

Key International events:

According to a report released by the US Institute for Supply Management, **US's manufacturing PMI inched up to 49.3 in December 2024 from 48.4 in November 2024**. Economists had expected the index to come in unchanged.

The Atlanta Fed reduced the US economic growth estimate for the Q4 CY24, citing recent official releases. **The GDPNow model estimate for real GDP growth for the Q4 CY24 was lowered to 2.6 % YoY from 3.1 % YoY forecast on December 2024**.

As per the US Commerce Department, **the trade deficit of US increased to USD 78.2 bn in November 2024 from a revised USD 73.6 bn in October 2024**. Economists had expected the trade deficit to climb to USD 78.0 bn.

As per the ISM, **US services PMI climbed to 54.1 in December 2024 from 52.1 in November 2024**. Economists had expected the index to rise to 53.3.

As per the US Labor Department, **job openings in US rose to 8.10 mn in November 2024 from an upwardly revised 7.84 mn in October 2024**. Economists had expected job openings to dip to 7.70 mn.

The minutes of the US Federal Reserve December 2024 monetary policy meeting said that **the careful approach will be needed due to a variety of factors, including increased upside risks to the outlook for inflation due in part to uncertainty about the impact of U.S. President-elect Donald Trump's proposed policies**. Fed officials still expect inflation to continue moving toward 2% YoY but noted the effects of potential changes in trade and immigration policy could lead to the process taking longer than previously anticipated.

Survey data from the European Commission showed that **the economic sentiment index of Eurozone dropped more-than-expected to 93.7 in December 2024 from 95.6 in the previous month**.

As per Eurostat, **the harmonized index of consumer prices of Eurozone climbed 2.4% YoY in December 2024, following a 2.2% YoY gain in November 2024**. The pace of growth matched economists' expectations.

As per the behavioral research institute Sentix, **Eurozone investor confidence sunk to the lowest level since November 2023 with the corresponding index falling to -17.7 in January 2025 from -17.5 in December 2024**.

As per S&P Global, **the Composite Output Index of Eurozone rose to 49.6 in December 2024 from 48.3 in the previous month**. The score was slightly above the flash estimate of 49.5.

As per the latest survey from Jibun Bank, **services PMI of Japan came in at 50.9 in December 2024. That's up from 50.5 in November 2024**.

As per S&P Global, **China's Services Purchasing Managers' Index posted 52.2 in December 2024, up from 51.5 in November 2024**. The services activity extended its expansion to two years. Moreover, activity growth accelerated the most since May 2024.

The China's National Bureau of Statistics said that **Consumer Prices in China were flat on month in December 2024**. That exceeded expectations for a decline of 0.2% MoM following the 0.6% MoM drop in November 2024.

Key Domestic events:

As per the Reserve Bank of India, **India's forex reserves dropped by 4.11 USD to USD 640.28 bn during the week ended December 27, 2024**. In the previous reporting week, the overall kitty had dropped by USD 8.48 bn to USD 644.39 bn.

As per S&P Global, **India's Services Purchasing Managers' Index (PMI) for December 2024 rose to 59.3 points, an increase from 58.4 points recorded in November 2024**, signalling growth in the country's services sector. Continued demand buoyancy propelled new business inflows, supported output growth, and encouraged firms to expand their workforce.

As per the United Nations (UN) flagship report, World Economic Situation and Prospects 2025, **the Indian economy is expected to grow by 6.6% YoY in 2025 and 6.7% YoY in 2026**, supported by solid private consumption and investment growth.

According to ICRA, **revenue of the Indian construction companies for FY25 is estimated to grow at 8-10% YoY, slower in comparison to a growth of 12-15% YoY during previous years**.

As per CRISIL, **the average cost of preparing a vegetarian thali was up 6% YoY at Rs 31.6 per plate in December 2024 when compared to the year-ago period's Rs 29.7**, but was down from preceding November 2024 rate of Rs 32.7. A non-vegetarian thali cost was higher by 12% YoY and 3% MoM to Rs 63.3 in December 2024.

As per the Ministry of Statistics, **the GDP estimates for FY25 have been maintained at 6.4% YoY**. This is significantly lower than the 8.2% YoY GDP growth witnessed in FY24.

NSO data shows that **the share of Gross Fixed Capital Formation (GFCF), a proxy for infrastructure investment in the economy, is expected to fall to 30.1% of GDP in FY25 from 30.8% in FY24 in nominal terms**.

According to Knight Frank, **housing sales rose 7% YoY in 2024 across eight major cities to reach 12-year high at 350,613 units on better demand for premium homes amid stable mortgage rates and strong economic growth**.

Oil ministry data showed that **India's fuel consumption in December 2024 rose 2.1% YoY to 20.67 mn metric tons, its highest level since last May 2024**.

As per Colliers, **in 2024, institutional investments in industrial and warehousing surged, tripling from 2023 levels to USD 2.5 bn (Rs 214.30 bn)**. This segment drove overall investments worth USD 6.5 bn in the sector, with 80% of the growth fuelled by foreign investments, highlighting India's rising manufacturing and logistics capabilities.

Directorate General of Commercial Intelligence and Statistics (DGCIS) data showed that **the government has revised downwards the gold import data for November to USD 9.8 bn, a sharp reduction from the earlier announced figure of USD 14.8 bn**.

An analysis of federal grid regulator data showed that **India's power output rose 5.8% YoY to 1,824.13 billion kilowatt-hours (kWh) and growth in power generation averaged 2.3% in H2 FY25, nearly a quarter of H1 FY25 rise of 9.6%**.

A Business Standard poll of 10 economists showed that **the upcoming Union Budget to be presented on February 1, 2025 is likely to assume a Nominal Gross Domestic Product (GDP) growth between 10 and 10.5% YoY for FY26**.

As per Commerce Minister Piyush Goyal, **India has potential to increase organic product exports to Rs 200 bn in the next three years**. New regulations will enhance clarity and transparency in organic product standards. The initiative can boost India's organic export sector, targeting USD 2 bn by 2030.

As per the GSTN portal, **the E-way bills, generated by businesses for transporting goods within and across states, touched their second-highest level in December 2024 in 24 months, growing 17.6% YoY to reach 112 mn**.

As per AMFI data, **inflows into India's equity mutual funds rose about 15% MoM in December 2024, with investors continuing their buying spree unaffected by the prospect of fewer US rate cuts in 2025 and worries of likely moderation in earnings**. Inflows into equity mutual funds rose to Rs 411.56 bn in December 2024 compared to Rs 359.43 bn in November 2024.

According to data from the Household Consumption Expenditure Survey 2023-24, **the share of rent in consumption expenditure has risen to 6.58%. This is the highest it has been in surveys going back to the turn of the millennium**. The share of rent in urban expenditure was 4.46% in a similar survey conducted in 1999-00. It has risen with every round of the survey.

Data from research firm Counterpoint Research shows that **India's mobile phone production capacity reached over 500 mn units by the end of 2024**. Meanwhile, the Electronic Industries Association of India (ELCINA) has estimated a slightly lower range of 400-420 mn units. However, actual production remains around 250 mn units annually, with 200 mn catering to the domestic market and the rest, primarily iPhones, being exported.

Equity Round up: S&P BSE Sensex opened at 79282. It made a weekly high of 79533 and a low of 77100 before closing 1844 points lower at 77379.

Events to watch out for the next week:

International Events

1. US Initial Jobless Claims on 16 Jan'25
2. Eurozone Industrial Production for Nov'24 on 15 Jan'25

Domestic Events

1. Forex Reserves for week ended 10 January 2025 on 17 January 2025
2. CPI for Dec'24 on 13 Jan'25
3. WPI for Dec'24 on 14 Jan'25
4. Balance of Trade for Dec'24 on 15 Jan'25

Key Equity Market Indices	Closing	% Change WoW
BSE Sensex	77,379	-2.33
Nifty 50	23,432	-2.39
BSE 100	24,630	-3.26
BSE 200	10,697	-3.60
BSE Midcap	44,241	-5.74
BSE Smallcap	52,722	-6.05
BSE FMCG	20,755	-1.72
BSE HC	43,716	-3.57
BSE IT	44,133	1.04
BSE Auto	52,027	-3.96
BSE BANKEX	55,300	-4.54
BSE CG	64,233	-5.83
BSE CD	62,347	-5.94
BSE Oil & Gas	25,956	-3.22

Other Key Indices#	Closing	Change WoW
10 Year G-Sec (6.79% 2034)	6.76%	(-) 3 bps
Interbank Call	6.83%	36 bps
INR/USD	85.97	0.22%
Gold (Rs/10gm)	78,018	0.66%

Taken during market hours , 10 Year G-Sec (6.79% 2034) and Interbank Call as on 09 Jan '25

World Indices	Closing	% Change WoW
Dow Jones*	42,635	0.57
Nasdaq*	19,479	1.03
FTSE	8,301	0.69
DAX	20,360	2.10
Hang Seng	19,064	-3.52
Nikkei	39,190	-1.77
Bovespa*	1,19,781	-0.29
Indonesia Jakarta	7,089	-1.05

* Dow Jones, Nasdaq and Bovespa as on Thursday

Rs. Bn	Gross Buying	Gross Selling	Net (WoW)
FPIs	540.1	719.2	-179.1
DIIs	434.7	382.5	52.2

Data for FPI from 03 Jan 2025 to 09 Jan 2025. Data for DII from 03 Jan 2025 to 08 Jan 2025.

Arbitrage Spreads	Spot	Future*	Prem/(Dis)
Nifty 50	23,432	23,515	84

*January 2025 Expiry

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