

October 2024

Macros Chartbook



Content

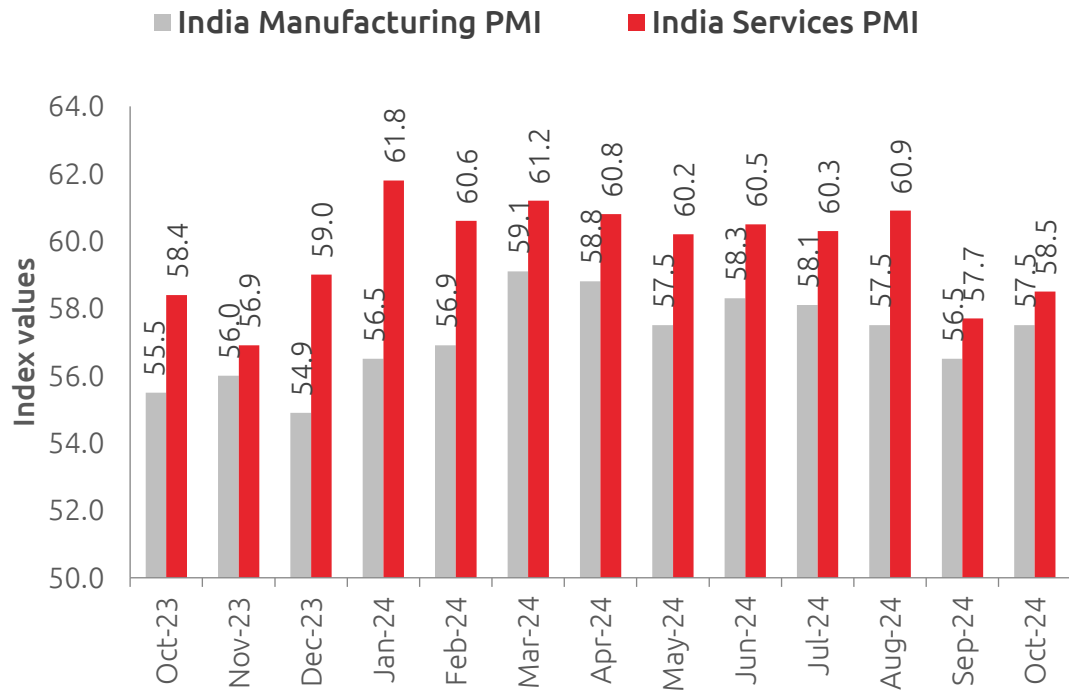
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01

India Macroeconomic Indicators

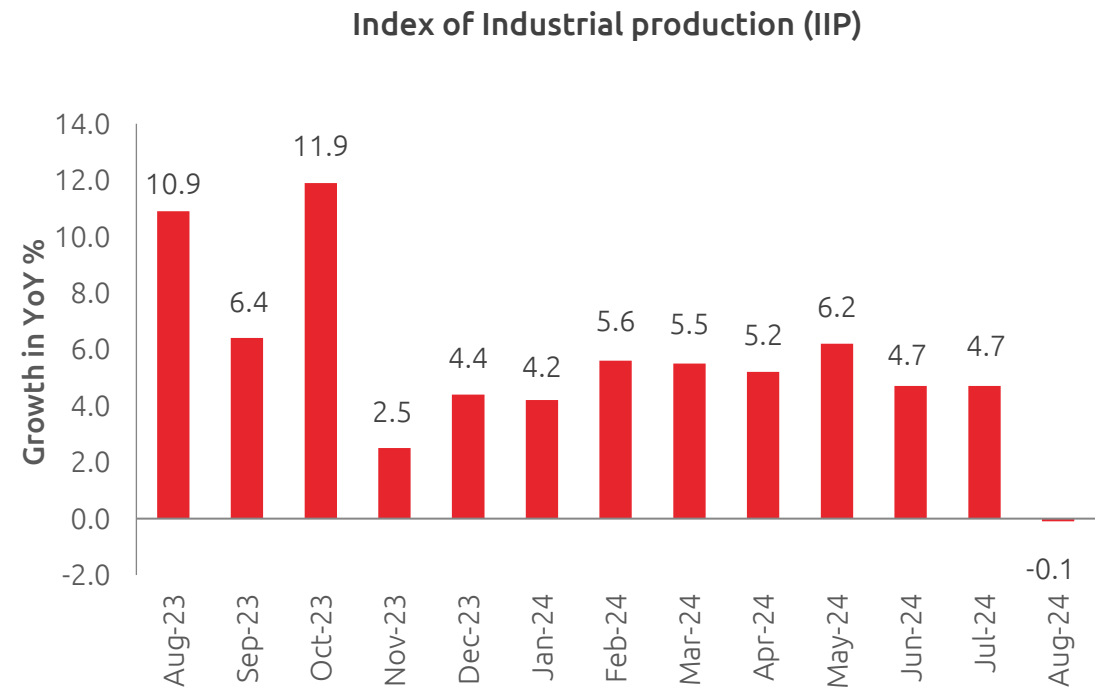
Domestic Economic Indicators

Manufacturing PMI stood at 57.5 in Oct 2024 compared to 56.5 in Sep 2024. Enhanced demand has led to an increase in job creation and a favorable business environment. Services PMI increased to 58.5 in Oct 2024 as compared to 57.7 in Sep 2024, driven by strong demand and job creation. Composite PMI rose to 59.1 from 58.3 in the same period.



Source: Refinitiv; PMI >50 denotes expansion and <50 is contraction

Index of Industrial production (IIP) contracted 0.1% YoY in Aug 2024, as compared to a 4.7% rise in Jul 2024. Production in mining and electricity decreased by 4.3% and 3.7%, respectively, while manufacturing witnessed a growth of 1% in Aug 2024.



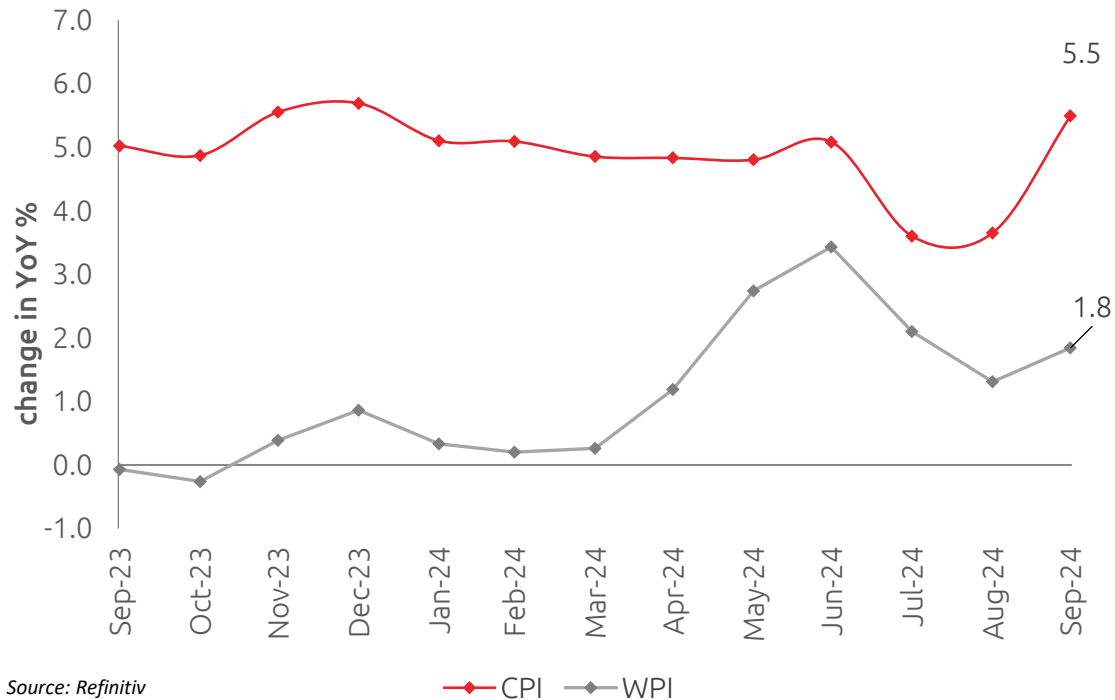
Source: Refinitiv

Domestic Economic Indicators (Contd.)

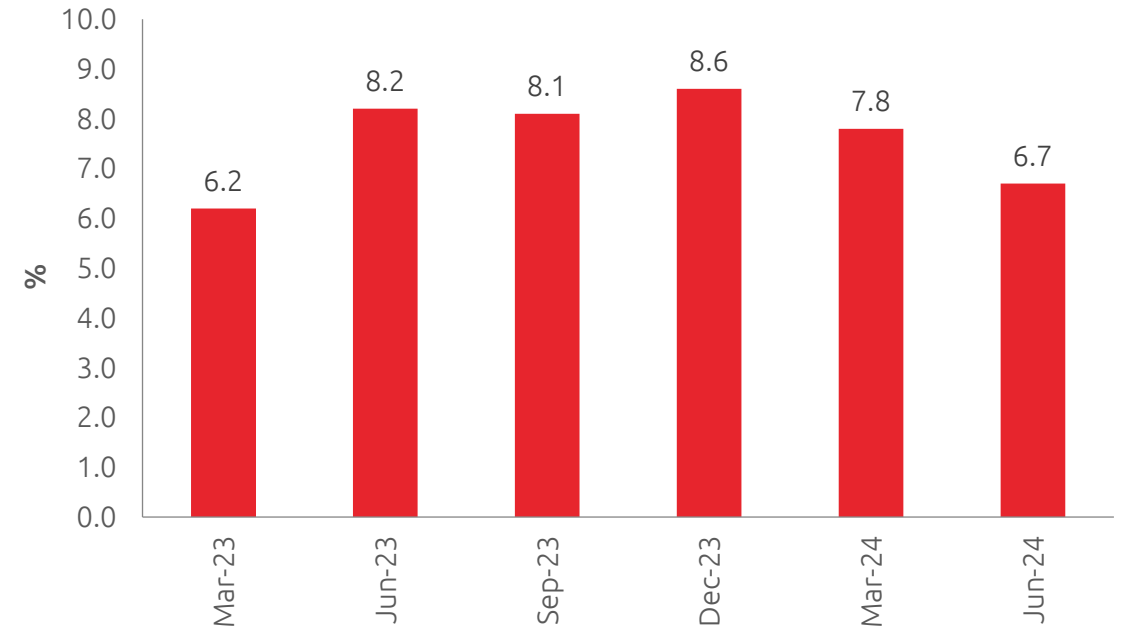
The CPI-based inflation surged to 5.49% YoY in Sep 2024 compared to 3.65% in Aug 2024. It was the highest inflation rate since the start of the year, overshooting the RBI's target of 4%. The increase in inflation is attributed to the ongoing rise in vegetable prices. WPI-based inflation increased by 1.84% YoY in Sep 2024 as compared to 1.31% in Aug 2024.

Government data showed that Gross Domestic Product (GDP) of the Indian economy at constant (2011-12) prices witnessed a growth of 6.7% YoY in the first quarter of FY25. In the Apr-Jun quarter of last year, the GDP growth rate was 8.2%. On the sectoral front, the growth of Manufacturing sector accelerated to 7.0% in Q1 of FY25 from 5.0% in same quarter of previous fiscal year.

Consumer Price Index (CPI) & Wholesale Price Index (WPI)



India GDP Growth (%)



Domestic Economic Indicators (Contd.)

India's merchandise trade deficit narrowed sequentially to \$20.78 billion in Sep 2024 compared to \$29.65 billion in Aug 2024, however, the deficit widened on an annual basis compared to \$20.08 billion in Sep 2023. Exports rose marginally by 0.49% YoY to \$34.58 billion in Sep 2024, and imports increased by 1.60% YoY to \$55.36 billion during the same period.

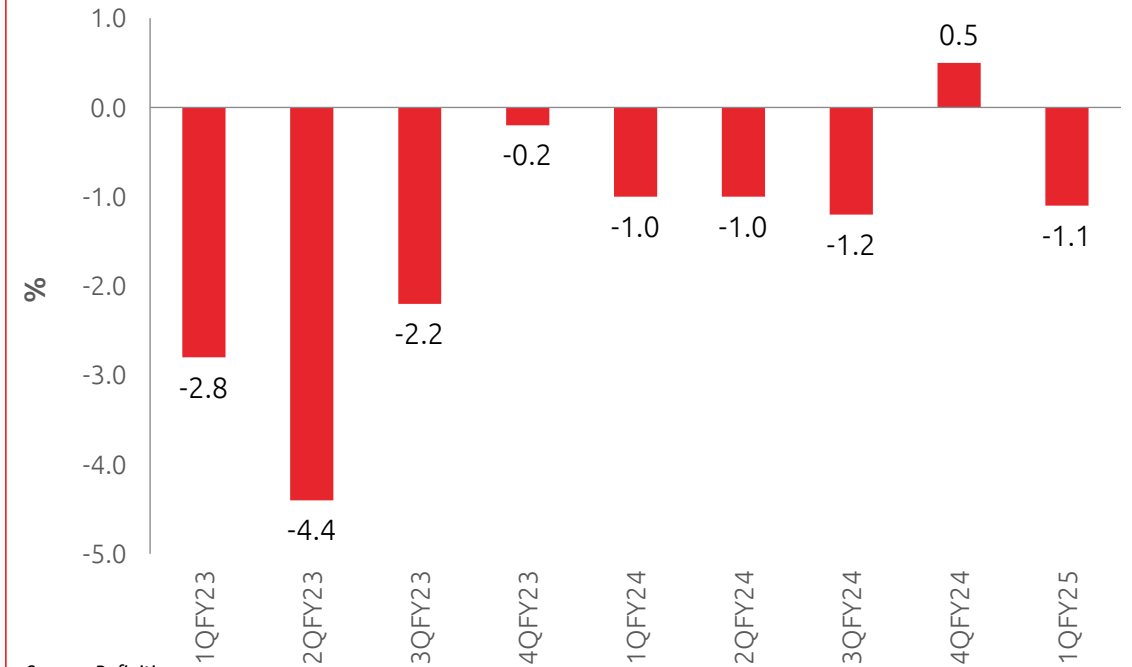
Trade Data



Source: Refinitiv

India's current account deficit (CAD) widened marginally to US\$ 9.7 billion (1.1% of GDP) in Q1 FY25 from US\$ 8.9 billion (1.0% of GDP) in Q1 FY24 and against a surplus of US\$ 4.6 billion (0.5% of GDP) in Q4 FY24. The widening of CAD on a YoY basis was primarily due to a rise in merchandise trade deficit to US\$ 65.1 billion in Q1 FY25 from US\$ 56.7 billion in Q1 FY24.

Current Account Deficit as % of GDP

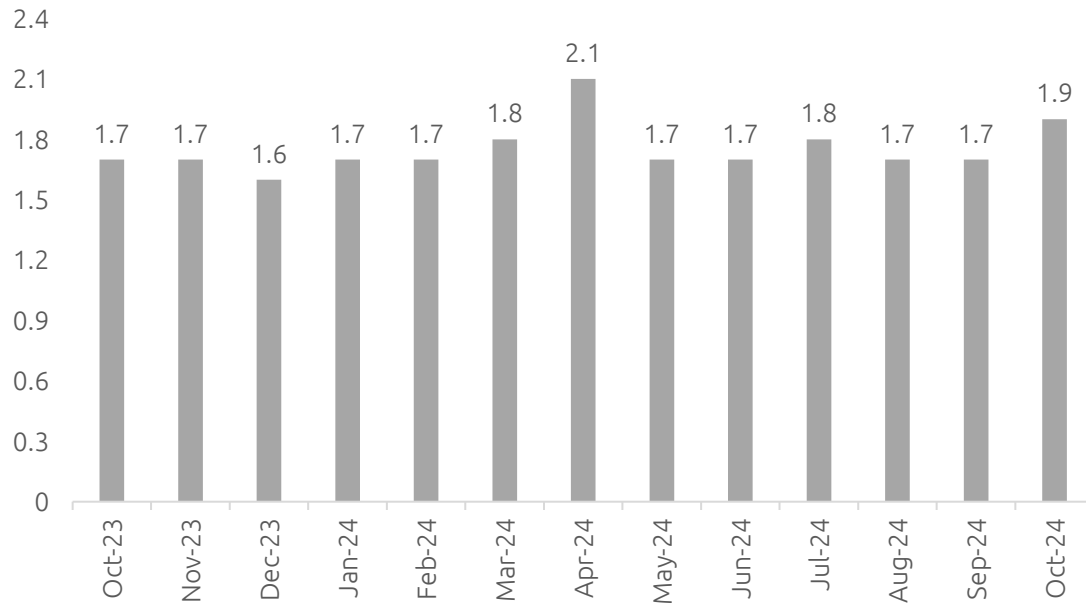


Source: Refinitiv

Domestic Economic Indicators (Contd.)

Gross Goods and Services Tax (GST) collections rose 8.9% YoY to Rs. 1.87 lakh crore in Oct 2024, the second highest level of monthly collections seen since the Jul 2017 rollout of the indirect tax regime, primarily driven by a rise in domestic revenue than imports.

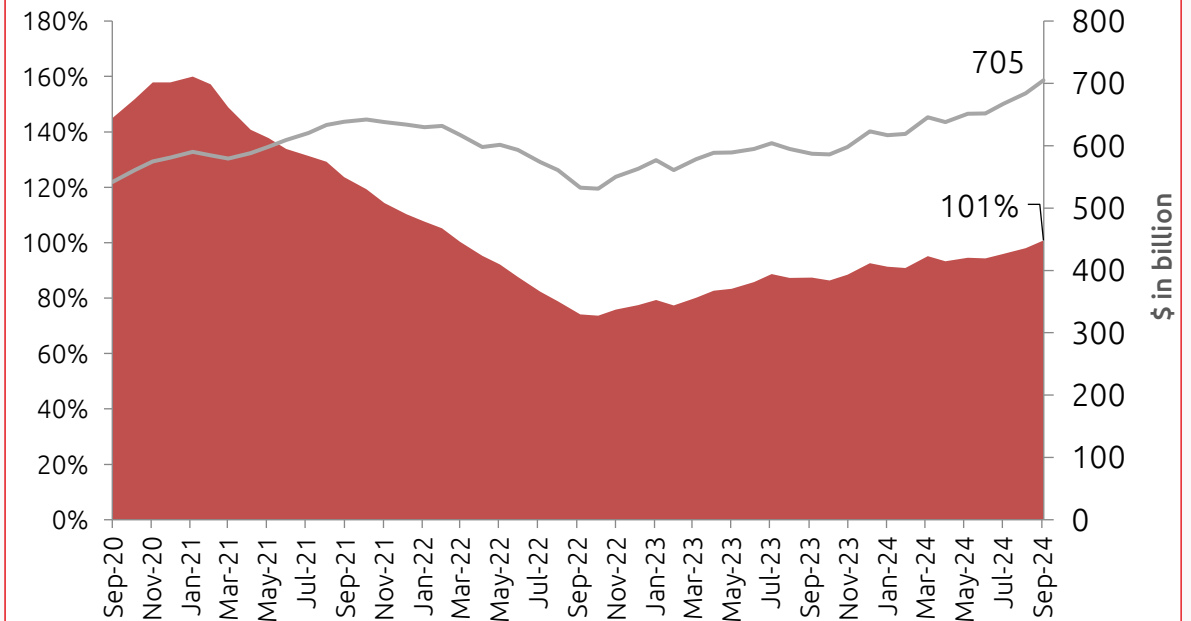
GST Collections (Rs. Lakh Crore)



Source: PIB

Data from Reserve Bank of India showed that India's foreign exchange reserves decreased to \$684.81 billion as of Oct 25, 2024, compared with \$705 billion as of Sep 27, 2024.

Forex Reserves/Last 12 months imports — India FX Reserve (\$bn) (RHS)



Source: Refinitiv

02

Domestic Equity Market

Domestic equity markets fell during the month

	Levels	1M	3M	6M	1Y	3Y	5Y	CYTD24	CY23	CY22	Current P/E	1 Year Ago	3 Year Ago	5 Year Ago
Broad Indices														
Nifty 50	24,205	-6.2%	-3.0%	7.1%	26.9%	11.0%	15.3%	11.4%	20.0%	4.3%	22.6	20.5	25.7	27.4
Nifty 100	25,060	-6.8%	-3.7%	6.9%	31.6%	11.9%	15.8%	14.3%	20.0%	3.6%	23.1	21.0	25.9	28.6
Nifty 500	22,689	-6.4%	-3.6%	8.1%	35.0%	14.5%	18.5%	16.8%	25.8%	3.0%	26.1	21.8	26.9	29.3
Nifty Midcap 150	20,877	-6.4%	-4.5%	10.5%	43.3%	22.3%	27.4%	22.3%	43.7%	3.0%	43.0	25.1	31.6	28.0
Nifty Smallcap 250	17,751	-3.6%	-1.1%	12.1%	47.6%	23.6%	29.9%	26.4%	48.1%	-3.6%	32.4	23.5	29.1	52.4

- Domestic equity markets fell amid a broad-based sell-off across the sectors as fears of a full-fledged war between Iran and Israel dented investors' appetite for riskier assets on expectations of a significant retaliatory attack by Israel following Iran's missile strikes. Losses were extended as sentiment was dented following muted earnings reported by major domestic companies for the second quarter of FY25 so far. Markets fell further due to persistent selling by foreign portfolio investors in domestic markets and subsequent transfer of funds to China following Beijing's announcement of various stimulus plans to accelerate economic expansion.
- However, losses were restricted after the RBI, in its monetary policy meeting of Oct 2024 kept the repo rate unchanged at 6.50% and shifted its stance from 'withdrawal of accommodation' to 'neutral', paving the way for potential rate cuts in the future. A notable drop in global crude oil prices on international markets towards end of the month has positively influenced market sentiment.

Sectoral indices fell during the month

	Levels	1M	3M	6M	1Y	3Y	5Y	CYTD24	CY23	CY22	Current P/E	1 Year Ago	3 Year Ago	5 Year Ago
Sectoral indices														
Nifty PSU Bank	6,725	-0.5%	-9.1%	-11.6%	36.3%	33.4%	21.8%	17.7%	32.3%	70.7%	7.8	7.1	12.4	NA
Nifty Healthcare	14,428	-2.2%	4.9%	20.5%	55.9%	18.7%	24.8%	35.6%	32.9%	-10.8%	42.4	34.2	31.0	NA
Nifty Pharma	22,736	-2.3%	4.4%	19.8%	54.8%	17.8%	23.6%	35.1%	33.6%	-11.4%	37.3	30.4	29.7	30.8
Nifty Bank	51,475	-2.8%	-0.2%	4.2%	20.1%	9.6%	11.3%	6.6%	12.3%	21.2%	14.1	14.8	24.1	40.4
Nifty IT	40,408	-3.7%	-1.1%	21.7%	32.1%	5.5%	21.0%	13.8%	24.1%	-26.0%	32.0	25.8	34.6	21.1
Nifty Infrastructure	8,823	-7.8%	-7.1%	2.9%	44.8%	20.4%	21.5%	20.8%	39.1%	6.1%	24.9	18.1	19.2	21.1
Nifty Metal	9,327	-8.5%	-2.7%	1.6%	44.5%	18.7%	30.1%	16.9%	18.7%	21.8%	32.1	21.7	8.4	9.6
Nifty Realty	1,000	-9.0%	-8.6%	2.7%	65.8%	26.0%	30.0%	27.6%	81.3%	-10.8%	47.6	44.4	69.9	37.8
Nifty FMCG	59,203	-9.7%	-4.6%	9.1%	15.5%	15.7%	12.9%	3.9%	29.0%	17.5%	47.0	41.9	40.7	42.4
Nifty Energy	39,302	-10.7%	-10.9%	-2.6%	46.7%	19.1%	19.0%	17.4%	29.4%	14.3%	15.6	10.3	12.1	13.4
Nifty Oil & Gas	11,347	-13.0%	-14.4%	-4.1%	49.1%	13.7%	16.0%	19.5%	12.5%	14.8%	13.2	7.9	10.2	NA
Nifty Auto	23,515	-13.0%	-11.9%	4.6%	47.7%	27.6%	22.7%	26.3%	47.6%	15.3%	23.1	24.5	61.8	22.5

- Oil & Gas sector slid led by oil marketing companies following the disappointing second quarter results due to inventory losses along with weaker refining and marketing margins.
- Metal sector plunged after China fails to introduce new stimulus measures. Investors were expecting China to announce significant fiscal support, including trillions of yuan in bond issuances and initiatives to stimulate consumption. However, the Chinese government instead unveiled a modest investment plan of CNY 100 billion for 2025.

Sector Monthly Performance

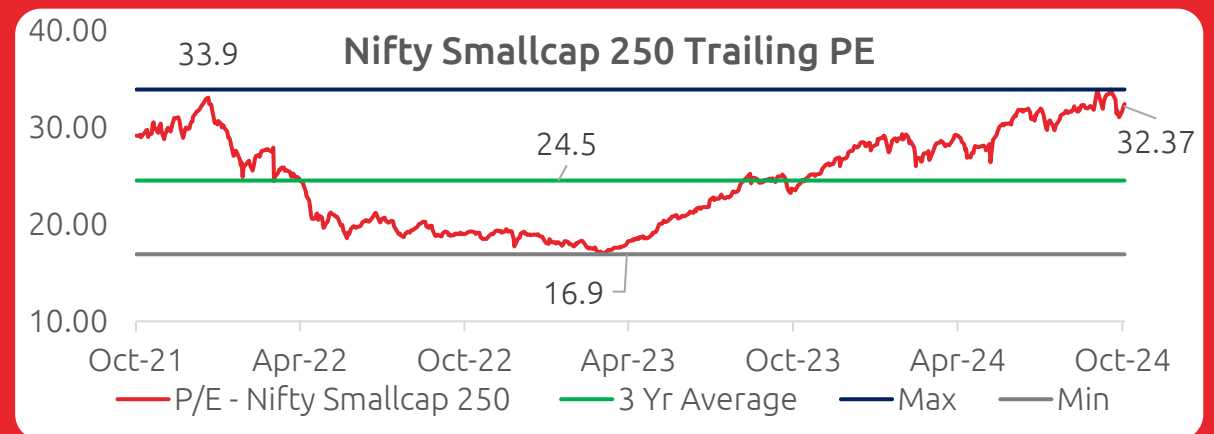
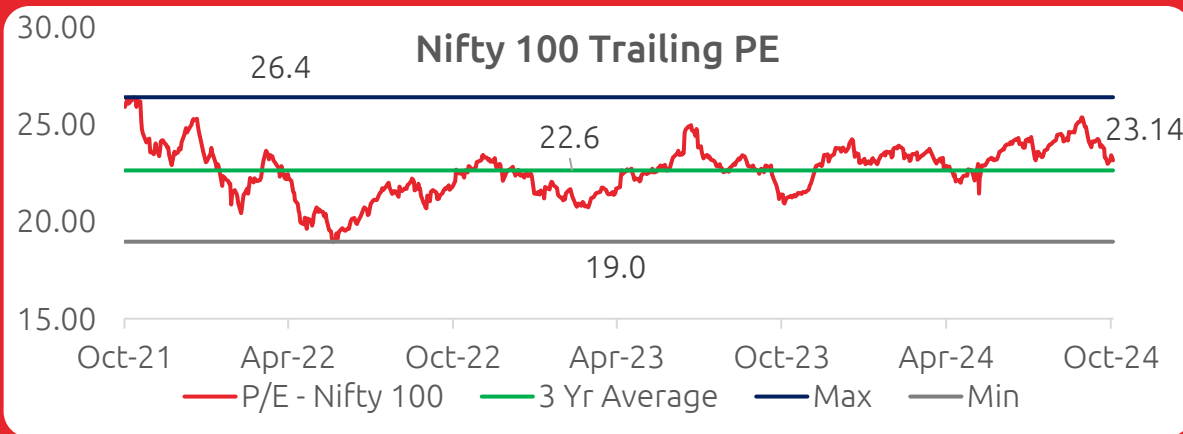
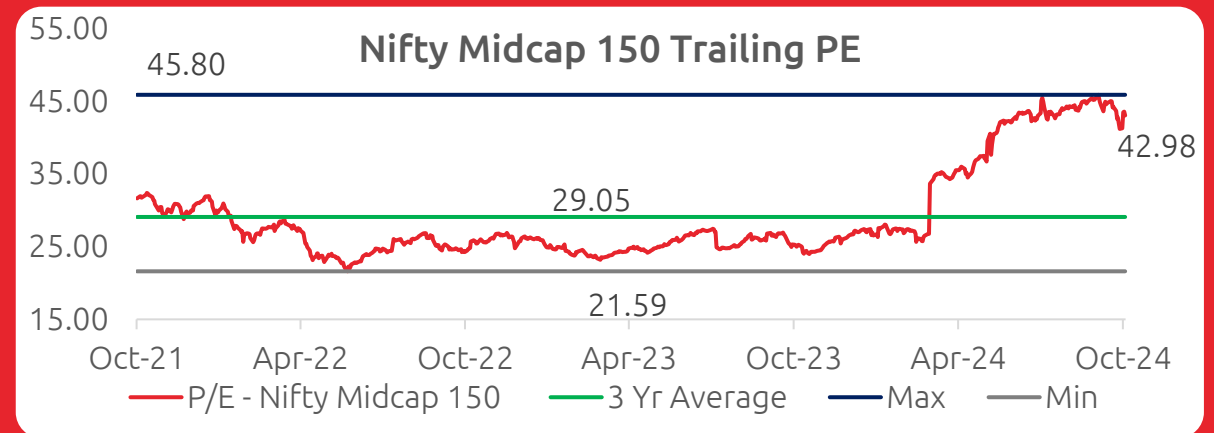
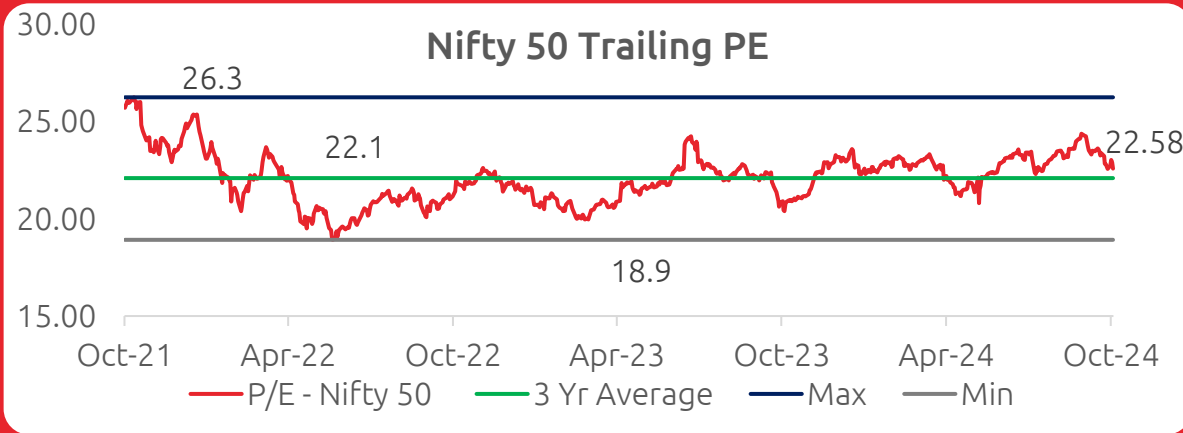
Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24
Nifty Realty 18.34%	Nifty Energy 14.25%	Nifty Oil & Gas 12.98%	Nifty PSU Bank 10.49%	Nifty Auto 4.93%	Nifty Metal 11.12%	Nifty Metal 5.97%	Nifty IT 11.65%	Nifty IT 12.98%	Nifty Pharma 6.61%	Nifty Metal 8.43%	Nifty PSU Bank -0.46%
Nifty Oil & Gas 11.39%	Nifty Metal 13.69%	Nifty Energy 9.80%	Nifty Oil & Gas 6.79%	Nifty Metal 4.23%	Nifty PSU Bank 8.54%	Nifty Realty 4.74%	Nifty Realty 8.37%	Nifty Pharma 10.37%	Nifty Healthcare 5.50%	Nifty Realty 4.33%	Nifty Healthcare -2.20%
Nifty Healthcare 11.17%	Nifty PSU Bank 13.34%	Nifty PSU Bank 9.77%	Nifty Realty 6.35%	Nifty Infrastructure 3.09%	Nifty Realty 8.06%	Nifty Auto 4.18%	Nifty Auto 7.60%	Nifty FMCG 9.38%	Nifty IT 4.74%	Nifty FMCG 3.93%	Nifty Pharma -2.34%
Nifty Pharma 10.59%	Nifty Oil & Gas 12.03%	Nifty Realty 9.34%	Nifty Auto 6.16%	Nifty Bank 2.18%	Nifty Auto 4.95%	Nifty Infrastructure 1.08%	Nifty Bank 6.86%	Nifty Healthcare 9.34%	Nifty FMCG 1.57%	Nifty Auto 3.26%	Nifty Bank -2.84%
Nifty Auto 10.28%	Nifty Infrastructure 10.90%	Nifty Infrastructure 7.62%	Nifty Pharma 5.93%	Nifty PSU Bank 1.12%	Nifty Bank 4.82%	Nifty FMCG -0.25%	Nifty Healthcare 6.62%	Nifty Oil & Gas 8.44%	Nifty Oil & Gas 1.52%	Nifty Bank 3.17%	Nifty IT -3.67%
Nifty Energy 9.37%	Nifty Realty 9.73%	Nifty Healthcare 7.37%	Nifty Energy 5.69%	Nifty Healthcare 0.91%	Nifty Energy 3.45%	Nifty Energy -0.28%	Nifty Infrastructure 5.38%	Nifty Auto 5.89%	Nifty Bank -0.39%	Nifty Healthcare 1.69%	Nifty Infrastructure -7.85%
Nifty Metal 8.76%	Nifty IT 9.00%	Nifty Pharma 6.58%	Nifty Healthcare 4.63%	Nifty Energy 0.47%	Nifty Oil & Gas 3.37%	Nifty Bank -0.84%	Nifty Oil & Gas 5.15%	Nifty Energy 5.50%	Nifty Energy -0.75%	Nifty Infrastructure 1.58%	Nifty Metal -8.55%
Nifty Infrastructure 8.04%	Nifty Bank 8.57%	Nifty Auto 3.27%	Nifty IT 2.95%	Nifty Pharma -0.04%	Nifty Infrastructure 2.87%	Nifty Pharma -0.92%	Nifty Pharma 4.98%	Nifty Infrastructure 4.00%	Nifty Infrastructure -0.78%	Nifty Energy 0.59%	Nifty Realty -9.05%
Nifty IT 6.54%	Nifty FMCG 7.50%	Nifty IT 3.16%	Nifty Infrastructure 2.87%	Nifty FMCG -0.12%	Nifty FMCG 0.54%	Nifty Healthcare -1.50%	Nifty FMCG 4.90%	Nifty PSU Bank 0.42%	Nifty Metal -1.86%	Nifty Pharma 0.27%	Nifty FMCG -9.67%
Nifty Bank 3.82%	Nifty Auto 6.08%	Nifty Metal -0.06%	Nifty Bank 0.27%	Nifty Oil & Gas -0.14%	Nifty Pharma -0.13%	Nifty Oil & Gas -1.70%	Nifty Energy 3.81%	Nifty Realty -1.00%	Nifty Auto -1.92%	Nifty IT -1.97%	Nifty Energy -10.71%
Nifty FMCG 3.42%	Nifty Pharma 3.65%	Nifty FMCG -3.36%	Nifty Metal -0.64%	Nifty Realty -1.09%	Nifty Healthcare -0.70%	Nifty IT -2.45%	Nifty Metal 0.93%	Nifty Bank -1.51%	Nifty Realty -3.69%	Nifty Oil & Gas -3.13%	Nifty Oil & Gas -12.95%
Nifty PSU Bank 2.16%	Nifty Healthcare 3.39%	Nifty Bank -4.75%	Nifty FMCG -1.92%	Nifty IT -7.48%	Nifty IT -4.86%	Nifty PSU Bank -2.89%	Nifty PSU Bank -0.27%	Nifty Metal -2.35%	Nifty PSU Bank -5.56%	Nifty PSU Bank -3.29%	Nifty Auto -13.00%

In October 2024, a broad-based sell-off across the sectors was witnessed. Auto sector declined following the sales data of Sep 2024, which pointed out that the start of the festive season for automobile companies remained weaker. Metal sector plunged after China fails to introduce new stimulus measures.

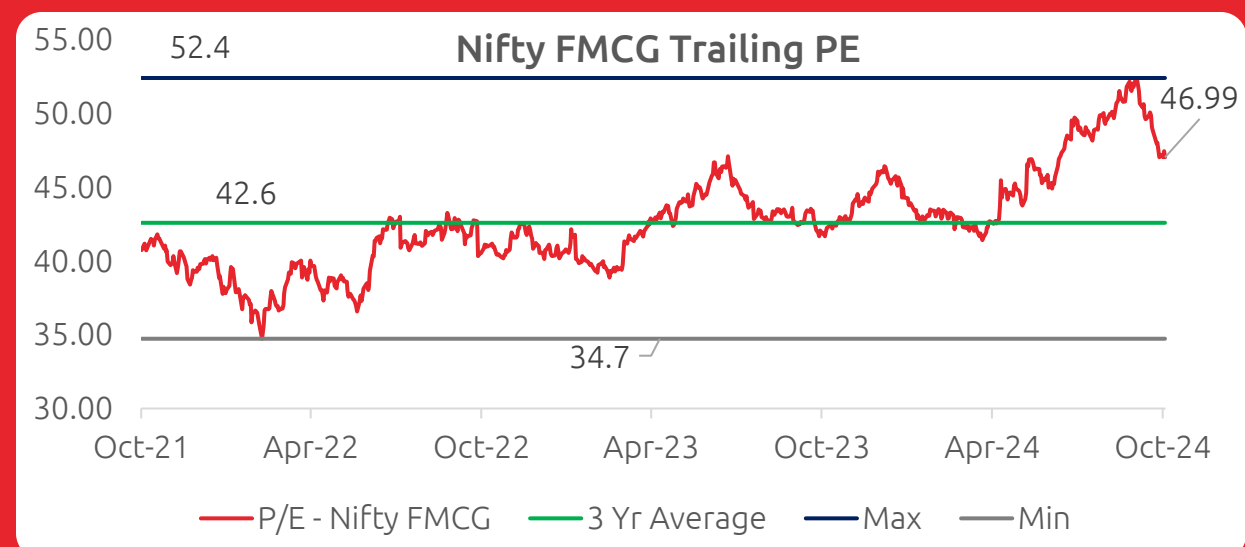
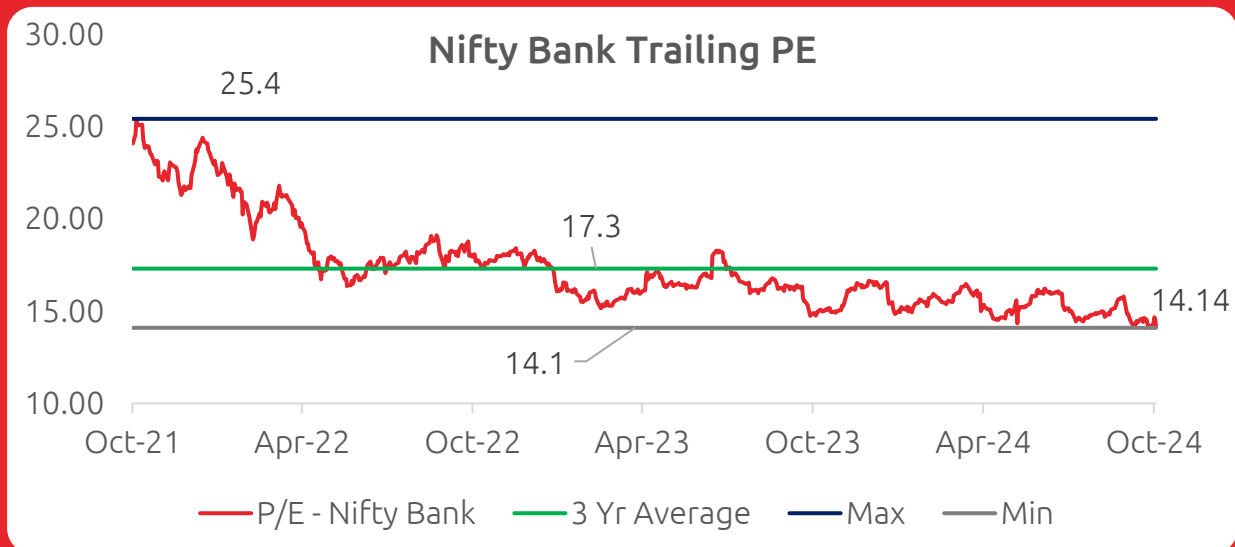
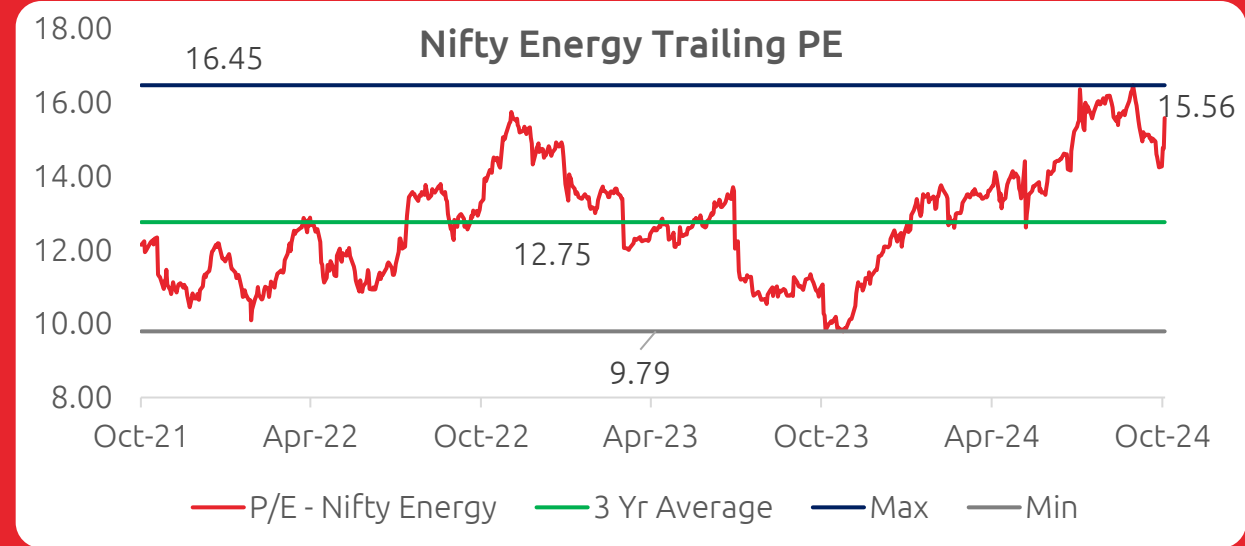
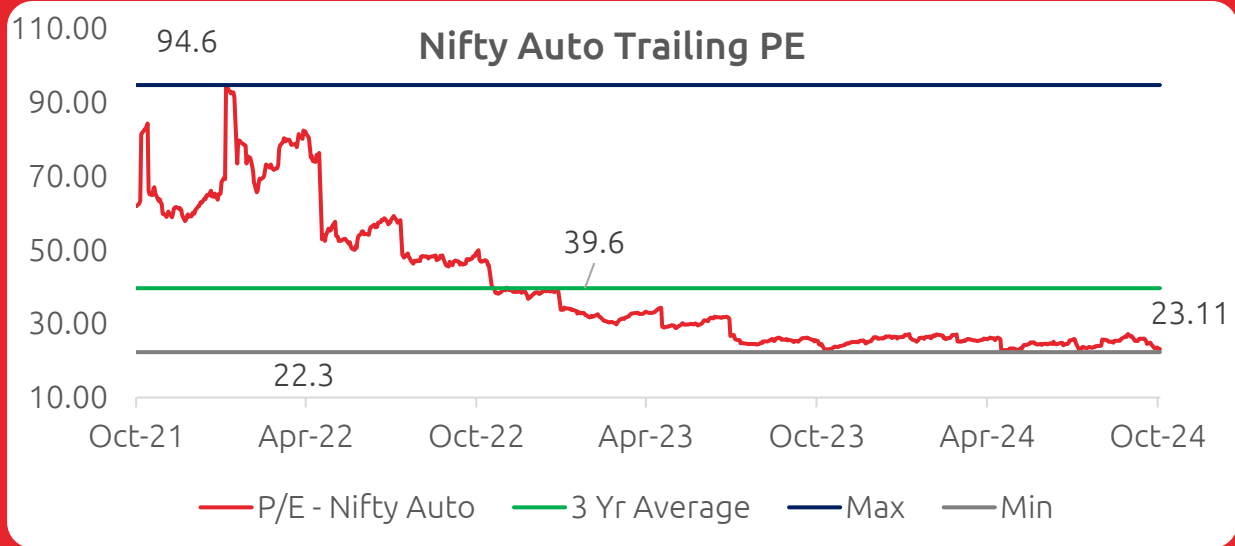
Source: NSE; Data as on October 31, 2024

PE Comparison Across market cap

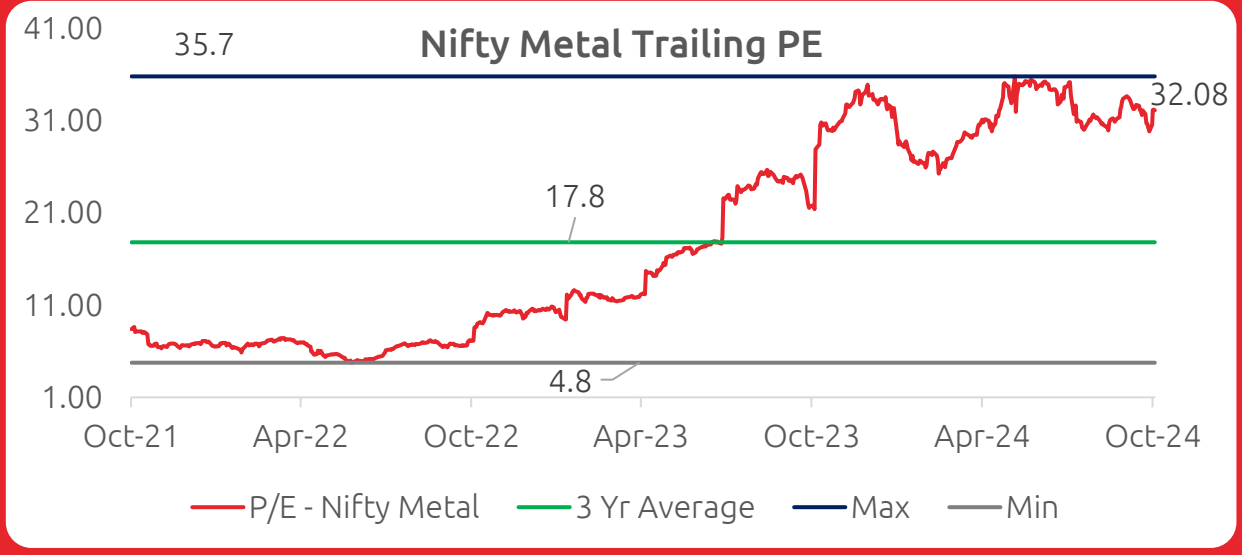
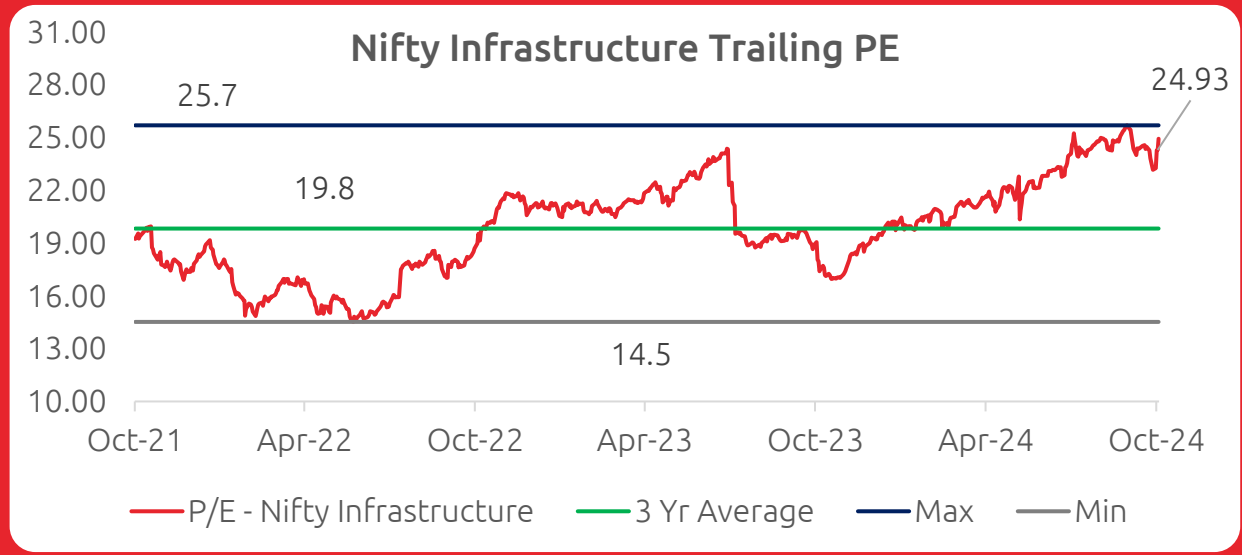
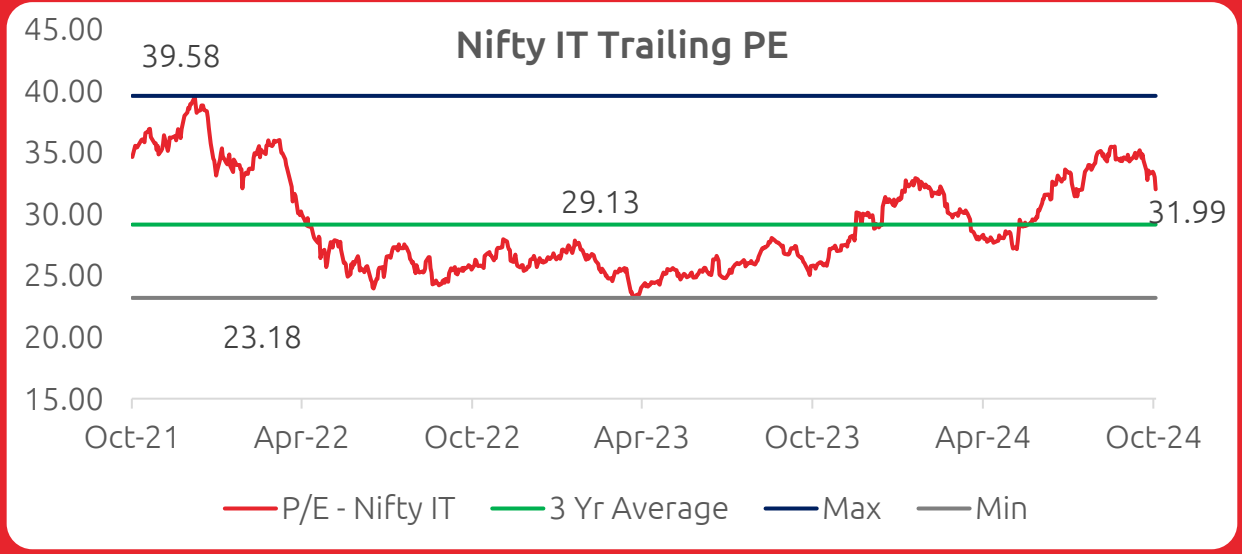
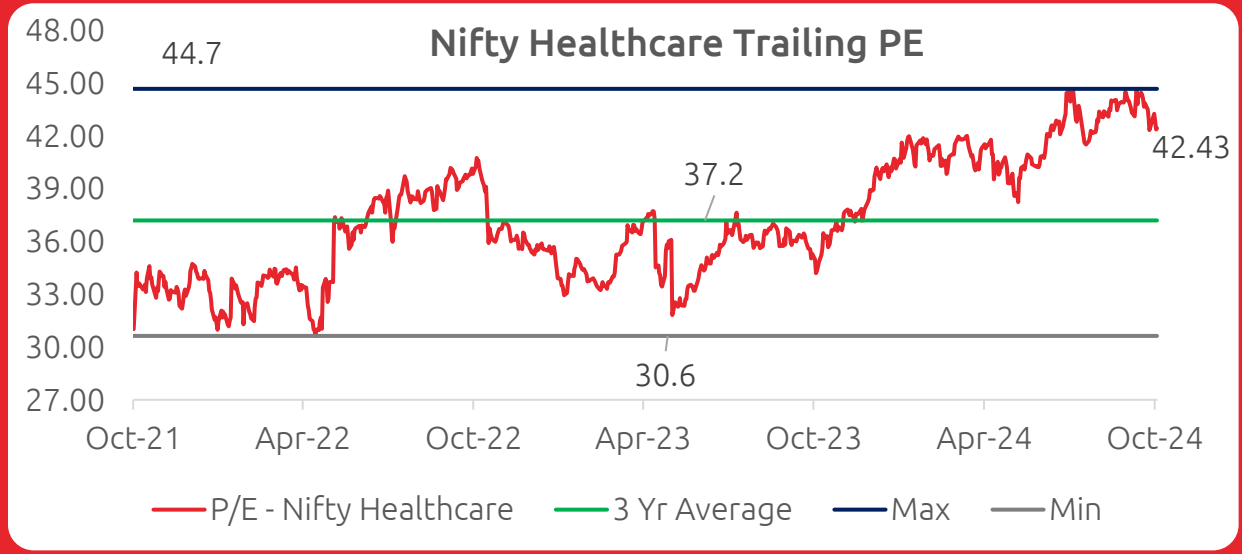
- Currently, Midcap valuations are expensive compared with Large cap and small cap due to sudden surge in the last nine months.
- Large cap valuations are hovering near their 3-year avg level since Jan 2024, while midcap and small cap are well above their avg level.



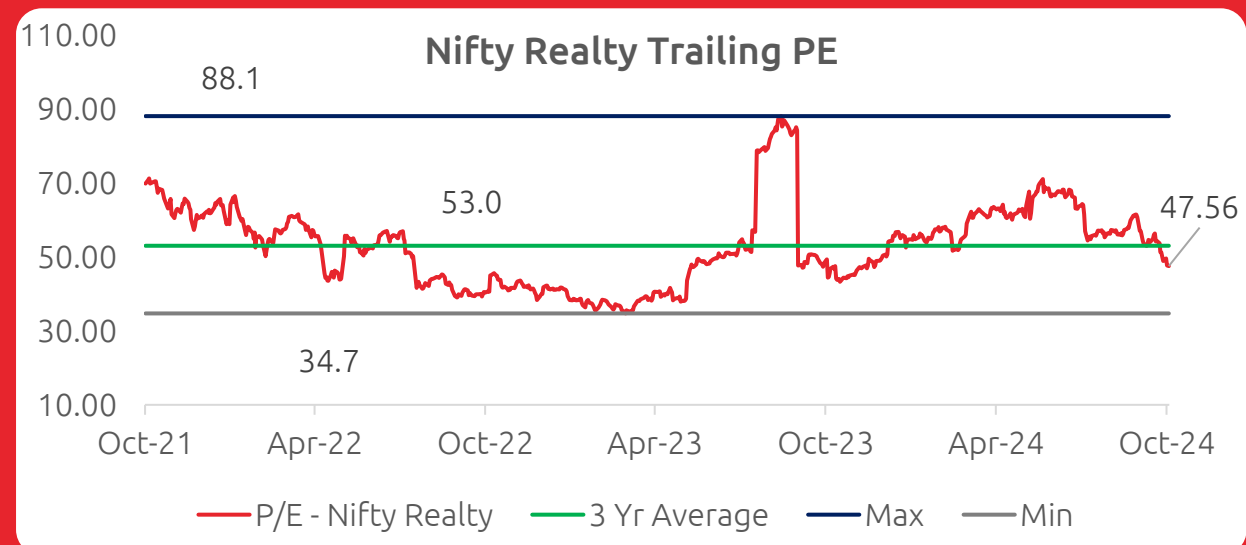
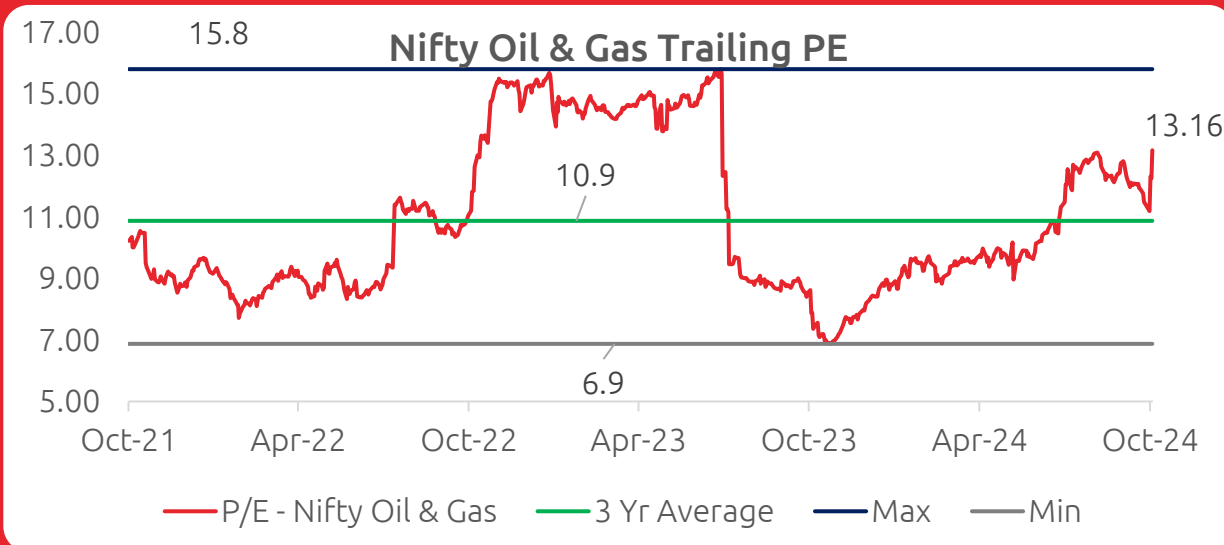
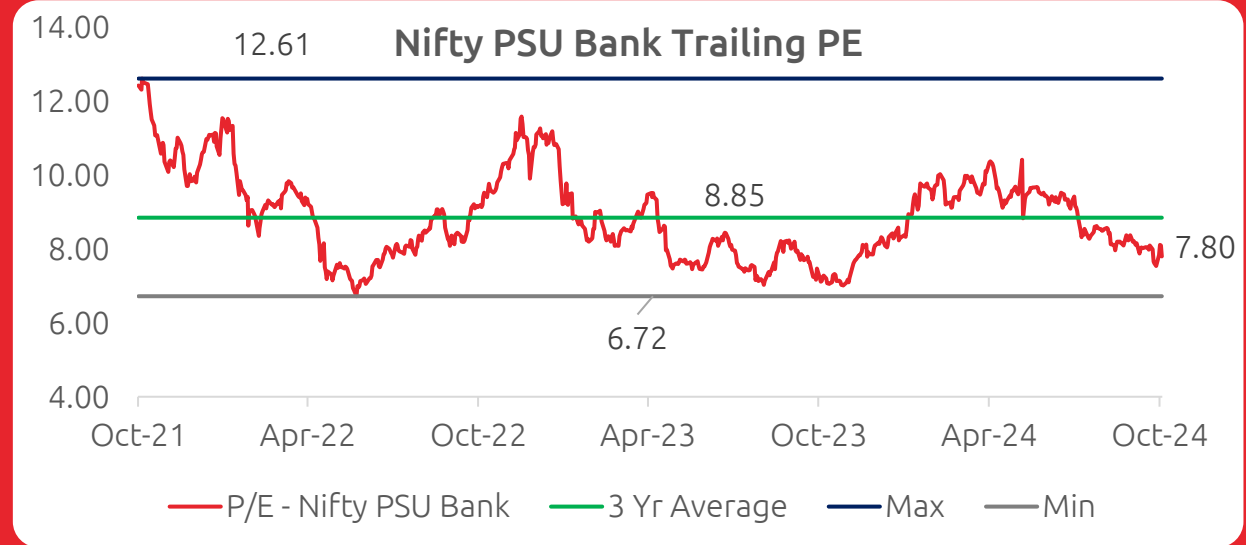
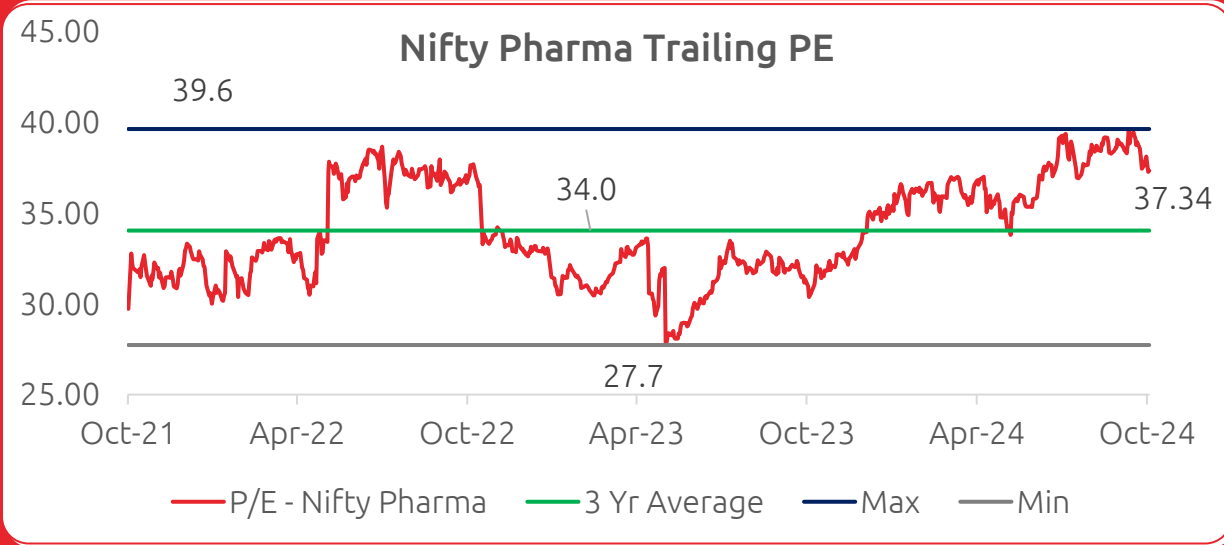
PE Comparison Across Sectors



PE Comparison Across Sectors (Contd.)



PE Comparison Across Sectors (Contd.)



03

Fixed Income Market

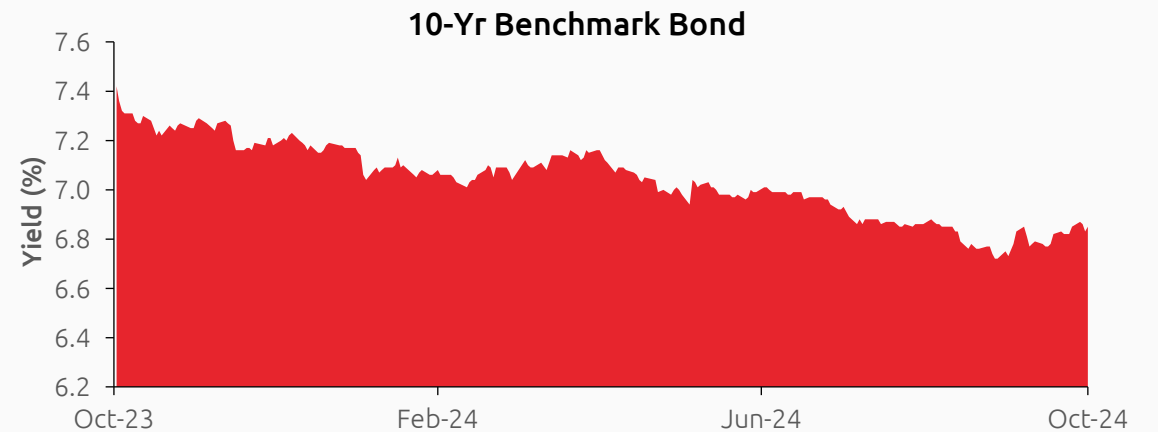
Bond yields rose tracking a rise in U.S. Treasury yields

Key Policy Rates (%)					
	Oct-24	3 Months Ago	6 Months Ago	Year Ago	2 Years Ago
Repo	6.50	6.50	6.50	6.50	5.90
Reverse Repo	3.35	3.35	3.35	3.35	3.35
Bank Rate	6.75	6.75	6.75	6.75	6.15
CRR	4.50	4.50	4.50	4.50	4.50
SLR	18.00	18.00	18.00	18.00	18.00
SDF	6.25	6.25	6.25	6.25	5.65

Money Market Rates (%)					
	Oct-24	1 Month Ago	3 Months Ago	6 Months Ago	Year Ago
TREP (Overnight Rate)	6.27	6.64	6.41	6.63	6.76
91 Days T-Bills	6.51	6.40	6.65	6.98	6.89
3 Month CD	7.17	7.30	7.16	7.28	7.36
3 Month CP	7.23	7.28	7.20	7.34	7.33
6 Month CP	7.46	7.47	7.48	7.56	7.56
1 Year CP	7.60	7.65	7.61	7.73	7.75

Source: CCIL, RBI, Refinitiv; Data as on October 31, 2024

- Bond yields rose tracking a rise in U.S. Treasury yields and global crude oil prices at the beginning of the month over an escalating conflict in the Middle East following Iran's missile strikes on Israel. Losses were extended after U.S. retail sales rose sequentially in Sep 2024, dampening expectations of an aggressive interest rate cut by the U.S. Federal Reserve.
- However, losses were limited following the RBI's decision to shift its stance from withdrawal of accommodation to neutral, in its monetary policy meeting concluded on Oct 9, 2024, but the comments by the RBI governor that a rate cut at this point would be "very premature", weighed on sentiment. The announcement of inclusion of India's sovereign bonds in the FTSE Russell Emerging Market Government Bond Index in Sep 2025 by FTSE Russell, further restricted the losses.

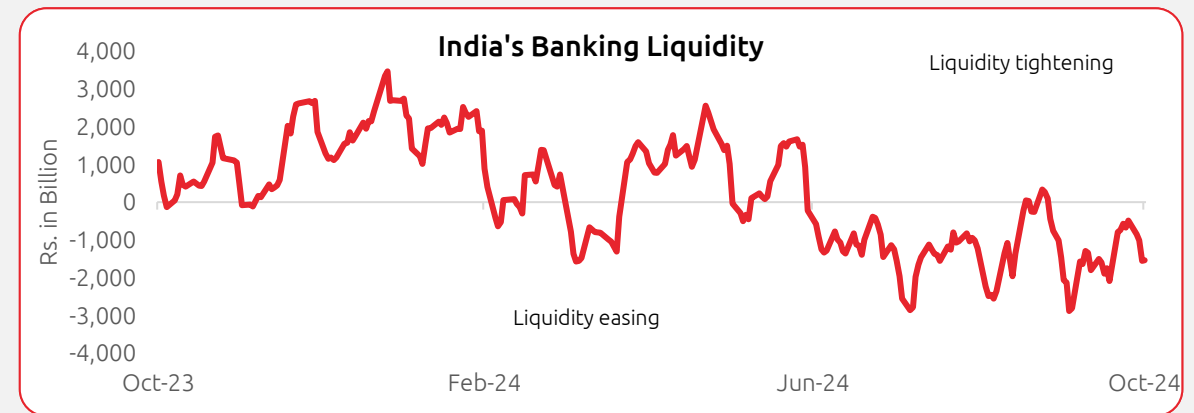
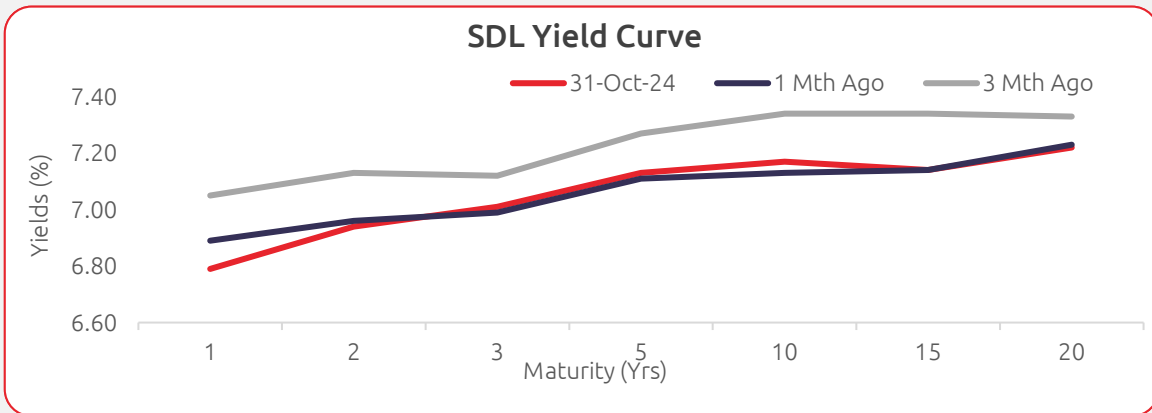
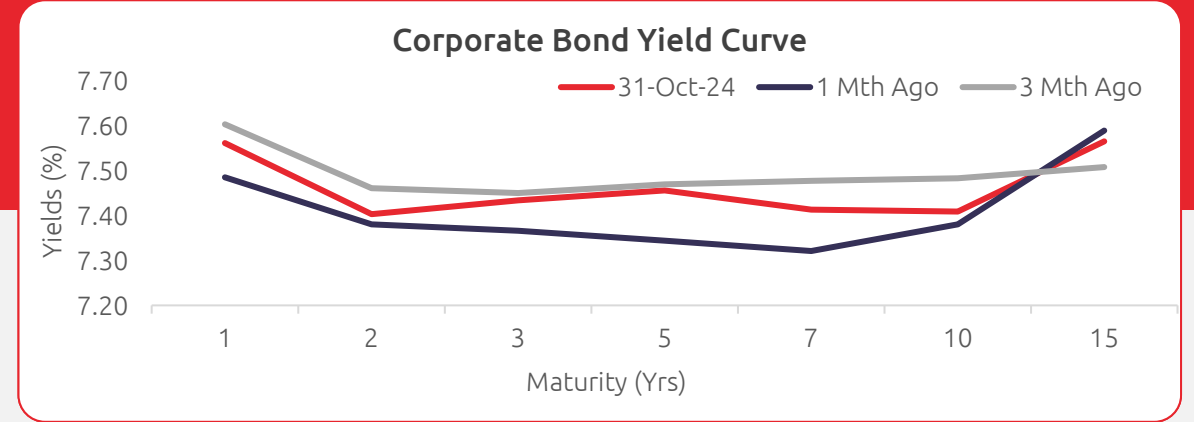
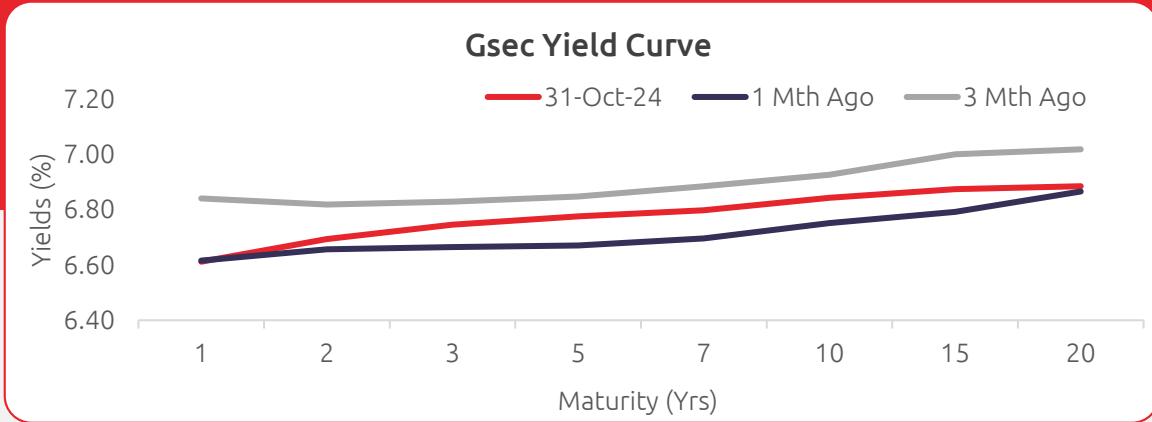


Source: Refinitiv

Yield on gilt securities mostly rose across the maturities Nippon *india* Mutual Fund

Wealth sets you free

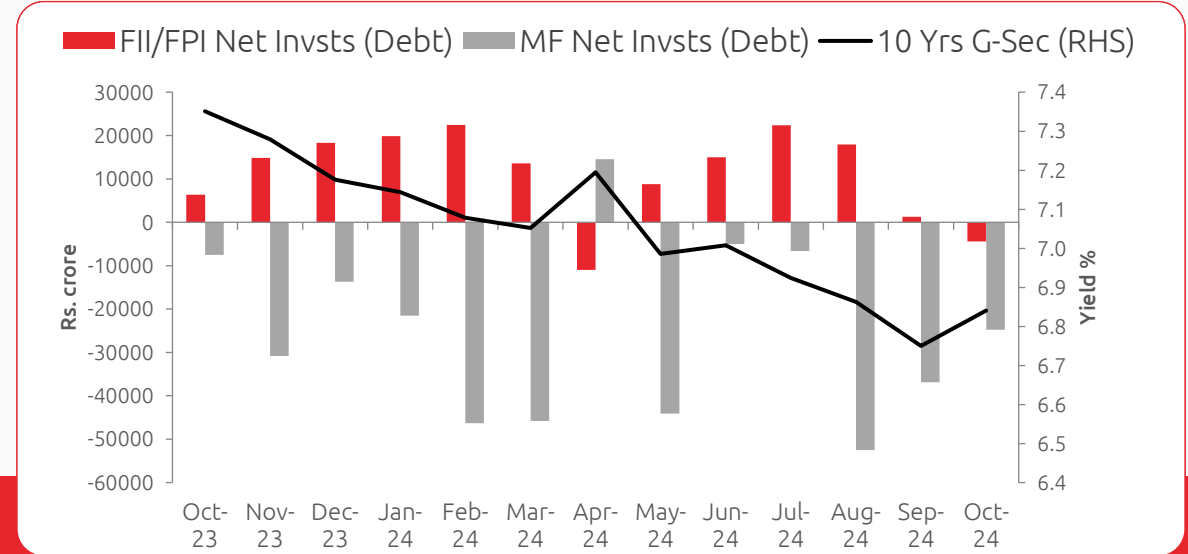
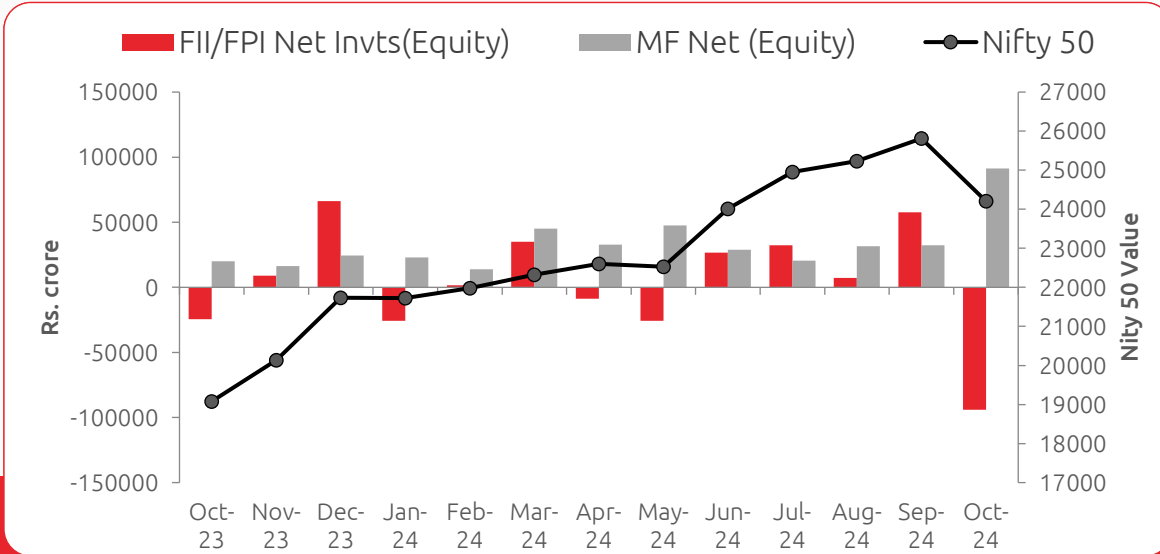
- Yield on gilt securities rose between 2 to 11 bps across the maturities, barring 1 year paper that was unchanged.
- Yield on corporate bonds increased in the range of 2 to 11 bps across the curve, barring 15 year paper that fell by 2 bps.
- Difference in spread between corporate bond & gilt securities remained steady or contracted by 1 bps across the segments, barring 1 year paper that expanded by 8 bps and 10 & 15 year papers that contracted by 7 & 11 bps, respectively.



04

FII, MF & DII Flows

FII remained net sellers in equity segment in Oct 2024

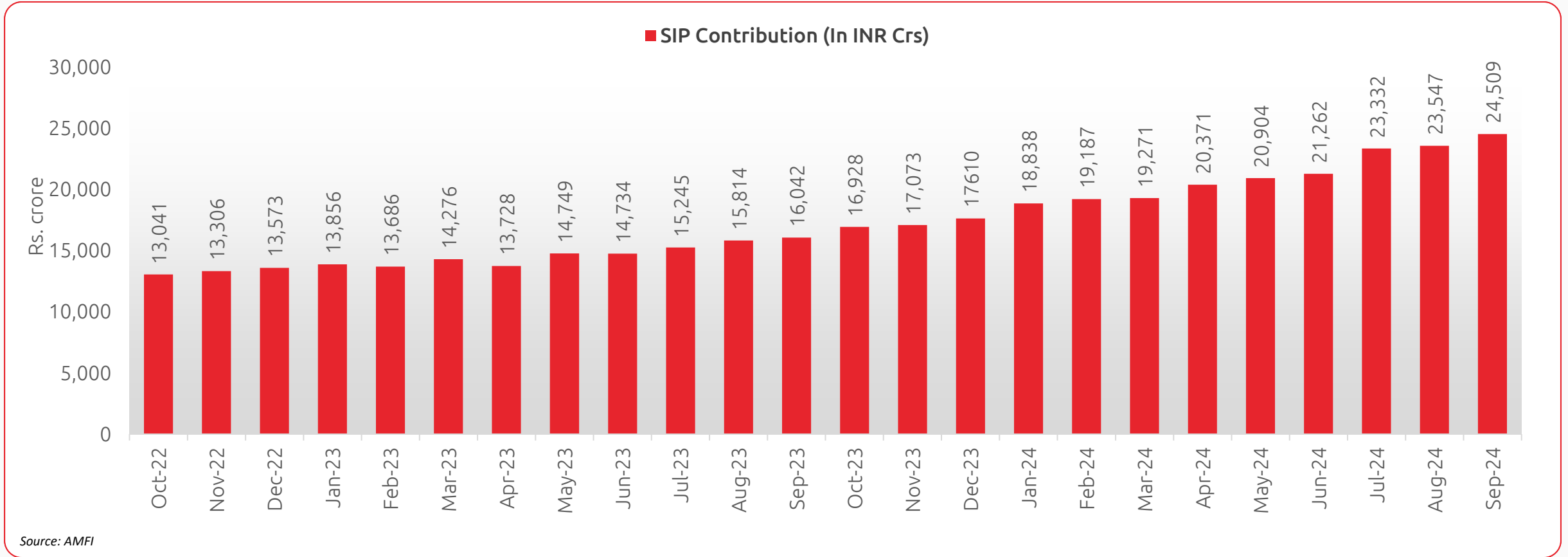


Net Equity Flow (INR Crore)	Oct-24	Sep-24	Year to Date
FII Flows	-94,017	57,724	6,592
DII Flows	107,255	30,857	447,900
MF Flows	90,771	32,264	370,497

Net Debt Flow (INR Crore)	Oct-24	Sep-24	Year to Date
FII Flows	-4,406	1,299	105,841
MF Flows	-24,266	-36,890	-278,391

- In equity segment, FIIs were net sellers in October 2024 after remaining net buyers for four consecutive months. Mutual funds have been net buyers in equity segment in the last 44 months till October 2024, except April 2023 and August 2022.
- FIIs remained net sellers in the debt market during October 2024 after remaining net buyers for five consecutive months. MFs were net sellers during October 2024 for the sixth straight month.

SIP contribution in September 2024 touched a new high



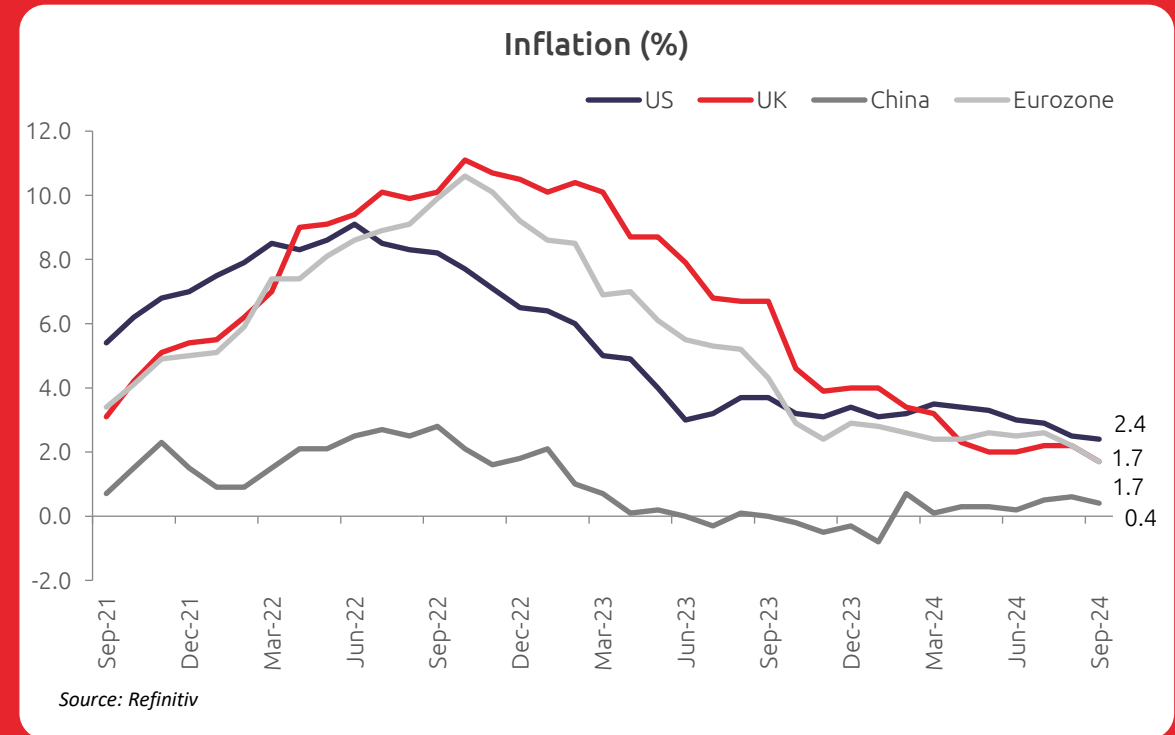
- According to AMFI, SIP contribution in Sep 2024 touched a new high and stood at Rs. 24,509 crore. SIP AUM increased to Rs. 13.82 lakh crore with 987.44 lakh outstanding SIP accounts.

05

Global Macroeconomic Indicators

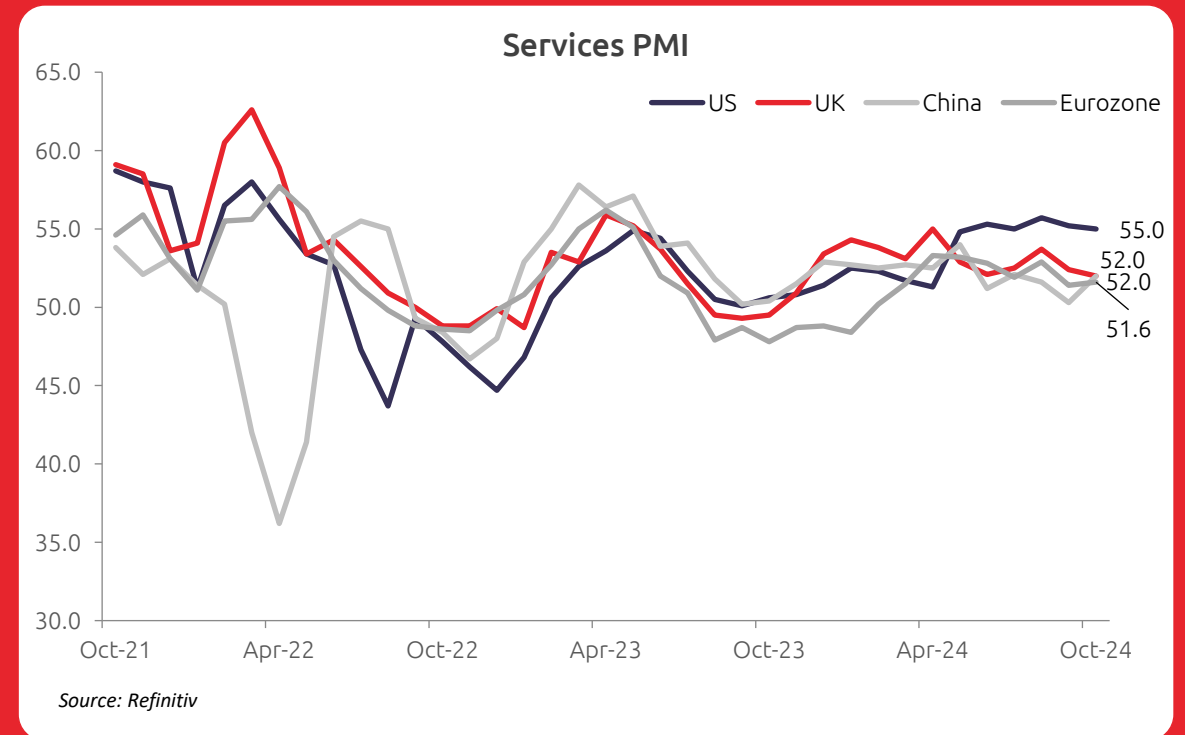
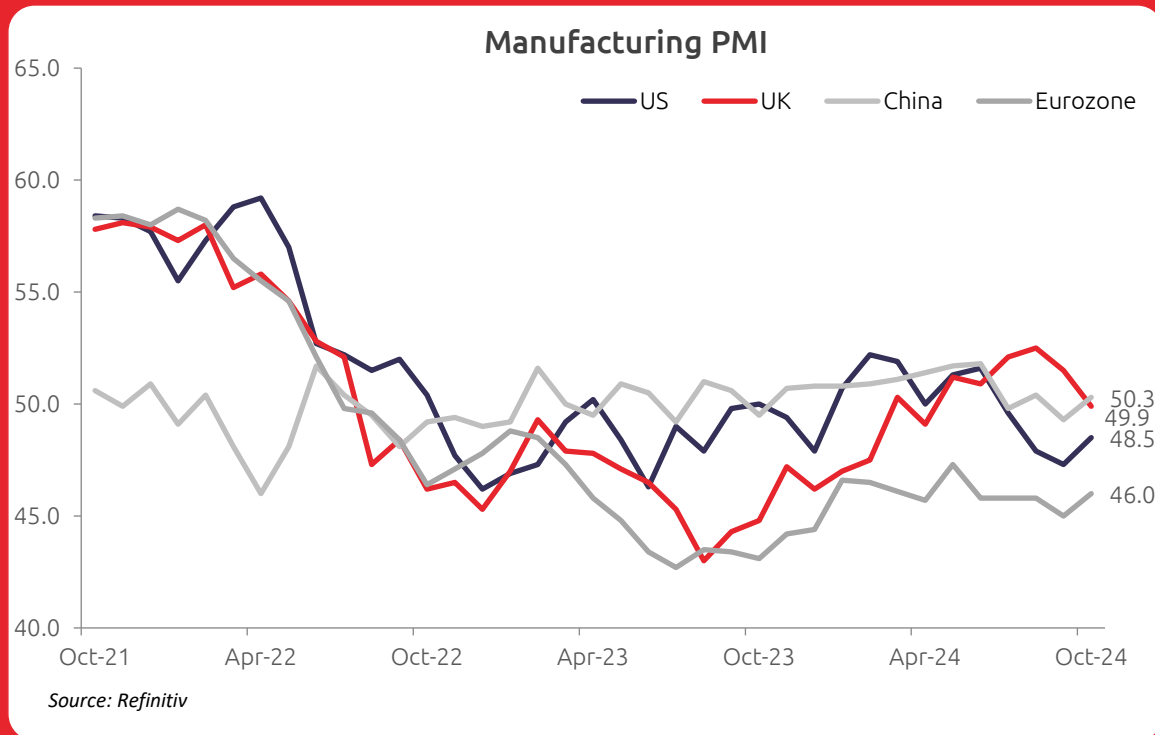
Eurozone's inflation grew 2.0% YoY in Oct 204

- According to the Commerce Department, U.S. gross domestic product shot up by 2.8% in the third quarter of 2024 after surging by 3.0% in the second quarter of 2024. The unexpected slowdown in the pace of GDP growth primarily reflected a downturn in private inventory investment and a larger decrease in residential fixed investment.
- According to Eurostat, eurozone's harmonized index of consumer prices posted an annual growth of 2.0% in Oct 204. Core inflation, which excludes energy, food, alcohol and tobacco, remained unchanged at 2.7% in Oct 2024. The rate was seen at 2.6%.



China's manufacturing PMI rose to 50.3 in Oct 2024

- According to a survey, China's Caixin manufacturing Purchasing Managers' Index rose to 50.3 in Oct 2024 from 49.3 in Sep. A reading above the neutral mark of 50.0 indicates expansion.
- According to a survey, eurozone's HCOB manufacturing Purchasing Managers' Index increased to 46.0 in Oct 2024 from 45.0 in Sep 2024. The flash score was 45.9.



Global equity markets mostly fell in Oct 2024

	Levels	1M	3M	6M	1Y	3Y	5Y		CYTD24	CY23	CY22
Emerging Markets											
	Index										
Taiwan	Taiwan TAIEX	2.68%	2.80%	11.88%	42.62%	10.32%	14.97%		27.27%	26.83%	-22.40%
Indonesia	Jakarta Composite	0.61%	4.39%	4.70%	12.17%	4.73%	3.99%		4.14%	6.16%	4.09%
South Korea	Kospi	-1.43%	-7.74%	-5.05%	12.21%	-4.87%	4.17%		-3.73%	18.73%	-24.89%
Brazil	Brazil Ibovespa	-1.60%	1.62%	3.01%	14.64%	7.79%	3.88%		-3.33%	22.28%	4.69%
China	Shanghai Composite	-1.70%	11.61%	5.64%	8.65%	-2.57%	2.29%		10.25%	-3.70%	-15.13%
India	Nifty 50	-6.22%	-2.99%	7.08%	26.87%	11.02%	15.28%		11.38%	20.03%	4.33%
Developed Markets											
Japan	Nikkei 225	3.06%	-0.05%	3.02%	27.31%	10.56%	11.24%		16.79%	28.24%	-9.37%
US	Russell 3000	-0.40%	4.19%	15.80%	42.42%	7.30%	17.30%		22.86%	39.96%	-29.63%
Germany	DAX	-1.28%	3.07%	6.39%	28.81%	6.72%	8.19%		13.88%	20.31%	-12.35%
UK	FTSE 100	-1.54%	-3.08%	-0.42%	10.77%	3.86%	2.27%		4.87%	3.78%	0.91%
Europe	Euro Stoxx 50 Pr	-3.46%	-0.93%	-1.90%	18.87%	4.32%	6.01%		6.77%	19.19%	-11.74%
France	CAC 40	-3.74%	-2.40%	-7.95%	6.75%	2.47%	5.10%		-2.56%	16.52%	-9.50%

- Emerging markets mostly fell during the reporting period except Taiwan and Indonesia, with highest fall seen in India followed by China.
- Developed markets fell during the reporting period except Japan, with highest fall seen in France followed by Europe.

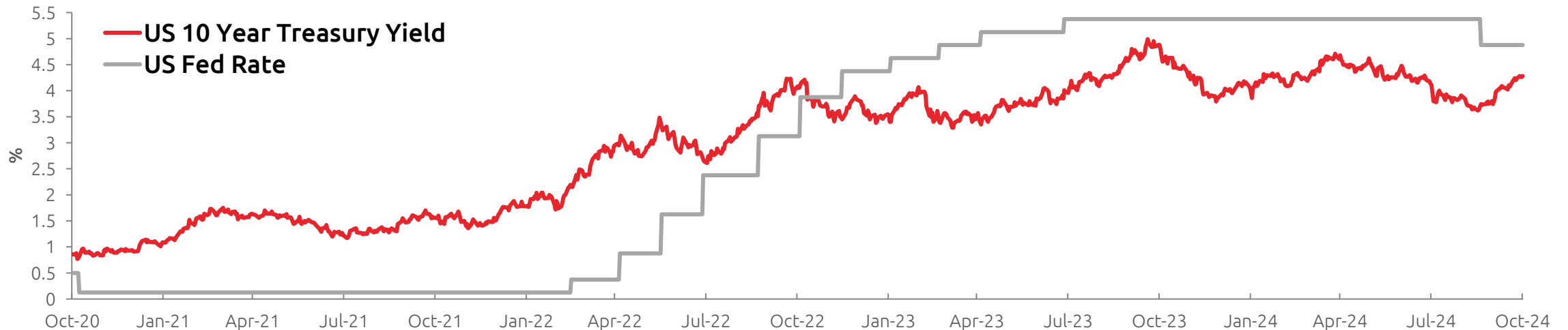
Global Market Calendar Year Performance

2015 (%)	2016 (%)	2017 (%)	2018 (%)	2019 (%)	2020 (%)	2021 (%)	2022 (%)	2023 (%)	CYTD (%)
Germany 9.56%	U.K. 14.43%	Hong Kong 35.99%	India 3.15%	U.S 34.19%	U.S 36.92%	U.S 24.95%	India 4.33%	U.S 39.96%	U.S 22.86%
China 9.41%	Germany 6.87%	India 28.65%	U.S -3.34%	Germany 25.48%	Japan 16.01%	India 24.12%	U.K. 0.91%	Japan 28.24%	Hong Kong 19.18%
Japan 9.07%	U.S 5.72%	U.S 27.81%	Japan -12.08%	China 22.30%	India 14.90%	Germany 15.79%	Japan -9.37%	Germany 20.31%	Japan 16.79%
U.S 3.54%	India 3.01%	Japan 19.10%	U.K. -12.48%	Japan 18.20%	China 13.87%	U.K. 14.30%	Germany -12.35%	India 20.03%	Germany 13.88%
India -4.06%	Japan 0.42%	Germany 12.51%	Hong Kong -13.61%	U.K. 12.10%	Germany 3.55%	Japan 4.91%	China -15.13%	U.K. 3.78%	India 11.38%
U.K. -4.93%	Hong Kong 0.39%	U.K. 7.63%	Germany -18.26%	India 12.02%	Hong Kong -3.40%	China 4.80%	Hong Kong -15.46%	China -3.70%	China 10.25%
Hong Kong -7.16%	China -12.31%	China 6.56%	China -24.59%	Hong Kong 9.07%	U.K. -14.34%	Hong Kong -14.08%	U.S -29.63%	Hong Kong -13.82%	U.K. 4.87%

- The Chinese market fell after the European Union (EU) declared the implementation of new tariffs on electric vehicles (EVs) imported from China, which elicited a strong reaction from Beijing.
- U.S. equity markets fell due to persistent concerns that the U.S. Federal Reserve might lower interest rates at a more gradual rate than rapidly

US 10 Year G-Sec Movement and Federal Reserve Interest Rate

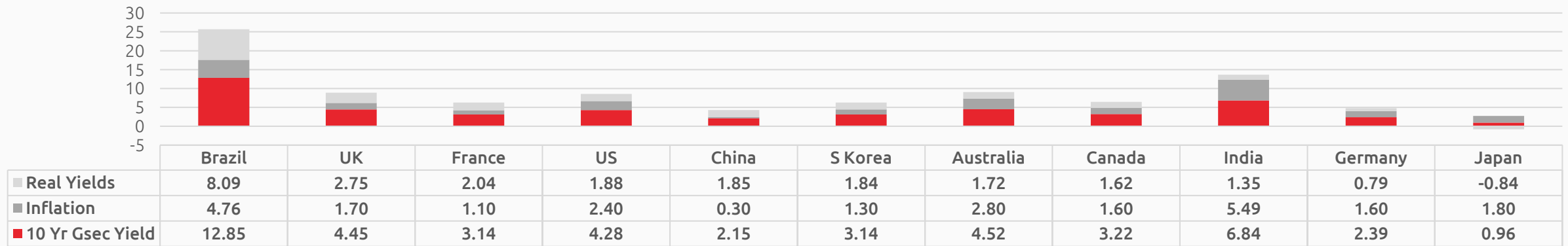
- Yields on the 10-year U.S. Treasury rose by 48 bps to close at 4.28% from the previous month's close of 3.80%.
- U.S. Treasury prices fell after an unexpectedly robust employment report for Sep 2024 diminished the likelihood of significant interest rate reductions during the U.S. Federal Reserve's last two meetings of the year.
- U.S. Treasury prices fell amid increasing uncertainty regarding the U.S. presidential election scheduled for 5th Nov, 2024, and as investors are adjusting their expectations to reflect the possibility of a less dovish U.S. Federal Reserve policy.
- Further, prices fell following the U.S. retail sales data in Sep 2024, which has indicated that the economy is on a stable foundation, leading to a reduction in market expectations regarding the U.S. Federal Reserve's aggressive approach to cutting interest rates.
- However, losses were restricted following a consistent reading of producer prices in Sep 2024 that has shown a downward trend, along with a consumer sentiment report that supports the likelihood of an interest rate reduction by the U.S. Fed during next monetary policy meeting.



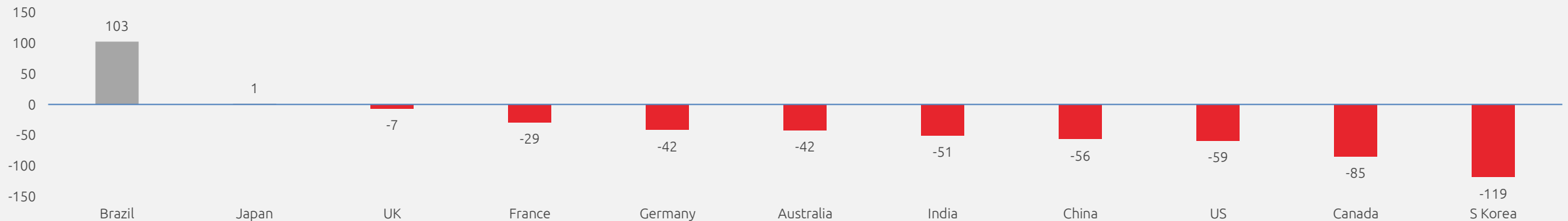
Global Fixed Income

- Ten economies witnessed positive inflation adjusted returns/yields except Japan, with Brazil being the highest followed by U.K. and France.

Yield of 10 Year Government Bonds (%)



Change in 10 Year Sovereign Bond Yield: Oct-24 v/s Oct-23 (bps)



Source: Refinitiv; Data as on October 2024 end

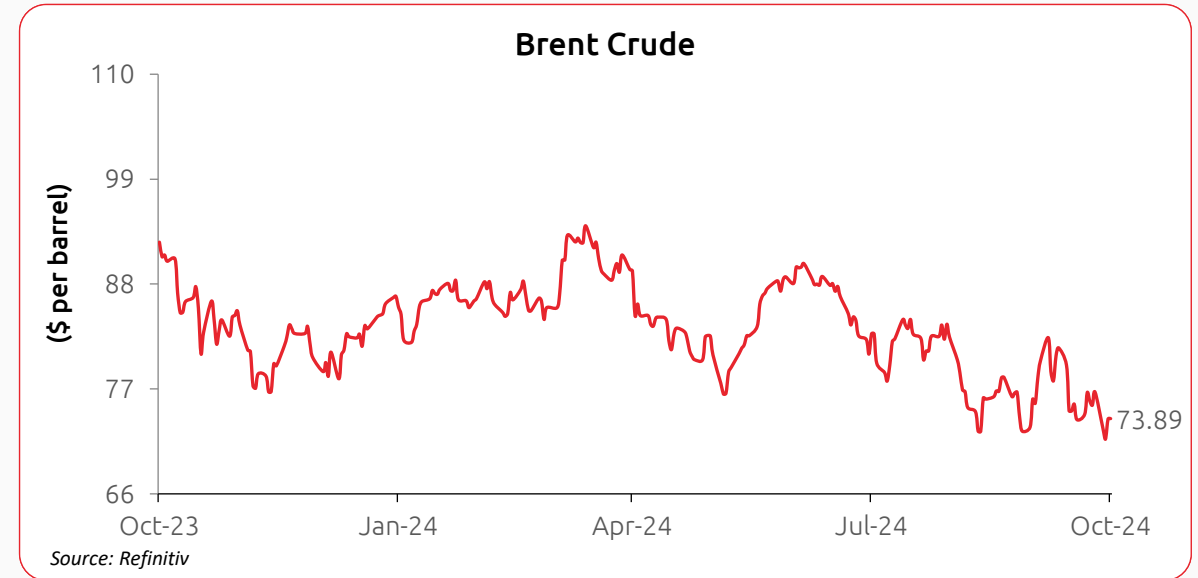
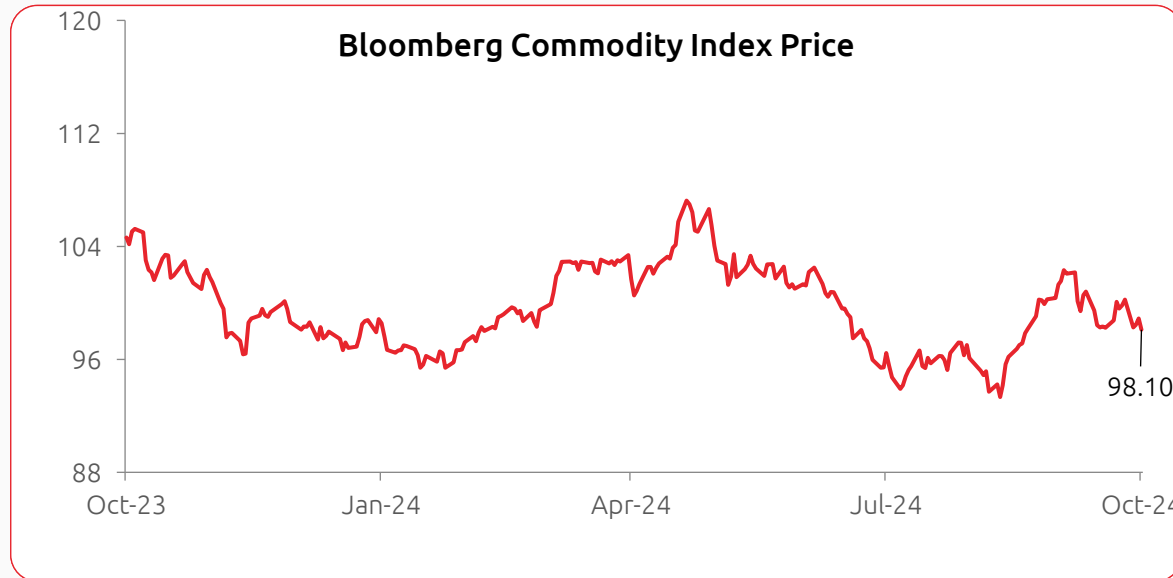
06

Commodity & Currency

Brent crude oil prices rose in Oct 2024

- Brent crude oil prices rose on concerns that a wider Middle East conflict could disrupt global energy shipments. Further, prices rose amid lingering Middle East tensions and expectations of higher demand for fuel in response to Hurricane Milton. Gains were increased even more amid worries about potential disruptions to supply.
- However, gains were restricted by concerns about the outlook for demand from China after data revealed that in the third quarter of 2024, China's economy, the second largest in the world, experienced its slowest growth rate since the beginning of 2023.

	Levels	1M	3M	6M	1Y	3Y	5Y	CYTD24	CY23	CY22
Brent Crude	73.9	1.2%	-10.7%	-17.3%	-20.0%	-4.0%	4.6%	-8.0%	-3.6%	6.0%

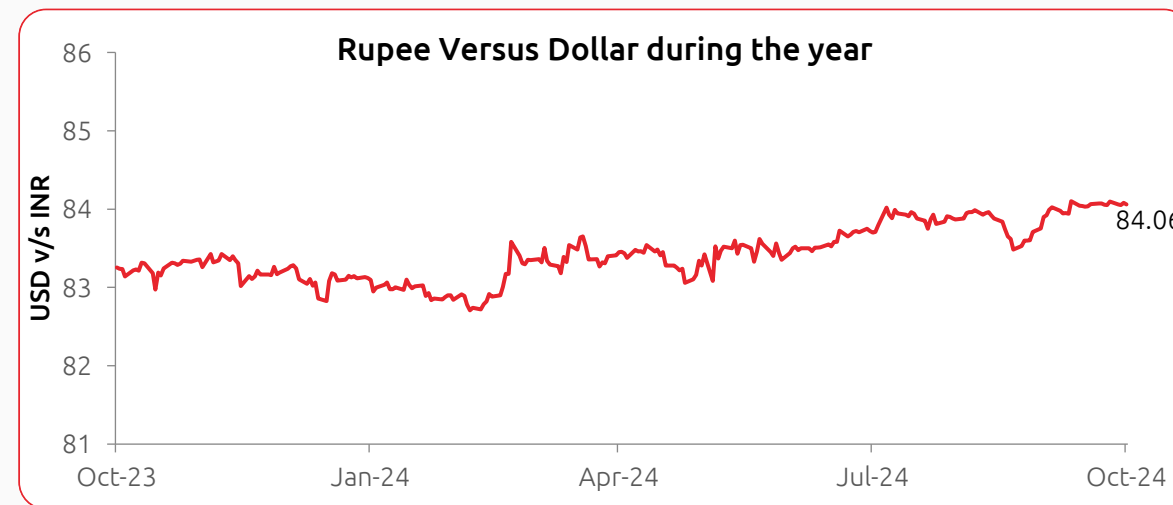
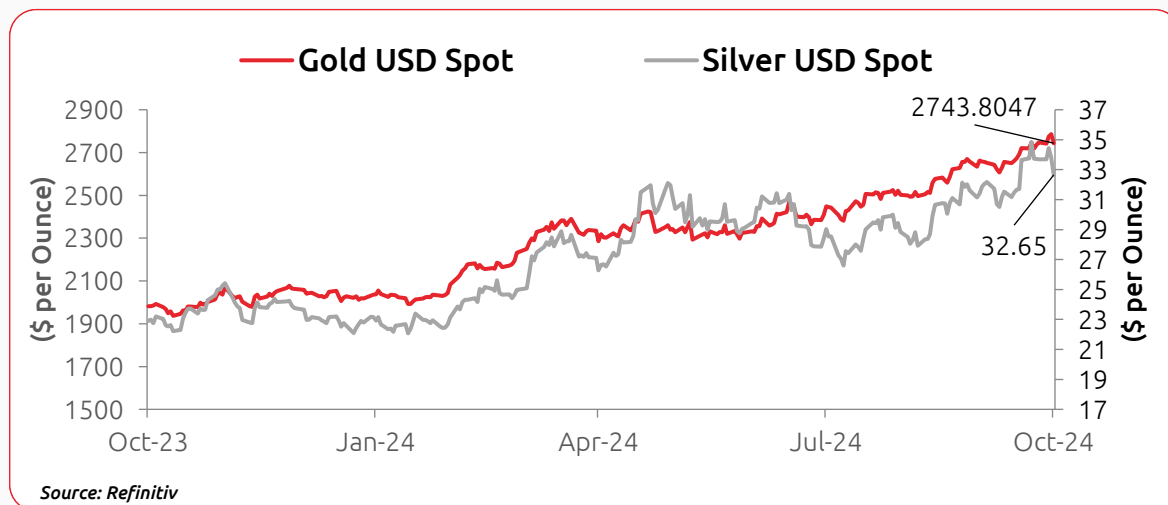


Gold prices rose and Indian rupee fell in Oct 2024

- Gold prices rose amid persisting worries about geopolitical tensions and continued uncertainty about the global economic outlook, and the upcoming U.S. elections. Furthermore, prices rose as safe haven buying ahead of the upcoming U.S. presidential election.
- Gains were increased as investors looked ahead to a slew of key economic data for more clarity about the U.S. Fed's rate decision. Furthermore, prices rose amid optimism about more interest rate cuts by the U.S. Fed.

- Rupee fell against the U.S. dollar due to weakness in its regional peers and likely outflows from domestic equities ahead of the U.S. presidential election.
- Additionally, prices declined due to rising concerns regarding increasing tensions in the Middle East. Falls in most Asian currencies also impacted rupee prices.
- Further, prices fell due to strong greenback demand. However, losses were restricted because of suspected intervention by the Reserve Bank of India.

	Levels	1M	3M	6M	1Y	3Y	5Y	CYTD24	CY23	CY22
Gold (Rs)	79,181	5.5%	14.7%	10.3%	29.6%	18.3%	15.4%	25.8%	13.1%	-0.2%
Silver (Rs.)	96,548	7.8%	16.6%	20.6%	34.1%	14.5%	15.6%	32.2%	-0.9%	3.0%
Dollar index	104.0	3.2%	-0.1%	-2.1%	-2.5%	3.4%	1.3%	2.6%	-2.1%	7.9%



Asset Class Monthly Performance

Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24
Global Equity 10.70%	Domestic Equity 7.94%	Crude Oil 6.58%	Global Equity 6.12%	Silver 10.17%	Silver 5.23%	Silver 15.58%	Crude Oil 10.18%	Gold 5.26%	Gold 2.24%	Silver 7.99%	Silver 4.82%
Silver 10.26%	Global Equity 5.52%	Global Equity 1.02%	Domestic Equity 1.18%	Gold 9.26%	Crude Oil 4.50%	Global Equity 6.88%	Domestic Equity 6.57%	Domestic Equity 3.92%	Domestic Equity 1.14%	Gold 5.25%	Gold 4.15%
Domestic Equity 5.52%	Gold 1.32%	Bond Index 0.64%	Crude Oil 0.76%	Global Equity 1.79%	Gold 2.38%	Gold 1.81%	Global Equity 5.96%	Bond Index 0.78%	Global Equity 0.65%	Global Equity 2.68%	Crude Oil 1.23%
Gold 2.68%	Bond Index 0.71%	Domestic Equity -0.03%	Bond Index 0.66%	Domestic Equity 1.57%	Domestic Equity 1.24%	Bond Index 0.81%	Bond Index 0.52%	Silver -0.30%	Bond Index 0.64%	Domestic Equity 2.28%	Bond Index 0.62%
Bond Index 0.59%	Crude Oil -5.75%	Gold -1.23%	Gold 0.30%	Bond Index 0.61%	Bond Index 0.39%	Domestic Equity -0.33%	Gold -0.05%	Global Equity -0.75%	Crude Oil -0.41%	Bond Index 0.73%	Global Equity -0.52%
Crude Oil -7.79%	Silver -5.90%	Silver -3.55%	Silver -1.08%	Crude Oil -0.81%	Global Equity -4.41%	Crude Oil -9.87%	Silver -4.11%	Crude Oil -6.73%	Silver -0.67%	Crude Oil -11.46%	Domestic Equity -6.22%

- In October 2024, precious metals followed by crude oil rose the most, while equity markets fell the most. Gold prices rose amid persisting worries about geopolitical tensions and continued uncertainty about the global economic outlook, and the upcoming U.S. elections.

Source: NSE, Refinitiv; Data as on October 31, 2024 .Domestic equity market-Nifty 50 TRI, Global Equity market - Nasdaq composite, Bond Index –Nifty Corporate Bond Index, Gold, Silver and Crude Oil prices are in U.S.dollar.While Gold and Silver prices are measured in per ounce, Crude oil is on the basis of per barrel.

According to the Ministry of Commerce & Industry, the combined Index of Eight Core Industries increased by 2.0% YoY in Sep 2024 as compared to 9.5% growth in Sep 2023. The production of the Eight Core Industries remained mixed in Sep 2024 over the corresponding month of last year, with cement witnessed the highest rate of growth with 7.1% followed by Refinery products with 5.8% growth, while Crude oil fell the most by 3.9%.

Government data showed that India's fiscal deficit for the period from Apr to Sep of FY25 stood at Rs. 4.75 lakh crore or 29.4% of the Budget Estimates (BE) of the current fiscal. India's fiscal deficit was at 39.3% of the BE in the corresponding period of the previous fiscal year. Total expenditure stood at Rs. 21.1 lakh crore or 43.8% of the BE as compared to 47.1% of the BE in the corresponding period of the previous fiscal year.

According to the labour ministry data, retail inflation for farm workers and rural labourers increased to 6.36% and 6.39% YoY, respectively, in Sep 2024 from 5.96% and 6.08% in Aug 2024.

According to the RBI's report, India's food inflation is projected to decline by the Q4 of FY25 due to better kharif crop arrivals and promising rabi season prospects. Despite potential weather risks, reservoir levels and adequate grain buffer stocks are favorable for maintaining food security.

According to the data compiled by the Solvent Extractors Association of India, India's oil meal exports fell by 35% in Sep 2024 to 213,744 tonnes. Exports of soybean meal increased because of higher demand from the UAE, Iran, and France, but exports of rapeseed and castor seed meals went down.

According to the latest data from the Income Tax Department, India's net direct tax collections skyrocketed 182.02% in a decade to Rs. 19.60 lakh crore in FY24, from 6.95 lakh crore in FY15, driven by robust growth in personal income tax.

The Federal Reserve announced on 7th Nov, 2024 its anticipated decision to reduce interest rates by an additional quarter point, after aggressively slashing interest rates by half a percentage point in Sep 2024. The U.S. Federal Reserve said it has decided to lower the target range for the federal funds rate by 25 basis points, setting it at 4.50% to 4.75%. The central bank announced that its choice to persist in reducing interest rates is influenced by the overall easing of labor market conditions, alongside the ongoing advancement of inflation towards its target of 2%.

The Bank of England has lowered its benchmark interest rate for the second time this year on 7th Nov, 2024, attributing this decision to ongoing advancements in disinflation. The Monetary Policy Committee opted to decrease the rate by 25 basis points, bringing it down to 4.75%.

The Bank of Japan maintained its key interest rate at the same level, as anticipated, on 31st Oct, 2024, while adopting a cautious stance due to concerns regarding political instability and the upcoming U.S. presidential election, which have raised apprehensions about the economic outlook. In a unanimous vote, the Policy Board decided to maintain the uncollateralized overnight call rate to remain at around 0.25%. This was the highest since late 2008.

The European Central Bank reduced its main refinancing operations rate by 25 basis points from 3.65% to 3.40% on 17th Oct, 2024, in line with expectations. Policymakers determined that the disinflation process is progressing as anticipated; however, they are growing increasingly apprehensive about the state of the euro area economy in light of some disappointing data released since the Sep 2024 policy meeting.

China reduced its benchmark lending rates by 25 basis points on 21st Oct, 2024 as economic growth slowed further amid persistent deflationary pressures. The People's Bank of China cut its one-year loan prime rate to 3.10% from 3.35%. Likewise, the five-year LPR, the benchmark for mortgage rates, was lowered to 3.60% from 3.85%.

According to the Labor Department, U.S. non-farm payroll employment crept up by 12,000 jobs in Oct 2024 compared to economists' estimates for the addition of 113,000 jobs. Non-farm payroll employment crept up by 12,000 jobs in Oct 2024 compared to economic estimates for the addition of 113,000 jobs.

Events for Nov 2024

DOMESTIC

Events for November 2024	
Event	Date
Industrial Production YoY Sep 2024	12-Nov-24
CPI Inflation Rate YoY Oct 2024	12-Nov-24
Passenger Vehicles Sales YoY Oct 2024	13-Nov-24
WPI Inflation YoY Oct 2024	14-Nov-24
Balance of Trade Oct 2024	15-Nov-24
Fiscal deficit (as a % of budget estimates) Oct 2024	29-Nov-24
Infrastructure Output YoY Oct 2024	29-Nov-24
GDP Growth Rate YoY 2QFY25	29-Nov-24

GLOBAL

Events for November 2024	
Event	Date
U.K. ILO Unemployment Rate Sep 2024	12-Nov-24
U.S. CPI YoY, NSA Oct 2024	13-Nov-24
U.K. GDP Estimate YoY Sep 2024	15-Nov-24
U.S. Industrial Production MoM Oct 2024	15-Nov-24
Euro Zone HICP Final YoY Oct 2024	19-Nov-24
U.K. CPI YoY Oct 2024	20-Nov-24
China Loan Prime Rate 1Y Nov 2024	20-Nov-24
U.S. PCE Price Index YoY Oct 2024	27-Nov-24

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