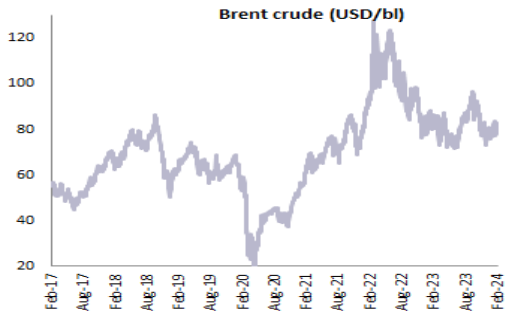


India Economics



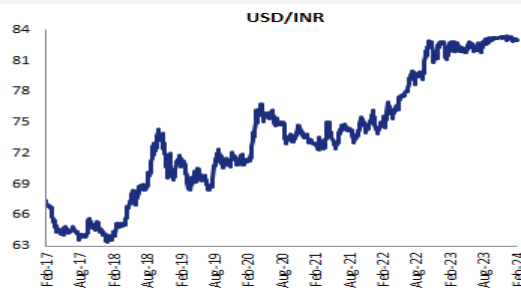
Weekly round-up of macro-economic events

Exhibit A. Oil prices rose to USD 82.1/bbl



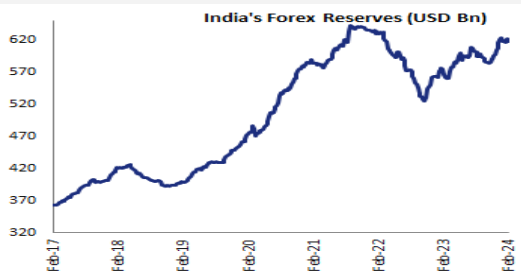
Source: Bloomberg, JM Financial, As on 16th Feb'24

Exhibit B. INR closed at 83.01/USD levels



Source: Bloomberg, JM Financial, As on 16th Feb'24

Exhibit C. Forex reserves fell \$0.5bn to \$617bn



Source: CMIE, JM Financial; As on 2nd Feb'24

CRUDE



82.1/bbl ↑

INR/USD



83.01 ↓

RESERVES



USD 617bn ↓

THIS WEEK'S HIGHLIGHTS

- The week started with a hotter than expected CPI print in US. This pushed hopes of rate cuts to Jun'24 while a section of the markets had factored in policy easing in Mar'24.
- Goods inflation continued to trend lower while services inflation remained stubborn in US. Housing inflation is also elevated; this category will decide the trajectory of inflation going forward.
- Domestic CPI inflation eased further meeting market expectations. This was mainly due to easing in main driver of inflation i.e. food prices had eased for second month in a row. Core inflation moderated below 4% mark. But policy easing would have to wait as RBI aims to align inflation with its target on a 'durable' basis.
- India's merchandise trade deficit narrowed substantially to USD 17.5bn in Jan vs. monthly average range of USD 20.5bn. This was mainly on account of steeper sequential decline in imports vs. that in exports. Robust services surplus led to negligible trade deficit position of USD 0.75bn vs. monthly average of USD 7.5bn.
- Wholesale inflation has reverted from its deflationary trend but momentum continues to remain weak. Manufacturing inflation sustained the deflationary trend, which bodes well for margins in the sector. We expect the uptick in WPI to coincide with downward trajectory of CPI inflation.
- Supreme Court unanimously struck down center's electoral bonds scheme which facilitated anonymous donations for being unconstitutional. BJP received INR 12.9bn through these bonds in FY23 (> 50% of its income) and seven times higher than that of Congress.
- Japan's economy slips into a technical recession, as its GDP declined for two straight quarters. Weak consumer demand dragged the economy. With this it loses its third position to Germany, moreover markets now expect its ultra-loose monetary policy to continue.
- US treasury asks Americans not to focus on the recent spike in inflation in isolation, as labour market and consumer demand is strong.

Week-ahead events

Release Date	Event
19-Feb	China – PBoC loan prime rate
21-Feb	FOMC member Bostic speaks
21-Feb	FOMC meeting minutes
22-Feb	EU – CPI Inflation
22-Feb	RBI meeting minutes

[Link to Last Week's Report](#)

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Domestic Macroeconomic Indicators/Events

- **CPI Inflation | On the decided path but yet to align with target:** CPI inflation eased further to 5.1% in Jan'24 vs 5.7% prior, beating market expectations of 4.97%. Moderation in food prices aided headline inflation; however at 8.3% food inflation continues to remain elevated. The impact of government's supply side intervention was evident in pulses while momentum in cereals continues to remain strong despite trade restrictions. Core inflation trends lower to 3.5%. Our assessment of the trend in inflation in last four years indicates an uptick in momentum in next two months. US inflation print would be key monitorable which would decide the course of global monetary policy going forward. We expect policy easing in H2 CY24. ([Detailed Note](#))
- **Merchandise trade | Deficit narrows; negligible impact of disruption in Red sea:** Merchandise trade deficit narrowed substantially (USD 17.5bn) on the back of steeper decline in imports vs. exports. Although Core exports weakened sequentially but on FYTD basis gained 2%. Oil supported overall trade activity but sharp decline in electronic exports may indicate pickup in local manufacturing. We observed that recent disruption in Red sea has doubled the freight rates but its impact on India's trade is negligible, but a clearer picture would emerge once trade stats for Jan'24 are available. Robust services trade led to negligible trade deficit position of USD 0.75bn. Amidst risk of deterioration, we maintain our CAD expectation at 1.4% of GDP for FY24 & FY25. ([Detailed Note](#))
- **WPI Inflation | Reversion from deflationary trend; subdued cost pressures in Mfg:** Wholesale inflation has reverted from its deflationary trend but momentum continues to remain weak. Jan'24 print came in at 0.27% with a negative momentum of 0.3% MoM vs. 0.73%, -0.9% MoM in Dec'23. Moderation in headline inflation was aided by Food (-1.1% MoM vs. -2.2% MoM prior) and Energy inflation (0.4% MoM vs. -1.3% MoM prior). Manufacturing inflation sustained the deflationary trend with a weaker momentum of -0.2% MoM from -0.1% MoM in Dec'23. This bodes well for the sustenance of margins in the manufacturing sector. Although RBI's monetary policy does not target WPI inflation, but its trend drives the domestic inflation trajectory. We expect the uptick in WPI inflation to coincide with downward trajectory of CPI inflation. Hence overall inflation spread would be gaining pace going forward. But we should see policy easing only when CPI inflation aligns with RBI's 4% target in a durable manner. We believe that by the start of Q2 FY25 (Jul-Sep), based on its assessment of the domestic growth and inflation dynamics, RBI would be in a better position to decide on policy easing.
- **End of Electoral bonds:** The Supreme Court unanimously struck down the Centre's electoral bond scheme which facilitates anonymous political donations for being unconstitutional. It underscored that the scheme violates the right to information under Article 19 (1) (a) of the Constitution. The court also struck down the amendments made to the Income Tax Act and the Representation of People Act which enabled such anonymous political contributions. BJP has received INR 12.9bn through the electoral bonds in FY23, which was nearly 54% of its total income during the year, and seven times higher than that of Congress.
- **DAC approves defence projects:** The Defence Acquisition Council approved projects worth INR 845.6bn, which includes air defence tactical control radar, heavy weight torpedoes, medium range maritime reconnaissance & multi-mission maritime aircraft, flight refueller aircraft & software defined radios. During the recently announced Interim budget for FY25, the central government allocated INR 6.2tn for the defence sector which was 4.7% higher than previous year and garnered highest allocation.
- **Anti-dumping duty probe on solar glass:** India has initiated an anti-dumping probe into imports of certain solar glass from China and Vietnam, following a complaint by domestic players. The commerce ministry's investigation arm Directorate General of Trade Remedies (DGTR) is probing the alleged dumping of 'Textured Tempered Coated and Uncoated Glass' made or from China and Vietnam. There is sufficient evidence that the product is being dumped in the domestic market of India by the exporters from these two countries. An application has been filed by Borosil Renewables Ltd on behalf of the domestic industry for the probe and the imposition of appropriate anti-dumping duty on imports.
- **Record high wheat sales by FCI:** Sales of wheat by the Food Corporation of India so far in 2023-24 (Apr-Mar) touched a record high of 8.5 mn tn. These sales under the open market scheme exceeded the highest sales of 8.1 mn tn seen in 2018-19. At present, FCI has a wheat stock of 11.93 MT, which is lowest since 2016. According to an assessment, following the offloading of 10 MT of wheat in the market, the government stock is likely to fall to around 7.7 – 7.8 MT by April 1, against a buffer of 7.4 MT.
- **Procurement of Bengal gram:** The Centre has approved the procurement of 139,740 tn Bengal gram (chana) in Karnataka at the minimum support price of INR 5,440 per 100 kg for 2023-24 rabi season ending in March. Besides, the Centre has released the third installment of INR 2.35 bn under the Rashtriya Krishi Vikas Yojana (RKVY) to the Karnataka government for the 2023-24 fiscal.
- **Windfall tax increased:** The government has revised its windfall gains tax on crude petroleum with effect from February 16. As per the revisions, Special Additional Excise Duty (SAED) on crude petroleum will increase to INR 3,300/tonne, from INR 3,200/tonne earlier; while tax on diesel will increase to INR 1.50/litre from nil/litre. Further, SAED on petrol and aviation turbine fuel (ATF) will continue to be nil. A windfall tax is levied on domestic crude oil if rates of the global benchmark rise above \$75 per barrel. Export of diesel, ATF and petrol attract the levy if product cracks (or margins) rise above \$20 per barrel.

Global Market Movers

- **US CPI: Hotter print pushes rate cut expectations to Jun'24:** Inflation exceeded market expectations in Jan'24, pushing hopes of rate cuts to Jun'24. CPI print of 3.1% came in 20bps higher than market expectations, with a sequential gain of 0.3% MoM (0.2% MoM est.). Core inflation inched up to 3.9% with a sharp sequential gain of 0.4% (3.7%, 0.3% MoM est.). Sharp rise in Shelter inflation (0.6% MoM), contributed over two thirds to the headline CPI. Progress in this category would decide the trajectory of headline inflation going forward. Deflationary trend in Energy inflation (-4.6%, -0.9% MoM), aided headline inflation for 4th month in a row. This is despite Brent crude gaining 7% in January. On the Goods vs. Services debate, Goods inflation continued to trend lower (-0.3% MoM) while inflationary pressures in services remains stubborn at 0.7% MoM. Central banks see risk of resurgence in inflation on the back of tightening supply chains hence they are treading cautiously and are avoiding any premature policy moves. Markets were swift in pushing rate cut expectations to Jun'24, they are now betting for 25bps rate cut in Jun'24 with a 52% chance, while another 25bps is expected in Jul'24. We believe that Fed would be in a better position to assess the progress in growth and inflation by Jun'24 and commence policy easing.
- **Yellen asks Americans not to focus on inflation in isolation:** U.S. Treasury Secretary Janet Yellen believes that the recent consumer price inflation data was "a tad higher" than expectations, but Americans should focus on longer-term declines in inflation trends and a strong economy and rising wages. She said the price of gasoline has fallen USD 1.90 per gallon from its high mark in 2022, shortly after Russia's invasion of Ukraine, to under USD 3 per gallon, while prices of other key goods also have fallen, despite higher housing costs. According to her, workers earning the median U.S. wage can afford the same basket of goods and services as in 2019, but with USD 1,400 in savings left over.
- **US retail sales misses expectations:** US retail sales fell more than expected in Jan'24, dragged by declines in auto and gasoline services. Retail sales were down 0.8%, which was also impacted by winter storms. Markets were anticipating a minor fall of 0.1%. Retail sales typically fall in January. Data for Dec'23 was revised lower to show sales rising 0.4% instead of 0.6% as previously reported.
- **Japan's economy slips into recession:** Japan's economy slipped into recession territory as it unexpectedly shrank for second straight quarter on sluggish domestic demand. The weak performance led to Japan losing its title as world's third largest economy to Germany. GDP in Q4 CY23 fell 0.4% YoY vs. +1.4% and was followed by 3.3% decline in the previous quarter. Private consumption, which forms more than half of economic activity, fell 0.2% vs. 0.1% gain expected. Sluggish economic growth may lower the chances of Bank of Japan phasing out its ultra-loose monetary policy.
- **EU cuts growth forecast:** The European Commission has downgraded its forecasts for EU and Eurozone growth for 2024 as high interest rates weigh on economic activity, but it expects inflation to halve from its recent peak. EU growth forecasts were lowered to 0.9% from its earlier forecast of 1.3%. While markets are expecting rate cuts in 2024, ECB president cautioned that 'we need to be more confident' that inflation is on track to reach its 2% target.
- **IEA expects oil demand to lose momentum:** The International Energy Agency (IEA) expects oil demand to lose momentum and hence it has trimmed growth forecast for 2024 to 1.22 million barrels per day (bpd) from 1.24 million bpd earlier. On the supply side, IEA raised its projection for 2024, estimating supply will grow by 1.7 million bpd vs. its previous forecast of 1.5 million bpd.
- **Fall in US unemployment claims:** Initial unemployment claims figure was reported at 212,000 in the week ended 10th Feb, decrease of 8,000 from the previous week's revised level. While the market expectations were in the range of 219,000 claims. Continued strength in the labor market bodes well for the consumption demand in the economy which in turn drives economic growth. It has policy implications as well, as the Fed gets more time to let inflation cool off.

Exhibit 1. Macro indicators

Flows (USD mn)	Last Week *	Week prior	MTD	FYTD24
FII -Equity	(124)	(606)	(664)	20,392
FII -Debt	261	799	1,683	12,904
DII (INR bn)	72	53	158	1,439
Equity Returns (%)	LTP	1 Week	1 month	1 Year
Nifty	22,041	1.2	2.2	22.2
Dow Jones	38,773	0.3	4.0	15.1
Shanghai Comp	2,866	-	1.1	(11.8)
Nikkei	38,487	4.3	8.5	39.0
MSCI EM	1,008	1.2	5.1	(0.3)
MSCI DM	3,290	0.3	5.4	17.9
Global Pairs Returns (%)	LTP	1 Week	1 month	1 Year
USDINR	83.0	0.0	0.1	(0.4)
EURUSD	1.1	0.2	1.1	(0.9)
GBPUSD	1.3	0.4	0.8	(4.7)
USDJPY	150.3	(0.7)	(1.4)	(10.9)
Dollar Index	104.4	0.2	0.9	0.5
Commodities returns (%)	LTP	1 Week	1 month	1 Year
GOLD (\$/OZ)	2,006	(0.9)	0.0	9.3
Brent (\$/bbl)	82	(0.1)	5.4	(3.6)
CRB Metal Index	1,007	1.1	(0.4)	(7.4)
Generic Bond Yields (%)	LIBOR		G-Sec	
Country	3M	6M	1Y	10Y
US	5.59	5.69	6.04	4.27
EU	(0.58)	(0.56)	(0.49)	4.09
UK	5.33	4.74	0.81	0.74
India - Yields (%)	LTP	Week ago	1 month ago	Year ago
MIBOR	6.75	6.85	6.85	6.35
10Yr G-Sec	7.10	7.11	7.17	7.32
India Macro	latest	1 month ago	Year ago	
FX Reserves (USD bn)	617	619	567	
Reserve Money (yoy %)	5.9	5.6	11.3	
Currency in Circulation (yoy %)	3.7	4.2	8.2	
Credit Growth (yoy %)	19.8	16.1	16.5	
Deposit Growth (yoy %)	12.9	13.3	10.2	
Unemployment Rate -CMIE (%)	8.2	10.3	8.6	

Source: Bloomberg, CMIE, CEIC, JM Financial | * recent FII data updated till 15th Feb

- FII selling moderated to USD 124mn from USD 645mn last week in equities similarly on the debt side their buying moderated to USD 261mn vs USD 883mn in earlier week.
- DIIs continued to buy in this week as well at INR 72bn vs INR 53bn in last week.
- Brent crude was stable at USD 82/bbl after remaining volatile in last three weeks. But the political turmoil between Israel and Iraq continues to add fuel to the volatility in Crude oil..
- Oil markets are expected to remain volatile going forward.
- UST 10yr yields strengthened further by 11bps to 4.27% as rate cut expectations get pushed back. India's 10yr G-sec yields hardened to 7.10% post the MPC's slightly hawkish tone and expectation of bond inclusion led flows in the near term.

Exhibit 2. Sectoral Performance

	LTP	Performance (%)		
		1 week	1 month	1 Year
Nifty	22,041	1.2	1.9	22.8
BSE Capital Goods	55,999	1.0	(2.5)	59.4
BSE Cons Durables	50,432	1.5	(1.7)	30.6
NSE Bank	46,385	1.6	1.5	12.8
NSE Nifty Auto	20,423	4.3	9.2	55.4
NSE Nifty Energy	39,682	1.7	13.4	76.6
NSE Nifty FMCG	53,519	(0.6)	(5.5)	17.3
NSE Nifty India Consumption	9,819	1.6	1.7	32.9
NSE Nifty IT	38,477	2.1	4.8	22.4
NSE Nifty Pharma	18,871	1.4	8.5	55.3
BSE Utilities	5,448	(0.0)	9.6	104.3
NSE Infra Index	8,078	1.3	5.4	56.5
Nifty Realty	883	0.8	1.6	118.7

- Nifty gained 1.2% matching the performance of EM, while outperforming the DM basket by a wide margin. While Banks gained in this week, FMCG continued to drag the overall index in last week.
- Sectors with notable gains were Auto (4.3%), IT (2.1%) and Energy (1.7%) while FMCG (-0.6%) lost the most.
- Rising bond yields in response to hawkish tone of central banks have exerted pressure on equities.
- We have been highlighting that Nifty is trading at reasonable valuations of 19.6x 1 yr forward PE. Any fall should be bought into in large cap names.

Source: Bloomberg, JM Financial | as on 16th Feb

Exhibit 3. Crop sowing progress and Reservoir status

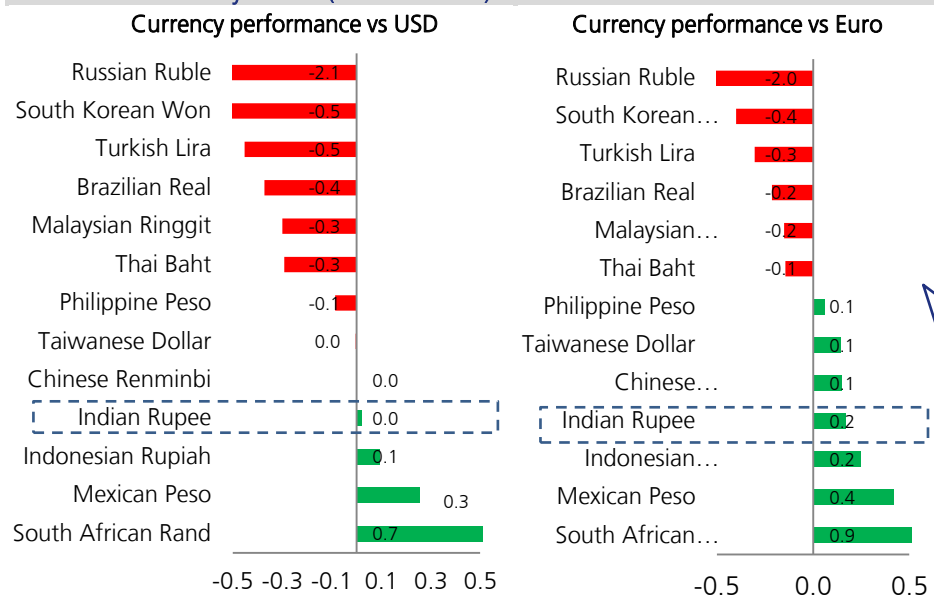
Rabi -Sowing (as on 2nd Feb)	% change in actual area sown			
	2024	2023	2022	2021
All crops	0.0	1.6	3.7	1.1
Cereals	1.2	1.1	4.2	(2.9)
Wheat	0.7	(0.8)	2.9	(1.3)
Pulses	(3.7)	(0.7)	2.0	0.7
Oilseeds	1.1	9.2	4.0	20.8

Water Levels (% of Full Reservoir)	Latest			
	Week ago	Month ago	Year ago	10 Yr Avg
Current	47.2	57.1	58.9	67.4
10 Yr Avg	49.9	60.3	62.4	56.5

- Rabi sowing is progressing well, its now at same level as last year. Sowing in pulses lags by a mile (-3.7%).
- Shortfall in Rabi sowing improved across crops while pulses witnessed steepest decline.
- Reservoir levels continue to trend below the LPA (47.2% vs 49.9%).

Source: CMIE, JM Financial | reservoir levels as on 15th Feb

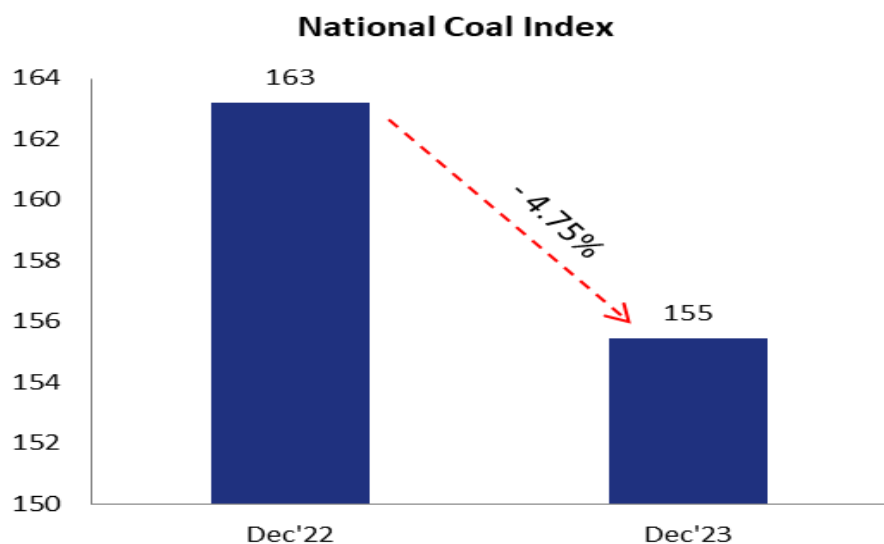
Exhibit 4. EM Currency tracker (Vs USD & Euro)



- US Dollar index continued to strengthen 0.2% to 104.4.
- The strength in INR coincided with USD strengthening, indicating the robustness in India's fundamentals. while against EUR it gained 0.2% in last week.
- INR is one of the least volatile currency 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 – 85.5/USD in 2024 with an appreciating bias.

Source: Bloomberg, JM Financial | 5 day ending 16th Feb

Exhibit 5. Fall in 'Coal index' indicates sufficient availability of coal



- The National Coal Index (NCI) is a price index that combines coal prices from all sales channels, including various grades transacted in regulated and unregulated sectors.
- The peak of NCI was observed in Jun'22 when the index reached 238.83 points, but subsequent months have experienced a decline, indicative of abundant availability of coal in the Indian market.
- Impressive growth of 10.7% YoY in coal production in Dec'23, ensures stable supply and contributes to India's energy security.
- The downward trajectory of the NCI signifies a more equitable market, harmonizing supply and demand dynamics, thereby fortifying a more resilient and sustainable coal industry.

Source: Ministry of Coal, JM Financial

Exhibit 6. China 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%
China	1	44.0	42.5	26.5	33.6	-7.1	1.5	5.0	-1.0	-0.6	-1.8	124.5	49.0	0.0
Indonesia	2	29.4	29.7	15.1	17.3	-2.2	-0.3	5.0	6.5	4.1	7.4	5.0	52.2	0.1
India	3	29.9	31.7	19.4	28.1	-8.8	-1.8	6.3	9.2	2.5	-0.9	5.7	54.9	0.0
Vietnam	4	32.6	32.3	18.4	19.7	-1.3	0.2	4.7	5.6	-0.6	-1.5	-6.5	48.9	0.2
Thailand	5	23.0	23.2	20.0	22.9	-2.9	-0.2	2.7	3.2	3.1	6.4	-0.6	45.1	0.4
Malaysia	6	26.8	24.1	17.9	22.6	-4.7	2.7	4.0	4.6	4.3	0.9	1.1	47.9	-0.3
Brazil	6	15.9	17.8	41.1	48.2	-7.1	-1.9	3.1	10.1	-2.8	7.9	11.3	48.4	-0.4
Bangladesh	8	30.2	31.3	8.3	12.7	-4.5	-0.7	6.0	-4.0	-12.9	3.0	0.0	N.A	0.0

Source: IMF, Bloomberg, JM Financial | Note: GDP and Fiscal parameters are sourced from IMF database for latest fiscal | Currency movement is for week ended 16th Feb

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

Exhibit 7. High Frequency Indicators

	Unit	Jan-24	Dec-23	Nov-23	Oct-23	Sep-23	Aug-23	Jul-23	Jun-23	May-23	Apr-23	Mar-23	Feb-23	Jan-23
Monetary														
Currency with public (M0)'	%YoY	4.8	4.3	5.2	3.7	5.0	4.7	5.0	4.2	8.1	8.2	7.9	8.1	8.1
10 year G-sec	%	7.18	7.21	7.27	7.32	7.18	7.19	7.10	7.03	7.01	7.21	7.36	7.35	7.33
O/s Banking liquidity	INR tn	2.0	1.9	0.2	0.5	0.1	(1.1)	(1.9)	(1.5)	(1.8)	(0.9)	(2.2)	(1.5)	(1.2)
CPI inflation	%YoY	5.10	5.69	5.55	4.87	5.02	6.83	7.44	4.87	4.31	4.70	5.66	6.44	6.52
WPI inflation	%YoY	0.27	0.73	0.39	(0.26)	(0.07)	(0.46)	(1.23)	(4.18)	(3.61)	(0.79)	1.41	3.85	4.80
SCB credit growth	% YoY	19.8	21.3	21.3	20.5	17.6	19.9	19.7	18.2	15.5	15.9	15.4	15.9	16.7
Fiscal														
Total Receipts (Centre)	%YoY		(9.5)	95.9	(4.6)	9.3	306.0	(7.4)	(14.3)	34.8	(14.7)	8.9	(242.2)	38.2
Total Expenditure (Centre)	%YoY		7.1	(13.8)	(14.0)	3.2	10.5	84.6	17.3	3.5	10.6	7.0	(2.6)	21.2
Revenue Expenditure (Centre)	%YoY		(5.5)	(16.1)	(13.8)	(3.6)	6.7	100.7	6.7	(17.8)	15.2	1.1	5.0	13.2
Capital Expenditure (Centre)	%YoY		105.4	1.6	(14.9)	29.0	29.9	14.9	62.8	217.4	(0.6)	36.6	(53.2)	59.8
Centre's GFD (% of BE)	% BE		4.49	6.10	5.70	3.30	2.08	8.63	13.49	4.29	7.48	15.63	14.72	11.07
GST collections	INR tn	1.7	1.6	1.7	1.7	1.6	1.6	1.7	1.6	1.6	1.9	1.6	1.5	1.6
Industrial/services														
Manufacturing PMI	Index	56.5	56.5	54.9	56.0	55.5	57.5	58.6	57.7	57.8	58.7	57.2	56.4	55.3
Services PMI	Index	61.8	61.8	59.0	56.9	58.4	61.0	60.1	62.3	58.5	61.2	62.0	57.8	59.4
GST e-way bills	mn		95.3	95.3	95.3	87.6	100.3	92.0	93.4	88.0	86.1	88.2	84.4	90.9
Diesel consumption	%YoY	3.7	(2.3)	(2.3)	(2.3)	(3.0)	9.2	3.8	5.3	3.8	3.1	12.9	8.7	1.1
Eight Core Industries	%YoY		3.9	7.9	12.0	9.5	13.4	8.6	8.3	5.2	4.6	4.2	7.4	9.7
IIP	%YoY		3.8	2.4	11.6	6.4	10.9	6.2	4.1	5.7	4.6	2.0	6.0	5.8
Railway Freight earnings	%YoY	4.1	3.6	3.8	6.6	5.1	2.7	3.2	(1.0)	4.0	6.8	10.5	11.8	13.2
Cargo handled at ports	%YoY	0.6	16.9	13.8	0.3	4.1	4.2	(2.0)	3.2	1.3	11.8	11.8	12.2	10.3
SCBs credit to industry	%YoY		8.6	6.6	5.9	7.1	6.7	5.8	8.1	6.0	7.0	5.6	7.0	8.8
SCB credit to small & micro ent.	%YoY		15.1	17.2	16.9	10.1	10.7	10.2	13.0	9.5	9.7	13.2	13.2	15.2
Consumption														
Domestic PV sales	%YoY	(7.6)	(27.8)	(21.2)	(7.7)	(21.6)	(10.1)	(23.5)	(12.1)	(3.0)	11.4	(11.5)	6.5	8.1
2W sales (Total)	%YoY	26.2	16.0	31.3	20.1	0.8	0.6	(7.2)	1.7	17.4	15.1	7.7	7.6	3.8
No of Flights (Dom + International)	Th		107.6	104.1	105.7	100.6	103.0	101.3	97.9	102.1	102.8	106.6	96.1	104.3
JM Consumer RM Inflation#	%YoY	(3.37)	(2.48)	(6.03)	(4.07)	(0.13)	(7.27)	(13.92)	(21.98)	(19.56)	(13.62)	(17.47)	(5.68)	1.12
Petrol consumption	% YoY	9.6	0.2	9.4	4.8	8.2	2.9	6.2	6.2	11.0	2.9	6.9	8.9	14.3
Naukri Job Speak Index	% YoY	(11.1)	(15.6)	(23.3)	1.2	(8.6)	(5.7)	(18.8)	(2.9)	(0.5)	(5.2)	5.2	(2.2)	1.7
Personal loans from SCBs	% YoY		28.5	30.1	29.7	30.4	30.8	31.7	20.9	19.2	19.4	21.0	20.4	20.4
External														
Exchange Rate	INR/USD	83.12	83.28	83.30	83.23	83.05	82.79	82.15	82.23	82.32	82.02	82.31	82.61	81.90
Forex Reserves	USD bn	616.7	623.2	597.9	586.1	586.9	594.9	603.9	595.1	589.1	588.8	578.4	560.9	576.8
Trade Balance	USD bn	(17.5)	(19.8)	(20.6)	(30.0)	(20.1)	(22.6)	(19.0)	(19.1)	(22.5)	(14.4)	(19.0)	(16.6)	(17.0)
Non-oil, non-gold imports	USD bn	35.9	40.3	36.1	40.1	36.4	41.1	38.2	35.9	38.2	34.4	39.6	34.1	36.3
Services Surplus	USD bn	16.8	16.0	14.4	14.6	13.8	13.6	12.5	12.2	11.1	11.8	13.5	12.4	13.2
Current account balance % of GDP	%					(1.0)			(1.1)			(0.2)		
Oil Prices	USD/bbl	79.10	77.40	83.50	90.00	93.50	86.40	80.20	74.90	75.10	83.50	78.30	82.40	80.70
Flows (Net)														
FII inflows- Equity	USD bn	(3.1)	7.0	2.3	(2.5)	(2.3)	1.7	4.0	4.9	4.7	1.9	1.7	(0.4)	(3.0)
FII inflow –Debt	USD bn	2.5	2.4	1.7	0.8	0.2	0.9	0.3	(0.2)	0.3	0.1	0.2	0.1	0.6
Mutual fund inflows	INR bn	13.7	95.2	(92.6)	124.1	120.7	(89.8)	107.8	142.9	(23.6)	47.7	219.6	(0.4)	84.8
FDI Inflows	USD bn		3.7	3.7	7.3	1.9	0.8	0.4	2.0	1.5	3.9	2.4	2.9	4.1

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

APPENDIX I

JM Financial Institutional Securities Limited

Corporate Identity Number: U67100MH2017PLC296081

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Rating	Meaning
Buy	Total expected returns of more than 10% for stocks with market capitalisation in excess of INR 200 billion and REITs* and more than 15% for all other stocks, over the next twelve months. Total expected return includes dividend yields.
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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