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THE FINANCIAL BREW

INDIAN MACRO NEWS :

Electronic Exports up 28% in Apr-Nov 24



Driven by smartphone, electronics exports have reached \$22.5 billion in value in the first eight months of the current financial year (FY25), a near 28% growth over the \$17.66 billion electronics exports during the corresponding period of FY24. This growth positions electronics as the fastestgrowing sector among India's top ten exports, moving from sixth to third place, behind only engineering goods and petroleum. The significant increase can be attributed to the smartphone production linked incentive (PLI) scheme, which has driven smartphone exports to US\$ 13.11 billion, a remarkable 45% rise from US\$ 9.07 billion in FY24. Smartphones now account for 58% of total electronics exports, with expectations that this share could reach 60-65% by the end of FY25.

India's Forex reserves decline to seven month low of \$644.39bn



India's foreign exchange reserves fell for a third consecutive week and stood at a more-than-seven-month low of \$644.39 billion as of Dec. 20. The reserves declined by \$8.5 billion in the reporting week, logging their biggest weekly fall in over a month. They had declined by a total of \$5.2 billion in the prior two weeks. Changes in foreign currency assets are caused by the central bank's intervention in the forex market as well as the appreciation or depreciation of foreign assets held in the reserves. Rupee settled at 85.5325, down 0.3 per cent on the day, its worst single-day fall since June 4. The rupee was down nearly 0.3 per cent on the week, its eighth consecutive weekly fall.

Telecom Sector update



- Reliance Jio experienced a loss of 3.76 million subscribers in October 2024, bringing its total to 460 million. This decline is attributed to the removal of inactive users following recent tariff hikes. Despite this, Jio added 3.84 million active users during the month, indicating a focus on retaining higher-value customers.
- Bharti Airtel, on the other hand, added 1.93 million subscribers in October, increasing its total to 385.41 million. This marks a reversal from previous months of subscriber losses and suggests that Airtel is regaining traction in the market.
- Vodafone Idea continued to struggle, losing approximately 1.97 million subscribers, reducing its base to 210.4 million

Cement Industry Consolidation



Ultratech cement completed the acquisition of 32.72% stake in India Cements for around 3,954 crore. This, together with the existing shareholding has resulted in the company's shareholding increasing to 55.49%. This will expand its footprint in fast growing southern market. Ultratech has also announced a Rs 3,142.35 crore open offer to acquire 26 per cent share of ICL from its shareholders. UltraTech is India's largest cement maker, with 150.7 million tonnes of capacity in India as of October 2024. The Aditya Birla Group company plans to expand capacity to 200 MTPA by 2028. Additionally, it also announced a non-controlling minority investment in Meghalaya based Star Cement (8.6% stake for around 850 crores).

China plans record \$411bn special treasury Bond Issuance



Chinese authorities have agreed to issue 3 trillion-yuan (\$411 billion) worth of special treasury bonds next year, as Beijing ramps up fiscal stimulus to revive a faltering economy. The proceeds will be targeted at boosting consumption via subsidy programmes, equipment upgrades by businesses, funding investments in innovation-driven advanced sectors, recapitalise state banks and to soften the blow from an expected increase in U.S. tariffs on Chinese imports when Donald Trump takes office in January.

COMMODITY PRICES



International gold prices remained flat last week and closed at \$2,620/Oz



International silver prices declined by 0.5% to close at \$29.37/Oz



International crude oil prices increased by 1.8% to close at \$73.81/bl

Indian Equity Benchmarks			
INDEX	27-Dec-24	20-Dec-24	Change%
SENSEX	78,699	78,041	0.84%
NIFTY 50	23,813	23,587	0.96%
NIFTY Bank	51,311	50,759	1.09%
NIFTY IT	43,721	43,771	-0.11%
NIFTY Mid Cap 150	21,072	21,050	0.10%
NIFTY Small Cap 250	17,715	17,693	0.13%
US 10 Yr. bond yield	4.63	4.53	10bps
India 10 Yr. bond yield	6.78	6.79	1bps
INR/USD	85.39	84.92	0.55%

Latest Indian Economic Numbers			
Name	Value	Name	Value
Nominal GDP- Q2FY25	Rs 76.60 lakh crore	Nominal GDP- Q1FY25	Rs 77.31 lakh crore
CPI (Nov'24)	5.48%	CPI (Oct'24)	6.21%
WPI (Nov'24)	1.89%	WPI (Oct'24)	2.36%
Mfg. PMI (Nov'24)	57.3	Mfg. PMI (Oct'24)	57.4
FII Net Outflow – Week ended 27 th Dec		INR 6,323 Cr	
DII Net Inflow – Week ended 27 th Dec		INR 10,927 Cr	
India Fx Reserves – Week ended 20 th Dec		\$644.39bn	\$652.87bn (13 th Dec)