

Key International events:

The US Fed has decided to lower the target range for the federal funds rate by 25 bps to 4.50 to 4.75%. The central bank said its decision to continue lowering rates comes as labor market conditions have generally eased, while inflation continues to make progress towards its 2% YoY objective. However, the Fed said the risks to achieving its dual goals of maximum employment and inflation at the rate of 2% YoY over the longer run are roughly in balance.

As per the ISM, manufacturing PMI of US fell to 46.5 in October 2024 from 47.2 in September 2024. Economists had expected the index to inch up to 47.6.

As per the Energy Information Administration, US crude oil inventories climbed by 2.1 mn barrels in the week ended November 1st 2024 after edging down by 0.5 mn barrels in the previous week. Economists had expected crude oil inventories to rise by 1.8 mn barrels.

As per the US Labor Department, initial jobless claims in US crept up to 221,000 in the week ended November 2nd 2024, an increase of 3,000 from the previous week's revised level of 218,000. Economists had expected jobless claims to rise to 221,000.

As per the ISM, US services PMI rose to 56.0 in October 2024 from 54.9 in September 2024. The uptick surprised economists, who had expected the index to dip to 53.8.

As per S&P Global, the HCOB composite output index of Eurozone registered 50.0 in October 2024 signalling no change in private sector output. The reading was up from 49.6 in September 2024 and above the flash score of 49.7.

As per Eurostat, producers' prices of Eurozone in the domestic market decreased 0.6% MoM in September 2024, reversing a similar size gain in the previous month. This was the first decline since May 2024. Producer prices in the euro area fell on a monthly basis for the first time in four months in September amid a slump in energy prices.

As per S&P Global, the final manufacturing PMI of UK posted 49.9 in October 2024, down from 51.5 in September 2024. The UK factory activity contracted for the first time since April 2024 as manufacturers adopted a wait-and-see approach on investment and spending ahead of the budget announcement.

As per S&P Global, the final services Purchasing Managers' Index of UK registered 52.0 in October 2024, down from 52.4 in September 2024. The reading was above the initial estimate of 51.8.

The Bank of England has decided to lower the rate by 25 bps to 4.75%. Previously, the U.K. central bank had reduced the policy rate by a quarter-point in August 2024, which was the first reduction since March 2020.

As per S&P Global, the Caixin manufacturing PMI of China rose to 50.3 in October 2024 from 49.3 in September 2024. China's manufacturing activity returned to growth in October as companies ramped up production and purchasing to meet higher demand amid improving confidence.

The latest survey from Caixin revealed that the services sector in China continued to expand in October 2024, and at a faster rate with a PMI score of 52.0. That's up from 50.3 in September 2024.

As per media report, the Drewry World Container Index, a global benchmark measuring weekly ocean freight rates across eight major east-west routes rose 4% from the previous week to USD 3,213 for a 40-foot container (40-foot equivalent unit). Freight rates from China to Europe increased by 8 to 11% between October 24 and 31, 2024.

The BoJ kept its benchmark interest rate unchanged at 0.25%, as widely expected. The BoJ ended its negative interest rate policy in March 2024.

Key Domestic events:

As per the RBI, India's forex reserves dropped by USD 3.46 bn to USD 684.81 bn in the week ended October 25, 2024. The overall reserves had dropped by USD 2.16 bn to USD 688.27 bn in the previous reporting week. In end-September 2024, the reserves had hit an all-time high of USD 704.89 bn.

According to government data, Goods and Services Tax (GST) collections climbed to a six-month peak of Rs 1.87 trillion in October 2024, remaining above the Rs 1.7 trillion threshold for the eighth consecutive month. The collections were up 8.1% MoM and saw an 8.9% YoY, rising from Rs 1.72 trillion.

According to Vahan data from the Ministry of Road Transport and Highways, EV registration in India reached 217,716 in October 2024 representing a 35% MoM recovery from the 160,237 units sold in September 2024. This also marks the highest monthly sales figure recorded to date.

Data from the Ministry of Rural Development indicated that around 19.89 mn people sought employment under the MGNREGS in October 2024, marking a 9.2% decrease from the previous year. These individuals represented 16.97 mn households, which is a 7.6% YoY decline.

As per Govt Data, India's power consumption rose marginally by about 1% YoY to 140.47 bn units (BU) in October 2024, mainly due to heavier base effect. In the year-ago period, the power consumption grew by over 22% YoY to 139.44 BU.

The headline Purchasing Managers' Index (PMI) figure, released by HSBC and compiled by S&P Global, improved to 58.5 in October 2024 from 57.7 in September 2024. The index has been above the neutral 50-mark that separates contraction from expansion for the 39 months straight.

Reserve Bank of India (RBI) Governor Shaktikanta Das warned that inflation for October 2024 is likely to be higher than the 5.5% YoY recorded in September 2024. Despite significant inflationary pressures and external challenges, Das said the RBI remains committed to maintaining stability in the financial system.

As per Chief Economic Advisor, Venkatraman Anantha Nageswaran, India's job creation in India is progressing, but the spotlight should be on the quality of those jobs, particularly as artificial intelligence (AI) is changing labour dynamics.

According to consumer intelligence firm NielsenIQ, India's fast-moving consumer goods (FMCG) sector grew 5.7% by value and 4.1% in volume during Q2 FY25. Price growth was 1.5%. Rural volume growth came in at 6% and surpassed urban for the third straight quarter despite consumption softening in both regions.

As per The Solvent Extractors' Association of India, India's vegetable oil imports are estimated to decline further in the 2024-25 season to 15 mn metric tonnes, as favourable weather will likely boost domestic production.

According to estimates by Counterpoint Research, in Q3 CY24 smartphone shipments, India accounted for 15.5% of global shipments, second only to China, which led with a 22% share. The US followed India with a 12% share. By value, India ranked third, holding around 12.3% of the market in Q3 CY24, up from 12.1% in the same quarter last year. China maintained its dominance with a 31% share of total sales, while the US held the second position with 19%.

Equity Round up: S&P BSE Sensex opened at 79713 It made a weekly high of 80570 and a low of 78233 before closing 238 points lower at 79486.

Events to watch out for the next week:

International Events

1. US CPI for Oct'24 on 13 Nov'24
2. US Initial Jobless Claims on 14 Nov'24
3. US Industrial Production for Oct'24 on 15 Nov'24
4. Eurozone Industrial Production for Sep'24 on 13 Nov'24
5. Eurozone GDP for Q3 CY24 on 14 Nov'24
6. Eurozone Employment for Q3 CY24 on 14 Nov'24
7. China CPI for Oct'24 on 09 Nov'24
8. China FDI for Oct'24 on 11 Nov'24

Domestic Events

1. Forex Reserves for week ended 8 November 2024 on 15 November 2024
2. CPI for Oct'24 on 12 Nov'24
3. Industrial Production for Sep'24 on 12 Nov'24
4. Wholesale Prices for Oct'24 on 14 Nov'24
5. Trade Balance for Oct'24 on 15 Nov'24

Key Equity Market Indices	Closing	% Change WoW
BSE Sensex	79,486	-0.30
Nifty 50	24,148	-0.62
BSE 100	25,504	-0.58
BSE 200	11,109	-0.62
BSE Midcap	46,080	-0.44
BSE Smallcap	54,914	-1.27
BSE FMCG	21,409	-1.69
BSE HC	44,051	-0.11
BSE IT	41,976	3.61
BSE Auto	54,041	-0.21
BSE BANKEX	58,858	-0.05
BSE CG	69,479	-0.14
BSE CD	61,649	0.81
BSE Oil & Gas	27,324	-1.38

Other Key Indices#	Closing	Change WoW
10 Year G-Sec (7.10% 2034)	6.82%	(-) 1 bps
Interbank Call	6.42%	(-) 5 bps
INR/USD	84.37	0.34%
Gold (Rs/10gm)	77,382	-2.73%

Taken during market hours , 10 Year G-Sec (7.10% 2034) and Interbank Call as on 07 Nov 24

World Indices	Closing	% Change WoW
Dow Jones*	43,729	3.77
Nasdaq*	19,269	3.56
FTSE	8,068	-0.38
DAX	19,161	-0.01
Hang Seng	20,728	2.02
Nikkei	39,500	1.07
Bovespa*	1,29,682	-0.73
Indonesia Jakarta	7,287	-3.79

* Dow Jones, Nasdaq and Bovespa as on Thursday

Rs. Bn	Gross Buying	Gross Selling	Net (WoW)
FPIs	409.2	509.4	-100.1
DIIIs	316.2	242.3	73.9

Data for FPI from 04 Nov 2024 to 06 Nov 2024. Data for DII from 04 Nov 2024 to 06 Nov 2024.

Arbitrage Spreads	Spot	Future*	Prem/(Dis)
Nifty 50	24,148	24,196	48

*November 2024 Expiry

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