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THE FINANCIAL BREW

INDIAN MACRO NEWS :

Net GST Collection in December Sees a 3.3% Rise, Reaching ₹1.54 Trillion



The net GST collection for December grew by 3.3% Y-o-Y to ₹1.54 trillion, down from November's ₹1.63 trillion, which saw 11.1% growth. Gross collections rose 7.3% Y-o-Y to ₹1.76 trillion, but refunds surged 45.3% to ₹0.22 trillion, reducing net revenue. Cumulatively, GST growth from April to December slowed to 9.1% Y-o-Y, compared to 10.1% in April–August, reflecting weakening momentum. While domestic sales grew over 10% YTD, import growth lagged at just 2%, highlighting resilient domestic activity but weak global trade demand.

Rupee closes at fresh low of 85.76 against dollar



The rupee further weakened against the dollar, depreciated to 85.76 on Friday, and hit another record closing low. The currency depreciated but 3% in 2024, continuing its long-term trend of gradually but consistency losing value against the dollar. RBI has been active in the foreign exchange market to curb excess volatility, which has slowed down the pace of depreciation. It net sold about \$9.26 billion in October. Foreign exchange reserves have fallen around \$60 billion in the last three months as the RBI used the reserves to slow the currency's depreciation.



FMCG makers expect inflation to hit volume growth, operating profit in Q3



RFMCG companies are likely to log a low single-digit rise in their revenue and expected to see a contraction in their gross margin a modest-to-flat operating profit primarily driven by inflation, higher input costs and pricing measures. Rural consumption continues to outpace urban demand in Dec quarter, analysts are expecting this slow down to continue for two to three more quarters. Alternate channels like modern trade, e-commerce, and quick commerce continued to post strong growth while general trade, which mainly consists of neighbourhood Kirana stores, was under pressure in the October-December quarter, commentary made by Dabur

December Two-Wheeler Sales Show Mixed Results, but 2024 Growth Prospects Stay Strong



The two-wheeler market showcased a mixed performance in December 2024, with some manufacturers seeing double-digit growth while others witnessed sliding sales. Royal Enfield and Suzuki Motorcycle recorded a double-digit increase in domestic sales, compared to December 2023. This growth is attributed to strong recovery in domestic demand, driven by improved consumer sentiment, healthy monsoon, and festive season momentum.

US weekly jobless claims hit eight-month low



Initial claims for unemployment benefits in the US reached their lowest level in eight months at the end of 2024, showing that job cuts are relatively low. New claims dropped by 9,000 to 211,000 during the week ending December 28, which was lower than almost all predictions in a Bloomberg survey. At the same time, the number of people still receiving unemployment benefits also fell, reaching a three-month low of 1.84 million for the week ending December 21, according to the Labor Department. More recent data have pointed to a labour market that is moderating but remains broadly solid. It is cooling, but not in a way that would raise concerns, Powell said at a press briefing.

COMMODITY PRICES



International gold prices increased by 0.73% to close at \$2,639/Oz



International silver prices increased by 0.85% to close at \$29.62/Oz



International crude prices increased by 4.2% to close at \$76.45/bl

Indian Equity Benchmarks				
INDEX	3-Jan-25	27-Dec-24	Change%	
SENSEX	79,223	78,699	0.67%	
NIFTY 50	24,005	23,813	0.81%	
NIFTY Bank	50,989	51,311	-0.63%	
Nifty IT	43,727	43,721	0.01%	
NIFTY Mid Cap 150	21,419	21,072	1.65%	
NIFTY Small Cap 250	17,973	17,715	1.46%	
US 10 Yr. bond yield	4.60	4.63	-30 bps	
India 10 Yr. bond yield	6.78	6.78	-	
INR/USD	85.76	85.39	0.43%	

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 (Dec'24)	56.4	Mfg. PMI (Nov'24)	56.5
FII Net Inflow – Week ended 3 rd Jan		-11,042 Cr	
DII Net Inflow – Week ended 3 rd Jan		9,254 Cr	
India Fx Reserves – Week ended 27 th Dec		\$640.28bn	\$644.39bn