EBONY WEALTH

EBONY RESEARCH

Monthly Update December 2024

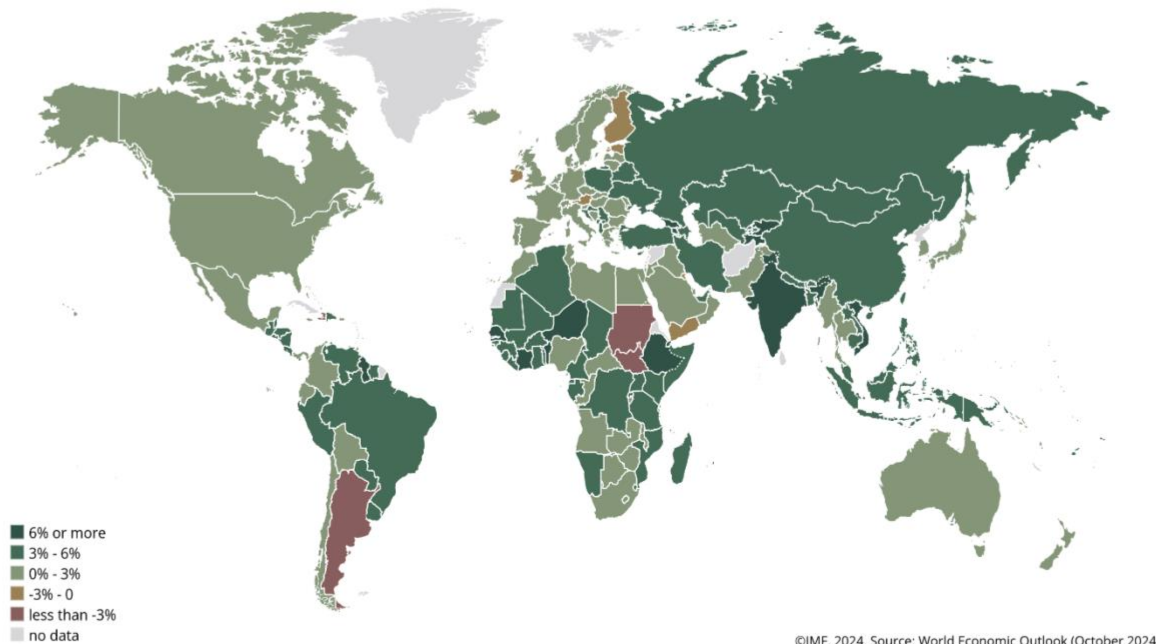
In investing business, it's easy to confuse luck with brains
- Jim Simons

Ebony Wealth

Ebony Research - Monthly Update December 2024

Global Overview

IMF have summarised Global GDP trend in 2024 through this Map



IMF Real GDP Forecasts	2024	2025
World Output	3.2	3.2
U.S.	2.8	2.2
Euro Area	0.8	1.2
Japan	0.3	1.1
China	4.8	4.5
India	7.0	6.5

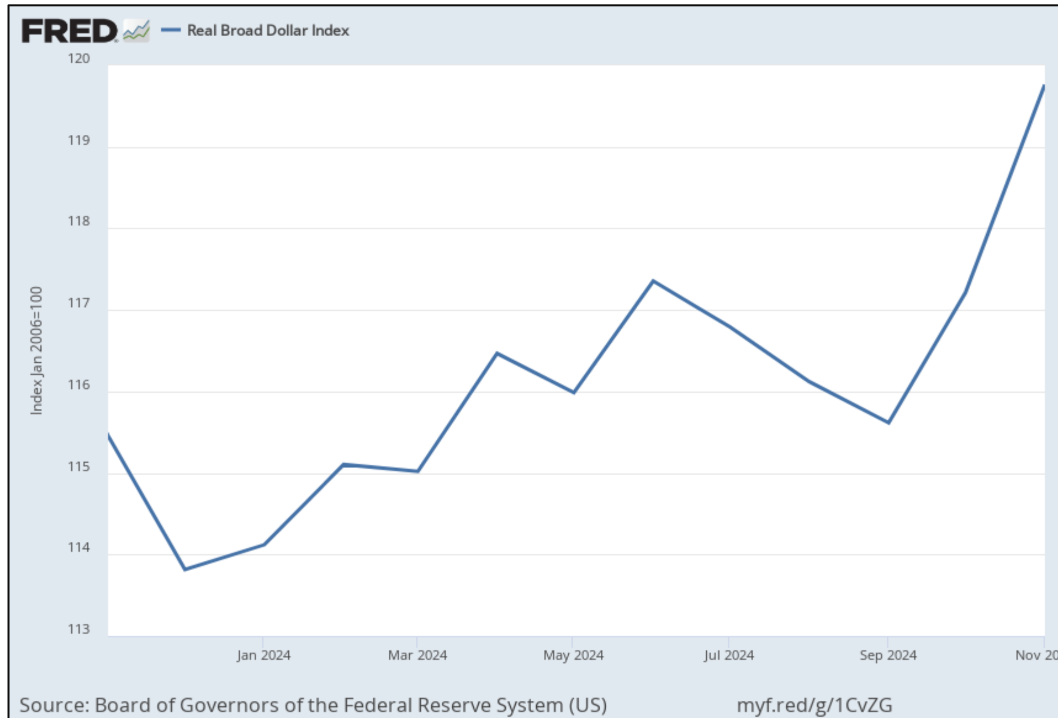
The global economic outlook remains positive as central banks have managed to curb inflation without causing a recession, though the disinflation process will vary across countries. While major central banks are expected to cut rates further, the easing cycle—particularly in the U.S.—is likely to be more limited than initially anticipated. Geopolitical tensions and national policy choices are driving global fragmentation, with the U.S. prioritizing geostrategic competition in areas like AI, quantum computing, and semiconductor manufacturing. This inward focus will have ripple effects globally, pushing Europe to address its productivity and investment gaps while pursuing greater strategic autonomy.

EBONY
WEALTH

U.S - USD and the Federal Reserve to be the "Front and Center" for investors in 2025

U.S will remain the global growth engine with still healthy labour market, strong credit fundamentals, ample liquidity in the system, and broadening of AI-related capital spending. Against the backdrop of restrictive monetary policy, the U.S. economy has had the favourable combination of strong real GDP growth, loosening of overly tight labour markets, and falling inflation -a "soft landing" engineered by the Federal Reserve.

US Dollar Strength Persists on Tariffs, Fed Policy, and Inflation



Dollar bears have taken a battering since October 2024. The US Dollar Index has seen 8% appreciation since September lows with return of Trump era. Going in to 2025, US Dollar will likely be driven by opposing forces.

Supportive Factors

- Tariffs under Trump expected to drive up inflation atleast in the short term and a gradual and a shallow rate cut cycle leading to relatively higher interest rates
- The U.S. economy outpaces Europe and Japan, widening interest rate gaps and attracting global capital inflows to the dollar.
- Investors favor U.S assets amid geopolitical uncertainty and global monetary easing cycles.

Risks

- Likely fiscal expansion and tax cuts leading to higher debt
- Resurgence of Inflation leading to more persistent slowdown
- China's stimulus measures gain traction, as improving Asian growth traditionally draws investment away from dollar assets.

The 2018-2019 trade war demonstrated how dollar demand can rise sharply as markets adjust to changing trade dynamics and increased import costs. In 2025, even the mere perception of elevated trade barriers could drive defensive positioning in favour of the dollar, particularly in the absence of clear policy measures from other economies.

The growing U.S. budget and current account deficits pose a significant long-term challenge, with federal debt projected by the CBO to reach 122% of GDP by the end of 2024, potentially undermining confidence in the dollar and economic stability. Persistently high fiscal deficits are increasing the supply of U.S. Treasuries, which could pressure the dollar if bond markets demand higher yields. This risk may intensify if economic growth slows later in the year, further straining dollar valuations.

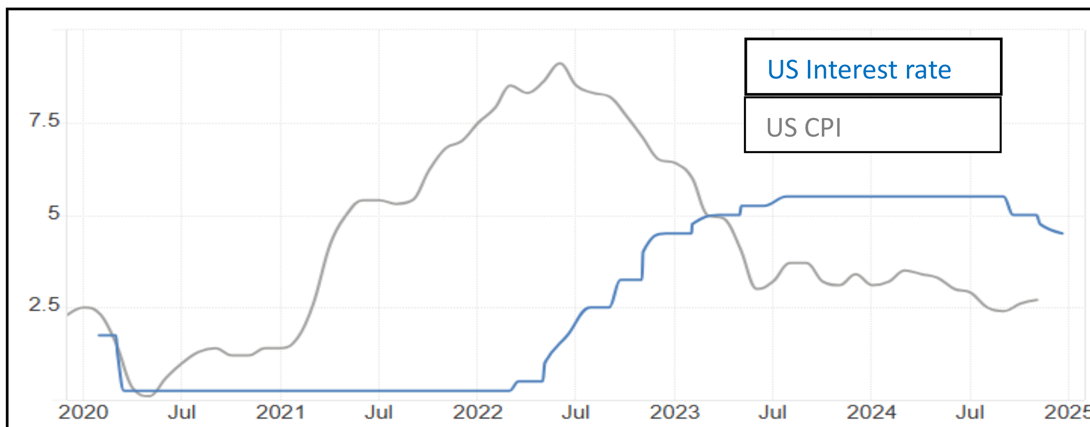
Federal Reserve is going to be the "Front and Center" for investors in 2025 is how rapidly or deeply the U.S. Federal Reserve can cut rates. The Federal Reserve has already cut the policy rate by 100bps to 4.25-4.50% despite

- Economy growing at a rate close to 3%,
- Inflation rate moderating but still above target
- Strong employment data, and
- Equity markets and house prices are at all-time highs.

The rationale goes that the 2022-23 rate hike cycle was quick and aggressive in the last 40 years, and the period between the last rate hike and the first-rate cut has been **unusually long at 14 months – the average has been around 6 months** over the past few decades. Monetary policy operates with long and varied lags and the Fed wants a soft landing. It is important to revisit the fact that it has a dual mandate of 2% inflation and maximum employment means they have to set monetary policy to optimise for both.

Following the December rate cut, we expect the Federal Reserve to pause in January, awaiting clarity on President Trump's plans for tariffs, taxes, and fiscal policies. This policy uncertainty is likely to prompt the Fed to adopt a cautious and gradual approach to rate cuts in 2025. We anticipate 50-75 bps of cuts next year, slightly more dovish than the Fed's projected 50 bps reduction.

History of U.S Interest rate (Fed Funds rate - upper ceiling) & CPI



Period	US Fed Funds Rate (UC)
March 2020-February 2022	0.25%
December 2022	4.50%
December 2023	5.50%
December 2024	4.50%

Federal Reserve's Quantitative Tightening (QT) Program: An Overview

Quantitative Tightening (QT) refers to the Federal Reserve's process of reducing the size of its balance sheet by allowing maturing securities to roll off without reinvestment or actively selling assets. Over the past 20 years, the Federal Reserve has alternated between balance sheet expansion, through Quantitative Easing (QE), and contraction via QT, depending on economic conditions.

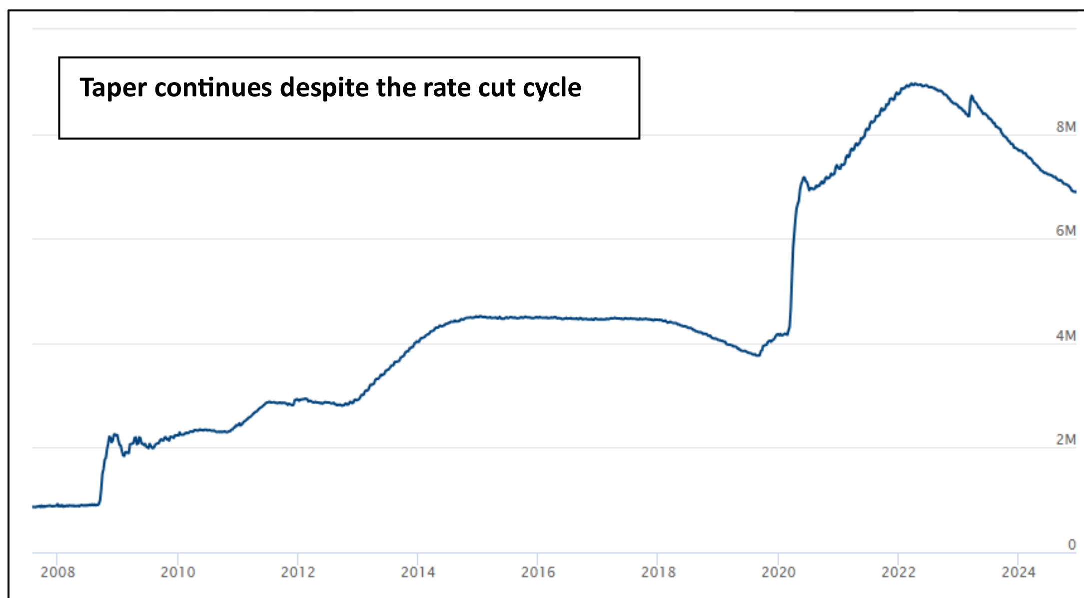
The COVID-19 pandemic in **2020** necessitated another round of QE, with the Fed injecting massive liquidity into the economy. The balance sheet surged to nearly **$9 trillion**, as the Fed purchased Treasuries and MBS to support markets and economic recovery. With inflation reaching multi-decade highs in 2022, the Fed shifted gears, announcing a renewed QT program in **June 2022**. This phase was more aggressive, with the Fed allowing up to **$95 billion** in securities to roll off its balance sheet monthly.

Unlike the 2017-2019 QT, this program coincided with sharp rate hikes to combat inflation, adding significant pressure on financial markets.

The Federal Reserve's balance sheet has seen a significant reduction following the pandemic-driven expansion during 2020-2022. Total assets peaked at $8.9 trillion in April 2022 and declined to $6.85 trillion by December 2024, marking a 23.6% reduction ($2.11 trillion) since the end of QE. In December alone, the Fed shed $43 billion, bringing the balance sheet to its lowest level since May 2020.

Of the $4.81 trillion added during the pandemic QE from March 2020 to April 2022, the Fed has unwound 44%, demonstrating steady progress in quantitative tightening. This balance sheet normalization highlights the Fed's commitment to addressing inflation and reducing excess liquidity, while carefully managing the risks to financial markets and economic stability.

Federal Reserve's QT and its Balance Sheet (total assets in mn US$)



Source: Federal Reserve, Trading Economics

U.S Markets

U.S Equities – A case of stretched valuation but still favoured on the back of uncertainty in policy and USD resurgence

US to remain the global growth engine with the business cycle in expansion, healthy labor market, broadening of AI-related capital spending. Over the past decade, U.S. equities have delivered an astounding 12.8% p.a., far outpacing international equities (5.7% USD terms). While valuation expansion and the technology sector have attracted attention in the U.S., broad earnings growth has largely been responsible for U.S. outperformance. Conversely, ex-U.S. developed markets have had stagnant earnings growth.

The widely predicted "most anticipated recession ever" did not materialize last year, as the US economy successfully achieved a soft landing. Looking ahead, economic expansion in 2025 is expected to remain robust, driven by fiscal stimulus following Donald Trump's election victory and a Republican Congressional sweep, coupled with monetary support from the Federal Reserve's shift to a rate-cutting cycle.

A resilient US economy has stood out against other developed nations in recent years with stronger economic growth and healthier corporate profits that have fueled outsize stock market gains. The unprecedented bull run has led to a notable uptick in valuations, though the rally has been concentrated in a few stocks. Over the last two years, the Fed's higher-for-longer rates policy, coupled with the AI capex boom, was a key driver of narrowing equity leadership and increasing Momentum Crowding (currently at ~100%-tile). During this period, investors sought safety in Quality Growth Mega-caps with superior fundamental tailwinds, pricing power and fortress balance sheets, while they shed interest-rate-sensitive regardless of value. As such, percentage of US stocks outperforming S&P 500 sank to a near record low of only 30%. Equity valuation and crowded investor positioning in the Momentum factor may limit upside for market-cap–heavy indices and, at the same time, increase the opportunity set for active management after two years of record narrow stock leadership. We expect continued dispersion across equities and broadening out of equity performance to segments where valuation is more supportive.

Several factors suggest caution in going all-in on US equities at this stage: unsustainable debt levels, high interest rates amidst a slowing global economy, sticky inflation, geopolitical uncertainties, and a low to near-zero equity risk premium (ERP). While we remain positive on US equities, we advocate a "buy on dips" approach, recognizing the need for prudence given current valuations and macroeconomic uncertainties. In contrast, we are more confident about US Treasuries, where the risk-reward dynamics appear more favourable, making them an attractive option for deploying capital in the current environment.

Relative to the world the current polarized U.S equity performance will likely remain in place going into 2025, with US equities preferred over Eurozone and Emerging Markets. As 2025 progresses, there exists the potential for a convergence given valuation gap and price divergences across regions. However, more clarity is first needed on global trade and geopolitics. In the meantime, lack of a quality substitute to US equities remains the reality.

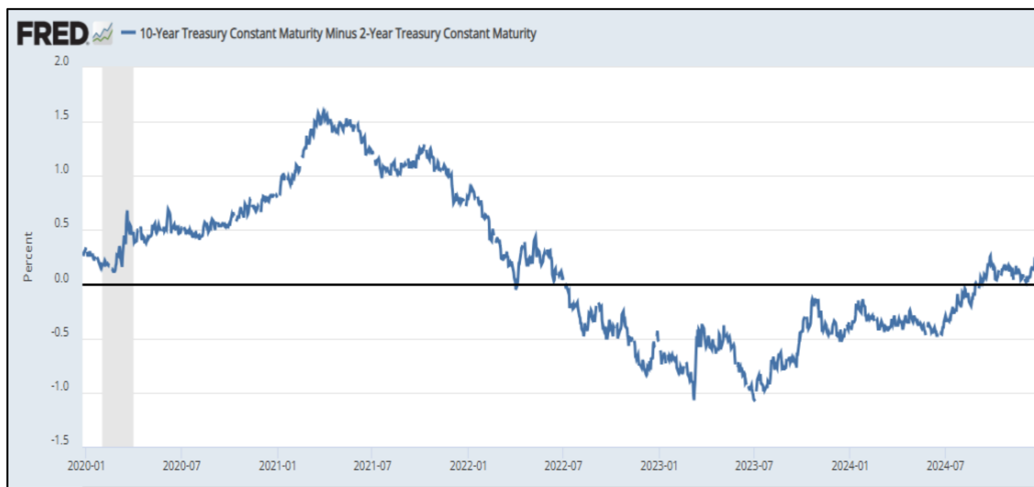
EBONY WEALTH

U.S Bonds - Higher starting yields, imply a "Coupon wall," meaning that future bond returns are less exposed to modest increases in yields.

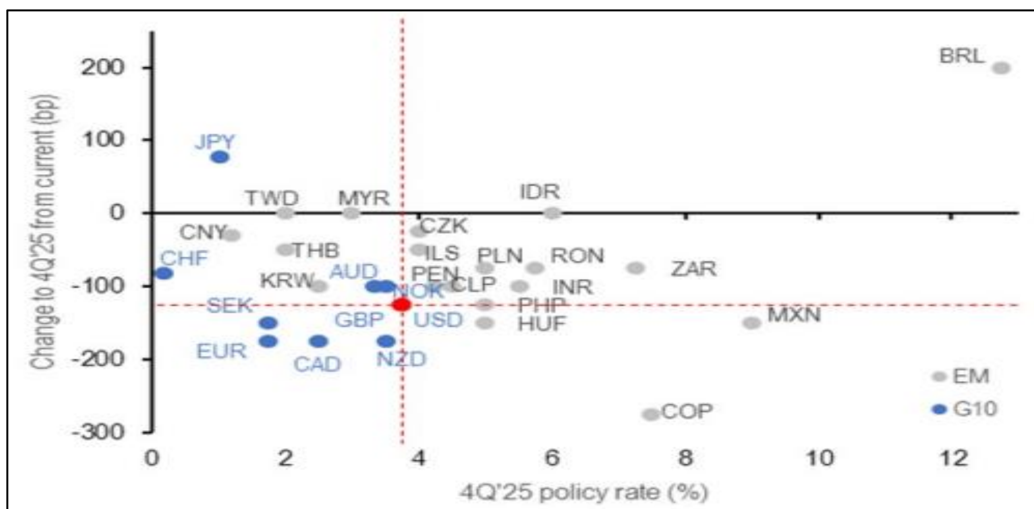
In 2025, the Federal Reserve will be a key focus for investors, as they watch how quickly or deeply it cuts rates. Despite inflation concerns, the Fed has already reduced the policy rate by 100bps to 4.25-4.50%. Further the yield curve inversion has ended, with the 10-year Treasury yield now trading higher than the 2-year yield without a recession. The Federal Reserve's rate normalization policy is expected to further drive a decline in shorter-dated Treasury yields. We maintain a positive outlook on U.S. Treasuries supported by

- Attractive carry, higher starting yields have greatly improved the risk-return trade-off
- Moderating inflation and slowdown in several countries in the developed world along with uncertain China
- Federal Reserve's continued rate normalization policy alongside conducive global interest rate environment
- Resurgence of the U.S dollar

Yield curve inversion has ended



Interest rate forecast for various Central Banks in 2025



Source JP Morgan

India Overview

We delve in to the recently released RBI Financial Stability Report released in December 2024.

Here are the few highlights

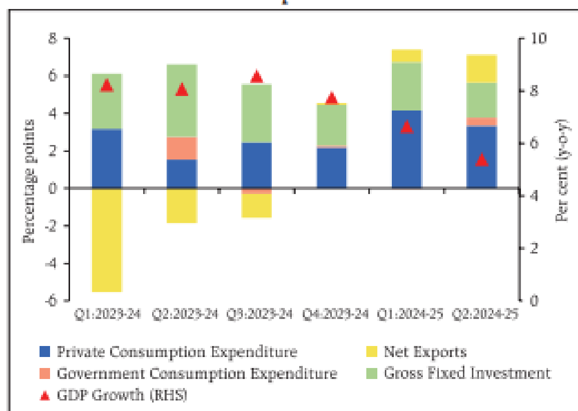
Global Macrofinancial Risks: The global economy and the financial system remain resilient despite heightened uncertainty. Normalisation of monetary policy is underway and financial conditions remain accommodative. While near-term risks have receded, **vulnerabilities such as stretched asset valuations, high public debt, prolonged geopolitical conflicts and risks from emerging technologies pose threats to financial stability in the medium term. Emerging market economies (EMEs) face challenges in preserving financial stability from global spillovers** and growing uncertainty regarding trade policies and logistics disruptions.

Domestic Macrofinancial Risks: Against an uncertain global backdrop, the Indian economy is exhibiting steady growth, underpinned by solid macroeconomic fundamentals and strong domestic growth drivers. The domestic financial system is demonstrating resilience, supported by healthy balance sheets of banks and non-banks, and fortified by strong capital buffers, robust earnings and improving asset quality. Vulnerabilities in the form of **stretched equity valuations, pockets of stress in the microfinance and consumer credit segments and risks from external spillovers** require close monitoring.

GDP: India’s Real GDP is projected to grow at 6.6% in 2024-25 aided by revival in rural consumption, pickup in government consumption and investment and strong services exports.

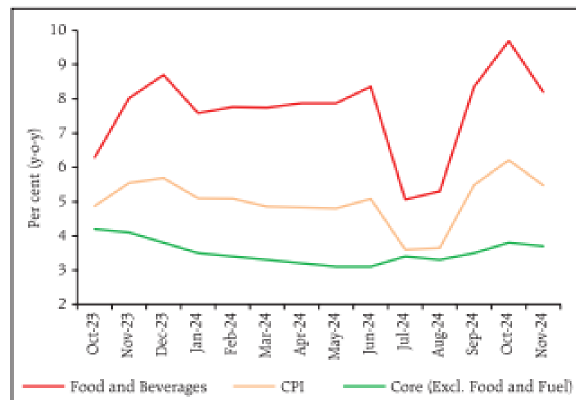
Inflation: Consumer price index (CPI) inflation changed course post August 2024 on the back of a rise in food prices and rose beyond the upper tolerance level to 6.2% in October 2024. Subsequently, with some softening of food prices and favourable base effect, CPI inflation came down to 5.5% in November 2024

Chart 1.17: GDP Growth and Weighted Contribution of Components



Sources: National Statistical Office (NSO) and RBI staff calculations.

Chart 1.18: Inflation



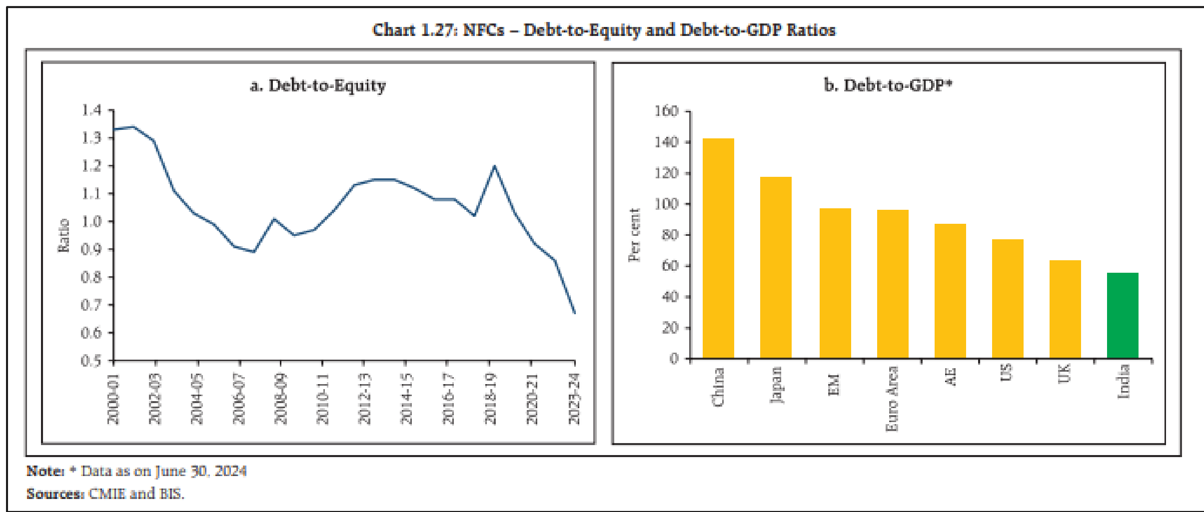
Sources: National Statistical Office (NSO) and RBI staff calculations.

External Sector: Merchandise exports recorded growth of 2.2% (y-o-y) during April-November 2024, whereas merchandise imports rose by 8.3%, led by demand for gold, petroleum, crude and products,

and electronic goods. Accordingly, trade deficit increased to US$ 202.4bn during this period from US$ 171.0 bn a year ago

Corporate Sector: The overall performance of listed private non-financial companies (NFCs) has remained steady this year so far: sales growth (y-o-y) remained stable at 6.2% in H1:2024-25 same as in H2:2023-24. The average cost of finance for listed private non-financial companies, as measured by the ratio of interest expenses to average of total borrowings from all sources, has risen since March 2022 to 9.2 per cent in September 2024.

At a broader level, the debt-to-equity ratio of NFCs has been steadily declining since 2018-19. India's corporate debt-to-GDP ratio remains low when compared with that of AE and EME peers



Government Finance: As per the provisional accounts (PA) of the central government for 2023-24, the gross fiscal deficit (GFD) was contained at 5.6 per cent (of GDP at current market prices), lower than the budget estimates (BE) of 5.9 per cent. It is projected to go down further to 4.9 per cent in 2024-25 (BE). This improvement in the fiscal position of the central government is primarily due to broad-based growth in revenue receipts.

The focus on capital expenditure to support investment and economic growth has resulted in a consistent improvement in the quality of expenditure. Capital outlay (i.e., capital expenditure excluding loans and advances) is projected to increase by 16.7% during 2024- 25 (BE). **Capital expenditure and capital outlay of the union government contracted (y-o-y) by 35.0 per cent and 35.4 per cent, respectively, during Q1:2024- 25, largely due to the model code of conduct being in force**

Table 1.4: Central Government Finances - Key Deficit Indicators

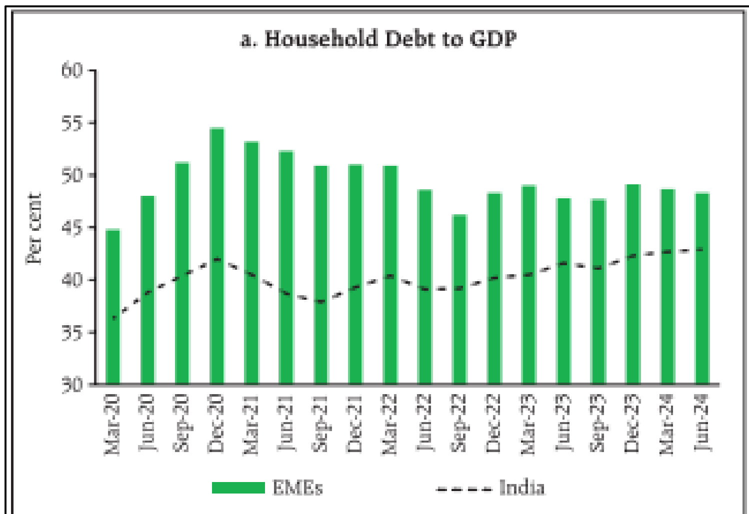
(Per cent of GDP)

Items	2020-21	2021-22	2022-23	2023-24 (PA)	2024-25 (BE)
1. Fiscal Deficit	9.2	6.7	6.4	5.6	4.9
2. Revenue Deficit	7.3	4.4	4.0	2.6	1.8
3. Gross Primary Deficit	5.7	3.3	3.0	2.0	1.4

Note: PA - Provisional Accounts; BE - Budget Estimates.
Sources: Controller General of Accounts (CGA) and Union budget documents

during the general elections. Subsequently, however, capital expenditure and capital outlay grew by 10.3 per cent and 14.6 per cent (y-o-y), respectively, in Q2:2024-25.

Household Finance: At 42.9% of GDP (at current market prices) in June 2024, India's household debt is relatively low compared to other EMEs, however, it has increased over the past three years. Even as household debt is on a rising trend, the increase is driven by a growing number of borrowers rather than an increase in average indebtedness



Exchange Rate: Amidst periods of volatility in international foreign currency markets and the strengthening of the US dollar relative to other currencies, the domestic foreign exchange market has stayed steady.

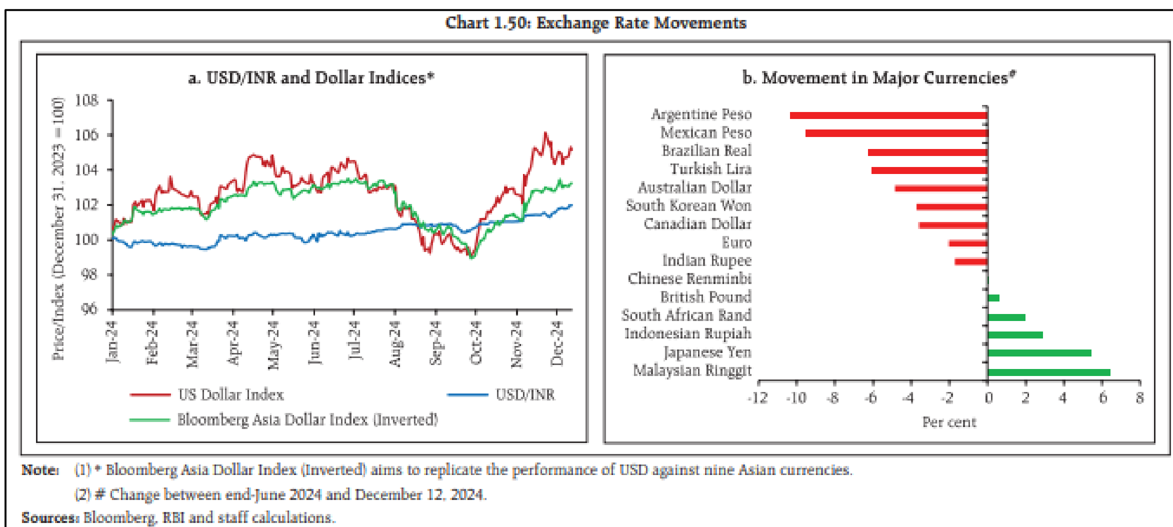


Chart 1.50: Exchange Rate Movements

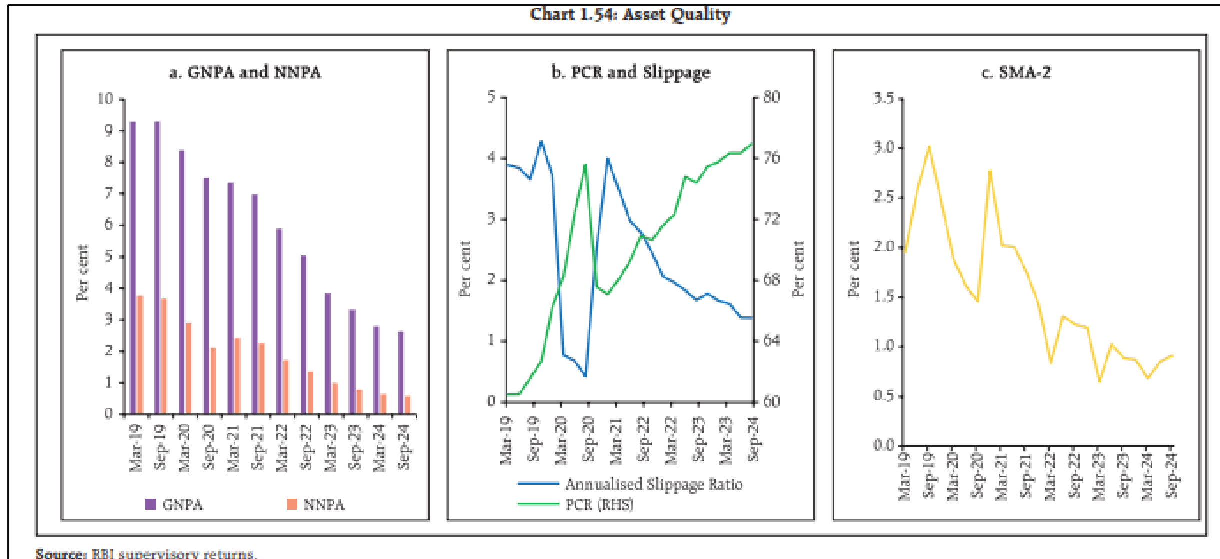
Note: (1) * Bloomberg Asia Dollar Index (Inverted) aims to replicate the performance of USD against nine Asian currencies.
(2) # Change between end-June 2024 and December 12, 2024.
Sources: Bloomberg, RBI and staff calculations.

Banking System: The resilience of the domestic banking system has been bolstered by robust capital buffers, strong earnings and sustained improvement in asset quality. The common equity tier 1 (CET1) ratio, which represents the highest quality of regulatory capital, stood at 14%, well above the regulatory requirement of 8 per cent (including the capital conservation buffer). The banks' net interest

margins (NIM) and profitability also remained solid. Consequently, their returns on assets (RoA) and returns on equity (RoE) rose to 1.4% and 14.1%, respectively, in September 2024.

Buoyed by falling slippages, higher writeoffs and steady credit demand, the gross nonperforming assets (GNPA) ratio of scheduled commercial banks (SCBs) fell to a multi-year low of 2.6%. Alongside, net non-performing assets (NNPA) ratio declined to 0.6%, aided by strong provisioning.

Chart 1.54: Asset Quality

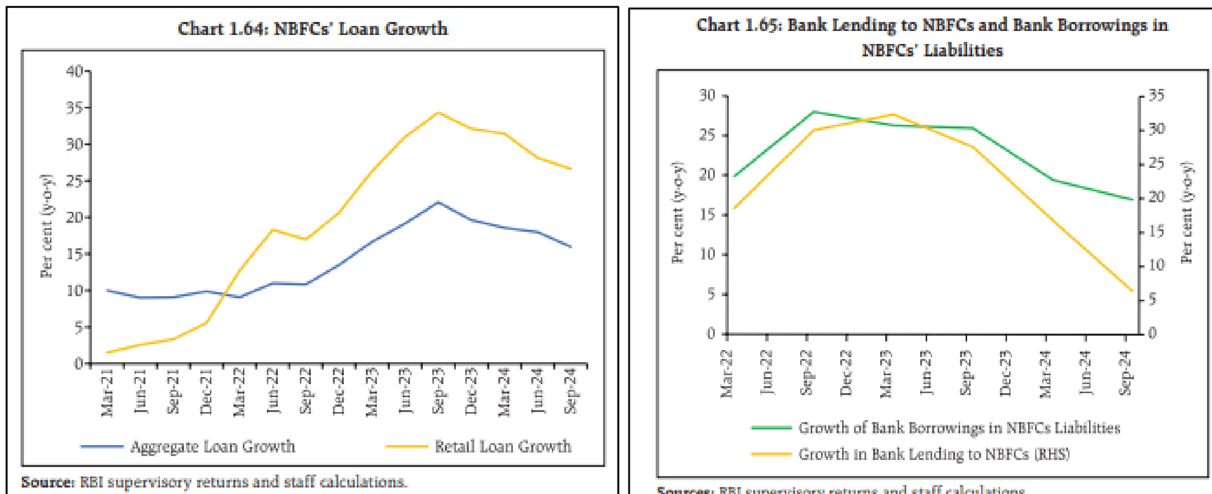


Source: RBI supervisory returns.

Non-Banking Financial Companies (NBFCs): NBFCs' loan growth moderated further during H1:2024-25 to 6.5 per cent (h-o-h) in September 2024 as prudential increases in risk weights on NBFC lending to certain consumer credit categories as well as on bank lending to NBFCs took fuller effect

Chart 1.64: NBFCs' Loan Growth

Chart 1.65: Bank Lending to NBFCs and Bank Borrowings in NBFCs' Liabilities



Source: RBI supervisory returns and staff calculations.

Sources: RBI supervisory returns and staff calculations.

Microfinance: Credit to the microfinance sector by banks (including SFBs), NBFC-MFIs and other NBFCs has decelerated during the current financial year so far after witnessing rapid growth during the last three years. In terms of CAGR, credit to the microfinance sector grew by 24.4% between June 2021 and March 2024 (11% in terms of number of borrowers). The microfinance sector is showing signs of stress, with rising delinquencies across all types of lenders and ticket sizes. During H1:2024-25, share of stressed assets increased, with 31-180 days past due (dpd) rising from 2.15% in March 2024 to 4.3% in September 2024. Alongside rising delinquencies, the share of borrowers availing loans from four or

more lenders has increased from 3.6% to 5.8% during the last three years (September 2024 over September 2021).

Indian Macro Economic resilience face short term headwinds

We see H1 2025 to be more about macro variables takes centre stage

- Global Macros
  - U.S Policies – Tariff, Fiscal expansion, USD
  - Everchanging Fed outlook on rates
  - China Stimulus
  - Oil
- Indian Macros
  - GDP, Inflation and Rates
  - CAD (Imports-Exports)
  - Union Budget
  - Forex reserves

While we expect markets see-sawing across various macro variables, earnings season from January 2025 will be keenly tracked as valuation re-adjustment can again become the order as witnessed since September 2024.

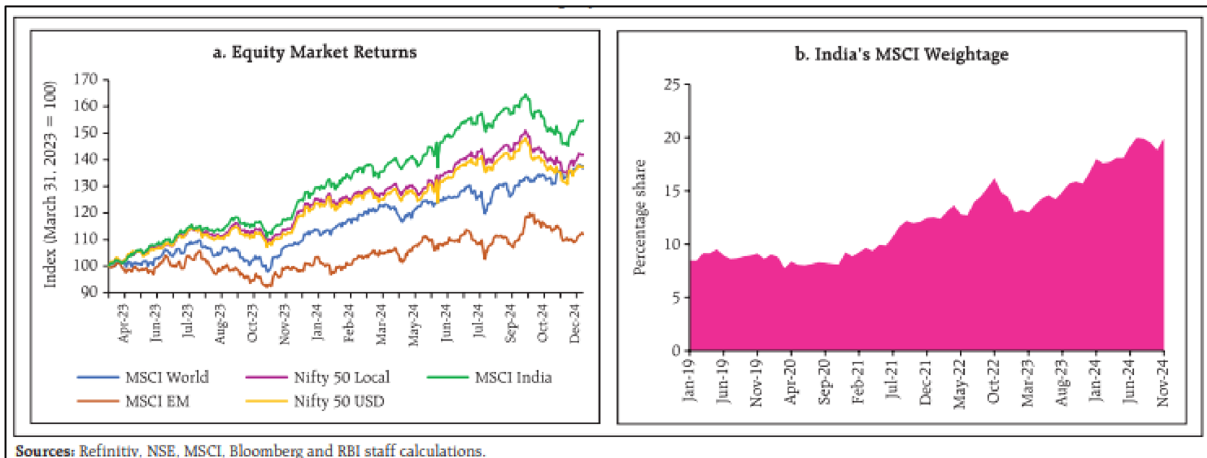
Amongst various variables, we lay significant importance on the recent trends in Forex Reserves. Foreign exchange reserves held by the Reserve Bank of India fell to an equivalent of $640bn in the last week of 2024, the lowest since April, and extending the decline from the record high of $704.9bn in the last week of September. The drop was owed to an outflow of foreign capital as slowing growth in India drove investors to opt out of investments in domestic equities and forcing the RBI to deplete reserves and prevent a sharper decline for the rupee.

Indian Forex Reserves

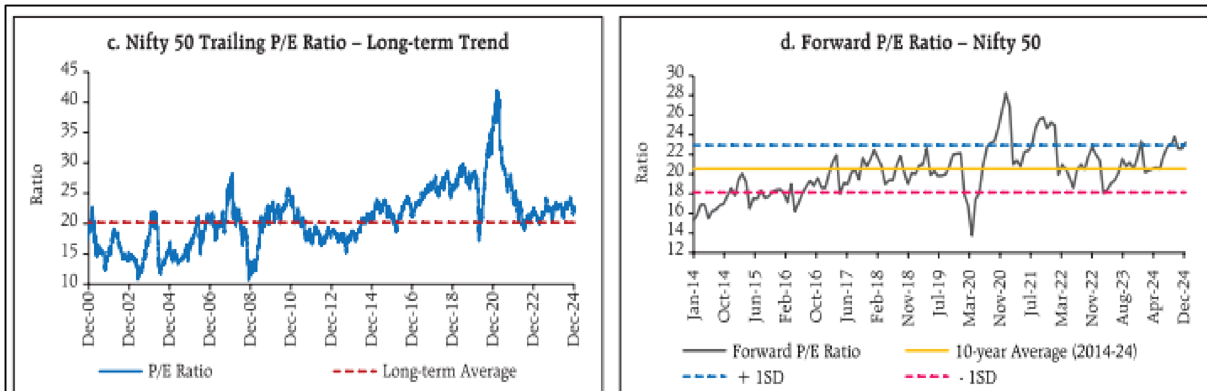
Indian Equities

Indian equities have been among the best performing equity markets for an extended period of time. India's equity market has been on a relentless bull run since the pandemic, but recent lacklustre earnings and slowing GDP growth may mean stocks take a pause — at least for now.

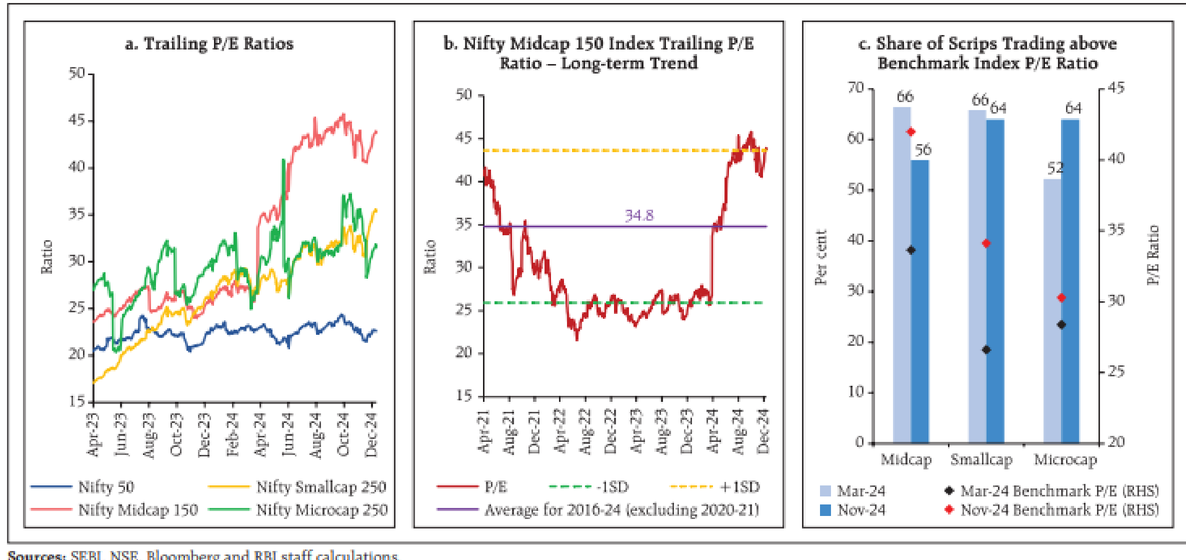
The Equity market had witnessed an unprecedented run between April 2020 and September 2024, with Nifty 50 up by 198% and BSE Midcap up by 351%, largely driven by strong corporate performance. The Indian equity market, which rose to record highs in late-September 2024, has witnessed correction due to deceleration in the pace of corporate earnings and concerns about market valuation. It has, however, outperformed emerging market peers in 2024. This has led to increase in India's weightage in the MSCI-EMI from 9.2% in March 2019 to 19.9% in November 2024.



Sources: Refinitiv, NSE, MSCI, Bloomberg and RBI staff calculations.

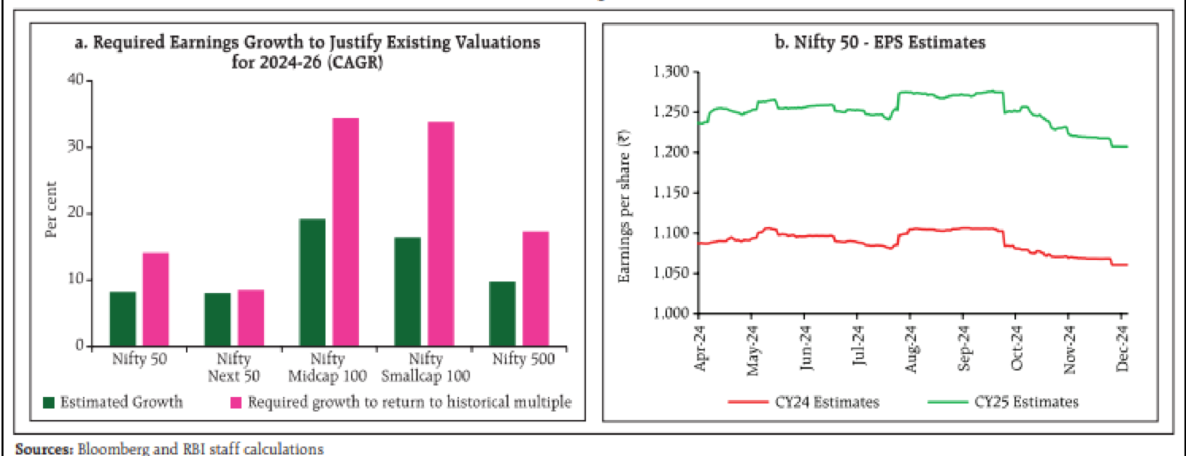


Source: RBI Financial Stability Report December 2024

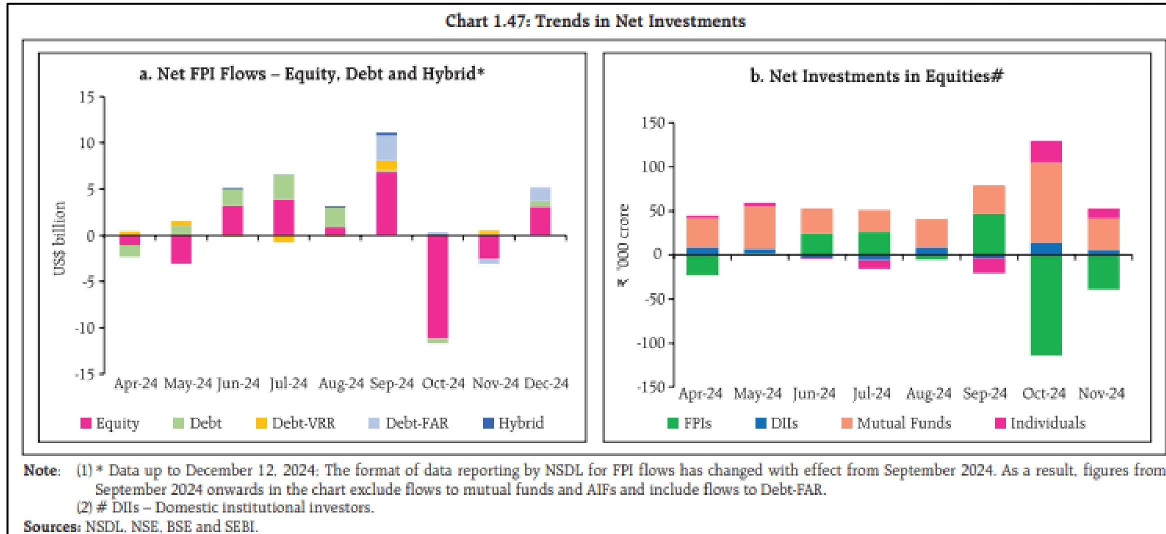


Source: RBI Financial Stability Report December 2024

Stretched valuations are more prominent in midcap and smallcap stocks. Notably, the Nifty Midcap 150 Index was trading at P/E ratios close to 43.7 in mid-December 2024 compared to its long-term average of 34.8. **To justify the current valuations for all indices, the required earnings growth should exceed the expected earnings growth to forestall a large and abrupt market correction. Q2:2024-25 corporate results, however, indicate a slowdown in earnings as reflected in earnings per share (EPS) estimates**



Source: RBI Financial Stability Report December 2024



Source: RBI Financial Stability Report December 2024

Moving ahead we see headwinds for the Indian equities in the near term

a) Expensive valuations both by its own history and relatively to peers
b) Downgrade in earnings expected as we move in to FY26
c) Slow growth in urban consumption
d) Reduced appetite among NBFCs and MFI to lend given the rise in delinquencies
e) FII outflows
f) Measured Rate Cuts by RBI in FY26 on the back of shallow rate cut cycle by the Fed

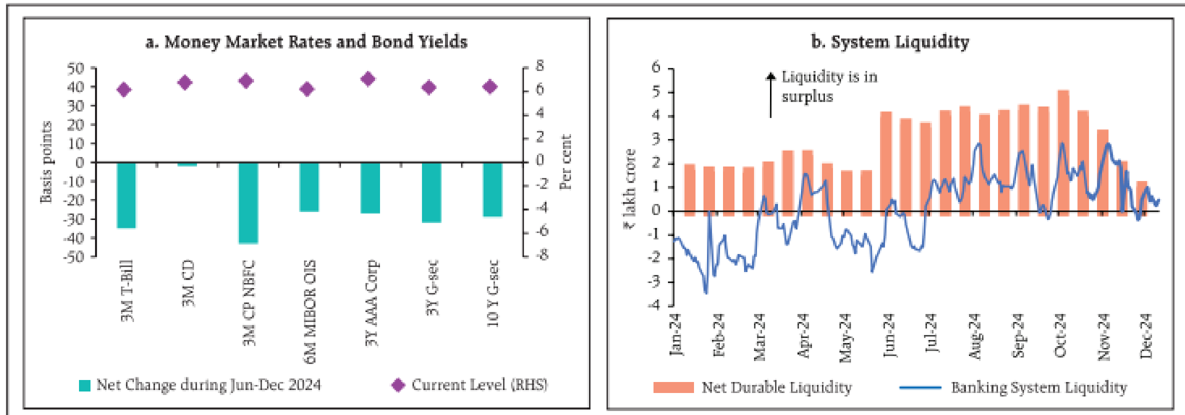
Although the market is currently experiencing a tactical breather, India's long-term economic drivers remain strong and we expect the earnings trajectory to remain largely intact, although the magnitude of growth is expected to moderate. Long term economic drivers include a demographic dividend with increasing urbanization and rising wealth, a strong infrastructure push by the government, a manufacturing sector gaining traction under supply chain diversification, sustainable and pro-industry policies, and growing renewable energy capacity. Based on International Monetary Fund (IMF) data, the nation is projected to clock a growth rate of 6.1% over the next five years, becoming the world's third-largest economy by 2027, after the U.S. and China. India is expected to double its current annual GDP of USD 3.5trn to USD 7trn by 2030. Its considerable size and diverse sectoral offerings place India among the key equity markets globally.

We remain optimistic that Indian equities will deliver healthy long-term compounding, given the strength of corporate India's balance sheet and prospects for secular profitable growth amid robust economic prospects. Investors are encouraged to systematically invest in equities over the next few months and on dips, as Indian equities appear poised for a period of time correction rather than price correction.

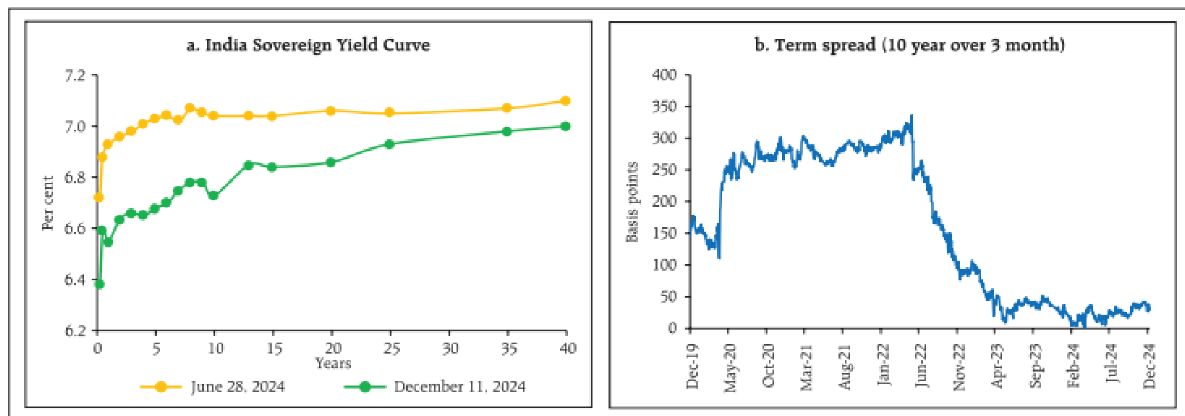
The forthcoming budget on February 1 will provide a clearer indication of the government's approach towards pushing various levers of the economy.

Indian Bonds

Recent trends in rates and liquidity



Note: Data as on December 11, 2024.
Source: Bloomberg.



Sources: FBIL and Bloomberg.

Source: RBI Financial Stability Report December 2024

Indian bond markets despite surrounded by the impossible trinity (Growth vs. Inflation vs Currency) in the near term offers attractive opportunity for investors on account of the following

- Between 2022 and 2023 RBI had significantly raised the repo rate by 250bps to 6.5% following global peers and now have moved the policy framework to Neutral in its last October policy
- Comfortable fiscal glide path. Centre's Fiscal deficit has come down every year from 6.4% in FY23 to 5.6% in FY24 to 4.9% in FY25.
- Attractive carry along with potential benefits from rate cuts in latter part of 2025. 2-3 Year Duration AAA Corporate Bonds are offering yields in excess of 7.25%
- Inclusion of Indian Bonds in more global indices and additional allocation from global investors.

We anticipate a measured rate cut cycle by the RBI, driven by a likely shallow rate cut cycle by the Federal Reserve and uncertainties surrounding the global trade policy environment. However, a supportive global policy backdrop is expected to enable the RBI to cut rates by **50-75 bps** over the next 12 months. We recommend investors deploy capital in bonds on a lumpsum basis, focusing on **AAA and AA+ rated securities** with a duration of **4-5 years** to optimize returns in the current environment.

EBONY WEALTH

Market Data

Index Performance 31 Dec 2024	1M	1Y	3Y
Nifty 50	-2.02	10.09	12.17
Nifty Next 50	-3.80	28.37	18.15
Nifty 200	-1.61	14.75	14.49
Nifty 500	-1.37	16.24	15.43
Nifty Midcap 150	1.12	24.46	23.21
Nifty Smallcap 250	0.20	27.21	22.69
Nifty Microcap 250	-0.31	34.75	35.23
Theme/Sector			
Nifty Auto	-2.29	23.58	28.93
Nifty Bank	-2.30	6.26	13.71
Nifty CPSE	-6.71	28.15	42.71
Nifty Defence	-3.17	56.50	70.87
Nifty FMCG	-1.97	1.55	16.83
Nifty Infrastructure	-3.10	16.79	20.70
Nifty IT	0.44	24.42	5.88
Nifty Manufacturing	-1.88	25.99	21.39
Nifty Metals	-4.03	9.25	17.71
Nifty Oil and Gas	-3.24	13.99	14.64
Nifty Pharma	5.27	40.03	18.99

Smart Beta Index 31 Dec 2024	1M	1Y	3Y
Nifty Alpha 50	0.33	33.86	18.49
NIFTY Alpha Low-Volatility 30	-1.84	17.83	16.65
Nifty Low Volatility 50	-1.61	14.24	15.25
Nifty100 Low Volatility 30	-0.77	12.38	14.76
Nifty200 Momentum 30	-4.10	21.33	17.58
NIFTY200 Quality 30	-2.18	14.42	12.93
NIFTYY200 Value 30	-4.26	22.69	35.75

Source: NSE India, Statlane Research, Index = Total Return Index, Performance over 1 year is Compounded Annualised

EBONY WEALTH

Valuation Metric	P/E 31 Dec 2024	P/E 29 Dec 2023
Nifty 50	21.8	23.2
Nifty Next 50	24.9	25.7
Nifty 500	25.6	24.5
Nifty Midcap 150	43.3	26.5
Nifty Smallcap 250	34.4	27.4
Nifty Microcap 250	30.3	30.6
Nifty Auto	22.3	26.3
Nifty CPSE	12.7	10.6
Nifty FMCG	46.4	45.8
Nifty India Defence	49.9	46.0
Nifty India Manufacturing	29.3	26.9
Nifty Infrastructure	24.1	19.3
Nifty IT	34.0	29.7
Nifty Oil & Gas	12.9	8.2
Nifty Pharma	37.0	33.9
Nifty Private Bank	14.6	18.5
Nifty PSU Bank	7.4	8.1
Nifty Realty	54.4	50.4

Smart Beta – Valuation Metric	P/E 31 Dec 2024	P/E 29 Dec 2023
Nifty Alpha 50	42.4	26.7
NIFTY Alpha Low-Volatility 30	37.6	22.6
Nifty Low Volatility 50	34.5	26.7
Nifty100 Low Volatility 30	32.1	26.7
Nifty200 Momentum 30	48.9	20.8
NIFTY200 Quality 30	30.6	32.9
NIFTY200 Value 30	10.1	n.a.

Source: NSE India, Statlane Research

Global Index Performance 31 Dec 2024 %	1M	QTD	1Y
S&P 500	-2.38	2.41	25.02
Dow Jones Industrial Average	-5.27	0.51	12.88
S&P Developed Ex US BMI	-2.90	-7.87	3.67
S&P Europe 350	-2.32	-9.47	2.60
S&P Asia 50	2.35	-4.76	22.32
S&P EM BMI	0.49	-5.98	12.30

Note 1: Source: S&P Dow Jones Indices LLC and/or its affiliates. 2 Index performance based on total return (USD)

Global Smart Beta Index Performance 31 Dec 2024 %	1M	QTD	1Y
S&P 500 Momentum	-1.71	4.97	46.01
S&P 500 Equal Weight	-6.26	-1.87	13.01
S&P 500 Growth	0.85	6.17	36.07
S&P 500 Value	-6.80	-2.67	12.29
S&P 500 Low Volatility	-6.28	-1.97	14.26

Note 1: Source: S&P Dow Jones Indices LLC and/or its affiliates. 2 Index performance based on total return (USD)

India Fixed Income Data	31 Dec 2024	Month back
Repo	6.50%	6.50%
1 Year CD	7.60%	7.60%
10 Year GOI	6.79%	6.83%
5 Year PSU	7.37%	7.26%
1 Year NBFC	7.88%	7.73%
3 Year NBFC	7.77%	7.65%
US 10 Year Treasury	4.53%	4.24%

Source: Statlane Research

India Fixed Income Indices			Index Return %	
As of 31 Dec 2024	Yield (%)	MD (Yrs)	1M	1Y
Nifty 5Y SDL Index	7.18	4.10	0.58	8.92
Nifty 10Y SDL Index	7.26	7.12	0.82	10.65
NIFTY 10 yr Benchmark G-Sec	6.87	7.19	0.52	9.53
NIFTY Corporate Bond Index	7.87	2.59	0.56	7.64
NIFTY Banking and PSU Debt Index	7.52	2.70	0.56	7.98
NIFTY Low Duration Debt Index	7.72	0.67	0.61	7.80
NIFTY Short Duration Debt Index	7.55	1.88	0.59	7.65
NIFTY Credit Risk Bond Index	9.35	2.09	0.62	8.32
NIFTY Long Duration Debt Index	7.20	8.42	0.57	10.41
NIFTY Short Duration G-Sec Index	6.81	2.09	0.55	7.76
NIFTY Long Duration G-Sec Index	7.06	10.47	0.47	12.17

Source: NSE India, Statlane Research, MD=Macaulay Duration

Commodities	31 Dec 24	31 Dec 23
Oil (Brent)	74	77
Gold	2604	2069

Source: Statlane Research

EBONY WEALTH

Disclaimers

This report is prepared by research provider who holds entire copy rights reserved with them.

This Document has neither been approved nor disapproved by the Securities and Exchange Board of India ("SEBI") nor has SEBI certified the accuracy or adequacy of the contents of the document.

Any performance-related data provided herein is not verified by SEBI.

Investments in securities are subject to market risks and there is no assurance or guarantee that the objective of the investments will be achieved. Such investments may not be suited for all investors. The statements contained herein may include statements of future expectations and other forward-looking statements that are based on our current views and assumptions and may involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those express or implied in such statements.

Please read this disclaimer carefully and seek professional advice before acting upon any information presented in this document.