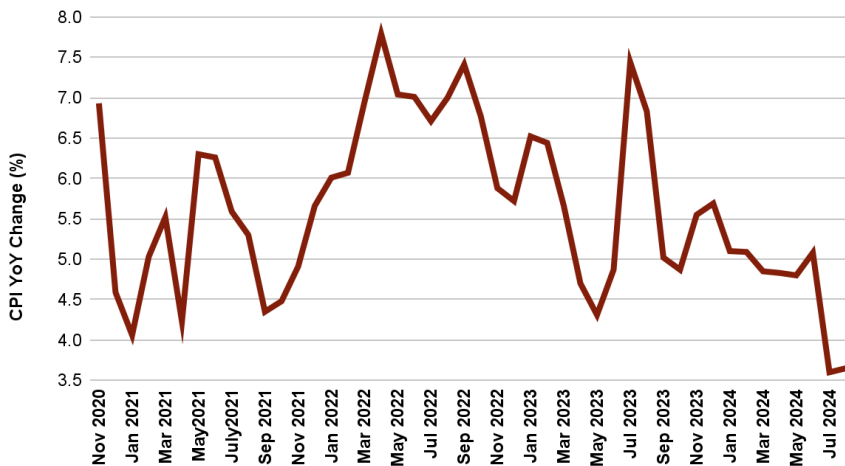


CPI rises marginally



OVERVIEW

India's consumer price inflation climbed 3.65% on a yearly basis in August, marginally faster than the revised 3.60% rise seen in July. Month-on-month, overall consumer prices remained flat, while food prices dropped 0.44%.

MOVEMENT IN MAJOR COMPONENTS OF CPI

- Urban inflation fell to 3.14% in August 2024, compared to 6.59% in August 2023.
- Rural inflation fell to 4.16% in August 2024, compared to 7.02% in August 2023.
- The combined Consumer Food Price Index (CFPI), which shows food inflation was 5.66% in August 2024, compared to 9.94% in August 2023.
- Urban food inflation fell to 4.99% in August 2024, compared to 10.42% in August 2023.
- Vegetable inflation grew 10.71% in August as against 6.83% in the previous month.
- Pulses and cereals inflation rate stood at 13% and 7.31%, respectively.
- Fruits inflation rate for fruits came in at 6.45%.

- Milk and milk products, the inflation rate was 2.98% in August.
- Meat and fish, egg segments inflation rate were recorded at 4.30% and 7.14%, respectively.
- The Fuel and light inflation rate for August stood at (-)5.31% as against a (-)3.66% in July.
- Clothing & footwear and housing sectors, the inflation rates were 2.72% and 2.66%, respectively.

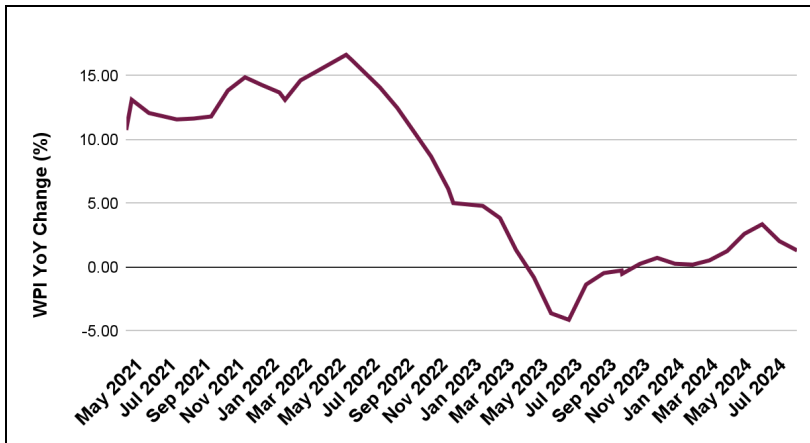
OUTLOOK

The latest inflation data would come as a relief for the central bank which has a target of keeping the CPI inflation close to the 4% mark with a range of 2-6%. The data may also boost hopes of rate cut from the RBI-led monetary Policy Committee in its next meet.

RETAIL INFLATION FOR MAJOR ITEMS IN THE PAST 6 MONTHS

Group	AUG'24	JUL'24	JUN'24	MAY'24	APR'24	MAR'24
CPI	3.65	3.60	5.08	4.80	4.83	4.85
FOOD & BEVERAGES	5.30	5.06	8.36	7.87	7.87	7.68
PAN TOBACCO & INTOXICANTS	2.71	3.02	3.08	3.03	2.99	3.06
CLOTHING & FOOTWEAR	2.72	2.67	2.73	2.74	2.85	2.97
HOUSING	2.66	2.68	2.69	2.56	2.68	2.77
FUEL & LIGHTING	-5.31	-5.48	-3.66	-3.83	-4.24	-3.24
MISCELLANEOUS	3.89	3.79	3.41	3.41	3.54	3.50

WPI lowest in 4 months



OVERVIEW

India's wholesale price inflation rose 1.31% year-over-year in August, slower than the 2.04% increase in July. On a monthly basis, wholesale prices dropped 0.45% from July, when they increased by 0.78%.

KEY HIGHLIGHTS

- Food articles stood at 3.11% in August as compared to 3.45% in July.
- Primary articles inflation rate came in at 2.42% in August from 3.08% in July.
- Fuel and power inflation was at -0.67% in August as against 1.72% in July.
- Manufactured products inflation stood at 1.22% in August.
- Under the food articles category, vegetable inflation was recorded at -10.01% in August from -8.93% in July.
- Pulses inflation during the month of August was at 18.57%.
- Wheat inflation came in at 7.28% in August as against 7.00% in July.
- Cereals inflation was at 8.44%.
- Eggs, Meat & Fish inflation came in at -0.69% in August.

- Potato and onion reported inflation at 77.96% and 65.75% respectively.
- Non-food articles reported WPI inflation at -2.08%.
- Minerals inflation was at 8.76%.
- Crude Petroleum & Natural gas posted wholesale inflation at 1.77% in August and crude petroleum was at -0.98%.

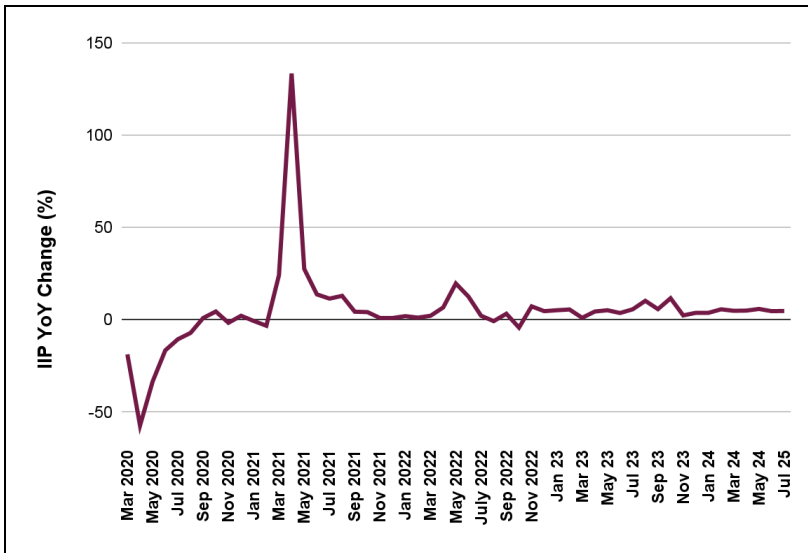
OUTLOOK

Wholesale price inflation rate of rise declined in Aug, led by the impact of a favourable base effect reversing a four month rapid rising trend but prices of pulses, onion and potato rose sequentially.

WPI INFLATION FOR MAJOR ITEMS IN THE PAST 6 MONTHS

Group	AUG'24	JUL'24	JUN'24	MAY'24	APR'24	MAR'24
ALL COMMODITIES	1.31	2.04	3.43	2.61	1.19	0.26
PRIMARY ARTICLES	2.42	3.08	9.20	7.20	5.23	4.57
FOOD ARTICLES	3.11	3.45	10.87	9.82	7.74	6.88
NON FOOD ARTICLES	-2.08	-2.90	-1.95	-3.99	-4.41	-4.13
FUEL & POWER	-0.67	1.72	0.48	1.35	-0.85	-2.75
MANUFACTURED PRODUCTS	1.22	1.58	1.50	0.78	-0.14	-0.85

IIP growth improves



OVERVIEW

India's industrial production grew 4.8% from a year ago, following a 4.7% rise in June. During April to July, industrial production posted an annual growth of 5.2% compared to 5.1% rise in the same period last year.

KEY HIGHLIGHTS

Sectoral classification

- Mining output growth slowed sharply to 3.7% from 10.3%.
- The annual growth in manufacturing improved to 4.6% from 3.2%.
- Electricity output advanced 7.9% annually but slower than the 8.6% increase seen a month ago.
- The output of primary goods contracted to 5.9% in July 2024 as against 7.6% YoY.
- Capital goods segment witnessed a growth of 12% in July 2024.
- Consumer durables output dipped to 8.2% month-on-month during July as against 8.6% in June.
- Non-durable consumer goods contracted by 4.4%.
- Infrastructure and construction related goods slowed to 4.9% in July 2024 against 11.4% in the same month in 2023, on a YoY basis.

- Intermediate goods output grew 6.8% compared to 3% last month.

OUTLOOK

One of the key factors for the moderate growth in the IIP is the decline in mining sector growth to 3.7% from 10.3% owing largely to flood situation in most part of India. In the upcoming months, the industrial output may pick up pace with the likelihood of improvement in the demand owing to start of festival season and receding of flood water.

IIP GROWTH IN THE PAST 6 MONTHS

SECTOR	JUL'24	JUN'24	MAY'24	APR'24	MAR'24	FEB'24
ALL INDUSTRIES	4.8	4.7	5.9	5.0	4.9	5.7
MINING & QUARRYING	3.7	10.3	6.6	6.7	1.2	8.0
MANUFACTURING	4.6	3.2	4.6	3.9	5.2	5.0
ELECTRICITY	7.9	8.6	13.7	10.2	8.6	7.5

Trade gap widens to \$29.65 billion in August

OVERVIEW

India's trade deficit widened to \$29.65 billion on an annual basis in August from \$24.2 billion in the same month last year. In July, the trade deficit was \$23.50 billion. Exports declined to \$34.71 billion in August from \$38.28 billion a year ago, while imports were at a record high of \$64.36 billion, up from \$62.30 billion in August 2023.

KEY HIGHLIGHTS

- Exports fell 9.3% year-on-year to \$34.7 billion in August.
- Imports rose 3.3% year-on-year to \$64.4 billion in August.
- Non-petroleum and non-gems & jewellery exports in August rose 2.4% to \$26.76 billion.
- Non-petroleum, non-gems & jewellery (gold, silver & precious metals) imports in August 2024 rose 4.6% to \$26.14 billion.

EXPORTS

- Exports of engineering goods stood at \$9.4 billion, 4.4% higher year on year.
- Petroleum product exports were at \$6 billion, 37.6% lower than a year earlier.
- Gems and jewellery exports were at \$2 billion, 23.1% lower on an annual basis.
- Organic and inorganic chemical exports were at \$2.4 billion, 8.3% higher on an annual basis.
- Drugs and pharmaceutical exports were at \$2.3 billion, 4.7% higher from over a year earlier.
- Electronic exports were at \$2.3 billion, 7.9% higher from over a year earlier.

IMPORTS

- Petroleum, crude, and product imports were down 32.4% from a year ago to \$11 billion.
- Imports of electronic goods were at \$8.9 billion, 12.8% higher over a year earlier.
- Machinery, electrical and non-electrical goods were at \$5 billion, up 10.2% over the previous year.
- Gold imports stood at \$10 billion, 103.7% higher than a year ago.

OUTLOOK

Imports outstripped exports in value terms against the backdrop of the Red Sea conflict and higher gold import bill. Gold import rose sharply ahead of festival season. The lower growth in exports is mainly due to the armed conflict in the Red Sea. Indian exports have been impacted by a slowdown in global growth. The tightening of interest rates due to nagging inflation, especially in advanced Western economies, has led to a slowdown in business, investment and trade. Growth in exports may continue to remain subdued owing largely to Red-Sea conflict.

DISCLAIMER

This document has been prepared by Shriram Insight Share Brokers Ltd. and is meant for sole use by the recipient and not for circulation. This document is not to be reported or copied or made available to others. The information contained herein is from sources believed reliable. It should not be considered as an offer to sell or a solicitation to buy any security or as an official confirmation of any transaction. We do not represent that it is accurate or complete and it should not be relied upon as such. This document is prepared for assistance only and is not intended to be and must not alone be taken as the basis for an investment decision. The investments discussed or recommended in this report may not be suitable for all investors. Shriram Insight Share Brokers Ltd. Stock Recommendation Service is a general recommendation service and is not to be construed as an individual investor-specific Portfolio Management and Advisory Service.

The user assumes the entire risk of any use made of this information. Each recipient of this document should arrive at an independent evaluation of an investment in the securities of companies referred to in this document and should consult their own advisors to determine the merits and risks of such an investment.

Shriram Insight Share Brokers Ltd. shall not be responsible for any loss or liability incurred to the user as a consequence of his or any other person on his behalf taking any investment decisions based on the information, recommendations, research reports, analysis, quotes, etc. provided on the web site.

Shriram Insight Share Brokers Ltd shall not be liable for errors, omissions or typographical errors, disruption delay, interruption, failure, deletion or defect of/in the Service provided by it.

All Users of the Service in countries other than India understand that by using the Service, they may be violating the local laws in such countries. If the User chooses to access the Service from outside India, he shall be responsible for compliance with foreign and local laws.

EQUITIES | DERIVATIVES | COMMODITIES | DP SERVICES | MUTUAL FUNDS | RESEARCH

SHRIRAM INSIGHT SHARE BROKERS LTD. CK-5, Sector-II, Saltlake City, Kolkata - 700091 | Tel : 2359 4612, 2359 4614, 2359 4877 | Fax : (033) 2321-8429 | E-mail : research@shriraminsight.com | www.shriraminsight.com | *Through Insight Commodities & Futures Pvt. Ltd