

**Key International events:**

As per the University of Michigan, **consumer sentiment index of US edged down to 73.2 in January 2025 from 74.0 in December 2024**. Economists had expected the index to inch up to 74.5.

As per the US Labor Department, **non-farm payroll employment of US surged by 256,000 jobs in December 2024 after jumping by a downwardly revised 212,000 jobs in November 2024**. Economists had expected employment to climb by 160,000 jobs.

As per the US Labor Department, **Producer Price Index of US for final demand crept up by 0.2% MoM in December 2024 after climbing by 0.4% MoM in November 2024**. Economists had expected producer prices to rise by 0.3% MoM.

As per the US Labour Department, **Consumer Price Inflation in US accelerated to 2.9% YoY in December 2024 from 2.7% YoY in November 2024**. Core inflation, which excludes prices of fresh food and energy, slowed to 3.2% YoY from 3.3% YoY in November 2024.

The Atlanta Fed lifted its estimate for US GDP growth in Q4 CY24 citing the recent economic data. **The GDPNow model estimate for real GDP growth for Q4 CY24 was raised to 3.0% YoY from 2.7% YoY forecast on January 9, 2025**.

According to a report released by the Federal Reserve Bank of New York, New York manufacturing activity unexpectedly declined in the month of January 2025. **The New York Fed said that its general business conditions index tumbled to a negative 12.6 in January 2025 from a positive 2.1 in December 2024**.

As per Eurostat, **Industrial output of Eurozone posted a monthly increase of 0.2% MoM in November 2024, the same pace as in October 2024**. Economists had expected a slightly higher growth of 0.3% MoM.

The minutes of the December 11-12, 2024 Eurozone policy session showed that **European Central Bank policymakers were looking forward to more interest rate cuts, but they saw the need for a cautious approach due to several uncertainties that could derail inflation from its path to the 2% YoY target**.

Eurostat reported that the **trade surplus in Eurozone dropped to EUR 16.4 bn in November 2024 from EUR 18.2 bn in October 2024**.

Data from the China's General Administration of Customs showed that **exports in China advanced 10.7% YoY in December 2024, faster than the 6.7% YoY increase in November 2024 and also economists' forecast of 7.3% YoY**.

As per the China's National Bureau of Statistics, **China's Gross Domestic Product rose 5% YoY in Q4 CY24, slightly exceeding the median estimate of 4.9% YoY in a Bloomberg survey. The economy grew 5.4% YoY in Q4 CY23**.

**Key Domestic events:**

IMF Managing Director Kristalina Georgieva has said that **the Indian economy is expected to be "a little weaker" in 2025 despite steady global growth**. Georgieva also said she expects quite a lot of uncertainty in the world this year mainly around the trade policy of the US. According to her, global growth is expected to be steady in 2025, but with regional divergence.

As per the Ministry of Statistics and Programme Implementation, **Industrial production rose 5.2% YoY in November 2024, faster than the 3.7% YoY gain in October 2024**. India's industrial production expanded at the fastest pace in six months in November 2024.

As per the Reserve Bank of India, **India's forex reserves dropped by USD 5.69 bn to USD 634.59 bn in the week ended January 3, 2025**. In the previous reporting week, the overall kitty had declined by USD 4.11 bn to USD 640.279 bn.

As per the finance ministry, **the Centre released tax devolution of Rs 1.73 trillion to state governments against the devolution of Rs 890.86 bn in December 2024**. A higher amount is being devolved this month to enable states to accelerate capital spending and finance their development and welfare-related expenditures.

As per MoSPI, India's retail inflation rate, measured by the Consumer Price Index (CPI), for December 2024 stood at 5.22% YoY, showing a slight dip from 5.48% YoY in November 2024.

According to rating agency ICRA, as the performance of the available high-frequency indicators saw a mixed trend in December 2024 as compared to the prior month, **the index of industrial production (IIP) growth can moderate to 3-5% YoY in December 2024 from 5.2% YoY in November 2024, partly on account of unfavourable growth**.

As per market intelligence firm Tracxn, **India ranked third globally in terms of funding received in the fintech segment despite a decline of 33% YoY to USD 1.9 bn in 2024**.

According to a report by Germinate Investor Services Research, **asset management companies launched 239 new fund offerings (NFOs) mobilising Rs 1.18 trillion in 2024, with sectoral or thematic equity funds emerging as the top choice of investors**. This was higher than 212 NFOs collecting Rs 638.54 bn in 2023 and 228 NFOs garnering Rs 621.87 bn in 2022.

Real estate consultant Anarock data showed that the **Private Equity (PE) investment in real estate rose 6% to USD 2.82 bn during the April-December 2024 period of FY25 from USD 2.66 bn in FY24**.

According to the government data, **India's Wholesale Price Index (WPI) based inflation rose to 2.37% YoY in December 2024 from 1.89% YoY in November 2024** due to the rise in prices of manufactured items and a low base effect. The WPI-based inflation stood at 0.86% YoY in December 2023.

Industry body SIAM said that **automobile dispatches from companies to dealers rose 12% YoY in 2024 on the back of positive consumer sentiments which aided robust demand for two-wheelers**. Total wholesales across categories rose to 2,54,98,763 units in 2024 against 2,28,39,130 units in 2023, a growth of 11.6% YoY.

As per ICRA, **India's civil aviation industry is projected to report a net loss of Rs 20 bn to Rs 30 bn in FY24 and FY25** as supply chain challenges and engine issues are expected to continue for some more time.

As per Moody's Ratings, **India's fiscal conditions will continue to constrain its credit strength in 2025, although tension in US-China relations could benefit the Indian economy**. Moody's Ratings also said that growth and inflation are levelling out, with strong domestic demand bolstered by modest easing in global and regional financial conditions.

According to data released by the commerce department, **India's merchandise exports contracted 1% YoY to USD 38.01 bn in December 2024 while imports rose by 4.9% YoY to USD 59.95 bn leading to a trade deficit of USD 21.94 bn during the month**.

As per CRISIL, **India's investments in green infrastructure and energy projects will grow five-fold over the next five years to Rs 31 trillion**. This is a crucial part of an estimated USD 10 trillion investments needed through 2070 to achieve the country's net-zero goals.

The **World Bank kept its growth forecast for India unchanged at 6.7% YoY for FY26**, maintaining that the country will remain the fastest-growing major economy for next two years.

According to PropTiger, **housing sales declined 26% YoY to 1,06,038 units across eight major cities during Q3 FY25 on lower demand mainly due to high prices**. Sales stood at 1,43,482 units in the year-ago period.

According to data from the Petroleum Planning and Analysis Cell, **demand for petrol is 4.65% higher than the 241.8 mn tonnes projected for FY25. Demand for petrol is projected to grow 6.64% in FY26. Diesel consumption is projected at 94.12 mn tonnes in FY26, higher by 2.77% than the 91.57 mn tonnes estimated for FY25**.

**Equity Round up:** S&P BSE Sensex opened at 76630. It made a weekly high of 77320 and a low of 76250 before closing 760 points lower at 76619.

**Events to watch out for the next week:**

**International Events**

- China's 1 & 5 year Loan Prime Rate data on 20 Jan'25
- China's FDI data on 20 Jan'25

**Domestic Events**

- Forex Reserves for week ended 17 January 2025 on 24 January 2025
- M3 Money Supply on 22 Jan'25

Key Equity Market Indices	Closing	% Change WoW
BSE Sensex	76,619	-0.98
Nifty 50	23,203	-0.97
BSE 100	24,464	-0.67
BSE 200	10,640	-0.54
BSE Midcap	43,761	-1.08
BSE Smallcap	52,311	-0.78
BSE FMCG	20,336	-2.02
BSE HC	42,660	-2.41
BSE IT	41,747	-5.41
BSE Auto	51,499	-1.02
BSE BANKEX	54,919	-0.69
BSE CG	65,180	1.47
BSE CD	60,629	-2.76
BSE Oil & Gas	26,105	0.58

Other Key Indices#	Closing	Change WoW
10 Year G-Sec (6.79% 2034)	6.75%	(-) 1 bps
Interbank Call	6.55%	(-) 28 bps
INR/USD	86.61	0.74%
Gold (Rs/10gm)	79,239	1.57%

# Taken during market hours, 10 Year G-Sec (6.79% 2034) and Interbank Call as on 16 Jan '25

World Indices	Closing	% Change WoW
Dow Jones*	43,153	1.21
Nasdaq*	19,338	-0.72
FTSE	8,490	2.26
DAX	20,866	2.49
Hang Seng	19,584	2.73
Nikkei	38,451	-1.89
Bovespa*	1,21,234	1.21
Indonesia Jakarta	7,155	0.93

\* Dow Jones, Nasdaq and Bovespa as on Thursday

Rs. Bn	Gross Buying	Gross Selling	Net (WoW)
FPIs	611.8	833.9	-222.0
DIIIs	495.4	314.5	180.8

Data for FPI from 10 Jan 2025 to 16 Jan 2025. Data for DII from 10 Jan 2025 to 15 Jan 2025.

Arbitrage Spreads	Spot	Future*	Prem/(Dis)
Nifty 50	23,203	23,262	59

\*January 2025 Expiry

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