

Global Economy

- The IMF forecasts 2.8% US GDP growth in 2024.
- The US Federal Reserve cut interest rates to 4.50% from 4.75% in November'24.
- The UK Central Bank lowered its interest rate to 4.75% from 5%. Inflation has stabilized at 2% in advanced economies like the US, Eurozone, and UK.
- China's trade surplus rose to \$95.27 billion in October'24, with exports up 12.7% and imports down 2.3%.

Indian Economy

- IMF forecasts 7.0% GDP growth for India in 2024.
- Retail inflation in India rose to 6.2% in October'2024, the highest in 14 months.
- India's gold imports increased by 21.8% in H1 2025, widening the current account deficit to \$9.7 billion which is 1.1% of GDP.
- India cut oil and gas subsidies by 85%, boosting funds for renewable energy.
- India's renewable energy capacity reached over 203.2 GW in October 2024, accounting for nearly 46.3% of the country's total power generation capacity

Indian Startups

- 90 Indian start-ups raised total funding of around USD 875 million in the month of November 2024.
- Fintech & Quick Commerce are major segment that secured USD 206.2 million & USD 358.6 million funding respectively followed by Enterprise Tech, Deep Tech, Electric Vehicles & others.

Debt Outlook

- In November the debt market was largely influenced by US election. The US treasury yield rose to 4.45% in mid-September from 3.6%, then eased by 20 basis points as election concerns faded.
- The Indian 10-years benchmark government bond yield also moved to 6.87% during the month.
- RBI has lowered the India's GDP growth projection for FY 2025 to 6.6% from earlier estimates of 7.2% due to weaker than expected economic performance in July-Sept quarter.
- The RBI held the repo rate steady at 6.5% despite rising inflation and a lowered GDP growth forecast. Meanwhile, the CRR was cut from 4.5% to 4%.
- Corporate bond yields increased slightly, but the spread between G-sec and corporate bonds widened significantly by month-end due to easing G-sec yields.

INDIA 10-YEAR BOND YIELD

