WEEKLY YIELD

Update of Equity & Debt Market

Union Mutual Fund

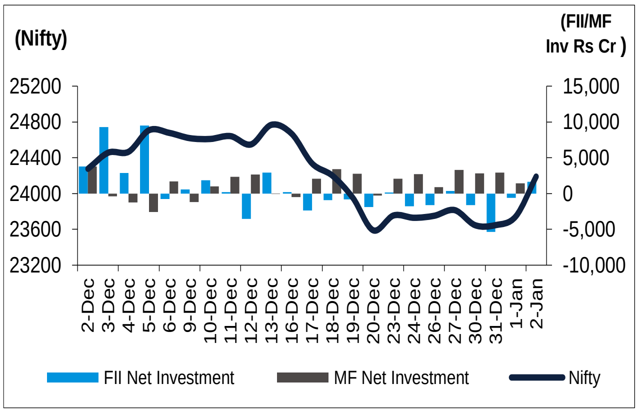
January 3, 2025

DOMESTIC EQUITY

- Indian equities ended higher for the second consecutive week driven by sector-specific gains supported by positive global cues ahead of the quarterly earnings season. The BSE Sensex and Nifty 50 rose 0.67% and 0.80%, respectively, during the week.
- Most sectors ended higher, with Auto, Oil & Gas and Consumer Durables (CD) gaining the most. BSE Auto, BSE Oil & Gas and BSE CD rose 3.74%, 3.69% and 3.38% respectively.

Broad Indices	Week change%	3 months change%	1 year change%
BSE Sensex	0.67	-3.97	11.02
Nifty 50	0.80	-4.93	11.56
BSE Midcap	1.32	-2.95	26.58
BSE Smallcap	1.94	-0.50	30.19
BSE Bankex	-0.50	-1.42	7.81
BSE CG	0.07	-3.59	23.96
BSE FMCG	2.36	-9.76	2.58
BSE IT	0.16	3.53	24.91
BSE Healthcare	1.56	3.58	39.58

Source: BSE, NSE



Source: SEBI, NSE

GLOBAL EQUITY

- US stocks were dragged down by technology and growth stocks. The Fed's first-rate cuts in over three years, strong labour data and a rising dollar led to more losses.
- Britain's FTSE 100 Index declined this week, dragged down by precious metal miners' stocks. However, there were also a few gains owing to a rise in commodity-linked and energy stocks.
- Asian equities closed lower, Japan's Nikkei 225 Index closed lower on Monday, as investors booked profit at a higher level.
- Hong Kong's Hang Seng ended lower this week as investors were cautious about China's growth prospects and the global economic situation.
- China's Shanghai Composite Index ended lower this week owing to weaker-than-expected Chinese factory activity data, while investors anticipated more policy support. However, hopes for additional stimulus measures cut short the losses.

DOMESTIC DEBT

Indicators	Jan 3, 2025	Previous Week	Trend
Call Rate	6.24%	6.80%	↓
3 M CP	7.67%	7.65%	↑
1 Yr CP	7.95%	8.00%	↓
3 M CD	7.39%	7.41%	↓
1 Yr CD	7.64%	7.66%	↓
5 Yr AAA	7.23%	7.35%	↓
1 Yr G-Sec*	6.69%	6.74%	↓
5 Yr G-Sec*	6.76%	6.75%	↑
10 Yr G-Sec*	6.78%	6.79%	↓
USD/INR*	85.76	85.52	↓

Source: *CRISIL Fixed Income Database, RESERVE BANK OF INDIA*

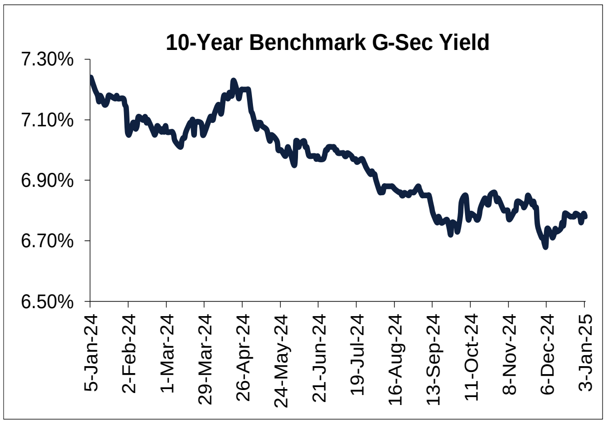
**Weighted Average Yield*

WEEKLY YIELD

Update of Equity & Debt Market

January 3, 2025

- Government bond prices were little changed in the holiday-shortened week ended January 3, 2025. The yield of the 10-year benchmark 6.79% 2034 paper closed at 6.78% on January 3, 2025 compared with 6.79% on December 27, 2024.
- Earlier in the week, bond prices witnessed gains owing to a sharp fall in the US yield.
- Meanwhile, in the weekly debt sale held on January 3, 2025 the RBI auctioned 6.79% (Government Security) 2034 and 7.09% GS 2074 for a total notified amount of Rs 32,000 crore.



Source: *CRISIL Fixed Income Database*

GLOBAL DEBT

- US Treasury prices rose during the holiday-shortened week as investors covered short positions at lower level.
- Bond prices rose further following weaker-than-expected manufacturing data.
- The yield on the 10-year benchmark Treasury bond ended at 4.57% on January 2, 2025 compared with 4.62% on December 27, 2024.

DOMESTIC NEWS

- The India HSBC Final Manufacturing Purchasing Managers' Index (PMI), compiled by S&P Global, registered its weakest growth of 2024 in December 2024 as it fell to 56.4 from 56.5 in November 2024.
- India's Gross Goods and Services Tax (GST) collection grew 7.3% year-on-year in December 2024, reaching Rs 1.77 lakh crore.
- Fiscal deficit for April to November 2024 was at Rs 8.47 lakh crore, equivalent to 52.5% of annual estimates, widening from the previous year's 50.7%.
- Core sector output rose 4.3% on year in November 2024 from an upwardly revised figure of 3.7% in October 2024.
- According to a Reserve Bank of India (RBI) release, the current account deficit narrowed to $11.2 billion or 1.2% of the Gross Domestic Product (GDP) in the second quarter of fiscal 2025 from the revised deficit of $11.3 billion or 1.3% of GDP in the same quarter a year ago.
- India extended its mandate for imported coal-based power plants to operate at full capacity until February 28, 2025.
- The Cabinet enhanced allocation for the crop insurance scheme and raised the subsidy on a key fertiliser.
- The Cabinet approved the extension of the one-time special package for di-ammonium phosphate (DAP) beyond the existing Nutrient Based Subsidy scheme.
- The Government left interest rates unchanged on various small savings schemes, including the Public Provident Fund and National Saving Certificates, for the fourth straight quarter.
- The Government set up a working group led by NITI Aayog member Ramesh Chand to revise the Wholesale Price Index and suggest a Producer Price Index with the base year as fiscal 2023.

- The RBI allowed interoperability of prepaid payment instruments for Unified Payments Interface (UPI) transactions through third party application providers.
- The RBI proposed the introduction of a lookup facility for beneficiary accounts in the Real-Time Gross Settlement (RTGS) and National Electronic Funds Transfer (NEFT) systems to prevent fraud.
- The RBI stressed on the need to increase awareness about cyber frauds and efforts to identify mule accounts amid rising digital transactions.
- The Securities and Exchange Board of India (SEBI) permitted subscription to non-convertible securities during the trading window closure period, marking a significant update to its insider trading norms.
- SEBI issued clarifications on the transfer of shareholding among immediate relatives and the transmission of shareholding of investment advisers, research analysts, and know-your-customer (KYC) registration agencies.

GLOBAL NEWS

- US Dallas Fed Manufacturing Index improved to -2.7 in November 2024, from -3 in October 2024.
- US Dallas Fed general business activity Index eased slightly to 9.6 in December 2024 from 9.8 in November 2024.
- US S&P CoreLogic Case-Shiller 20-city home price index went up 4.2% on year in October 2024 following a 4.6% increase in the previous month.
- US S&P Global Manufacturing PMI fell to 49.4 in December 2024 compared to 49.7 in November 2024.
- US Chicago PMI dropped further to 36.9 in December 2024, compared to November 2024 's 40.2.
- US House Price Index remained unchanged at 4.50% on year in October 2024 compared to September 2024.
- US wholesale inventories fell by 0.2% on month to $902 billion in November 2024, after a revised 0.1% increase in the prior month.
- US trade deficit in goods widened to $102.86 billion in November 2024 after a downwardly revised $98.3 billion in the prior month.
- US pending home sales rose 6.90% in November 2024 compared to 5.4% in October 2024.
- Eurozone HCOB Manufacturing PMI fell to 45.1 in December 2024, edging lower from 45.2 in November 2024.
- UK S&P Global Manufacturing PMI fell to 47 in December 2024 from 48 in November 2024.
- UK Nationwide House Price Index rose by 4.7% in December 2024, compared to a 3.7% increase in November 2024.
- China Caixin General Manufacturing PMI edged down to 50.5 in December 2024 compared to November 2024 's 5-month high of 51.5.
- China official NBS Manufacturing PMI fell to 50.1 in December 2024, compared to November 2024’s 50.3 while China official NBS Non-Manufacturing PMI rose to 52.2 from 50.0 and China NBS Composite PMI Output Index increased to 52.2 from 50.8.
- Japan Jibun Bank Manufacturing PMI rose to 49.6 in December 2024 compared to 49.0 in November 2024.

DAY	EVENTS
Monday, Jan 6, 2025	• US S&P Global Composite/ Services PMI Final, December • US Factory Orders, November • Eurozone HCOB Composite/ Services PMI Final, December • UK S&P Global Composite/ Services PMI Final, December • China Caixin Composite/ Services PMI, December • Japan Jibun Bank Composite/ Services PMI Final, December • India HSBC Composite/ Services PMI Final, December
Tuesday, Jan 7, 2025	• US JOLTs Job Openings, November • US ISM Services PMI, December • Eurozone Inflation Rate/ Core Inflation Rate Flash, December • Eurozone Unemployment Rate, November • UK Halifax House Price Index, December • UK S&P Global Construction PMI, December • India Fiscal Year GDP Growth Prel, 2024-25
Wednesday, Jan 8, 2025	• US ADP Employment Change, December • Eurozone Economic Sentiment, December • Eurozone Industrial Sentiment, December • Eurozone PPI, November
Thursday, Jan 9, 2025	• US FOMC Minutes • US Initial Jobless Claims, January 04, 2025 • Eurozone Retail Sales, November
Friday, Jan 10, 2025	• US Non-Farm Payrolls, December • US Unemployment Rate, December • India Industrial/ Manufacturing Production, November • India Foreign Exchange Reserves, January 03, 2025

Source: CRISIL