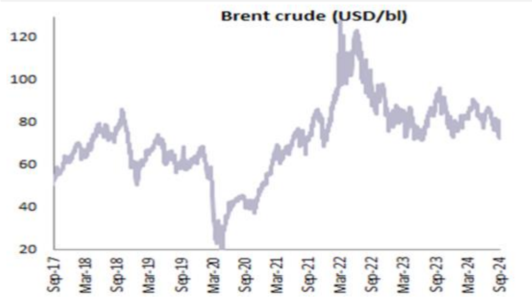
JM FINANCIAL

India Economics

Weekly round-up of macro-economic events

Exhibit A. Oil prices fell to USD 72.9bbl

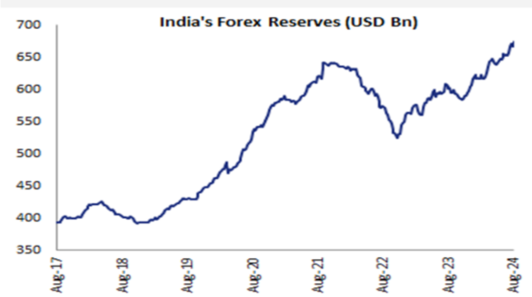


Source: Bloomberg, JM Financial, As on 6th Sep'24

Exhibit B. INR closed at 83.9/USD levels

Source: Bloomberg, JM Financial, As on 6th Sep'24

Exhibit C. Forex reserves rose $2.3bn to $684bn



Source: CMIE, JM Financial; As on 30th Aug'24

CRUDE	INR/USD	RESERVES
72.9/bbl ↓	83.9 ↑	fx USD 684bn ↑

THIS WEEK'S HIGHLIGHTS

- RBI Governor's comments in his latest speech that the 'balance between growth and inflation is well-poised' raised market expectations that the central bank is hinting at policy easing. In a way preparing the markets to transition as we get closer to 25bps cut by the Fed.
- India's Manufacturing PMI reading continued to remain robust in Aug'24, but there was a mild sequential easing in the reading to 57.5 however it is comfortably hovering above the long run average. Moderation in input cost pressures aided in purchasing activity.
- Manufacturing activity in US was in contraction zone and was even lower than market expectations (47.2 vs 47.5 est.). The survey also indicated weakness in demand. China's Manufacturing performance reverted to expansion zone however export orders declined for the first time in last eight months due to deterioration in external demand.
- China's USD 51 Bn (360 Bn yuan) financial assistance to 50 African nations during its China-Africa Cooperation Summit, will be denominated in yuan. Of this, 210 Bn yuan will be through credit lines.
- Brent crude oil price eased in the last week to as low as USD 72.75/bl due to pessimism about demand in the coming months and as oil producers offered mixed signals about supply increases.
- Maharashtra government approved investments worth INR 1.17 Tn across four major high-tech projects in Marathwada, Vidarbha, Pune and Panvel. These projects are expected to generate around 29,000 jobs in the Semiconductor, EV and textile industry.
- The Union cabinet approved seven schemes with an aim to improve farmers' lives and increase their income, with a total outlay of INR 142.3 Bn. Investments include in areas such as incorporating tech in agriculture, research, Improving income from livestock, Dairy and horticulture etc.
- Markets would be keenly awaiting the GST council meet scheduled to be held on 9th Sep, media reports indicate that among other issues the government is also contemplating on granting exemption on insurance premiums.

Week-ahead events

Release Date	Event
8-Sep	China – CPI Inflation
10-Sep	China – Trade Balance
11-Sep	US – CPI Inflation
12-Sep	India – CPI Inflation
12-Sep	ECB – Interest Rate Decision

Link to Last Report

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Domestic Macroeconomic Indicators/Events

- Governor Das hints at policy easing: Governor Das in his latest speech at the annual conference organized by FICCI and IBA clearly indicated that there is a need to remain watchful of how the forces impacting inflation play out. RBI's main focus would be successfully navigate the last mile of disinflation and preserve the credibility of the flexible inflation targeting framework which according to the Governor is a structural reform. But his statement on the domestic growth and inflation dynamics raised expectations that the RBI may be closer to turning neutral, he said that "The balance between inflation and growth is well-poised". We believe this could be RBI's messaging function to prepare the markets for this transition towards policy easing as the Fed is most likely to cut policy rates on 18th Sep.
- India GDP | Private consumption gains pace; Agri growth despite heatwave: The 6.7% real GDP growth in Q1FY25, slightly missed market expectations of 6.8%. Sharp pick up in private consumption was one positive development which is noteworthy, this to some extent indicates improvement in rural consumption as close to 50% of the population lives in rural areas. However this is in contract to the recent decline in rural wages in real terms. Moreover Gross fixed capital formation remained robust despite general elections and Q1 being impacted by heat waves, its impact was also not evident in labour intensive sectors like agriculture and construction. Manufacturing performance although resilient did not incrementally contribute to overall growth, and this is despite consistent expansion in PMI and capacity utilisation surpassing pre-Covid levels. At this juncture RBI's growth estimates look optimistic, we retain our estimates at 6.9% for FY25. (Detailed Note)
- Macro chart book | A Bird's eye view of the Macro Economic Landscape: Gold outperformed every other asset class in last one month on the back of heightened geopolitical uncertainties. Among risk assets, Nifty underperformed the EM and DM basket by a wide margin. FIIs reverted to negative flows in equities after two consecutive months of inflows, but they decisively bought Healthcare and FMCG while Financials and Metals were their top sells. Overweight position of Mutual Funds in Capital goods and underweight on Private banks shows that valuations is not the only criteria on which they rely on. Although US yield curve is yet to re-invert but our assessment of past four recessions reveal that re-inversion of yield curve is followed by a recession after 4.5 months, which lasts for ~11 months on an average. Recession in US is not in our base case, hence we expect a shallow rate cut cycle compared to steep rate cuts factored-in by the markets. Rate cut expectation led to weakening in US Dollar, which is positive for risk assets as well as commodities. But a soft landing scenario would be positive for the IT sector which is most exposed to the US economy. The Southern Oscillation Index is currently in "El Nino" territory unlike IMDs expectation of reverting to "La Nina" territory by Aug-Sep'24, however reservoir level and rainfall has been comfortable. Amidst early signs of improving rural demand scenario, latest rural wages have declined in real terms, raising eyebrows on the expectations of revival in rural demand. (Detailed Note)
- GST Council Meet | Exemption on Insurance premiums: The upcoming GST Council meeting, media reports indicate that, the government is contemplating granting exemption on insurance premiums. Various options are being evaluated on the form of exemption. Full exemption on Term insurance premium would cost INR 2.1 Bn to the Government. The fitment committee is evaluating four options in case of exemption on medical insurance premiums. Full exemption on medical insurance to cost INR 35Bn. Exemption to only senior citizens for up to INR 0.5mn cover would cost INR 21Bn. Full exemption to senior citizens would cost INR 6.5Bn. Fourth option of levying GST at concessional rate of 5% on all health insurance premium would cost INR 17.5Bn.
- Manufacturing PMI hovers above long run average: India's Manufacturing performance continued to remain robust in Aug'24, but there was a mild sequential easing in the reading to 57.5 vs 58.1 in Jul'24. It is pertinent to note that despite this mild easing, the PMI reading is hovering above the long run average of 54. The moderation in input cost pressures to five months low aided the rise in purchasing activity. New export orders increased at the weakest pace since the start of 2024, yet one-in-ten firms noted an improvement in international sales, which they associated with stronger demand from Asia, Africa, Europe and the US.
- Fastest expansion in Services PMI: Services PMI reading in Aug'24 inched up further to 60.9 from 60.3 in Jul'24. Latest reading indicated the strongest rate of expansion since March and one that was well above its long-run average. Growth was underpinned by productivity gains and positive demand trends. The current run of new order growth led by Finance and Insurance stretched to 37 months in August. The rate of increase quickened marginally from July and was the strongest since April. Consumer Services posted the sharpest increase in input costs during August. Charge inflation was led by Transport, Information and Communication. 21% of service providers foresee an increase in output over the course of the coming 12 months.
- Approval of INR 1.8 Tn investments in Maharashtra: Maharashtra government approved investments worth INR 1.17Tn across four major high-tech projects in Marathwada, Vidarbha, Pune, and Panvel. These projects are expected to generate around 29,000 jobs and transform Maharashtra into a leading hub for semiconductor and electric vehicle (EV) manufacturing. The investment of INR 839Bn in Panvel will be incurred in two phases, with a focus on semiconductor manufacturing which is likely to generate 15,000 jobs. INR 212.7Bn investment will be undertaken in Chhatrapati Sambhaji Nagar for manufacture of Hybrid and Electric vehicles by Toyota Kirloskar, this plant is likely to employ 12,000 people. Moreover, an investment of INR 120Bn will be made in Pune, Chakan for the production of Hybrid and electric vehicles by Skoda Auto with an employment generation capacity of 1,000. Additionally under the Textile Industry Policy, an investment of INR 1.9Bn on textile facility, which will likely create 550 jobs.

- GST Collections slightly lower than expected GDP growth: Central and state governments collected INR 1.74 Tn in Goods and Services Tax (GST) revenue in August, registering a growth of 10%, which is slightly lower than expected Nominal GDP growth for the fiscal 2025. The current GST collection mainly reflects compliance measures by tax authorities and also the robust consumption of goods and services in the economy. GST revenue collections are expected to further improve in the festive season. On a FYTD basis, Centre and states collected INR 9.1 TN in GST receipts, 10.1% more than the revenue collected in the same time a year ago.
- Cabinet approves Farmers Schemes worth INR 142.3Bn: The Union Cabinet approved seven schemes to improve farmers' lives and increase their incomes at a total outlay of INR 142.3 Bn. An investment of INR 28.2Bn will be incurred on Digital Agriculture Mission which will use technology for improving farmers' lives. It comprises two foundational pillars 1) Agri Stack and 2) Krishi Decision Support System. An outlay of INR 39.8Bn on Crop science for food and nutritional security will prepare farmers for climate resilience and provide for food security by 2047. To prepare agriculture students and researchers for current challenges, an investment of INR 22.9Bn will be made. Moreover in order to increase farmers income from livestock and dairy and investment of INR 17Bn and for Horticulture INR 11.3Bn is allocated. Two more schemes are approved with a cumulative outlay of INR 23Bn.
- Cabinet approves one more semiconductor unit: The Union Cabinet approved the proposal of Kaynes Semicon Pvt Ltd to setup a semiconductor unit in Sanand, Gujarat. The proposed unit will be setup with an investment of INR 33Bn. The capacity of this unit will be 6Mn chips per day. The chips produced in this unit will cater to a wide variety of applications which include segments such as industrial, automotive, electric vehicles, consumer electronics, telecom, mobile phones, etc. This approval is a part of the total outlay of 760Bn announced in Dec'21.

Global Market Movers

- US Manufacturing PMI in contraction zone: The business activity in the US manufacturing sector continued to contract in Aug'24, albeit at a softer pace, with the ISM Manufacturing PMI edging higher to 47.2 from 46.8 in Jul'24. This reading came in slightly below the market expectation of 47.5. The Employment Index of the PMI recovered to 46 from 43.4 in Jul'24, while the New Orders Index fell to 44.6 from 47.4 in the same period. Finally, the Prices Paid Index, the inflation component, rose to 54 from 52.9. Demand continues to be weak, output declined, and inputs stayed accommodative.
- China's Manufacturing PMI reverts to expansion: The Caixin/S&P Global manufacturing PMI rose to 50.4 in Aug'24 from 49.8 the previous month, slightly better than market expectations of 50.0. China's manufacturing activity swung back to growth in Aug'24 as new orders drove production, which is to some extent supporting employment and lifting confidence about the outlook. However, the first decline in new export orders in eight months sounded the alarm following subdued exports in Jul'24. Deterioration in external demand led to new export orders falling for the first time in eight months and at the fastest pace since Nov'23. Manufacturers' optimism improved to the highest since May, but remained below the long-run average.
- China's USD 51 Bn investment in Africa: China Announced funding of nearly USD 51 Bn over three years, backing for more infrastructure projects, and the creation of at least 1 Mn jobs. China is ready to step up cooperation with Africa in industry, agriculture, infrastructure, trade and investment. This announcement was made at the three-yearly Forum on China-Africa Cooperation Summit where more than 50 African nations had gathered in Beijing. The Chinese leader committed 360 Bn yuan (USD 50.70 Bn) in financial assistance over three years, but specified that 210 Bn would be disbursed through credit lines and at least 70 Bn in fresh investment by Chinese companies. These financial assistance would be in yuan, in an apparent push to further internationalise the Chinese yuan. China also called for a China-Africa network of land and sea links and co-ordinated development. African countries owed ~USD 80 Bn to China at the end of 2022, with Angola, Athiopia, Kenya, Zambia and Nigeria accounting for over 50% of it.
- India's weightage in MSCI surpasses China: India's weightage in the MSCI EM IM Index has surpassed that of China. The IM Index unlike the main MSCI EM index also covers small caps in addition to large and mid-cap stocks. India's current weightage is at 22.3% in the IM Index vs. China's 21.58% while the weightage in the main index is still lower for India (20.79%) vs China's 23.98%. Over the past two years, MSCI, the global index provider, has been trimming Chinese stocks off its indices following a protracted period of underperformance. Meanwhile, Indian equities in MSCI indices have been rising in prominence. Despite India's increased weighting in most MSCI indices, many EM funds remain underweight on Indian equities, largely due to concerns about their relatively high valuations.
- Pessimism on demand drove oil prices lower: Brent crude oil prices fell by USD 1 a barrel to USD 72.75 due to pessimism about demand in the coming months as crude producers offered mixed signals about supply increases. Brent crude futures were down 88 cents, or 1.2%, to USD 72.87, while US West Texas Intermediate crude futures prices fell below the USD 70/barrel mark. Lackluster data from the United States and China had strengthened persistent expectations of a weaker global economy and oil demand, helping set off a broader decline in world markets. Meanwhile, traders believed there could be an end in sight to a dispute halting Libyan oil exports, bringing more crude supply back online. That posed a challenge for OPEC+, which last week looked set to proceed with planned output hikes in October. Media reports indicate that OPEC+ is now concerned about the market volatility, and a delay to the hikes is being discussed.

- Slow deterioration in US labour market: Nonfarm payroll additions of 142K in Aug'24 was lower than market expectations of 165K. On the positive side unemployment rate improved slightly to 4.2% from the 4.3% in the previous month. However the labour market is weakening as it has breached its 6 months moving average. Unemployment claims on the other hand marginally fell by 4K to 227K for the week ended 31st Aug, which was lower than market expectations of 231K. The decline in claims indicates continued strength in the labour market, which is contributing to renewed economic momentum. Markets had already factored in a 25bps cut in the upcoming FOMC meet on 18th Sep, the futures market is building in 100bps cut till Dec'24. We believe that the Fed's 25bps cut would be followed by a pause, as the Fed would try to gauge its impact on the economy.

Exhibit 1. Macro indicators

Flows (USD mn)	Last Week*	Week prior	MTD	FYTD25
FII -Equity	1,130	2,532	1,130	5,143
FII -Debt	24	625	24	7,533
DII (INR bn)	74	12	74	2,078
Equity Returns (%)	**LTP**	**1 Week**	**1 month**	**1 Year**
Nifty	24,852	(1.5)	2.3	26.0
Dow Jones	40,756	(1.9)	5.1	18.1
Shanghai Comp	2,766	(2.7)	(3.6)	(11.4)
Nikkei	36,391	(5.8)	3.7	10.3
MSCI EM	1,076	(2.2)	2.5	10.5
MSCI DM	3,567	(2.6)	5.8	21.1
Global Pairs Returns (%)	**LTP**	**1 Week**	**1 month**	**1 Year**
USDINR	83.9	(0.1)	0.0	(0.9)
EURUSD	1.1	(0.7)	(1.8)	(3.8)
GBPUSD	1.3	(0.7)	(4.0)	(5.6)
USDJPY	142.9	2.3	2.6	3.1
Dollar Index	100.8	(0.8)	(2.3)	(4.0)
Commodities returns (%)	**LTP**	**1 Week**	**1 month**	**1 Year**
GOLD ($/OZ)	2,524	0.8	5.9	31.5
Brent ($/bbl)	73	(7.3)	(6.8)	(18.8)
CRB Metal Index	1,030	(2.6)	2.4	3.5
Generic Bond Yields (%)	**LIBOR**		**G-Sec**	
Country	**3M**	**6M**	**1Y**	**10Y**
US	5.26	5.11	6.04	3.71
EU	(0.58)	(0.56)	(0.49)	3.88
UK	5.30	4.74	0.81	0.85
India - Yields (%)	**LTP**	**Week ago**	**1 month ago**	**Year ago**
MIBOR	6.60	6.80	6.50	6.45
10Yr G-Sec	6.86	6.86	6.86	7.18
India Macro		**latest**	**1 month ago**	**Year ago**
FX Reserves (USD bn)		682	657	604
Reserve Money (yoy %)		7.2	7.2	5.4
Currency in Circulation (yoy %)		6.4	6.4	4.4
Credit Growth (yoy %)		19.8	19.1	19.7
Deposit Growth (yoy %)		12.9	12.6	12.9
Unemployment Rate -CMIE (%)		7.2	7.7	7.8

Source: Bloomberg, CMIE, CEIC, JM Financial | * recent FII data updated till 5th Sep

- FII substantially increased their buying intensity to USD 1.1Bn vs USD 622mn in the previous week. While buying in the debt segment reduced significantly to USD 24 mn vs USD 576 mn in the previous week.
- DII's increased their buying activity to the tune of INR 74 Bn vs INR 44 bn in the previous week.
- Brent crude price weakened 7.3% and closed at USD 73/bl amidst continues geopolitical issues.
- We continue to believe that oil markets are expected to remain volatile going forward.
- UST 10yr yields weakened 24bps to 3.71% as the global fund flows reverted to safety, post the lower than expected nonfarm payroll additions. India's 10yr G-sec yields rose 6bps to 6.86%.
- India's Forex reserves are at comfortable levels of USD 684 Bn.

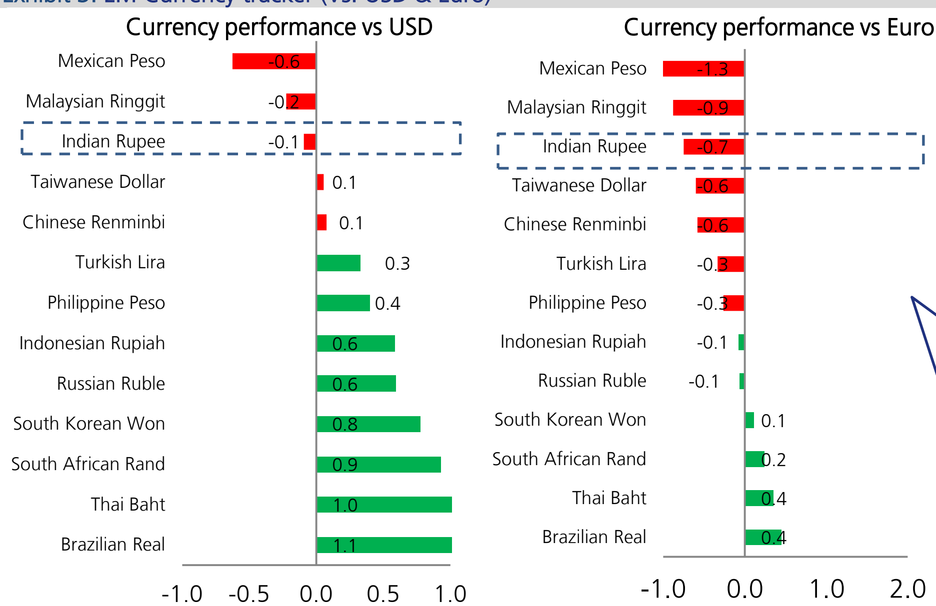
Exhibit 2. Sectoral Performance

	LTP	Performance (%) 1 week	1 month	1 Year
Nifty	24,852	(1.5)	2.0	25.4
BSE Capital Goods	71,143	(2.8)	(1.9)	49.4
BSE Cons Durables	63,874	0.4	9.4	38.2
NSE Bank	50,577	(1.5)	0.2	12.0
NSE Nifty Auto	25,527	(2.5)	0.7	58.5
NSE Nifty Energy	42,212	(3.5)	(2.3)	53.8
NSE Nifty FMCG	63,176	0.2	1.6	22.0
NSE Nifty India Consumption	12,065	(0.1)	5.2	42.8
NSE Nifty IT	42,229	(1.3)	9.3	30.7
NSE Nifty Pharma	23,043	(0.8)	3.8	51.1
BSE Utilities	6,259	(2.4)	(2.6)	73.7
NSE Infra Index	9,184	(2.6)	0.2	47.4
Nifty Realty	1,032	(2.0)	1.0	74.5

Source: Bloomberg, JM Financial | as on 6th Sep

- Nifty declined 1.5% but outperformed the EM and DM markets.
- Most of the sectors closed in red except Consumer Durables (0.4%) and FMCG (0.2%) which closed in mild positive.
- Markets were not fully in defensive mode as IT and Pharma fell. Top losers were from Energy (-3.5%), Capital goods (-2.8%) and Infra (-2.6%)
- Nifty is currently trading ~21x one year forward PE which is closer to one standard deviation from its historical mean level.
- We have been highlighting that 2024 would be the year of large caps over SMIDs, hence quality names should be accumulated at lower levels.

Exhibit 3. EM Currency tracker (Vs. USD & Euro)



Source: Bloomberg, JM Financial | 5 day ending 6th Sep

- US Dollar index has been weakening but managed to trade above 100 mark. Weak US Dollar tends to benefit risk assets like EM equities which reflected in Nifty outperforming the DM basket.
- INR weakened against USD (-0.1%) and -0.7% against Euro in this week.
- INR is one of the least volatile currencies amongst its EM peers as India's robust fundamentals are attracting flows in India; moreover RBI's FX intervention has provided stability to INR.
- Resilient economic growth and comfortable fiscal situation makes India an attractive investing decision. We expect INR to trade in the range of 82.5 – 84.5/USD in 2024 with an appreciating bias.

Exhibit 4. Markets pricing in steeper rate cuts by the Fed

Source: Bloomberg, JM Financial

- US 10 yr treasury yields have been down 20bps to 3.71% since 3rd Sep. In a way, markets are pricing in steeper rate cuts in the near term.
- Nonfarm payroll addition in Aug'24 at 142K missed market expectations of 165K. But the unemployment rate improved to 4.2% from 4.3% in the previous month.
- The futures market is now factoring in 100bps rate cuts till Dec'24, which according to us is not realistic.
- We believe that the 25bps cut in Sep'24 would be followed by a pause, as the Fed would try to gauge its impact on the economy. We expect 50-75bps rate cuts till Dec'24.

Exhibit 5. Vietnam leads in the EM basket across 13 Macro-economic parameters covered in JM Emerging Market Macro Tracker

Country	Rank #	Gross National Savings	Total investment	General Govt Revenue	General Govt Expenditure	General Govt net lending/borrowing	Current account balance	Real GDP Growth	Per Capita Income Growth	Volume of imports	Volume of exports	Change in Forex Reserves	Manufacturing PMI	Weekly Exchange rate movement
		% GDP						YoY%				USD Bn	Index	WoW%
Vietnam	1	32.9	32.2	18.6	20.3	-1.7	0.7	5.8	7.4	5.9	5.6	-1.2	52.4	-1.0
India	2	30.1	31.9	19.4	27.9	-8.5	-1.8	6.3	9.0	6.0	4.7	2.3	57.5	-0.1
Indonesia	2	29.1	29.7	14.9	17.1	-2.2	-0.6	5.0	7.8	14.0	13.2	3.5	48.9	0.6
Thailand	4	24.3	22.4	20.1	22.9	-2.7	1.9	3.2	5.9	5.1	7.0	6.3	52.0	-1.7
China	5	43.5	42.1	26.7	33.8	-7.0	1.4	4.2	4.9	2.7	1.1	-29.0	49.1	0.1
Malaysia	6	27.3	24.5	17.2	21.6	-4.4	2.8	4.3	6.7	2.1	2.9	10.7	49.7	-0.2
Brazil	7	15.8	17.6	42.1	48.1	-6.0	-1.8	1.5	5.9	-0.3	6.0	-2.4	52.5	1.1

Source: IMF, Bloomberg, JM Financial | Note: GDP and Fiscal parameters are sourced from IMF database for latest fiscal | Currency movement is for week ended 6th Sep

#Methodology: All the 13 indicators are ranked individually, the result of which is averaged for final country wise ranking.

Exhibit 6. High Frequency Indicators

	Unit	Aug-24	Jul-24	Jun-24	May-24	Apr-24	Mar-24	Feb-24	Jan-24	Dec-23	Nov-23	Oct-23	Sep-23	Aug-23
Monetary														
Currency with public (M0)'	%YoY	6.2	6.5	6.5	2.9	3.2	4.1	4.3	4.8	4.3	5.2	3.7	5.0	4.7
10 year G-sec	%	6.87	6.96	7.00	7.10	7.17	7.06	7.08	7.18	7.21	7.27	7.32	7.18	7.19
O/s Banking liquidity	INR tn	(1.9)	(1.8)	(0.7)	0.0	1.1	(0.6)	0.5	1.9	1.4	0.2	0.5	0.1	(1.1)
CPI inflation	%YoY		3.54	5.08	4.80	4.83	4.85	5.09	5.10	5.69	5.55	4.87	5.02	6.83
WPI inflation	%YoY		2.04	3.36	2.74	1.19	0.26	0.20	0.33	0.86	0.39	(0.26)	(0.07)	(0.46)
SCB credit growth	% YoY	19.8	17.4	17.4	20.7	19.2	20.2	20.6	20.4	20.1	21.3	20.5	17.6	19.9
Fiscal														
Total Receipts (Centre)	%YoY		7.6	42.3	46.6	25.1	30.6	(109.9)	18.7	(9.5)	95.9	(4.6)	9.3	306.0
Total Expenditure (Centre)	%YoY		0.1	(18.4)	(37.9)	39.3	(0.6)	20.4	(14.0)	7.1	(13.8)	(14.0)	3.2	10.5
Revenue Expenditure (Centre)	%YoY		(14.1)	(1.6)	(33.1)	43.7	0.4	0.8	(6.2)	(5.5)	(16.1)	(13.8)	(3.6)	6.7
Capital Expenditure (Centre)	%YoY		107.8	(66.2)	(50.3)	26.5	(4.3)	315.2	(40.5)	105.4	1.6	(14.9)	29.0	29.9
Centre's GFD (% of BE)	% BE		8.75	5.27	(8.93)	11.76	8.52	22.32	6.73	4.24	5.76	5.70	3.30	2.08
GST collections	INR tn	1.7	1.8	1.7	1.7	2.1	1.8	1.7	1.7	1.6	1.7	1.7	1.6	1.6
Industrial/services														
Manufacturing PMI	Index	57.5	57.5	58.1	58.3	57.5	58.8	59.1	56.9	56.5	54.9	56.0	55.5	57.5
Services PMI	Index	60.9	60.9	60.3	60.5	60.2	60.8	61.2	60.6	61.8	59.0	56.9	58.4	61.0
GST e-way bills	mn		104.9	104.9	104.9	100.1	103.2	96.7	103.5	97.3	96.0	95.3	87.6	100.3
Diesel consumption	%YoY	(2.4)	(2.4)	4.4	4.4	0.9	2.3	1.2	2.6	6.3	3.7	(2.3)	(3.1)	9.2
Eight Core Industries	%YoY		6.1	5.1	6.4	6.9	6.3	7.1	4.2	5.1	7.9	12.7	9.5	13.4
IIP	%YoY		4.2	4.2	6.2	5.0	5.5	5.6	4.2	4.4	2.5	11.9	6.4	10.9
Railway Freight earnings	%YoY	0.6	6.0	11.1	3.8	1.3	6.0	9.0	4.1	3.6	3.8	6.6	5.1	2.7
Cargo handled at ports	%YoY		6.8	6.8	3.8	1.3	2.7	2.1	3.2	0.6	16.9	13.8	0.3	4.1
SCBs credit to industry	%YoY		10.1	8.1	9.4	7.4	8.5	8.9	8.0	8.0	6.1	5.4	6.5	5.9
SCB credit to small & micro ent.	%YoY		13.3	11.0	15.5	15.5	14.7	15.1	16.0	14.8	16.9	16.5	9.9	10.8
Consumption														
Domestic PV sales	%YoY	(12.0)	(12.0)	(13.7)	(11.1)	(23.4)	(8.7)	(18.5)	(7.6)	(27.8)	(21.2)	(7.7)	(21.6)	(10.1)
2W sales (Total)	%YoY	12.5	12.5	21.3	10.1	30.8	15.3	34.6	26.2	16.0	31.3	20.1	0.8	0.6
No of Flights (Dom + International)	Th		109.3	107.9	109.6	107.1	110.3	101.2	104.1	107.6	104.1	105.7	100.6	103.0
JM Consumer RM Inflation#	%YoY	8.42	8.42	8.74	4.63	1.95	2.11	(2.99)	(4.65)	(4.99)	(7.11)	(4.03)	(0.13)	(7.27)
Petrol consumption	% YoY	8.6	8.6	10.5	4.6	3.4	14.2	6.9	8.9	9.6	0.2	9.4	4.8	8.2
Naukri Job Speak Index	% YoY	(3.4)	(3.4)	11.8	(7.6)	(1.8)	(2.7)	(10.8)	(7.5)	(11.1)	(15.6)	(23.3)	1.2	(8.6)
Personal loans from SCBs	% YoY		14.4	25.6	28.7	26.7	27.5	28.1	28.6	28.4	30.0	29.6	30.0	30.4
External														
Exchange Rate	INR/USD	83.90	83.59	83.47	83.39	83.40	82.99	82.97	83.12	83.28	83.30	83.23	83.05	82.79
Forex Reserves	USD bn	681.7	667.4	652.0	651.5	637.9	645.6	619.1	616.7	623.2	597.9	586.1	586.9	594.9
Trade Balance	USD bn		(23.5)	(21.0)	(22.3)	(19.0)	(15.6)	(18.7)	(16.0)	(18.1)	(20.7)	(30.0)	(20.1)	(24.0)
Non-oil, non-gold imports	USD bn		40.5	38.1	38.5	34.7	38.5	37.1	35.9	38.5	36.1	40.1	36.4	41.1
Services Surplus	USD bn	13.9	14.7	13.8	13.0	13.7	13.4	13.1	16.2	16.0	14.4	14.6	13.8	13.6
Current account balance % of GDP	%						0.6			(1.0)			(1.3)	
Oil Prices	USD/bbl	78.20	84.20	82.60	83.60	89.40	84.50	81.60	79.10	77.40	83.50	90.00	93.50	86.40
Flows (Net)														
FII inflows- Equity	USD bn	3.3	3.3	3.1	(3.0)	(0.8)	3.7	0.5	(3.1)	7.0	2.3	(2.5)	(2.3)	1.7
FII inflow –Debt	USD bn	2.6	2.6	2.1	1.0	(1.3)	1.7	2.4	2.5	2.4	1.7	0.8	0.2	0.9
Mutual fund inflows	INR bn	(207.9)	145.1	234.3	40.0	473.5	(76.4)	(320.0)	13.7	95.2	(92.6)	124.1	120.7	(89.8)
FDI Inflows	USD bn		0.7	0.7	5.0	4.9	2.2	1.1	4.4	1.3	1.8	5.3	1.9	0.7

Source: CMIE, CEIC, JM Financial | #JM Proprietary Raw Material Index

APPENDIX I

JM Financial Institutional Securities Limited

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Hold	Price expected to move in the range of 10% downside to 10% upside from the current market price for stocks with market capitalisation in excess of INR 200 billion and REITs* and in the range of 10% downside to 15% upside from the current market price for all other stocks, over the next twelve months.
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