



Financial updates for this week (22/9/24)

- **Federal Reserve Rate Cut:** The Fed cut interest rates by 0.5%, the first rate cut since the pandemic, aiming to control inflation and stabilize the labor market ([mint](#)) ([Investopedia](#)).
- **Stock Market Movements:** U.S. stock indexes, including the Dow Jones and S&P 500, saw gains due to investor optimism, with technology stocks like Microsoft performing particularly well ([Investopedia](#)).
- **IPO Developments:** Notable IPOs include NTPC Green Energy's ₹10,000 crore offering, and Manba Finance's upcoming IPO announcement ([mint](#)).
- **Derivatives and ETFs:** The market for derivatives and ETFs is evolving with more focus on efficiency, AI-driven processes, and growing interest in digital asset-linked ETFs ([Business Law Firm | Barnes & Thornburg](#)) ([Greenwich](#)).
- **Oil Price Dip:** Brent crude oil prices dropped by 1%, driven by mixed inventory data ahead of the Fed's decision, settling at around \$73 per barrel ([mint](#)).
- **ETFs and Bitcoin:** Bitcoin ETFs have gained momentum with substantial trading volumes, reflecting the rising institutional interest in cryptocurrency-related financial products ([Business Law Firm | Barnes & Thornburg](#)).

The Indian economy this week.

- **A RBI Warns of Food Price Volatility:** Despite CPI inflation being below target for two months, the RBI cautioned that food price volatility, especially in vegetables, remains a risk ([mint](#)).
- **Foreign Investment in Indian Bonds:** Following India's inclusion in JP Morgan's Emerging Markets Bond Index, the RBI sold \$406 million in bonds to manage excess liquidity from an anticipated \$20-\$25 billion in foreign inflows ([mint](#)).
- **Priority Sector Lending (PSL):** RBI emphasized that PSL continues to play a critical role in directing credit to underserved sectors, which is vital for inclusive growth ([mint](#)).
- **Sovereign Green Bonds Issuance:** India plans to issue ₹20,000 crore in Sovereign Green Bonds in the second half of FY24 to fund environmentally sustainable projects ([mint](#)).

"Industry Insights"

"BSNL's Comeback"

"India's Global Support"

"Physics Wallah's Rise"

"Nuclear Milestone"



TRAI's latest data on telecom subscribers showed a shift in trend. BSNL added 29.47 lakh subscribers in July (first addition in around 2 years). Jio lost 7.58 lakh subscribers, Airtel lost 16.94 lakh subscribers, Vodafone-Idea (Vi) lost 14.14 lakh subscribers. Private players had recently increased their charges.

India has extended emergency financial support to the Maldives. The Indian government has subscribed to its \$50 million treasury bill.

Start-up 'Physics Wallah' raised \$210 million. Its valuation now stands at \$2.8 billion.

India's 3rd domestic-built 700 MWe nuclear power reactor is expected to start commercial electricity generation soon: NPCIL source : Grow

Oil prices increased by 4.3%. driven by expectations of higher demand. Gold hit new highs, continuing its strong performance this year with a 1.2% rise ([Fidelity](#))

Changes

Gold - 2,621.80 +1.31%

Copper - 808.50 -0.72%

Crude Oil - 74.72 +0.31%

Commodities on the Rise



Indices

Nifty Midcap 100	60,208.80 (1.44%)
BSE SmallCap	57,081.61 (1.36%)
Nifty IT	42,204.40 (0.62%)
Nifty Bank	53,793.20 (1.42%)

Cautious global economic sentiment

- **US Household Data and Fed Outlook:** Despite rising debt, US household delinquencies stabilized in Q2 2024, suggesting consumer resilience. However, signs of a cooling labor market are emerging, which could influence the Fed's anticipated rate cut ([World Economic Forum](#)).
- **Eurozone Economic Policy:** European Central Bank (ECB) policymakers are hesitant about further rate cuts despite disinflation trends. Labor market tightness and persistent inflation in services are driving the cautious approach ([T. Rowe Price](#)) ([Deloitte United States](#)).
- **China's Economic Slowdown:** China's consumer prices rose by 0.5% in July, primarily due to seasonal food price hikes. However, broader economic indicators point to continued weakness, with industrial production and retail sales underperforming ([World Economic Forum](#)).
- **Japan's Monetary Policy:** The Bank of Japan (BoJ) held interest rates steady in its latest meeting, maintaining its cautious approach to inflation and economic growth ([T. Rowe Price](#)).
- **Bank of England and UK Economy:** The Bank of England (BoE) remains cautiously optimistic about inflation, hinting at possible further rate cuts as inflation falls faster than expected, supporting the UK's economic recovery ([Deloitte United States](#)).

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