

# Global Navigator

April 2025



**HSBC** Mutual Fund

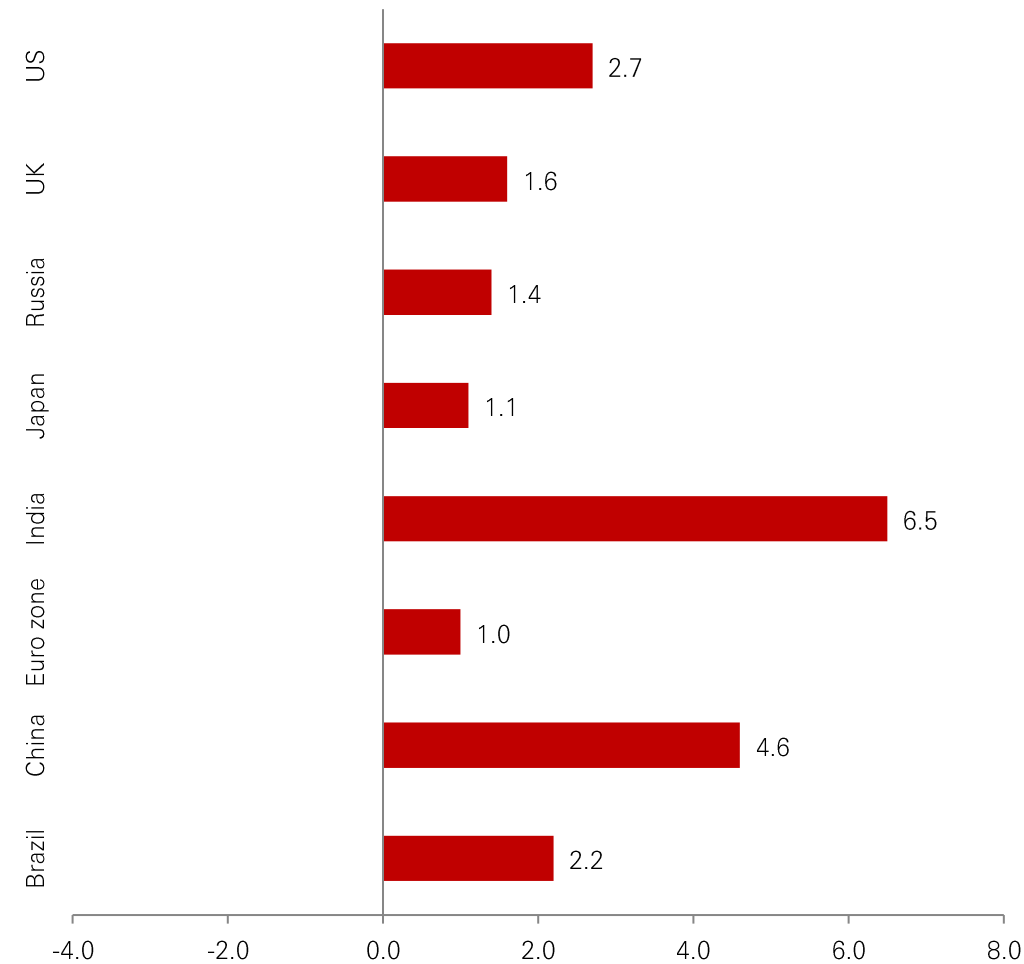
# Global Update

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	GDP		Inflation		Industrial Growth	
	Current	Previous	Current	Previous	Current	Previous
US	2.4% Q4 2024	3.1% Q3 2024	2.8% Feb'25	3.0% Jan'25	1.4% Feb'25	1.9% Jan'25
Eurozone	1.2% Q4 2024	1.0% Q3 2024	2.3% Feb'25	2.5% Jan'25	0.0% Jan'25	-1.5% Dec'24
UK	1.5% Q4 2024	1.2% Q3 2024	2.8% Feb'25	3.0% Jan'25	-1.5% Jan'25	-1.9% Dec'24
China	5.4% Q4 2024	4.6% Q3 2024	-0.7% Feb'25	0.5% Jan'25	5.9% Jan-Feb'25	6.2% Dec'24
Japan	2.2% Q4 2024	1.4% Q3 2024	3.7% Feb'25	4.0% Jan'25	2.20% Jan'25	-2.20% Dec'24
India	6.2% Q3 FY25	5.6% Q2 FY25	3.61% Feb'25	4.26% Jan'25	5.0% Jan'25	3.5% Dec'24

Major Global Central Bank	Latest Key Interest rate
US Federal Reserve	4.25-4.50%
Bank of England	4.50%
European Central Bank	2.65%
Bank of Japan	0.50%
India	6.00%

IMF GDP Projections for 2025

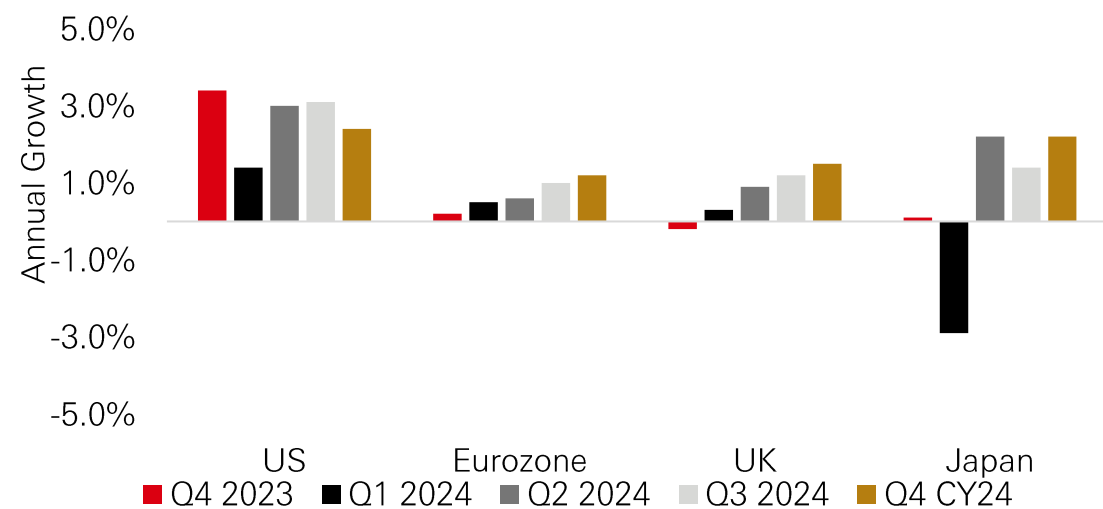


Source: CRISIL, Bloomberg, Respective Central Banks, IMF. Data as on 28 March 2025

Past performance may or may not be sustained in future and is not a guarantee of any future returns., GDP – Gross Domestic Product, IMF – International Monetary Fund

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## US economy grows 2.4% in Q4 2024; Federal Reserve raises inflation concerns

- The US economy expanded 2.4% on an annualized basis in the fourth quarter of 2024 compared with 3.1% in the third quarter.
- The Federal Reserve (Fed) kept the federal funds rate unchanged at 4.25-4.5% during its March meeting.
- Reassuring the public amid recession concerns, Chairman stated, “The US economy continues to be in a good place.” suggesting stability and strong fundamentals, aiming to boost confidence despite the ongoing economic uncertainty.

## UK economy expands 1.5% in Q4; Bank of England maintains its key interest rates

- The British economy expanded 1.5% in the last quarter of 2024.
- The Bank of England (BoE) voted 8-1 to keep the Bank Rate at 4.5% at its March meeting.
- The bank has proposed raising the deposit protection limit to £110,000 (\$142,300) in case of bank failures, up from the current £85,000 cap set in 2017 under the Financial Services Compensation Scheme (FSCS).

## Eurozone economy grows annually at 1.2% in Q4; ECB lowers interest rates by 25 basis points

- The Eurozone’s economy grew 1.2% on year in the fourth quarter of 2024, up from 1.0% in the previous quarter.
- As expected, the European Central Bank (ECB) cut key interest rates by 25 basis points in its March meeting.

## Japanese economy grows 2.2% in Q4; Bank of Japan keeps key short-term interest rate unchanged

- The Japanese economy expanded 2.2% on an annualised basis in the fourth quarter of 2024.
- The Bank of Japan (BoJ) kept its key short-term interest rate unchanged at around 0.5% at its March meeting.

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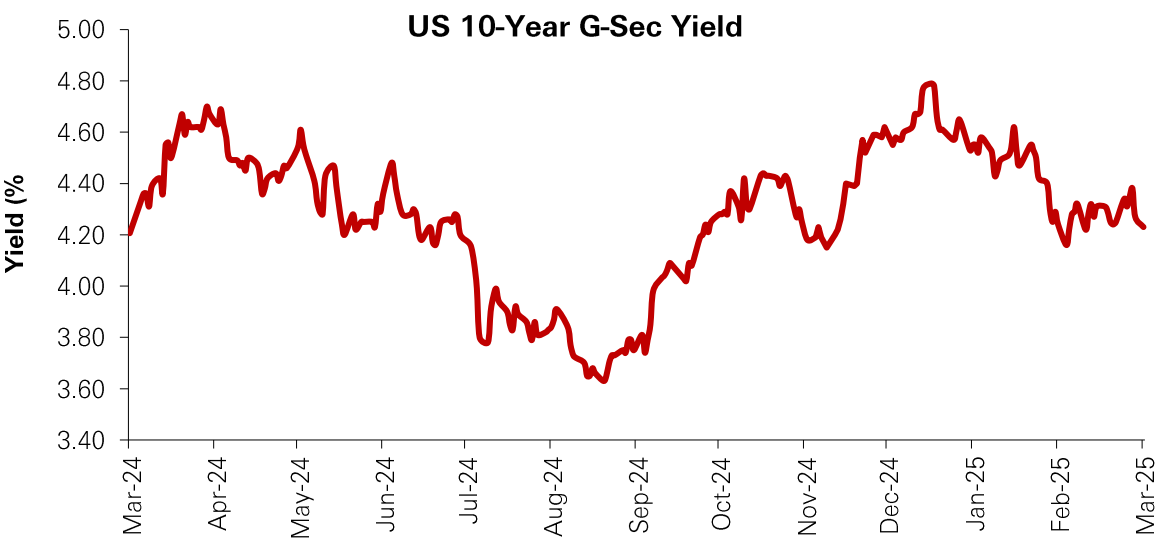
# Global- Performance trends

Sectoral indices	% Change										10-year CAGR*
	CY16	CY17	CY18	CY19	CY20	CY21	CY22	CY23	CY24	CY25*	
DJIA	13.42	25.08	-5.63	22.34	7.25	18.73	-8.78	13.70	12.88	-1.28	9.20
Nasdaq	7.50	28.24	-3.88	35.23	43.64	21.39	-33.10	43.42	28.64	-10.42	13.20
Nikkei	0.42	19.10	-12.08	18.20	16.01	4.91	-9.37	28.24	19.22	-10.72	6.47
Hang Seng	0.39	35.99	-13.61	9.07	-3.40	-14.08	-15.46	-13.82	17.67	15.25	0.54
FTSE	14.43	7.63	-12.48	12.10	-14.34	14.30	0.91	3.78	5.69	5.01	3.24
Cac 40	4.86	9.26	-10.95	26.37	-7.14	28.85	-9.50	16.52	-2.15	5.55	5.33
Xetra Dax	6.87	12.51	-18.26	25.48	3.55	15.79	-12.35	20.31	18.85	11.32	7.51
Shanghai	-12.31	6.56	-24.59	22.30	13.87	4.80	-15.13	-3.70	12.67	-0.48	-0.59
Brazil Bovespa	38.93	26.86	15.03	31.58	2.92	-11.93	4.69	22.28	-10.36	8.29	11.63
Russia RTS	52.22	0.18	-7.65	45.28	-10.42	15.01	-39.18	11.63	-17.56	24.30	3.90
Nifty 50 TRI	4.39	30.27	4.64	13.48	16.14	25.59	5.69	21.30	10.09	-0.29	12.08
BSE SENSEX TRI	3.47	29.56	7.23	15.66	17.16	23.23	5.80	20.33	9.49	-0.79	12.12

Source: CRISIL, BSE, NSE and Financial websites Figures in red indicate negative returns in that period. \*10-year CAGR, Data as on 31 March 2025, Nifty 50 TRI & BSE Sensex TRI Data as on 28 March 2025  
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## US treasury prices ended flat in March

- US Treasury prices ended almost flat in March, as earlier fall due to an upbeat economic data was cut short due to global trade war concerns.
- Bond prices began the month on a weaker note after US Commerce Secretary suggested potential tariff reductions. Prices fell further on upbeat services Purchasing Managers' Index (PMI), consumer confidence and inflation data, which eased economic growth concerns.
- Prices declined after comments from US Fed Chair indicated that the central bank could be patient in determining when to cut interest rates. They fell further as the latest inflation reading eased growth concerns.
- Rising expectations that US President could ease tariff plans also kept bond prices under pressure.
- However, gains were limited due to safe-haven demand after comments by US President raised concerns about an impending US recession.
- Bond prices rose after the US Fed, in its policy meeting, kept key rates unchanged, slowed the pace of balance sheet runoff, and hinted that it remained on track to trim policy rates twice this year.

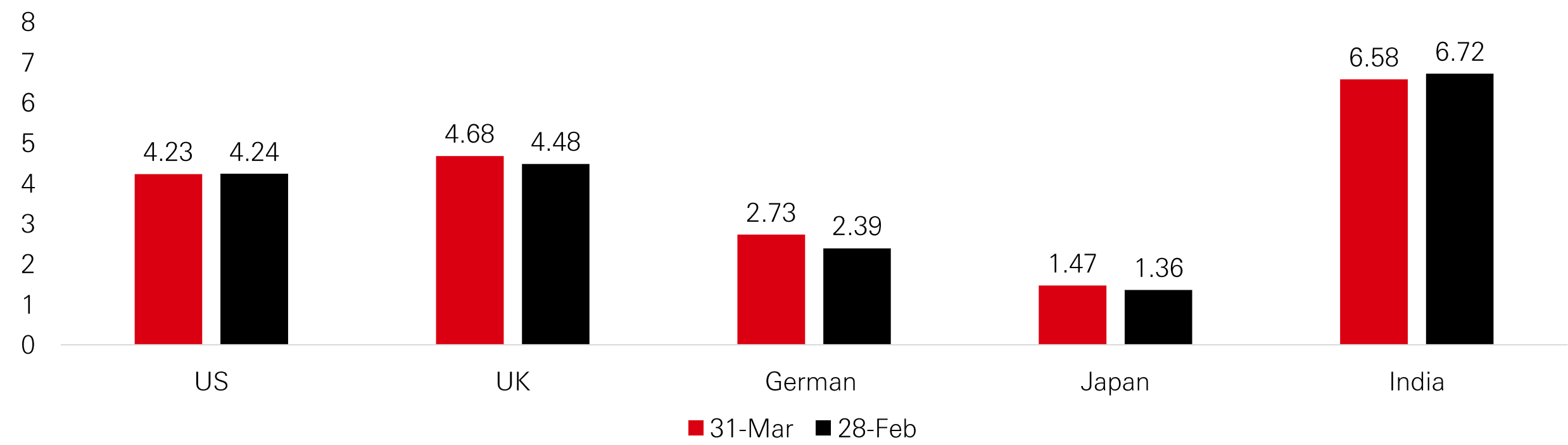


Global bond yields			
	31-Mar	28-Feb	Change
US 10-Year (%)	4.23	4.24	-0.01
UK 10-Year (%)	4.68	4.48	0.19
German 10-Year (%)	2.73	2.39	0.34
Japan10-Year (%)	1.47	1.36	0.11

Source: CRISIL, Bloomberg, Data as on 31 March 2025, Past performance may or may not be sustained in future and is not a guarantee of any future returns.  
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# Global Yield and Where India Stands

Global 10Y G-Sec Yield



	US	UK	Germany	Japan	India
Current Yield (%)	4.23	4.68	2.73	1.47	6.58
Inflation (%)	2.8	2.8	2.2	3.7	3.61
Real Yield (%)	1.43	1.88	0.53	-2.23	2.97

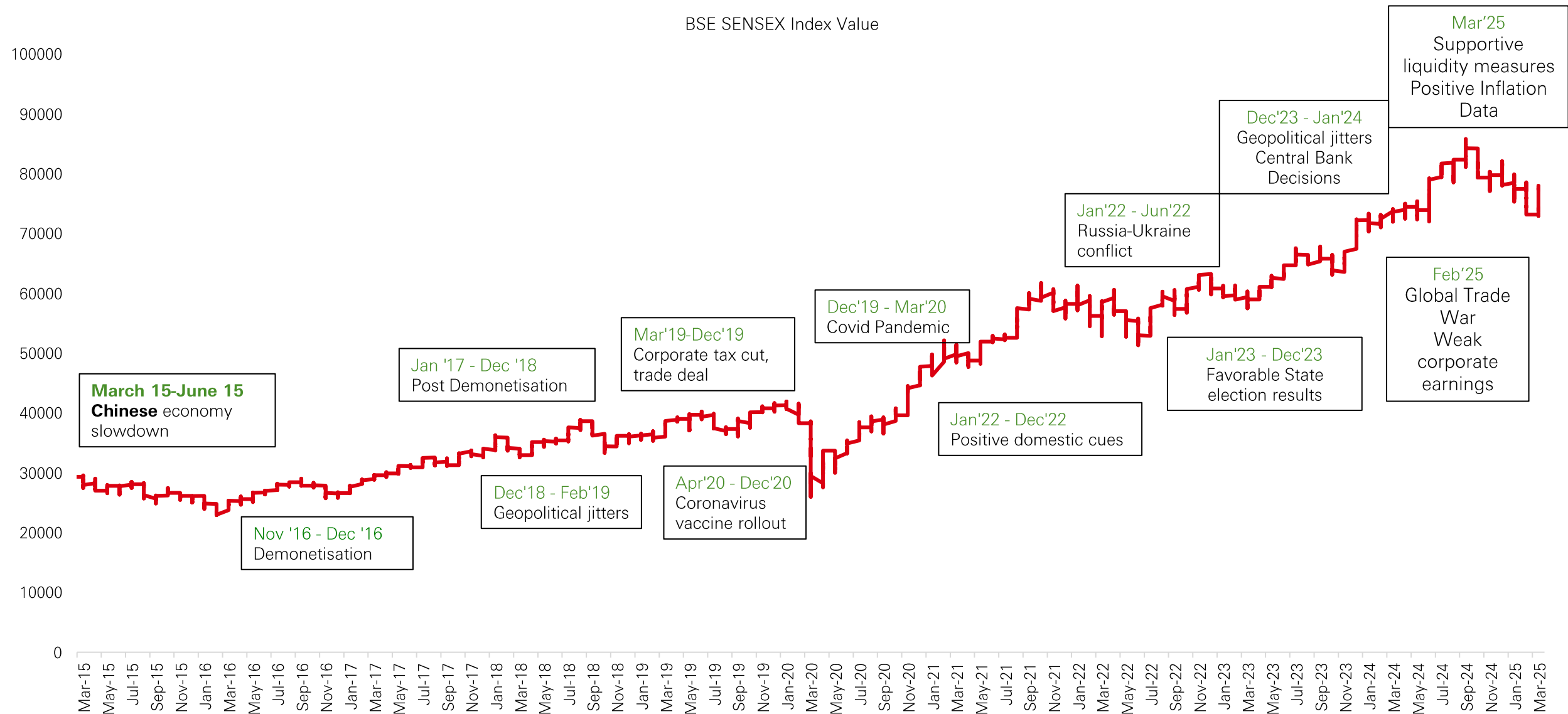
Source : CRISIL, Data as on 31 March 2025, Inflation Data as of February 2025 Past performance may or may not be sustained in future and is not a guarantee of any future returns.  
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# Domestic Equity

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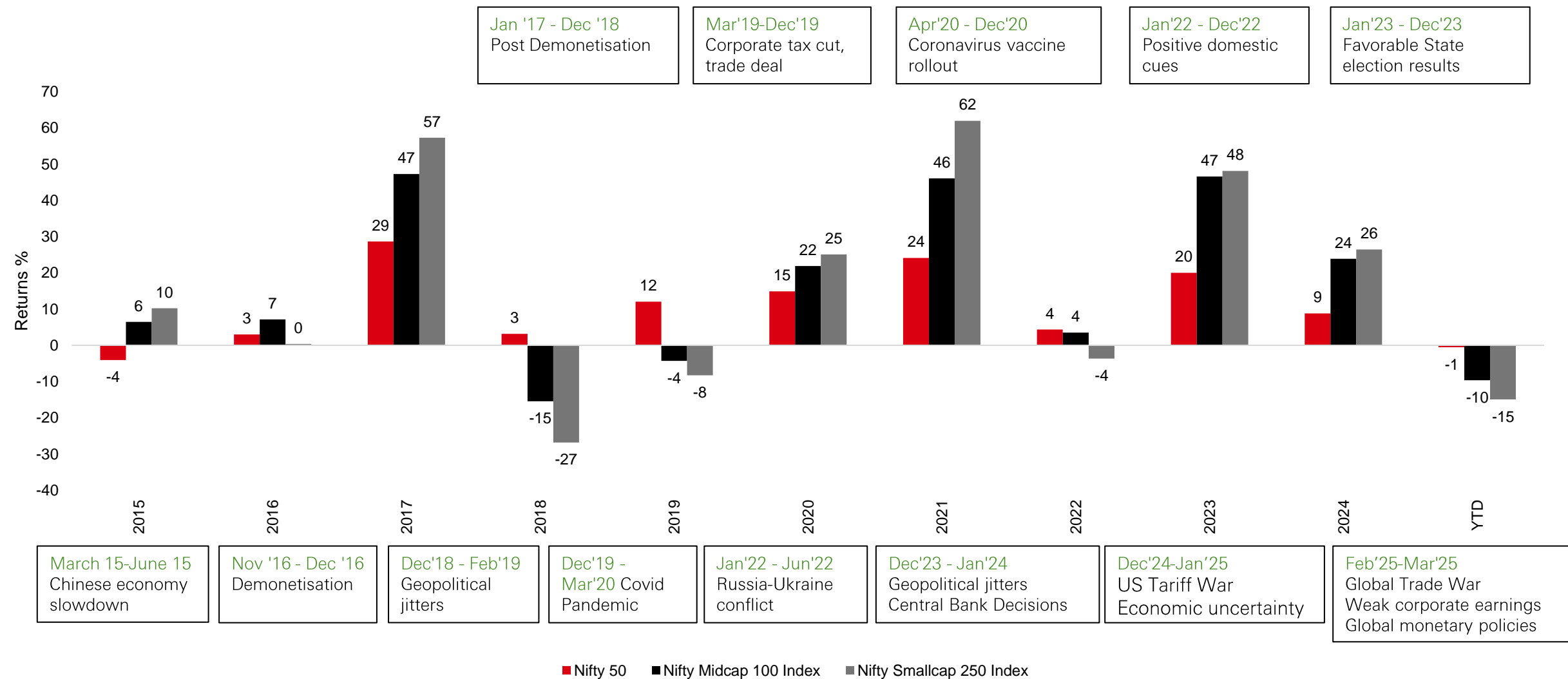
# History of Equity markets through major events



Source: BSE, CRISIL, Data as on 28 March 2025, Past performance may or may not be sustained in future and is not a guarantee of any future returns.  
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# History of Equity markets through major events

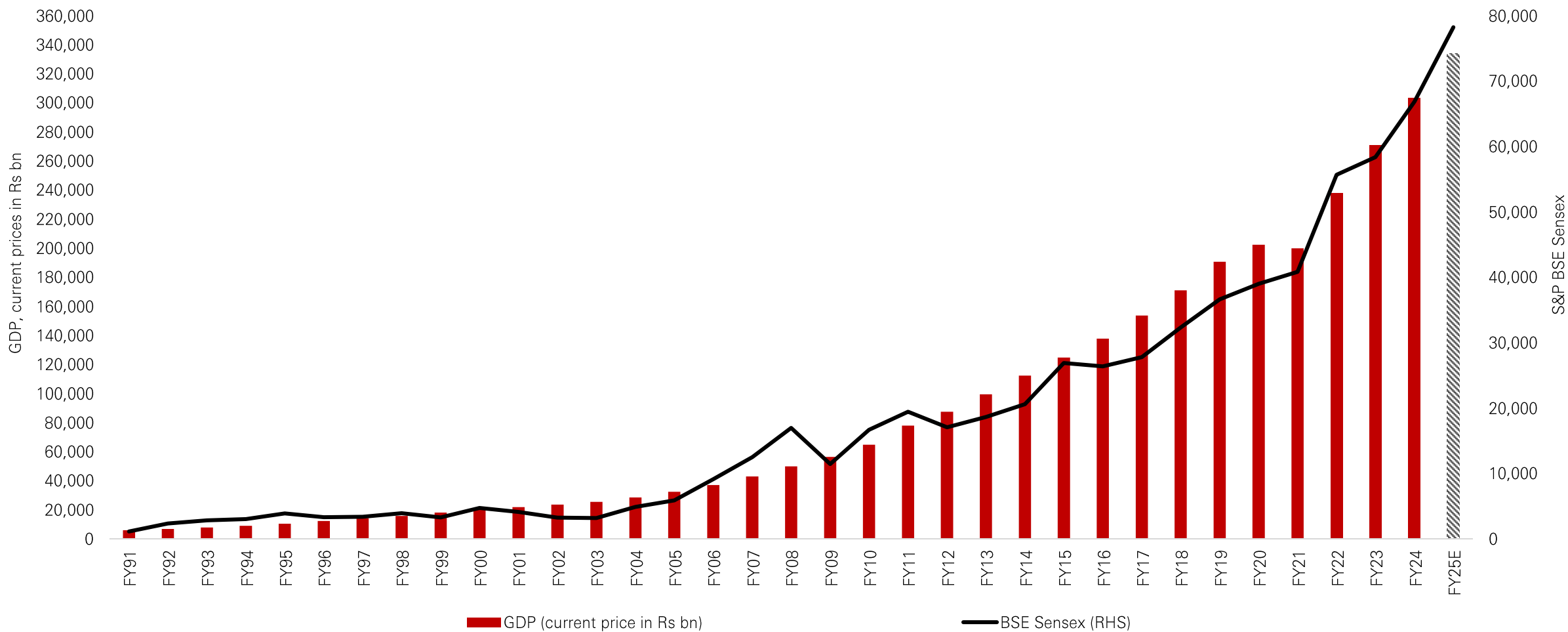
Performance of major equity indices



Source: NSE, CRISIL, Data as on 28 March 2025, Past performance may or may not be sustained in future and is not a guarantee of any future returns.  
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# Equity mirrors economic growth in the long term

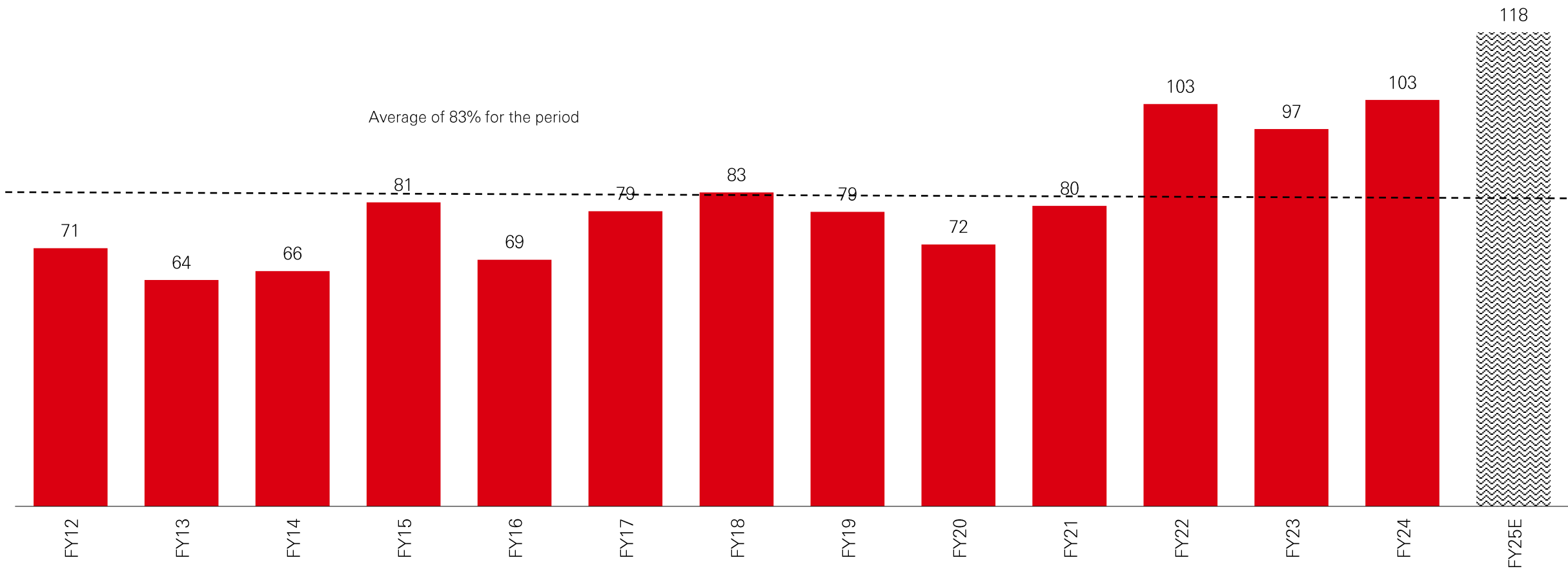
GDP - The Indian economy is expected to carry the momentum of last year’s GDP growth into the current fiscal year as well



Source: CRISIL, Bloomberg, BSE, IMF, The GDP projection for fiscal year 2025 is shown shaded in this graph is for illustration purposes only and is not guaranteed, Data as on 28 March 2025, Past Performance may or may not be sustained in future. Investors should not consider the same as investment advice GDP – Gross Domestic Product. Note-The details provided above is as per the information available in public domain at this moment and subject to change. Please consult your financial advisor for any investment decisions.

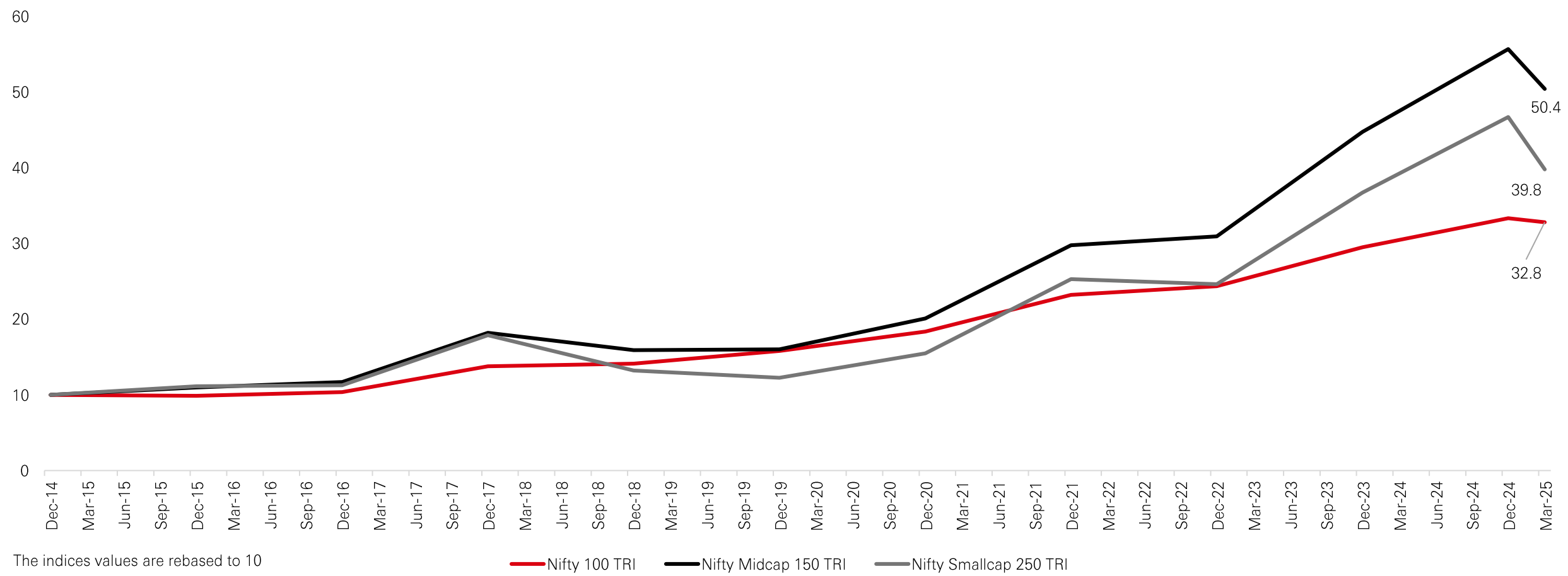
# India Market cap to GDP (%)

Market cap as a % of GDP



Shaded area are Estimates (E) – FY25  
Source: CRISIL, MOSPI, Bloomberg, CRISIL estimates;  
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# Nifty Mid-cap 150 TRI vs Nifty Small-cap 250 TRI vs Nifty 100 TRI



Source: CRISIL, NSE. Data as on 28 March 2025, March 2025 data represents YTD values. The indices values are rebased by 10  
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# Indian market - Performance trends

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Indices	% Change										10-year CAGR*
	CY16	CY17	CY18	CY19	CY20	CY21	CY22	CY23	CY24	CY25*	
Nifty 50 TRI	4.39	30.27	4.64	13.48	16.14	25.59	5.69	21.30	10.09	-0.29	12.08
BSE SENSEX TRI	3.47	29.56	7.23	15.66	17.16	23.23	5.80	20.33	9.49	-0.79	12.12
BSE Auto TRI	10.38	33.31	-21.33	-9.94	14.27	20.59	17.83	47.71	23.40	-7.51	10.69
BSE BANKEX TRI	8.39	39.98	5.65	21.12	-2.12	12.97	21.91	12.12	7.15	3.12	11.74
BSE CG TRI	-2.38	41.42	-0.49	-8.79	12.52	54.75	17.17	68.15	22.53	-7.31	14.92
BSE CD TRI	-5.83	102.87	-8.32	21.53	22.19	47.73	-10.93	26.40	29.31	-15.58	18.52
BSE FMCG TRI	4.77	33.26	12.11	-2.14	13.19	11.70	19.08	29.65	3.25	-5.83	11.56
BSE Healthcare TRI	-12.43	1.10	-5.38	-2.80	62.61	21.54	-11.50	37.97	44.30	-8.37	9.83
BSE IT TRI	-6.14	13.29	27.26	11.84	60.05	58.45	-22.70	28.28	22.21	-16.15	14.44
BSE Metal TRI	43.19	52.82	-16.20	-10.16	18.43	72.68	15.70	35.50	10.24	7.12	17.32
BSE Oil & Gas TRI	30.38	37.81	-12.40	10.59	-0.55	31.72	20.45	17.30	16.50	-2.48	14.37
BSE Power TRI	2.99	22.03	-14.30	-0.64	11.38	73.68	28.51	36.45	21.28	-4.93	14.55
BSE PSU TRI	16.89	22.69	-18.69	-1.12	-12.80	47.95	28.30	61.48	24.34	-3.03	12.94
BSE Realty TRI	-5.27	107.24	-30.69	27.58	9.20	55.40	-9.97	80.16	33.45	-19.82	15.33

Source: CRISIL, BSE, Figures in red indicate negative returns in that period. \*10-year CAGR, Data as on 28 March 2025,

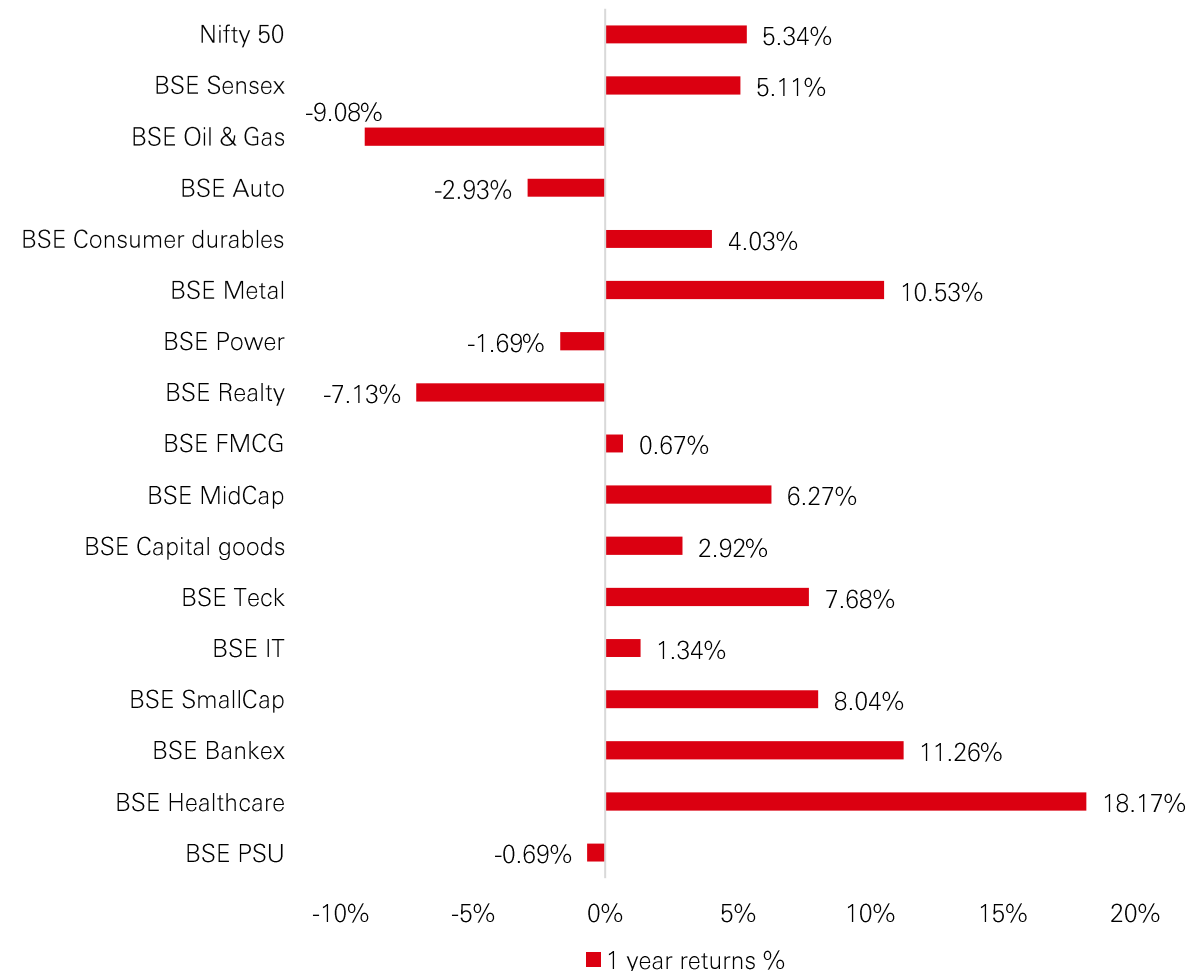
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## Indian equity indices edged up in March'25

- Indian equity markets ended March on a positive note, buoyed by strong domestic and global factors.
- Supportive liquidity measures by the RBI, lower oil prices and improved global sentiment contributed to a strong start to the month.
- The BSE Sensex and Nifty 50 gained 5.76% and 6.30%, respectively, as on March 28, with almost all sectors closing higher.
- Easing foreign fund outflows, strong domestic trade data and China's stimulus measures further reinforced market optimism. Additionally, the Fed's indication of two rate cuts this year, along with signs of economic recovery, strengthened investor confidence.
- Indian equity benchmarks rose further, driven by banking and energy stocks. The rally was supported by strong manufacturing data, continued foreign fund inflows and easing US Treasury yields.



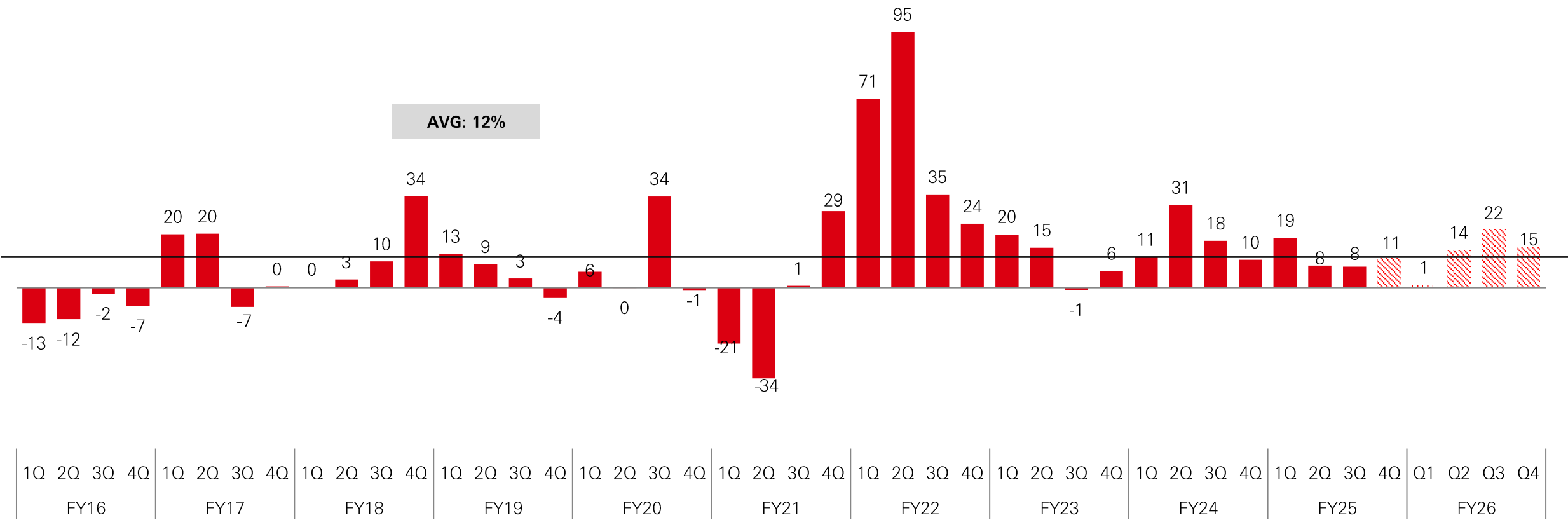
Source –CRISIL, Data as on 28 March 2025, Past performance may or may not be sustained in future and is not a guarantee of any future returns. GDP – Gross Domestic Product

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# Earnings growth – quarterly trend

Nifty 50 earnings

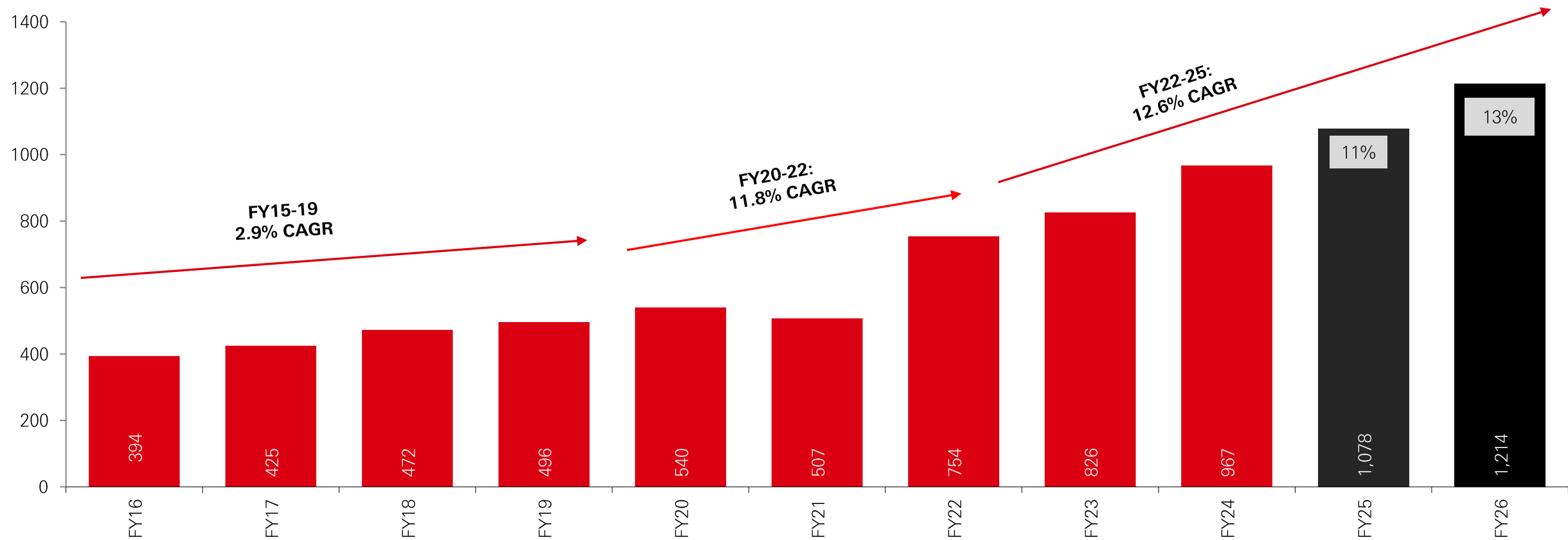


## Nifty 50 EPS Growth (Y-o-Y)

Estimates – shaded portion of FY25 and FY26  
Source: CRISIL, Bloomberg, Data as on 28 March 2025, Past performance may or may not be sustained in future and is not a guarantee of any future returns.  
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# Earnings trend

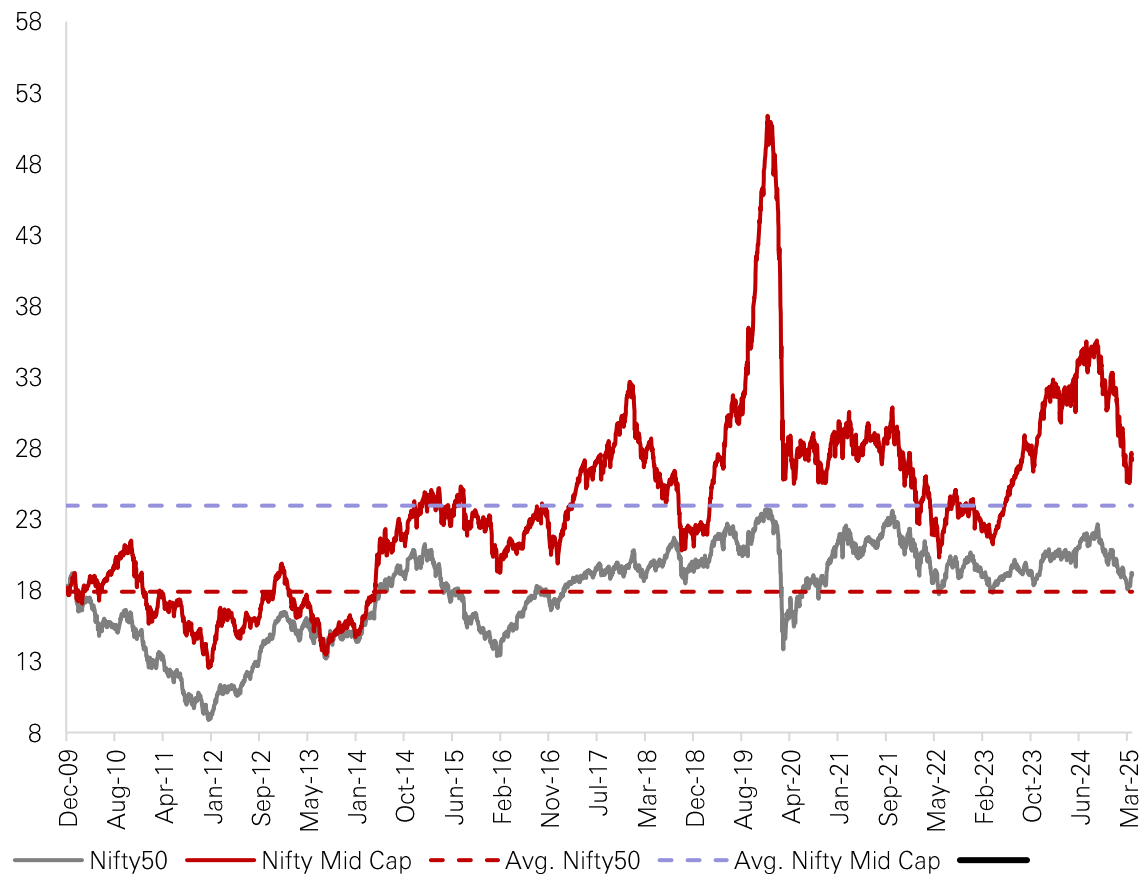
India - Equity earnings (Nifty 50 EPS)



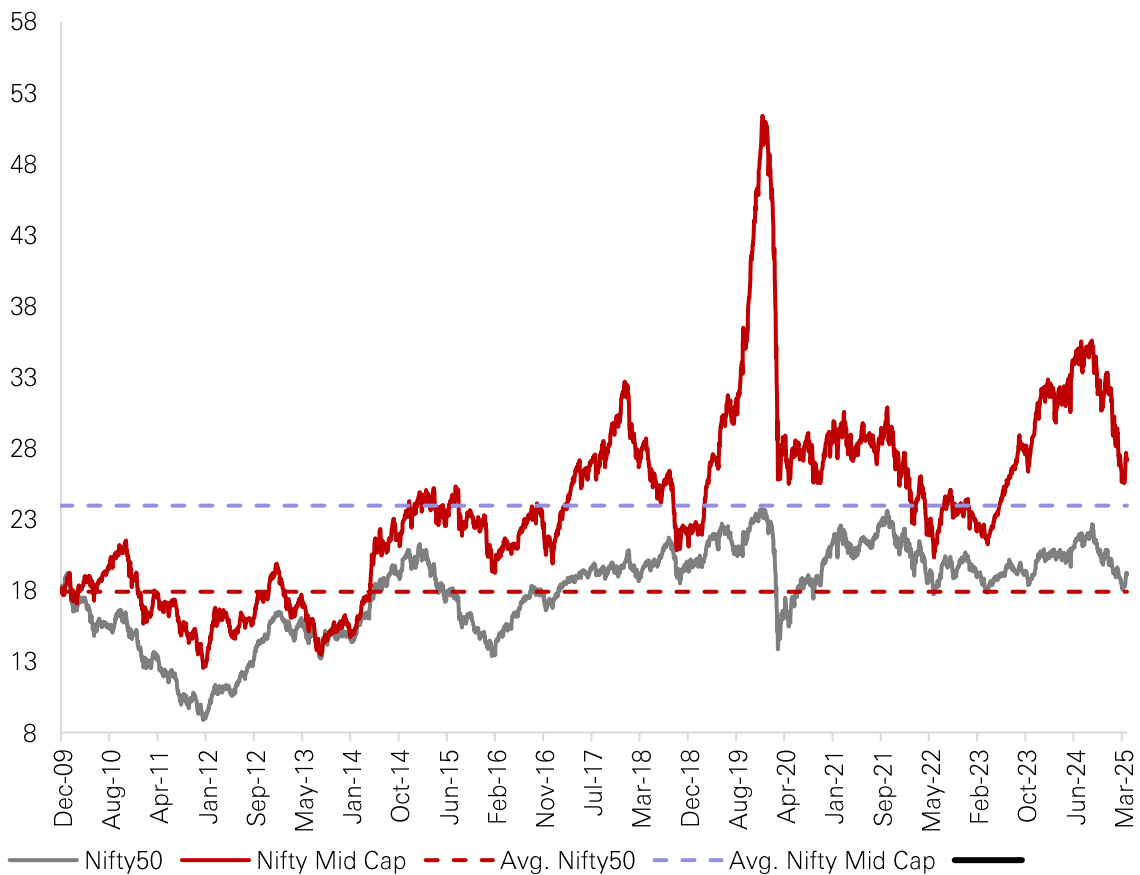
Note: Trailing 12M EPS (Earnings Per Share)  
Black shaded columns are estimates of FY25 and FY26  
Data for FY 26 is for only three quarters  
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# Market valuations – Nifty 50 and Nifty Midcap 100

Large and Mid Cap - Price to Earnings (PE)



Large and Mid Cap - Price to Book (PB)



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- MSCI World index saw a sharp correction in Mar, down 4.6% led by 5.8% drop in the US (S&P 500). MSCI Europe and MSCI Japan both declined only 0.7% supported by the weakening USD. MSCI EM was up 0.4% supported by a 1.9% gain in MSCI China.
- Major equity indices saw a strong bounce back in March 2025 post the drop in February with BSE Sensex and NSE Nifty gaining 5.8%/6.3%, respectively for the month.
- Nifty consensus EPS estimate for CY25 remained unchanged and post the market recovery in March,
- Nifty now trades on 19.7x 1-year forward PE. This is now in-line with its 5-year average and only a 5% premium to its 10-year average. Valuations in Midcap and small cap space have also moderated following the sharp correction over Jan and Feb.
- Global macro environment remains challenging with heightened geo-political and economic uncertainties. Recent announcement of large reciprocal tariffs by the US administration could significantly impact US and global growth outlook, if the tariffs stay in place.
- For India, GDP growth has improved to 6.2% (YoY) in Q3FY25. We believe government has tried to partly address the slowdown in private consumption through the income tax rate cuts in the Union Budget.
- However, a pickup in private capex will be critical as government capex is moderating. Central Government capex spend is now expected to grow only at 7% (YoY) in FY25 and at 10% (YoY) in FY26. RBI is also now trying to ease policy rates.
- In the near term, there is a certain level of slowdown in India's growth momentum, however we believe longer term outlook remains strong. We expect India's investment cycle to be on a medium-term uptrend supported by government investment in infrastructure and manufacturing, pickup in private investments and a recovery in real estate cycle.
- We expect higher private investments in renewable energy and related supply chain, localization of higher-end technology components, and India becoming a more meaningful part of global supply chains to support faster growth. Post the recent correction, Nifty valuations are now in-line with its 5/10-year average.
- We remain constructive on Indian equities supported by the more robust medium term growth outlook.

Source: HSBC Asset Management, India, Data as on 28 March 2025, Past performance may or may not be sustained in future and is not a guarantee of any future returns.

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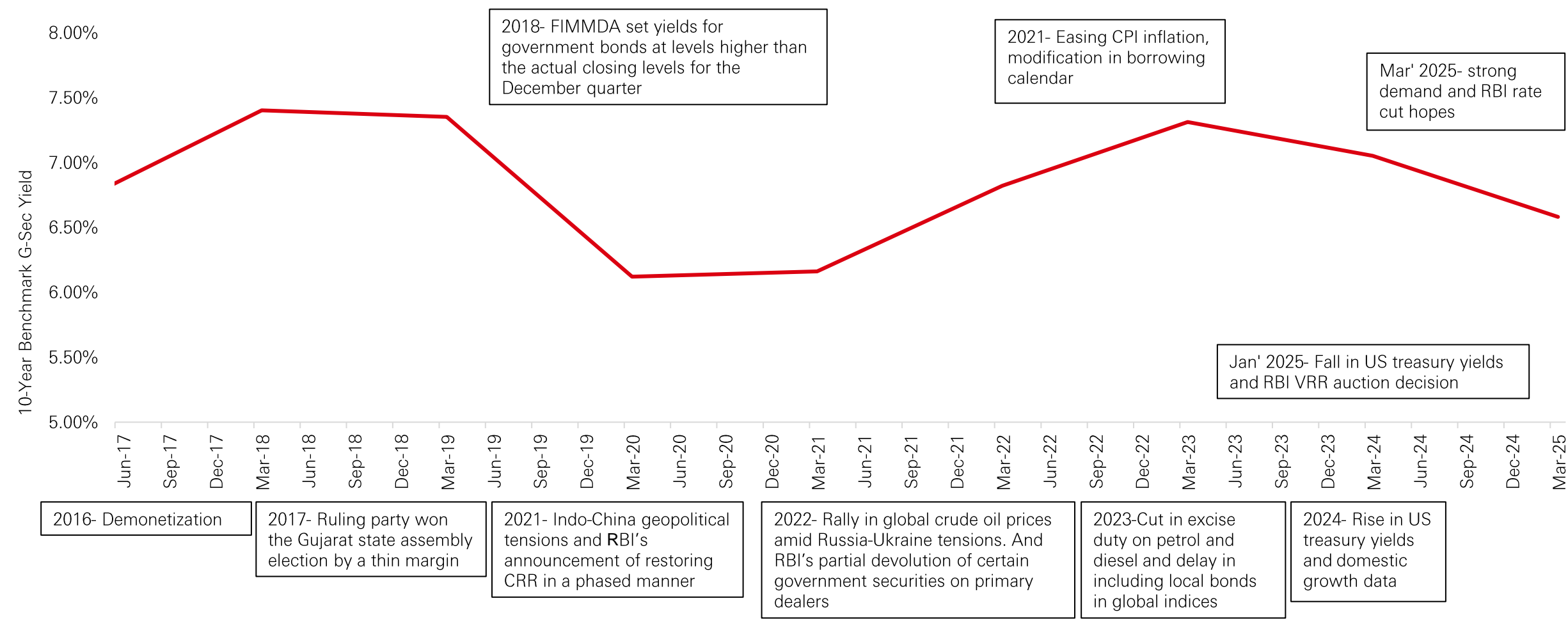
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# Domestic Debt

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# History of Debt Markets through major events

10-year G-Sec yield movement through major events

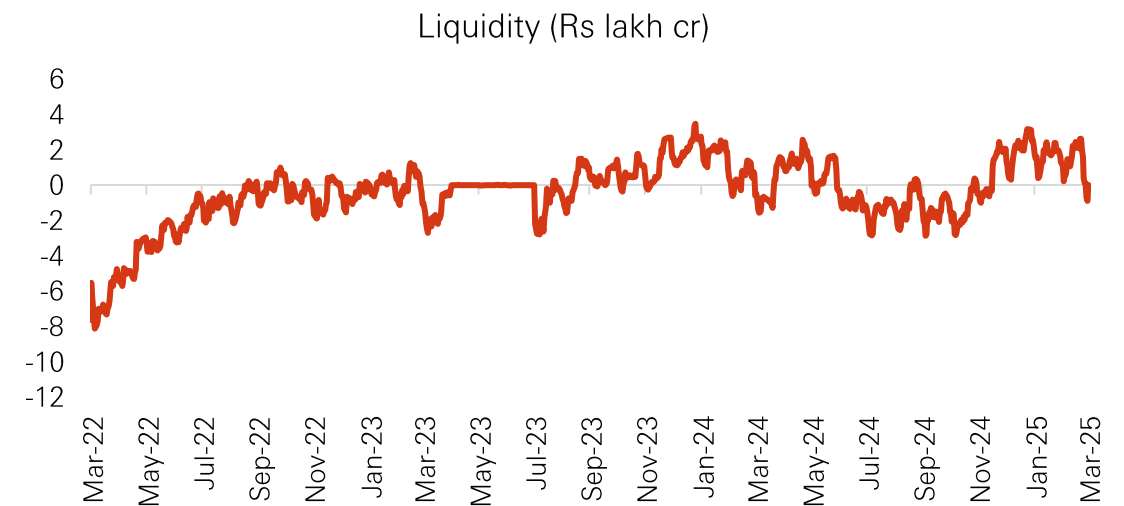
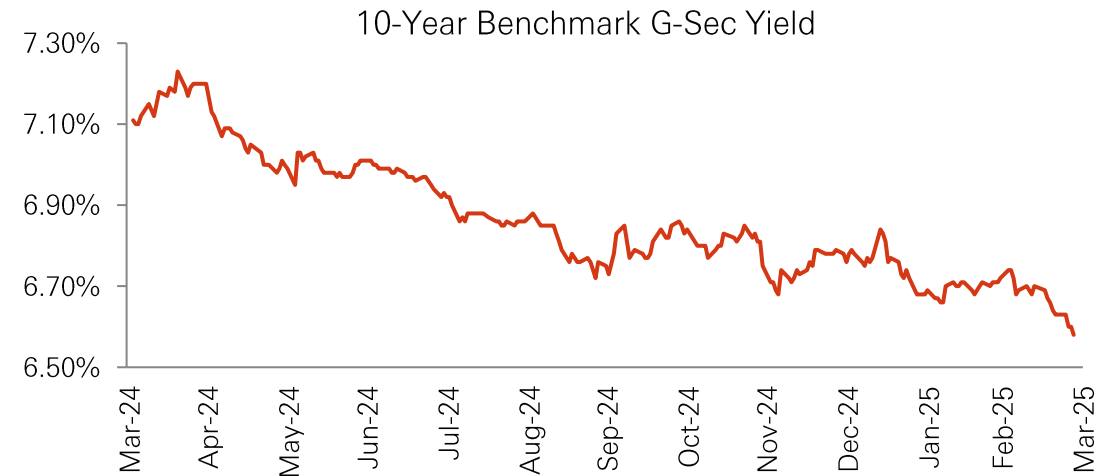


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# History of Debt Markets through major events

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- The benchmark 10-year yield on Indian government bonds traded in a tight range for most of March, before falling to its lowest level since January 2022 during the latter half of the month.
- The yield settled at 6.58% as of March 28, 2025 as opposed to 6.72% on February 28.
- Bond prices rose at the beginning of the month after the RBI announced measures to boost liquidity in the banking system.
- The central bank injected liquidity into the banking system over a two-month period through a mix of durable and transient liquidity measures to address the funds crunch and support credit growth.
- However, the impact of these measures was overwhelmed by the RBI's forex market interventions to curb excessive volatility in the Indian rupee, government tax flow dynamics, currency leakages, and persistent FPI outflows.
- With liquidity conditions remaining tight, interbank call money rates hovered slightly above the repo rate of 6.25% for most of March, averaging at 6.34% for the month till March 28.



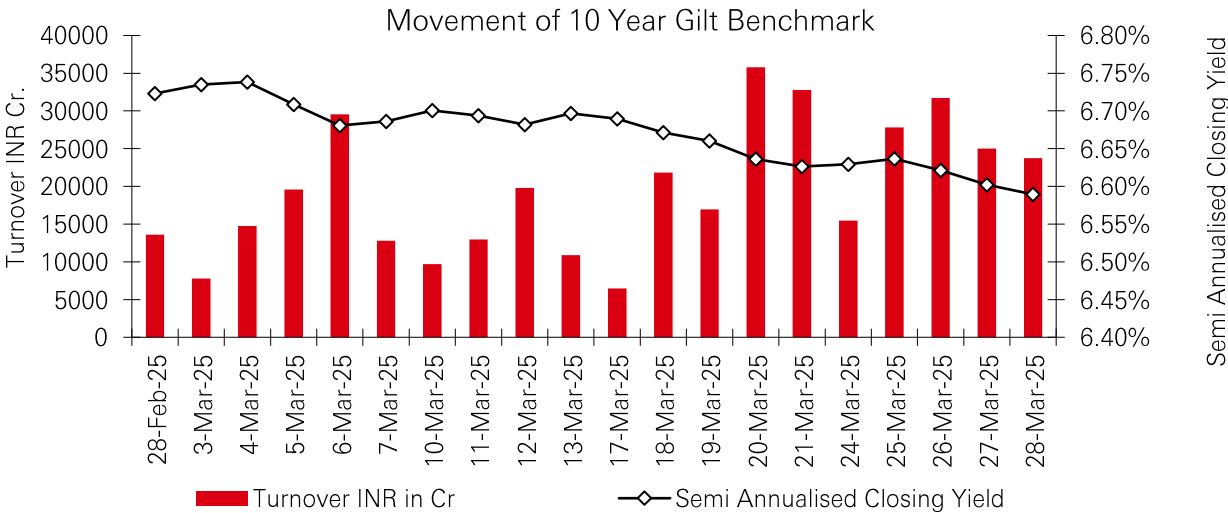
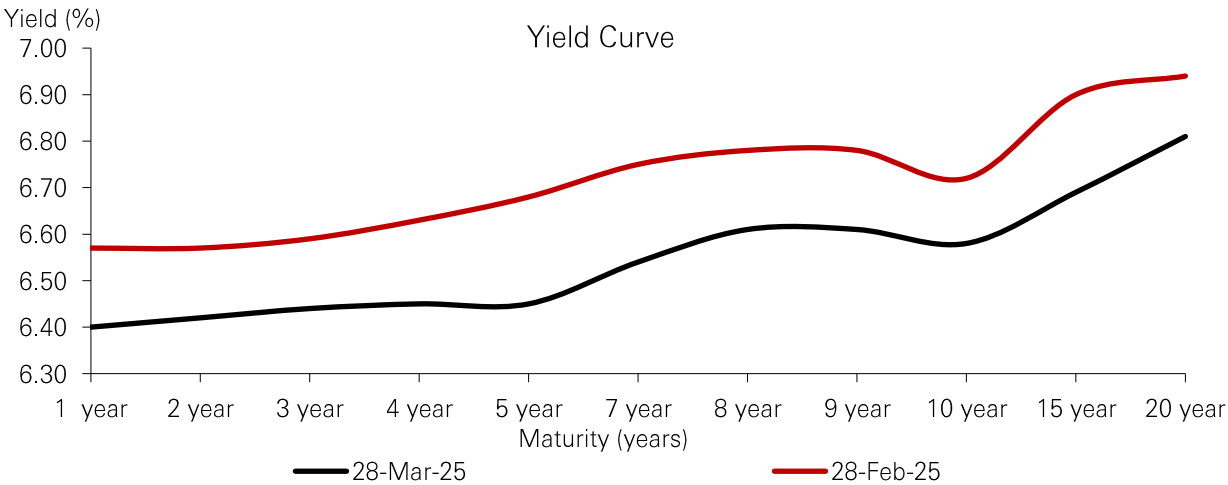
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# Debt Market Review

Debt Market Indicators	28-Mar-25	28-Feb-25
Call Rate	7.00%	6.50%
3-mth CP rate	7.25%	7.73%
5 yr Corp Bond	7.11%	7.29%
10 Yr Gilt	6.58%	6.72%
Repo	6.25%	6.25%
SDF	6.00%	6.00%
CRR	4.00%	4.00%
1-Month CD	7.10%	6.95%
3-mth CD rate	7.00%	7.48%
6-Month CD	7.25%	7.61%

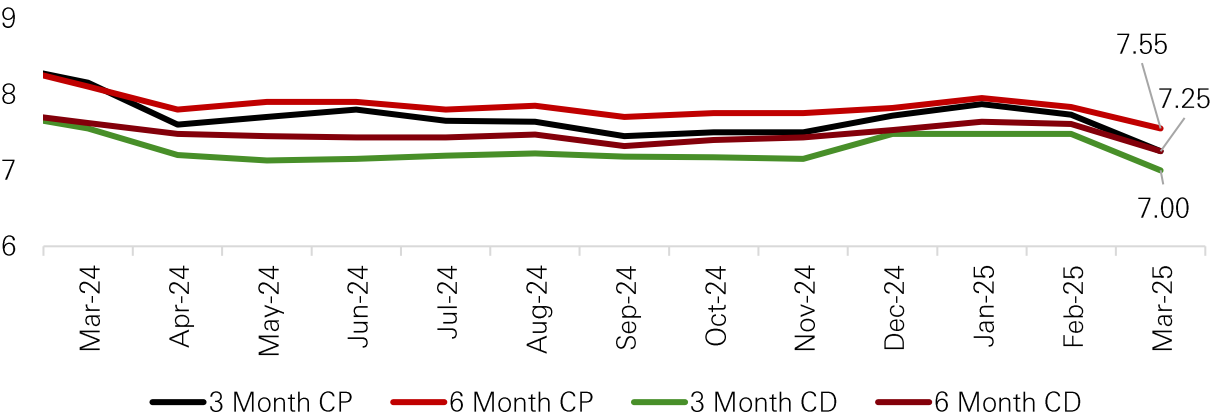


Source: CRISIL Fixed Income database  
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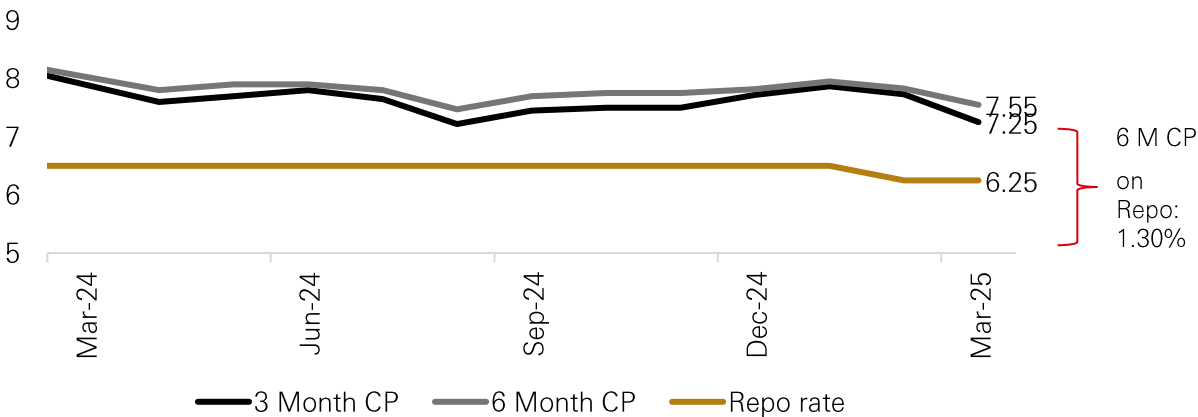
# Debt Market Review

CP & CD Yields (%)



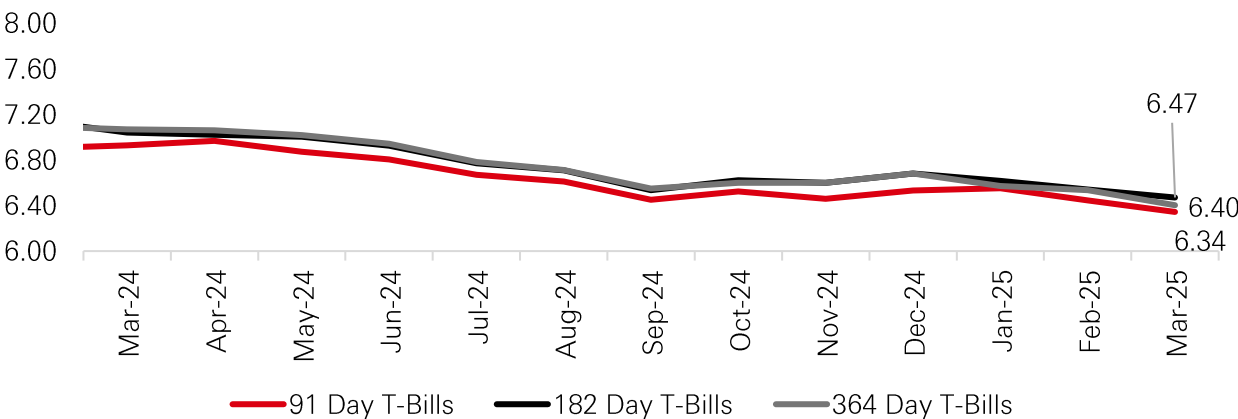
CP and CD largely steady in March

CP Yields & Repo Rate (%)



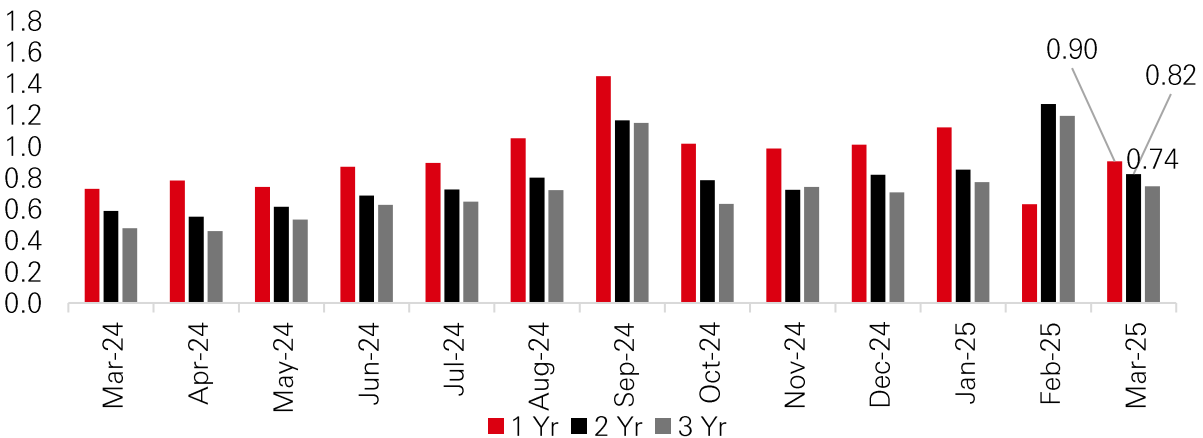
Spread of CPs over repo rate at 1.30% in March

T-Bill Yields (%)



T-Bill yields were steady in March

AAA bond spreads over G-Secs (%)

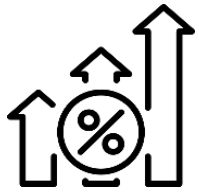


AAA corporate bond spreads were steady in March

Source: CRISIL, Data as on 28 March 2025, Past performance may or may not be sustained in future and is not a guarantee of any future returns.  
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- The Reserve Bank of India's (RBI) Monetary Policy Committee (MPC) voted unanimously to cut the policy repo rate by 25 basis points (bps) to 6.00% as on 11 April '25
- Accordingly, the standing deposit facility, marginal standing facility and bank rate now stand at 5.75%, 6.25% and 6.25%, respectively. The MPC has changed its stance from neutral to accommodative, indicating support for growth through lower interest rates, with only status quo or a rate cut likely in the near term



- According to the NSO's first advance estimates, real gross domestic product (GDP) is estimated to grow 6.5% in FY25, following a strong 9.2% growth in FY24, driven by continued rural demand and improving urban consumption, the RBI noted. Meanwhile, resilient services exports, promising agricultural prospects and recovering industrial activity are set to support overall economic momentum despite global uncertainties. Considering these factors, GDP growth next year is projected at 6.5%, with Q1 at 6.5%, Q2 at 6.7%, Q3 at 6.6% and Q4 at 6.3%, and risks evenly balanced



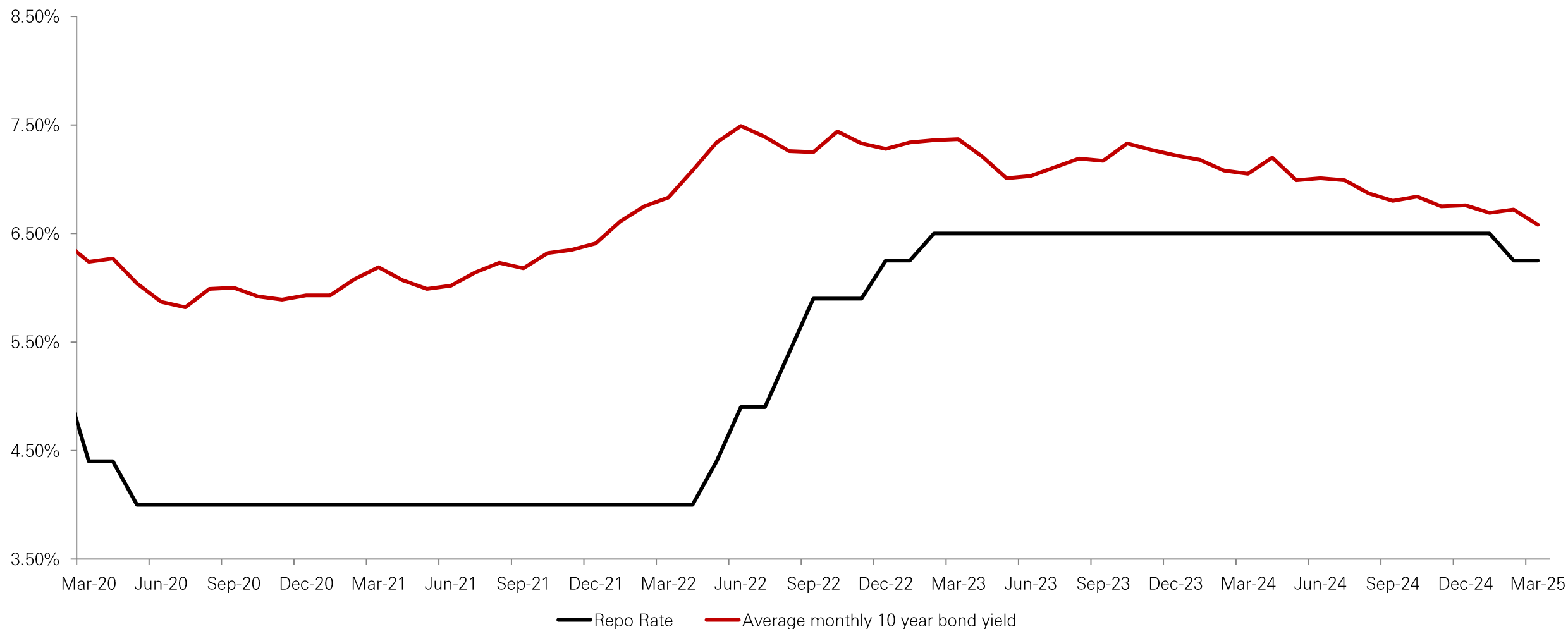
- The central bank projects Consumer Price Index (CPI) inflation at 4.0% this financial year (Q1: 3.6%, Q2: 3.9%, Q3: 3.8% and Q4: 4.4%) and expects risks to be balanced
- As per RBI governor, the financial soundness of the banking sector remains robust, with liquidity buffers well above regulatory thresholds, healthy profitability reflecting strong operational efficiency, and stable system-level indicators for NBFCs as well

Source: Crisil, RBI Past performance may or may not be sustained in future and is not a guarantee of any future returns. RBI- Reserve Bank of India

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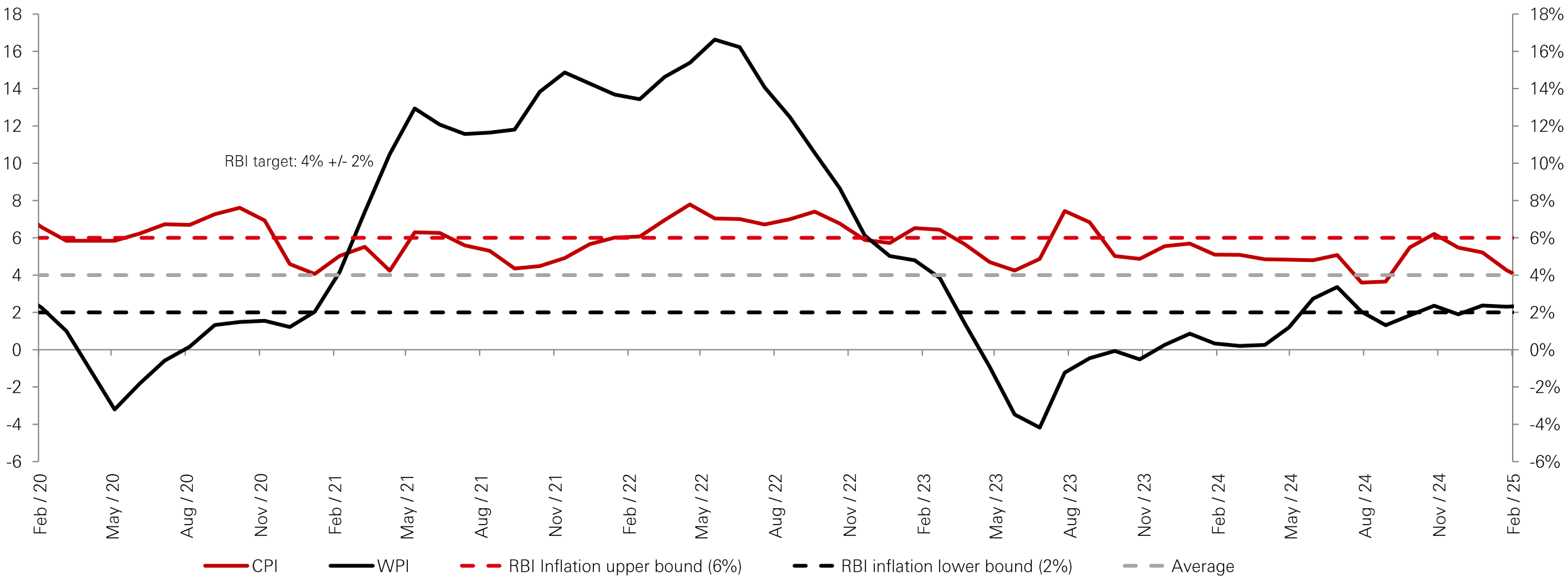
# RBI Repo Rate reduced to 6.00% April policy meet



Source: RBI, CRISIL Research, Data as on 28 March 2025  
Past performance may or may not be sustained in future and is not a guarantee of any future returns.  
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# Inflation target and trend

CPI inflation below the RBI's max target range



Source: CRISIL, MOSPI, RBI, Data as on 28 March 2025, Past performance may or may not be sustained in future and is not a guarantee of any future returns.  
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- The globe reeled under fears and pressures of tariffs by the US administration. The sentiments and business confidence were fragile. The implications on the real economy are yet to be seen. The outlook especially for global growth is turning grim.
- Amid all the global nervousness, India rejoiced in the festivities and the return of foreign investors. With the RBI stemming the currency swings, while taking active steps to inject liquidity along with increased prospects of a deeper rate cut cycle along and a potential change in stance to accommodative at the April 9, 2025 policy all positively impacted the yield curve across debt assets.
- The domestic macro indicators paint a mixed mixture picture. The lead indicators data available till February are showing signs of economic activity losing steam with auto sales, personal loans trending weaker, YoY; and on the supply side, indicators PMI manufacturing and Services, Cargo traffic, domestic steel and cement production saw activity accelerate in Feb/Mar.
- The recent uptrend in gold prices to all-time highs was reflected in consumer inflation too, which led to a spike in core inflation (inflation which excludes food and fuel components). The core CPI inflation picked-up to 4.0% YoY vs 3.7% in January.
- The tariff fears and the uncertainties around its implementation has upended global growth outlook and market sentiments.
- Rising gold prices, recent fall in Japanese bond yields and a sharp fall in crude oil prices all are reflecting the prevailing global risk-off mood. For now, India's macros remain fairly resilient; even as India is not isolated from the tariffs effects, India still remains fairly insulated owing to domestic consumption and government infrastructure spending.
- RBI's aggressive steps to inject liquidity into the system have reinstated the animal spirits for bond investors who are pricing in a deeper rate cut cycle by the RBI-MPC, with a focus on growth with inflation finally cooling off.
- Given this backdrop, we continue to maintain a positive duration bias.

Source: HSBC Asset Management, India, Data as on 28 March 2025, Past performance may or may not be sustained in future and is not a guarantee of any future returns.

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# Domestic Economy

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# Indian Economic Environment

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	Indicators	Mar-25	Feb-25	Jan-25	Dec-24	Nov-24	Oct-24	Sep-24	Aug-24	Jul-24	Jun-24	May-24	Apr-24	Mar-24
Debt Indicators	Currency in circulation (Rs billion)	36997	36444	35892.682	35,643	35,589	35,103	34,994	35,231	35,600	35,814	35,792	35,455	34,849
	Repo rate	6.25%	6.25%	6.50%	6.50%	6.50%	6.50%	6.50%	6.50%	6.50%	6.50%	6.50%	6.50%	6.50%
	10-year G-sec yield	6.58%	6.72%	6.69%	6.76%	6.75%	6.85%	6.75%	6.86%	6.92%	7.01%	6.99%	7.20%	7.05%
	Call rate	7.00%	6.50%	6.65%	6.00%	6.70%	5.75%	6.24%	6.50%	6.50%	6.25%	6.24%	6.70%	6.50%
	Forex reserves (\$ billion; mthly. avg.)	656	638	628.9	648.1	666.1	693.9	688.7	673.8	661.7	653.5	643.8	644.4	633.2
Economy	GDP	NA	NA	NA	6.20%			5.60%			6.70%			7.80%
	Fiscal deficit (Rs billion)	NA	1773.1	2554.53	674.95	957.7	276.3	393.44	1582.31	1412.33	850.97	-1595.21	2101.36	1523.05
	Gross Tax Collections (Rs crore)	NA	219,870	233,928	489,453	228,341	218,792	481,120	248,493	253,432	371,168	204,623	255,006	574,941
	IIP, %y/y	NA	NA	NA	3.20%	5.20%	3.50%	3.10%	-0.10%	4.70%	4.70%	5.90%	5.00%	5.40%
	Exports, \$ billion	NA	36.91	36.43	38.0	32.1	39.2	34.6	34.7	34.0	35.2	38.13	34.99	41.68
	Imports, \$ billion	NA	50.96	59.42	60.0	70.0	66.3	55.4	64.4	57.5	56.2	61.9	54.1	57.3
	Manufacturing PMI	58.1	56.3	57.7	56.4	56.5	57.5	56.5	57.5	58.1	58.3	57.5	58.8	59.1
	Services PMI	58.5	59.0	56.5	59.3	58.4	58.5	57.7	60.9	60.3	60.5	60.2	60.8	61.2
	GST collections (Rs crore)	196,141	183,646	195,506	176,857	182,269	187,346	173,240	174,962	182,075	173,813	172,739	210,267	178,484
	CPI inflation, % y/y	NA	3.61%	4.31%	5.22%	5.48%	6.21%	5.49%	3.65%	3.60%	5.08%	4.80%	4.83%	4.85%
	WPI inflation, % y/y	NA	2.38%	2.31%	2.37%	1.89%	2.36%	1.84%	1.31%	2.04%	3.36%	2.61%	1.26%	0.26%
	India crude oil import (mbpd)	NA	19.1	20.8	20.0	19.1	19.5	18.8	19.1	19.44	18.81	22.03	21.44	20.69
Sector update	Auto – Passenger vehicles	NA	1.4%	1.8%	9.8%	20.6%	15.2%	3.7%	-2.2%	-2.3%	4.3%	20.5%	35.40%	9.70%
	Auto – Two-wheelers	NA	-9.0%	2.1%	-8.78%	-1.15%	14.16%	15.78%	9.57%	12.45%	19.51%	1.09%	22.78%	15.30%
	Auto – Commercial vehicles	NA	-3.3%	0.6%	3.38%	13.79%	1.48%	-22.02%	-11.63%	-12.29%	-8.30%	-0.10%	14.40%	-7.70%
	Auto – Tractors	NA	13.6%	11.4%	13.99%	-1.34%	22.37%	3.72%	-5.85%	1.61%	3.60%	0.00%	-3.00%	-23.05%
	Banks – Deposit growth	10.20%	10.60%	10.8%	11.50%	11.20%	11.80%	11.60%	10.90%	11.30%	11.80%	13.30%	12.50%	13.70%
	Banks – Credit growth	11.10%	11.30%	11.50%	11.28%	11.20%	11.70%	13.00%	13.50%	13.90%	19.30%	19.50%	19.10%	19.10%
	Infra – Coal	NA	1.7%	4.6%	5.30%	7.50%	7.80%	2.60%	-8.10%	6.80%	14.80%	10.20%	7.50%	8.70%
	Infra – Electricity	NA	2.8%	2.4%	6.20%	4.40%	2.00%	-0.50%	-3.70%	7.90%	8.60%	13.70%	10.20%	8.60%
	Infra – Steel	NA	5.6%	4.7%	7.30%	10.50%	5.70%	1.80%	4.10%	7.00%	6.30%	8.90%	9.80%	7.50%
	Infra – Cement	NA	10.5%	14.6%	4.60%	13.10%	3.10%	7.20%	-2.50%	5.10%	1.80%	-0.60%	0.20%	10.60%

Source – CRISIL, Mospi, Financial Websites, RBI, PIB Data as on 28 March 2025

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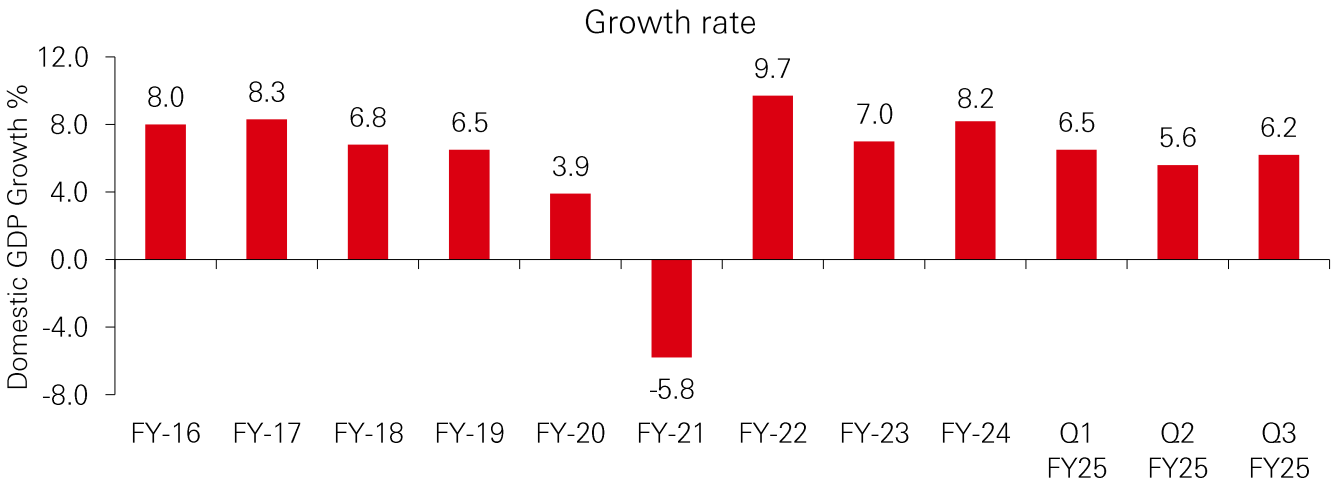
## Indian economy to remain resilient amid global uncertainty

- Rising global uncertainty and looming threats of US tariffs and trade restrictions prompted the Organisation for Economic Cooperation and Development (OECD) to lower its growth rate estimation for the Indian economy. It revised its fiscal 2026 growth forecast for India from 6.9% in its December outlook to 6.4%.
- Despite the revised projections, the economy is expected to remain resilient. India's services exports are expected to help mitigate the impact of trade restrictions and tariffs.
- India's current account deficit (CAD) was \$11.5 billion in the third quarter of fiscal 2025, representing 1.1% of its GDP.
- This was wider than the deficit of \$10.4 billion recorded during the corresponding quarter a year ago, primarily caused by increased merchandise trade deficit (\$79.2 billion in the quarter vs \$71.6 billion in the third quarter of fiscal 2024).

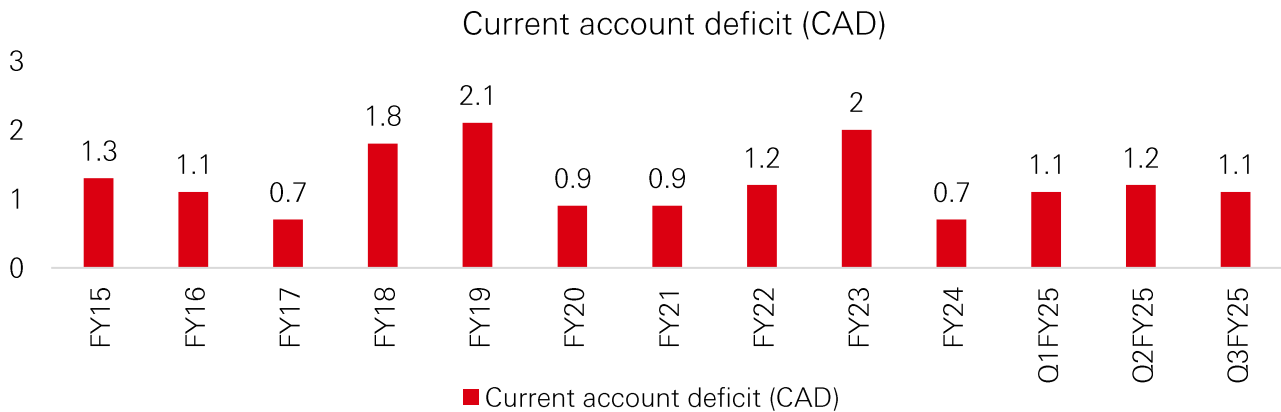
Source – CRISIL, Mospi, Data as on 28 March 2025

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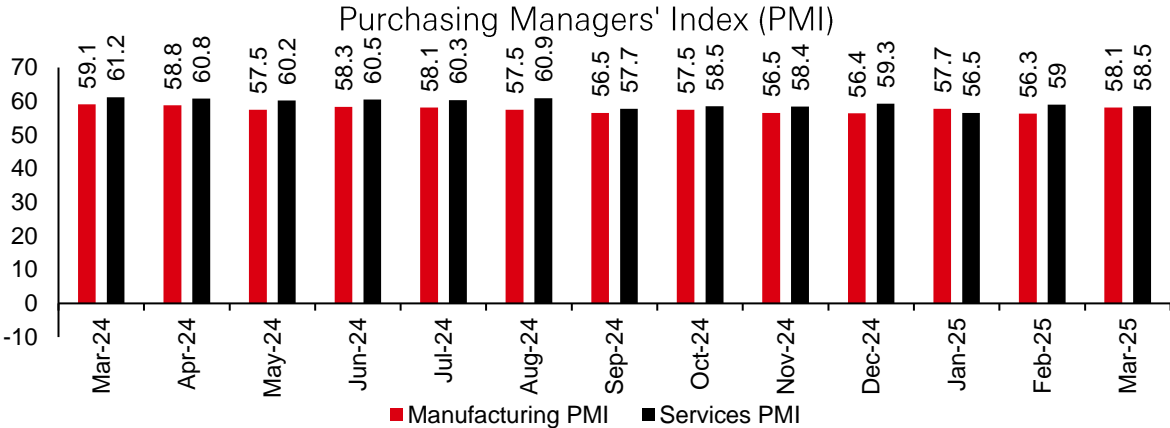
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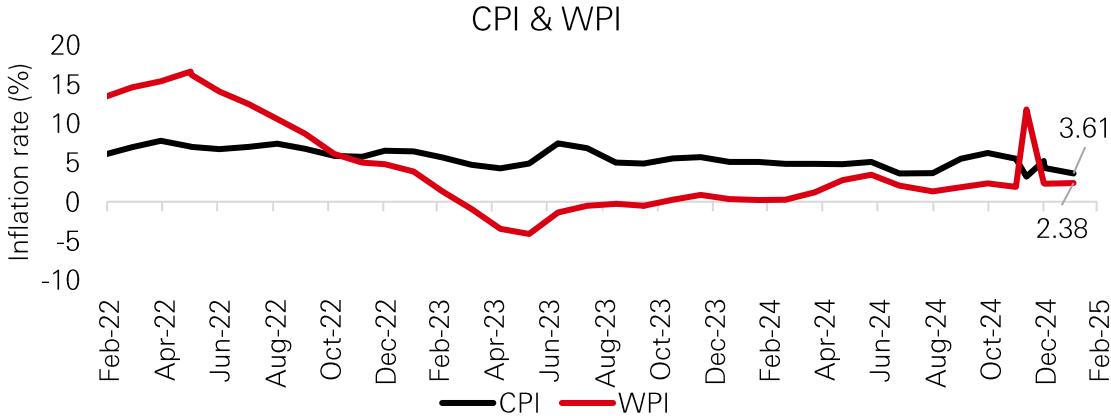
**Gross domestic product expanded to 6.2% in Q3 of fiscal 2025**



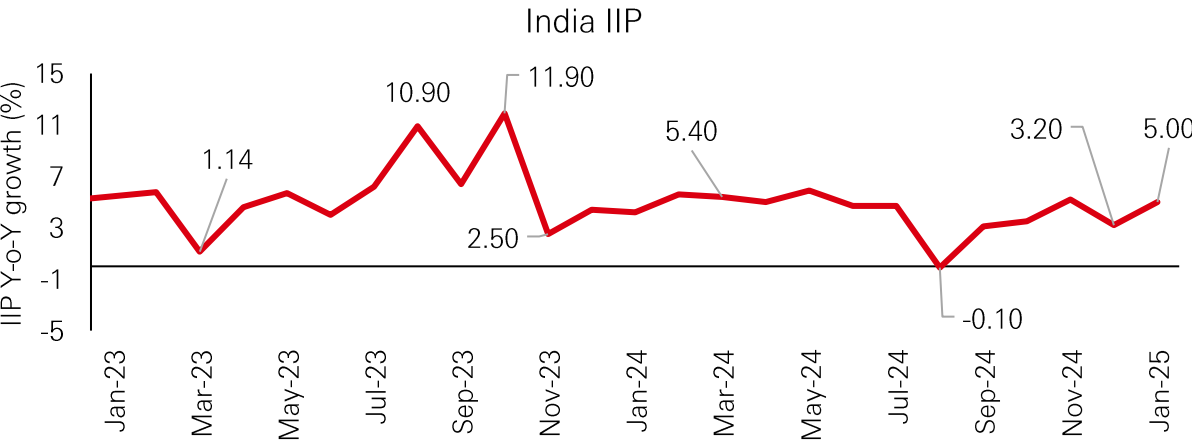
**Current account deficit expanded to 1.1% of GDP for Q3 of fiscal 2025**



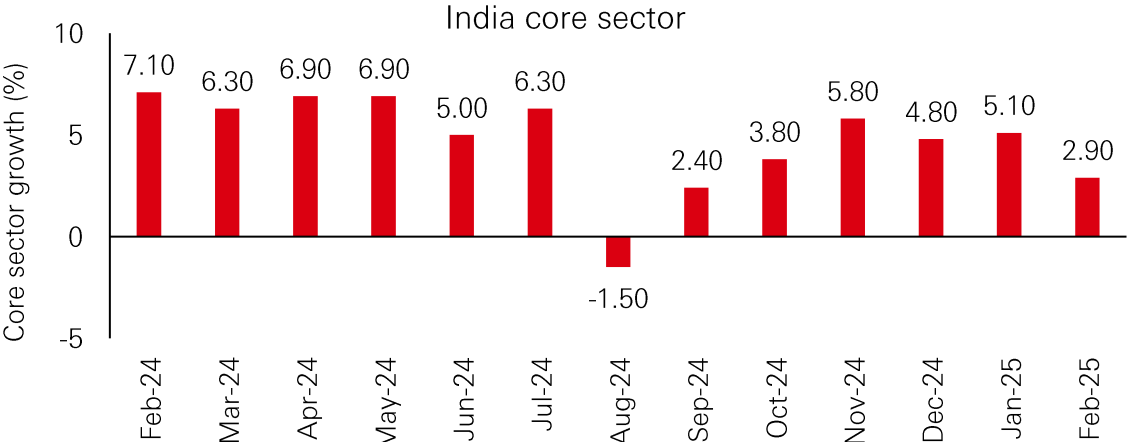
Domestic manufacturing activity rose while services activity eased in March



Retail inflation eased while wholesale inflation rose in February



Industrial output growth rose in January



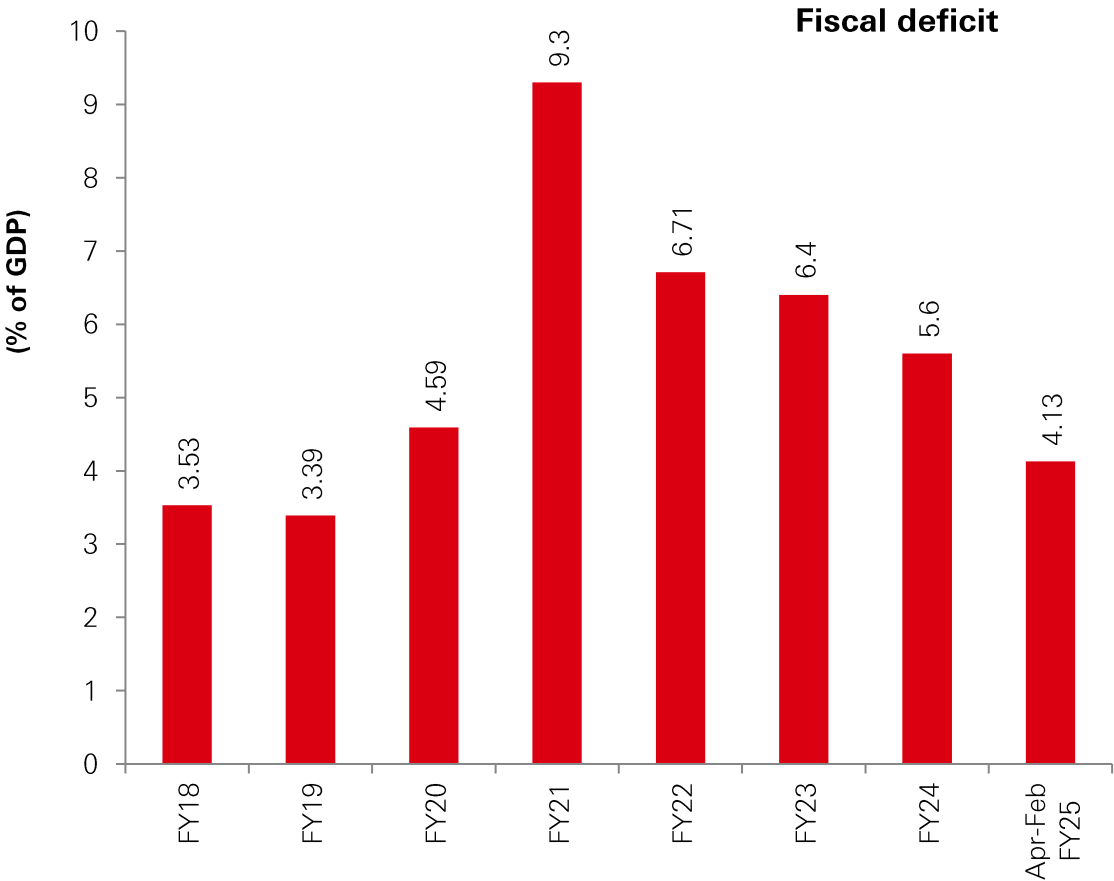
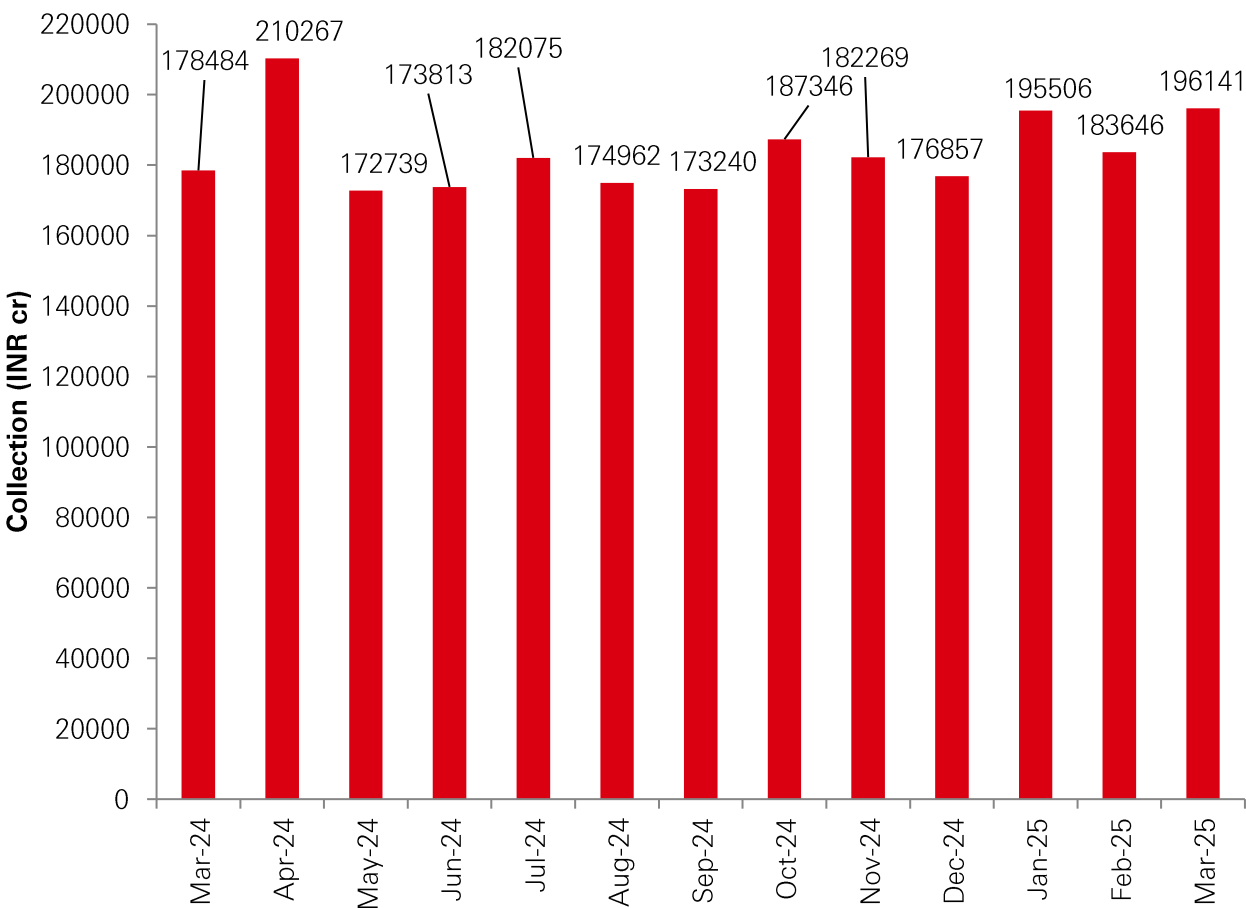
Core sector growth eased in February

Source—CRISIL, Trading Economics, MOSPI, EAI, Data as on 28 March 2025, RBI- Reserve Bank of India GDP- Gross Domestic Product. Past performance may or may not be sustained in future and is not a guarantee of any future returns.

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# GST collection INR 1.96 lakh crore in March

As per reports, the government collected INR 1.96 lakh crore goods and services tax (GST) for the month of March. Fiscal deficit stood at 4.13% of GDP for Apr-Feb FY25.



Source- CRISIL, [gst.gov.in](https://www.gst.gov.in), Data as on 28 March 2025, Past performance may or may not be sustained in future and is not a guarantee of any future returns. GST – Goods and Services Tax  
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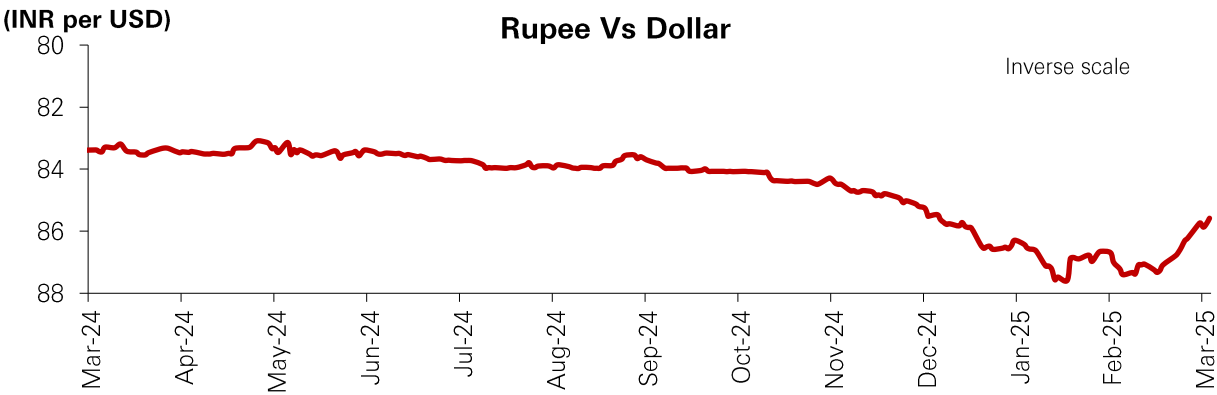
# Currency & Commodity market update

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Indian rupee gained in March

- The Indian rupee snapped a five-month losing streak in March 2025 and also logged its highest on-month gain since November 2018. The rupee recovered to below Rs 86 vs the dollar, eventually closing at Rs 85.58 on 28 March, which translates into a 2.1% monthly gain (vs Rs 87.40 on 28 February).
- The rupee made some early gains at the very onset of the month as a weaker dollar index, lower crude oil prices and the RBI’s dollar-swap announcement collectively helped offset the impact of persistent foreign fund outflows and uncertainty surrounding US tariffs. As the month progressed, data pointing towards easing inflation and industrial growth led to some additional gains.
- In the latter half of the month, year-end inflows and index adjustments led to several sessions of substantial foreign fund inflows. These, coupled with intermittent weakness in the dollar index, firm domestic equities, positive economic data and a late easing in crude oil prices, strengthened the rupee.

Rupee Movement V/s Global Currencies				
	28-Mar-25	28-Feb-25	Change	% Change
USD	85.58	87.40	-1.82	-2.08%
GBP	110.74	109.98	0.76	0.69%
EURO	92.32	90.78	1.54	1.70%
100 YEN	56.75	58.3	-1.55	-2.66%



Rupee recovered amid RBI’s dollar swap announcements

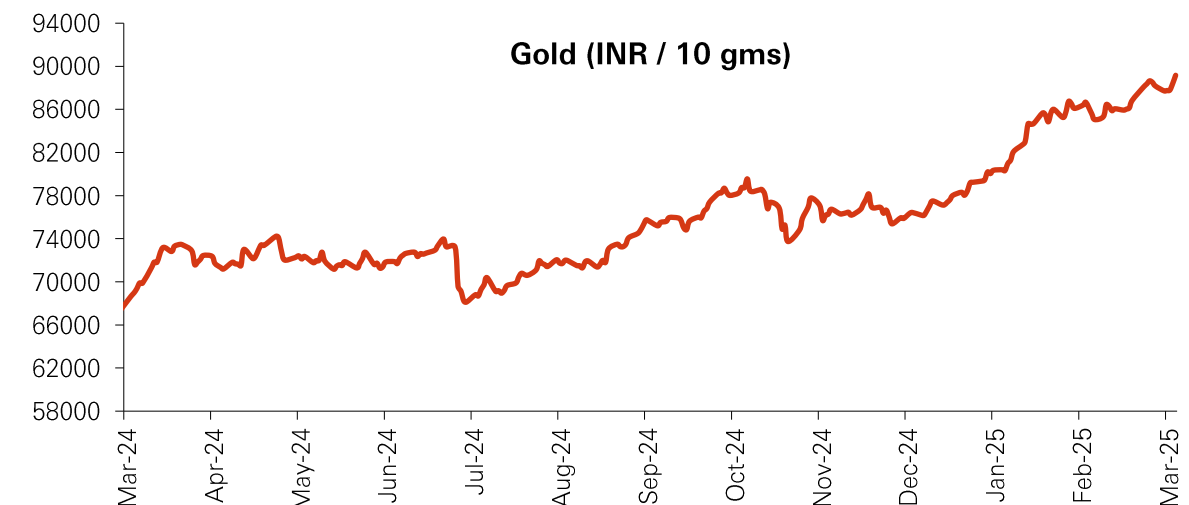
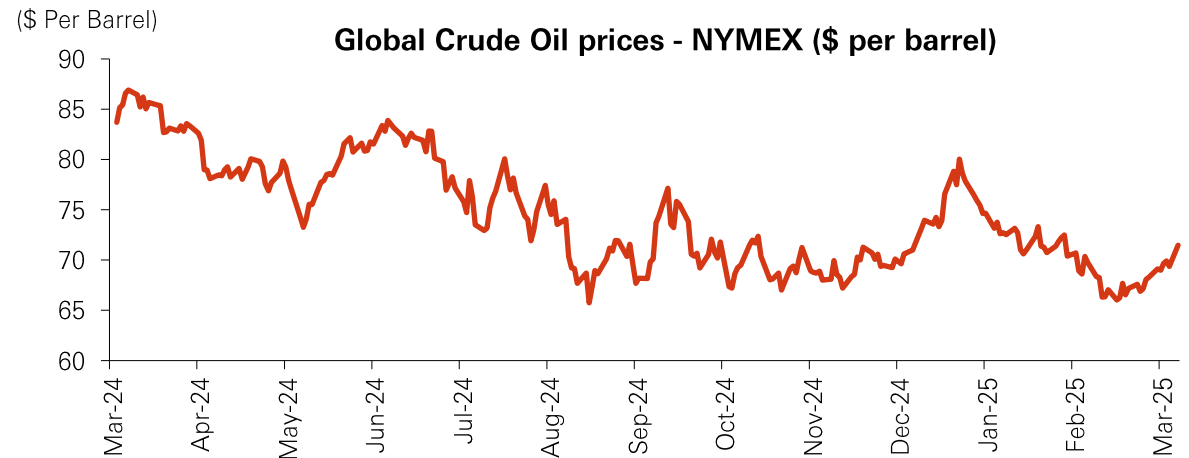
Source: RBI, CRISIL. Data as on 28 March 2025, Past performance may or may not be sustained in future and is not a guarantee of any future returns. US- United States  
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## International crude oil rose in March

- Crude oil prices on the New York Mercantile Exchange closed at \$71.48 per barrel on March 31, 2025, up 2.47% from \$69.76 per barrel on February 28.
- Prices rose mainly after the US government announced a 25% tariff on countries importing Venezuelan oil. Prices rose further after OPEC+ issued a new schedule for seven member nations to make further oil output cuts to compensate for pumping above agreed levels and The scheduled cuts last until June 2026.

## Gold rose in March

- Gold prices ended at Rs 89164 per 10 grams on March 28, 2025, up 4.83% from Rs 85056 per 10 grams on February 28, 2025, according to the India Bullion and Jewellers Association Ltd.
- Gold prices rose in this month on a higher note due to rising safe haven demand on account of escalating concerns around global economic growth worries, coupled with trade tariff war fears.



Source – CRISIL, NYMEX. IBJA Data as on 31 March 2025. Gold Data as on 28 March 2025

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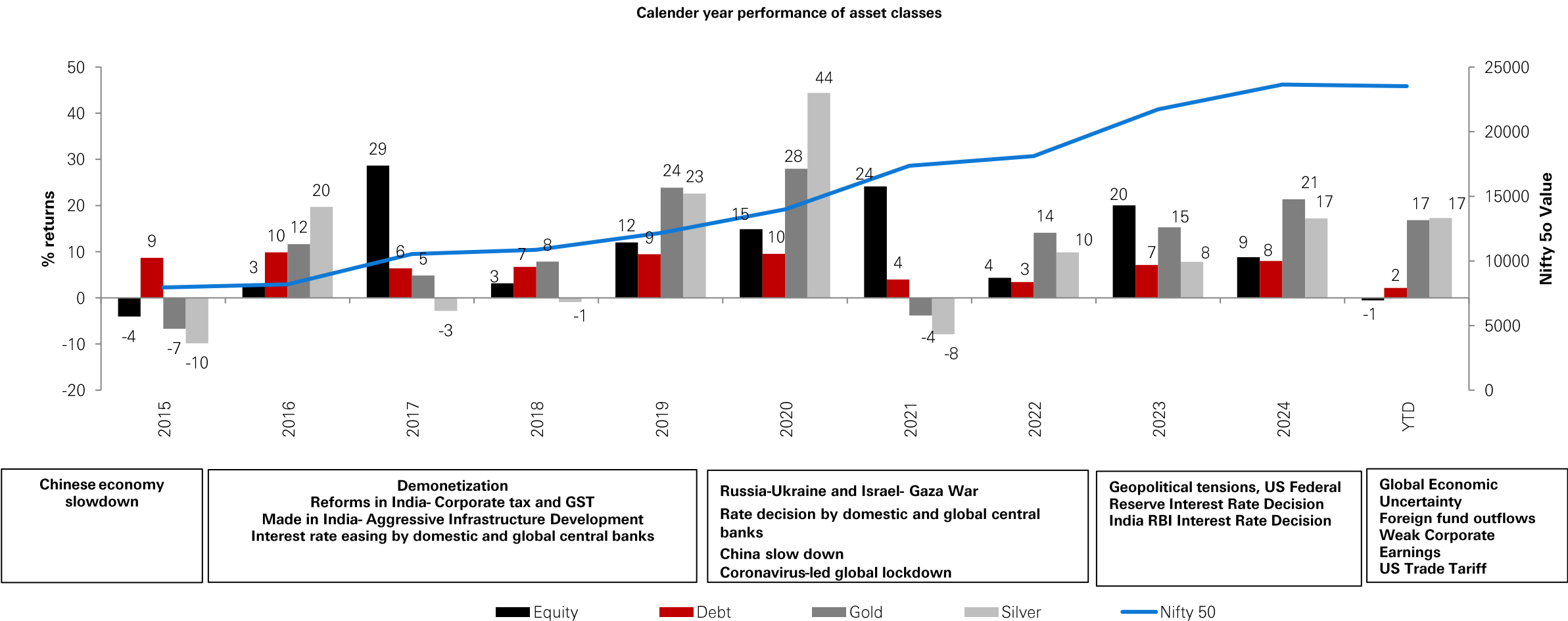


# Asset Performance

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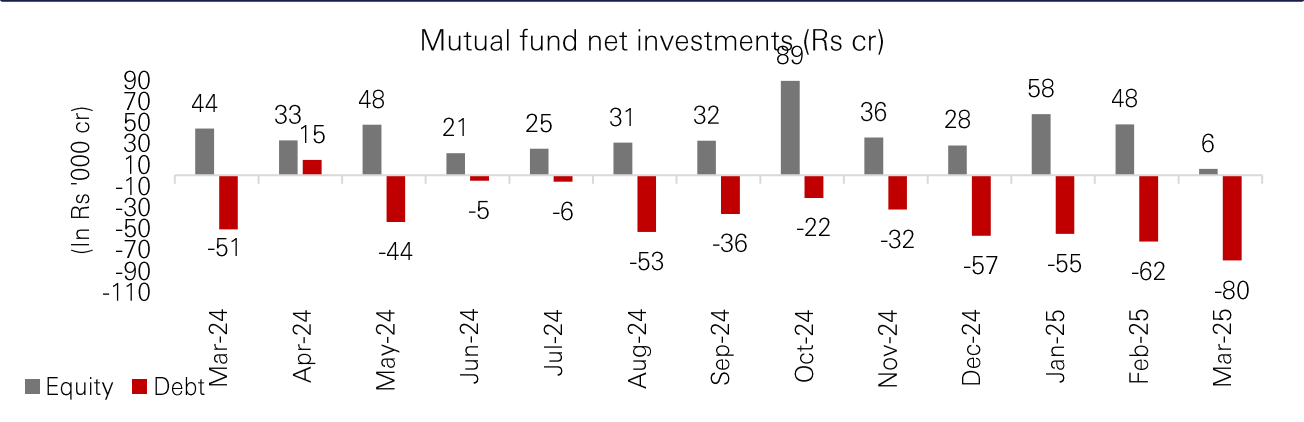
# History of asset classes through major events

## Calendar year performance of asset classes

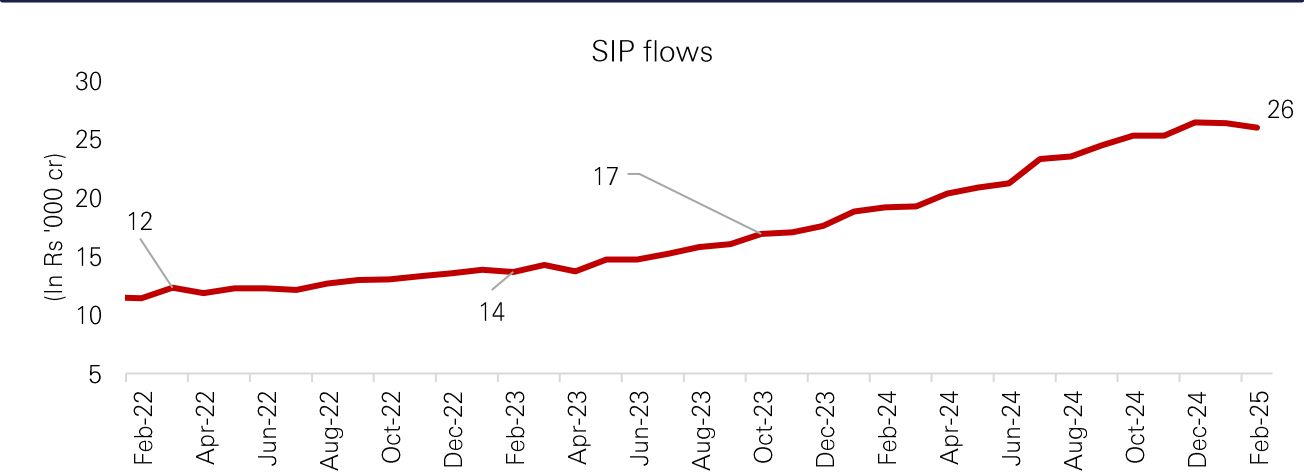


Equity- Nifty 50, Debt- CRISIL short duration debt index  
Gold and silver returns are based on spot rates from India Bullion and Jewellers Association (IBJA) and MCX  
Source: NSE, CRISIL, Data as on 28 March 2025, Past performance may or may not be sustained in future and is not a guarantee of any future returns.  
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Mutual funds net buyers in equity and sellers in debt



Inflows through SIPs grows in February 2025



- The domestic mutual fund (MF) industry held strong in February, with assets under management (AUM) at Rs 64.53 lakh crore, compared with Rs 67.25 lakh crore the previous month, led by debt-oriented mutual funds. The industry recorded a net inflow of Rs 40,063 crore in the month compared with Rs 187,551 crore in January.
- Assets of open-ended debt funds rose 0.11% (Rs 1,797 crore) on-month to Rs 17.08 lakh crore in February. There was a net outflow of Rs 6,526 crore in the category in February compared with a net inflow of Rs 1,28,653 crore the previous month.
- Assets of hybrid funds declined 2.66% (Rs 23,245 crore) on-month to Rs 8.52 lakh crore in February owing to losses in the assets of dynamic asset allocation/balanced advantage funds and balanced hybrid funds/aggressive hybrid funds. The category's net inflow rose to Rs 6,804 crore in February compared with Rs 8,768 crore in January.
- Collections through systematic investment plans (SIP) continued their upward trend, touching Rs 25,999 crore in February compared with Rs 26,400 crore in January. The number of SIP accounts increased to 10.27 crore from 10.27 crore in the period.

Source: CRISIL, AMFI, Data as on 28 March 2025, Past performance may or may not be sustained in future and is not a guarantee of any future returns.  
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# Economic Events Calendar

Date	Indicators	Previous
09-April-25	India RBI Interest Rate Decision	6.25%
10-April-25	US Inflation Rate, March	2.8%
	China Inflation Rate, March	-0.7%
11-April-25	UK GDP, February	1%
	India Inflation Rate, March	3.61%
	India Industrial Production, February	-
	India Manufacturing Production, February	5.5%
14-April-25	India WPI Manufacturing, March	2.86%
15-April-25	UK Unemployment Rate, February	4.4%
	India WPI Inflation, March	2.38%
	India Balance of Trade, March	\$-14.05B
16-Apr-25	Eurozone Inflation Rate Final, March	2.3%
	UK Inflation Rate, March	2.8%
	China GDP Growth Rate, Q1	5.4%
	China Unemployment Rate, March	5.4%
17-April-25	Eurozone ECB Interest Rate Decision	2.65%

Source: CRISIL, Data as on 28 March 2025, Past performance may or may not be sustained in future and is not a guarantee of any future returns.  
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# Economic Events Calendar (cont'd)

Date	Indicators	Previous
18-April-25	Japan Inflation Rate, March	3.7%
19-April-25	China Loan Prime Rate 1Y/ 5Y	3.1% / 3.6%
23-April-25	India HSBC Composite PMI Flash/ HSBC Services PMI Flash	-
	India HSBC Manufacturing PMI Flash	57.6
30-April-25	US GDP Growth Rate Adv, Q1	-
	Eurozone GDP Growth Rate Flash, Q1	1.2%
	India Infrastructure Output, March	2.9%
	India Government Budget Value, March	INR-13468.5B

Source: CRISIL, Data as on 28 March 2025, Past performance may or may not be sustained in future and is not a guarantee of any future returns.  
US- United States, UK- United Kingdom, GDP- Gross Domestic Product, PCE – Personal Consumption Expenditure  
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