

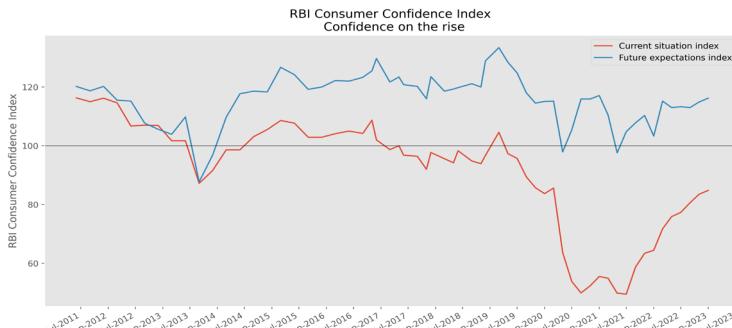
What We Are Tracking

Economy Tracker

E-way Bills generated in January fell marginally MoM to 82.43 Mln. GST collections rose to Rs 1.56 Tn, up 24% YoY, the second highest collections recorded. Truck freight rates from Delhi to some major cities continue to move higher even when diesel prices remaining stable for many weeks. Footfalls at domestic airports rose sequentially to 8.37 Lakhs (7DMA). Petroleum consumption fell by 4.63% in January. Indian railway freight traffic in January rose 2.62% MoM as Cargo handled at ports rose by 14.7% in December. India's composite PMI moderated in January, owing to sequential decline in new orders and some softness in end demand growth. India's forex reserves fell WoW after a 3 week rise to reach US\$ 575 bln. INR to USD fx rate depreciated WoW to Rs. 82.73. Asian currencies in general strengthened versus US\$. WTI crude oil prices remained stable at ~US\$ 80/bbl. Metal prices fell WoW, with copper and aluminum both falling. India's 10 year G-Sec yield reached to 7.36% as CPI inflation surprised negatively. 1 year T-bill yield rose to 7.04% on worries related to further potential rate hikes by the RBI. Equity market volatility fell as India Nifty VIX fell to 13.7. Indian market has significantly underperformed most other global equity markets YTD in 2023. Bitcoin rallied to USD 23,000 on general improvement in global risk appetite.

Chart of the Fortnight

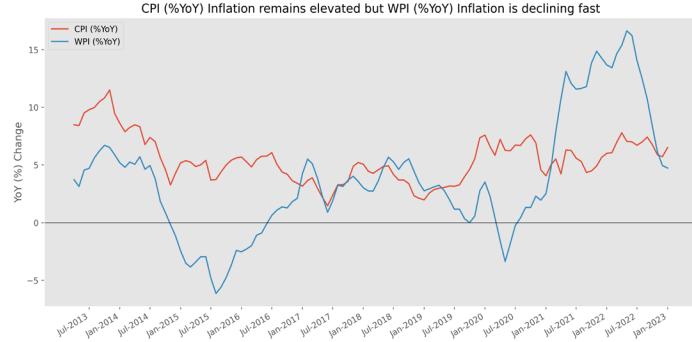
As per the RBI's latest consumer confidence survey, consumer sentiment in India is gradually improving. This is on the back of improved sentiments on the general economic situation and household income. Consumer sentiment reading though improving slowly, it remains well below pre covid levels. Retail inflation is one big reason for slow recovery in confidence.



Sources: CMIE, NIMF Research

Chart of the Month

The dichotomy between India's CPI inflation and WPI inflation has reversed. Since end 2020, WPI inflation was sustainably running higher than CPI inflation. However, with more volatile WPI inflation moderating to 24 months low of 4.7%oy while sticky CPI inflation remains elevated at 6.5%oy in January, tables have turned. Imported inflation is on a decline which helps WPI inflation more than CPI inflation. Pesky services inflation keep the core CPI inflation elevated amidst heightened volatility in food inflation. On balance, this development bodes well for the manufacturers/producers from their margins' viewpoint.



Sources: CEIC, NIMF Research

Summary

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

Page 3: Domestic Airport footfalls (7DMA) rose to 8.37 lakhs. E-Way Bills Generated in January fell MoM from a record 84.13 Million to 82.43 Million.

Page 4: Weekly Labor force participation rate rose to 39.86% and unemployment rate rose to 8.58% 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: December's FasTag collections rose MoM to a record Rs. 4,940 Crores. Indian PMI indices weakened MoM for January. Petroleum consumption fell by 4.63% MoM in January.

Page 6: January's railway freight traffic rose 2.62% MoM. Exports and Imports rose MoM in December to \$38.04 bln and \$60.18 bln respectively.

Page 7: January's GST collections rose MoM to Rs.1.56 Lakh Crores to second highest levels. Forex Reserves rose to USD 575 Billion over the week. December's service receipts payments rose MoM. Cargo volume handled at ports rose by 14.7% MoM to 69.44 Billion tonnes for December.

Page 8: December's Tax Receipts rose 128% MoM and Central Govt. Expenditure rose 25.5% MoM. Money Supply growth remained stable.

Page 9: WTI Crude reached USD 80.1 per barrel and India's NSE volatility (VIX) stayed stable WoW at 13.68. INR depreciated WoW against the USD as the spot rate stands at 82.73.

Page 10: India's 10-year G-Sec yield reached 7.36%. 1 year T-bill yield reached 7.04%.

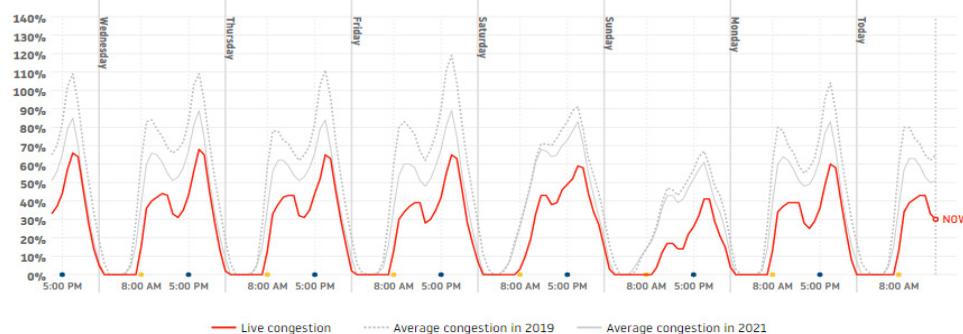
Page 11: Global metal prices broadly declined over the week, led by copper. The IMF Food Price index remaining flat at 137.7 in December.

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

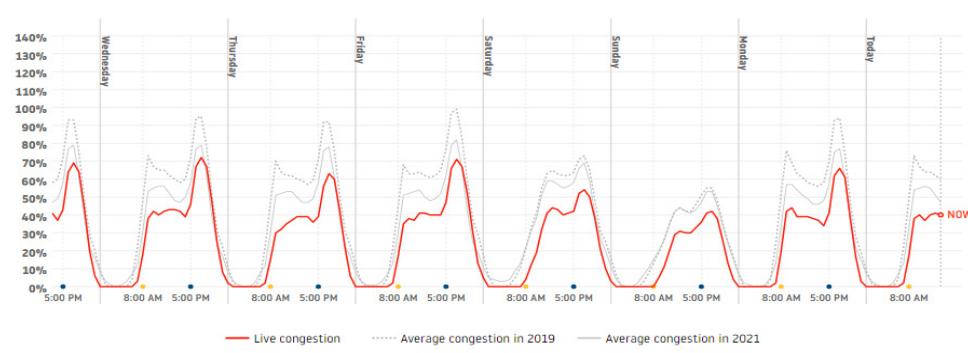
Traffic Congestion

Between 7th February 2023 - 14th February 2023

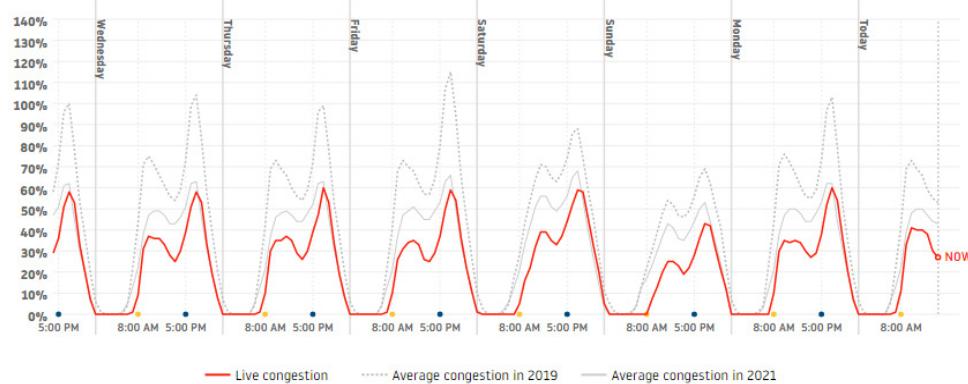
Mumbai



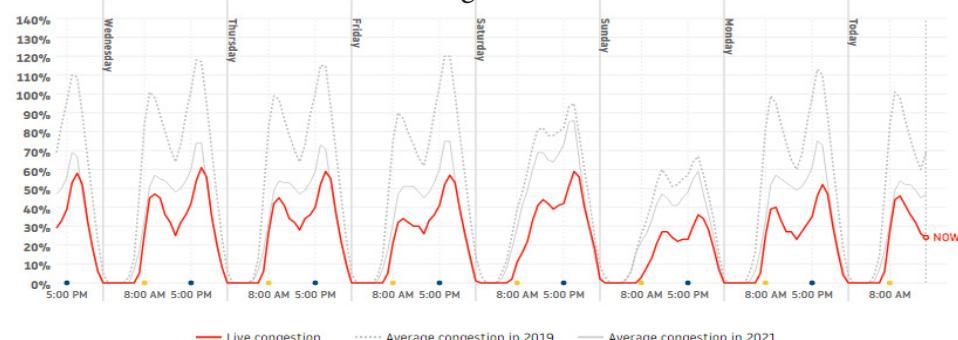
New Delhi



Pune



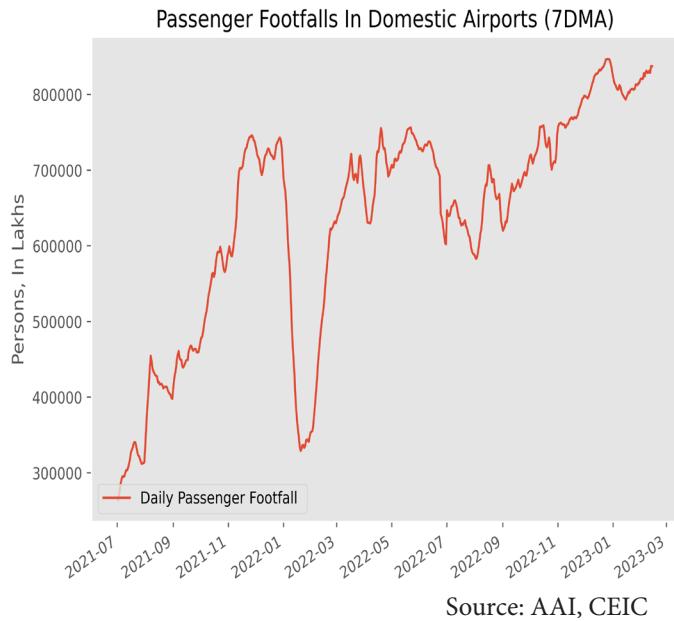
Bengaluru



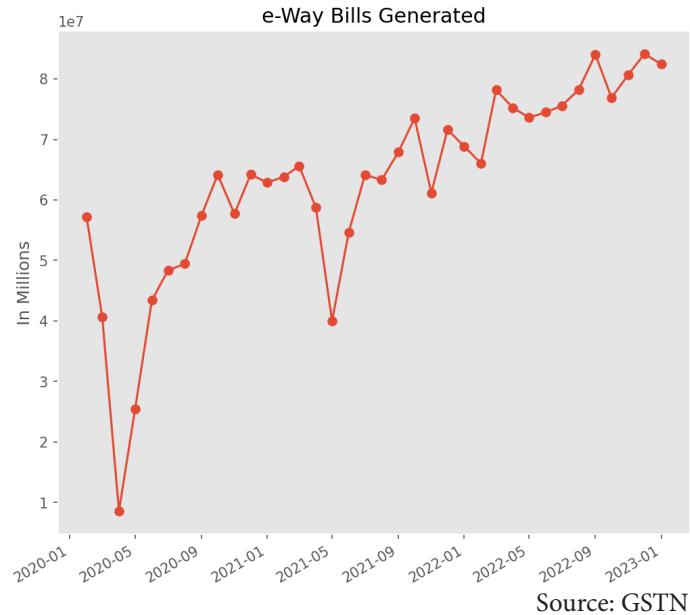
Source: TomTom

Miscellaneous High-Frequency Indicators

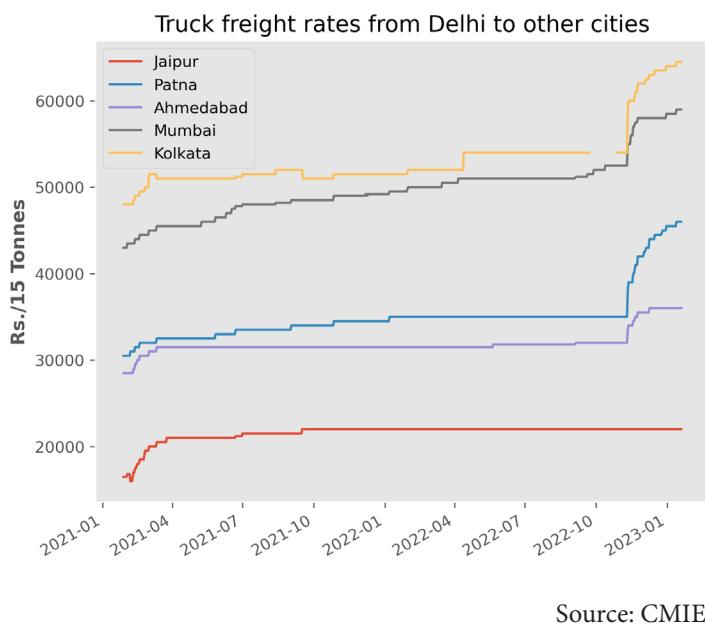
Domestic Airport footfalls (7DMA) rose WoW to 8.37 Lakhs as on 13th February, 2023.



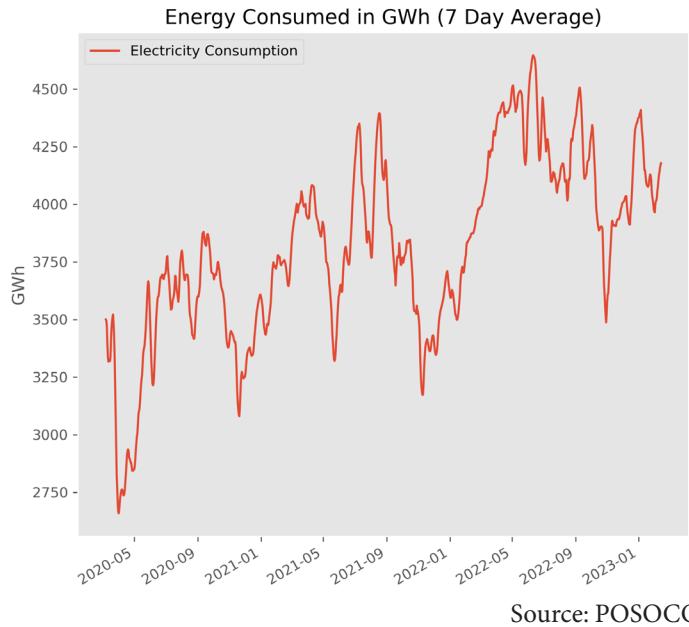
The number of e-Way bills generated in January stood at 82.43 Million.



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

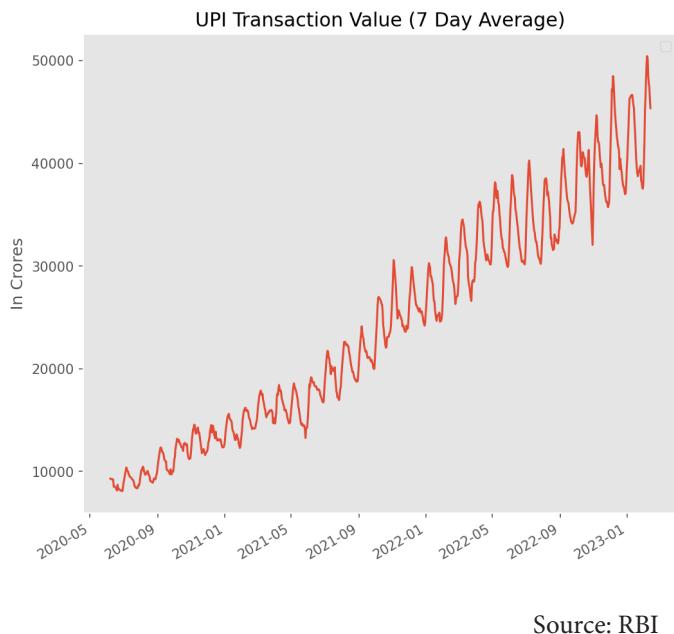


Indian electricity consumption (7DMA) rose sharply over the previous fortnight.

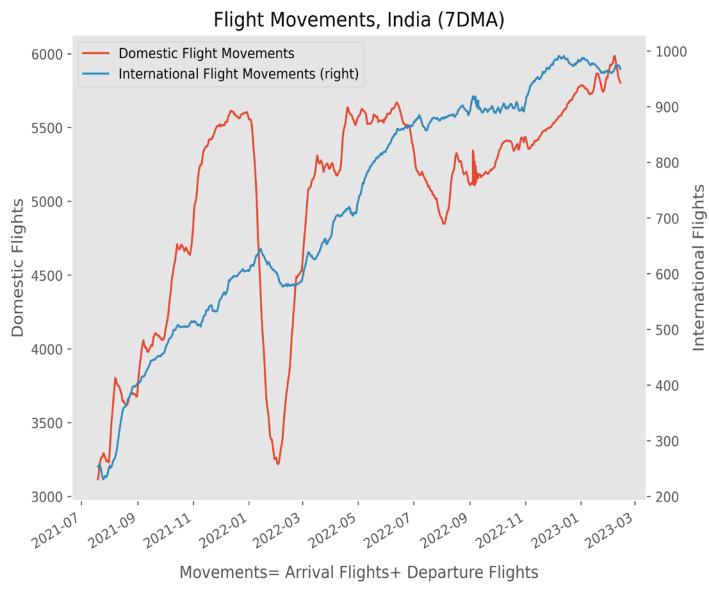


Miscellaneous High-Frequency Indicators

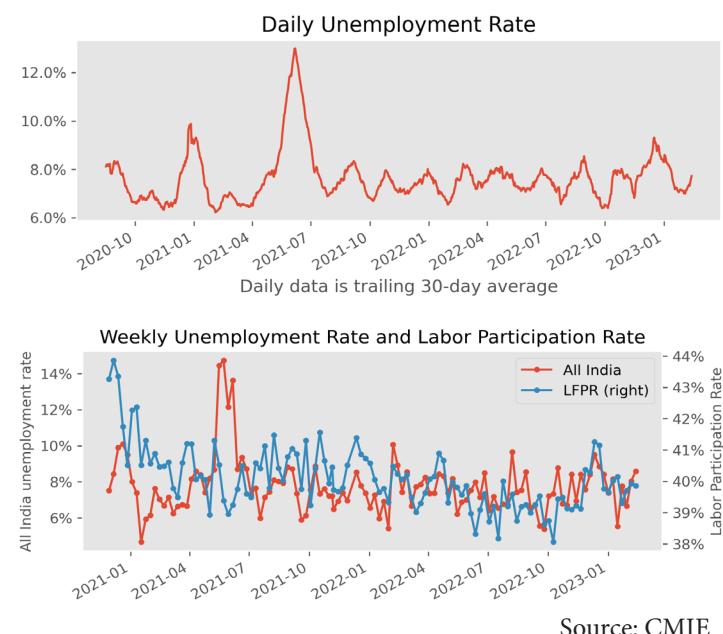
UPI transaction value (7DMA) witnessed a cyclical fall after a rise in the previous week.



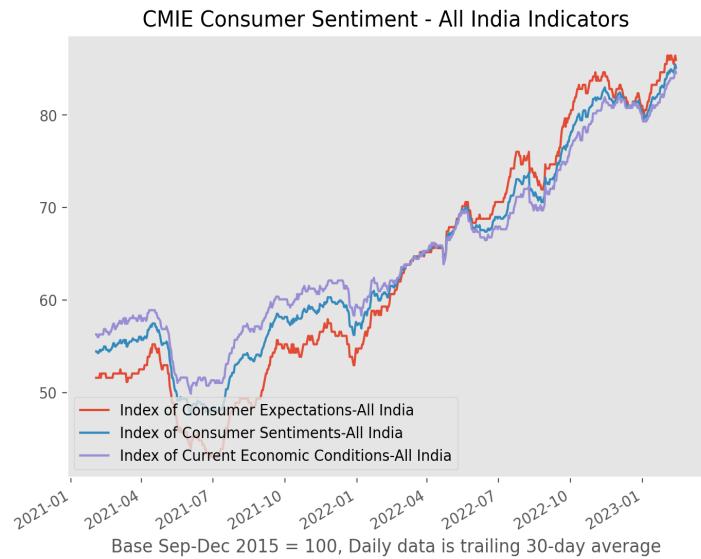
Domestic flight movements rose and International flight movements fell WoW (7DMA) over the fortnight leading to 13th February, 2023.



Weekly labor force participation rate rose WoW to 39.86%. Unemployment rates rose over the week to 8.58%, as on 12th February, 2023.

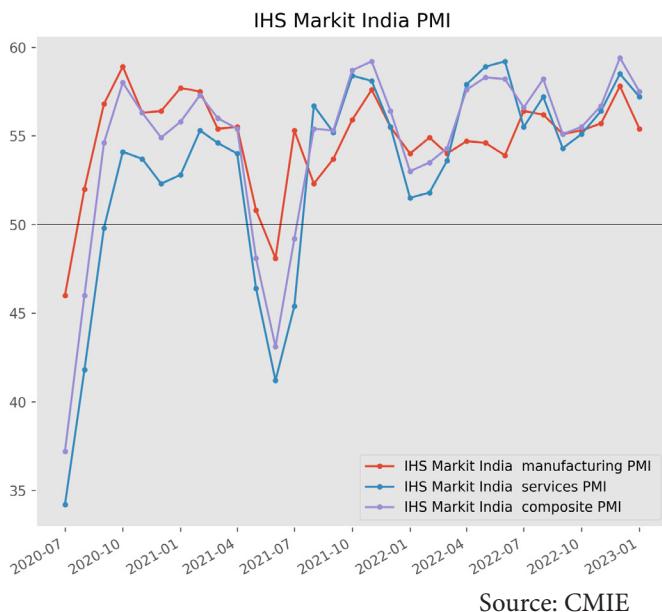


Consumer sentiment broadly rose over the week.

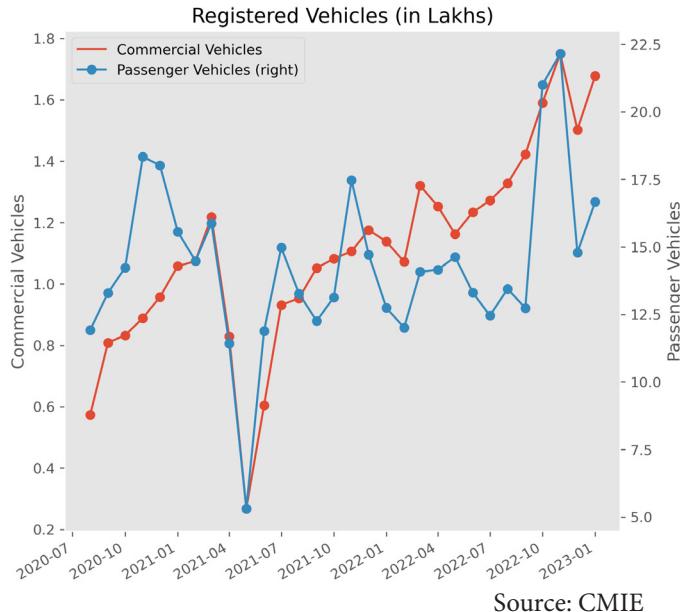


Miscellaneous Medium-Frequency Indicators

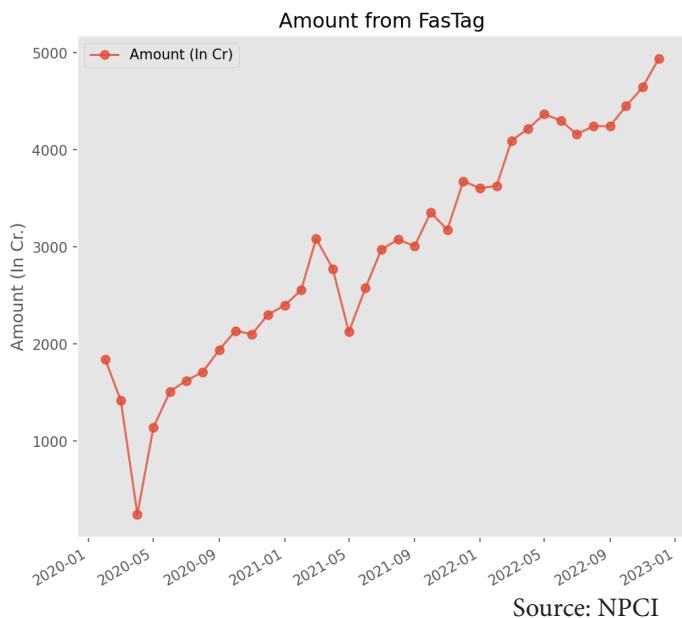
January witnessed a fall across all three indices, owing to a moderating demand and new orders.



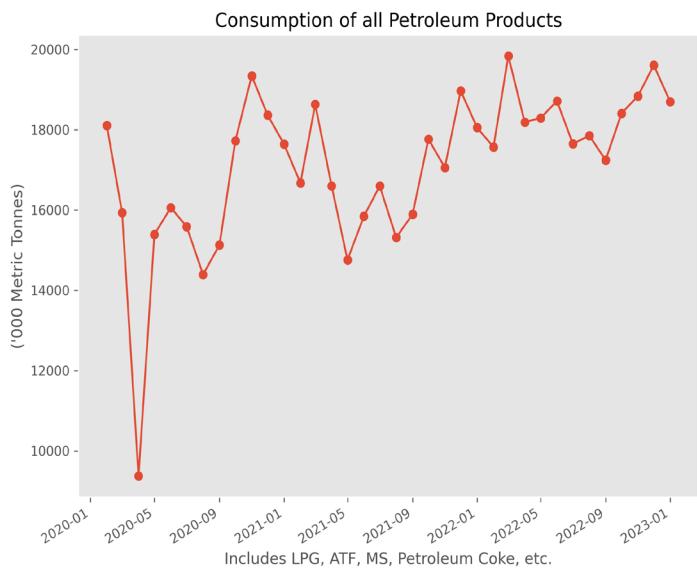
Both Passenger vehicle and Commercial vehicle registrations rebounded MoM in January.



December's FasTag (NETC) collections rose to record levels at Rs. 4,940 Crores.

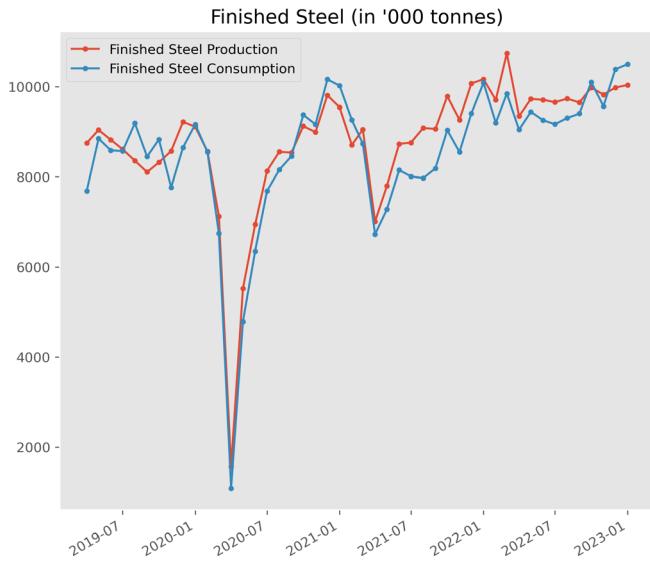


January's petroleum consumption fell by -4.63% MoM.



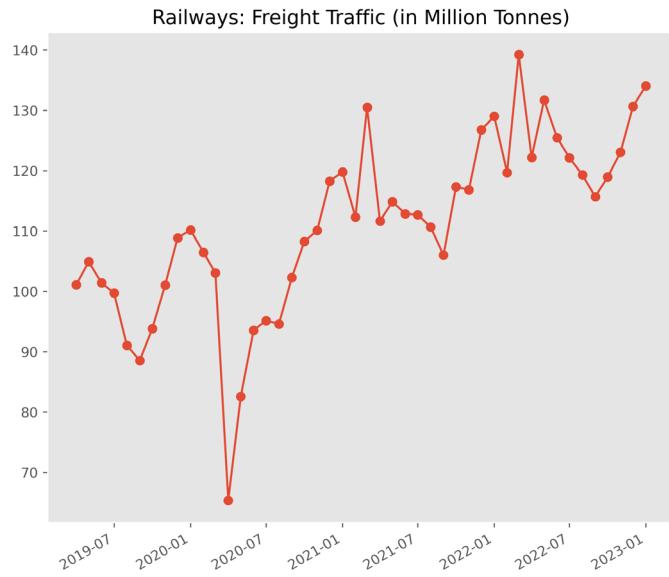
Miscellaneous Medium-Frequency Indicators

January's steel production fell and consumption rose MoM.



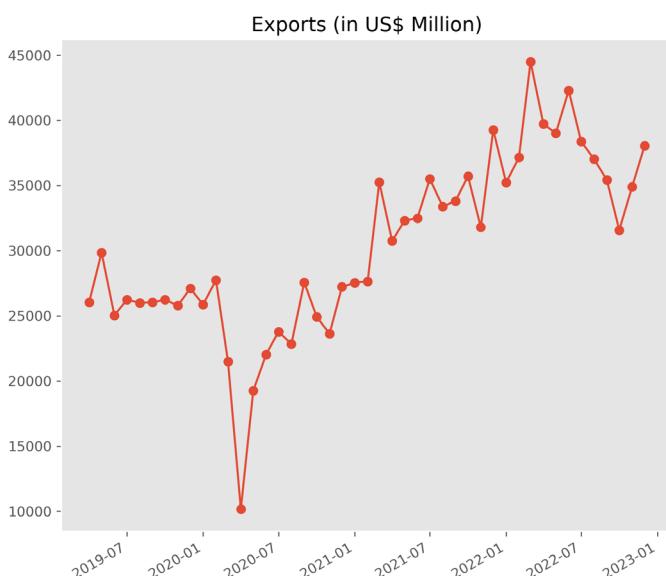
Source: CMIE

January's railways freight traffic rose by 2.62% MoM.



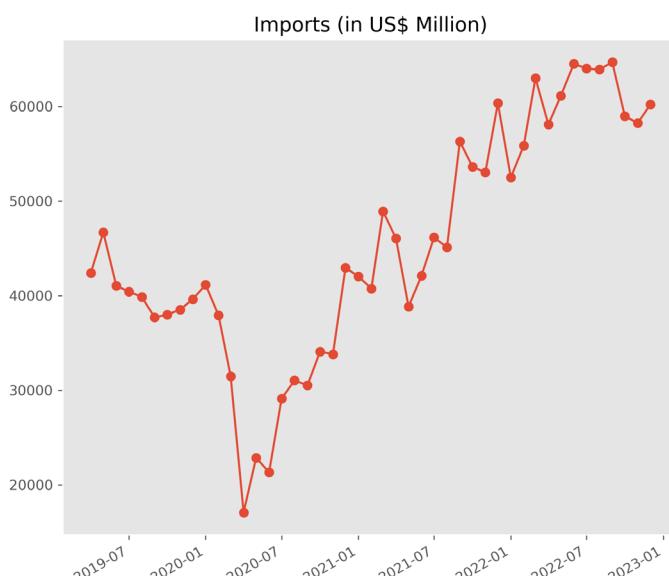
Source: CMIE

December's Indian exports rose MoM to USD 38.04 billion.



Source: CMIE

December's imports rose MoM to USD 60.18 billion.

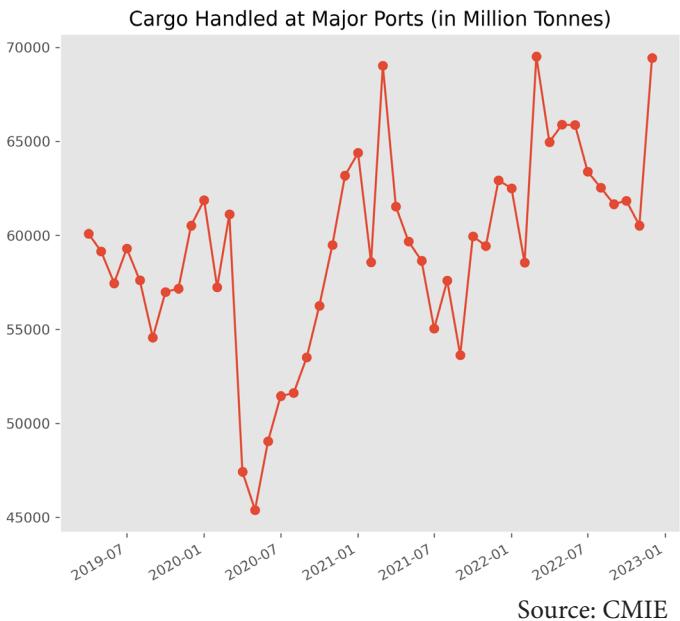
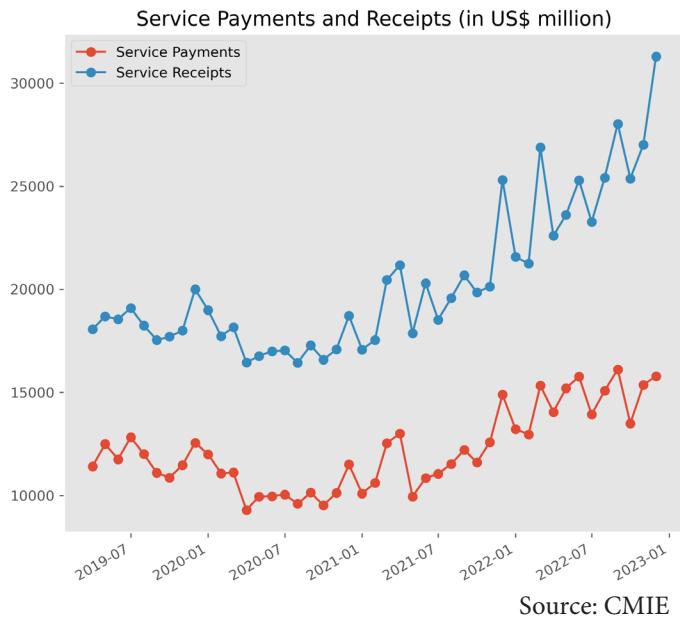


Source: CMIE

Miscellaneous Medium-Frequency Indicators

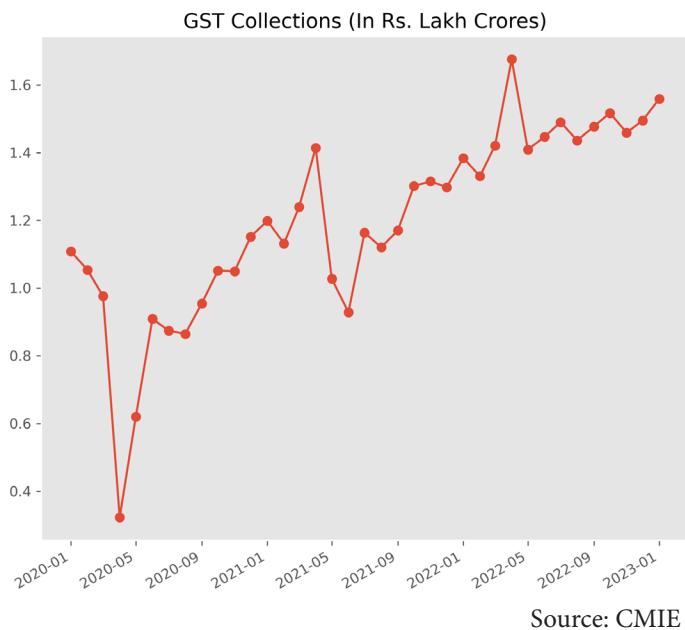
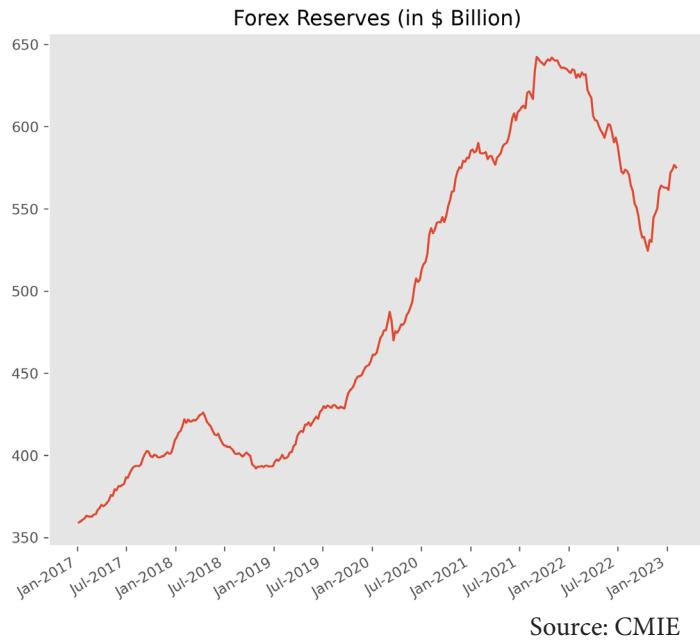
December's service payments and receipts rose MoM.

The volume of cargo handled at major ports jumped MoM by 14.7% at 69,442 Million Tonnes in December.



Forex reserves rose to USD 575 Billion over the week leading to 3rd February, 2023.

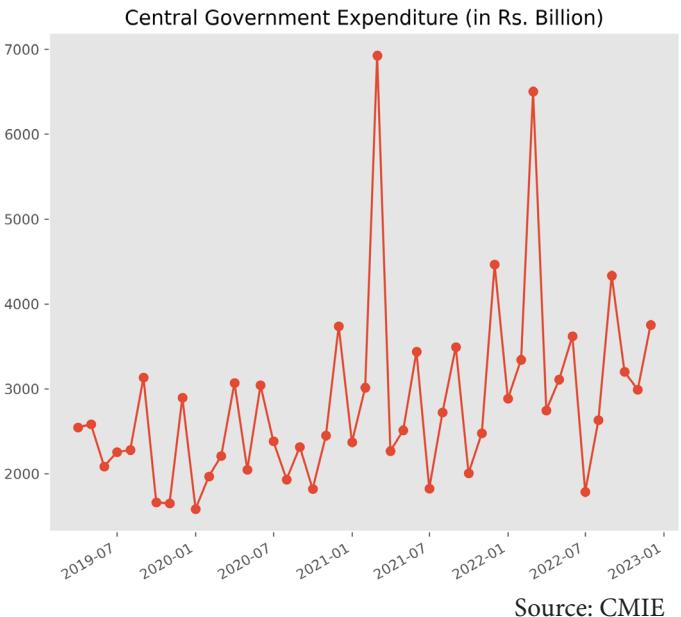
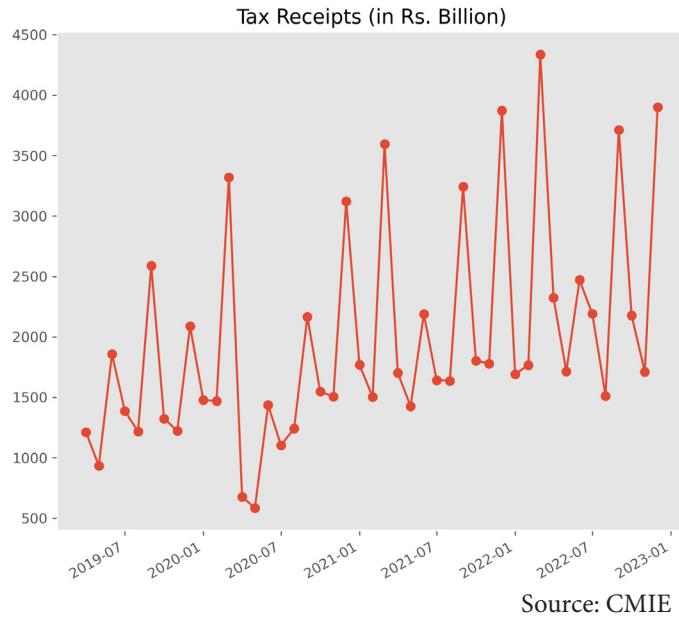
January's GST collections rose MoM to Rs. 1.56 Trillion, up 24% YoY, to second highest levels collected.



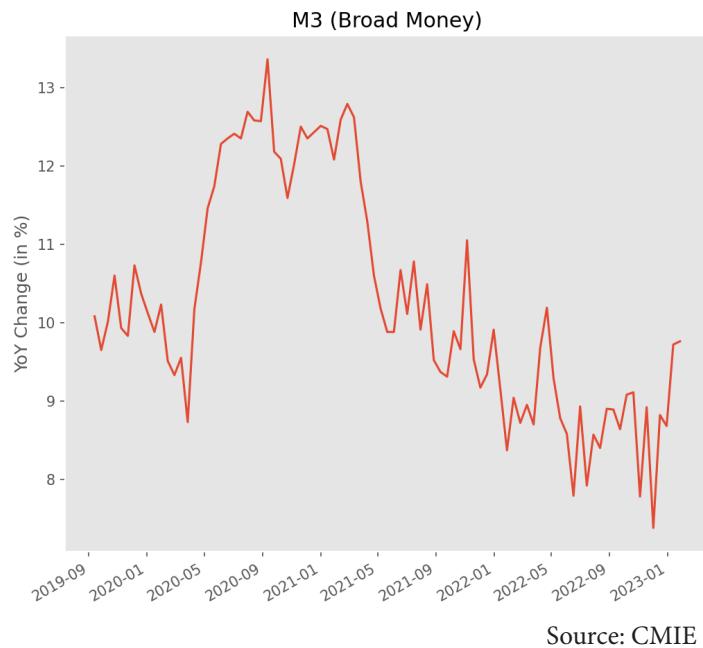
Miscellaneous Medium-Frequency Indicators

December's total Tax receipts rose by 128% of November's levels, to Rs. 3,900.44 Billion.

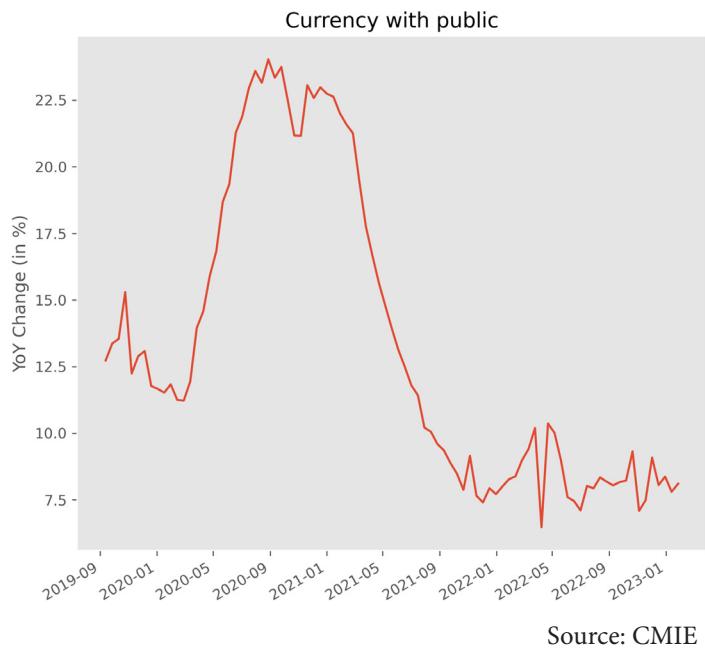
December's Central Government expenditure rose by 25.5% of November's levels, to Rs. 3,752.9 Billion.



%YoY growth of M3 money supply rose over the fortnight of 13th January 2023 to 27th January 2023, standing at 9.76% YoY change, with growth accelerating compared to previous weeks.

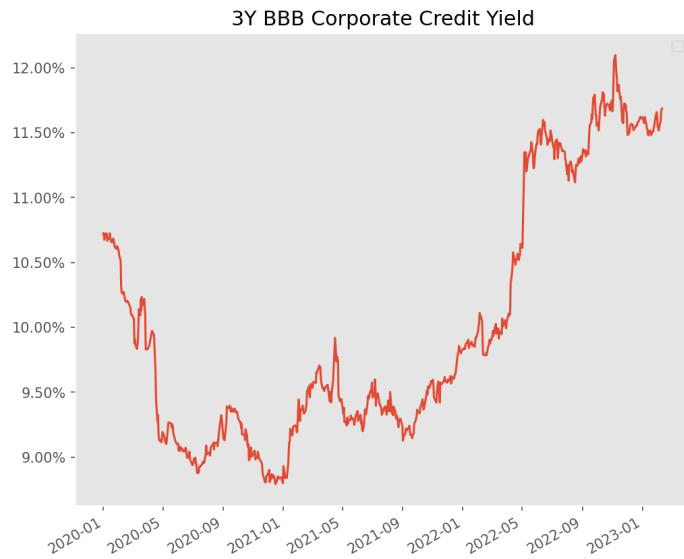


%YoY growth of currency in circulation 3rd January 2023 to 27th January 2023, standing at 8.10% YoY, with growth accelerating WoW.

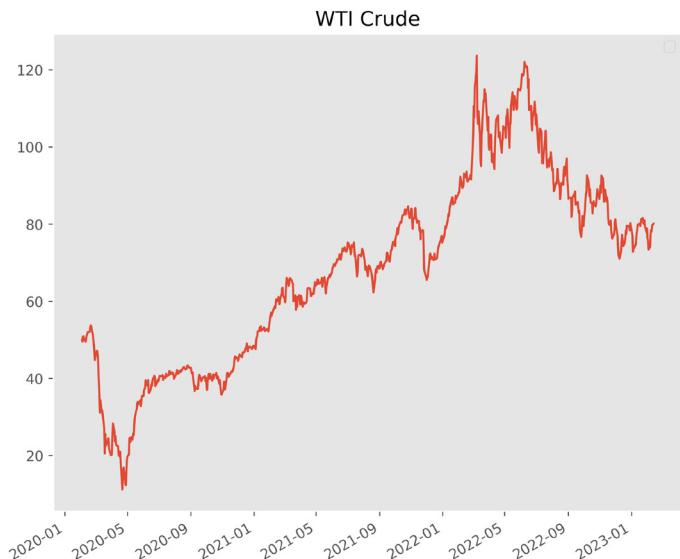


Capital and Commodity Market Indicators

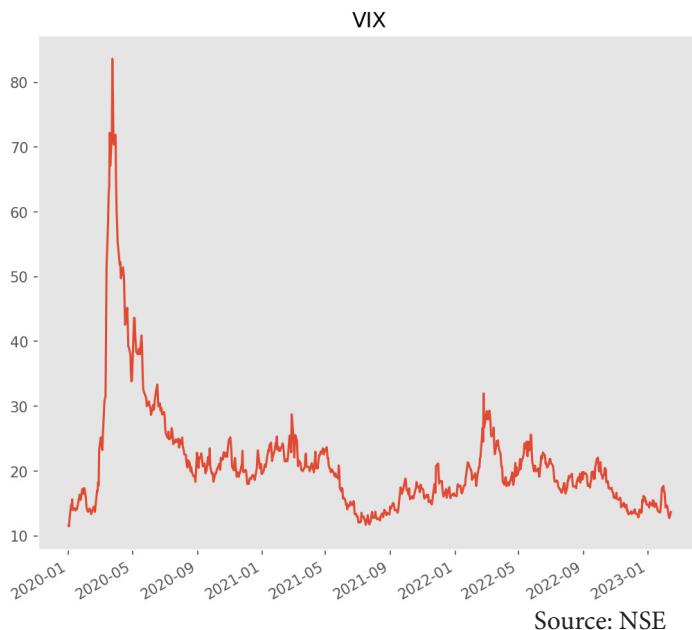
Three-year BBB corporate credit yield reached 11.68% as on 10th February, 2023.



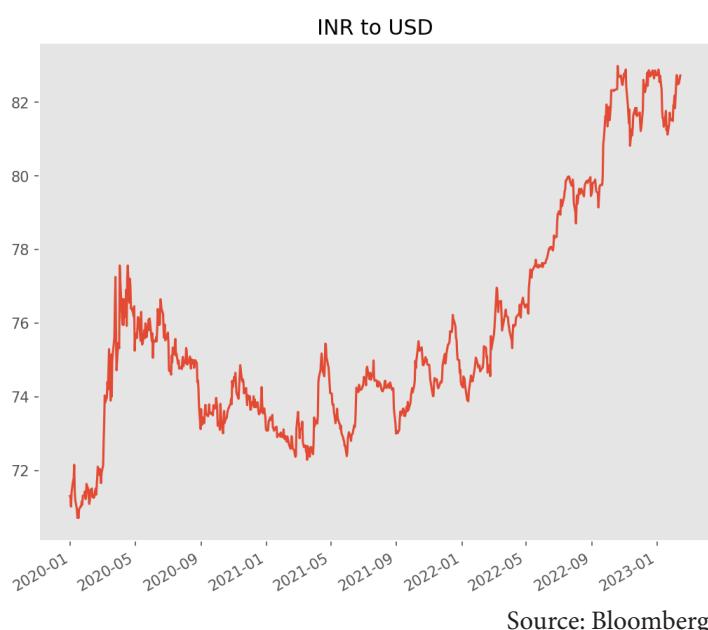
WTI Crude reached USD 80.14/bbl, as on 13th February, 2023.



India's NSE volatility (VIX) reached 13.68.



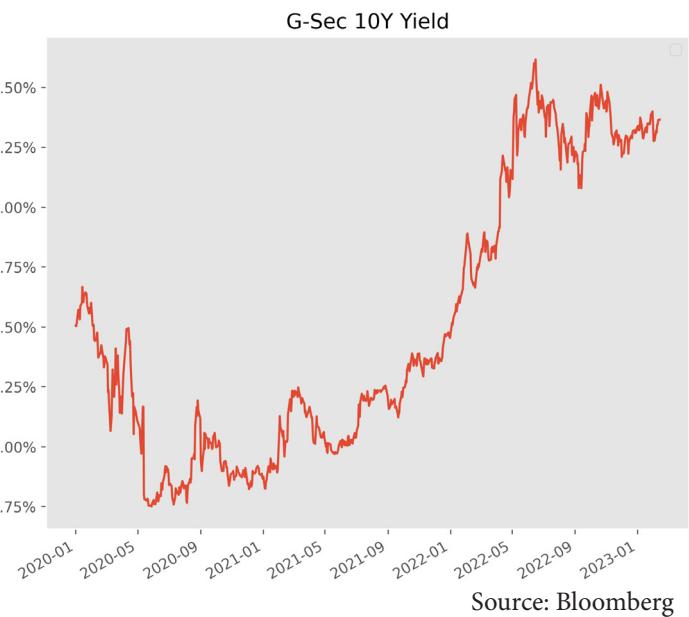
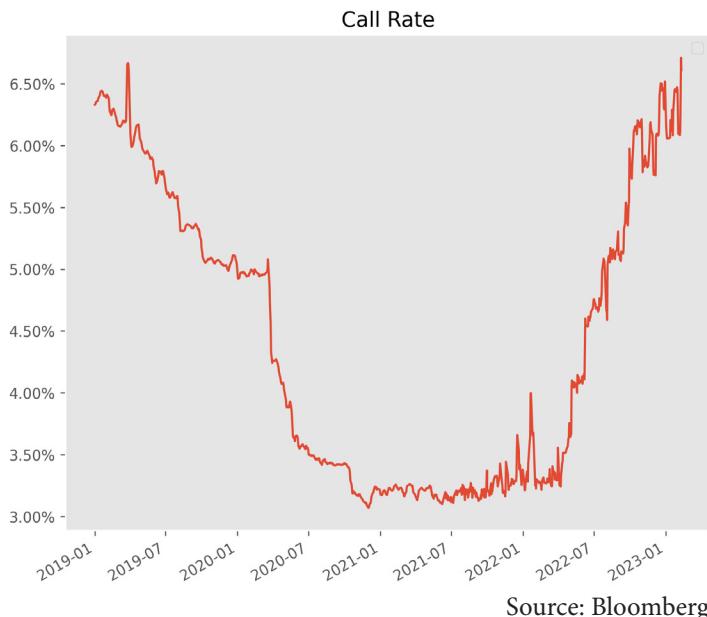
INR depreciated over the week as the nominal USD-INR spot rate stands at 82.73 as on 13th February, 2023.



Money Market and Banking Sector Indicators

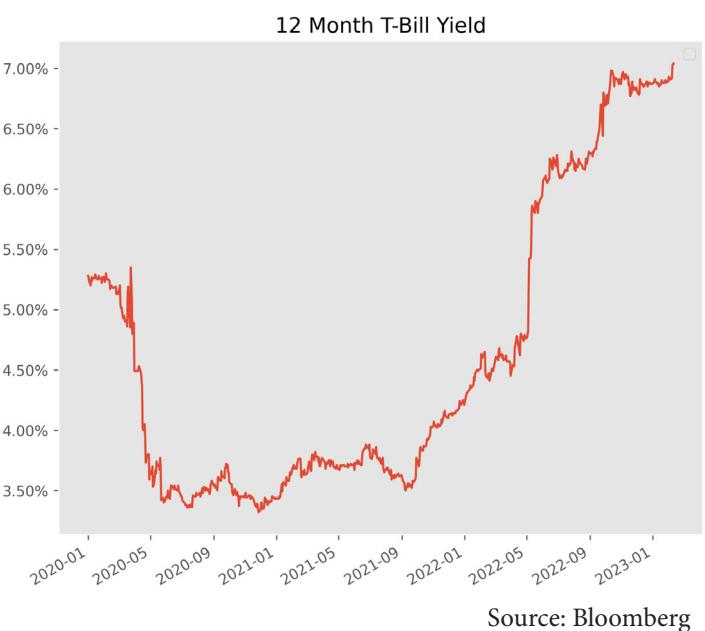
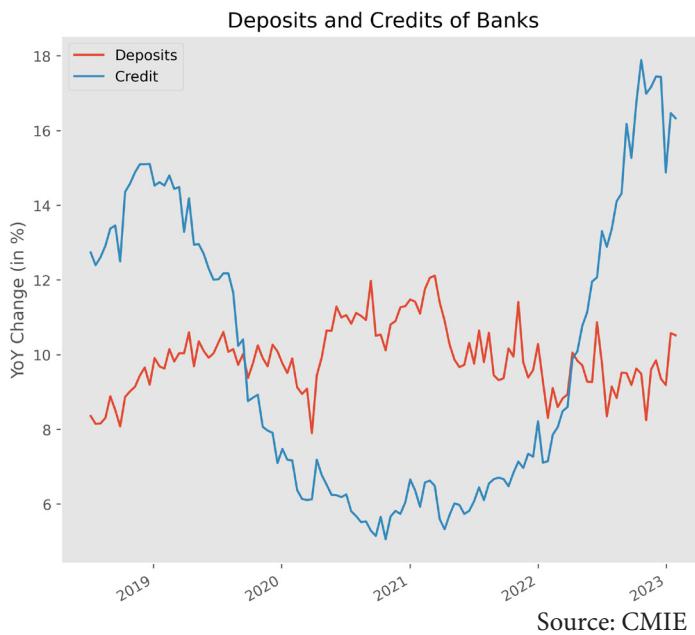
Call rate reached 6.61% (as on 10th February, 2023).

India's 10-year G-Sec yield reached 7.36% as on 13th February, 2023.



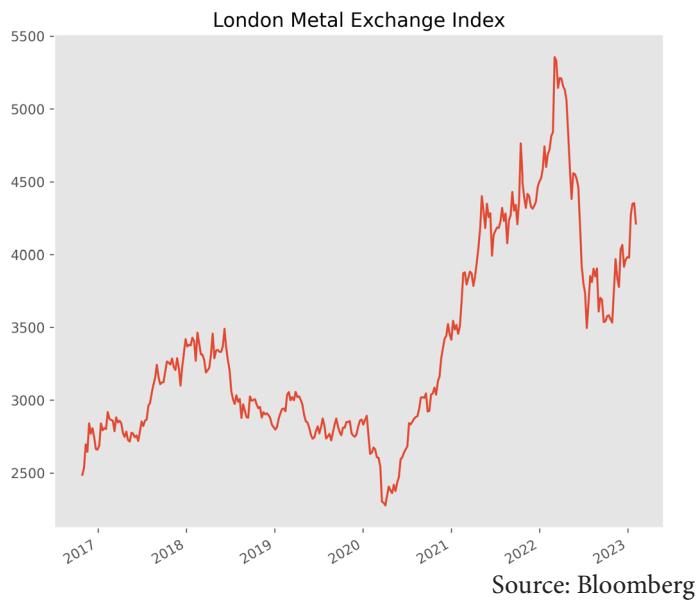
%YoY growth of bank deposits decelerated WoW to 10.52% and %YoY growth of credit decelerated to 16.33% as of 27th January, 2023.

1 year T-bill yield reached 7.04% (10th February, 2023), from 6.92% in the previous week.

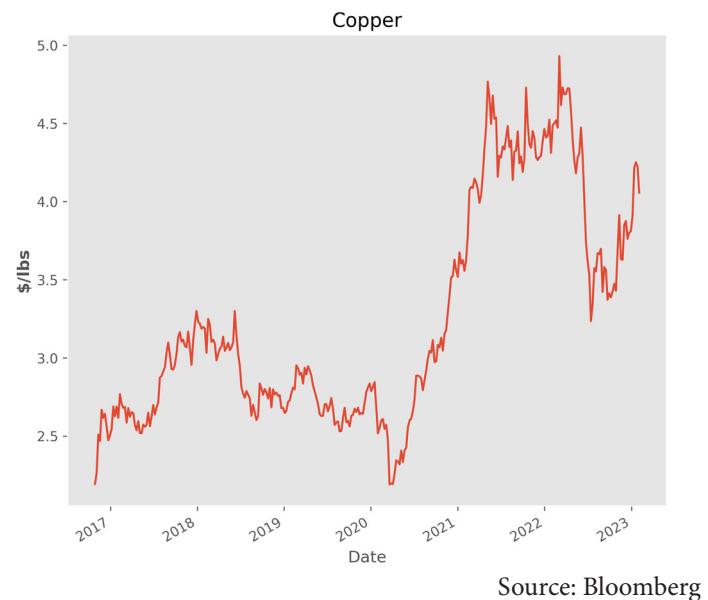


Ex-Crude Oil Commodity Prices

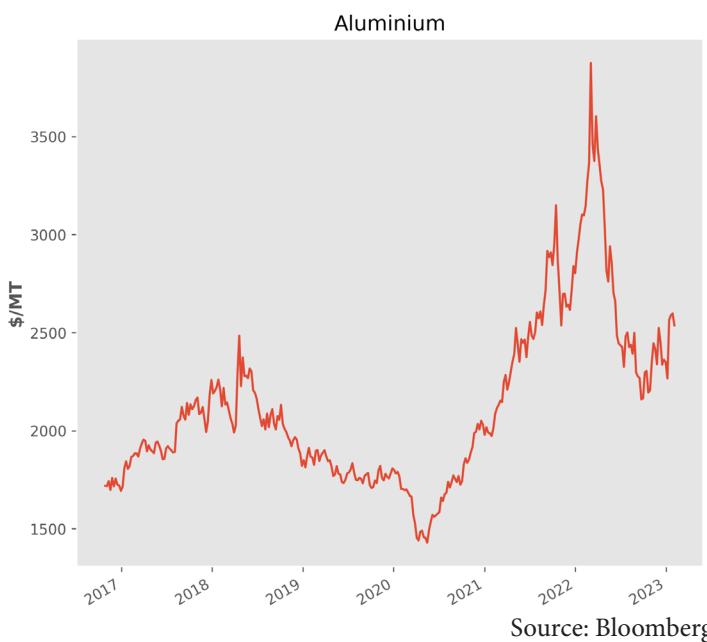
The LME index fell over the week to reach 4,203 as on 3rd February, 2023.



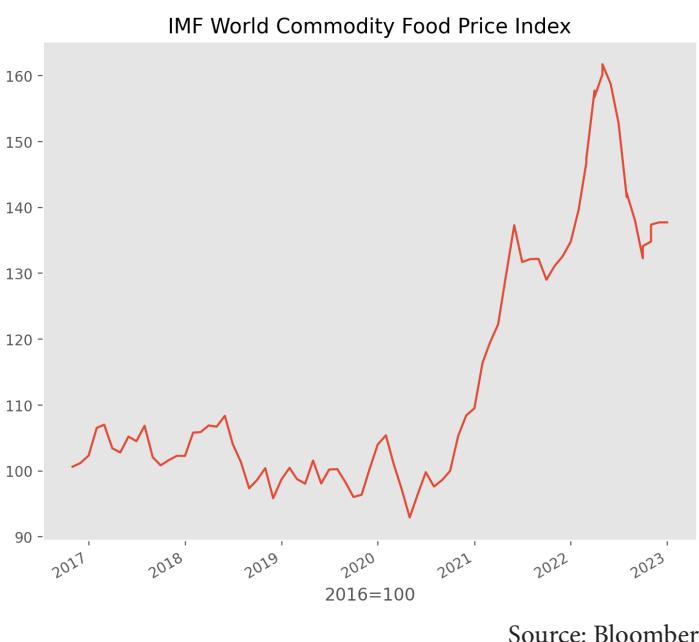
Copper fell WoW to USD 4.05 per pound from USD 4.22 per pound the week before as on 3rd February, 2023.



Aluminium rates fell to USD 2,538/MT as of 23rd February, 2023.

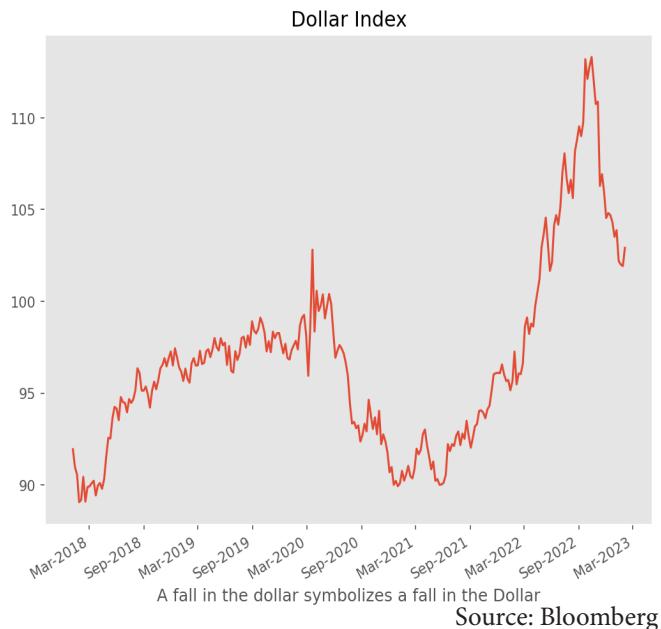


IMF World commodity food price index for December 2022 remained flat at 137.73.

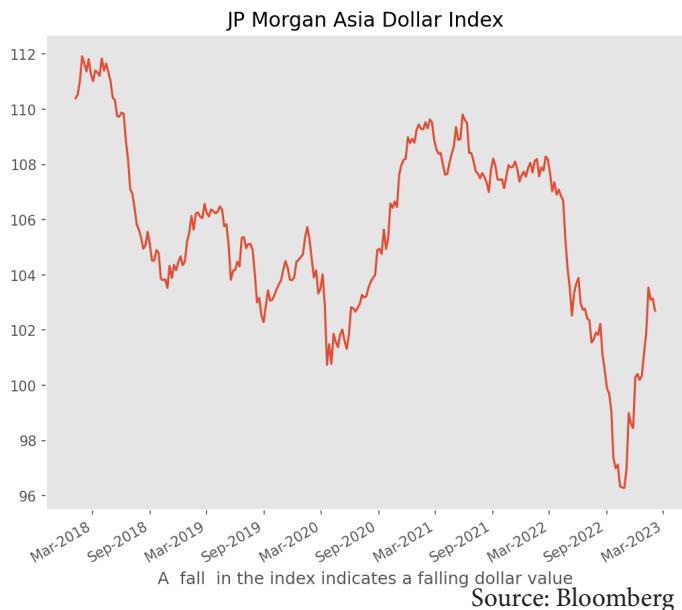


Global Currency Indices

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

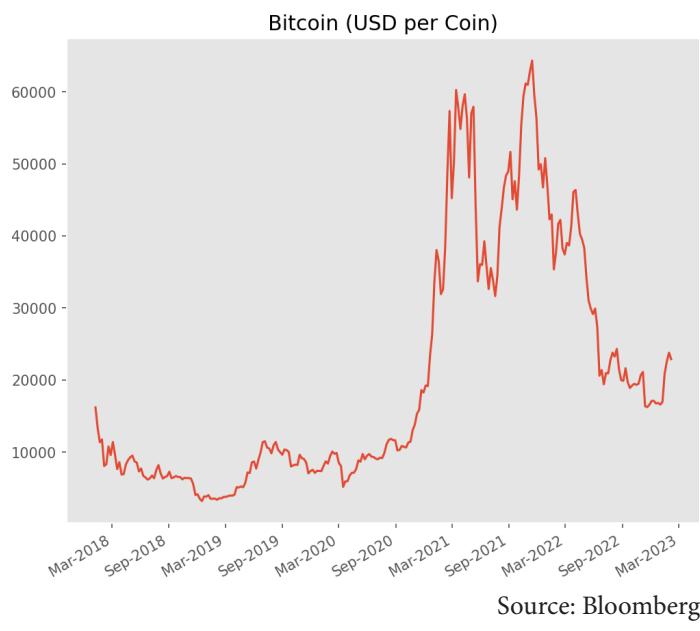
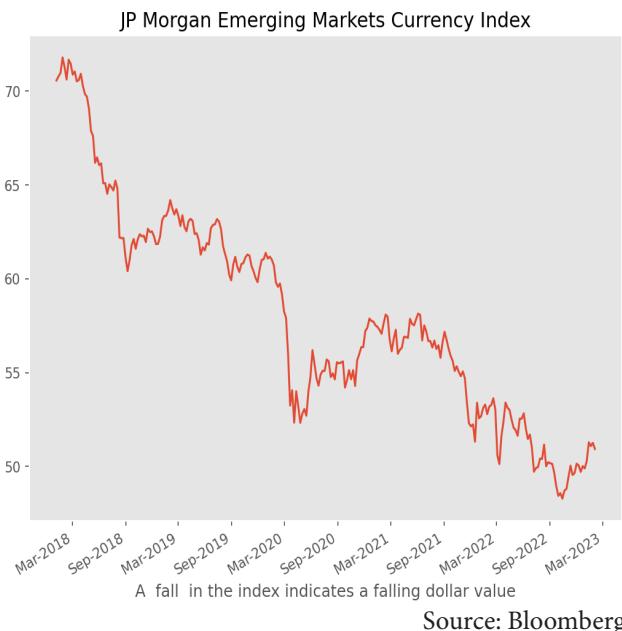


Asian Currencies ended the week marginally stronger versus the US\$.



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

Bitcoin rallied to the ~US\$23,000 mark.



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	Jan-23
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	8.5
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	7.8		
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	8.6
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	6.5
Naukri job speak index (%/oY)	(2.9)	41.1	30.5	16.3	38.2	39.9	22.0	20.8	5.8	12.7	(2.7)	42.9	4.3	1.7
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 (%/oY)	(10.7)	(18.8)	(23.5)	(17.8)	5.2	256.3	28.0	13.7	20.2	23.4	7.9	22.5	8.3	
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	16.8	
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	24.4
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	14.2
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	12.7
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)	29.0	9.1	
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	11.7	9.2	
IIP (%/oY)	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 (%/oY)	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 (%/oY)	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 (%/oY)	(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 (%/oY)	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	55.4
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	57.2
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	57.5
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	3.8
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	14.2	
Major port traffic (%/oY)	(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	12.2
Foreign tourist arrivals (%/oY)	235.5	140.4	141.8	177.9	399.2	2043.7	1349.2	783.9	437.3	363.7	243.2	191.3	204.2	
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 (%/oY)	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 (%/oY)	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 (%/oY)	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 (%/oY)	14.3	11.6	12.3	12.4	14.7	16.4	18.1	18.8	19.5	19.6	20.2	19.7	20.2	
Credit to industry (%/oY)	7.6	6.4	6.5	7.1	8.1	8.7	9.5	10.5	11.4	12.6	13.6	13.1	8.7	
Credit to services (%/oY)	10.8	7.3	5.6	8.9	11.1	12.9	12.8	16.5	17.2	20.0	22.5	19.7	19.6	
Deposit growth (%/oY)	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 (%/oY)	(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 (%/oY)	19.44	21.57	11.0	(6.1)	21.2	23.7	5.4	(2.2)	(3.3)	24.1	59.5	20.7	(15.9)	
Indirect tax (%/oY)	(5.8)	(7.4)	(7.1)	0.32	6.2	14.5	25.5	2.3	(1.0)	8.8	18.7	(4.0)	3.5	
CPI (%/oY)	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	
Core CPI (%/oY)	6.0	5.95	5.95	6.4	7.0	6.09	5.91	5.79	5.85	6.1	5.97	6.04	6.1	
WPI (%/oY)	14.27	12.96	13.11	14.55	15.10	15.88	15.18	13.93	12.41	10.70	8.39	5.85	4.95	
10 year G-Sec yields (%)	6.45	6.68	6.77	6.84	7.14	7.41	7.45	7.32	7.19	7.40	7.45	7.28	7.33	7.34
Credit to deposit ratio (%)	71.3	71.5	71.8	72.2	71.9	72.6	73.3	72.9	73.3	74.2	74.9	74.9	75.02	
Weighted average deposit rate of banks (%)	5.06	5.03	5.02	5.03	5.03	5.07	5.13	5.22	5.29	5.39	5.49	5.62	5.78	
Weighted average lending rate of banks (%)	8.86	8.83	8.81	8.74	8.72	8.79	8.92	8.99	9.13	9.22	9.35	9.42	9.52	

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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