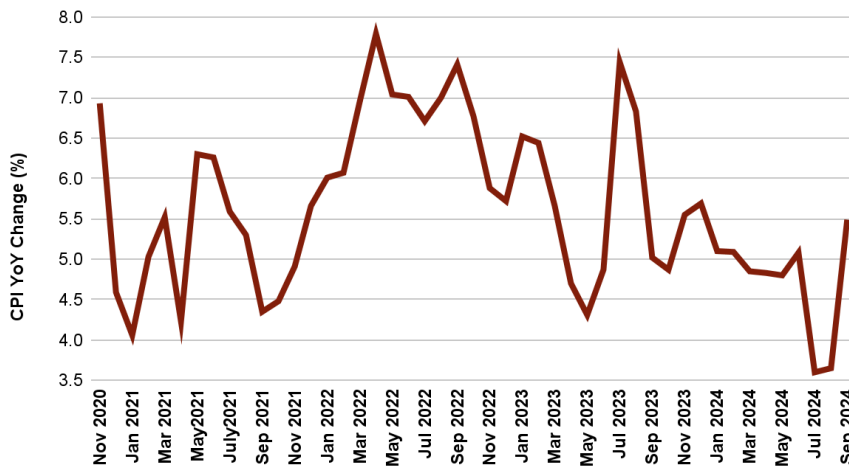


CPI jumps 9-month high in September



OVERVIEW

India's retail inflation accelerated to a 9-month high of 5.49% on an annual basis in September. Retail inflation had eased to a 5-year low of 3.65% in the previous month. The food inflation, which accounts for around half of the overall CPI basket, jumped to 9.24% in September from 5.66% in the previous month.

MOVEMENT IN MAJOR COMPONENTS OF CPI

- Rural inflation quickened to 5.87% as against 4.16% in August.
- Urban inflation accelerated to 5.05% as compared to 3.14% in the previous month.
- Cereal prices rose by 6.84% after rising by 7.31% in August.
- Meat and fish was 2.66% compared to a rise of 4.30% in the previous month.
- Eggs rose 6.31% after rising by 7.14% last month.
- Milk and milk products was 3.03%, compared to 3% in the previous month.
- Pulses rose 9.81% after rising by 13.6% last month.
- Clothing and footwear inflation rose to 2.71%, same as in August.

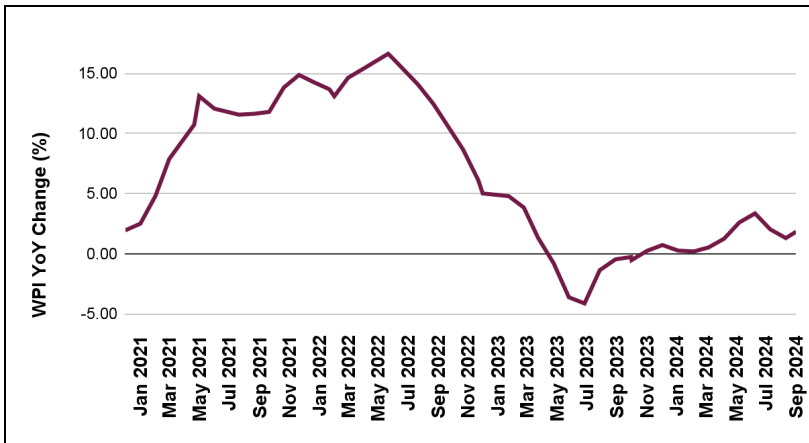
OUTLOOK

The latest spike in inflation data was driven by a rise in vegetable prices and the diminishing impact of a favourable base effect.. However, the inflation was within the Reserve Bank of India's (RBI) medium-term target of 2-6%.

RETAIL INFLATION FOR MAJOR ITEMS IN THE PAST 6 MONTHS

Group	SEP'24	AUG'24	JUL'24	JUN'24	MAY'24	APR'24
CPI	5.49	3.65	3.60	5.08	4.80	4.83
FOOD & BEVERAGES	8.36	5.30	5.06	8.36	7.87	7.87
PAN TOBACCO & INTOXICANTS	2.51	2.71	3.02	3.08	3.03	2.99
CLOTHING & FOOTWEAR	2.71	2.72	2.67	2.73	2.74	2.85
HOUSING	2.78	2.66	2.68	2.69	2.56	2.68
FUEL & LIGHTING	-1.39	-5.31	-5.48	-3.66	-3.83	-4.24
MISCELLANEOUS	4.05	3.89	3.79	3.41	3.41	3.54

WPI inflation rises to 1.84%



OVERVIEW

India's wholesale price inflation rose 1.84% year-over-year in September, faster than the 1.31% increase in August. On a monthly basis, wholesale prices edged up 0.06% from August, when they decreased by 0.52%.

KEY HIGHLIGHTS

- Prices for primary articles grew at an accelerated pace of 6.59% in September versus a 2.42% gain in the prior month.
- The yearly price growth in the food index quickened to 9.47% from 3.26%.
- Manufactured products rose at a slightly slower rate of 1.0% after a 1.22% increase in the preceding month.
- Prices for fuel and power were down sharply by 4.05% against a deflation of 0.67% in August.
- Under the food articles category, vegetable inflation was recorded at 48.73% in September, posting a huge uptick from -10.01 in August. Pulses inflation during the month of September was at 12.99%, while the inflation for wheat came in at 7.60% during the same month as against 7.28% in August. Cereals inflation was at 8.08%. Eggs, Meat & Fish inflation came in at -0.80%. Potato and onion reported inflation at 78.13% and 78.82% respectively.
- The non-food articles reported WPI inflation at -1.64% in September as against -2.08% during the previous month.
- Minerals inflation came in at 3.03% in September, down from 8.76% during August.

- The Crude Petroleum & Natural gas posted wholesale inflation at -13.04% in September and crude petroleum was at -16.78%.
- Electricity (1.34%) increased in September 2024 as compared to August 2024.

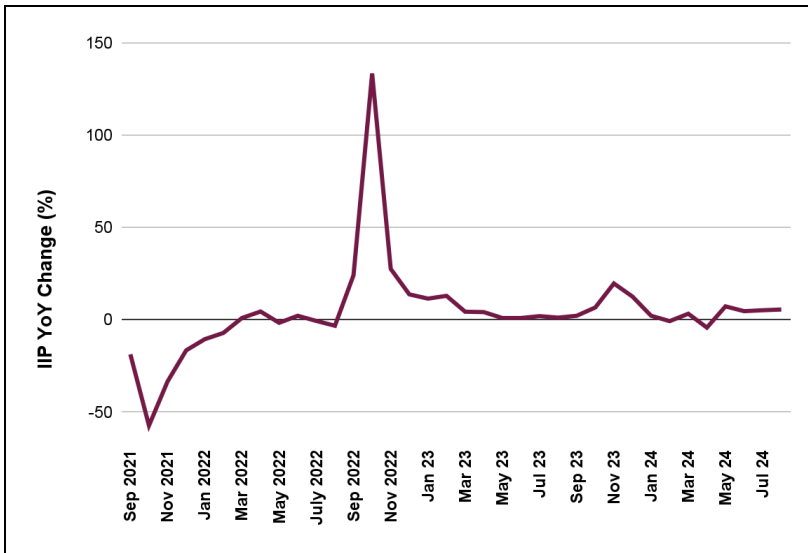
OUTLOOK

Wholesale price inflation saw a slight increase on the back of a sharp spike in the prices of food items. The uptick was entirely led by an adverse base-led surge in the primary food articles inflation.

WPI INFLATION FOR MAJOR ITEMS IN THE PAST 6 MONTHS

Group	SEP'24	AUG'24	JUL'24	JUN'24	MAY'24	APR'24
ALL COMMODITIES	1.84	1.31	2.10	3.43	2.61	1.19
PRIMARY ARTICLES	6.59	2.42	3.18	9.20	7.20	5.23
FOOD ARTICLES	11.53	3.11	3.45	10.87	9.82	7.74
NON FOOD ARTICLES	-1.64	-2.08	-2.90	-1.95	-3.99	-4.41
FUEL & POWER	-4.05	-0.67	1.93	0.48	1.35	-0.85
MANUFACTURED PRODUCTS	1.00	1.22	1.58	1.50	0.78	-0.14

IIP contracts 0.1% in August



OVERVIEW

India's industrial production dropped 0.1% in August from a year ago, reversing a revised 4.7% rise in July. During April to August, industrial production posted an annual growth of 4.2% compared to 6.2% rise in the same period last year.

KEY HIGHLIGHTS

Sectoral classification

- Mining output fell 4.1% compared to last year in the month of August.
- Electricity output contracted 3.7%, in contrast to a 7.9% surge in July.
- The growth in the manufacturing sector eased to 1.0% from 4.4%.
- Capital goods segment growth decelerated to 0.7% in August 2024 from 13.1% in the year-ago period.
- Consumer durable goods production growth slowed to 5.2% during the reporting month compared to an expansion of 6% in August 2023.
- Consumer non-durables output contracted by 4.5% against a growth of 9.9% in August 2023.
- Infrastructure/construction goods reported a growth of 1.9% in August 2024, down from a 15.7% expansion in the year-ago period.

- The output of primary goods contracted by 2.6% in August against a growth of 12.4% a year earlier.

OUTLOOK

Production shrank on year, mainly due to the statistical effect of a high base and subdued mining & electricity output. The contraction of mining and electricity output, due to a pick-up in monsoon rainfall in the country, pushed the industrial output to decline.

IIP GROWTH IN THE PAST 6 MONTHS

SECTOR	AUG'24	JUL'24	JUN'24	MAY'24	APR'24	MAR'24
ALL INDUSTRIES	-0.1	4.8	4.7	5.9	5.0	4.9
MINING & QUARRYING	-4.3	3.7	10.3	6.6	6.7	1.2
MANUFACTURING	1.0	4.6	3.2	4.6	3.9	5.2
ELECTRICITY	-3.7	7.9	8.6	13.7	10.2	8.6

Trade gap narrows to \$20.78 billion in September

OVERVIEW

India merchandise trade deficit was at \$20.8 billion in September of 2024. Imports grew by 1.6% from the corresponding period of the previous year to \$55.4 billion. Exports expanded by 0.5% from the previous year to \$34.6 billion.

KEY HIGHLIGHTS

- Services exports rose to \$30.61 billion in September from \$28.42 billion in the same period last year.
- Services imports also increased, reaching \$16.32 billion in September, up from \$14.58 billion a year earlier.
- Exports of non-petroleum and non-gems & jewellery in September 2024 were USD 27.03 Billion compared to USD 24.76 Billion in September 2023. While the imports in September 2024 were USD 36.49 Billion compared to USD 34.21 Billion in September 2023.

EXPORTS

- Exports of Coffee (74.75%), Tobacco (50.9%), Handicrafts Excl. Hand Made Carpet (48.09%), Plastic & Linoleum (28.32%), Spices (26.66%), Rice (24.93%), Rmg Of All Textiles (17.3%), Jute Mfg. Including Floor Covering (16.45%), Cereal Preparations & Miscellaneous Processed Items (15.25%), Carpet (14.93%), Oil Seeds (14.73%), Oil Meals (13%), Man-Made Yarn/Fabs./Made-Ups Etc. (11.41%), Organic & Inorganic Chemicals (11.21%), Engineering Goods (10.55%), Leather & Leather Products (8.86%), Fruits & Vegetables (8.38%), Electronic Goods (7.89%), Meat, Dairy & Poultry Products (7.85%), Drugs & Pharmaceuticals (7.22%), Tea (5.73%), Cotton Yarn/Fabs./Made-Ups, Handloom Products Etc. (3.48%) and Cashew (2.23%) record positive growth during September 2024 over the corresponding month of last year.

IMPORTS

- Imports of Dyeing/Tanning/Colouring Mtrls. (-25.92%), Vegetable Oil (-23.24%), Pearls, Precious & Semi-Precious Stones (-21.62%), Leather & Leather Products (-16.62%), Newsprint (-13.62%), Petroleum, Crude & Products (-10.44%), Artificial Resins, Plastic Materials, Etc. (-8.76%), Coal, Coke & Briquettes, Etc. (-2.14%), Textile Yarn Fabric, Made-Up Articles (-1.8%) and Transport Equipment (-0.38%) record negative growth during September 2024 over the corresponding month of last year.

OUTLOOK

India's goods trade deficit narrowed to a five-month low in September, driven by a slight rise in exports on year. However, exports declined sequentially, indicating that the momentum remains fragile. Imports hit their lowest since May, reflecting softer demand. India's exports continue to face challenges from slowing global growth, geopolitical tensions in West Asia and Ukraine, and disruptions along the Red Sea trade routes.

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