

WEEKLY SPOTLIGHT – 25th November 2024

INDIAN MACRO NEWS:

- **FPI Outflow continues in November at 26,533 crores:**

FPIs have pulled out Rs 26,533 crores from Indian Equity markets this month (till Nov 22) owing to increasing allocations to China, concerns over muted corporate earnings and elevated valuation of domestic stocks. Quantum of net outflows has reduced compared to October, when FPIs withdrew Rs 94,017 crore. In the first half of November, the sell-off was concentrated primarily in the financials, oil & gas, and Fast-Moving Consumer Goods (FMCG) sectors. Going ahead, the flows from foreign investors into the Indian equity markets would depend on the inflation and interest rate dynamics, policies implemented under Donald Trump's presidency, the trajectory of the geopolitical landscape.

- **India's forex reserves fall by \$17.8bn to \$657.8bn:**

India's forex reserves fell to a 4 month low dragged by a stronger US dollar following the US election verdict and RBI selling from its reserves to limit the rupee's decline. The rupee fell to a record low of 84.4125 against the dollar last week. On Friday, it settled at 84.4450. Forex reserves have been declining for seven straight weeks due to weak global and domestic cues. Forex reserves have fallen by a total of nearly \$30 billion in the last six weeks and are down by \$47 billion from the record high of \$704.89 billion hit in late September.

INDIAN EQUITY MARKETS:

- **Adani Group : Gautam Adani charged with fraud**

Shares of Adani Group companies plunged after its billionaire chair Gautam Adani was indicted in a New York federal court. The 62-year-old billionaire and the other defendants are accused of paying over \$250 million in bribes to Indian government officials to secure solar energy contracts that could generate more than \$2 billion in profits. They have been charged with misleading U.S. and international investors about the company's adherence to antibribery and anticorruption standards while raising over \$3 billion to finance energy projects. Adani Group stocks lost ₹2.3 lakh crore in market capitalisation on Thursday, November 21. After the market closing, the Kenyan government cancelled \$2.6 billion worth of potential contracts, which involved the management of the Nairobi Airport and also building high-voltage power transmission lines.

- **Indian Hotels unveils its 'Accelerate 2030' Strategy**

IHCL last week unveiled its Accelerate 2030 plan under which it will focus on driving top-line growth, with 75% of revenue coming from traditional businesses, and over 25% from new and

re-imagined businesses. Indian Hotels aims to double its consolidated revenue to ₹15,000 crore, targeting a 20% return on capital employed. The company also plans to expand its portfolio to over 700 hotels, up from the current 350. Traditional business growth will be driven by RevPAR leadership, asset management initiatives, and inventory expansion of existing assets. New businesses, including Ginger, Qmin, amã Stays & Trails, and Tree of Life, will scale rapidly through a capital-light approach, targeting a revenue CAGR of over 30%. Re-imagined businesses like The Chambers and TajSATS will maintain their growth momentum. The company plans to remain net cash positive and deploying over 5000 crore in next 5 years to fuel this expansion.

- **[India's smartphone exports surpasses \\$2bn in October](#)**

India's smartphone exports have set a new benchmark, surging past the \$2 billion mark in October, the highest monthly total ever recorded. In the first seven months of the current financial year, smartphone exports in value terms have already exceeded \$10.6 billion — marking a 37 per cent year-over-year increase from the \$7.8 billion recorded in the same period last year. ICEA anticipates that, if current trends hold, exports could reach between \$18 billion and \$20 billion by the end of FY25. Apple's dominance is particularly evident, with its iPhone shipments accounting for nearly two-thirds of the total export value in the first seven months of FY25. Key suppliers — Foxconn, Pegatron, and Tata Electronics (formerly Wistron) — have been the principal drivers of this growth.

GLOBAL NEWS:

- **[UK inflation jumps to 2.3%](#)**

Consumer prices rose by an annual 2.3% in October, pushed up almost entirely by an increase in regulated domestic energy tariffs, after a 1.7% rise in September which was the first time the inflation rate had fallen below the BoE's target since 2021. The BoE's most recent forecast and a Reuters poll of economists had both pointed to a weaker CPI reading of 2.2%. The BoE has said the first budget of Britain's new government will probably add to inflation next year and U.S. President-elect Donald Trump's threat to impose sweeping import tariffs adds to uncertainty about the outlook. Interest rate futures are now pricing in a slightly slower pace of rate cuts.

- **[Bitcoin ticks closer to \\$100,000 in extended surge following US elections](#)**

Bitcoin extended its streak of record highs after ticking above \$99,000 for the first time. It has surged more than 40% in last 2 weeks. The dramatic rally arrives as industry players expect the incoming Trump administration to bring a more crypto-friendly approach toward regulating the digital currency. Trump, who was once a crypto sceptic, recently pledged to make the US the crypto capital of the planet and create a strategic reserve of bitcoin. His campaign accepted donations in cryptocurrency. He also launched World Liberty Financial, a new venture with family members to trade cryptocurrencies.



Commodity

Gold - International gold prices **increased by 5.9%** to close at \$2,712.55/Oz

Silver - International silver prices **increased by 0.5%** to close at \$31.31/Oz

Brent Crude - International crude prices **rose by 2.6%** to close at \$74.29/bl

Indian Equity Benchmarks			
INDEX	22-Nov-24	15-Nov-24	Change%
SENSEX	79,117	77,580	1.98%
NIFTY 50	23,907	23,533	1.59%
NIFTY Bank	51,135	50,180	1.90%
NIFTY IT	43,332	42,391	2.22%
NIFTY Mid Cap 150	20,413	20,105	1.53%
NIFTY Small Cap 250	16,912	16,802	0.66%
US 10 Yr. bond yield	4.411	4.444	-3.3 bps
India 10 Yr. bond yield	6.85	6.827	2.3 bps
INR/USD	84.426	84.424	0.00%

Latest Indian Economic Numbers			
Name	Value	Name	Value
Nominal GDP- Q1FY25	Rs 77.31 lakh crore	Nominal GDP- Q4FY24	Rs 78.28 lakh crore
CPI (Oct'24)	6.21%	CPI (Sep'24)	5.49%
WPI (Oct'24)	2.36%	WPI (Sep'24)	1.84%
Mfg. PMI (Oct'24)	57.4	Mfg. PMI (Sep'24)	56.5
FII Net Outflow – Week ended 22 nd Nov		Rs 11,414.18 crores	
FII Net Inflow – Week ended 22 nd Nov		Rs 11,036.76 crores	
India Fx Reserves – Week ended 22 nd Nov		\$657.89bn (22 nd Nov)	\$675.65bn (15 th Nov)