

Key International events:

According to the US Commerce Department, the US Personal Consumption Expenditures (PCE) price index inched up by 0.1% MoM and 2.4% YoY in November 2024 after rising by 0.2% MoM and 2.3% YoY in October 2024. Economists had expected prices to increase by 0.2% MoM and 2.5% YoY in November 2024.

As per data from the University of Michigan, Consumer Sentiment index in the US came in at 74.0 for December 2024, in line with economists' expectations. The consumer sentiment index improved from 71.8 in November 2024, reaching its highest level since hitting 77.2 in April 2024.

According to the US Conference Board, the US Consumer Confidence Index tumbled to 104.7 in December 2024 from an upwardly revised 112.8 in November 2024. Economists had expected the consumer confidence index to rise to 113.0 in December 2024 from the 111.7 originally reported for November 2024.

As per data from the US Labor Department, initial jobless claims in the US slipped to 219,000 in the week ended December 21, 2024, a decrease of 1,000 from the unrevised level of 220,000 in the week ended December 14, 2024. Economists had expected jobless claims to rise to 224,000.

As per data from the UK's Office for National Statistics, UK's Real GDP increased 0.9% YoY in Q3 CY24. However, the real GDP remained flat QoQ as the services sector posted nil growth and the moderate expansion in construction was offset by the fall in industrial production. This follows a 0.4% QoQ expansion seen in Q2 CY24.

The People's Bank of China maintained its one-year Loan Prime Rate (LPR) at 3.10%. Similarly, the five-year LPR, the benchmark for mortgage rates, was retained at 3.60%. The bank had cut its both LPRs by 25 basis points each in October 2024 and has kept its rates unchanged since then.

Key Domestic events:

According to RBI data, India's forex reserves fell by USD 1.9 bn to USD 653 bn in the week ended December 13, 2024. The total reserves fell on the back of decline in foreign currency assets which fell by USD 3 bn during the week. On the other hand, gold reserves increased by USD 1.1 bn during the week.

As per Government data, India's finished steel imports from China rose 22.8% YoY and reached 1.96 mn metric tonnes, an all-time high, during April-November 2024. Finished steel imports from Japan more than doubled YoY to 1.4 mn metric tonnes during the period.

As per data from the Labour Ministry, retail inflation for farm workers and rural labourers dipped to 5.35% YoY and 5.47% YoY in November 2024, compared to 5.96% YoY and 6% YoY, respectively, in October 2024, as the All-India Consumer Price Index (CPI) for Agricultural Labourers (CPI-AL) and Rural Labourers (CPI-RL) registered an increase of 5 points each in November 2024, reaching levels of 1,320 and 1,331, respectively.

According to IRDAI data, India's non-life insurance sector saw a 12.76% YoY growth in direct premiums which reached Rs 2.9 trillion in FY24. The aggregate profit of the sector came in at Rs 101.19 bn in FY24 against a net loss of Rs 25.66 bn in FY23. The net incurred claims to net earned premium (claims ratio) of the industry also improved 82.52% during FY24 as against 82.95% in FY23.

As per data from CRISIL Research, the Indian pharmaceutical sector is projected to expand 8-10% YoY in this FY25, after growing by 10% YoY in FY24 and is expected to grow by another 9-11% in FY26.

As per the Kantar FMCG Pulse report, India's FMCG sector reported growth of just 4.3% YoY in the August-October (ASO) quarter of FY25, compared to 6.4% YoY growth in the ASO quarter of FY24. Volume growth in the urban sector came in at 4.5% YoY during the period, compared to 6.9% YoY growth in the ASO quarter of FY24.

According to CRISIL ratings, India's data centre capacity is set to more than double to 2-2.3 GW by FY27, led by increasing digitalization, and access to mobile data traffic, which has registered a 25% CAGR growth over the last 5 Fiscal Years and stood at 24 GB per month by the end of FY24 and is expected to rise to 33-35 GB by FY26.

According to the Finance Ministry, the government will continue its focus on improving quality spending, strengthening the social security net and bring down the fiscal deficit to 4.5% of GDP in FY26.

As per data from the National Statistical Office, a rise in the number of establishments in the unincorporated sector grew by 12.8% YoY to 73.4 mn, led by the share of own account enterprises (OAEs) which grew to 86.4% during the October 2023-September 2024 period from 85.1% in the October 2022-September 2023 period.

As per data from the Ministry of Commerce and Industry, electronics exports from India have reached USD 22.5 bn in value during the period April-November 2024, a near 28% YoY growth over the USD 17.66 bn exports during the April-November 2023 period. Smartphone exports have led this rise, rising by 45% YoY to USD 13.11 bn during the period.

According to IRDAI data, New Business Premium (NBP) in life insurance's micro-insurance segment, which targets low-income groups, rose 23.5% YoY to Rs 108.60 bn in FY24 from Rs 87.93 bn during FY23. Private life insurers drove the segment with over Rs 107.08 bn of NBP earned during FY24.

As per RBI data, Unified Lending Interface (ULI), Reserve Bank of India's (RBI) UPI-like digital public infrastructure in lending space, has facilitated disbursement of over 600,000 loans amounting to Rs 270 bn. Out of this, about 160,000 loans amounting Rs 145 bn are to Micro, Small, and Medium Enterprises (MSMEs).

As per data from the Ministry of Finance, Corporate Social Responsibility (CSR) spending by Central Public Sector Enterprises (CPSEs) surged by 19% YoY to Rs 49.11 bn in FY24, marking a four-year high. At the same time, the net profit of profit-making CPSEs reached Rs 3.43 trillion in FY24, rising 38.66% YoY from Rs 2.47 trillion in FY23.

As per MoSPI data, the number of new subscribers to the Employees' Provident Fund (EPF) scheme was at its lowest at 0.75 mn in October 2024. On the other hand, new subscribers to the National Pension Scheme (NPS) increased by 12% MoM to 64,977 in October 2024 from 58,018 in September 2024. From April to October, the number of new NPS and EPF subscribers declined by 41.3% and 23.2%, respectively.

According to CRISIL ratings, branded hotels in India are likely to see double-digit revenue growth of 13-14% in FY25, and 11-12% in FY26, on the back of a surge in demand. To meet the increasing demand, the pace of room additions is expected to pick up further and supply will likely increase by 20% YoY in FY25 and FY26.

As per the Central Electricity Authority, India added almost 4 gigawatts of coal-fired capacity in 2024, about the same as in 2023. The Power Ministry unveiled a plan in 2023 to add almost 90 gigawatts of coal-fired capacity through 2032. Materializing the plan would require adding at least 9 gigawatts of plants every year.

According to RBI data, Net Foreign Direct Investment (FDI) into the country has slowed considerably to USD 2.1 bn during April-October 2024 from USD 7.7 bn April-October 2023, majorly due to the rise in repatriation and net outward FDI. However, gross inward FDI rose to USD 48.6 bn during April-October 2024 from USD 42.1 bn during April-October 2024.

Equity Round up: S&P BSE Sensex opened at 78489. It made a weekly high of 79043 and a low of 78173 before closing 657 points lower at 78699.

Events to watch out for the next week:

International Events

1. US Initial Jobless Claims data on 02 Jan'25
2. China Composite PMI for Dec'24 on 31 Dec'24
3. China Manufacturing PMI for Dec'24 on 31 Dec'24
4. China Non-manufacturing PMI for Dec'24 on 31 Dec'24

Domestic Events

1. Forex Reserves for week ended 27 December 2024 on 3 January 2025
2. Fiscal Deficit for Nov'24 on 31 Dec'24
3. Eight Infrastructure Industries data for Nov'24 on 31 Dec'24

Key Equity Market Indices	Closing	% Change WoW
BSE Sensex	78,699	0.84
Nifty 50	23,813	0.96
BSE 100	25,193	0.75
BSE 200	10,976	0.64
BSE Midcap	46,326	0.21
BSE Smallcap	55,048	-0.18
BSE FMCG	20,632	1.34
BSE HC	44,638	1.23
BSE IT	43,610	0.00
BSE Auto	52,220	2.09
BSE BANKEX	58,217	0.81
BSE CG	68,160	-0.58
BSE CD	64,114	-0.16
BSE Oil & Gas	25,863	0.71

Other Key Indices#	Closing	Change WoW
10 Year G-Sec (6.79% 2034)	6.78%	(-) 1 bps
Interbank Call	6.67%	(-) 5 bps
INR/USD	85.54	0.61%
Gold (Rs/10gm)	76,436	1.40%

Taken during market hours , 10 Year G-Sec (6.79% 2034) and Interbank Call as on 26 Dec '24

World Indices	Closing	% Change WoW
Dow Jones*	43,326	2.32
Nasdaq*	20,020	3.34
FTSE	8,138	1.37
DAX	19,924	1.04
Hang Seng	20,090	1.87
Nikkei	40,281	4.08
Bovespa*	1,21,078	-0.09
Indonesia Jakarta	7,037	0.75

* Dow Jones, Nasdaq and Bovespa as on Thursday

Rs. Bn	Gross Buying	Gross Selling	Net (WoW)
FPIs	541.4	592.5	-51.1
DIIIs	455.7	378.2	77.5

Data for FPI from 20 Dec 2024 to 26 Dec 2024. Data for DII from 13 Dec 2024 to 19 Dec 2024.

Arbitrage Spreads	Spot	Future*	Prem/(Dis)
Nifty 50	23,813	24,000	187

*January 2025 Expiry

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