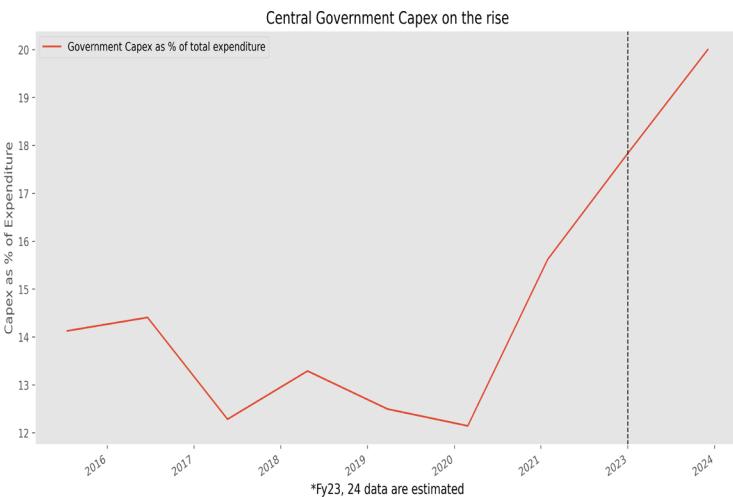


What We Are Tracking

Economy Tracker

E-way Bills generated in December reached a record of 84.14 Mln, rising 4.2% MoM. Truck freight rates from Delhi to some major cities again moved higher over the fortnight, albeit at a slower pace. Footfalls at domestic airports fell sequentially to 8.02 Lakhs (7DMA). Petroleum consumption rose 4% in December. Indian merchandise exports fell 12.2% YoY in December to US\$ 34.48 Bln as imports contracted by 3.5% YoY. The Trade Deficit remained flat at US\$ 23.76 Bln. December CPI inflation fell to 12 month low of 5.7% YoY. Consumer sentiment indices halted their fall and broadly rose WoW. Indian railway freight traffic in December rose 6.15% MoM to 130.6 Mln tonnes. The credit deposit gap narrowed as YoY credit growth fell to a multi week low of 14.9%. India's forex reserves rose to a five month high of US\$ 572 bln. INR to USD fx rate appreciated marginally WoW to Rs. 81.12. Asian currencies in general strengthened versus US\$ WoW. WTI crude oil prices remained subdued at US\$ 81.31/bbl. Metal prices rose WoW, with copper and aluminum both strengthening even as the London Metal Index remained 31% below its April 2022 high. India's 10 year G-Sec yield reached to 7.35%. 1 year T-bill yield fell to 6.88%. Equity market volatility fell as India Nifty VIX fell to 13.8. Bitcoin rallied to USD 23,000.

Chart of the Fortnight



Public Capex has played an important role in post covid macro recovery in India. Central Government capex growth is tracking over 60%oy in Apr-Nov period. Central Government Capex to total expenditure is likely to grow above ~18% in FY23 and is likely to inch towards 20% in FY24. If achieved, then Central Government Capex to India's GDP would move above 3%. Higher Central Government Capex is happening when states Governments are frugal in general. From private sector side, weak global demand and exports are drag while household capex is relatively holding up well. All eyes would be on Central Government Capex projections in the upcoming FY24 budget. Roads and railways are expected to be key beneficiary of Central Government Capex push.

Sources: CMIE, NIMF Research

Summary

Page 2: Traffic congestion in major cities remained below 2019, 2021 average levels.

Page 3: Domestic Airport footfalls (7DMA) fell to 8.02 lakhs. E-Way Bills Generated in December rose MoM to a record 84.13 Million.

Page 4: Weekly Labor force participation rate rose to 40.15% and unemployment rate fell to 7.24% over the week. Consumer sentiment indicators rose broadly over the week. UPI Transaction values (7DMA) fell over the week, after a previous rise.

Page 5: November's FasTag collections remained rose MoM to a record Rs. 4,646 Crores. Indian PMI indices strengthened MoM for December. Petroleum consumption rose 4.03% MoM in December.

Page 6: December's railway freight traffic rose 6.15% MoM. Exports fell and Imports rose MoM in December to \$34.48 bln and \$58.24 bln respectively.

Page 7: December's GST collections rose MoM to Rs.1.49 Lakh Crores. Forex Reserves rose to USD 572 Billion over the week. December's service receipts payments rose MoM. Cargo volume handled at ports fell 2.12% MoM to 60.57 Billion tonnes for November.

Page 8: November's Tax Receipts fell 21.5% MoM and Central Govt. Expenditure fell 6.6% MoM. Money Supply growth remained stable.

Page 9: WTI Crude reached USD 81.31 per barrel and India's NSE volatility (VIX) fell WoW to 13.8. INR appreciated WoW against the USD as the spot rate stands at 81.12.

Page 10: India's 10-year G-Sec yield reached 7.35%. 1 year T-bill yield reached 6.88%.

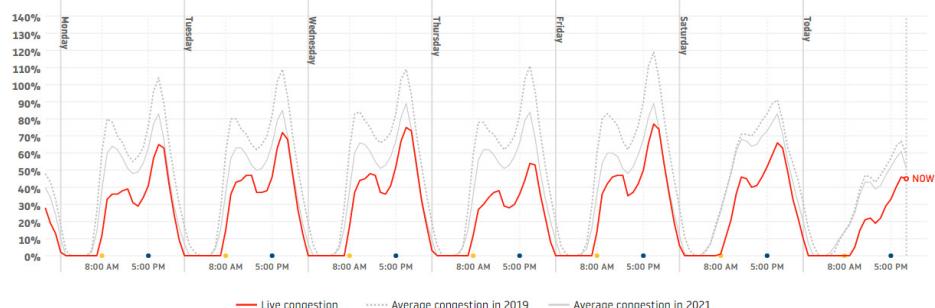
Page 11: Global metal prices broadly improved over the week, led by Aluminum. The IMF Food Price index remaining flat at 137.7 in December.

Page 12: Global currencies (EM, Asian) strengthened marginally WoW against the USD, while the Dollar Index fell. Bitcoin prices reached US\$ 23,000 mark.

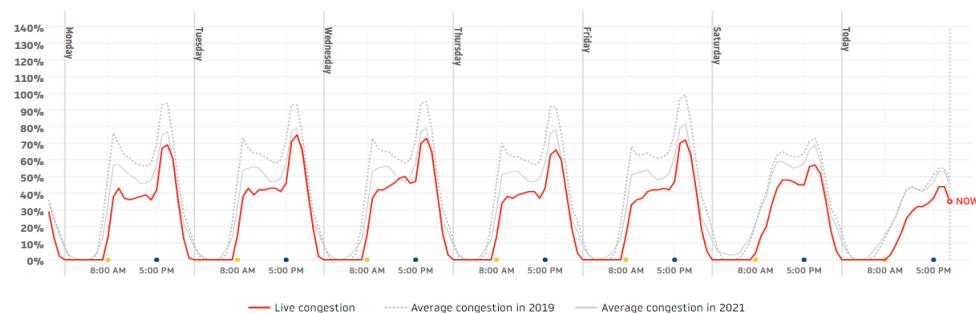
Traffic Congestion

Between 15th January 2023 - 22nd January 2023

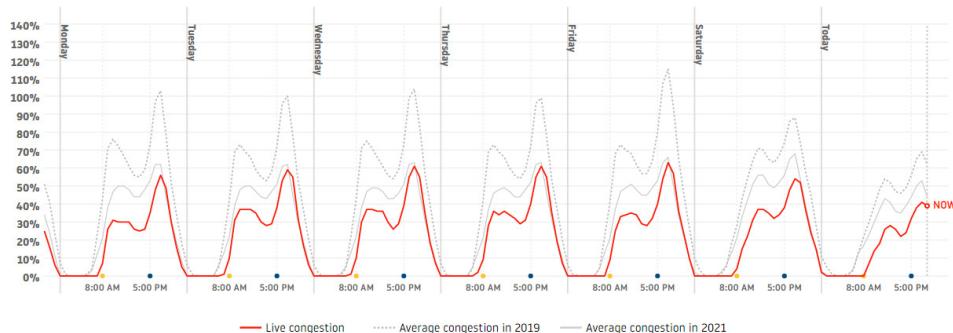
Mumbai



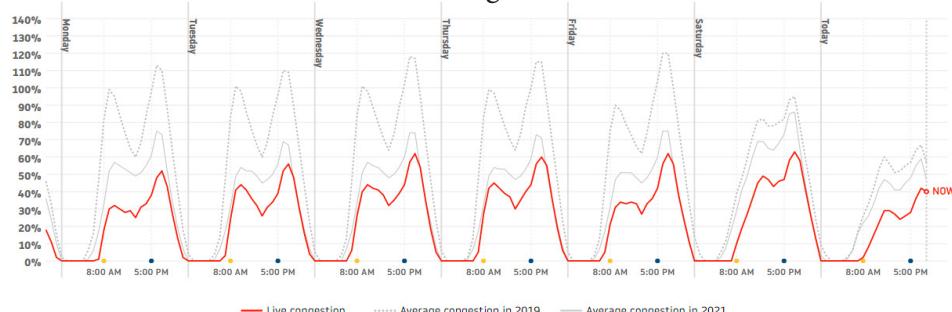
New Delhi



Pune



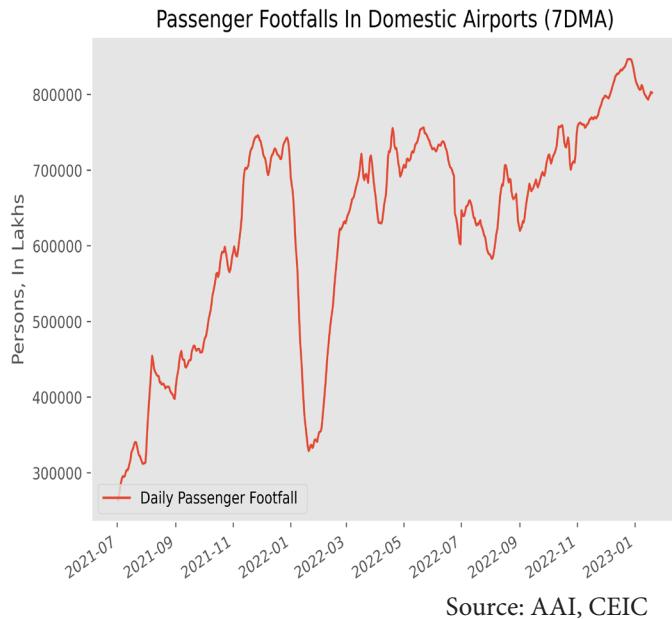
Bengaluru



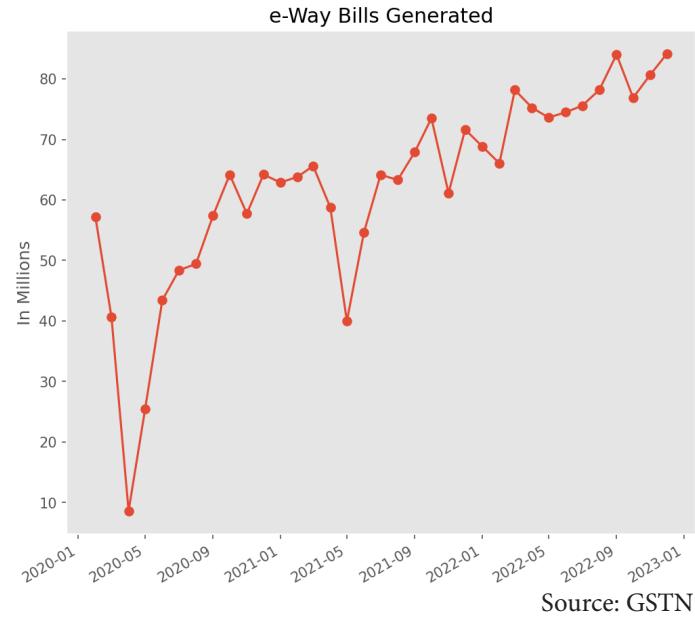
Source: TomTom

Miscellaneous High-Frequency Indicators

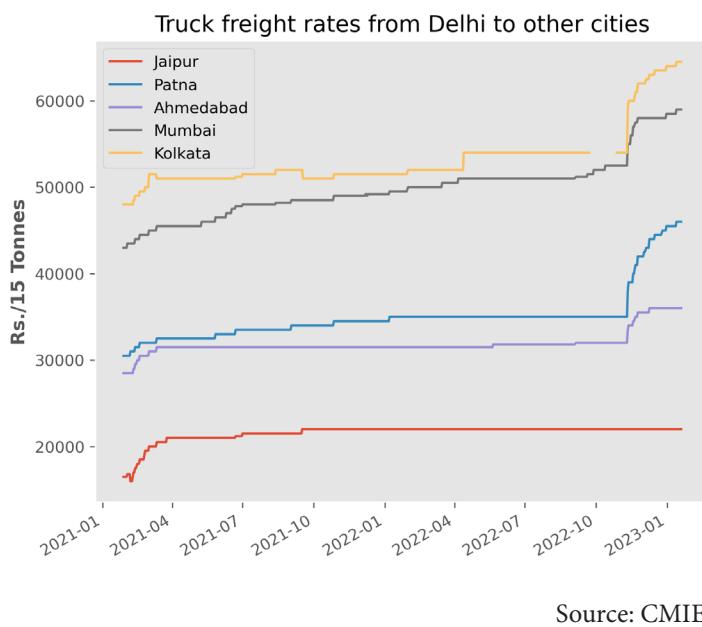
Domestic Airport footfalls (7DMA) fell WoW to 8.02 Lakhs as on 19th January, 2023.



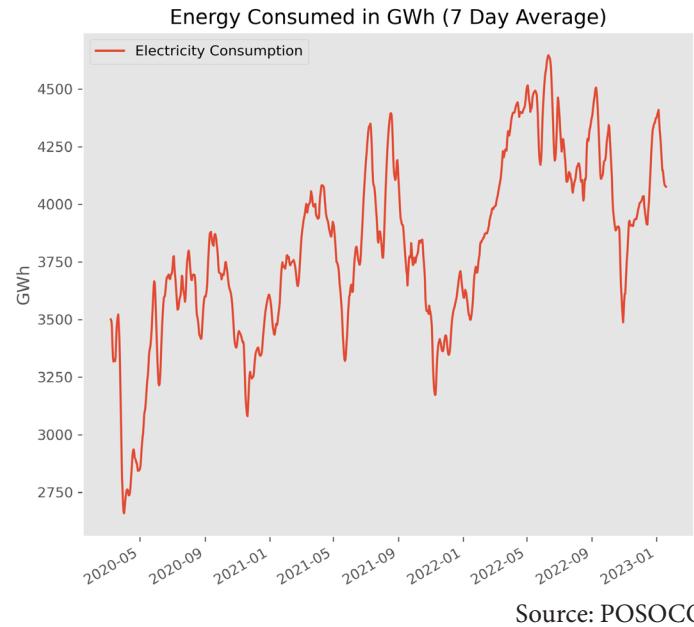
The number of e-Way bills generated in December stood at a record 84.13 Million, rising 4.2% MoM.



Truck freight rates from Delhi to other cities continued to inch upwards over the past fortnight.

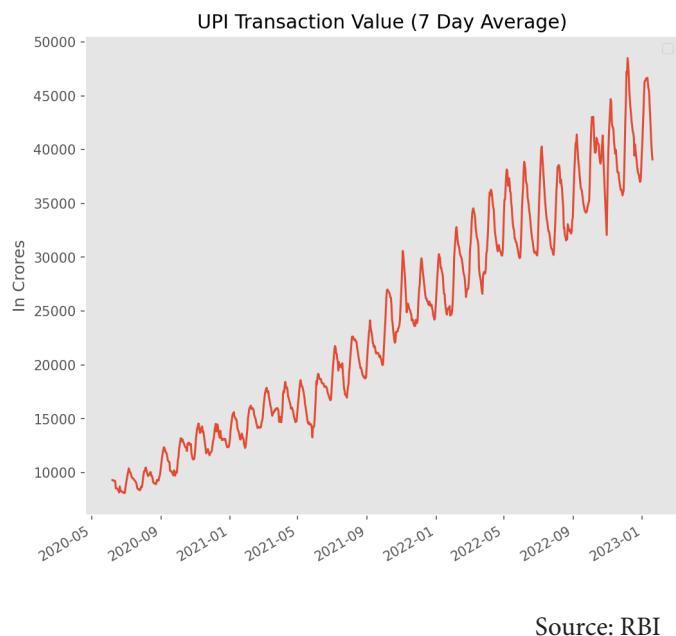


Indian electricity consumption (7DMA) fell sharply over the previous fortnight.

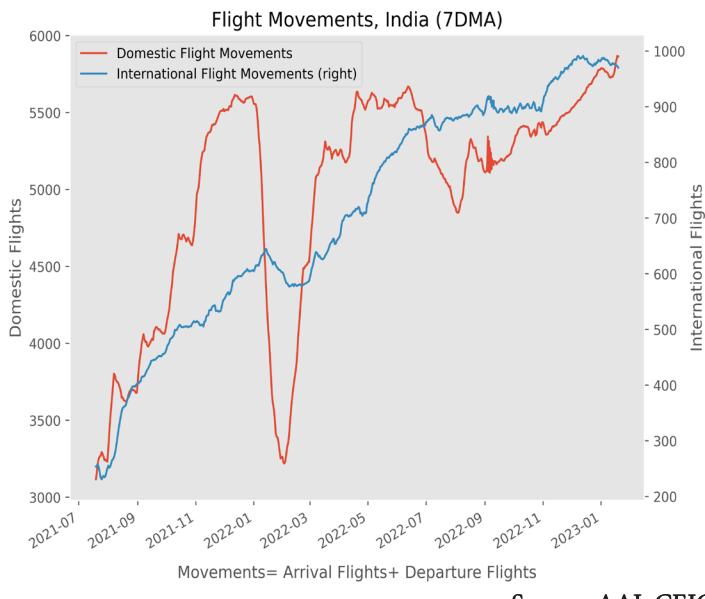


Miscellaneous High-Frequency Indicators

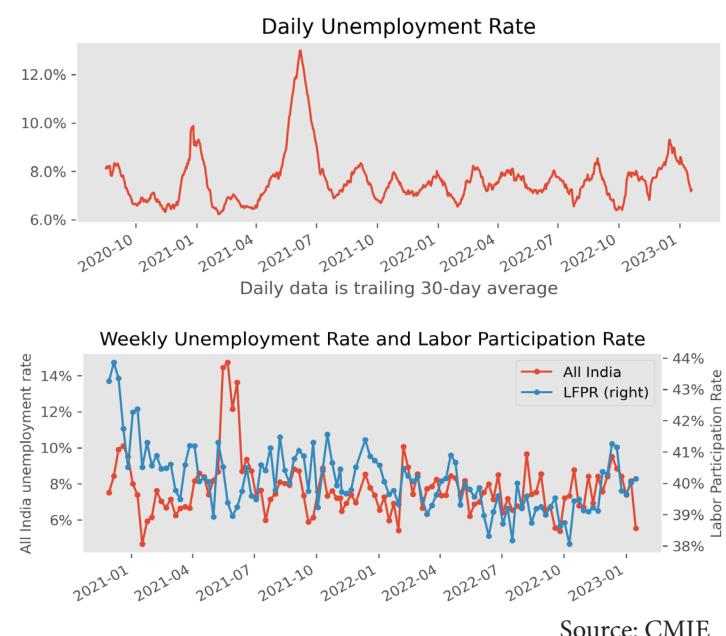
UPI transaction value (7DMA) witnessed a cyclical fall after a rise in the previous week.



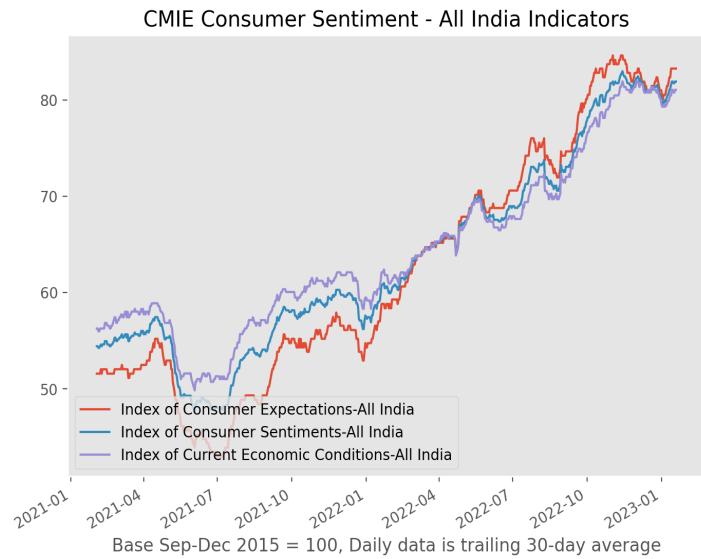
Domestic flight movements rose and International flight movements fell WoW (7DMA) over the fortnight leading to 19th January, 2023.



Weekly labor force participation rate fell WoW to 39.65%. Unemployment rates fell over the week to 7.24%, as on 19th January, 2023.

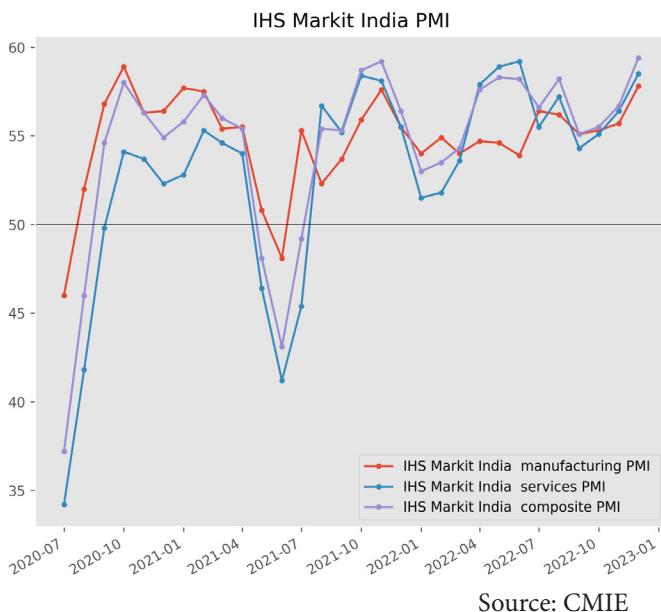


Consumer sentiment broadly rose over the week.

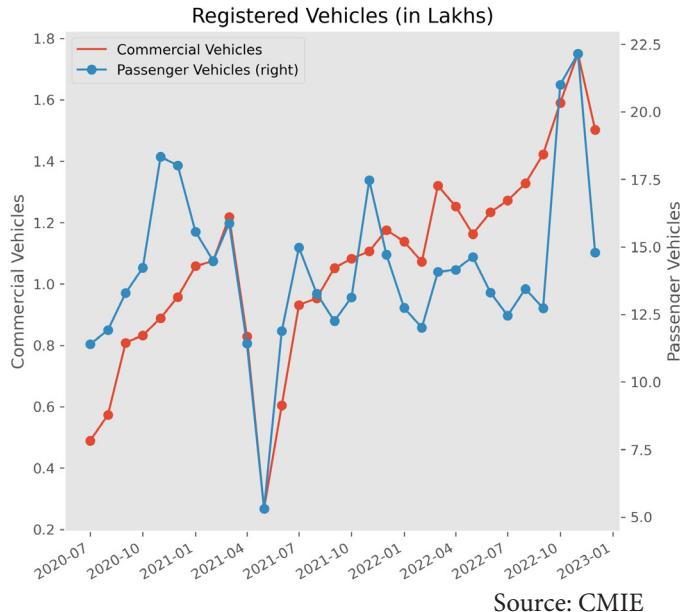


Miscellaneous Medium-Frequency Indicators

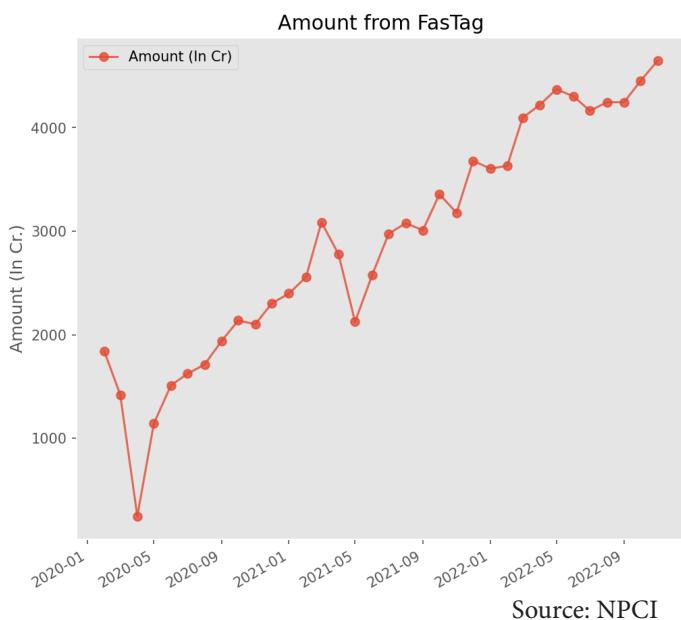
December witnessed an expansion across all three indices, owing to a favorable demand outlook and new order growth.



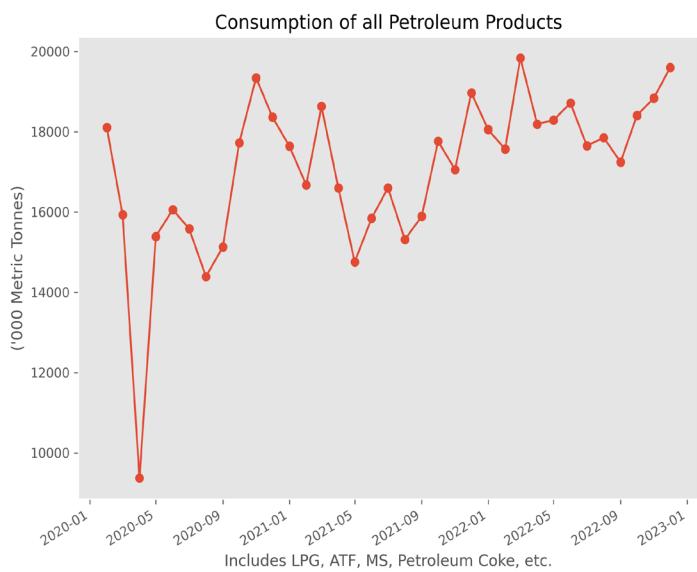
Both Passenger vehicle and Commercial vehicle registrations fell MoM in December.



November's FasTag (NETC) collections rose to record levels at Rs. 4,646 Crores.

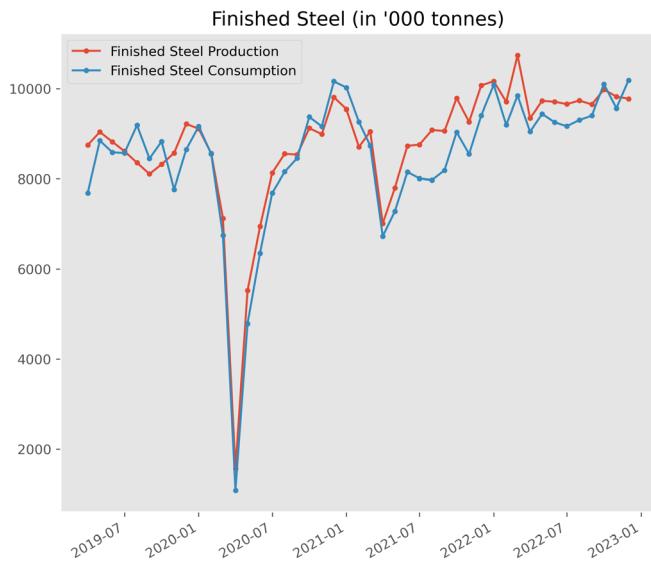


December's petroleum consumption rose by 4.03% MoM.



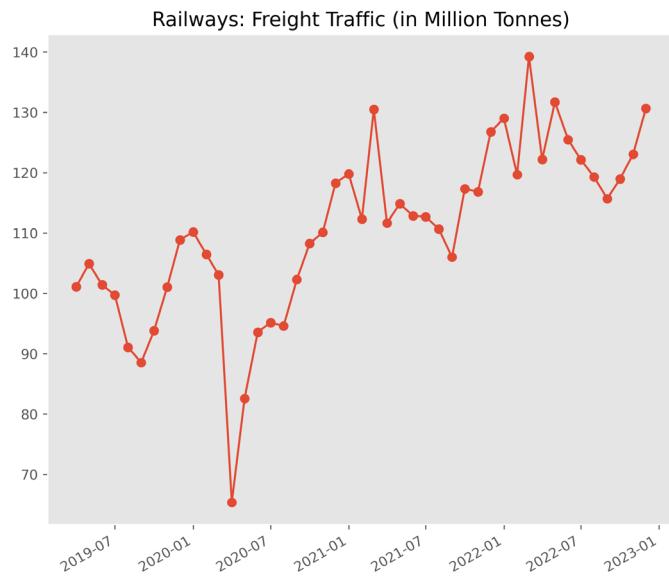
Miscellaneous Medium-Frequency Indicators

December's steel production fell and consumption rose MoM.



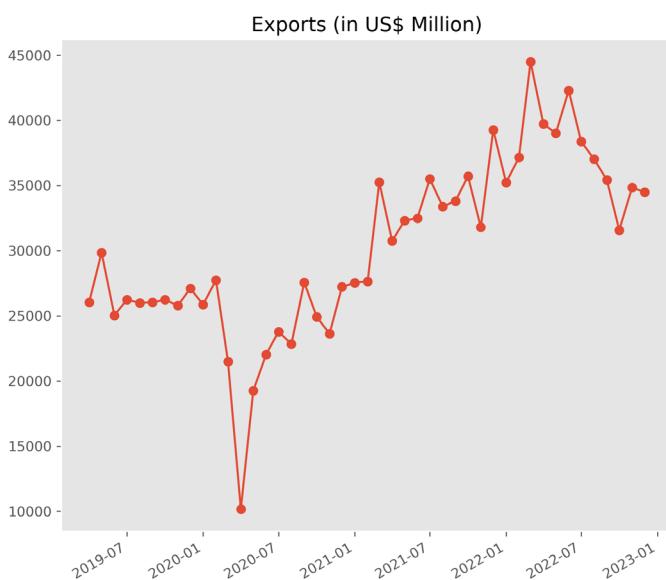
Source: CMIE

December's railways freight traffic rose by 6.5% MoM.



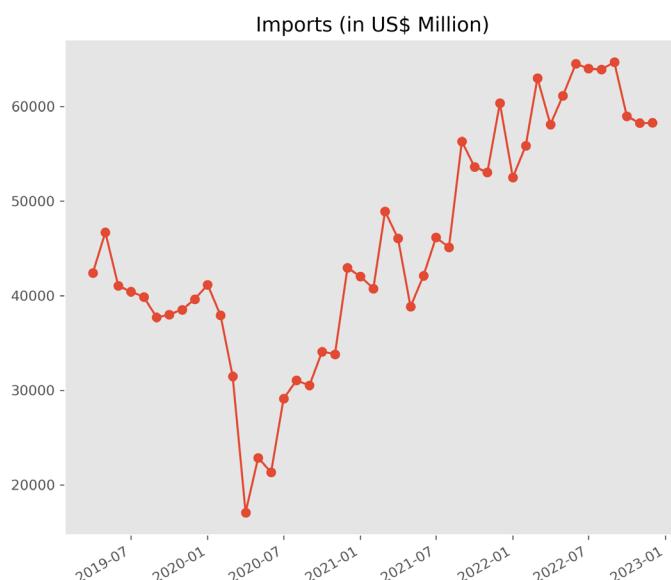
Source: CMIE

December's Indian exports fell MoM to USD 34.47 billion.



Source: CMIE

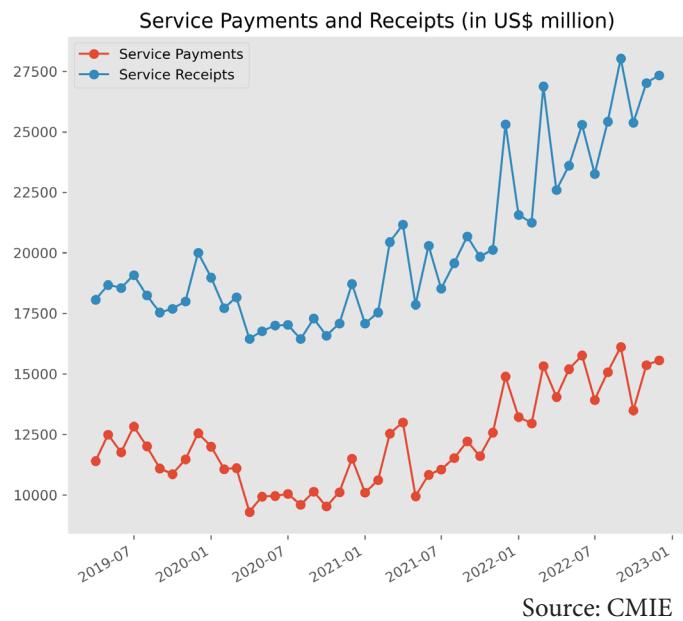
December's imports rose MoM to USD 58.25 billion.



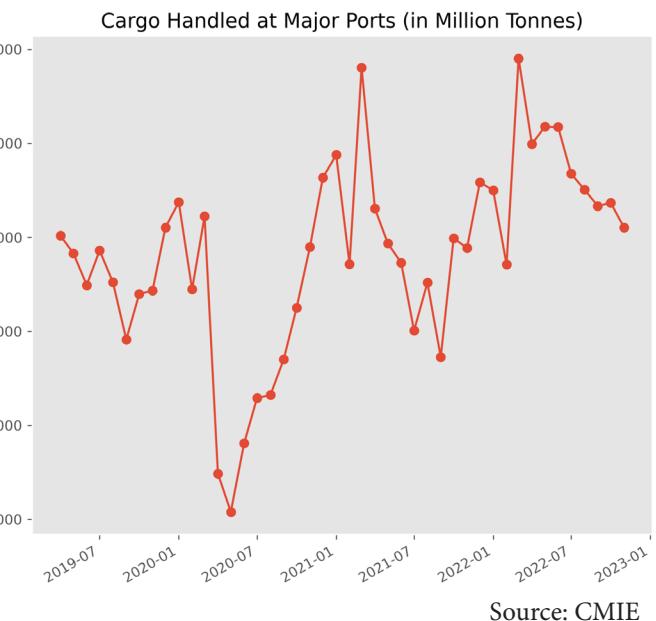
Source: CMIE

Miscellaneous Medium-Frequency Indicators

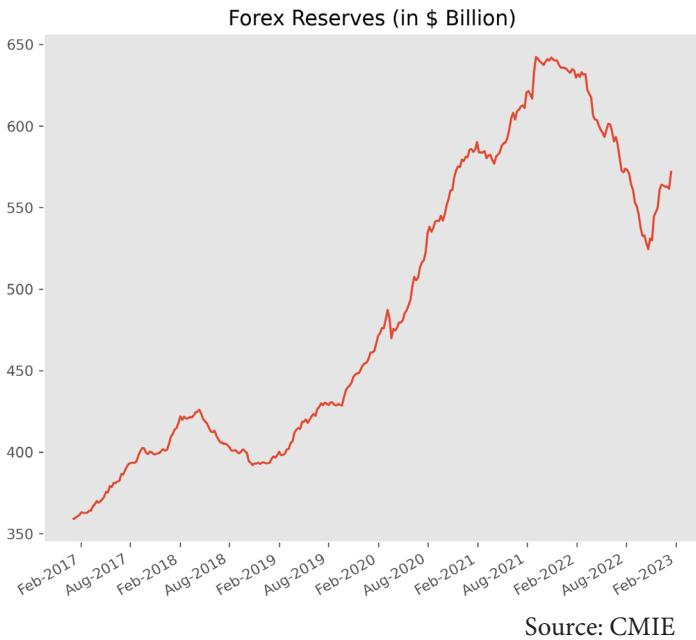
December's service payments and receipts rose marginally MoM.



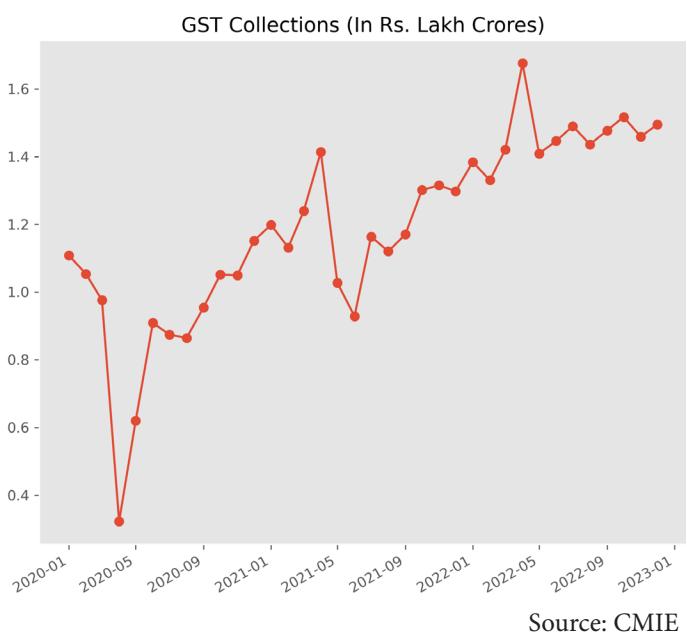
The volume of cargo handled at major ports fell MoM by 2.12% at 60,527 Million Tonnes in November.



Forex reserves rose to USD 572 Billion over the week leading to 13th January, 2023.



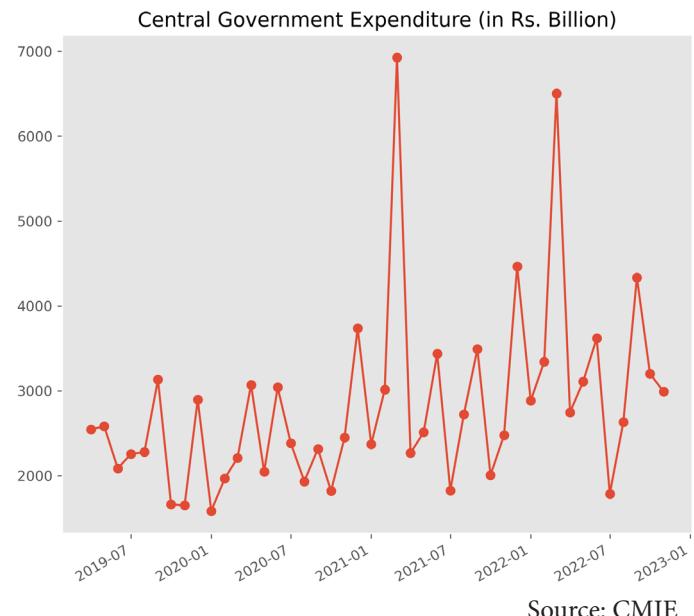
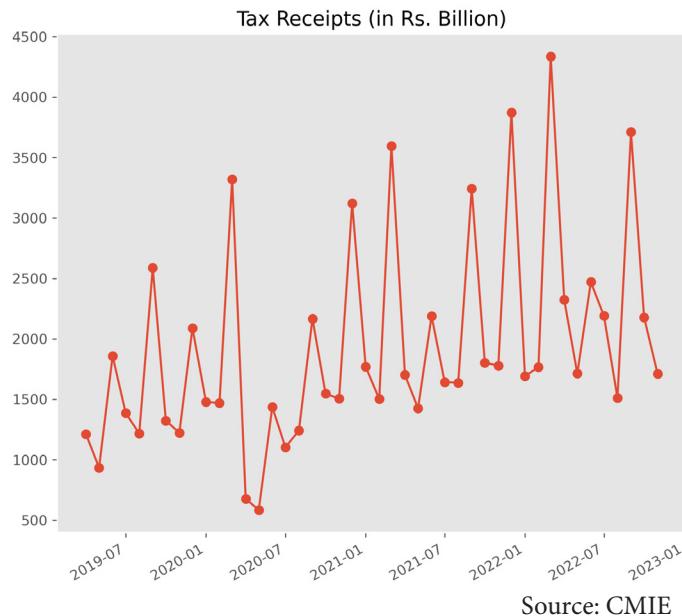
December's GST collections rose MoM to Rs. 1.49 Trillion, up 15% YoY.



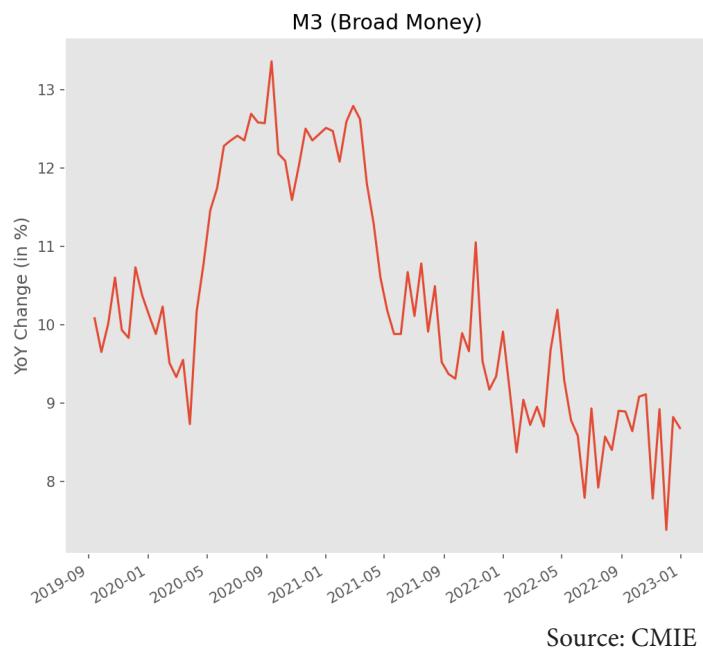
Miscellaneous Medium-Frequency Indicators

November's total Tax receipts fell by 21.5% of October's levels, to Rs. 1,710.4 Billion.

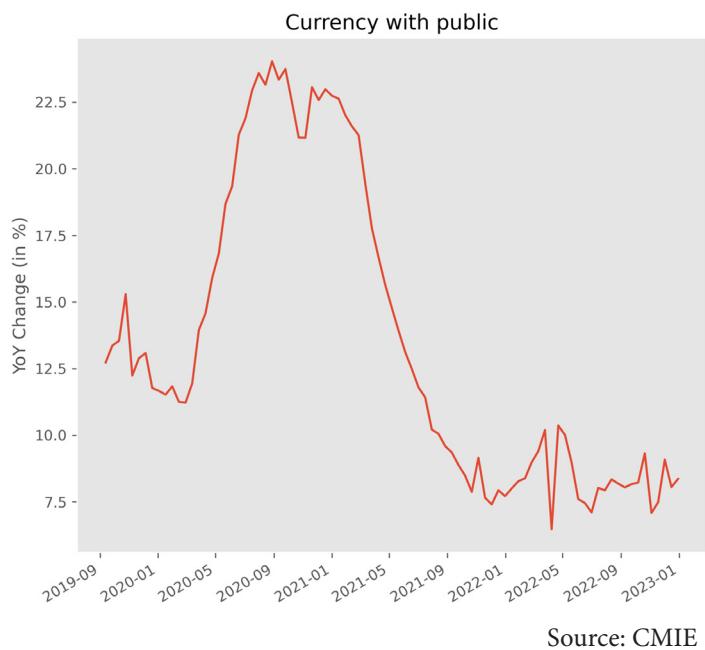
November's Central Government expenditure fell by 6.6% of October's levels, to Rs. 2,990.8 Billion.



%YoY growth of M3 money supply rose over the fortnight of 16th December 2022 to 30th December 2022, standing at 8.68% YoY change, with growth decelerating compared to previous weeks.

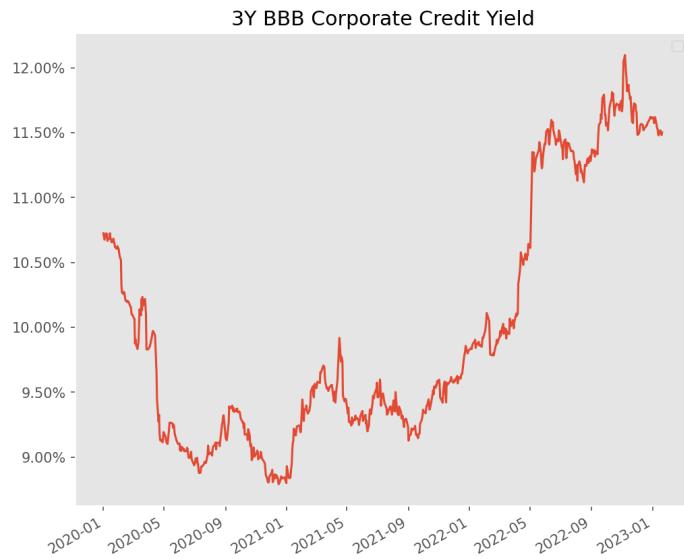


%YoY growth of currency in circulation continued to rise over the fortnight of 16th December 2022 to 30th December 2022, standing at 8.36% YoY, with growth accelerating WoW.



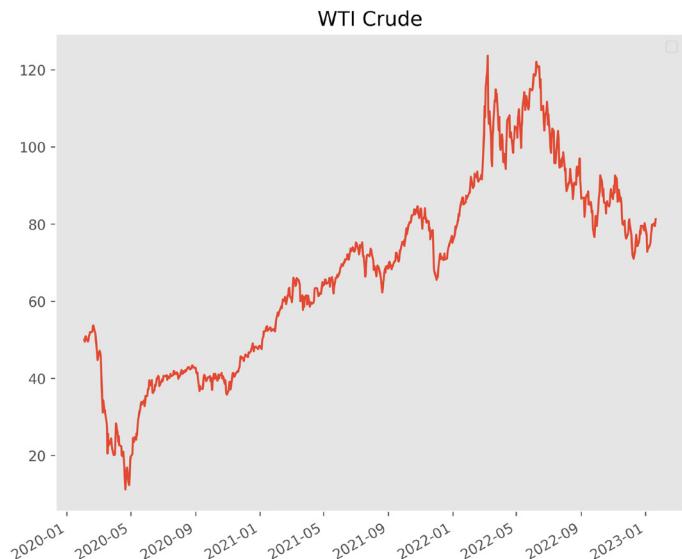
Capital and Commodity Market Indicators

Three-year BBB corporate credit yield reached 11.50%.



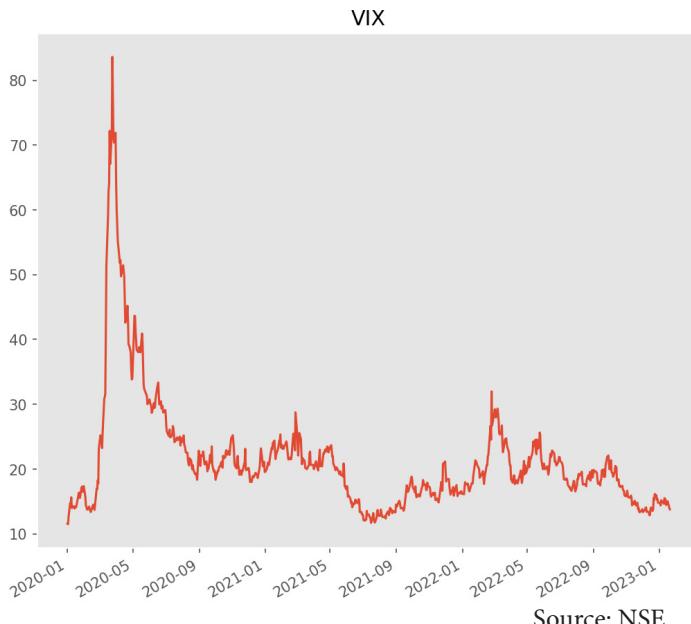
Source: Bloomberg

WTI Crude reached USD 81.31/bbl, as on 20th January, 2023.



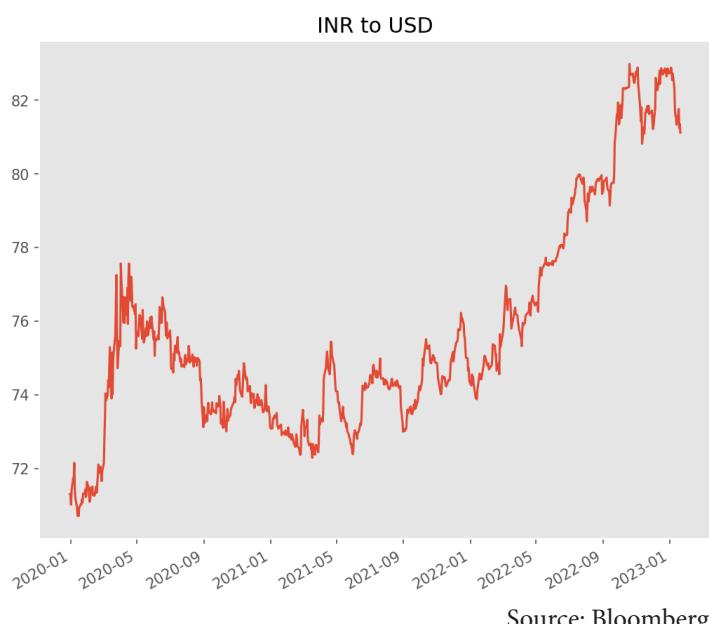
Source: Bloomberg

India's NSE volatility (VIX) reached 13.79.



Source: NSE

INR appreciated over the week as the nominal USD-INR spot rate stands at 81.12 as on 20th January, 2023, from 81.55 a week ago.

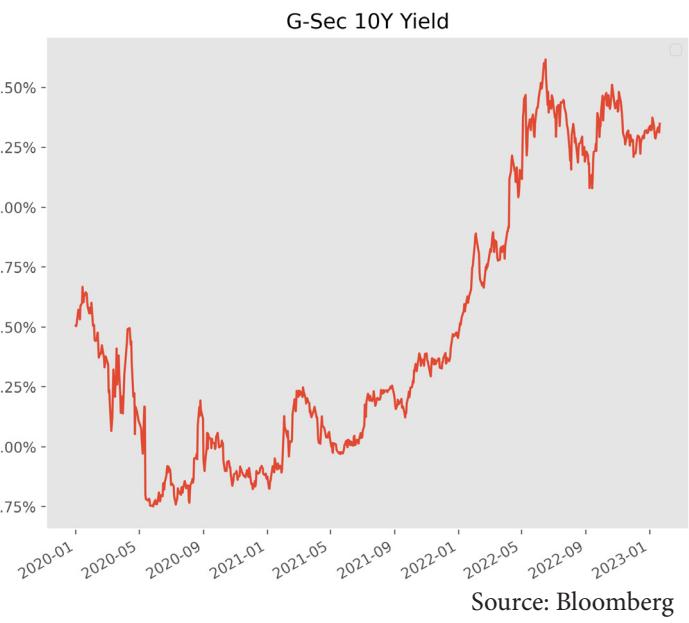
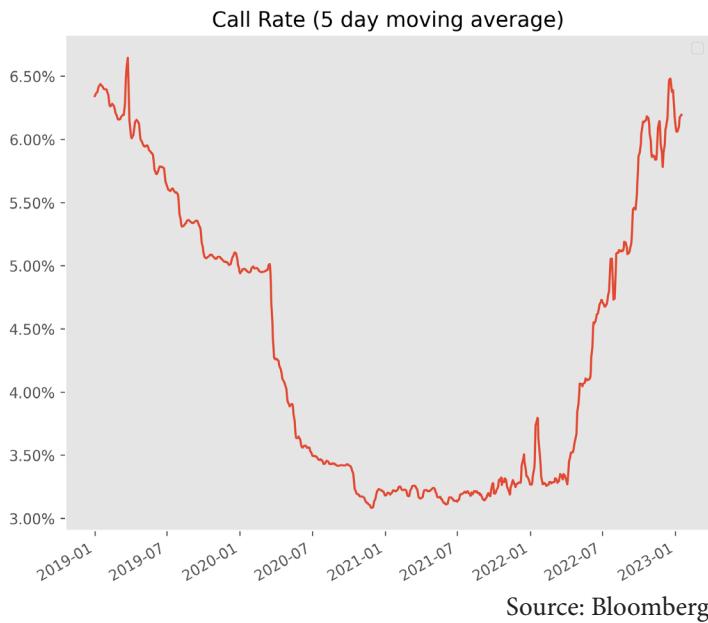


Source: Bloomberg

Money Market and Banking Sector Indicators

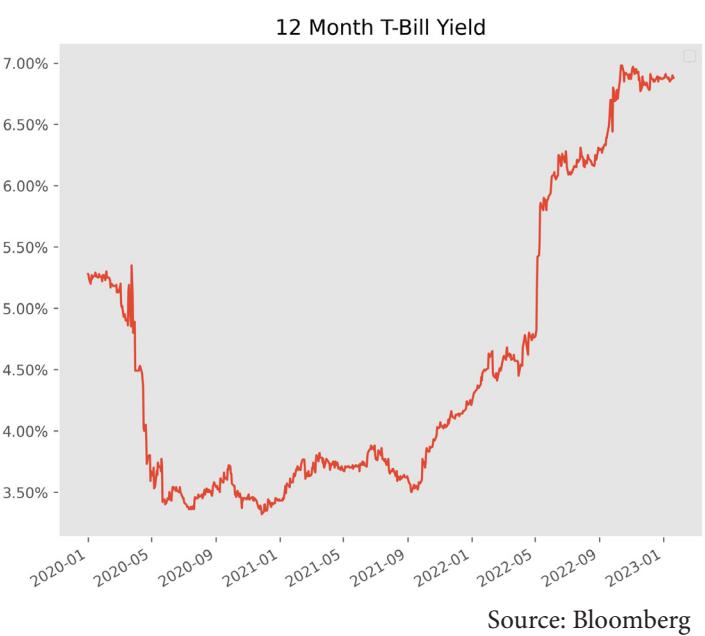
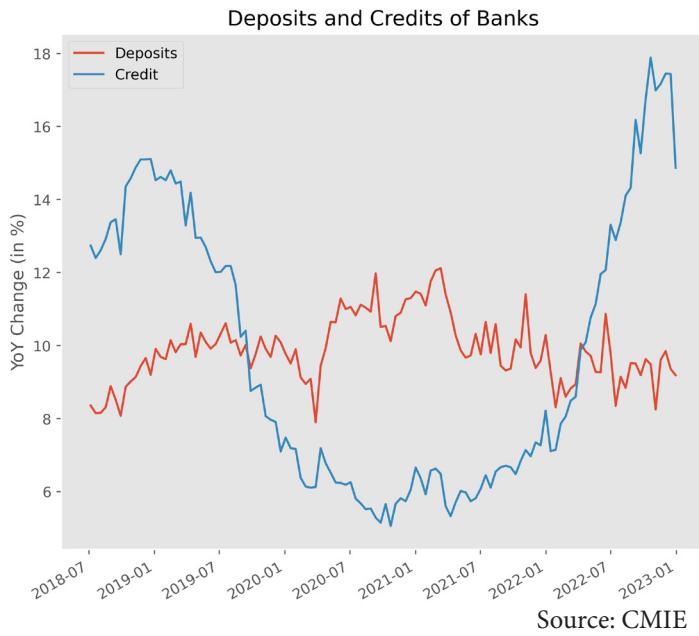
Call rate (5DMA) reached 6.19% (as on 20th January, 2023).

India's 10-year G-Sec yield reached 7.35% as on 20th January, 2023.



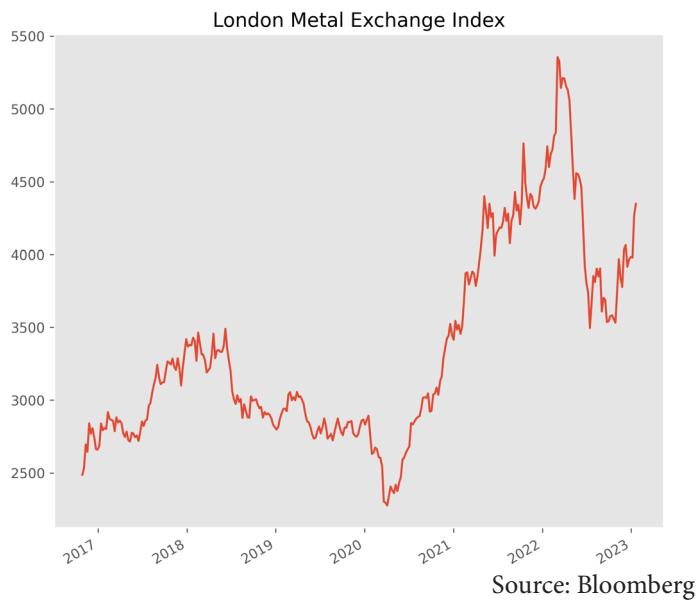
%YoY growth of bank deposits decelerated WoW to 9.19% and %YoY growth of credit decelerated to 14.87% as of 30th December, 2022.

1 year T-bill yield reached 6.88% (20th January, 2023), from 6.85% the previous week.

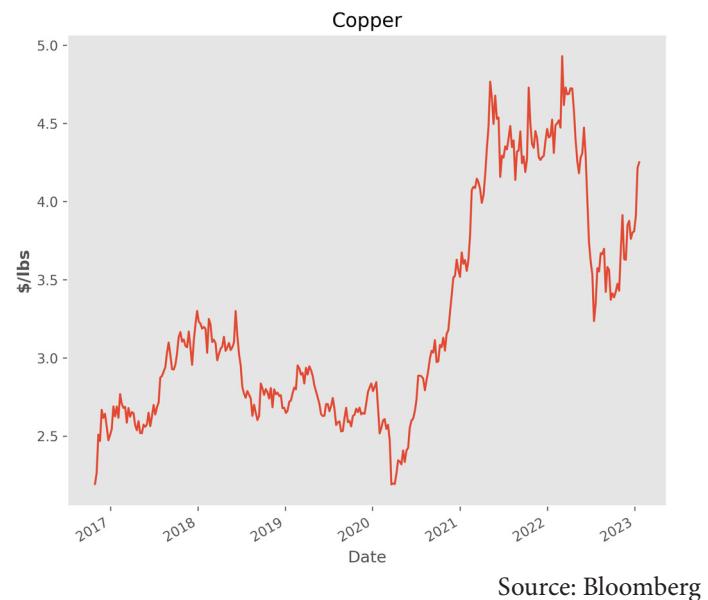


Ex-Crude Oil Commodity Prices

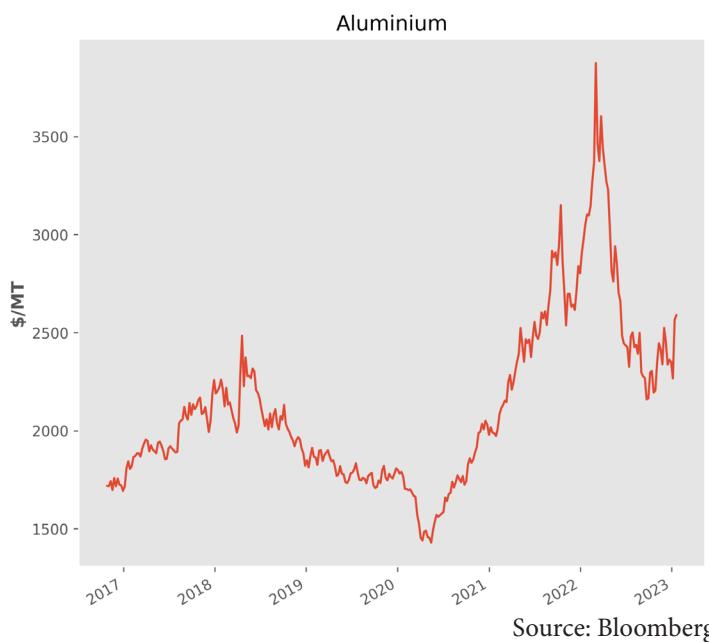
The LME index rose over the week to reach 4,349.



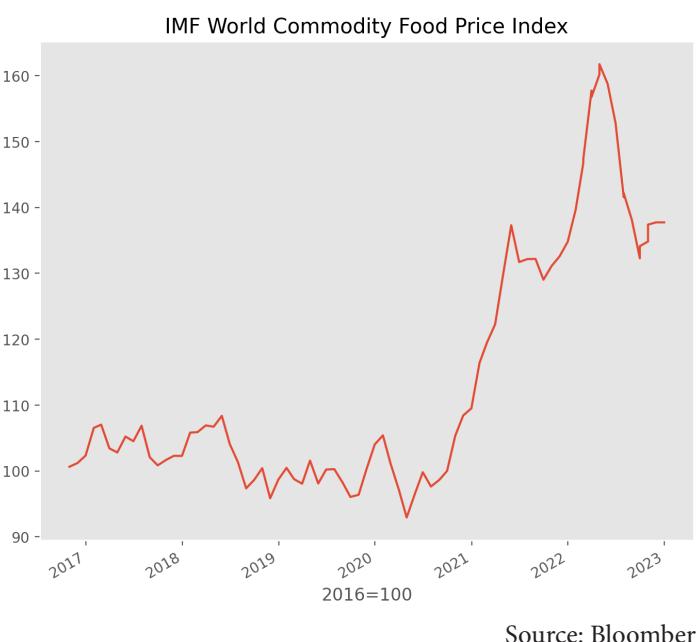
Copper rose WoW to USD 4.25 per pound from USD 3.21 per pound the week before.



Aluminium end of week rates rose to USD 2,589/MT as of 20th January 2023.

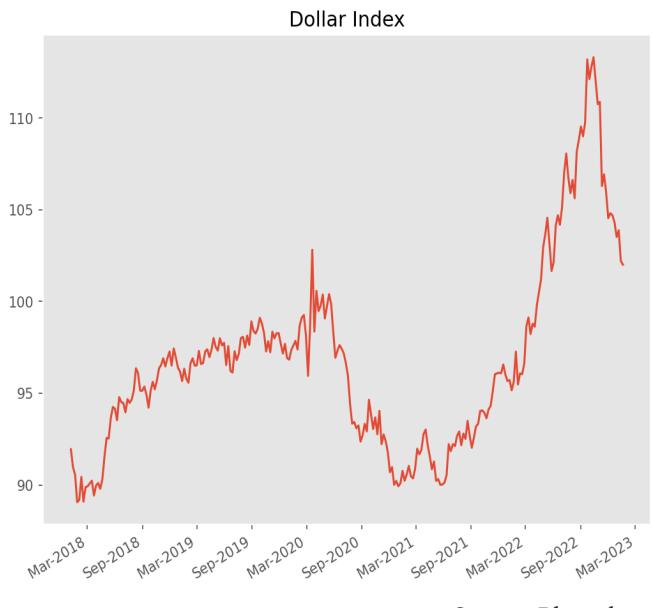


IMF World commodity food price index for December 2022 remained flat at 137.73.

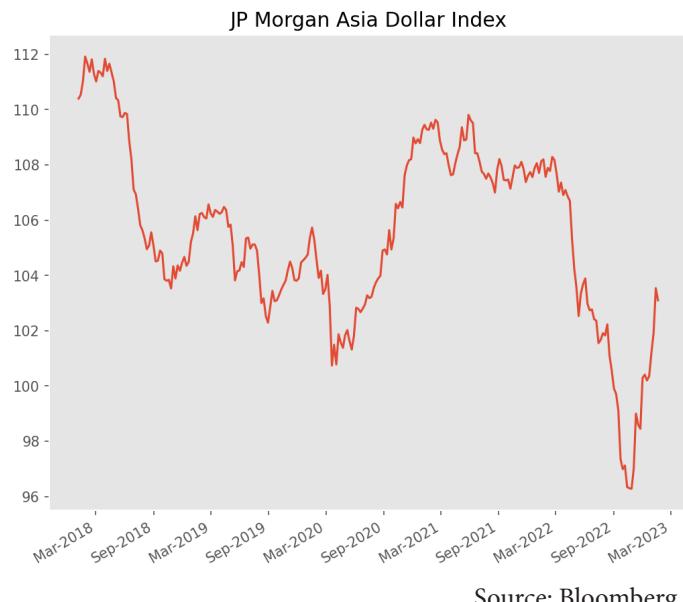


Global Currency Indices

The US\$ fell over the week versus major currencies.

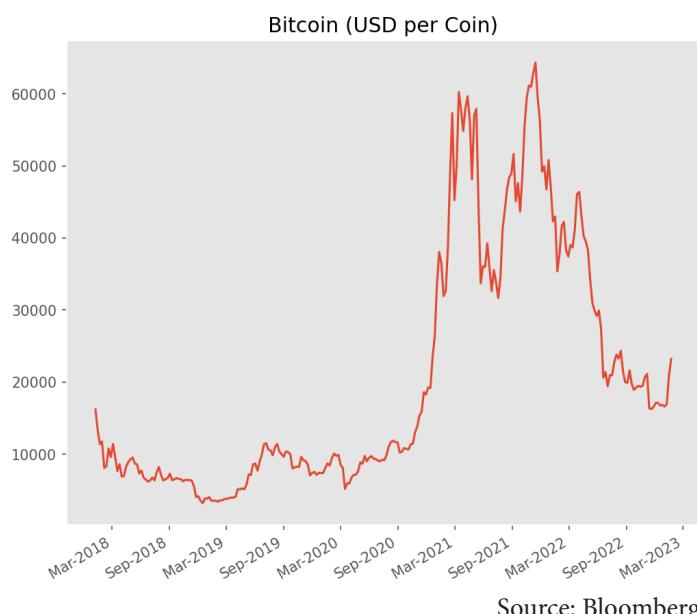
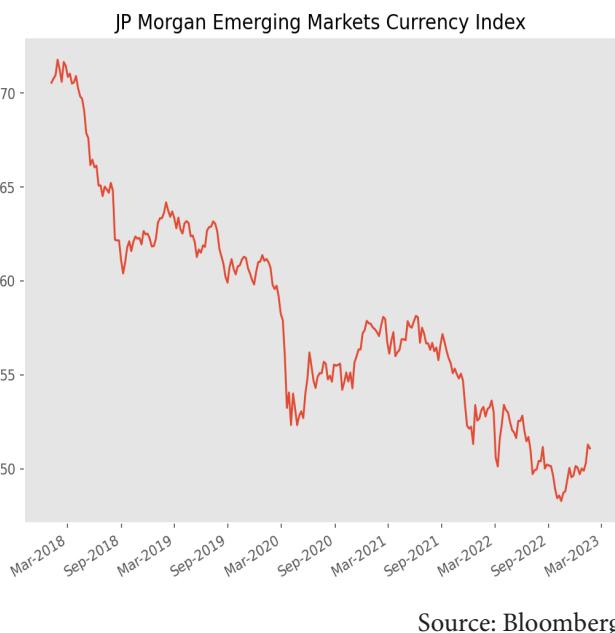


Asian Currencies ended the week marginally stronger versus the US\$.



Emerging Market currencies strengthened marginally versus the US\$, WoW.

Bitcoin rallied to US\$ 23,221.



Economic Activity Heatmap

	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22
Currency in circulation (% YoY)	7.6	8.0	8.6	9.9	10.4	8.8	8.0	8.1	8.1	8.3	9.3	7.7	8.2
M3 (% YoY)	11.4	8.4	8.7	8.7	9.5	8.8	7.8	8.6	8.9	8.6	9.1	8.9	8.7
Rural wage (% YoY)	5.3	4.9	5.1	4.7	5.0	5.4	5.5	5.5	5.8	5.8	6.7		
Urban unemployment (%)	9.3	8.2	7.6	8.3	9.2	8.2	7.3	8.2	9.6	7.7	7.2	9.0	10.1
Rural unemployment (%)	7.3	5.8	8.4	7.3	7.2	6.6	8.0	6.1	7.7	5.8	8.0	7.6	7.4
Naukri job speak index (%YoY)	(2.9)	41.1	30.5	16.3	38.2	39.9	22.0	20.8	5.8	12.7	(2.7)	42.9	50.9
Consumer durable production (% YoY)	(2.6)	(3.6)	(8.7)	(2.6)	7.4	58.4	25.1	2.3	(2.5)	(3.2)	(17.8)		5.1
Consumer non-durable production (% YoY)	(0.1)	2.1	(5.8)	(4.6)	(0.6)	1.0	3.0	(2.8)	(9.5)	(6.3)	(13.4)		8.9
Motorvehicle sales (%YoY)	(10.7)	(18.8)	(23.5)	(17.8)	5.2	256.3	28.0	13.7	20.2	23.4	7.9		22.5
Passenger vehicle (%YoY)	(13.3)	(8.1)	(6.5)	(3.9)	(3.8)	185.1	19.1	11.1	21.1	92.0	28.6	28.1	7.2
Commercial vehicle (% YoY)	3.7	12.5	25.6	16.9	62.1	249.1	87.3	28.8	28.8	44.5	43.0	16.7	
Two wheeler (% YoY)	(10.8)	(21.1)	(27.3)	(20.9)	15.4	255.3	24.0	10.2	17.0	13.5	2.3	17.7	3.9
Tractor sales	(27.5)	(32.6)	(31.3)	(14.3)	40.6	47.4	(14.4)	(15.3)	(1.9)	23.0	6.8	6.5	25.6
Petrol consumption (% YoY)	4.1	(5.3)	3.5	6.2	17.3	51.5	23.2	6.8	11.6	8.8	8.8	8.1	5.9
Diesel consumption (%YoY)	1.6	(6.5)	(0.7)	6.7	7.9	31.7	23.9	8.2	13.0	13.4	5.5	19.2	6.5
Cement production (% YoY)	13.9	14.1	4.2	9.0	7.4	26.2	19.7	6.0	1.8	12.5	(4.3)	28.6	
Steel production (% YoY)	(0.7)	3.8	5.6	4.1	2.2	14.6	3.7	2.3	5.2	5.7	6.5		10.8
IIP (%YoY)	0.7	1.5	1.5	2.2	6.7	19.6	12.7	2.2	(0.7)	3.5	(4.2)		7.1
Mining (% YoY)	2.6	2.8	4.5	3.9	8.0	11.2	7.8	(3.3)	(3.9)	5.2	2.5		9.7
Manufacturing (%YoY)	0.2	1.3	0.5	1.4	5.8	20.6	13.0	3.0	(0.5)	2.2	(5.9)		6.1
Electricity (%YoY)	2.8	0.9	4.5	6.1	11.8	23.5	16.4	2.3	1.4	11.6	1.2		12.7
Capital goods production (%YoY)	(3.8)	1.4	2.0	2.0	13.3	54.4	29.1	5.7	4.3	11.4	(1.7)		20.7
Capital goods imports (%YoY)	20.7	18.8	15.5	(0.5)	11.3	5.3	16.8	38.5	32.3	12.2	2.0	15.4	5.3
PMI Manufacturing Index	55.5	54.0	54.9	54.0	54.7	54.6	53.9	56.4	56.2	55.1	55.3	55.7	57.8
PMI Services Index	55.8	51.5	51.8	53.6	57.9	58.9	59.2	55.5	57.2	54.3	55.1	56.4	58.5
PMI Composite Index	56.4	53.0	53.5	54.3	57.6	58.3	58.2	56.6	58.2	55.1	55.5	56.7	59.4
Rail freight traffic (% YoY)	7.2	7.7	6.6	6.7	9.4	14.6	11.3	8.3	7.9	9.1	1.4	5.2	3.1
Air traffic (% YoY)	53.3	(16.8)	(1.3)	37.3	92.7	493.0	247.1	98.2	54.6	50.2	29.9	11.5	
Major port traffic (%YoY)	(0.6)	(2.8)	(4.5)	1.2	5.5	8.9	13.5	15.1	8.0	14.9	3.6	2.0	10.4
Foreign tourist arrivals (%YoY)	235.5	140.4	141.8	177.9	399.2	2043.7	1349.2	783.9	437.3	363.7	243.2		
Export growth (% YoY)	44.4	27.6	25.1	19.8	29.1	20.8	30.2	8.1	10.9	4.8	(11.6)	9.6	(12.2)
Import growth (% YoY)	40.5	26.2	36.1	24.2	26.1	57.5	53.4	43.8	41.7	14.9	10.0	9.8	(3.5)
Non-oil, non-gold imports (%YoY)	39.1	37.5	35.5	41.0	32.2	32.5	42.3	44.7	40.6	20.5	2.4	6.8	1.1
E-way bills generated (%YoY)	11.6	9.5	8.3	9.7	28.0	84.1	36.2	17.8	18.7	23.7	4.6	32.0	17.5
Bank non-food credit growth (%YoY)	9.5	7.3	8.2	8.7	10.3	11.6	12.4	15.1	16.0	15.7	16.3	16.0	15.3
Personal credit (%YoY)	14.3	11.6	12.3	12.4	14.7	16.4	18.1	18.8	19.5	19.6	20.2	21.3	
Credit to industry (%YoY)	7.6	6.4	6.5	7.1	8.1	8.7	9.5	10.5	11.4	12.6	13.6	13.1	
Credit to services (%YoY)	10.8	7.3	5.6	8.9	11.1	12.9	12.8	16.5	17.2	20.0	22.5	19.7	
Deposit growth (%YoY)	12.1	8.3	8.6	8.9	10.0	8.8	8.6	9.2	9.5	9.2	8.4	9.6	9.2
Commercial Paper issuance (%YoY)	(4.1)	(3.6)	(6.7)	(3.3)	(2.6)	(1.1)	(1.0)	(9.8)	4.7	8.1	(1.6)	(6.7)	2.7
Central Government expenditure (%YoY)	19.44	21.57	11.0	(6.1)	21.2	23.7	5.4	(2.2)	(3.3)	24.1	59.5	20.7	
Indirect tax (%YoY)	(5.8)	(7.4)	(7.1)	0.32	6.2	14.5	25.5	2.3	(1.0)	8.8	18.7	(4.0)	
CPI (%YoY)	5.7	6.0	6.1	7.0	7.8	7.04	7.01	6.71	7.00	7.4	6.77	5.88	5.72

Source: Nirmal Bang

Glossary

Google Mobility Data show movement trends by region, across different categories of places. The mobility trends are aggregated and anonymized; they display changes of mobility of individuals from a baseline.

TomTom Traffic Index provides detailed insights on road congestion levels in cities around the world.

E-Way Bill is a unique document/bill, which is electronically generated for the specific consignment/movement of goods from one place to another, either inter-state or intra-state and of value more than INR 50,000, required under the current GST regime.

GSTR-1 measures the return filing trend of the Goods and Services Tax.

FASTag is an electronic toll collection system, operated by the NHAI. Based on radio frequency identification (RFID) technology, FASTag is affixed on the windscreen of vehicles. In other words, FASTags are prepaid rechargeable tags for toll collection.

3Y BBB Corporate Spread is the yield on a 3 year BBB rated bond, where bonds are rated from AAA (safest) to BBB- (riskiest).

WTI Crude or West Texas Intermediate Crude is a crude oil category that serves as one of the main global oil benchmarks. It is also the underlying commodity for the NYMEX's oil futures contract.

VIX or Volatility Index is a measure of the market's expectation of volatility over the near term, where volatility is defined as the rate and magnitude of changes in prices.

Term Premium is the difference between the yields of the 10-year Government Bond Yield and the 1-year (12 Month) Treasury Bill.

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