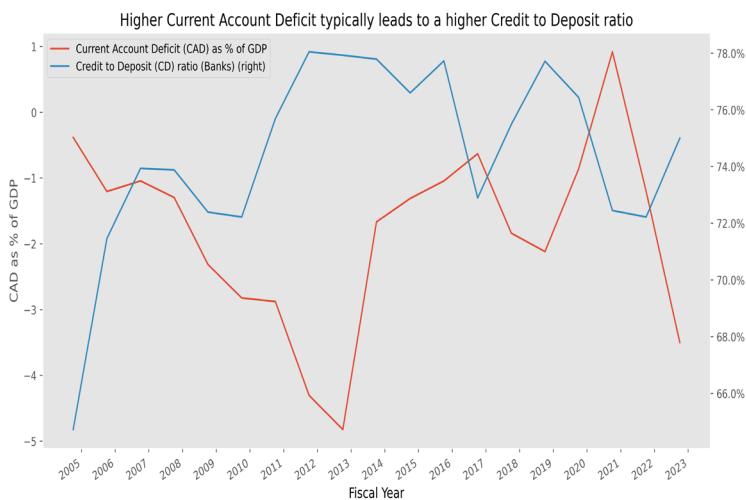


What We Are Tracking

COVID-19 Impact Tracker

Traffic congestion in major cities fell due to the festive season. Consumer sentiment indicators continued to rise steadily. Gap between India's bank credit and deposit growth continue to widen. GST collections in September reached Rs 1.47 tn, marking the 8th consecutive month of collections above the Rs 1.4 tn mark. E-Way bills generated in September reached a record 84.03 mn. Indian merchandise exports and imports rose MoM in September to US\$ 36.9 bn and US\$ 64.02 bn respectively. September's petroleum consumption fell by 3.5% MoM, while railway freight traffic fell 3% MoM. India's forex reserves fell for the 12th consecutive week by US\$ 3.8 bln to reach lowest levels of US\$ 524.5 bln since July 2020. INR to USD fx rate appreciated WoW to Rs. 82.47 as some weakness is witnessed in US\$ against most global currencies. WTI crude oil rose WoW to US\$ 87.6/bbl. Global food prices continue to decline. India's 10 year G-Sec yield reached to 7.2%, while the 1 year T-bill yield rose to 6.9 % as India's Gsec yield curve flattens further. 3 year corporate credit yield fell marginally to 11.72%. Equity market volatility fell WoW in India and developed markets. While global equity market rebounded, Chinese market and tech sector remained under pressure. Global new daily covid cases fell to ~.37 mln. India's daily Covid cases fell to 1.5k (7DMA) with active cases easing to 16,800 over the week. India crossed 219.62 crore cumulative vaccine doses on 28th October 2022.

Chart of the Fortnight



Sources: CMIE, NIMF Research

The gap between Indian banks' yoy credit growth versus deposits growth is at multi year high level. The sharp rise in banks' credit to deposit ratio is putting upward pressure on prevailing deposit interest rates which banks are offering. Among many possible reasons for this wide gap, elevated current account deficit in general and rising balance of payment deficit in particular could be one main reason. Other possible reasons include substitution of costly currency hedged foreign currency denominated external loans to local loans and nominal growth recovery led high cost goods inventory restocking in the system. The RBI would be mindful of this rate transmission amidst steps that they have taken towards monetary policy normalisation in the last few quarters.

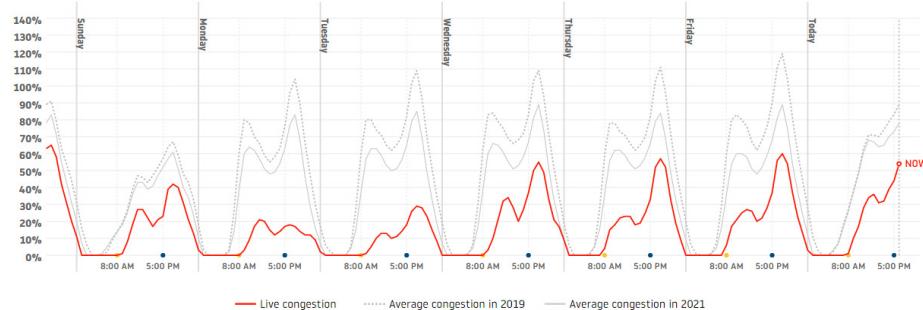
Summary

- Page 2: Traffic congestion in major cities fell over the week as a result of the festive season.
- Page 3: Domestic Airport footfalls (7DMA) fell to 7.1 lakhs. E-Way Bills Generated in August reached a record 84.03 Million.
- Page 4: Weekly Labor force participation rate rose to 39.49% and unemployment rate fell to 6.78% over the week. Consumer sentiment indicators rose broadly over the week. UPI Transaction values (7DMA) fell over the week, after a previous sustained rise due to the festive season.
- Page 5: August's FasTag collections rose MoM to Rs. 4,245 Crores. PMIs witnessed a broadbased fall MoM in September, while remaining in expansion territory (>50).
- Page 6: September's railway freight traffic fell 3% MoM. Exports and Imports rose MoM in September to \$36.9 bln and \$64.02 bln respectively.
- Page 7: September's GST collections rose MoM to Rs.1.47 Lakh Crores. Forex Reserves fell to USD 524.5 Billion over the week. September's service receipts rose and payments remained flat MoM. Cargo volume handled at ports fell 1.33% MoM at 62.54 Billion Tonnes for August.
- Page 8: August's Tax Receipts fell 31% MoM and Central Govt. Expenditure rose 47% MoM. Money Supply growth remained stable.
- Page 9: WTI Crude reached USD 87.6 per barrel and India's NSE volatility (VIX) fell WoW to 15.9. INR appreciated WoW against the USD as the spot rate stands at 82.47.
- Page 10: India's 10-year G-Sec yield reached 7.42%. 1 year T-bill yield rose to 6.9%.
- Page 11: Global metal prices broadly fell over the week, with the IMF Food Price Index Falling to 4% MoM to 132 in September from April highs.
- Page 12: Global currencies (EM, Asian) weakened against the USD, while the Dollar Index fell after a rise in the previous week. Bitcoin prices remained around the US\$ 20,000 mark over the week.
- Page 13: Global daily COVID cases (7DMA) fell to ~.37 mln. India's daily Covid cases (7DMA) fell to 1.5k. India's TPR (7DMA) is now at 1.11%, falling over the week. Active cases fell to ~16,800 from ~27,000 cases the fortnight before.

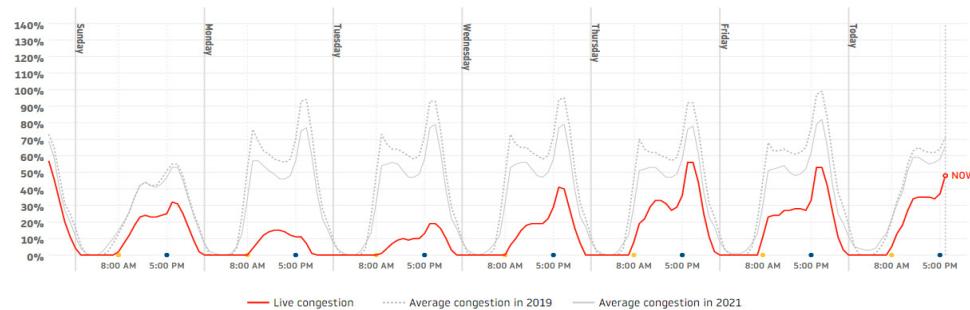
Traffic Congestion

Between 22nd October 2022 - 29th October 2022

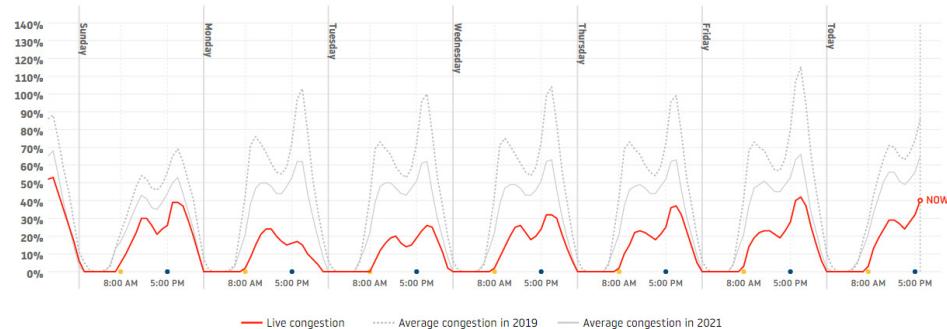
Mumbai



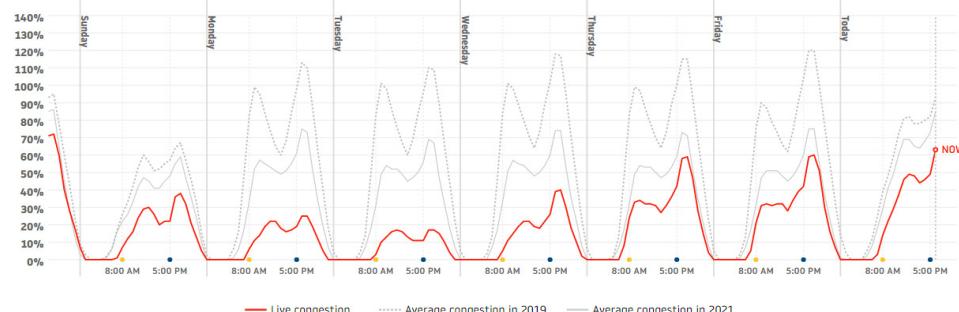
New Delhi



Pune



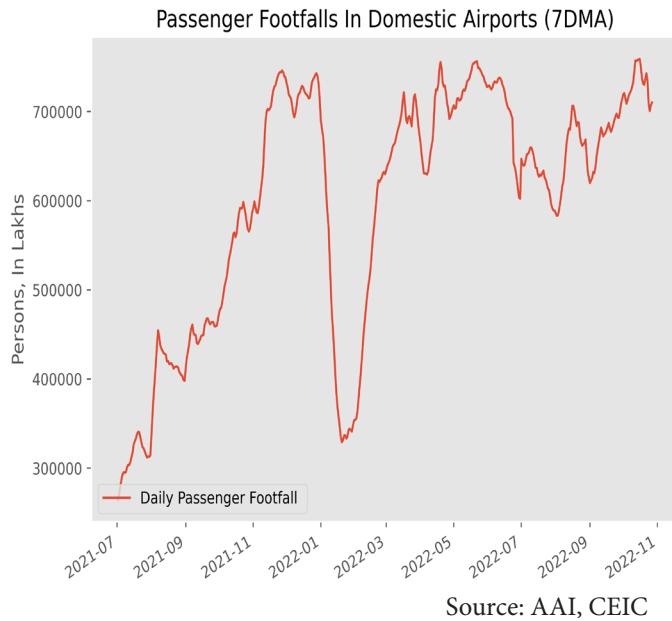
Bengaluru



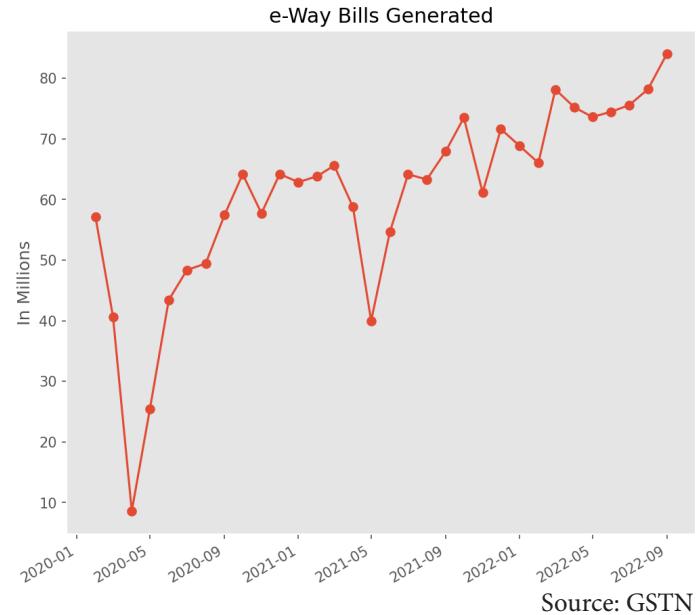
Source: TomTom

Miscellaneous High-Frequency Indicators

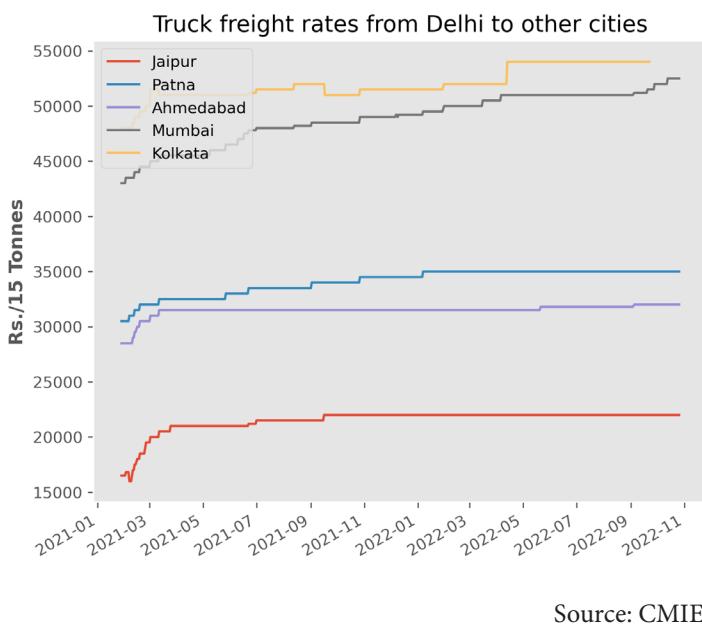
Domestic Airport footfalls (7DMA) fell WoW to 7.1 Lakhs as on 27th October, 2022.



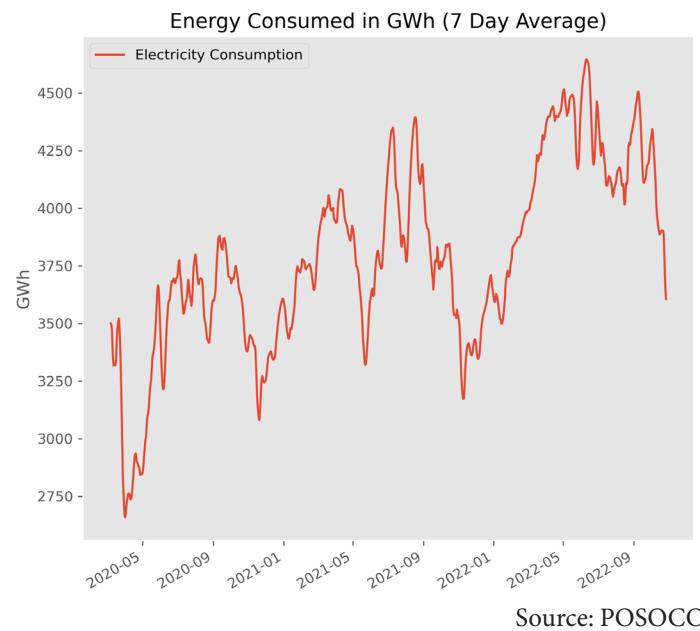
The number of e-Way bills generated in September stood at a record 84.03 Million.



Truck freight rate from Delhi to other cities remained flat WoW, with incremental growth seen in rates to Mumbai.

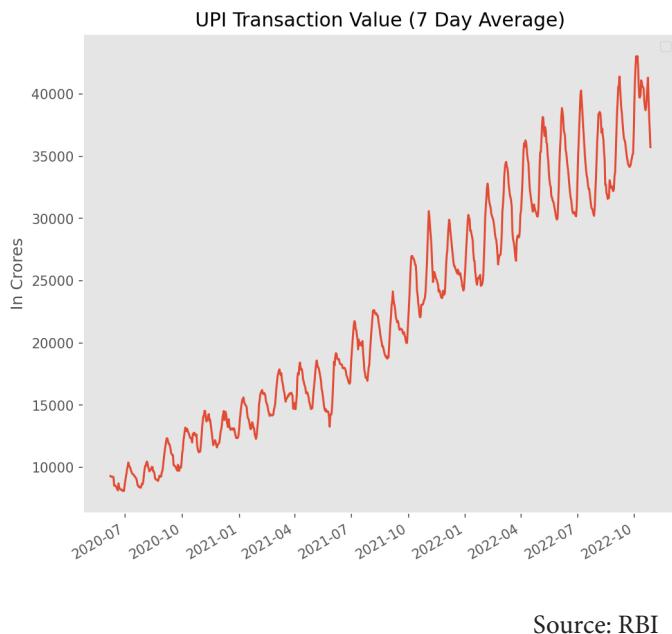


Indian electricity consumption (7DMA) continued its fall over the week.

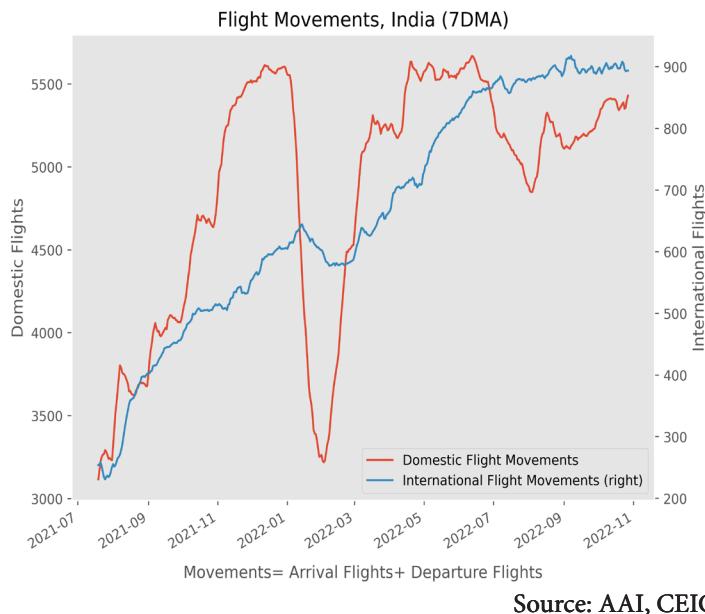


Miscellaneous High-Frequency Indicators

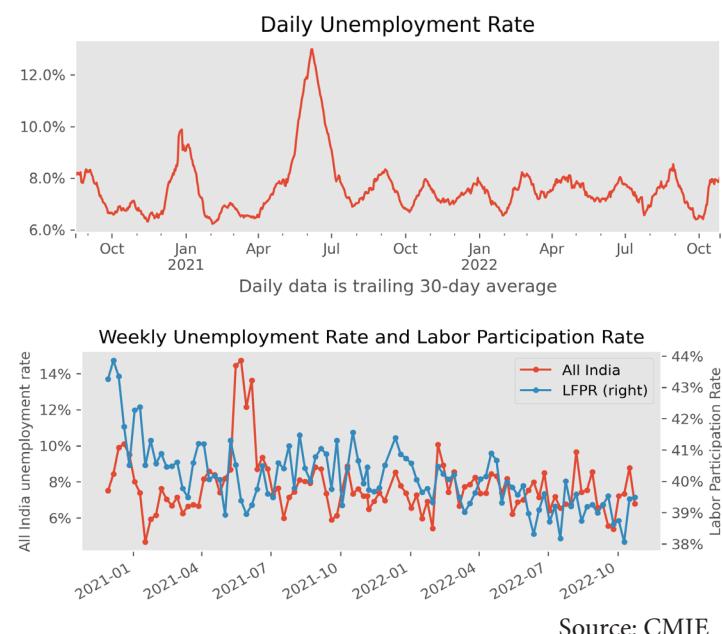
UPI transaction value (7DMA) witnessed a cyclical fall after a rising during the festive season.



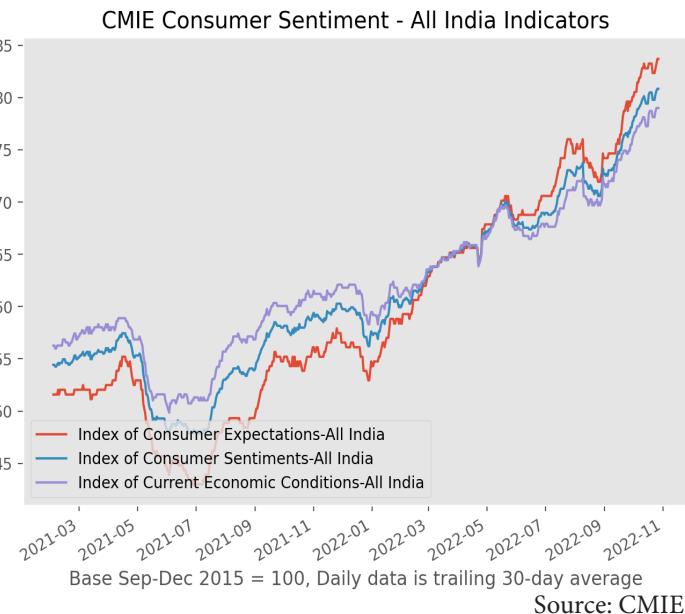
Domestic Flight movements rose and International Flight movements remained flat (7DMA) over the fortnight leading to 27th October, 2022.



Weekly labor force participation rate rose WoW to 39.49%. Unemployment rates fell over the week to 6.78%, as on 23rd October, 2022.



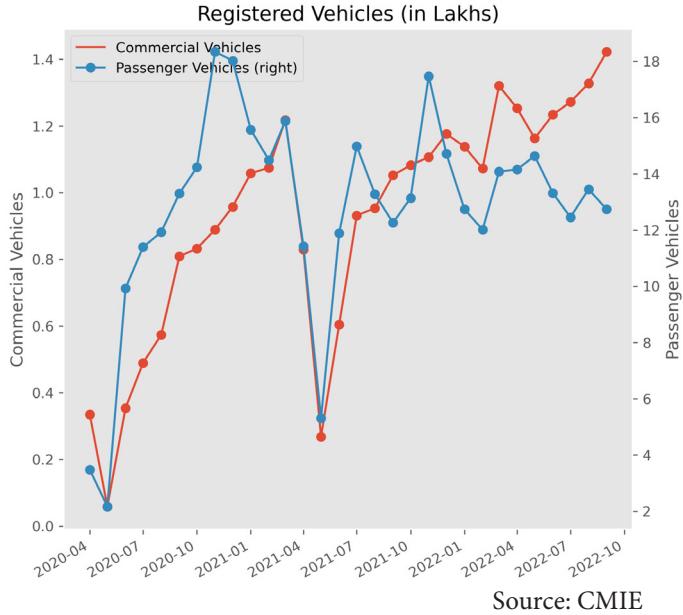
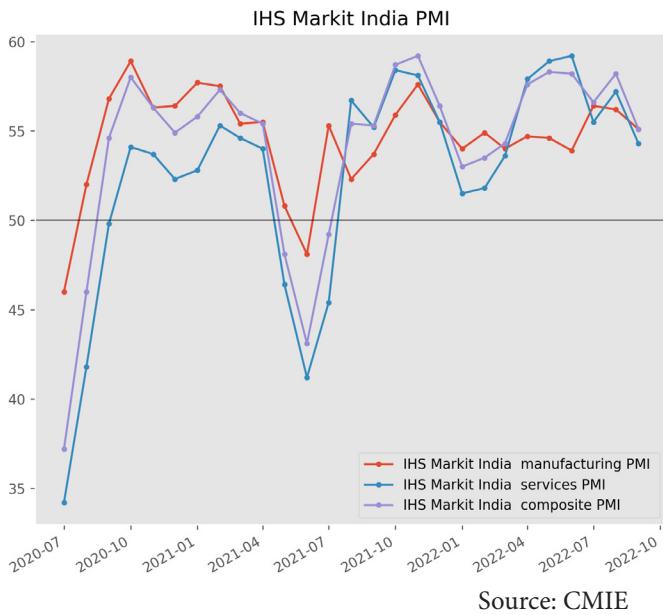
Consumer sentiment indicators continued to rise over the week. Remum porarbite mendiis, prae perori sulem auriandiem, publicios facrununtium moena ad imis auressolicam dum



Miscellaneous Medium-Frequency Indicators

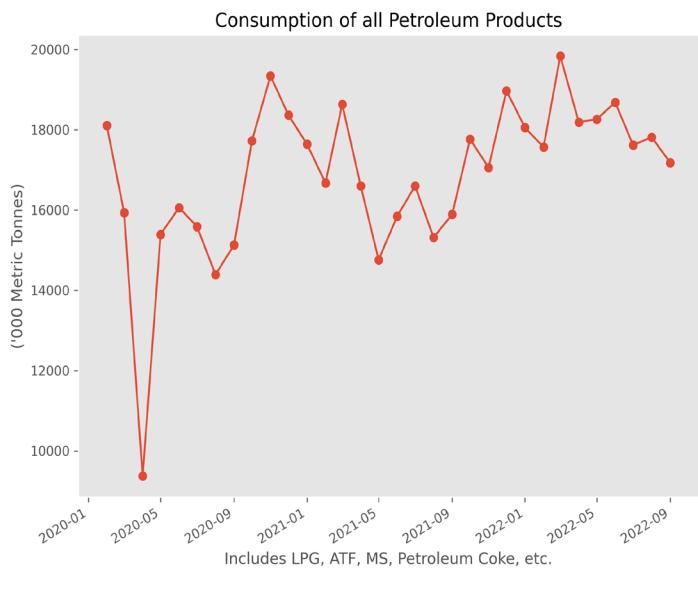
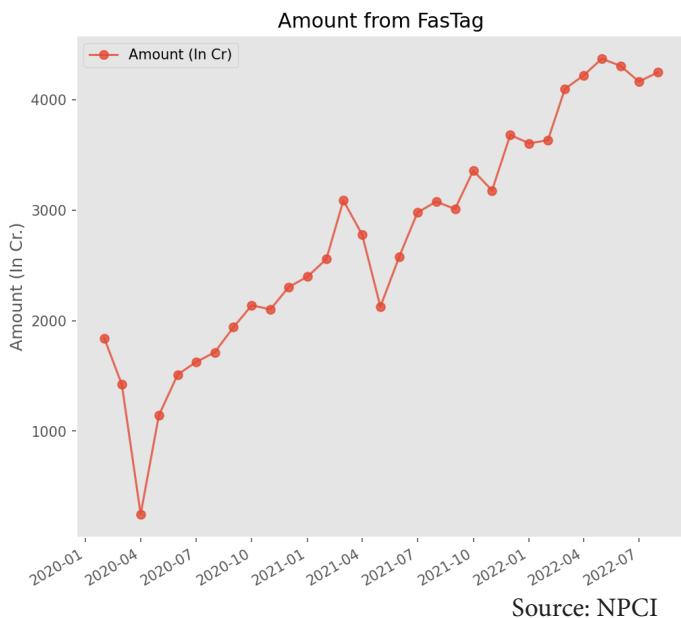
September witnessed a contraction in all indices MoM.

Passenger vehicle registrations fell and Commercial vehicle registrations rose in September.



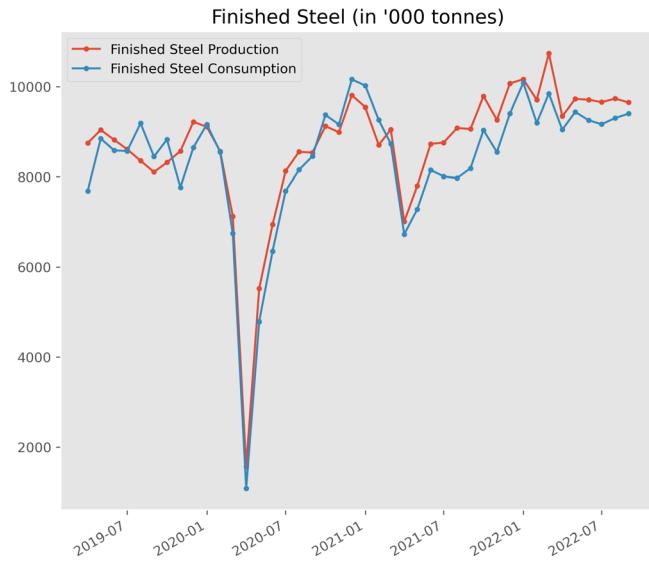
August's FasTag collections rose to Rs. 4,245 Crores.

September's petroleum consumption fell by -3.55% MoM.



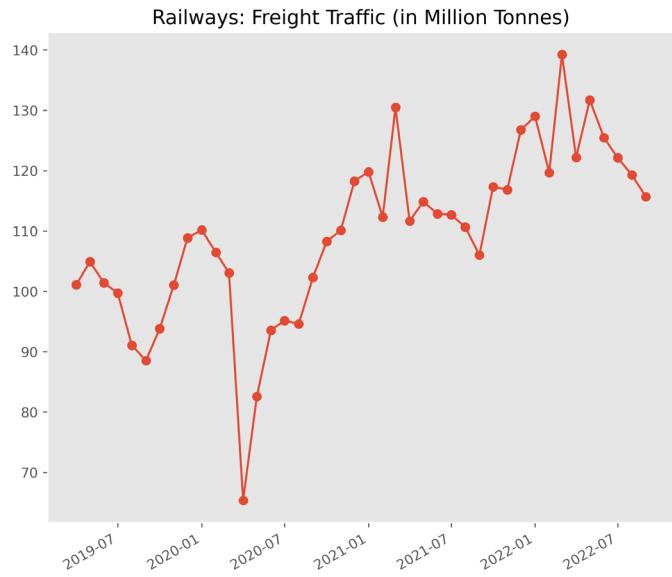
Miscellaneous Medium-Frequency Indicators

September's steel production fell and consumption remained flat MoM.



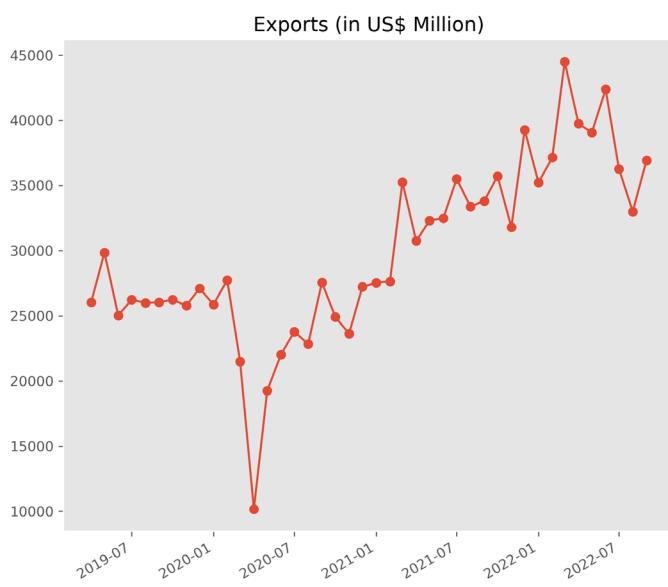
Source: CMIE

September's railway's freight traffic fell by 3% MoM.



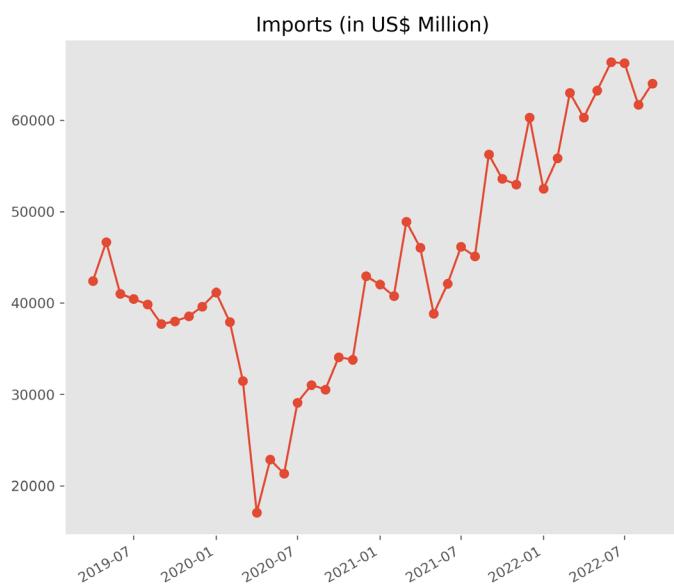
Source: CMIE

September's Indian exports rose MoM to USD 36.9 billion.



Source: CMIE

September's imports rose MoM to USD 64.02 billion.

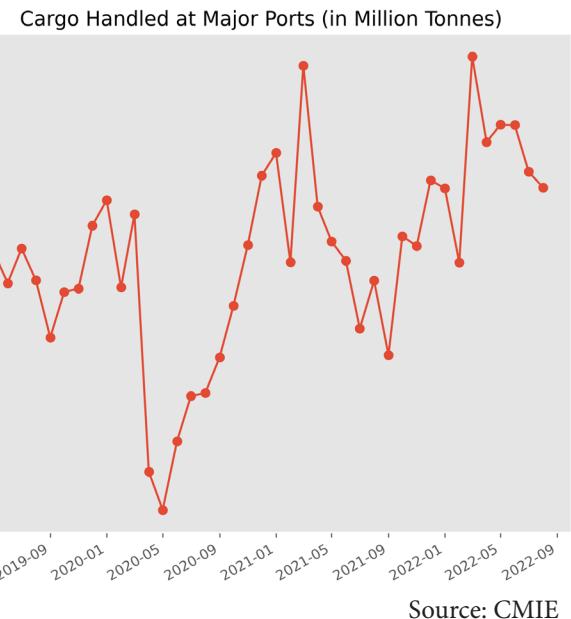
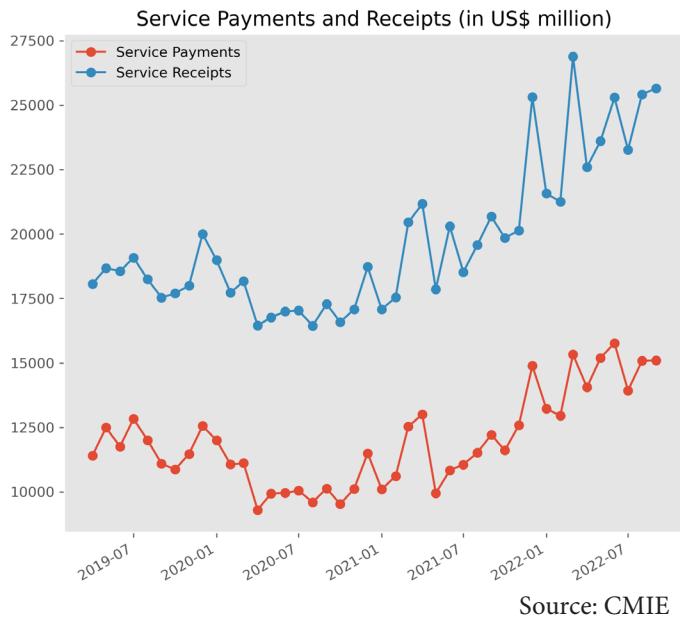


Source: CMIE

Miscellaneous Medium-Frequency Indicators

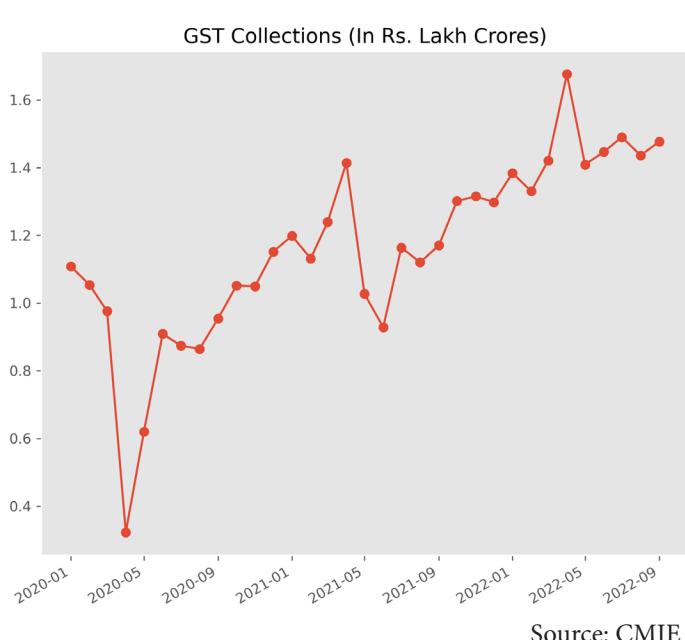
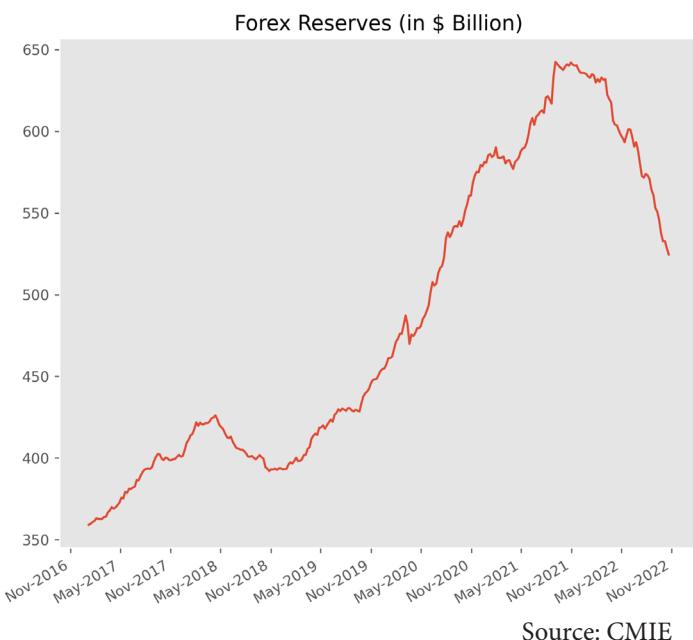
September's service payments remained flat and receipts rose marginally MoM.

The volume of cargo handled at major ports fell MoM by 1.33% at 62,542 Million Tonnes in August.



Forex reserves in USD terms fell to USD 524.5 Billion over the week leading to 21st October, 2022.

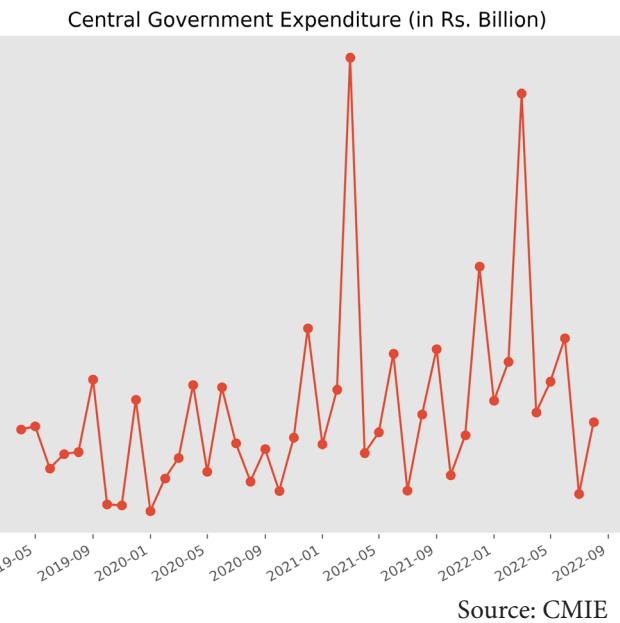
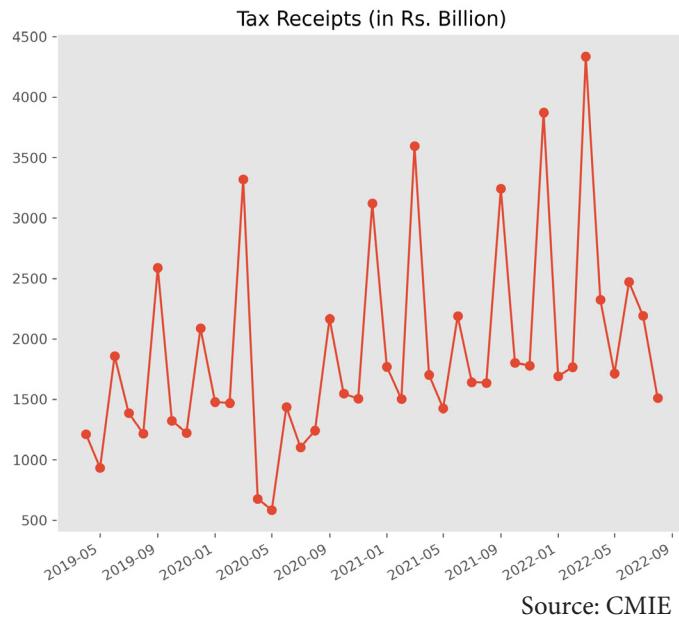
September's GST collections rose MoM to Rs. 1.47 Trillion, up 26% YoY.



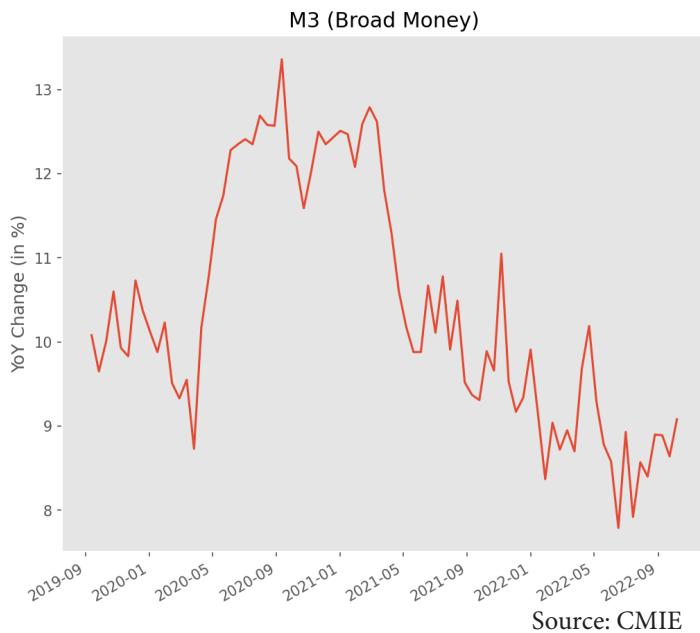
Miscellaneous Medium-Frequency Indicators

August's total tax receipts fell by 31% of July's levels, to Rs. 1,511 Billion.

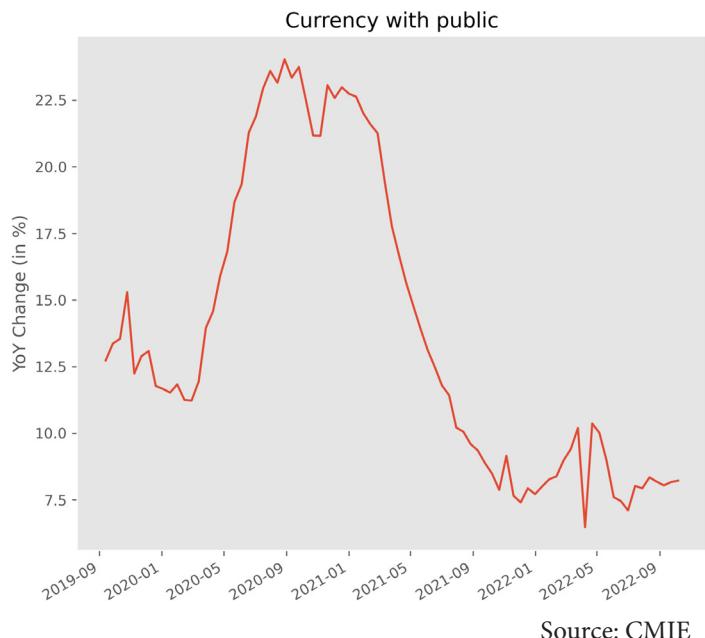
August's Central Government expenditure rose by 47% of July's levels, to Rs. 2,632 Billion.



%YoY growth of M3 money supply rose over the fortnight of 23rd September to 7th October, standing at 9.03% YoY change, with growth rising compared to previous weeks.

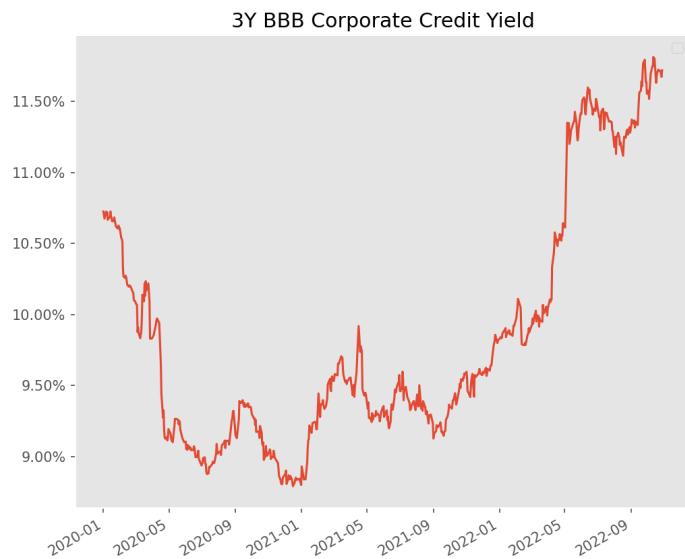


%YoY growth of currency in circulation continued to rise over the fortnight of 23rd September to 7th October, standing at 8.22% YoY, with growth remaining flat WoW.



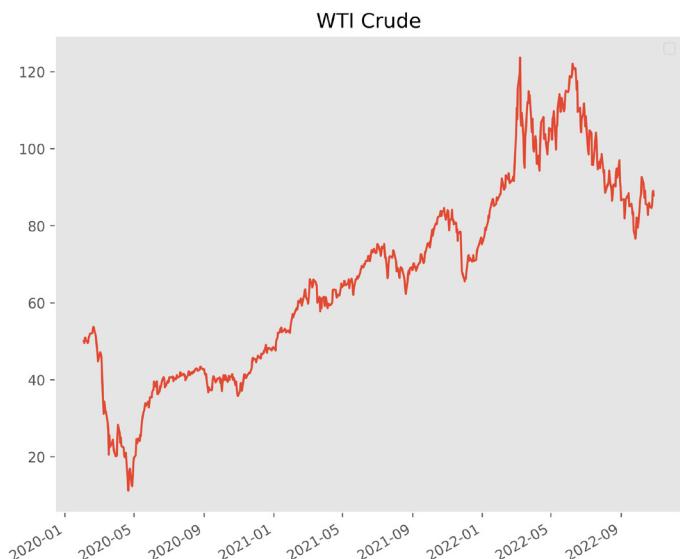
Capital and Commodity Market Indicators

Three-year BBB corporate credit yield reached 11.72%.



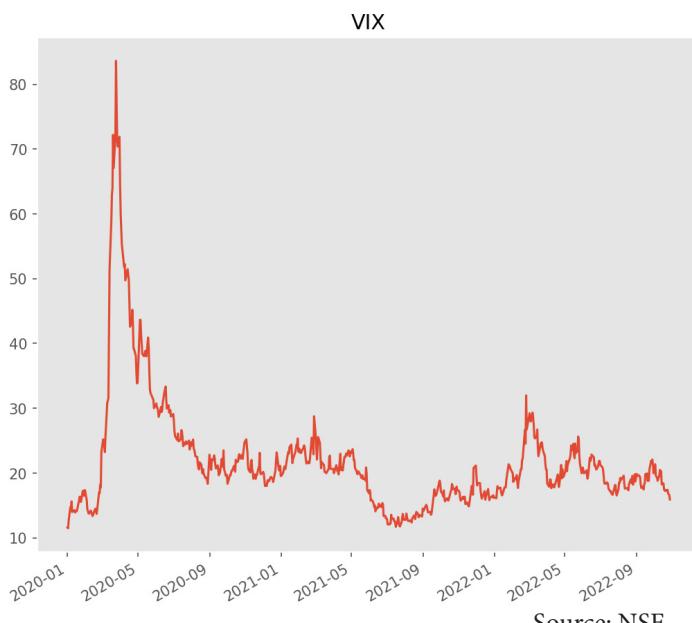
Source: Bloomberg

WTI Crude reached USD 87.9/bbl, from USD 86/bbl the week before, rising 2% in a week.



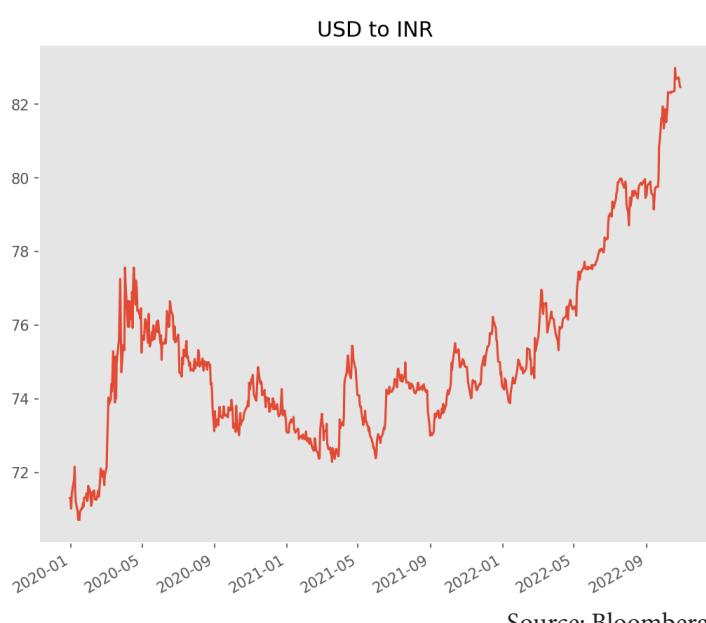
Source: Bloomberg

India's NSE volatility (VIX) stands at 15.92, with volatility falling marginally WoW.



Source: NSE

INR appreciated marginally over the week as the nominal USD-INR spot rate stands at 82.47 as on 28th October, 2022, from 82.76 a week ago.

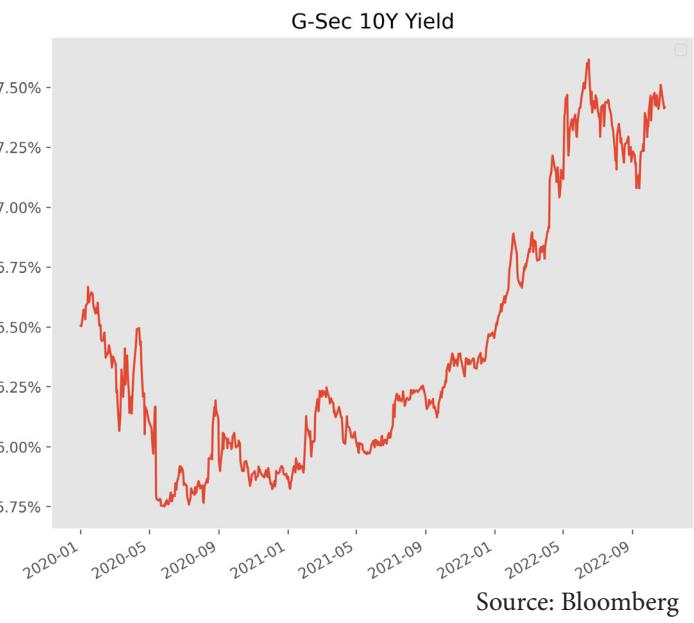
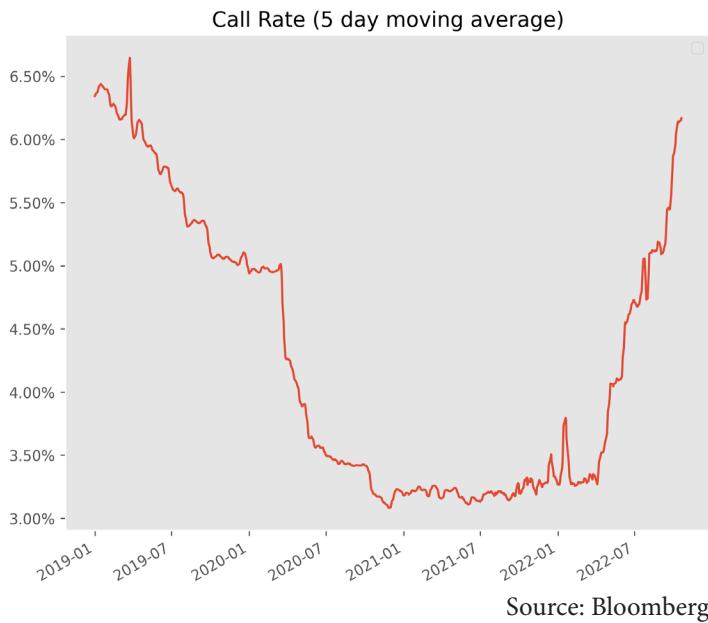


Source: Bloomberg

Money Market and Banking Sector Indicators

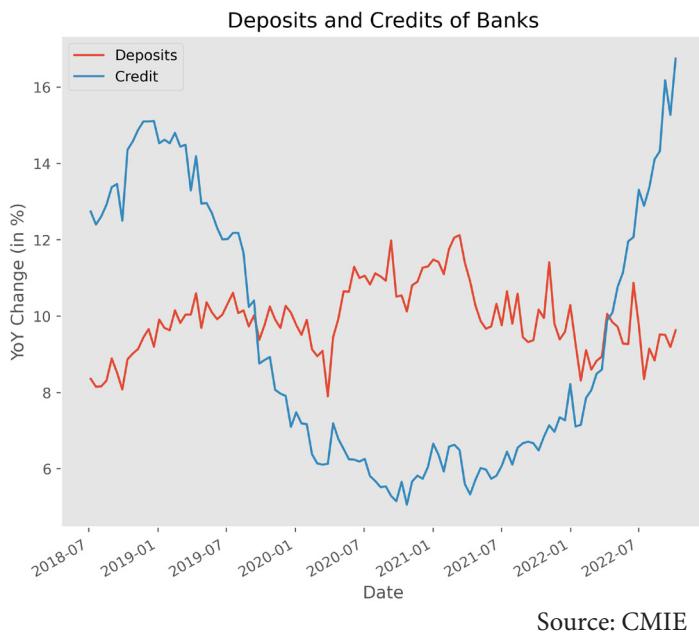
Call rate (5DMA) rose over the week to reach 6.18% (as on 28th October, 2022).

India's 10-year G-Sec yield fell marginally WoW to 7.42% on 28th October 2022.



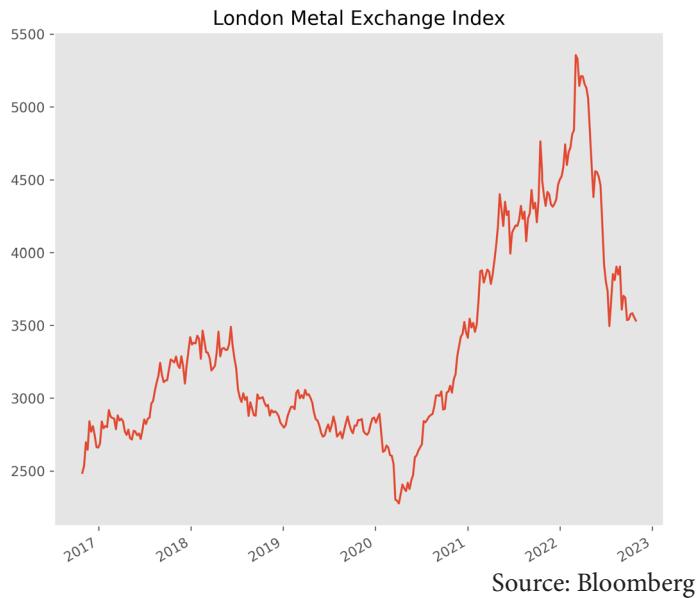
%YoY growth of bank deposits accelerated WoW to 9.63% and %YoY growth of credit accelerated to 16.75% as of 7th October, 2022.

1 year T-bill yield reached 6.91% (28th October, 2022), from 6.90% the previous week.

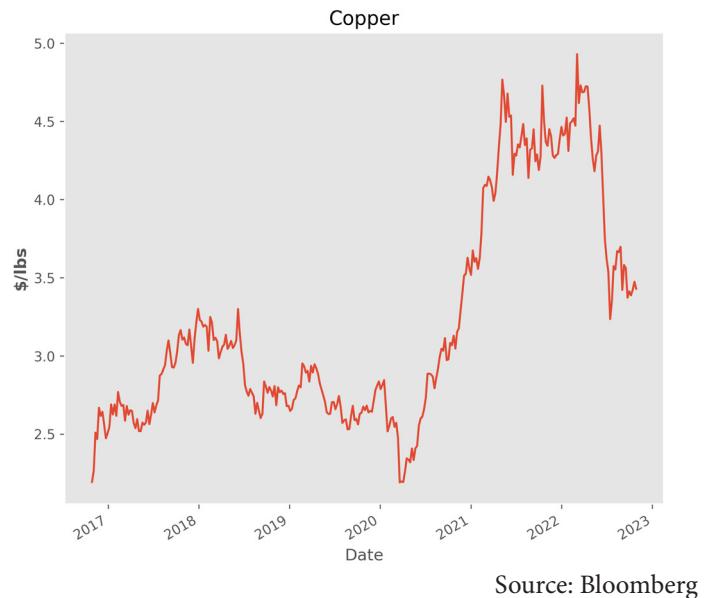


Ex-Crude Oil Commodity Prices

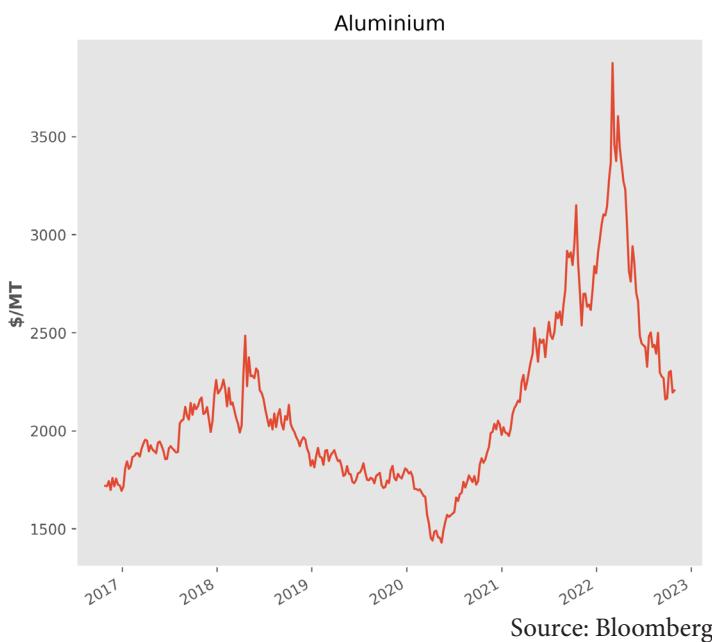
The LME index fell marginally over the week to reach 3531.



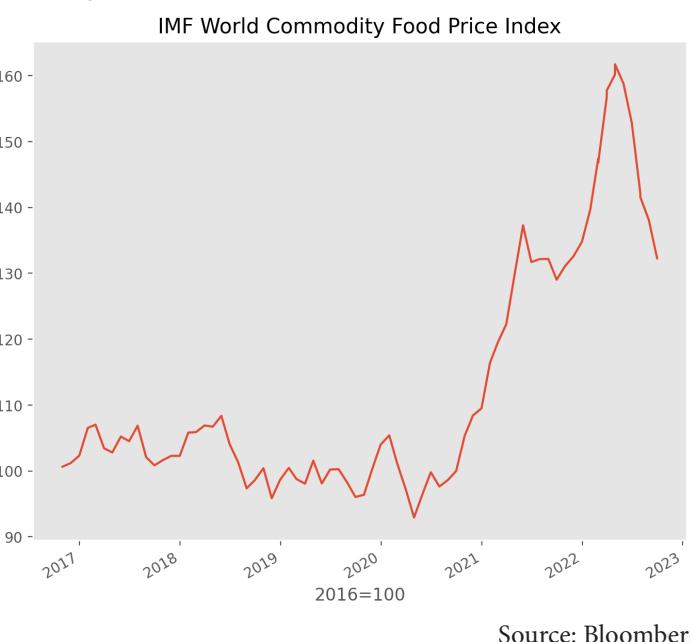
Copper fell WoW to USD 3.43 per pound from USD 3.47 per pound the week before.



Aluminium end of week rates rose by 0.4% to USD 2205/MT as on 18th October, from USD 2195/MT the week before.

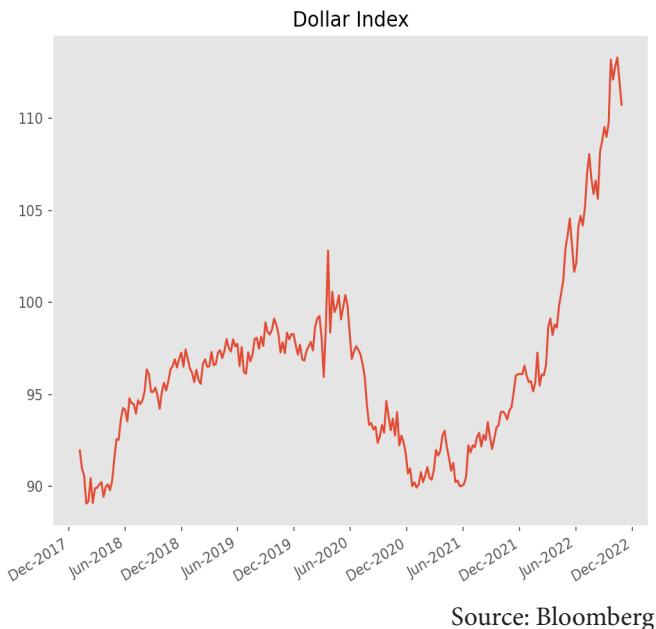


IMF World commodity food price index for September fell ~4% MoM to 132.27, after peaking in April.

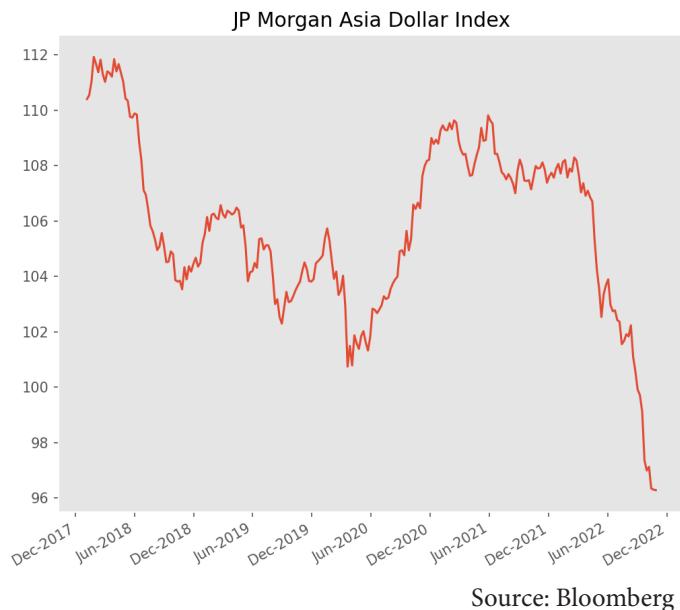


Global Currency Indices

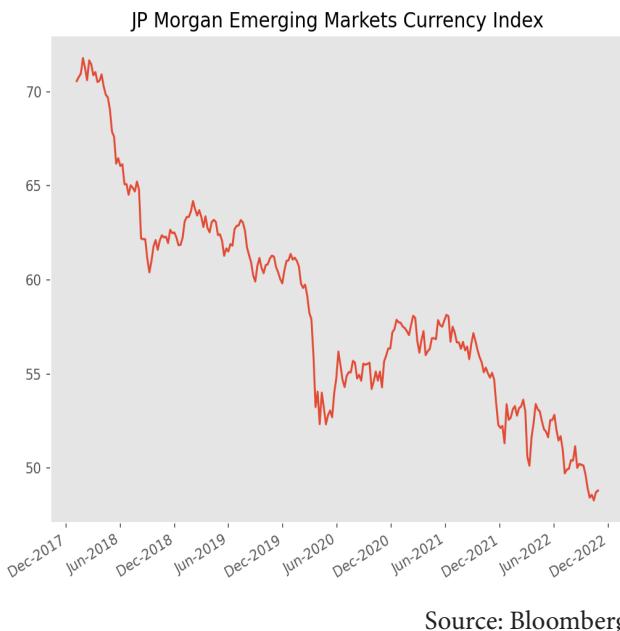
The US\$ weakened after a peak in the previous weeks.



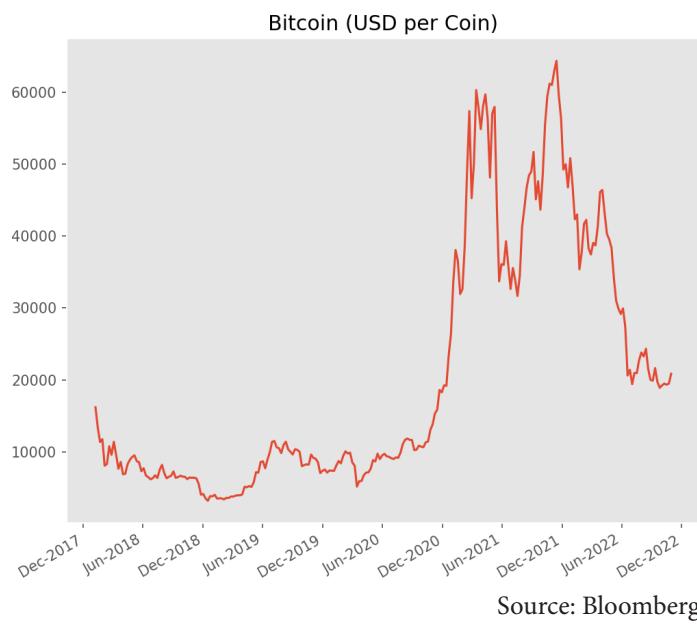
Asian Currencies fell over the week against the US\$.



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

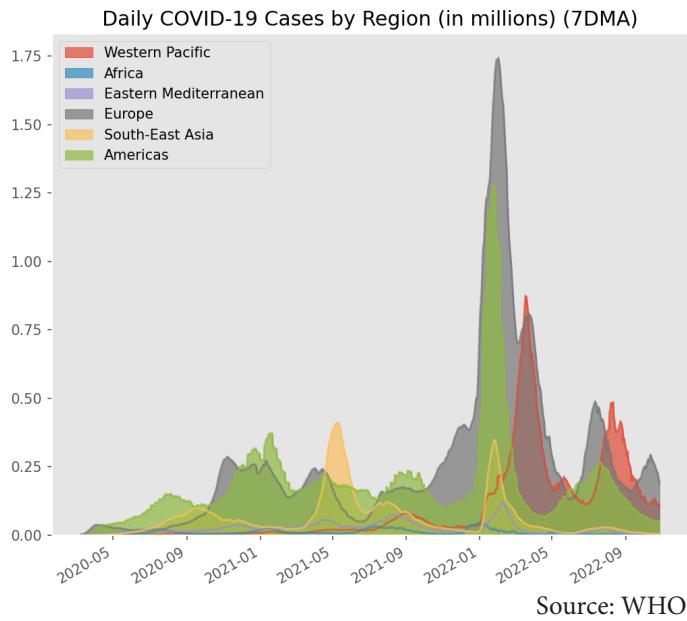


Bitcoin remained around the US\$ 20,000 mark over the week.

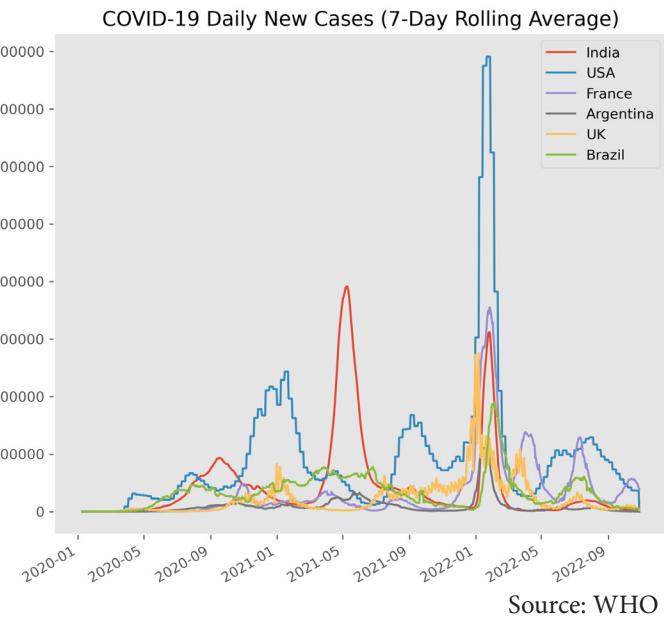


COVID-19 Statistics Around the World

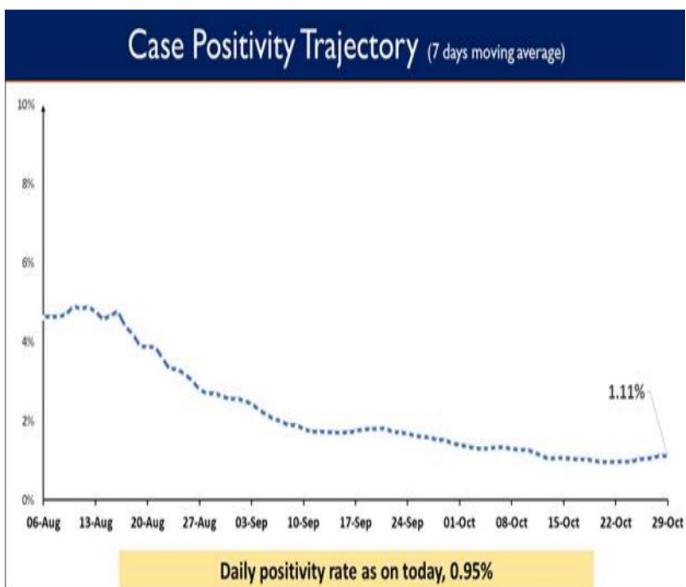
Global daily COVID cases (7DMA) remained flat WoW at .37 mln.



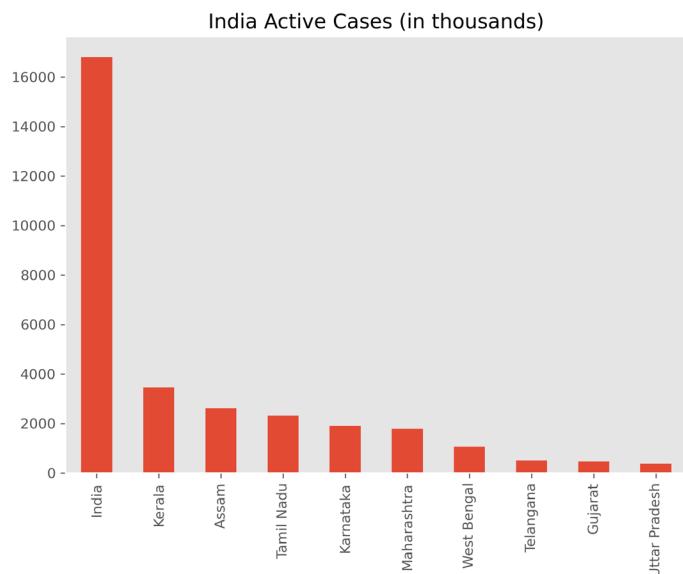
India's daily Covid cases fell over the week, with the 7DMA at ~1.5k, as on 28th October, 2022.



India's weekly TPR fell over the past fortnight, to 1.11% as on 28th October, 2022.

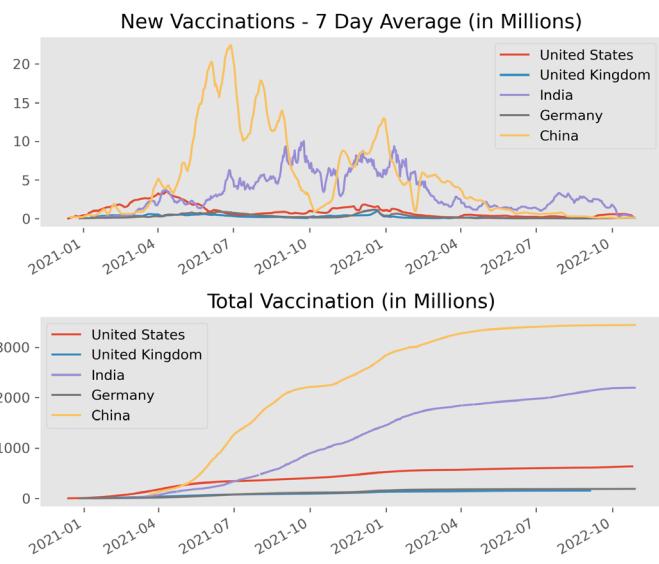


Active cases fell, reaching 16.8k cases as of 28th October, from the ~27k cases a fortnight ago. Kerala accounts for ~21% of those cases.

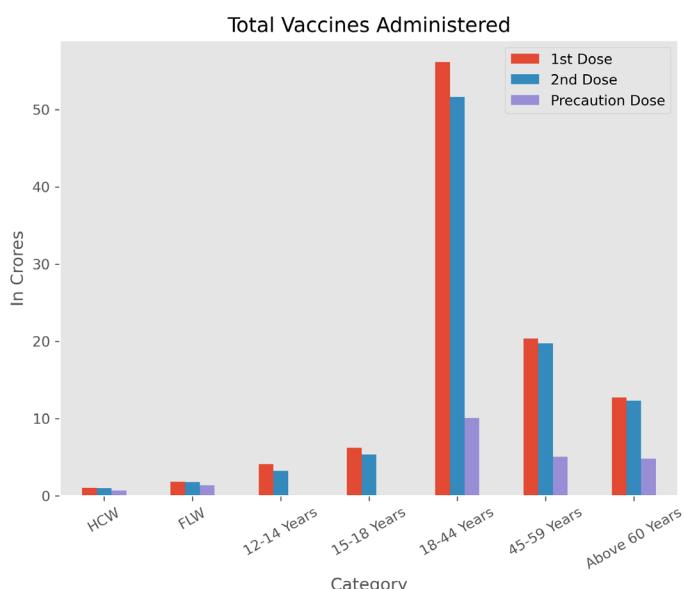


COVID-19 Vaccinations

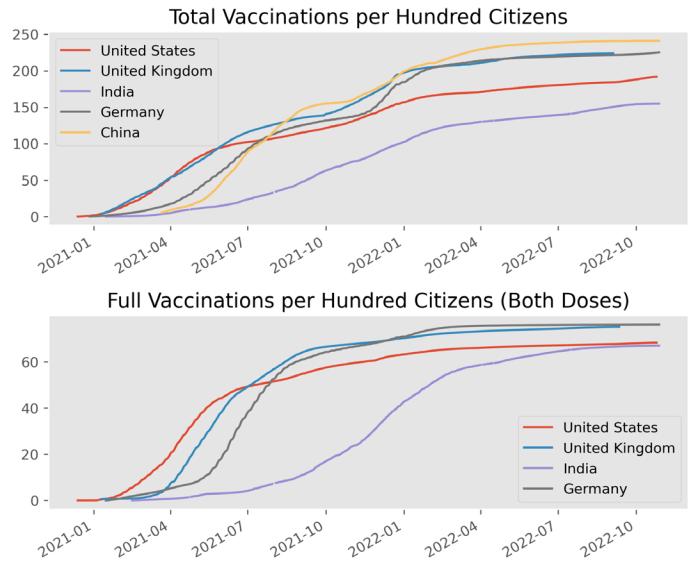
The 7 day average of daily vaccination in India fell to 0.13 million as on 28th October, from .34 million a week ago.



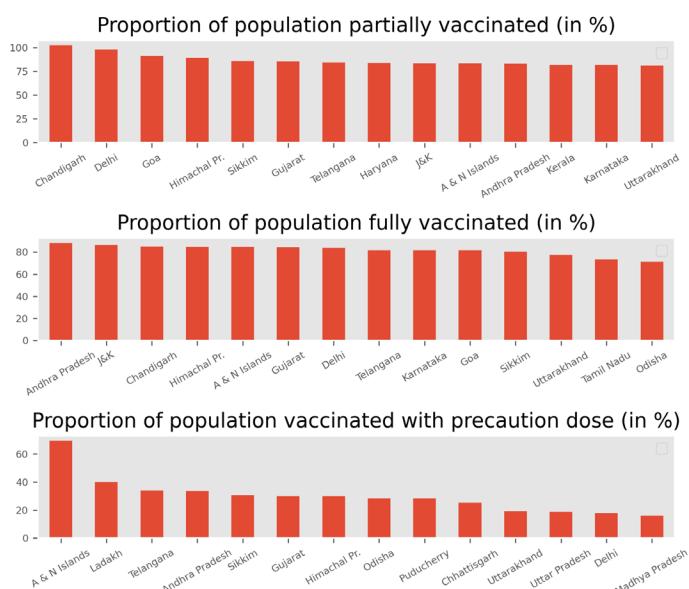
India has administered 219.62 crore cumulative vaccines as on October 28th, 2022. More than 4.12 Cr adolescents (12-14 Years) have been administered the first dose of COVID-19 vaccine.



India's count of vaccinating its citizens reached ~157.6 doses per hundred citizens. The proportion of full vaccinations rose to 68.18% for India



Chandigarh has the highest proportion of its citizens partially vaccinated in India. Andhra Pradesh has the highest proportion of its citizens fully vaccinated, at 88.2%.



Economic Activity Heatmap

	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22
Currency in circulation (% YoY)	7.6	8.0	8.6	9.9	10.4	8.8	8.0	8.1	8.1	10.7
M3 (% YoY)	11.4	8.4	8.7	8.7	9.5	8.8	7.8	8.6	8.9	8.6
Rural wage (% YoY)	5.3	4.9	5.1	4.7	5.0	5.4	5.5	5.5	5.8	
Urban unemployment (%)	9.3	8.2	7.6	8.3	9.2	8.2	7.3	8.2	9.6	7.7
Rural unemployment (%)	7.3	5.8	8.4	7.3	7.2	6.6	8.0	6.1	7.7	5.8
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
Consumer durable production (% YoY)	(2.6)	(3.6)	(8.7)	(2.6)	7.4	58.4	25.1	2.3	(2.5)	
Consumer non-durable production (% YoY)	(0.1)	2.1	(5.8)	(4.6)	(0.6)	1.0	3.0	(2.8)	(9.9)	
Motorvehicle sales (%YoY)	(10.7)	(18.8)	(23.5)	(17.8)	5.2	226.7	28.0	13.7	20.2	92.0
Passenger vehicle (% YoY)	(13.3)	(8.1)	(6.5)	(3.9)	(3.8)	185.1	19.1	11.1	21.1	23.4
Commercial vehicle (% YoY)	3.7	12.5	25.6	16.9	66.9	249.1	87.3	28.8	44.5	43.0
Two wheeler (% YoY)	(10.8)	(21.1)	(27.3)	(20.9)	15.4	255.3	24.0	10.2	17.0	13.5
Tractor sales	(27.5)	(32.6)	(31.3)	(14.3)	40.6	47.4	(14.4)	(15.3)	(1.9)	23.0
Petrol consumption (% YoY)	4.1	(5.3)	3.5	6.2	17.3	51.5	23.2	6.8	11.6	8.8
Diesel consumption (%YoY)	1.6	(6.5)	(0.7)	6.7	7.9	31.7	23.9	8.2	13.0	13.4
Cement production (% YoY)	13.9	14.1	4.2	9.0	7.4	26.2	19.7	2.0	1.8	
Steel production (% YoY)	(0.7)	3.8	5.6	4.1	2.2	14.6	3.7	5.7	2.2	
IIP (%YoY)	0.7	1.5	1.5	2.2	6.7	19.6	12.7	2.2	(0.8)	
Mining (% YoY)	2.6	2.8	4.5	3.9	8.0	11.2	7.8	(3.3)	(3.9)	
Manufacturing (%YoY)	0.2	1.3	0.5	1.4	5.8	20.6	13.0	3.0	(0.7)	
Electricity (%YoY)	2.8	0.9	4.5	6.1	11.8	23.5	16.4	2.3	1.4	
Capital goods production (%YoY)	(3.8)	1.4	2.0	2.0	13.3	54.4	29.1	5.7	5.0	
Capital goods imports (%YoY)	20.7	18.8	15.5	(0.5)	11.3	5.3	16.8	38.5	32.3	12.2
PMI Manufacturing Index	55.5	54.0	54.9	54.0	54.7	54.6	53.9	56.4	56.2	55.1
PMI Services Index	55.8	51.5	51.8	53.6	57.9	58.9	59.2	55.5	57.2	54.3
PMI Composite Index	56.4	53.0	53.5	54.3	57.6	58.3	58.2	56.6	58.2	55.1
Rail freight traffic (% YoY)	7.2	7.7	6.6	6.7	9.4	14.6	11.3	8.3	7.9	9.1
Air traffic (% YoY)	53.3	(16.8)	(1.3)	37.3	92.7	493.0	247.1	98.2	54.6	50.2
Major port traffic (%YoY)	(0.6)	(2.8)	(4.5)	1.2	5.5	8.9	13.5	15.1	8.0	14.9
Foreign tourist arrivals (%YoY)	235.5	140.4	141.8	177.9	399.2	2043.7	1349.2	783.9	(37.8)	
Export growth (% YoY)	44.4	27.6	25.1	19.8	30.7	20.6	23.5	8.2	1.6	4.9
Import growth (% YoY)	40.5	26.2	36.1	24.2	31.0	62.8	57.5	43.6	37.3	8.7
Non-oil, non-gold imports (%YoY)	39.1	37.5	35.5	41.0	32.2	32.5	42.3	44.7	40.6	20.4
Eurobills generated (%YoY)	11.6	9.5	8.2	9.7	28.0	84.1	36.2	17.9	18.7	22.7

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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