5.66%, compared to 5.42% in Jul'24.



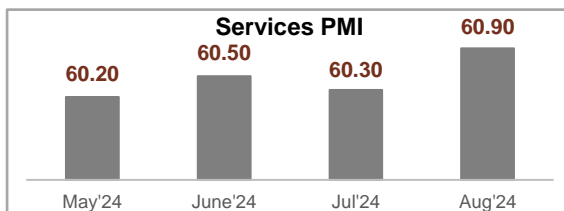
**Manufacturing PMI decreased by 0.60 MoM**

India's Manufacturing PMI decreased to 57.50 indicating weak growth in new orders and output despite elevated expansion rates. Moreover, easing input price inflation led to increased raw material purchases, while business confidence fell to its lowest level since Apr'23 due to persistent cost pressures and competitive challenges.



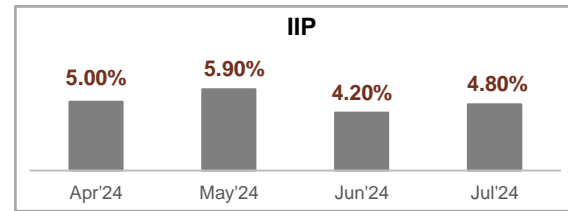
**WPI decreased by 0.73% MoM**

India's WPI index decreased to 1.31% YoY in Aug'24 amid fall in fuel prices. Moreover, prices of manufactured products and food items rose marginally due to moderate increase in medical chemicals and fall in vegetable prices respectively.



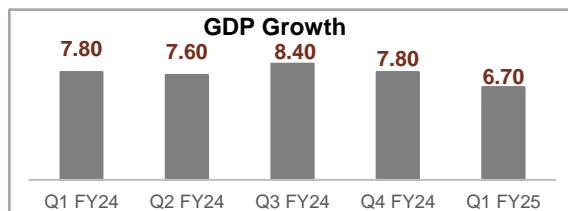
**Services PMI increased by 0.60 MoM**

India's service PMI rose to 60.9 indicating robust growth in services activity due to higher new business and productivity gains. Moreover, it indicated sustained strong demand trends and solid employment, despite a slight weakening in business sentiment.



**IIP increased by 0.60% MoM**

India's Industrial output rose by 4.8% YoY in Jul'24 from 4.2% YoY in Jun'24 mainly due to a 4.6% rise of in manufacturing activity output which accounts for nearly 78% of total industrial production.

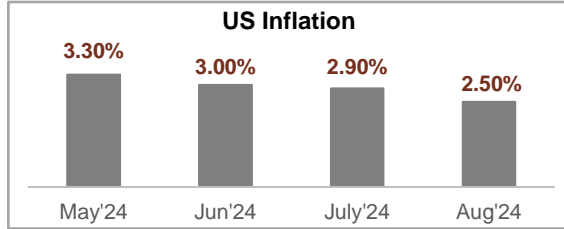


**GDP growth decreased to 6.70% YoY**

India's GDP growth rate contracted to 6.70% in Q1FY25 as compared to 7.80% in Q4FY24. The real Gross Value Added grew by 7.2% in FY24 over 6.7% in FY23 amid a sharp slowdown in government spending.

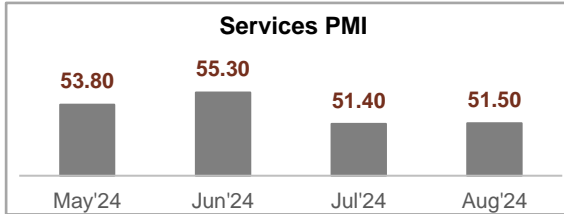
*\* There has been an updates to the data in the last week.*

# Global Macroeconomic Indicators



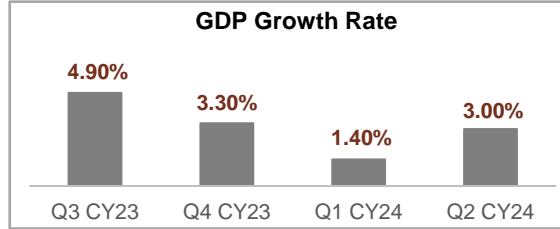
**US Inflation decreased by 0.40% MoM**

The inflation rate in the US fell to 2.5% in Aug'24 compared to 2.90% in Jul'24 as inflationary pressures eased for energy, food & transportation while shelter and apparel edged higher. Moreover, core inflation steadied at an over three-year low of 3.2%



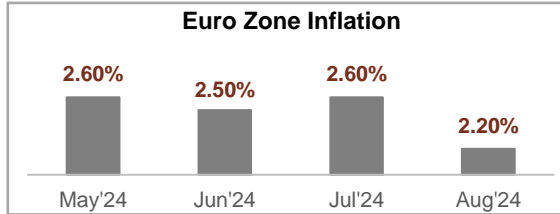
**US Services PMI increased by 0.10 MoM**

US services PMI rose to 51.5 indicating sustained positive momentum in service activity, driven by robust new orders and a slight rise in employment, despite slower production growth and higher-than-expected costs.



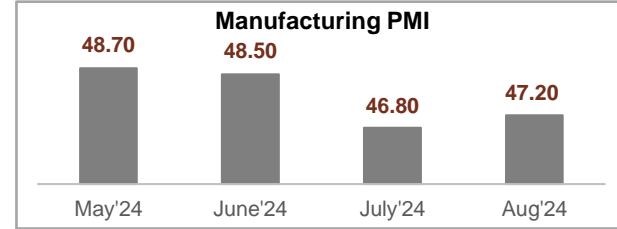
**US GDP rate increased by 1.60% QoQ**

US economy expanded significantly driven primarily by increased consumption of goods. Consumer spending rose by 2.9%, Additionally, Business investment expanded at a 7.5% rate, led by a 10.8% jump in investment in equipment.



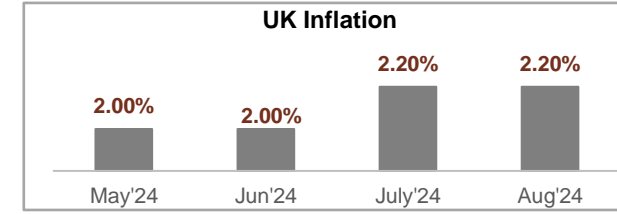
**Eurozone Inflation decreased by 0.40% MoM**

Euro Area's Inflation decreased to 2.2% in Aug'24 from 2.6% in Jul'24 amid decline in prices for non-energy industrial goods and energy. However, inflation rose marginally for food and services.



**US Manufacturing PMI increased by 0.40 MoM**

US Manufacturing PMI increased to 47.20 indicating improved employment but continued contraction in factory activity, with persistent decline in new orders, production, and employment coupled with rising costs challenging disinflation efforts.



**UK Inflation remained unchanged**

UK inflation rate remained unchanged at 2.2% YoY in Aug'24 due to an increase in prices of air fares and it was counteracted by moderate increase in fuel prices.

*\* There has been an updates 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
	06-Sep-24	23-Aug-24	09-Aug-24	08-Sep-23
Food Credit	215.03	-11.73	-23.01	12.75
Non-Food Credit	1,70,248.98	0.62	1.02	13.36
Bank Credit	1,70,464.01	0.60	0.98	13.35
Aggregate Deposits	2,15,499.85	1.06	1.04	11.18
Investments (SLR)	63,837.60	0.28	0.89	6.70
	06-Sep-24	23-Aug-24	09-Aug-24	08-Sep-23
Cash/ Deposit Ratio	5.02	1.01	-0.40	-12.50
Credit/ Deposit Ratio	77.16	-0.41	0.44	3.20
Investment/ Deposit Ratio	29.43	-0.78	0.61	-2.79

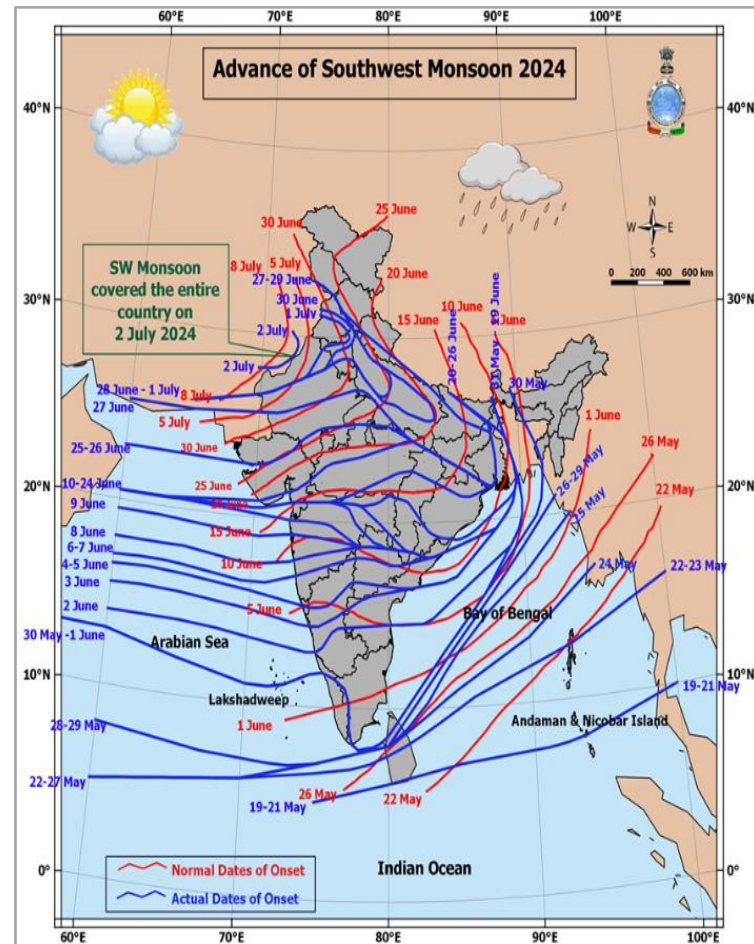
Investments by SCBs	Latest Data	% Change from	% Change from	% Change from
	28-Jun-24	14-Jun-24	31-May-24	30-Jun-23
Commercial Papers	516.36	12.45	19.46	-13.94
Shares issued by PSU	132.57	0.12	2.14	37.66
Shares issued by PCS	928.70	-0.88	1.50	28.99
Bonds & Debentures By PSUs	1,183.92	3.97	3.25	31.82
Bonds & Debentures By Private Corporate Sector	2,487.05	7.55	1.52	-16.29
<b>Total</b>	<b>5,248.60</b>	<b>5.40</b>	<b>3.45</b>	<b>-0.70</b>

# Monsoon Update

- Heavy to very heavy rainfall very likely at isolated places over Bihar, East Uttar Pradesh, Nagaland, Manipur, Mizoram & Tripura, Andaman & Nicobar Islands, Assam and Meghalaya along with Madhya Pradesh.
- Thunderstorm accompanied with lighting and gusty winds very likely at isolated places over Madhya Pradesh, Vidarbha, Odisha and Telangana. Squally weather with high wind speed very likely to prevail over many parts of Southwest Arabian sea, adjoining west central Arabian Sea, off Somalia coast and parts of Bay of Bengal.
- Towards the end of the week, heavy to very heavy rainfall at isolated places over Madhya Pradesh, Chhattisgarh, Bihar, Nagaland, Manipur, Arunachal Pradesh, Assam & Meghalaya and Konkan & Goa.

Seasonal Rainfall (As on 27<sup>th</sup> Sept, 2024)

Region	Actual Rainfall (mm)	Normal Rainfall (mm)	% Departure from LPA
East and North-East India	1152.4	1347.0	14%
North-West India	614.7	583.9	5%
Central India	1148.5	967.9	19%
South Peninsula India	806.3	699.5	15%
<b>Country as a Whole</b>	<b>917.8</b>	<b>857.5</b>	<b>7%</b>





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# Government Securities

## G-Sec Yields

Security	Tenor	Sep 20, 2024	Sep 13, 2024
364 DTB	1	6.59	6.64
6.99% GS 2026	2	6.66	6.70
7.04% GS 2029	5	6.68	6.70
7.10% GS 2034	10	6.76	6.79
7.23% GS 2039	15	6.82	6.85
8.17% GS 2044	20	6.88	6.93
7.40% GS 2062	38	6.96	6.97
7.46% GS 2073	49	6.96	6.98

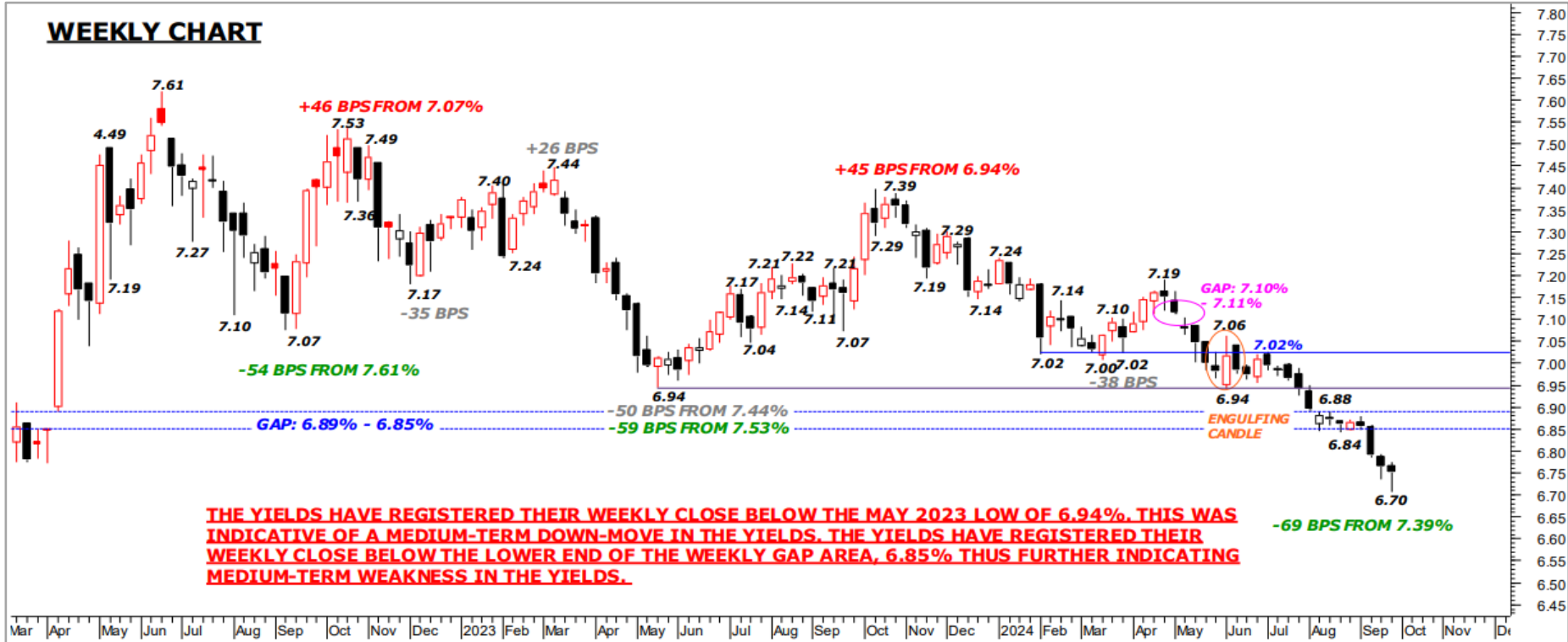
## G-Sec Auction Results – September 27, 2024

Security	Amount (INR Cr)	Cut-Off Yield	B/C
7.04% GS 2029	12,000	6.65%	0.40
7.23% GS 2039	12,000	6.78%	0.54
7.09% GS 2054	10,000	6.91%	0.40
	<b>34,000</b>		

- For the week ended Sep 27, 2024, the 10-year benchmark recorded a close at 6.76%, falling by 1 bp from the close of the previous week.
- Initially, the yields opened the week higher and traded downwards tracking losses from US counterparts after investors expected further aggressive rate cuts by the Fed, indicated by the Fed's dot plot projections. Moreover, RBI Bulletin highlighted that household consumption was anticipated to grow faster in the upcoming quarters driven by easing headline inflation coupled with recovery of rural demand which further supported the down move in the yields.
- During the mid-week, the yields continued to trade downwards after the Asian Development Bank retained India's growth forecast at 7% for FY24 on the back of improved farm output and higher government spending. Further, S&P Global retained India's growth forecast at 6.8% for FY25 despite persisting high food inflation and anticipated that the RBI could start to cut rates in its upcoming policy meeting.
- Towards the fag end of the week, the down move in the yields was limited after the Government retained its borrowing target of INR 6.61 lakh Cr in H2FY25 amidst market expectations of a borrowing cut. Additionally, sale of bonds by the RBI worth INR 11.95 Bn further supported the up move in the yields.
- The RBI conducted an auction of G-Sec for a notified amount of INR 34,000 Cr during the week ending September 27, 2024, with cut-off yields ranging around 6.65%-6.91%.

# Ten Year GOI Yields – 6.76% (September 27, 2024)

## WEEKLY CHART

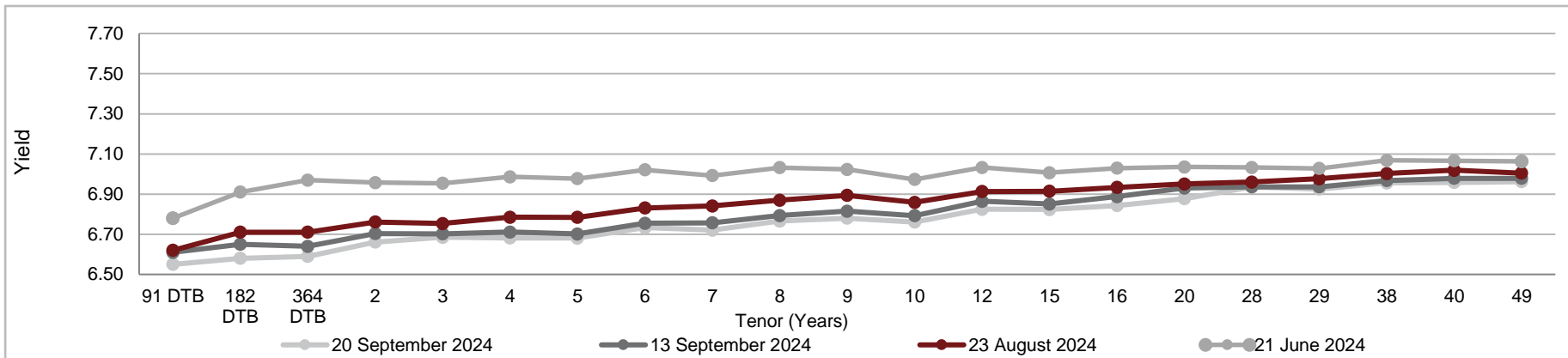


**THE YIELDS HAVE REGISTERED THEIR WEEKLY CLOSE BELOW THE MAY 2023 LOW OF 6.94%. THIS WAS INDICATIVE OF A MEDIUM-TERM DOWN-MOVE IN THE YIELDS. THE YIELDS HAVE REGISTERED THEIR WEEKLY CLOSE BELOW THE LOWER END OF THE WEEKLY GAP AREA, 6.85% THUS FURTHER INDICATING MEDIUM-TERM WEAKNESS IN THE YIELDS.**

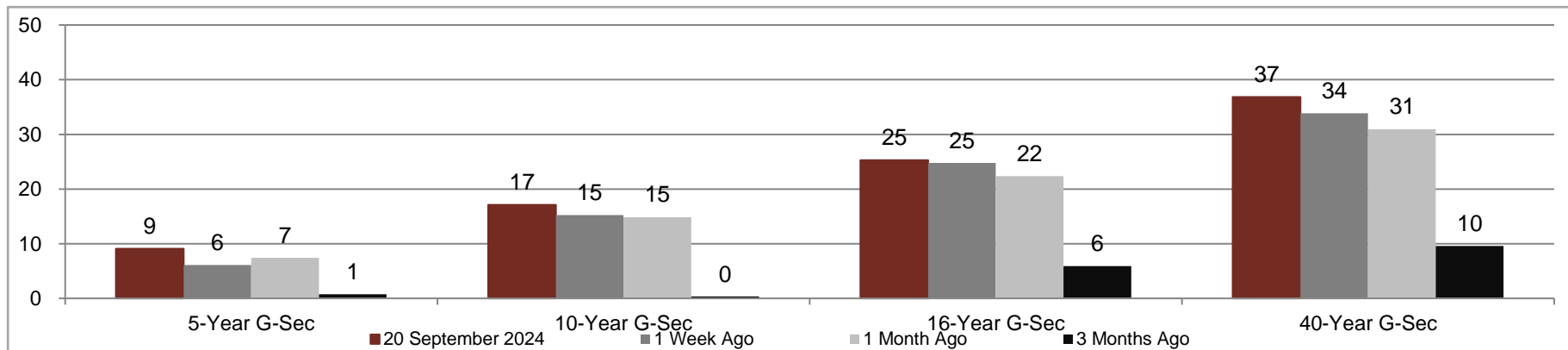
Support:- 6.63% & 6.24%

Resistance: 6.81% & 6.94% - 7.07%

# Sovereign Yield Curve – September 20, 2024



## Spread between 364 DTB and G-Sec



# State Development Loans Auction Results – September 24, 2024

Auction Result: Sep 24, 2024								
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	4*	Assam	250	7	7.05%	7.17%	18,400	7,750
2	18	Bihar	2,000	9	7.12%	7.25%	47,612	12,000
3	8	Chhattisgarh	1,000	6	7.03%	7.15%	32,000	3,500
4	14	Goa	150	10	7.12%	7.25%	2,550	650
5	6	Haryana	1,000	12	7.12%	7.25%	47,500	18,750
6	3	Karnataka	3,000	4	6.95%	7.07%	81,000	3,000
7	10	Madhya Pradesh	2,500	12	7.12%	7.25%	38,500	15,000
			2,500	19	7.14%	7.27%		
8	2	Maharashtra	1,500	8	7.07%	7.19%	1,10,000	61,000
			1,500	12	7.11%	7.24%		
			1,500	14	7.12%	7.25%		
			1,500	19	7.12%	7.25%		

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 – September 24, 2024

Auction Result: Sep 24, 2024

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)
9	17	Punjab	1,000	20	7.15%	7.28%	42,386	25,643
			1,000	25	7.14%	7.27%		
10	15	Rajasthan	1,500	10	7.10%	7.23%	73,624	34,500
			1,500	15	7.13%	7.26%		
			1,000	18	7.15%	7.28%		
			1,000	22	7.13%	7.26%		
11	7	Tamil Nadu	1,000	Reissue of 7.03% TN SGS 2029 issued on September 11, 2024	6.97%	7.09%	1,14,000	50,000
			1,000	Reissue of 7.10% TN SGS 2034 issued on September 19, 2024	7.09%	7.22%		
			2,000	Reissue of 7.22% TN SGS 2054 issued on September 11, 2024	7.13%	7.26%		
12	16	West Bengal	2,500	20	7.15%	7.28%	72,800	22,500
			2,500	21	7.15%	7.28%		
<b>Total</b>			<b>34,400</b>				<b>6,80,372</b>	<b>2,54,293</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.

# State Development Loans Auction Notification – October 01, 2024

Notification: Oct 01, 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	14	1,000	-	46,000	46,000	100
			20	1,000	-			
			24	1,000	-			
2	4*	Assam	15	750	-	7,750	7,750	100
3	18	Bihar	9	2,000	-	12,000	12,000	100
4	14	Goa	11	100	-	650	650	100
5	6	Haryana	12	1,500	-	19,500	19,500	100
6	3	Karnataka	3	2,000	-	3,000	3,000	100
			6	2,000	-			
7	13	Kerala	10	1,245	-	24,253	24,253	100

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 – October 01, 2024

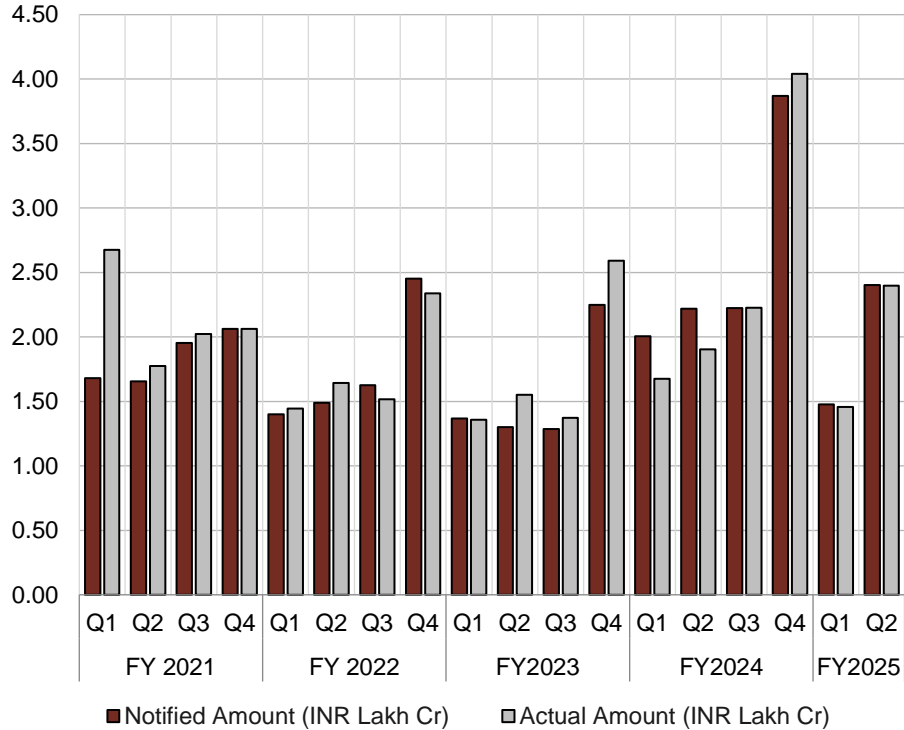
Notification: Oct 01, 2024

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 (%)
8	6*	Meghalaya	10	197	-	1,050	1,050	100
9	17	Punjab	Reissue of 7.15% Punjab SGS 2044 issued on September 25, 2024	500	-	26,900	26,893	100
			Reissue of 7.14% Punjab SGS 2049 issued on September 25, 2024	650	-			
10	15	Rajasthan	Reissue of 7.70% Rajasthan SDL 2032 issued on May 18, 2022	500	-	36,500	36,500	100
11	4	Telangana	15	1,500	-	31,500	31,500	100
			18	500	-			
12	16	West Bengal	20	3,500	-	24,500	24,500	100
<b>Total</b>				<b>19,942</b>	<b>-</b>	<b>2,31,103</b>	<b>2,33,596</b>	

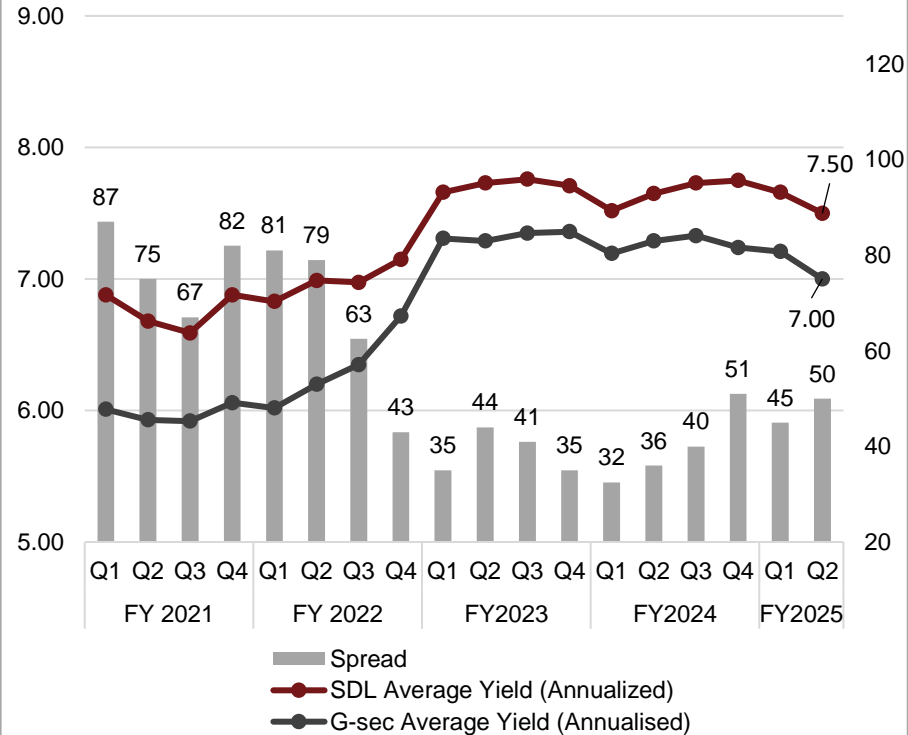
Note: Ranking of States as per the Darashaw State Finance Study 2022-23. \*\*Special State Ranking as per Darashaw State Finance Study 2022-23.

# SDL Auction- Notified vs Actual and Spread Analysis

## Notified vs Actual

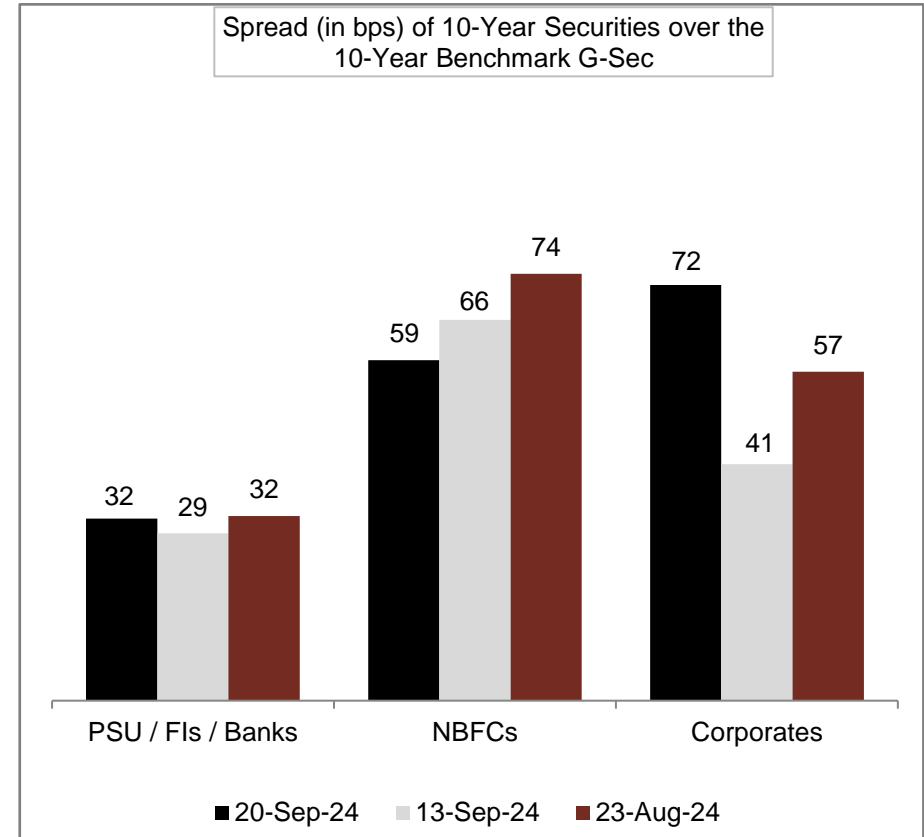
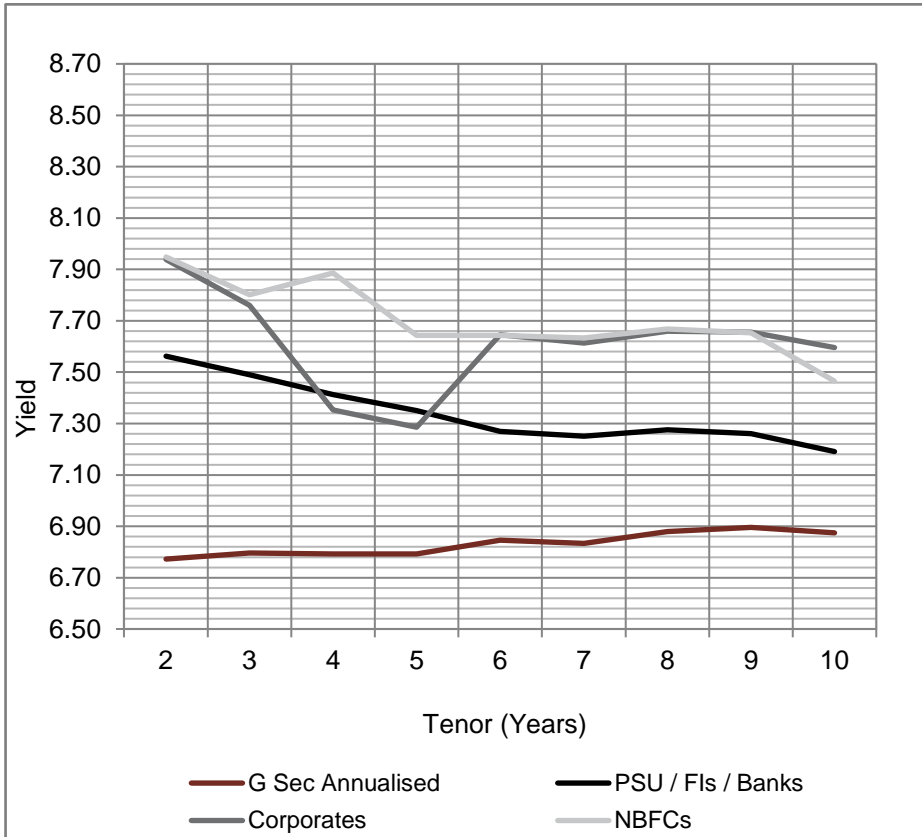


## SDL Yield and G-sec Yield QoQ



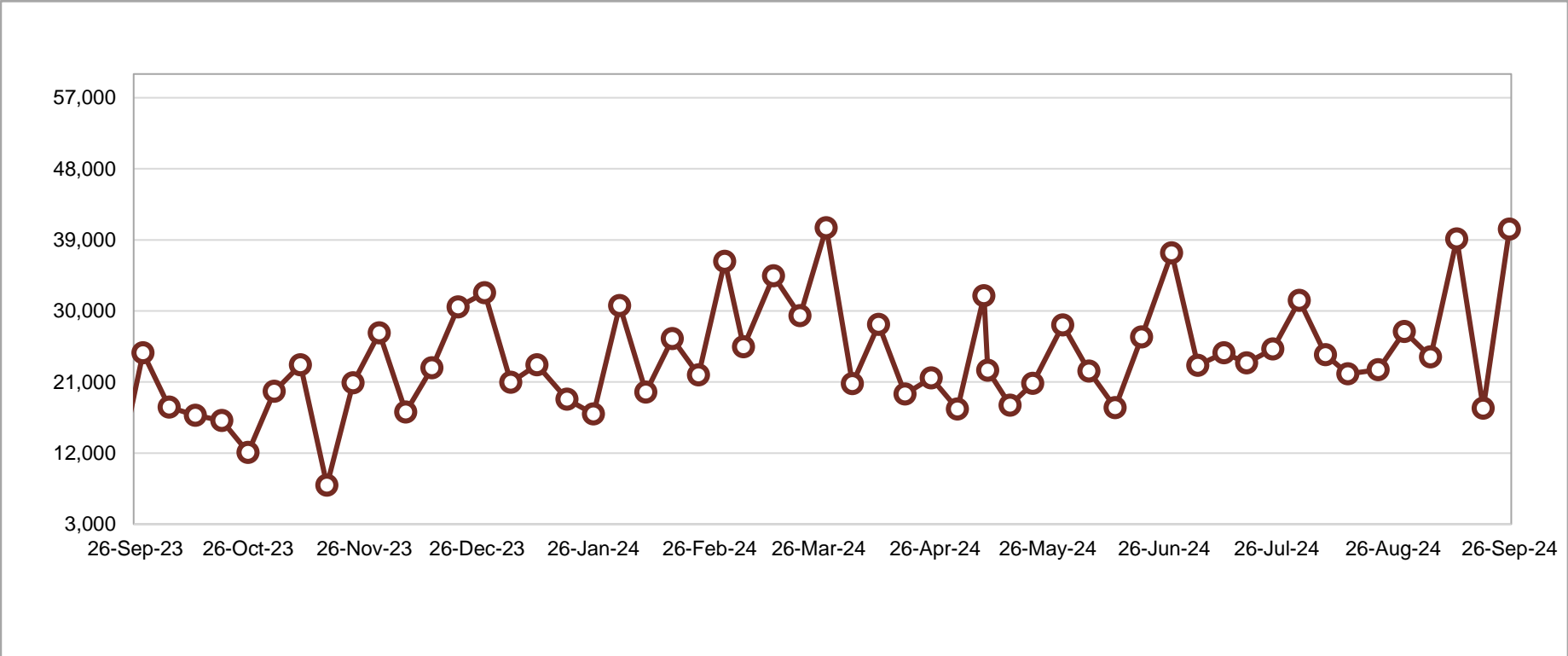
The SDL Yield and G-sec are sourced from the Secondary market

# AAA Rated Bond Yield Curves – September 20, 2024



# Corporate Bonds

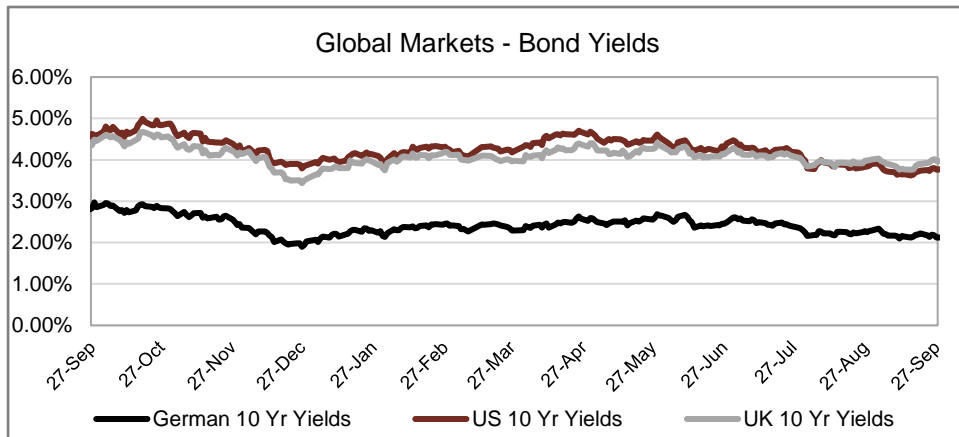
## Volume of Corporate Bonds Traded (INR Cr.)



# Recent Issuances

ISIN	Issuer	Type	Maturity (Years)	Coupon (%)	Date of Allotment	Rating	Amount (INR Cr)
INE033L071J1	Tata Capital Housing Finance	Secured	5	7.86%	23-Sep-24	AAA	3,500.00
INE535H07CL2	SMFG India Credit Company	Secured	3	8.15%	24-Sep-24	AAA	100.00
INE976I07CW3	Tata Capital Ltd	Secured	3	7.00%	24-Sep-24	AAA	3,475.00
INE667F07IV3	Sundaram Home Finance	Secured	3	7.90%	26-Sep-24	AAA	350.00
INE774D07VG6	Mahindra And Mahindra Financial Services	Secured	3	8.01%	26-Sep-24	AAA	1,250.00
INE134E08ND3	Power Finance Corporation	Unsecured	7	7.27%	23-Sep-24	AAA	3,500.00
INE134E08NE1	Power Finance Corporation	Unsecured	15	7.22%	23-Sep-24	AAA	3,226.55
INE261F08EK5	National Bank For Agriculture And Rural Development	Unsecured	4	7.44%	23-Sep-24	AAA	5,314.00
INE031A08913	Housing And Urban Development Corporation	Unsecured	10	7.15%	25-Sep-24	AAA	2,000.00
INE957N08151	Hero Fincorp	Unsecured	6	9.20%	27-Sep-24	AA+	400.00

# Global Bond Yields



- U.S. Treasury yields** rose during the week after an unexpected decrease in US jobless claims which dampened investor expectations of further aggressive rate cuts. However, US PCE prices rose by 0.1% MoM in Aug'24, increasing slightly lesser than expected. Further, the subdued U.S. inflation report lifted expectations of an outsized interest rate cut at the Federal Reserve's next policy meeting.
- UK yields** rose during the week as investor remained cautious of the size of further rate cuts by the BoE after it kept rates unchanged in its previous policy meeting along with rise in retail sales to 4.0% in Sep'24 which further dampened the investor expectations of rate cut.
- German Bund yields** fell during the week after inflation in France and Spain dropped below 2%, raising expectations of further rate cuts by the ECB. Moreover, a contraction in the private sector along with inflation remaining at moderate levels buoyed investor expectations of an additional quarter-point rate cut in its upcoming policy meeting.

## Global 10-Year Yields

Country	27-Sep-24	20-Sep-24	Change (bps)
US	3.76%	3.74%	2
UK	3.97%	3.90%	7
Germany	2.12%	2.22%	-10
China	2.10%	2.05%	5
Japan	0.81%	0.85%	-4



## Weekly Market Update

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Equity

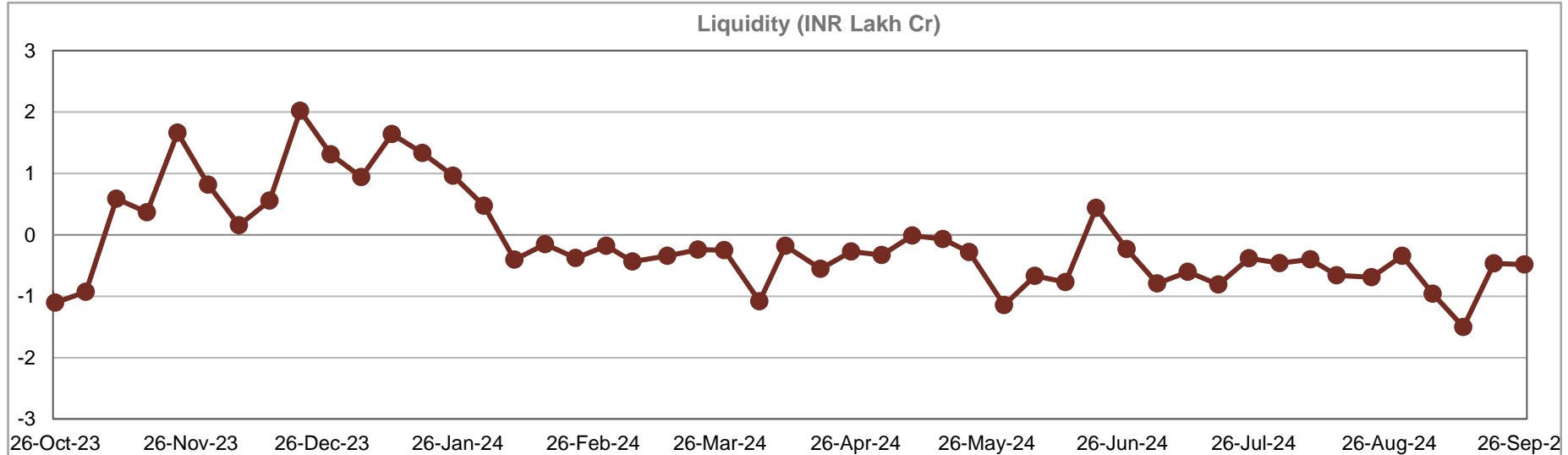
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# Treasury Bills / Policy Rates / Systemic Liquidity

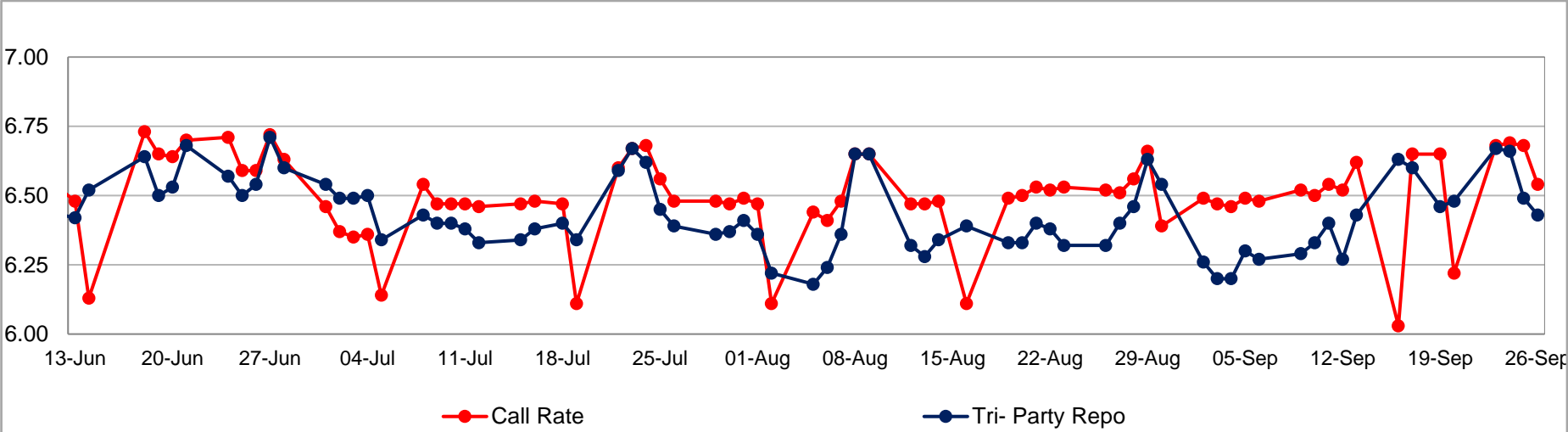
Policy Rates				T-Bill Yields		
Bank Rate	6.75%			Tenor	13-Sep-24	6-Sep-24
Repo Rate	6.50%			91 Day	6.65%	6.63%
Rev Repo Rate	3.35%			182 Day	6.72%	6.73%
MSF	6.75%			364 Day	6.70%	6.72%
CRR	4.50%					
SLR	18.0%					
T-Bill Auction						
Tenor	Amount (INR Cr)	B/C Ratio		Cut Off Yield (%)		Auction on October 03, 2024 Amount (INR Cr)
		As on Sept 11, 2024	As on Sept 04, 2024	As on Sept 11, 2024	As on Sept 04, 2024	
91 Days	8,000.00	2.17	3.20	6.65%	6.63%	7,000.00
182 Days	6,000.00	2.67	2.66	6.72%	6.73%	6,000.00
364 Days	6,000.00	4.82	4.04	6.70%	6.72%	6,000.00
<b>Total</b>	<b>20,000.00</b>					<b>19,000.00</b>

# Treasury Bills / Policy Rates / Systemic Liquidity

Liquidity Position (₹ Bn)		
Weekly Data	September 26, 2024	September 21, 2024
Average Reverse Repo	71.74	0.00
Average Net LAF	(59.64)	11.86
Average MSF	2.92	(46.47)
<b>Average Liquidity Position</b>	<b>(48.38)</b>	<b>(46.47)</b>



# Call Rate / Tri-Party Repo Rate



Particulars	September 20, 2024	September 26, 2024
Call Rate	6.22	6.54
Tri-Party Repo	6.48	6.43



## Weekly Market Update

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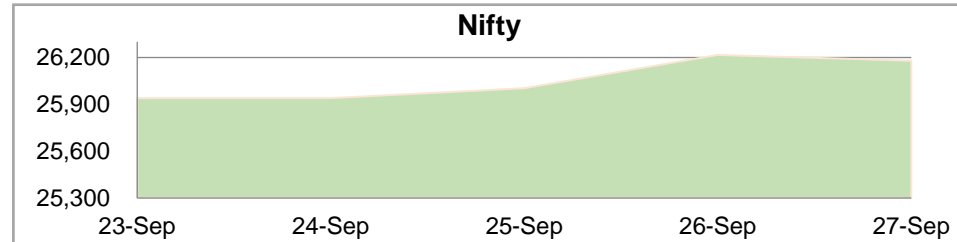
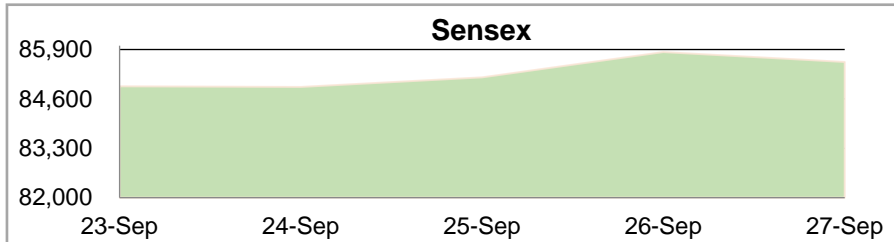
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# Equity Markets



## Domestic Indices

Index	27-Sep-24	20-Sep-24	% Change
Sensex	85,571.85	84,544.31	1.22
Nifty	26,178.95	25,790.95	1.50
Nifty Mid Cap 50	16,984.10	16,767.45	1.29
Nifty Small Cap 50	9,230.65	9,302.75	-0.78

## Global Indices

S&P 500	5738.17	5706.42	0.56
DJIA	42313.00	42055.17	0.61
NASDAQ	18119.59	17948.32	0.95
FTSE 100	8320.76	8229.99	1.10
Nikkei	39829.56	37723.91	5.58
Hang Seng	20632.30	18258.57	13.00

## Domestic benchmark Indices

- Indices opened the week higher and largely traded upwards, tracking gains from their Asian counterparts after the PBOC reduced the medium-term lending rate to 2% from 2.3% for the second time, following a rate cut in July 2024. The PBOC indicated further interest rate reductions as part of its efforts to increase liquidity, stabilize the economy, and enhance the transparency of its monetary policy.
- During the midweek, the indices continued to trend upwards after S&P Global retained India's growth forecast at 6.8% for FY25, despite persistently high food inflation, and suggested that the RBI could start cutting interest rates in its upcoming policy meeting. Additionally, the Finance Minister highlighted that India's external debt remains sustainable and within a comfortable range at 18.7%.
- However, towards the end of the week, the upward movement in the indices was limited after an analysis by UBS revealed that the K-shaped consumption pattern in India could narrow in FY25E, as the premium or affluent segment of consumption is showing signs of fatigue.

## US Indices

- The US stock indices traded upwards as investor sentiment was buoyed by expectations of further rate cuts by the US Fed, as indicated in the Fed's dot plot projections.
- The upward movement was further supported by the US economy growing at an annualized rate of 3% in Q2 FY25, compared to 1.6% in Q1 FY25, driven by increased government spending and private investments. Additionally, the US core PCE index rose by 0.1% in August 2024, compared to 0.2% in July 2024.

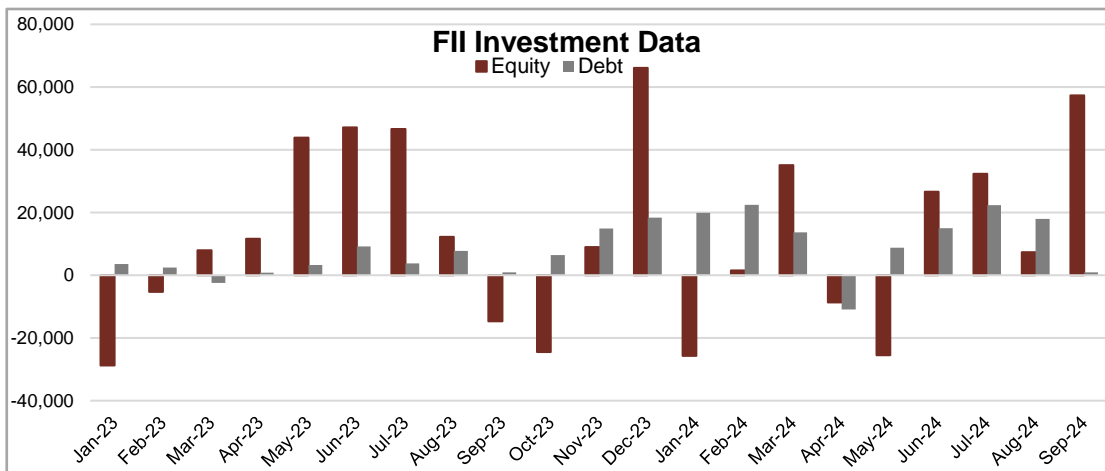
# Nifty – September 27, 2024 (26,178.95)



Support:- 25548 - 25098

Resistance: 27877 - 30384

# 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	63,647.55	53,011.37	10,636.18	67,951.40	73,841.12	-5,889.72
FII	1,45,054.41	1,21,394.50	23,659.91	3,470.63	2,349.23	1,121.40

\*DII data is from 19<sup>th</sup> Sep'24 to 25<sup>th</sup> Sep'24 and FII data is from 23<sup>rd</sup> Sep'24 to 27<sup>th</sup> Sep'24.

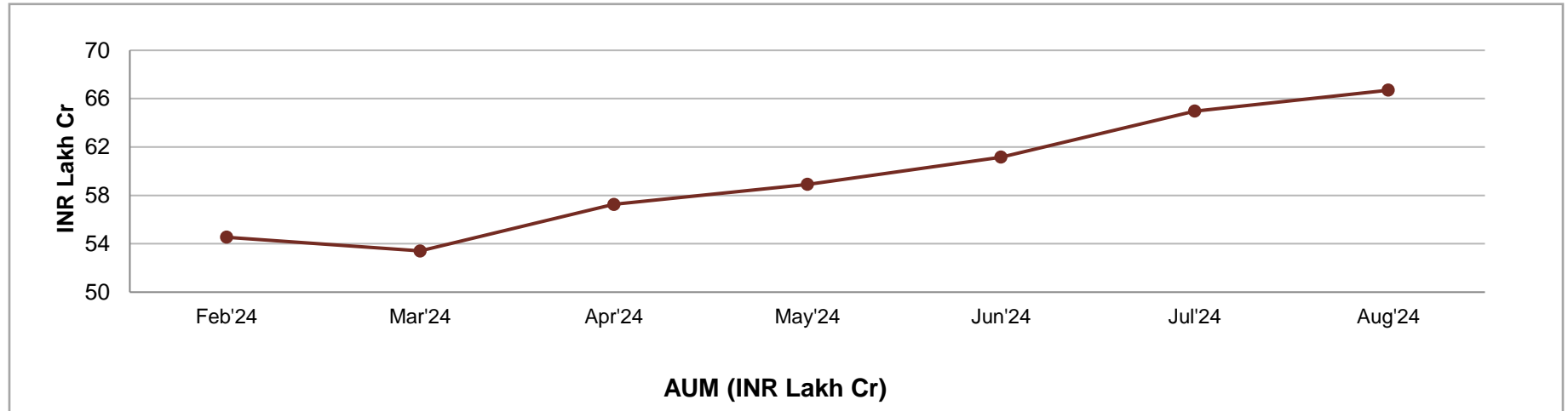
FII Investment Data		
Month	Equity	Debt
	Net Invest. (INR Cr)	Net Invest. (INR Cr)
Sep-24	57,359.00	877.00
Aug-24	7,322	17,953
Jul-24	32,365	22,363
June-24	26,565	14,955
May-24	-25,586	8,761
Apr-24	-8,671	-10,949
Mar-24	35,098	13,602
Feb-24	1,539	22,419
Jan-24	-25,744	19,837

FII Investment Data		
Year	Equity	Debt
	Net Invest. (INR Cr)	Net Invest. (INR Cr)
FY25	89,351	53,967
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>Aug'24</b>	66,70,305	23,547	38,239	<b>Aug'23</b>	46,63,480	15,814
<b>Jul'24</b>	64,96,653	23,332	37,113	<b>Jul'23</b>	46,37,565	15,245
<b>Jun'24</b>	61,15,582	21,262	40,608	<b>Jun'23</b>	44,39,187	14,734
<b>Total</b>	-	<b>68,141</b>	<b>1,15,960</b>	<b>Total</b>	-	<b>45,793</b>





## Weekly Market Update

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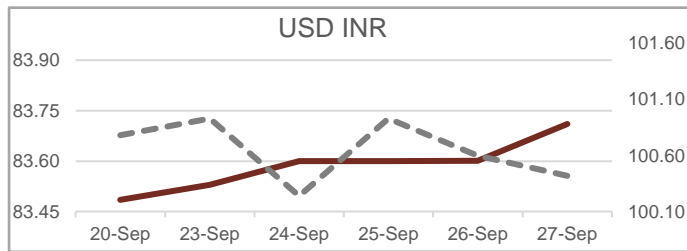
Bond

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Equity

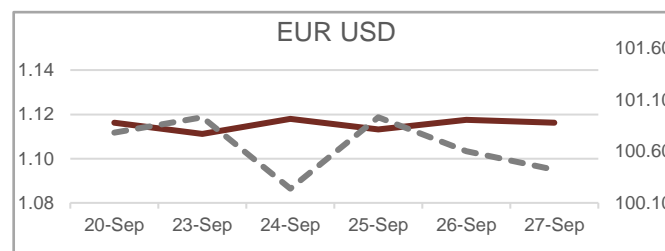
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# Foreign Exchange Report



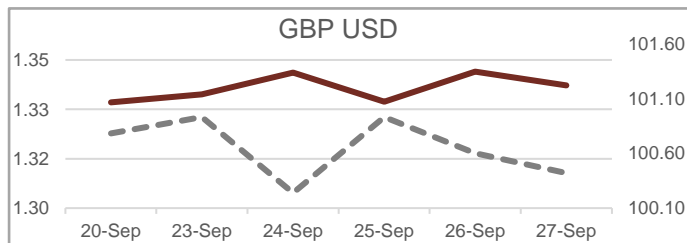
20-Sep	27-Sep
83.49	83.71
<b>0.27%</b>	

**The Indian rupee depreciated** against the greenback, as U.S. GDP growth for Q2 CY24 was affirmed at 3%, with upward revisions for Q1 CY24 to 1.6%, CY22 to 2.5%, and CY23 to 2.9%, driven by stronger income and productivity growth. Furthermore, initial unemployment claims unexpectedly fell to a four-month low of 218K, while core PCE inflation decreased to 2.2% in Aug'24 from 2.5% in Jul'24.



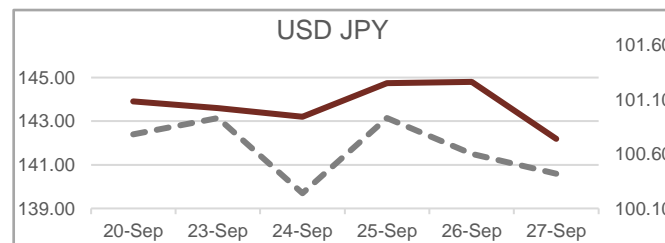
20-Sep	27-Sep
1.1162	1.1163
<b>0.01%</b>	

**The Euro marginally appreciated** following lower-than-expected inflation in France and Spain, which boosted bets on another 25-bps interest rate cut by the ECB in Oct'24, with odds around 70%. Furthermore, the dollar index weakened as the U.S. core PCE rose by 0.1% in Aug'24 from 0.2% in Jul'24, which increased the likelihood of an aggressive rate-cutting cycle.



20-Sep	27-Sep
1.3321	1.3373
<b>0.39%</b>	

**The British pound appreciated** after the BoE indicated that interest rates are expected to decrease gradually, reflecting confidence in inflation sustainably returning to the bank's target of 2%. Moreover, the dollar index weakened amid expectations that the Fed could implement one more significant interest rate cut in one of the two remaining policy meetings this year.



20-Sep	27-Sep
143.91	142.19
<b>1.20%</b>	

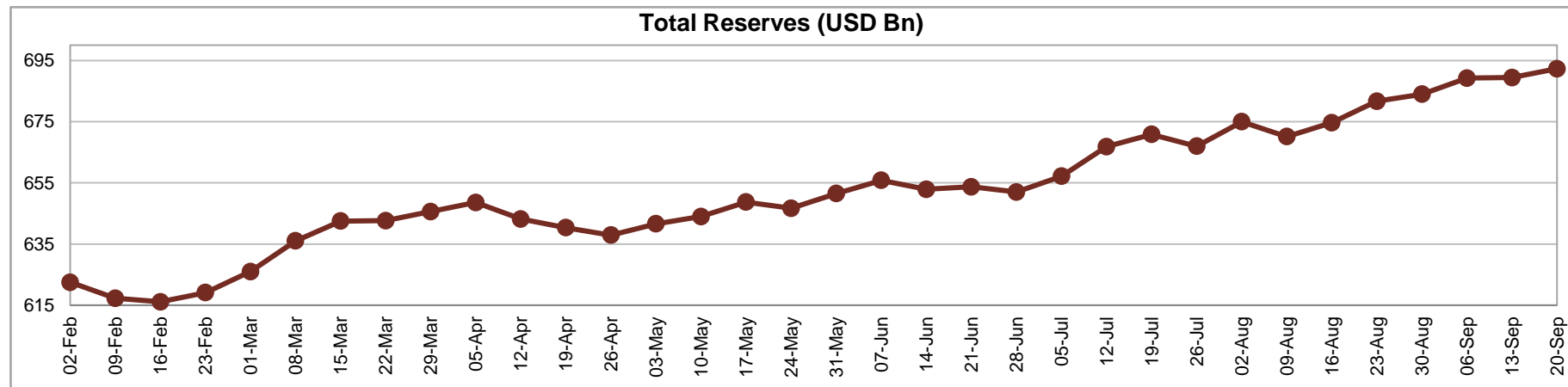
**The Japanese yen appreciated** as Tokyo's inflation rate fell to 2% in Sept'24 from 2.4% in Aug'24, marking a break from four consecutive months of rise in prices and aligning with the BoJ price stability target, thereby reinforcing the case for the BoJ to adopt a cautious approach to interest rate hikes. Moreover, the recent change in leadership within the political landscape has significantly bolstered positive sentiment.

**Dollar Index** ended the week lower by **0.36%** at 100.42

--- Dollar Index

# RBI Forex Reserves

	20-Sep-24	13-Sep-24	% Change (WoW)	% Change (MoM)	% Change (YoY)
Forex Reserves (USD Bn)	692.296	689.458	0.41%	1.56%	17.20%
Foreign Currency Assets (USD Bn)	605.686	603.629	0.34%	1.36%	15.73%
Gold Reserves (USD Bn)	63.613	62.887	1.15%	4.29%	43.57%
SDRs (USD Bn)	18.540	18.419	0.66%	0.44%	2.93%
Reserves with IMF (USD Bn)	4.458	4.523	-1.44%	-4.74%	-11.18%



# Brent Crude

Date	Day	Price (USD/bbl.)	
September 27, 2024	Friday	71.54	↑
September 26, 2024	Thursday	71.09	↓
September 25, 2024	Wednesday	72.90	↓
September 24, 2024	Tuesday	74.47	↑
September 23, 2024	Monday	73.21	↓



- Brent Crude ended the week lower by 3.96% to close at USD 71.54, and WTI Crude ended the week lower by 5.20% to close at USD 68.18.
- Crude oil prices opened the week lower and initially traded upwards following China's announcement of a series of stimulus measures aimed at supporting its economic slump, which eased concerns over sluggish demand from the world's top oil consumer.
- However, oil prices traded downwards as reports indicated that Saudi Arabia, the world's top exporter, would increase production in Dec'24, following an anticipated supply increase from OPEC+ with output hikes set to launch in Dec'24 after a two-month delay. Moreover, the anticipated reopening of Libya's crude fields is likely to further alleviate supply concerns.
- Towards the end of the week, crude oil prices reversed their trajectory and traded upwards amid concerns over potential supply disruptions from the Middle East due to escalating violence in the region.
- As per Baker Hughes, the number of active oil rigs drilling for oil in the US decreased to 484 for the week ending September 27, 2024.

# Things to watch out for during the week

Date	Country	Things to Watch Out For
30-Sep-24	Japan	Industrial Production
	China	Manufacturing PMI
		Services PMI
	UK	GDP Growth Rate
	India	Government Budget Value
01-Oct-24	Japan	Unemployment Rate
	India	Manufacturing PMI
	Euro Area	Manufacturing PMI
		Inflation Rate
	UK	Manufacturing PMI
	US	Manufacturing PMI

# Things to watch out for during the week

Date	Country	Things to Watch Out For
02-Oct-24	Euro Area	Unemployment Rate
03-Oct-24	Euro Area	Services PMI
		PPI
	US	Services PMI
04-Oct-24	India	Services PMI

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