

WEEKLY SPOTLIGHT – 4th November 2024

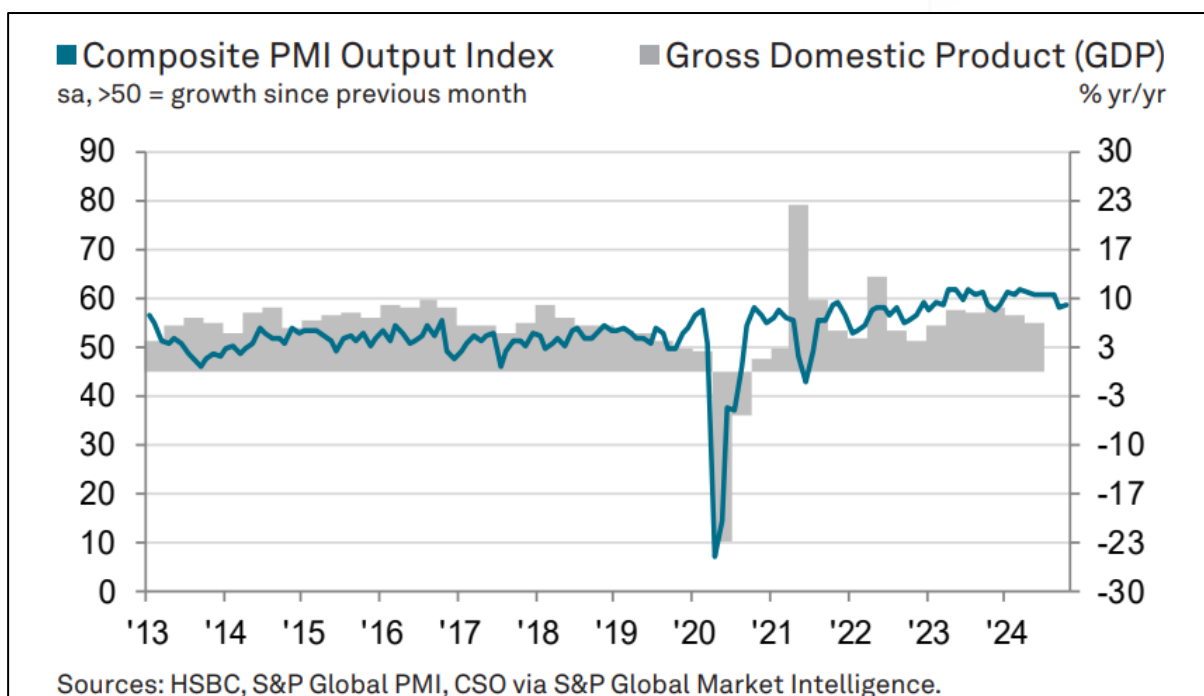
INDIAN MACRO NEWS:

- [India's business growth picks up in October - HSBC PMI Number](#)

The India Composite PMI Output Index, combining manufacturing and services, increased to 58.6 in October from 58.3 in the previous month. The headline index has been above the 50-level separating growth from contraction for 39 consecutive months - the longest expansionary streak since June 2013.

The India Services Purchasing Managers' Index (PMI) Business Activity Index stood at 57.9 in October, up from 57.7 in September. The Flash India Manufacturing PMI Index rose to 57.4 in October, up from 56.5 in September.

The survey indicated that business growth remained strong, quoting responses from 400 manufacturers and an equal number of service providers.



- [FPIs net sell ₹94,017 crore in Indian equities; outflow hits record-high in October:](#)

The FPI outflows recorded in October were the highest ever in a single month in Indian markets, this comes ahead of the US Presidential Election Results and the lower than expected and subpar quarter results by most firms. The aggressive buying streak recorded in September when FPI inflows were the most year-to-date (YTD), hitting a nine-month high after higher than anticipated

50 basis points (bps) interest rate cut by the US Federal Reserve, has taken a pause. FPIs offloaded ₹94,017 crore worth of Indian equities, and the net outflow stood at ₹96,358 crore as of October 31, taking into account debt, hybrid, debt-VRR, and equities. FPIs offloaded Rs 1,13,858 crore through the exchanges in the month of October and remained active buyers in the primary market for the month, with a net investment of 19,842 crore in the same, taking equity net outflows to ₹94,017.

INDIAN EQUITY MARKETS:

- **CAMS: Q2FY25 Result Update**

PAT growth remained robust at 122.5 crore, a 45% YoY rise. Revenue grew 32.7% YoY to Rs 365.17 crore. Non-mutual fund revenue growth remained strong at 31.9% YoY contributing 12.9% of revenue, while the core business segment, the MFs, grew at 39.2% with CAMS recording a market share of 68% and the Industry AAUM currently stands at Rs 66.2 trillion. Systematic Investment Plans (SIPs) and New Fund Offerings (NFOs) fueled a remarkable 59% YoY growth in CAMS' equity asset base.

CAMS has also announced a strategic joint venture with KFin Technologies, another major player in the financial services space. This collaboration aims to establish a joint venture company called "MF Central," which will serve as an investment management platform which seeks to streamline mutual fund services, benefiting retail and institutional investors alike.

The company has decided to on a 250% interim dividend per share, which includes a special dividend of Rs 10.50 per share. The record date for the dividend is set for November 8, 2024.

- **Bharti Airtel: Q2FY25 Result Update**

The company's net profit in Q2 of FY25 rose 168% YoY to Rs 3,593 crore as against Rs 1,340 crore in the same period a year ago as a result of higher telecom tariffs imposed in early July, however profit was 13.6% lower QoQ. The company attributed the rise in profit to tariff repair, strong smartphone data customer additions, and underlying mix improvement.

The company's average revenue per user (ARPU), a key performance metric for telecom firms, rose 14.7% YoY to Rs 233, up from the Rs 203 in Q2FY24. As a result of the tariff hike, it shot up by 10.6% sequentially, up from Rs 211 in Q1. Airtel's ARPU is the highest in the industry, beating Jio's Rs 191.5 and Vodafone Idea's Rs 146 (as last reported by both companies).

Consolidated figures in ₹ crore

	Q2FY25	% chg	
		Q-o-Q	Y-o-Y
Netsales	41,473	7.7	12.0
Other income	1,329	-33.9	45.0
PBIDT	22,321	2.8	18.4
PBT	5,897	-2.1	49.7
Net profit	3,593	-13.6	168.0
Arpu (₹)	233	10.4	14.8



Mobile data consumption has increased 22.6% annually, with consumption per customer rising to 23.9 GB per month in India.

Auto sales numbers - Mahindra & Mahindra, Maruti Suzuki and Tata Motors:

M&M has reported its highest monthly sales in the current fiscal year, boosted by festive season sales, record high SUV sales of 54,504 vehicles in October, a growth of 25% and highest ever total volume of 96,648, a growth of 20%. The company reported a rise in dispatches to dealers every month this financial year, highlighting a trend of increasing sales for the larger, premium cars compared to the small-car segment as M&M's care portfolio consists only of SUVs.

Maruti Suzuki India reported its highest-ever monthly sales volume at 2,06,434 units. Total sales in the month include domestic sales of 1,63,130 units, sales to other original equipment manufacturers (OEMs) of 10,136 units and the highest-ever monthly exports of 33,168 units.

Tata Motors reported a marginal change in sales for both domestic and international sales for October, with 82,682 units sold compared to 82,954 units in the same period last year.

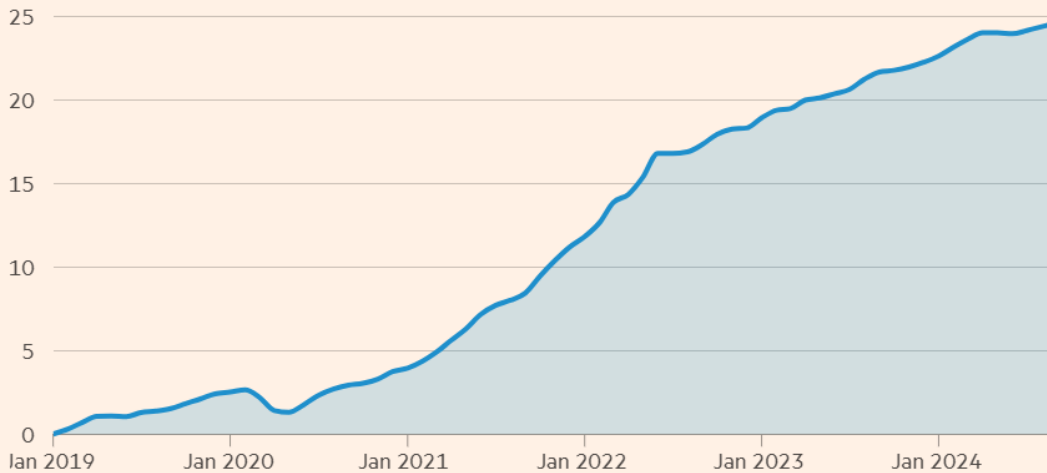
GLOBAL NEWS:

US' Personal Consumption Expenditures (PCE) price index for the month of September:

In the year through September, the PCE price index increased by 2.1%, the smallest YoY rise in PCE inflation since February 2021 and followed a 2.3% advance in August. Excluding food and energy, the PCE price index rose 0.3% MoM after increasing 0.2% in August and YoY rose 2.7%. The Fed tracks the PCE price measures for its 2% inflation target and progress toward that target is expected to allow the Fed to cut interest rates another 25 basis points at its meeting next week.

Prices in the US have gone up by nearly 25% on average since 2019

CPI cumulative inflation (%)

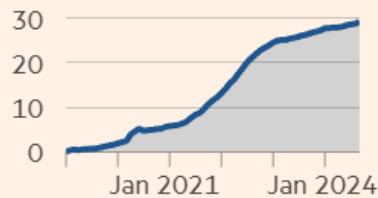


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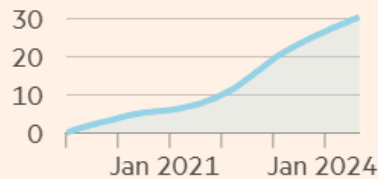
Source: Bureau of Labor Statistics

CPI cumulative inflation by category (%)

Food



Rent of primary residence



Gasoline (all types)



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Source: Bureau of Labor Statistics

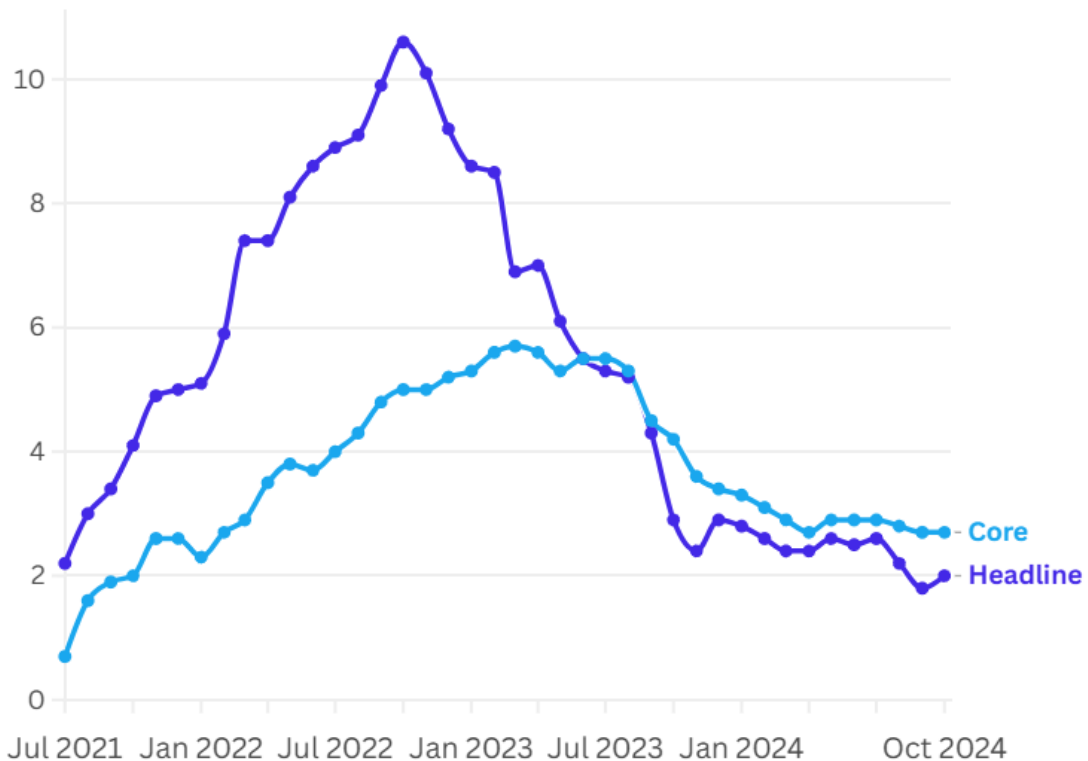
Euro zone inflation rises to higher-than-expected at 2%, weakening case for further rate cut:

Inflation in the 20-nation euro zone rose to 2% in October, slightly higher than 1.9% polled by Reuters and September's increase of 1.7%. The biggest upward pull in the headline rate came from food, alcohol and tobacco, where price rises accelerated to 2.9% from 2.4%. Core inflation, which excludes those volatile components along with energy prices, was

unchanged at 2.7%, slightly higher than the 2.6% expected. Services inflation — an important gauge of domestic price pressures — also held steady at 3.9%. The central bank has so far trimmed rates three times this year, in quarter-point increments that altogether took the central bank’s key rate from 4% to 3.25%. Markets are currently pricing another 25-basis-point reduction in December.

Euro area headline inflation rose to 2% in October

% change year-on-year



Source: Eurostat, LSEG



Commodity

Gold - International gold prices **decreased by 0.39%** to close at \$2,735.8/Oz

Silver - International silver prices **decreased by 3.72%** to close at \$32.44/Oz

Brent Crude - International crude prices **decreased by 3.59%** to close at \$73.32/bl



Ladderup
WEALTH MANAGEMENT

Indian Equity Benchmarks			
INDEX	01-Nov-24	25-Oct-24	Change%
SENSEX	79,724	79,402	0.41%
NIFTY 50	24,305	24,181	0.51%
NIFTY Bank	51,674	50,787	1.75%
NIFTY Mid Cap 150	21,021	20,564	2.22%
NIFTY Small Cap 250	17,939	16,956	5.80%
US 10 Yr. bond yield	4.386	4.232	15.4 bps
India 10 Yr. bond yield	6.841	6.845	-4 bps
INR/USD	84.13	84.10	0.04%

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 (Sep'24)	5.49%	CPI (Aug'24)	3.65%
WPI (Sep'24)	1.84%	WPI (Aug'24)	1.31%
Mfg. PMI (Oct'24)	57.4	Mfg. PMI (Sep'24)	56.5
FII Net Outflow - Week ended 1st Nov'24		Rs 14,415.6 crores	
Indian Fx Reserves - Week ended 1st Nov'24		\$684.8 billion	Rs 57,612.2 billion

