Global Navigator

August 2026

HSBC Mutual Fund

SEBI Registered Name/Number-HSBC Mutual Fund & MF/046/02/5

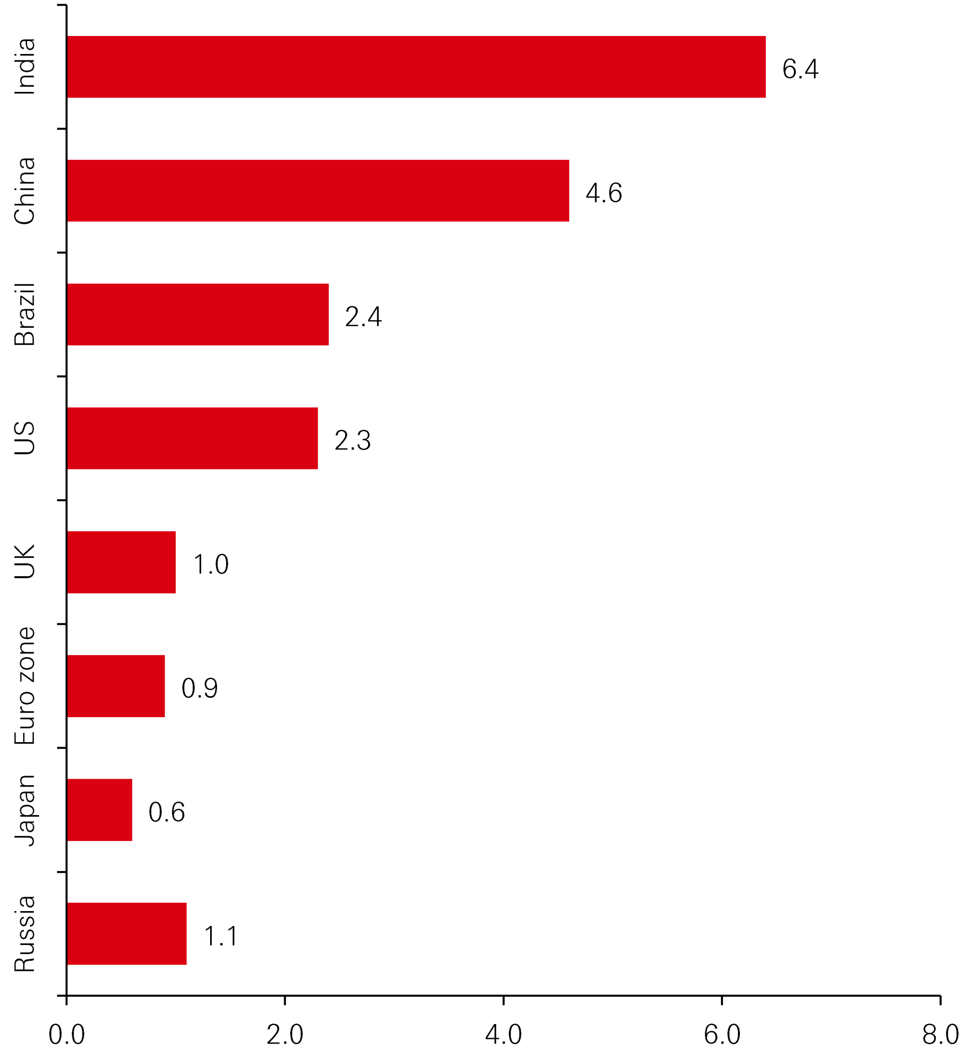
Global Update

Global Economic Update

	GDP		Inflation		Industrial Growth	
	Current	Previous	Current	Previous	Current	Previous
US	1.5% Q2 2026	2.1% Q1 2026	3.5% Jun'26	4.2% May'26	1.1% Jun'26	1.7% May'26
Eurozone	1.0% Q2 2026	0.5% Q1 2026	2.8% Jun'26	3.2% May'26	-1.2% May'26	0.4% Apr'26
UK	0.9% Q1 2026	0.9% Q4 2025	2.6% Jun'26	2.8% May'26	1.0% May'26	0.0% Apr'26
China	4.3% Q2 2026	5.0% Q1 2026	1.0% Jun'26	1.2% May'26	5.3% Jun'26	4.5% May'26
Japan	1.8% Q1 2026	0.7% Q4 2025	1.7% Jun'26	1.5% May'26	4.2% Jun'26	-2.1% May'26
India	7.8% Q4 FY26	8.0% Q3 FY26	4.4% Jun'26	3.9% May'26	7.3% Jun'26	5.0% May'26

Major Global Central Banks	Latest Key Interest rate
US Federal Reserve	3.75%
Bank of England	3.75%
European Central Bank	2.40%
Bank of Japan	1.00%
Reserve Bank of India	5.25%

IMF GDP Projections for 2026 (July'26)



Source: Crisil Intelligence, Bloomberg, Respective Central Banks, IMF. Data as on 31 July 2026 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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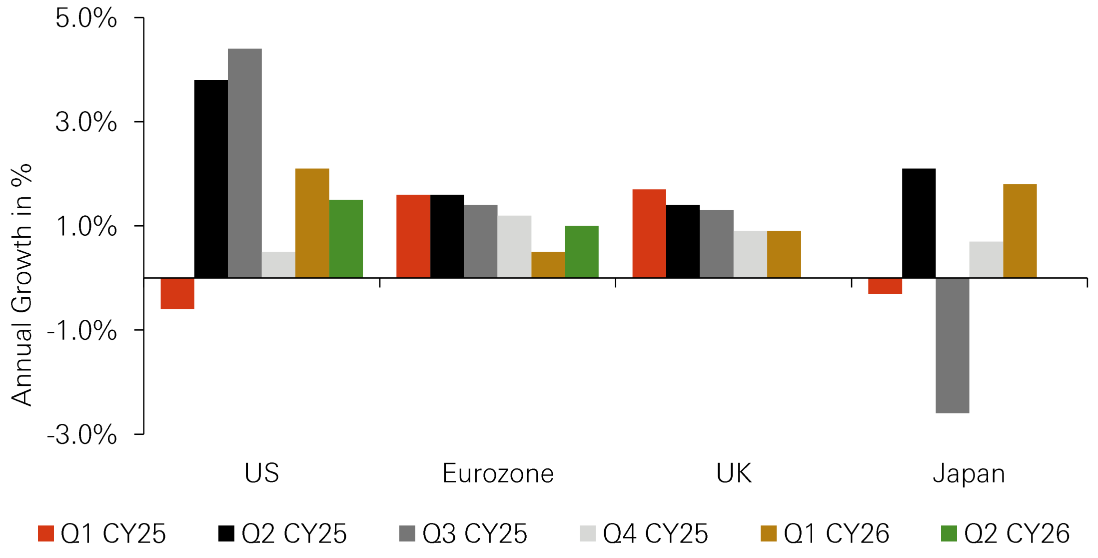
Global Economic Update



The Fed held rates steady, reflecting strong economic activity and labour market conditions

- The US economy expanded 1.5% on-year in the second quarter of calendar year 2026 compared with 2.1% growth in the first quarter.
- The Federal Reserve (Fed) maintained the federal funds rate target range at 3.50-3.75%, reflecting confidence that economic activity, productivity, business investment and labour market conditions remained strong.

UK's economy grew 0.9% in the first quarter of calendar year 2026

- The UK's economy grew 0.9% on-year in the first quarter of calendar year 2026, in line with the previous quarter.
- The Bank of England (BoE) kept its interest rates unchanged at 3.75% at its July meeting in a 6-3 vote, while three policymakers voted for a hike of 25 bps to 4.0%.

Eurozone economy grew 1.0% in the second quarter of calendar year 2026

- The economy grew 1.0% in the second quarter of calendar year 2026 from an upwardly revised 0.5% in the previous quarter.
- The European Central Bank (ECB) kept its key interest rates unchanged at its July meeting, maintaining the deposit facility rate at 2.25%, main refinancing operations rate at 2.40% and marginal lending facility rate at 2.65%.

Bank of Japan kept the short-term policy interest rate unchanged

- The Japanese economy grew 1.8% on-year in the first quarter of calendar year 2026, rebounding from a downwardly revised 0.7% in the fourth quarter of calendar year 2025.
- The Bank of Japan (BoJ) kept its short-term policy interest rate unchanged at 1.0% at its July meeting, after a hike of 25 bps in June. The decision was approved by an 8-1 vote, with one Board member advocating a rate increase to 1.25%.

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Global Performance Trends

Global indices	% Change										
	CY17	CY18	CY19	CY20	CY21	CY22	CY23	CY24	CY25	CY26 *	10-year CAGR*
DJIA	25.08	-5.63	22.34	7.25	18.73	-8.78	13.70	12.88	12.97	9.20	10.26
Nasdaq	28.24	-3.88	35.23	43.64	21.39	-33.10	43.42	28.64	20.36	9.17	16.77
Nikkei	19.10	-12.08	18.20	16.01	4.91	-9.37	28.24	19.22	26.18	27.86	12.91
Hang Seng	35.99	-13.61	9.07	-3.40	-14.08	-15.46	-13.82	17.67	27.77	0.99	1.64
FTSE	7.63	-12.48	12.10	-14.34	14.30	0.91	3.78	5.69	21.51	9.43	4.29
Cac 40	9.26	-10.95	26.37	-7.14	28.85	-9.50	16.52	-2.15	10.42	4.42	5.76
Xetra Dax	12.51	-18.26	25.48	3.55	15.79	-12.35	20.31	18.85	23.01	4.65	8.36
Shanghai	6.56	-24.59	22.30	13.87	4.80	-15.13	-3.70	12.67	18.41	-3.44	2.13
Brazil Bovespa	26.86	15.03	31.58	2.92	-11.93	4.69	22.28	-10.36	33.96	10.47	11.45
Russia RTS	0.18	-7.65	45.28	-10.42	15.01	-39.18	11.63	-17.56	24.73	-20.78	-2.63
Nifty 50 TRI	30.27	4.64	13.48	16.14	25.59	5.69	21.30	10.09	11.88	-6.21	12.24
BSE Sensex TRI	29.56	7.23	15.66	17.16	23.23	5.80	20.33	9.49	10.38	-7.87	12.08

Source: Crisil Intelligence, BSE, NSE and Financial websites Figures in red indicate negative returns in that period. *CY26- CYTD (till July 31, 2026) *10-year CAGR, Data as on 31 July 2026
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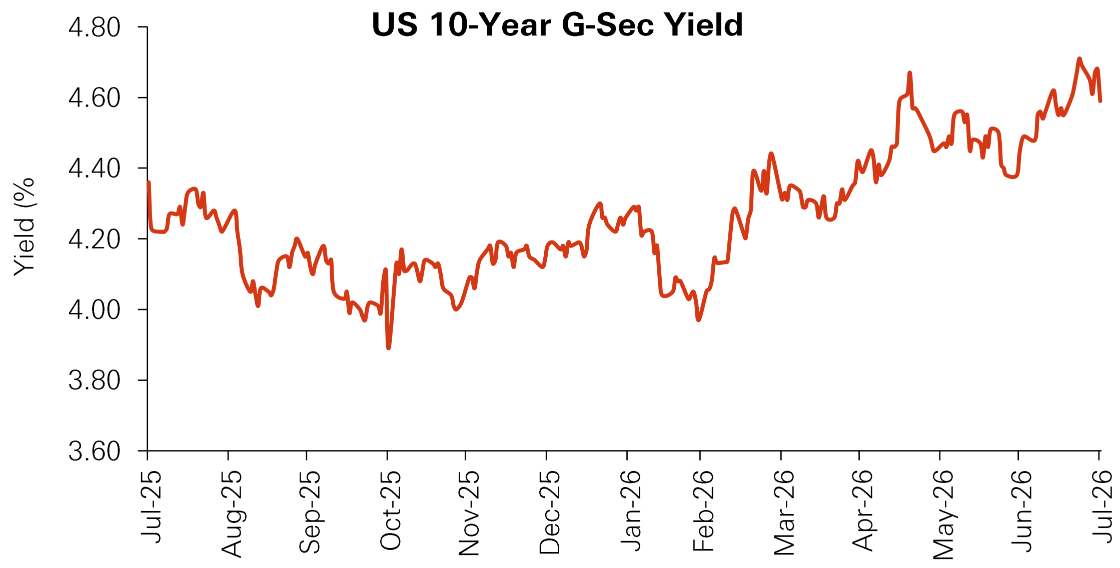
US Fixed Income Markets - Overview

US treasury yield rose in July'26

- Resilient US economic data, elevated crude oil prices and expectations that the Federal Reserve would keep interest rates higher for longer helped the yield on the US 10-year Treasury close at 4.75% on July 31, up from 4.42% on June 30.
- Early in the month, the benchmark yield rose on the back of a stronger-than-expected job growth print as per the June 2026 nonfarm payroll report and a return to expansionary zone of the ISM Services PMI in June. Rising crude oil prices also fuelled inflation concerns, prompting investors to scale back expectations of a Fed rate cut in the near term.
- Mid-month, yields remained elevated after the June CPI print highlighted persistent inflationary pressures and June retail sales and industrial production pointed to continued economic resilience. Elevated crude oil prices further reinforced concerns that inflation could trend above the Fed's target over the near term.
- Towards the end of the month, the benchmark yield rose further as the July S&P Global Flash PMI signalled continued expansion in business activity and expectations of further Treasury issuances increased. Also, maintaining upward pressure on the long-term yield were a widening fiscal deficit and expectations of the Fed's cautious policy stance.



Global bond yields			
	31-July-26	30-June-26	Change
US 10-Year (%)	4.75	4.42	0.33
UK 10-Year (%)	5.06	4.76	0.30
German 10-Year (%)	3.20	2.91	0.29
Japan10-Year (%)	2.80	2.68	0.12

Source: Crisil Intelligence, Refinitiv, Data as on 31 July 2026, Past performance may or may not be sustained in future and is not a guarantee of any future returns.
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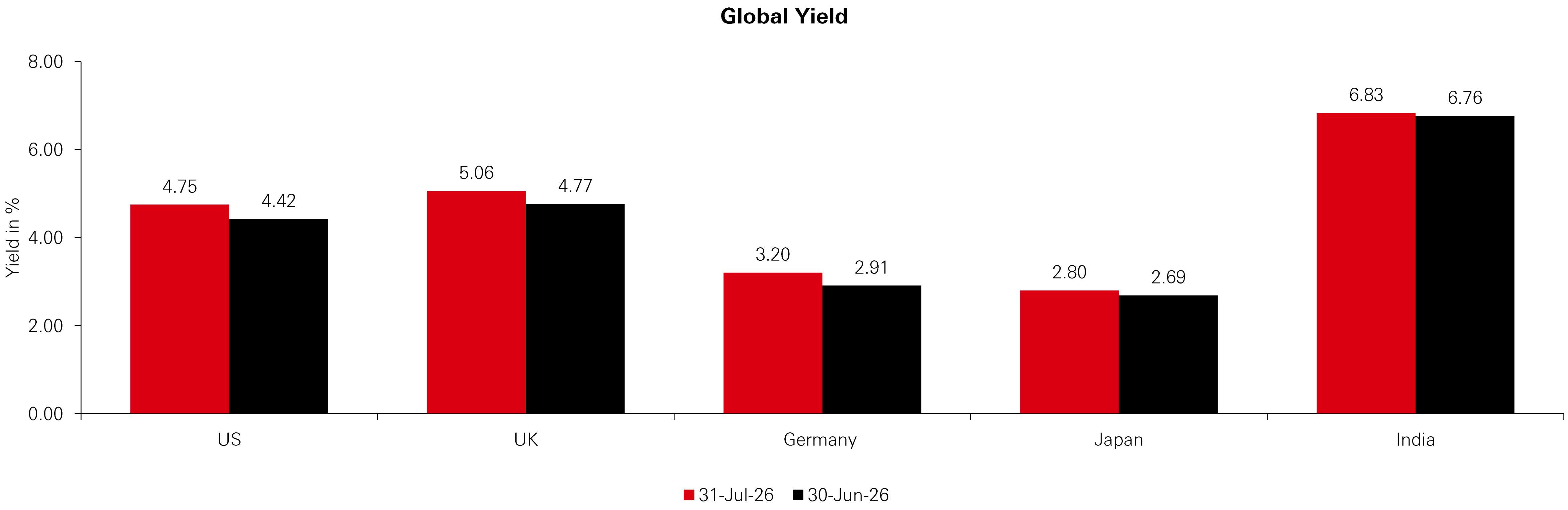
Global Yield and Where India Stands



	US	UK	Germany	Japan	India
Current Yield (%)	4.75	5.06	3.20	2.80	6.83
Inflation (%)	3.50	2.60	2.30	1.70	4.38
Real Yield (%)	1.25	2.46	0.90	1.10	2.45

Source : Crisil Intelligence, Data as on 31 July 2026, Inflation Data as of June 2026. Past performance may or may not be sustained in future and is not a guarantee of any future returns.
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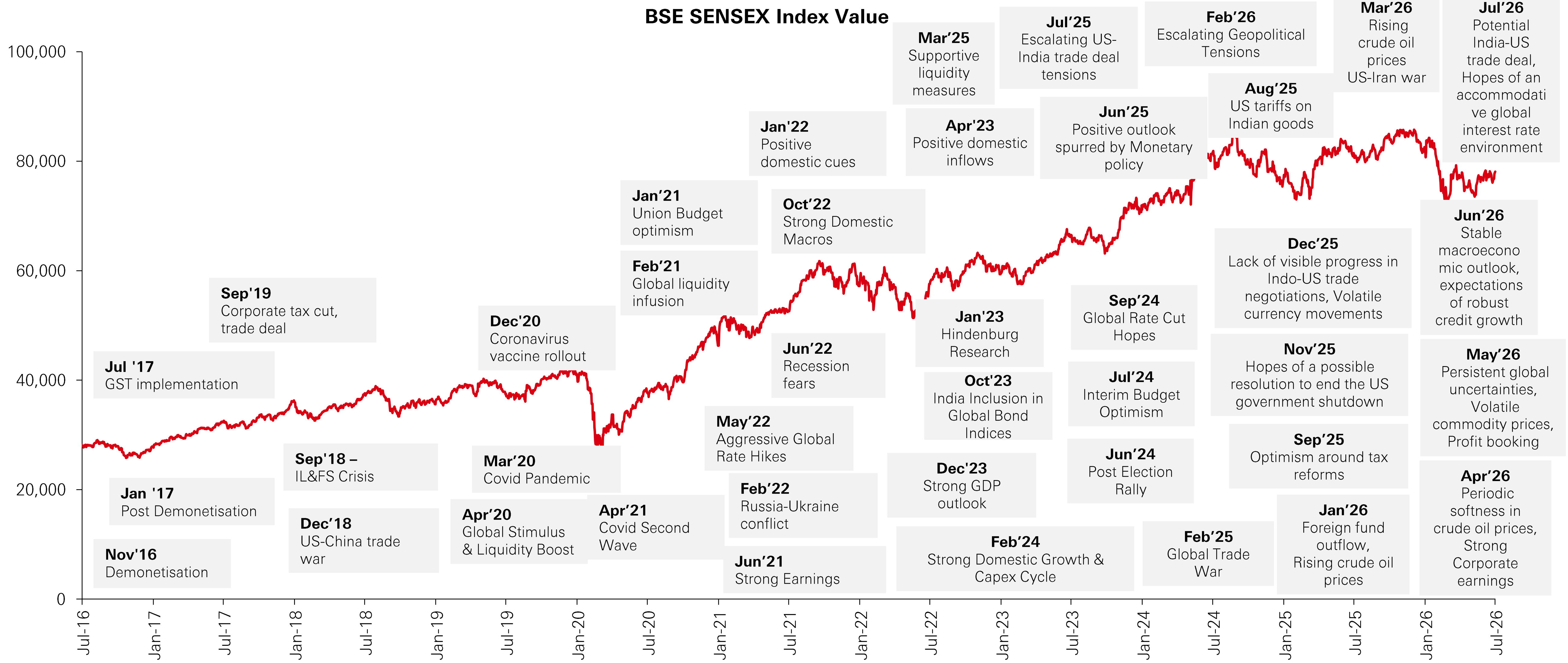
Domestic Equity

History Of Equity Markets Through Major Events



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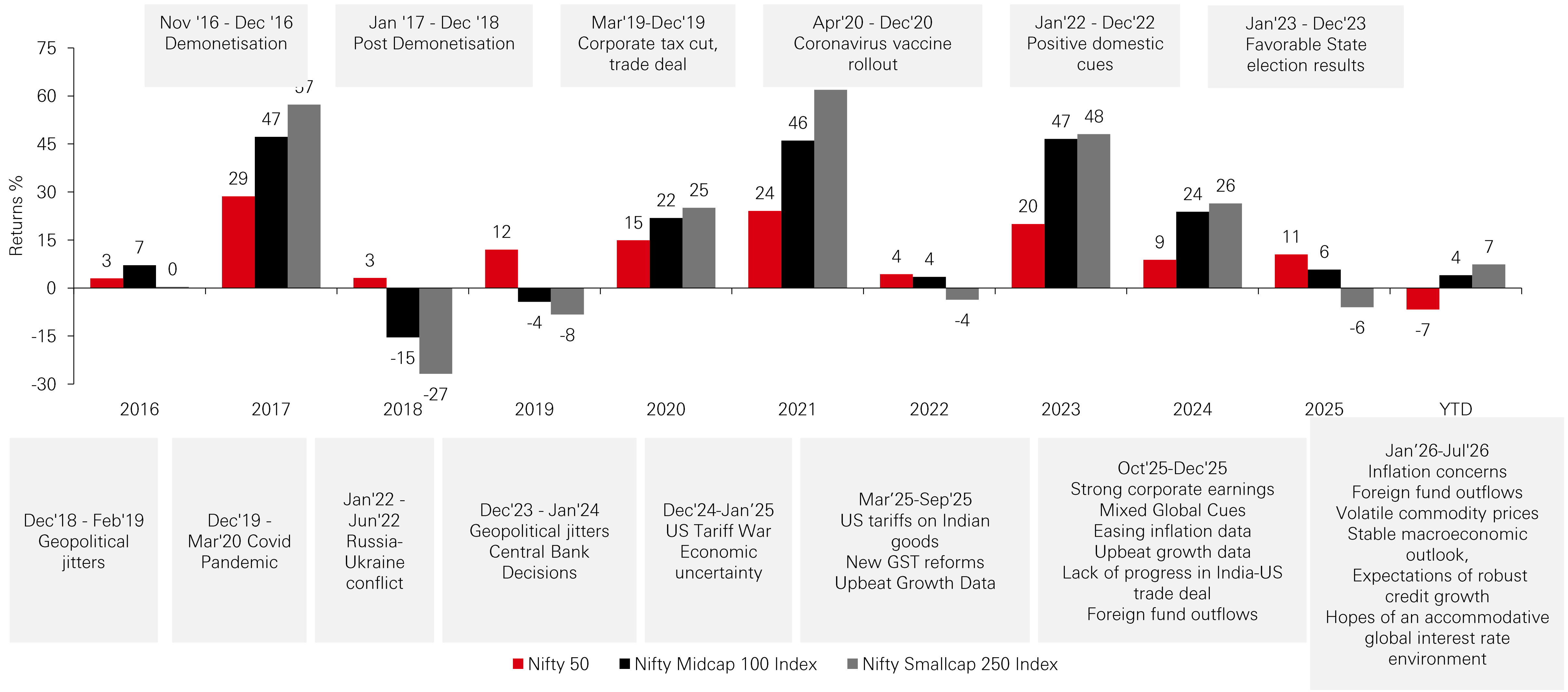
History Of Equity Markets Through Major Events



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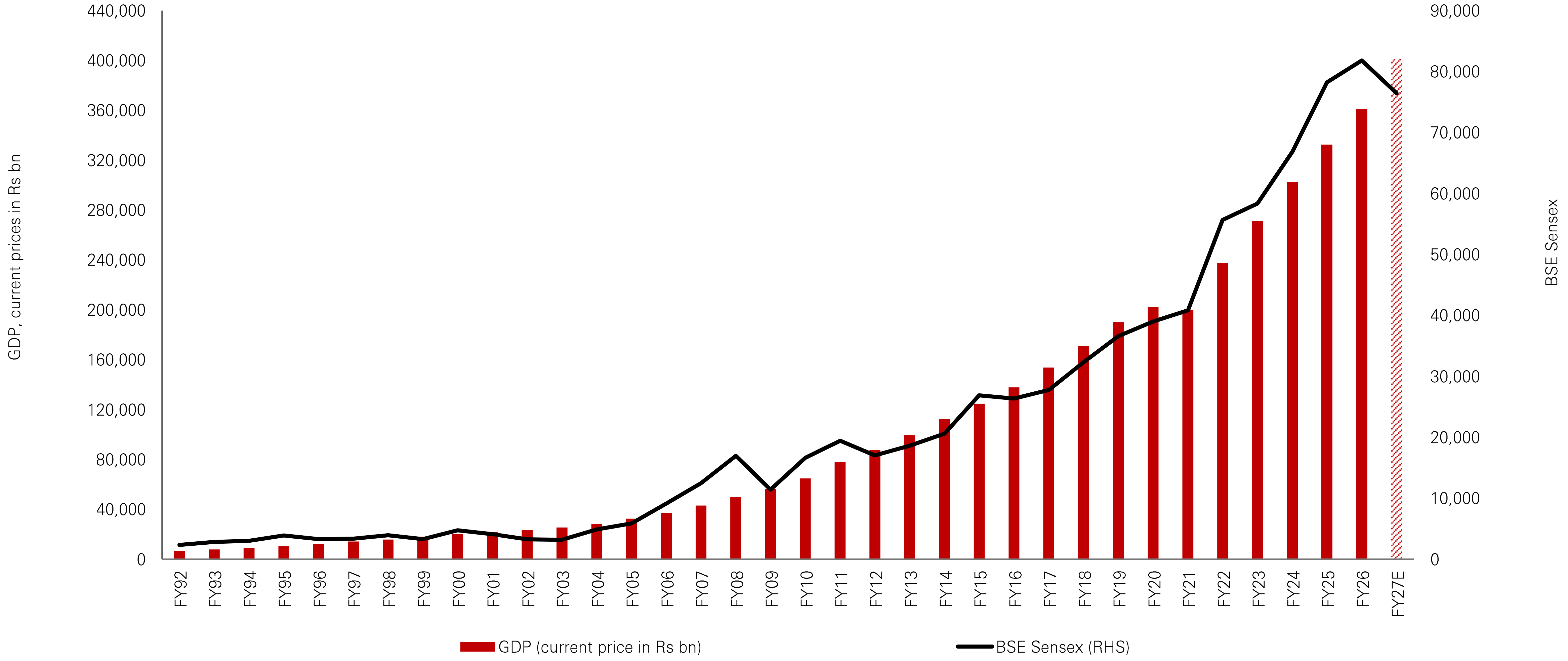
Equity Mirrors Economic Growth In The Long Term

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 Intelligence, Crisil Economic Research, Bloomberg, BSE. The GDP projection for fiscal year 2027 is shown shaded in this graph is for illustration purposes only and is not guaranteed, (GDP for FY18 to FY23 has base year 2011-12, while FY24, 25, and 26 has base year 2022-23)

Data as on 31 July 2026, Past Performance May or May not be sustained in future. Investors should not consider the same as investment advice GDP – Gross Domestic Product.
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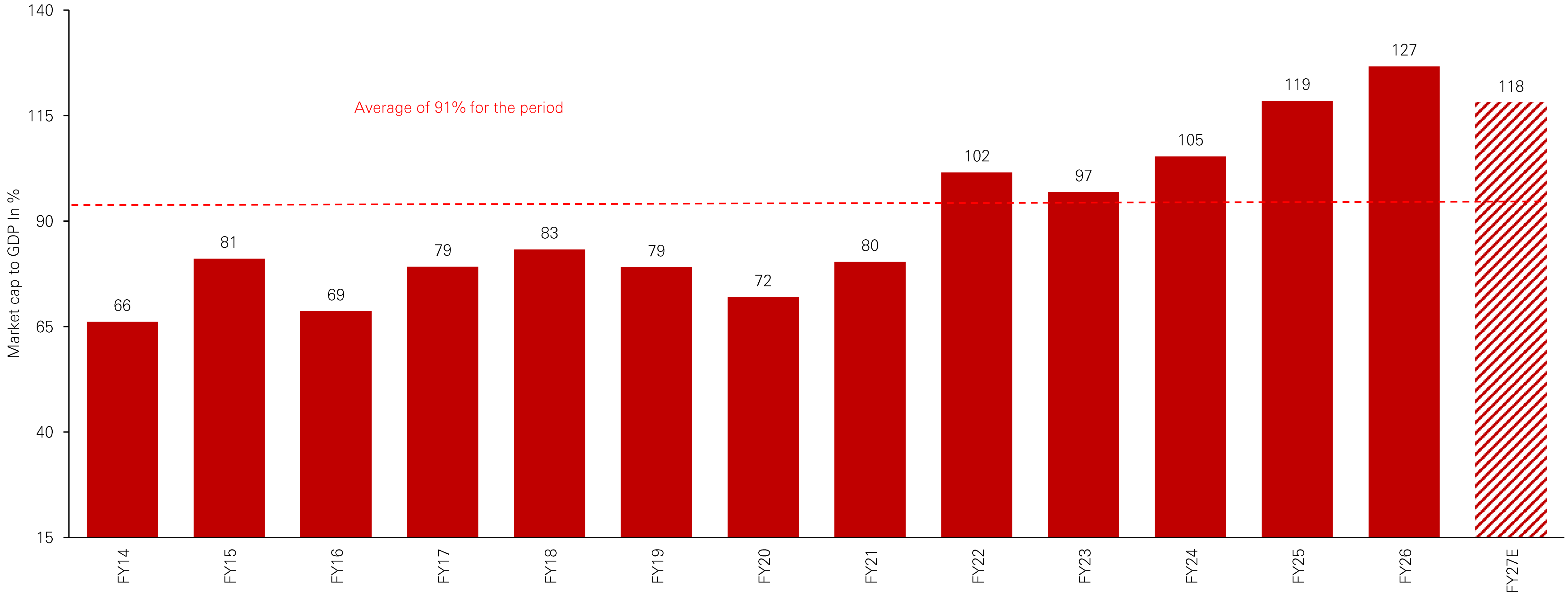
India Market Cap To GDP (%)



Shaded area represents estimates (E) – FY27
Source: Crisil Intelligence, Bloomberg, MOSPI
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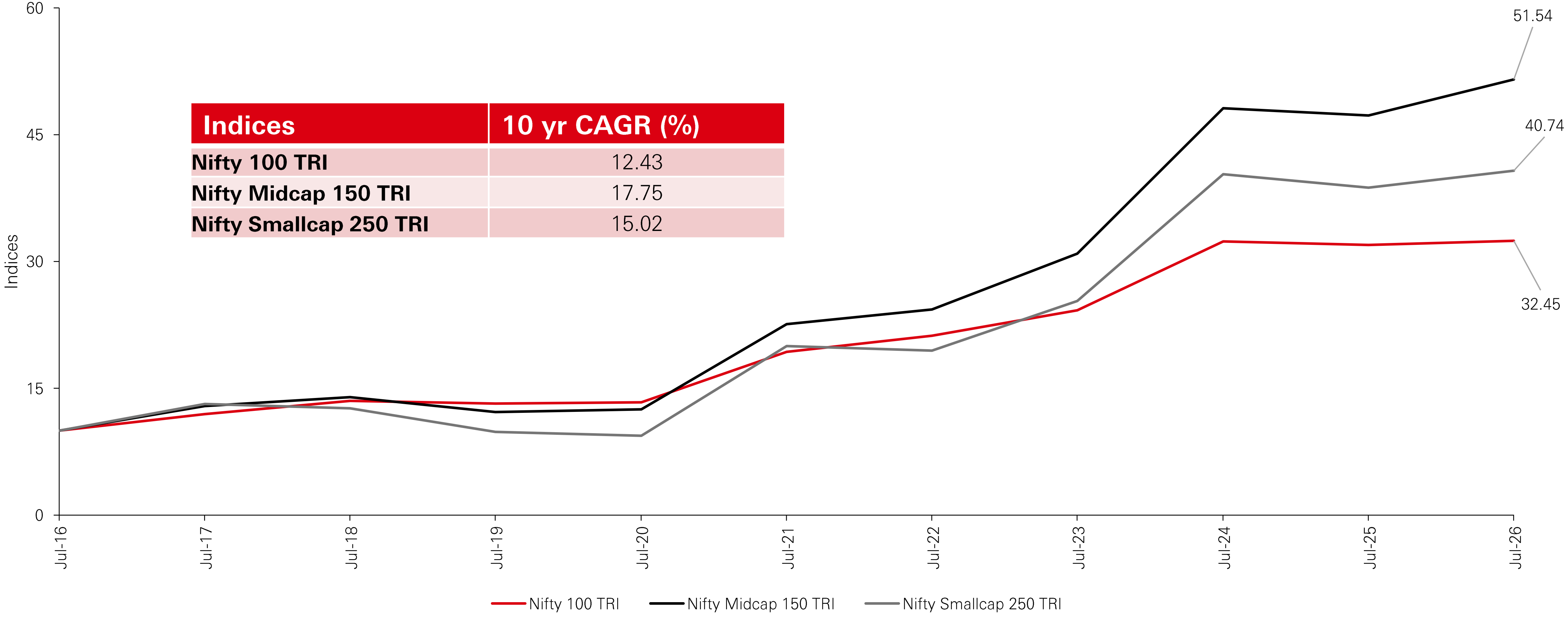
Nifty Mid-cap 150 TRI Vs Nifty Small-cap 250 TRI Vs Nifty 100 TRI

Indices	10 yr CAGR (%)
Nifty 100 TRI	12.43
Nifty Midcap 150 TRI	17.75
Nifty Smallcap 250 TRI	15.02



Source: Crisil Intelligence, NSE. Data as on 31 July 2026, data represents YTD values. The indices values are rebased to 10
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Indian Market - Performance Trends

Indices	% Change										
	CY17	CY18	CY19	CY20	CY21	CY22	CY23	CY24	CY25	CY26	10-year CAGR*
Nifty 50 TRI	30.27	4.64	13.48	16.14	25.59	5.69	21.30	10.09	11.88	-6.21	12.24
BSE SENSEX TRI	29.56	7.23	15.66	17.16	23.23	5.80	20.33	9.49	10.38	-7.87	12.08
BSE Metal TRI	52.82	-16.20	-10.16	18.43	72.68	15.70	35.50	10.24	29.81	11.70	20.29
BSE CD TRI	102.87	-8.32	21.53	22.19	47.73	-10.93	26.40	29.31	-6.51	9.25	18.57
BSE CG TRI	41.42	-0.49	-8.79	12.52	54.75	17.17	68.15	22.53	-0.21	13.16	18.40
BSE Power TRI	22.03	-14.30	-0.64	11.38	73.68	28.51	36.45	21.28	-5.30	17.09	16.40
BSE Realty TRI	107.24	-30.69	27.58	9.20	55.40	-9.97	80.16	33.45	-17.06	3.46	16.34
BSE PSU TRI	22.69	-18.69	-1.12	-12.80	47.95	28.30	61.48	24.34	12.09	0.90	14.86
BSE Oil & Gas TRI	37.81	-12.40	10.59	-0.55	31.72	20.45	17.30	16.50	14.07	-8.29	13.30
BSE IT TRI	13.29	27.26	11.84	60.05	58.45	-22.70	28.28	22.21	-12.94	-17.75	12.89
BSE Healthcare TRI	1.10	-5.38	-2.80	62.61	21.54	-11.50	37.97	44.30	-2.72	16.24	12.71
BSE Auto TRI	33.31	-21.33	-9.94	14.27	20.59	17.83	47.71	23.40	22.59	-0.13	12.65
BSE BANKEX TRI	39.98	5.65	21.12	-2.12	12.97	21.91	12.12	7.15	16.66	-2.42	12.19
BSE FMCG TRI	33.26	12.11	-2.14	13.19	11.70	19.08	29.65	3.25	-0.23	-8.68	9.62

Source: Crisil Intelligence, BSE, Figures in red indicate negative returns in that period. *10-year CAGR, Data as on 31 July 2026, CY26 is YTD (till 31 July 2026) (CD- Consumer Durable/ CG – Capital Goods)
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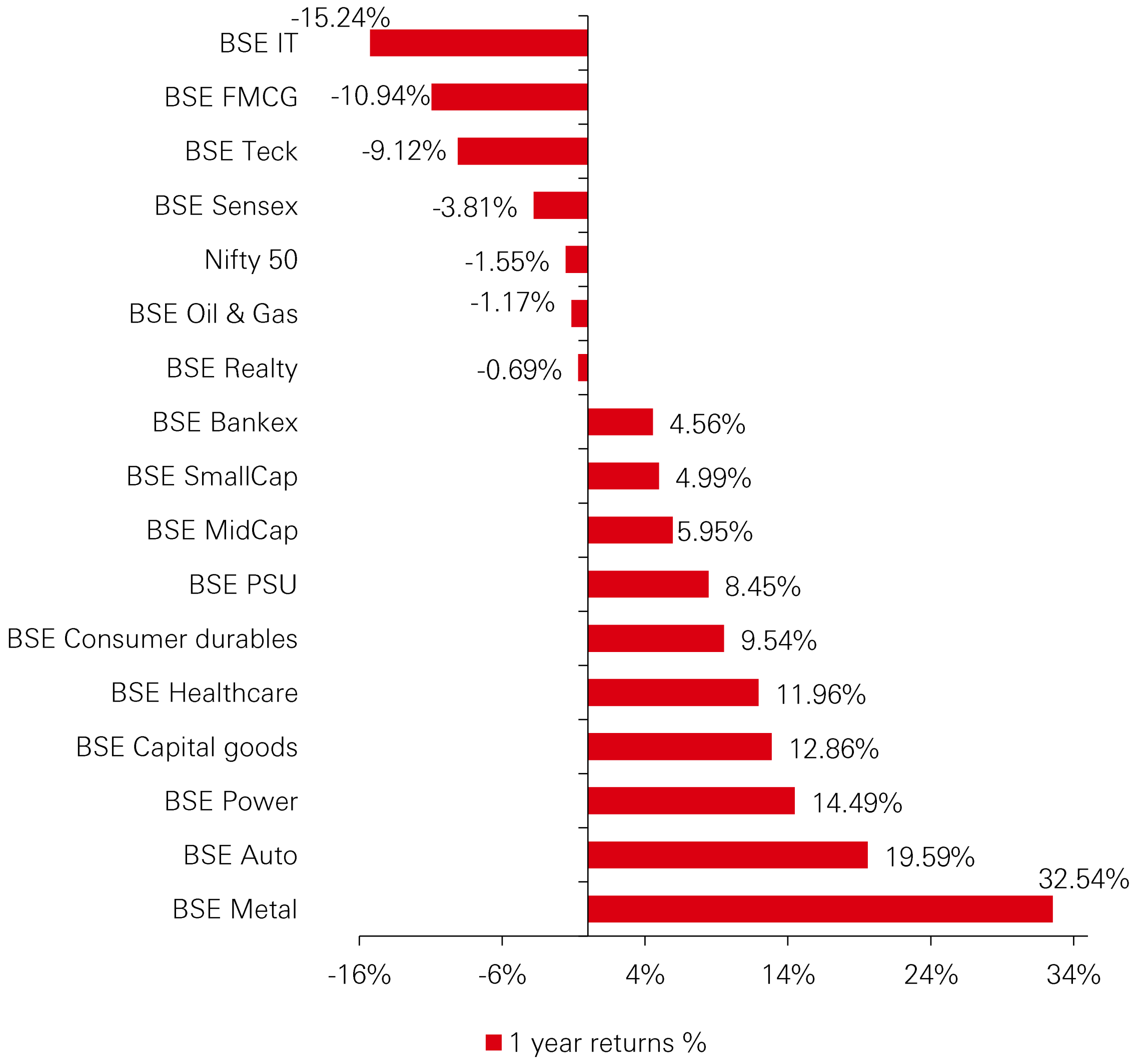
Equity Market Review

Indian markets accelerated in July'26

- Indian equities ended July on a positive note, with the benchmark indices closing slightly higher compared with June, supported by domestic resilience and intermittent improvement in global cues through the month, despite heightened volatility
- The market was influenced by a combination of global developments, including the situation in West Asia, fluctuations in crude oil prices and evolving expectations pertaining to central bank policies across the globe.
- The BSE Sensex rose 2.11% to 78,094.64 on July 31 from 76,478.67 on June 30, while the Nifty 50 gained 2.17% to reach 24,383.60 from 23,865.75, reflecting a largely rangebound market with an upward bias
- Investors were also encouraged by the start of earnings season for the first quarter of fiscal 2027, while resilient domestic fundamentals helped sustain market confidence
- Sectoral performance was mixed, with the BSE Information Technology (IT), BSE Teck and BSE Consumer durables emerging as the top gainers, rising 14.7%%, 11.2%, and 9.3%, respectively.



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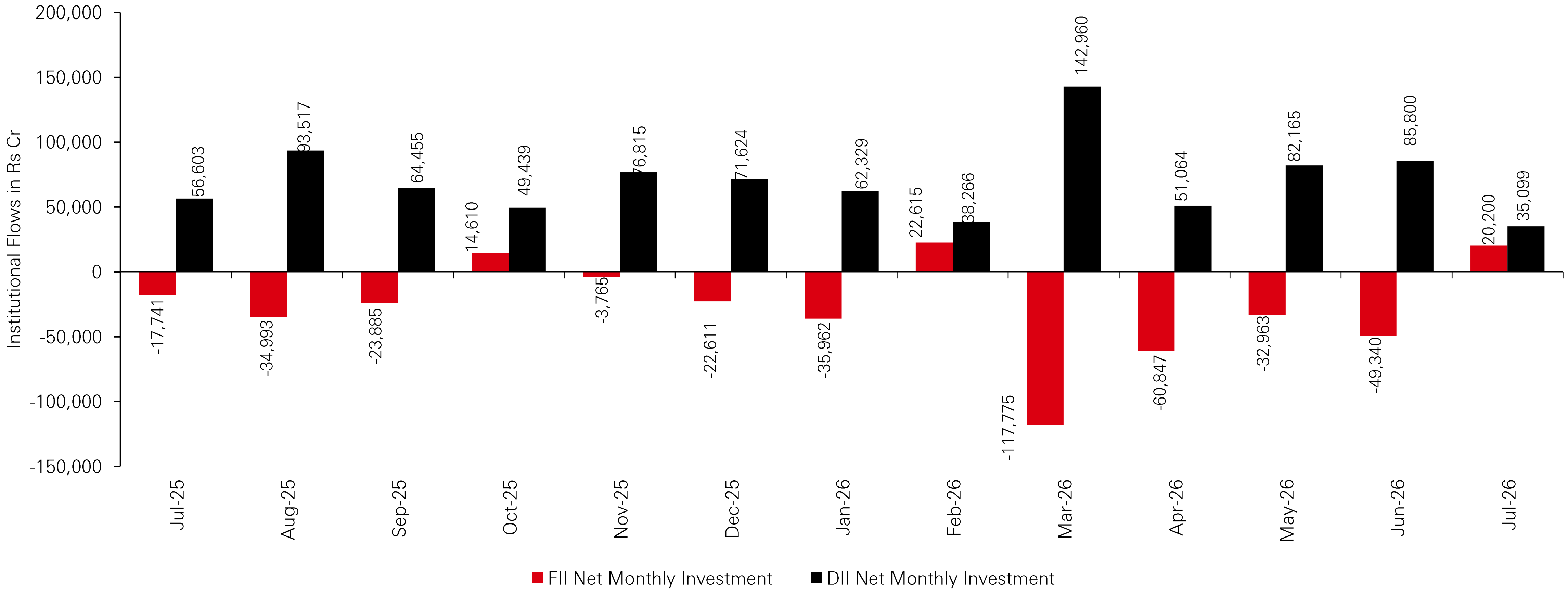
FII DII Graph



Foreign institutional investors (FIIs) turned net buyers in July, purchasing Rs 20,200 crore worth of equities till July 31, compared with net selling of Rs 49,340 crore in June, indicating an improvement in foreign investor sentiment.

Domestic institutional investors (DIIs) continued to support the market as they picked up Rs 35,099 crore worth of equities till July 31, although lower than purchases worth Rs 85,800 crore in June, providing sustained liquidity to Indian equities.

Source : FII (NSDL), DII (NSE), Data as on 31 July 2026, Past performance may or may not be sustained in future and is not a guarantee of any future returns.
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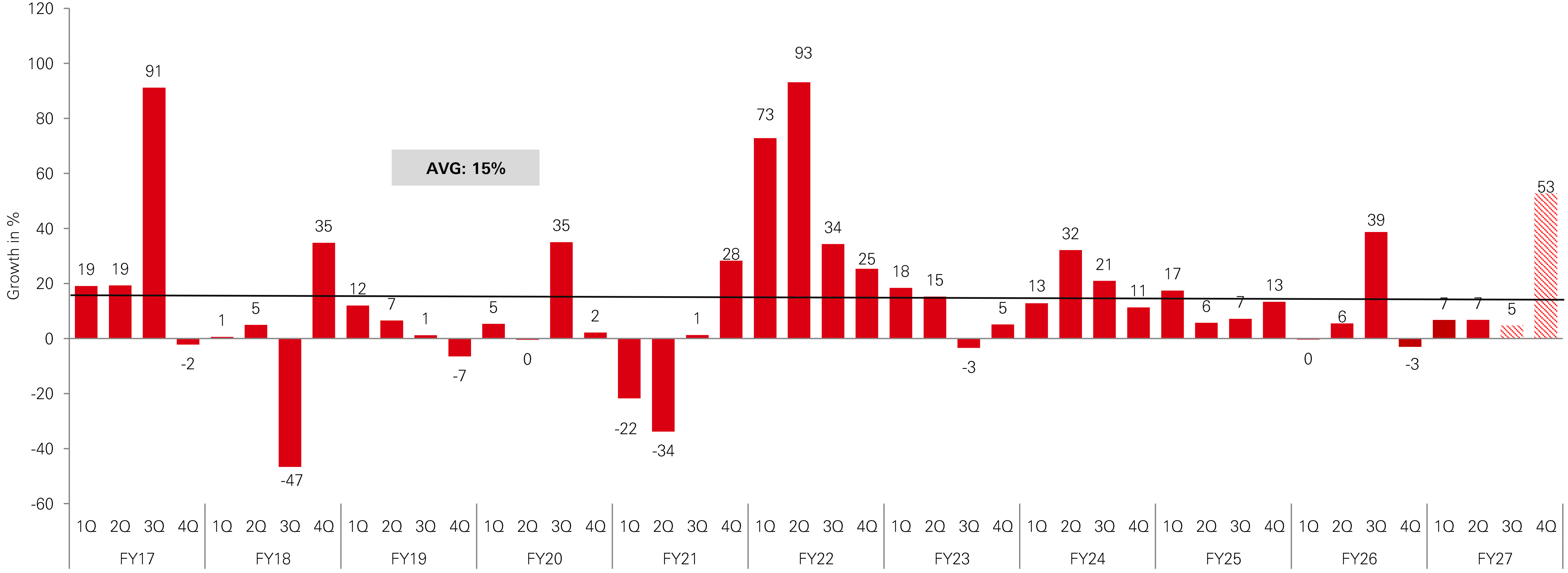
Earnings Growth – Quarterly Trend

Nifty 50 earnings



Nifty 50 EPS Growth (Y-o-Y)

Estimates – shaded portion of FY27

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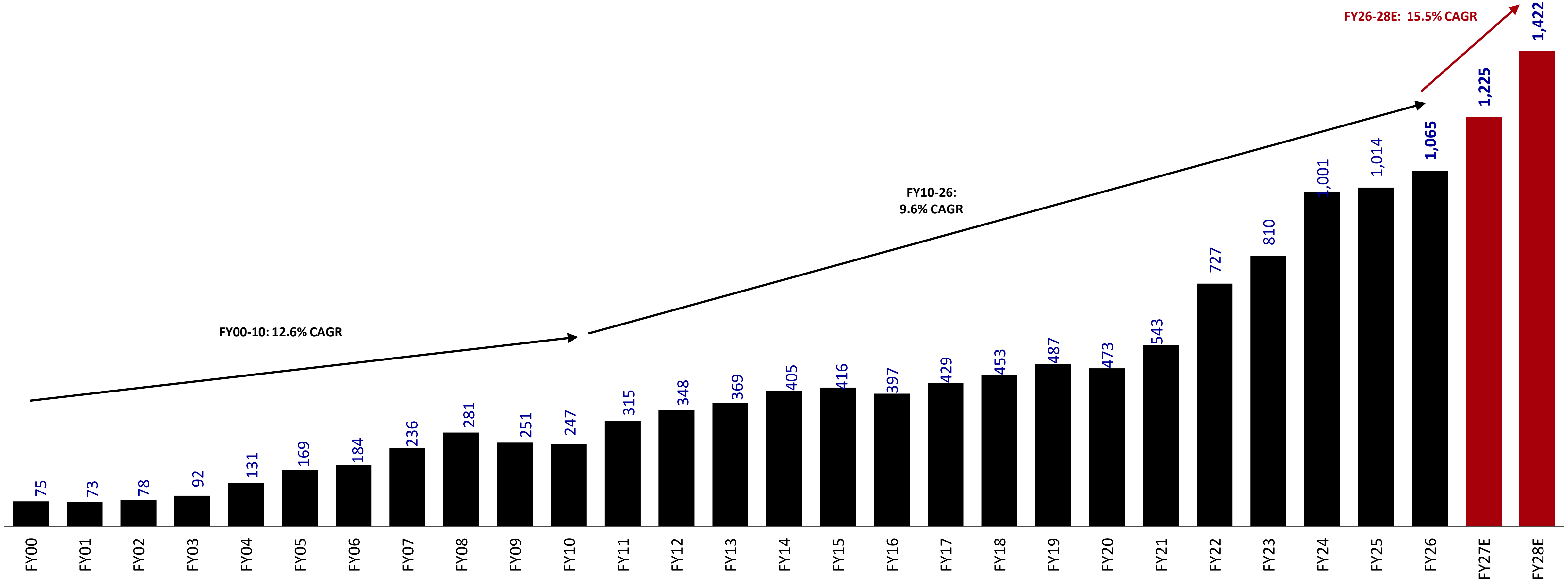
HSBC Mutual Fund

Earnings trend

India - Equity earnings (Nifty 50 EPS)



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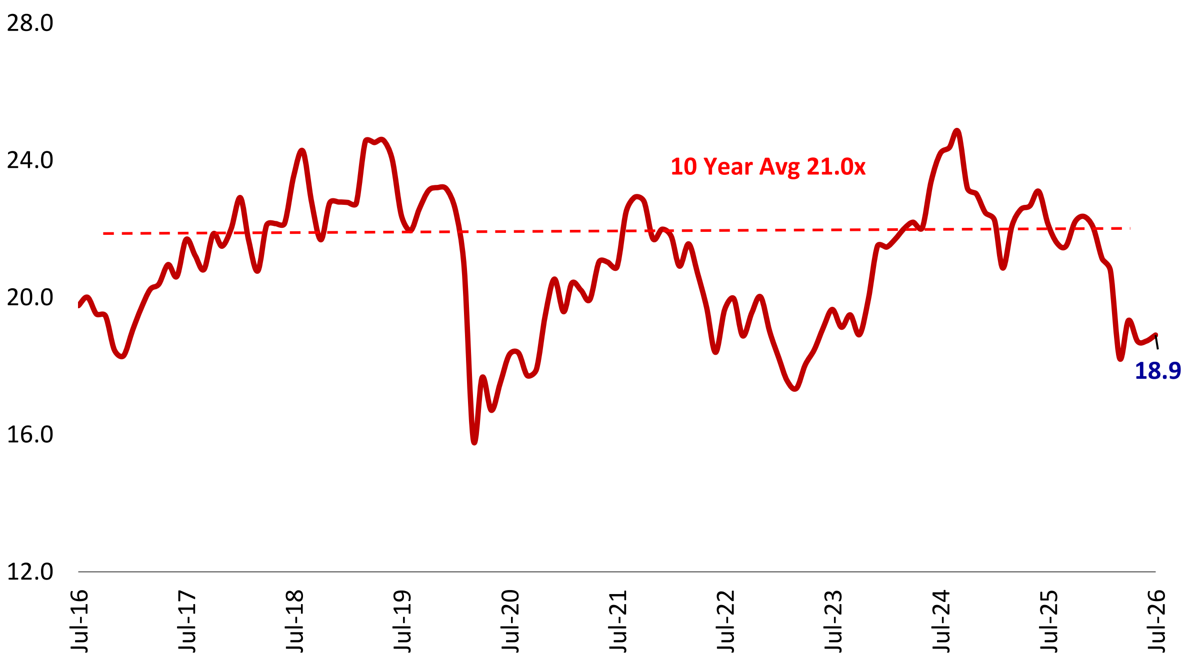
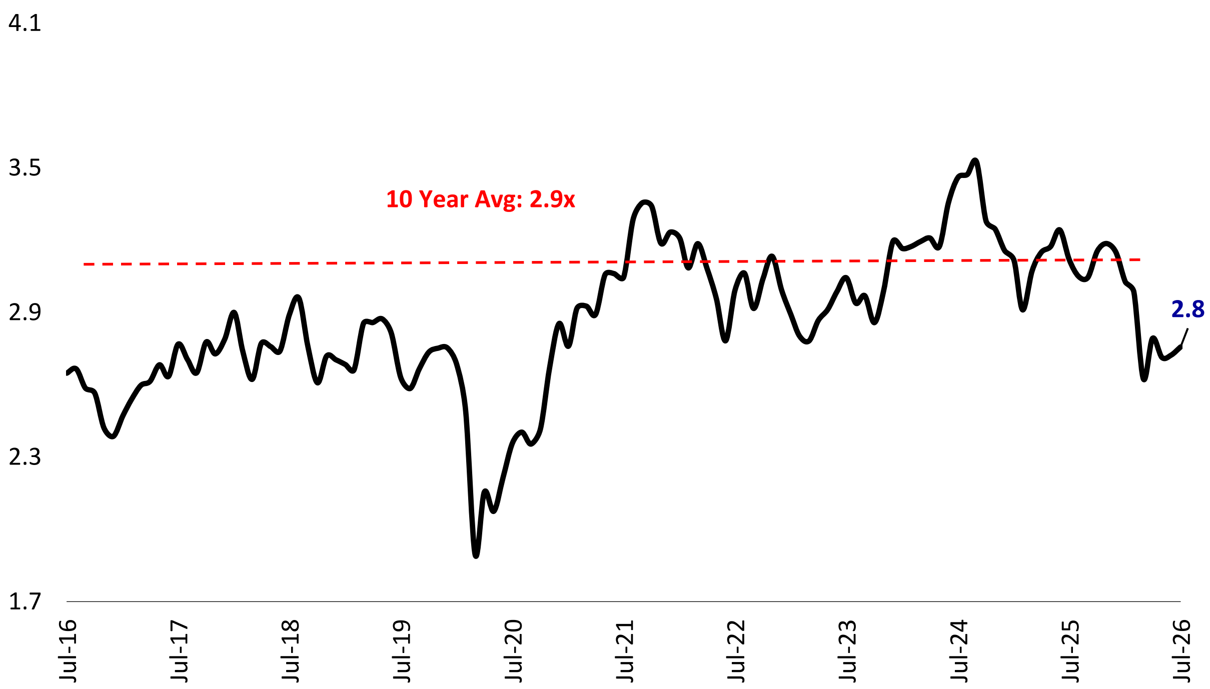
Market Valuations

Nifty50 - Price to Earnings (PE)



Nifty 50 - Price to Book (PB)



Overall, valuations have cooled from peaks, with both P/E and P/B below historical averages.

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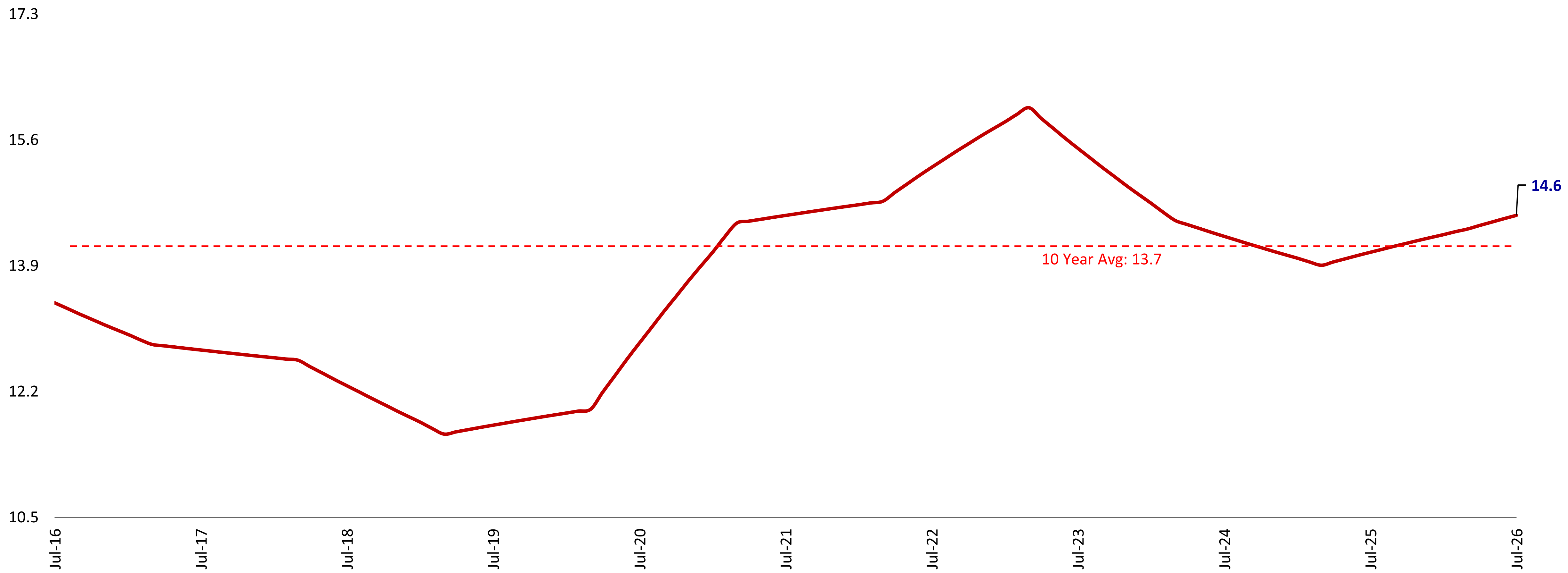
Capital Efficiency Of Indian Corporates Optimizing



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Equity Market Outlook

- **Global market update for July**: The unwinding of the AI/ Tech trade resulted in significant correction of markets such as Korea (-17.9%). MSCI World Index was up 0.5%. MSCI China did well and posted 8.6% returns for the month.
- **FII DII Flows**: India saw $2.5 bn FII inflows in July 2026 taking the total selling to US$26.5 bn in 2026YTD. DII flows continued to remain positive.
- **Sector update**: IT, Real Estate and Auto were the best performing sectors in July. Healthcare also outperformed Nifty, while Metals, FMCG, Infra, Banks, Telecom underperformed Nifty. Utilities, Energy and Industrials were the worst performing sectors.
- **IIP** rose strongly to 7.3% (YoY) in June from 5.0% (YoY) in May. This was one of the highest numbers in the past 24 months.
- **GST**: Gross GST revenue collection was Rs 2.1 tn in July, up 15.4% (YoY).
- **Trade deals**: Potential trade deals with EU and US would be a tailwind for Indian manufacturing over the medium term and should encourage private sector investments and should help support exports.
- **Capex & PLI expansion**: Recovery in private capex: Industry capacity utilization based on RBI survey data is at a reasonably high level and indicates potential for increase in private capex going forward. Also, continued expansion of the Production Linked Incentive (PLI) scheme is likely to further increase private investments in targeted sectors. Expect higher private capex in renewable energy.
- **Corporate earnings in past** have seen consistent downgrades from 2HFY25 driven by slowing government capex, liquidity tightening and consumption slowdown in key sectors. This was one of the key reasons for FII outflows over the past couple of years
- **Corporate earnings now:** With RBI's regulatory easing, government measures on taxation (GST/ income tax) and lower tariffs by US, we see earnings growth recovering well. Corporate earnings recovery strong 1QFY27 earnings growth till date and more earnings beat than misses over consensus estimates.
- **Valuations:** Nifty now trades at 18.3x 1-year forward PE. This is now at a 6% discount to its 5-year average and 2% discount with its 10-year average. Nifty valuations are now in-line with 10-year average.
- **Risks**: Weak global growth is likely to remain a headwind on demand going forward. Below normal monsoon leading to higher food inflation and negative impact on consumption and govt. budget could be potential risks.
- **Investment cycle**: India's growth remains quite resilient despite the global macro-economic challenges. India's investment cycle to be on a medium-term uptrend supported by government investment in infrastructure, support to manufacturing and pickup in private investments.
- **Near-long term outlook**: Constructive on Indian equities on a longer-term basis. Near-term outlook is improving assuming no re-escalation of geo-political conflicts.

Source: HSBC Asset Management, India, Data as on 31 July 2026, Past performance may or may not be sustained in future and is not a guarantee of any future returns.
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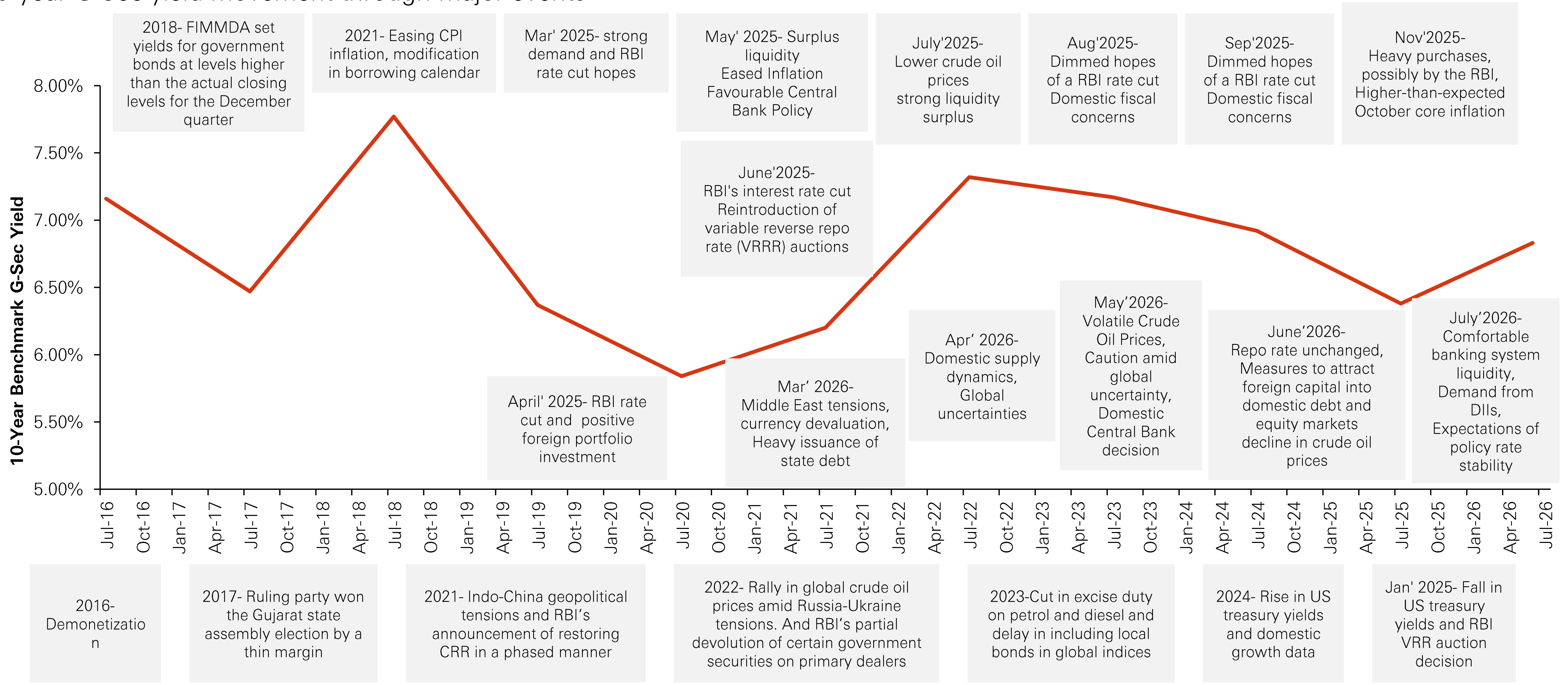
Domestic Debt

History Of Debt Markets Through Major Events

10-year G-Sec yield movement through major events



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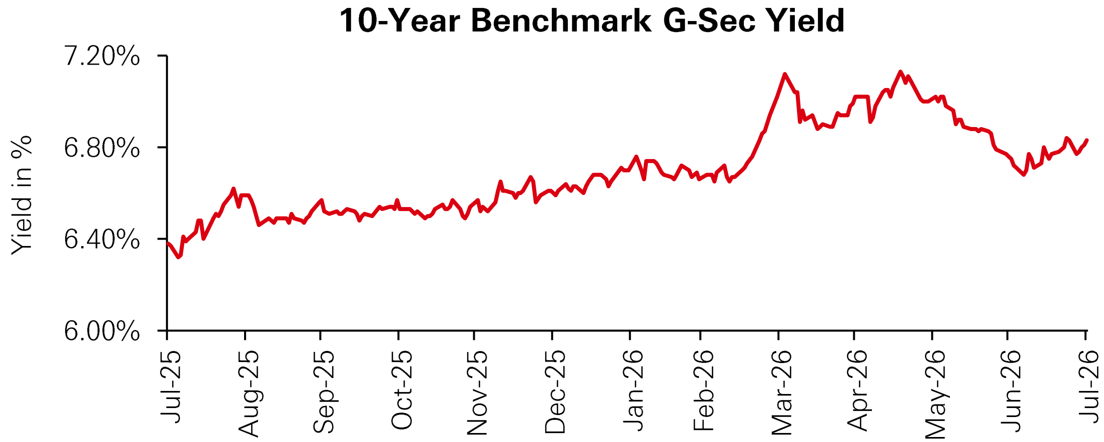
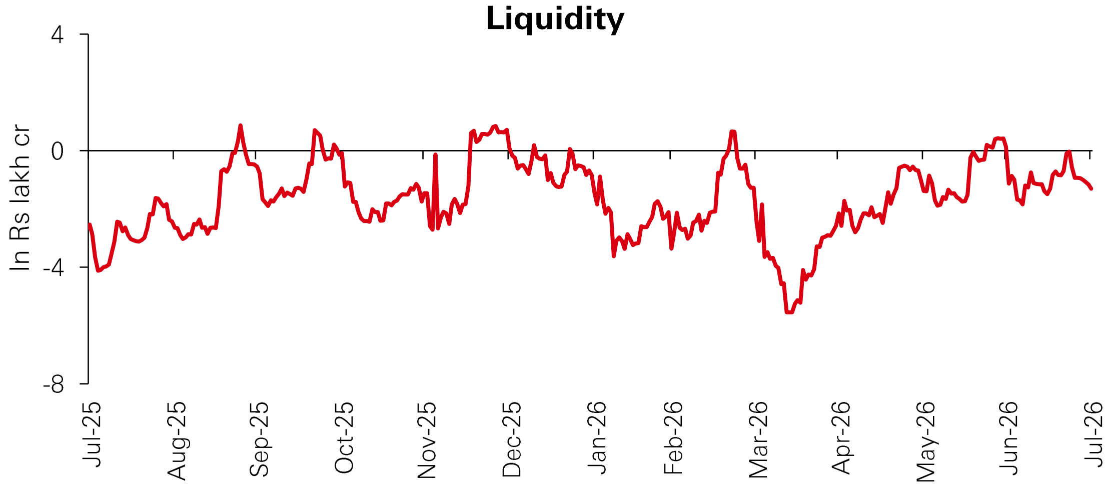
Debt Market Review

- The benchmark 10-year government security (G-Sec) yield ended the month at 6.83% on July 31, compared with 6.76% at the end of June. The domestic bond market remained rangebound for most of the month, as concerns around inflation and global developments were broadly balanced by strong demand for government securities from both domestic and foreign investors
- In the first half of July, benchmark yields moved in a narrow range, supported by steady investor demand for G-secs and healthy participation in primary auctions. Continued foreign investor interest in fully accessible route securities, coupled with expectations that the RBI would maintain the policy repo rate at 5.25%, provided stability to the market, despite intermittent global uncertainties. The inclusion of domestic bond in global diversified index also boosted the sentiments.
- Foreign portfolio investors (FPIs) remained net buyers in the debt segment during July, with net inflows of Rs 18,661 crore, driven by purchases worth Rs 29,212 crore under the General Limit and Rs 3,033 crore under the Fully Accessible Route (FAR), partially offset by outflows of Rs 13,584 crore from the Voluntary Retention Route (VRR).
- As the month progressed, yields experienced upward pressure amid an intermittent rise in global crude oil prices and heightened geopolitical uncertainty.





Source: NSE, Crisil Intelligence, Data as on 31 July 2026, Past performance may or may not be sustained in future and is not a guarantee of any future returns.
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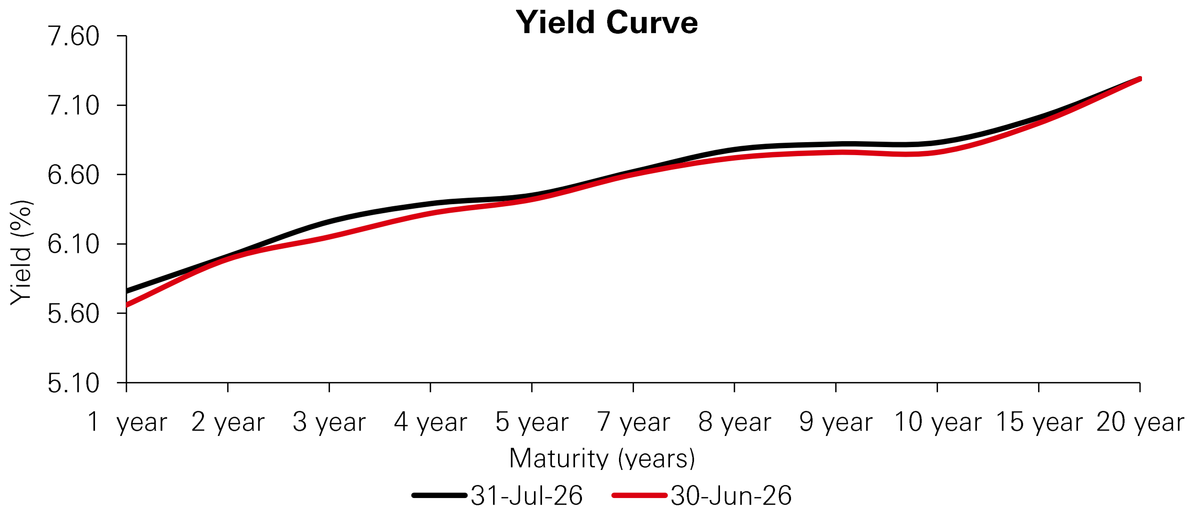
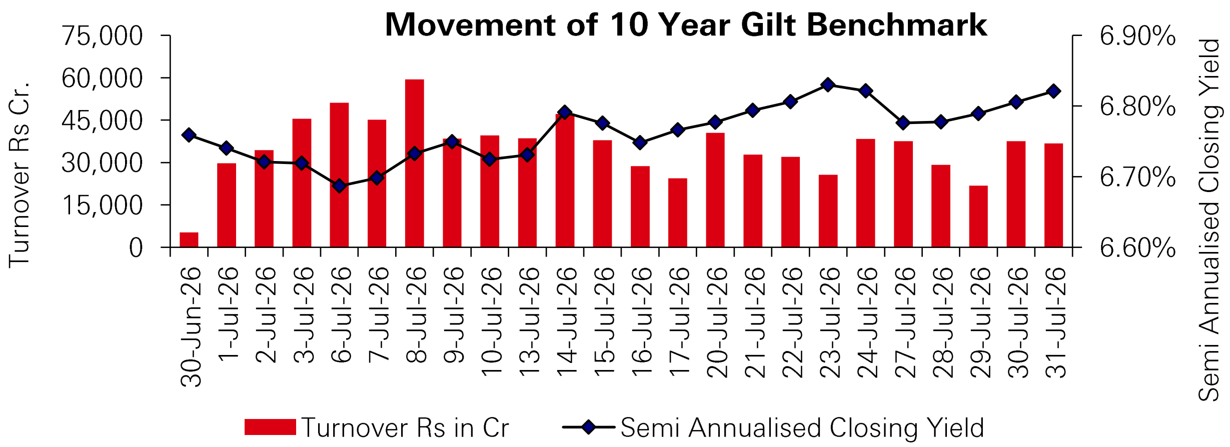
Debt Market Review

Debt Market Indicators	31-July-26	30-June-26
Call rate	5.35%	5.45%
3-Month CP rate	7.30%	6.63%
5 Year Corp Bond rate	7.49%	7.29%
10 Year Gilt	6.83%	6.76%
Repo	5.25%	5.25%
SDF	5.00%	5.00%
CRR	3.00%	3.00%
1-Month CD rate	6.30%	6.19%
3-Month CD rate	6.77%	6.20%
6-Month CD rate	6.90%	6.70%





Source: Crisil Intelligence, Crisil Fixed Income database. Data as on 31 July 2026.
Past Performance May or May not be sustained in future. Investors should not consider the same as investment advice
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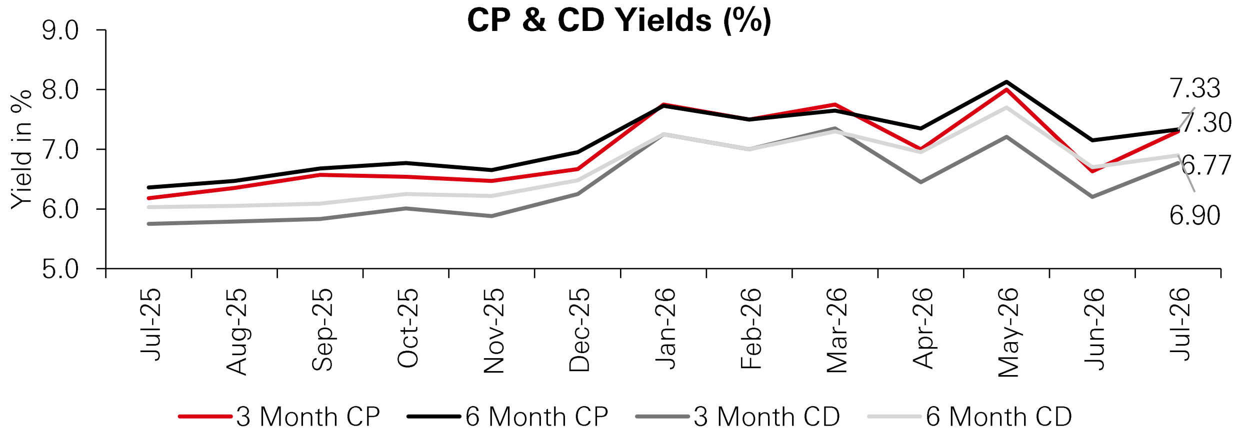
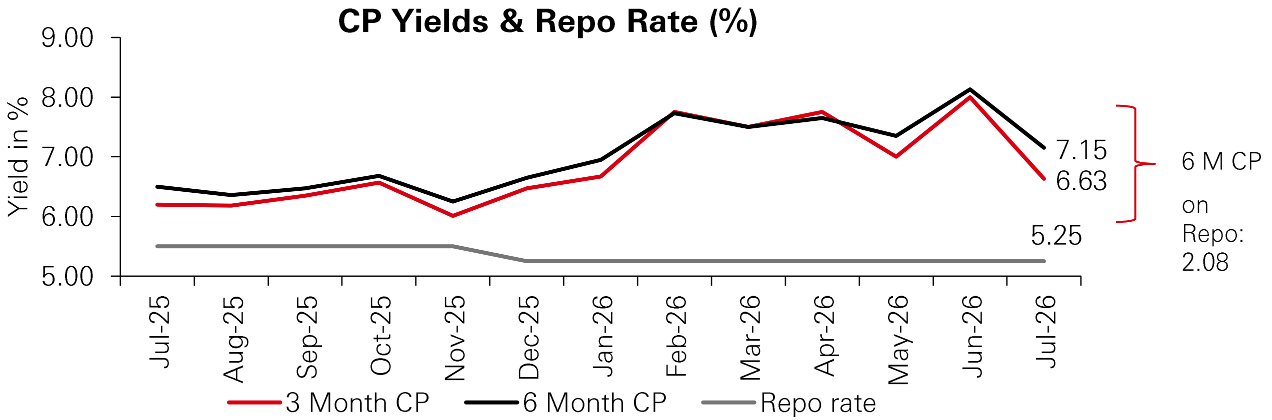
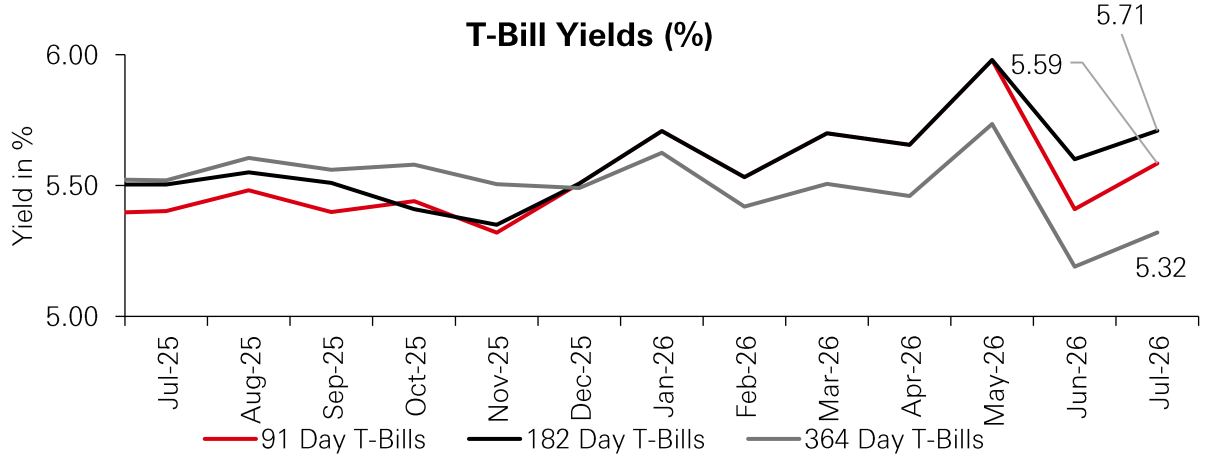
Debt Market Review

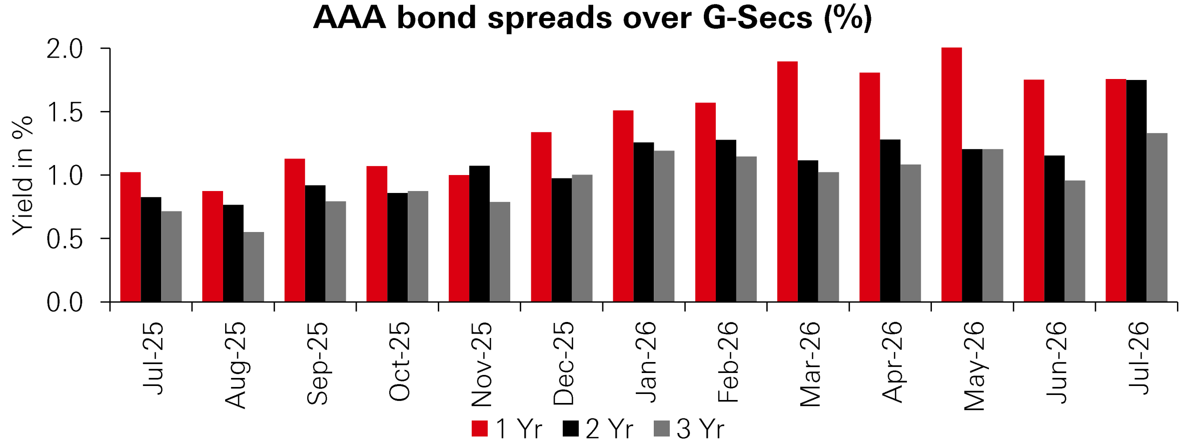




CP and CD declined in July

Spread of CPs over repo rate at 2.08 in July





T-Bill yields rose in July

AAA corporate bond spreads remained steady in July

Source: Crisil Intelligence, Data as on 31 July 2026, Past performance may or may not be sustained in future and is not a guarantee of any future returns.
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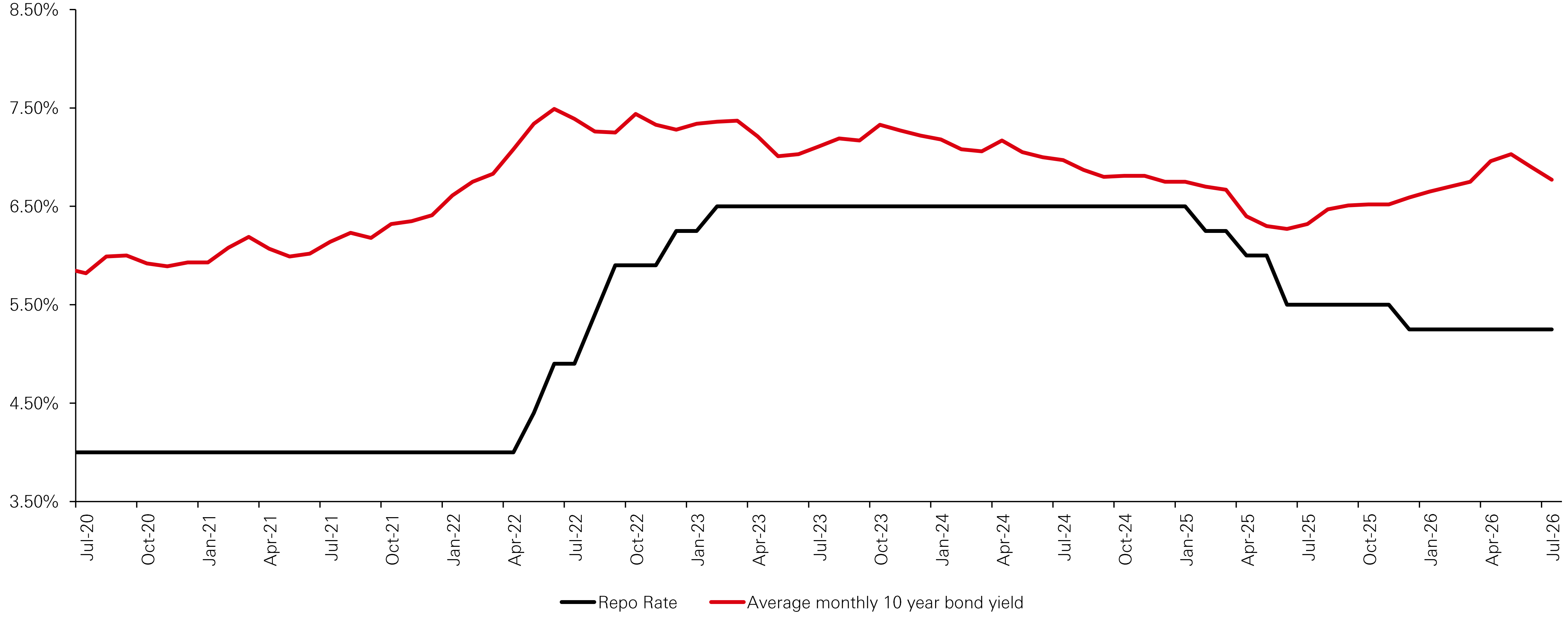
RBI Maintained Repo Rate At 5.25%



Source: RBI, Crisil Intelligence, Data as on 31 July 2026
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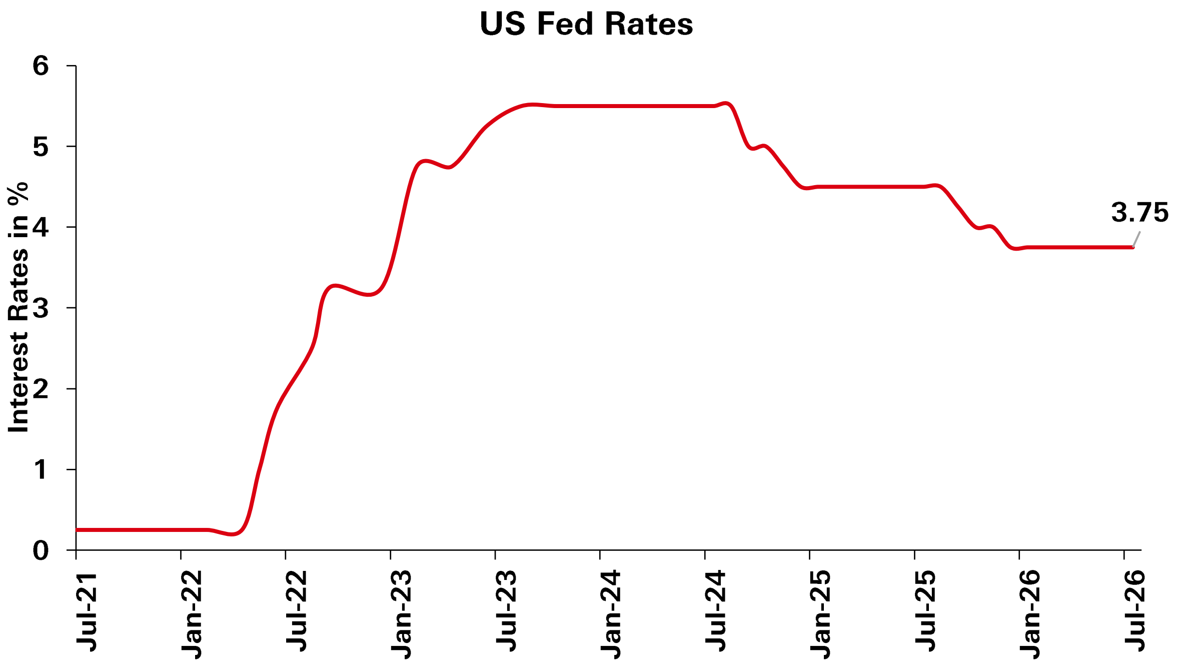
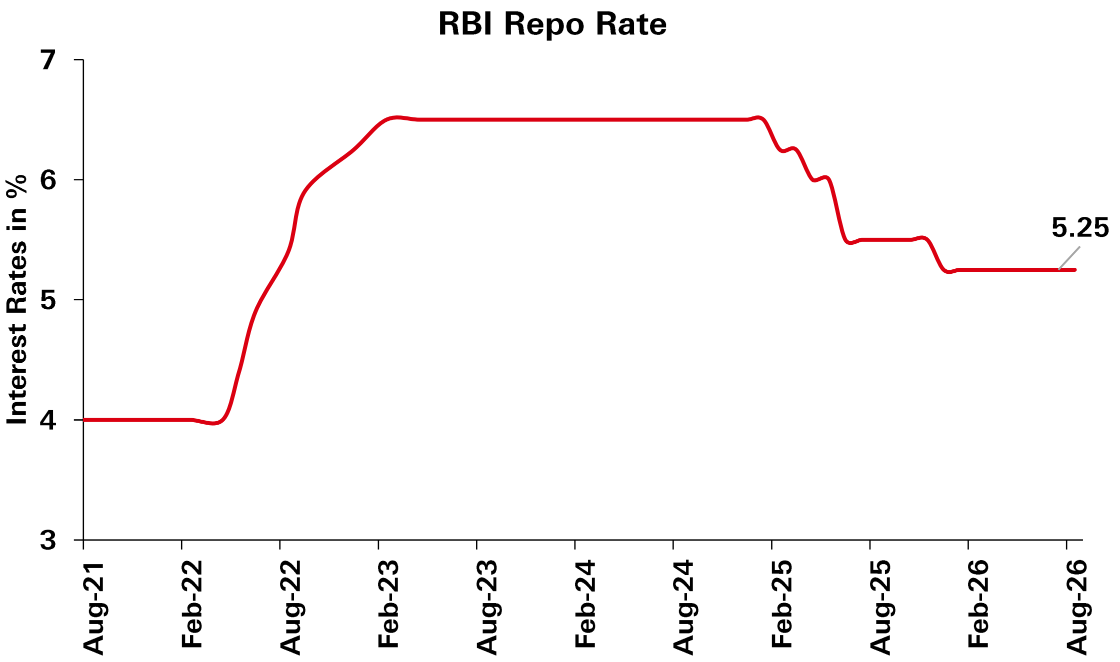
US Fed And RBI Maintained the Key Rates In July and August 2026





- The Federal Reserve (Fed) maintained the federal funds rate target range at 3.50-3.75%, reflecting confidence that economic activity, productivity, business investment and labour market conditions remained strong. The Federal Open Market Committee (FOMC) acknowledged that inflation ran above its 2% objective, partly due to supply-side pressures and higher energy prices, and stressed its commitment to restoring price stability.
- The Reserve Bank of India kept the repo rate unchanged at 5.25%, raised its FY27 GDP growth forecast to 6.7% and lowered its inflation projection to 5.0%, signaling confidence in domestic economic resilience despite global uncertainties.

Source: RBI, Federal Reserve.gov, Data as on 31 July 2026, RBI interest rate decision as on 5 August 2026, Past performance may or may not be sustained in future and is not a guarantee of any future returns.
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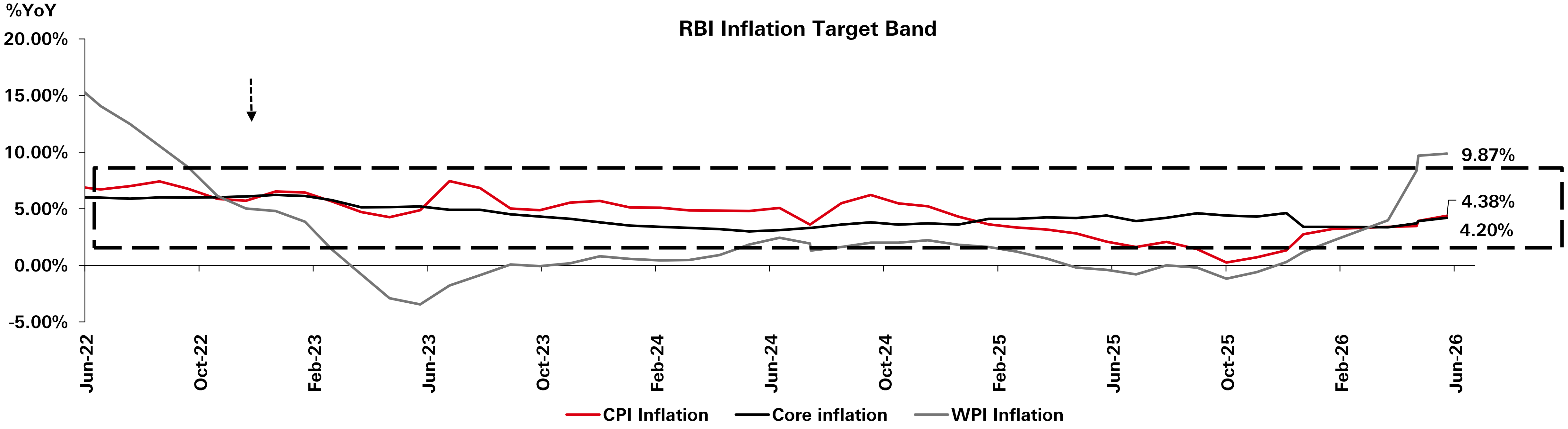
Inflation Target And Trend

CPI inflation within the RBI's target range average



Inflation based on the Consumer Price Index accelerated to 4.38% in June from 3.93% in May, marking the highest reading under the revised series, which was introduced in January with a new base year (2024) and consumption basket.

Meanwhile, inflation based on the Wholesale Price Index (WPI) climbed to 9.87% in June from 9.68% in May.

Core CPI inflation rose to 4.20% in June 2026 from 3.90% in May 2026.

Source: Crisil Intelligence, MOSPI, RBI, Data as on 31 July 2026, Past performance may or may not be sustained in future and is not a guarantee of any future returns.
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Debt Market Outlook

- The resurgence in geopolitical tensions and key Central Bank meetings, especially the US Fed meet, were the dominant forces that influenced market sentiments.
- Oil prices swung higher in response to renewed geopolitical tensions, then drifting lower as leaders signal towards peace talks rekindling. For rates and FX markets, esp. across net energy importing EMs, remained challenging.
- The oil price shock reignited concerns around higher inflation and thereby, policy tightening by key Central Banks, esp. by the US Fed. End-July, the US Fed held the policy rates steady at 3.50-3.75%. A split vote signaled a more fractured committee than markets had expected; blurring the outlook for the US Fed rate hike trajectory.
- Amid these expectations and inflation concerns, the US treasury curve steepened in July with the US 30-year yield trading above 5% for its longest stretch since 2007.
- For India, oil price surge was a major headwind that dampened sentiments, in July. However, some tailwinds in the form tech-sector led equity movements, recovery in monsoon, favourable inflows under RBI's FX measures (announced in June) lent support to the markets.
- India's RBI-MPC has kept a calm demeanour as it in a unanimous vote kept policy rates unchanged at 5.25% and it retained its neutral policy stance. The policy is in line with expectations, with unexpected shades of dovishness and the policy statement which suggested the MPC's wait & watch approach to policy action.
- In terms of RBI MPC forecasts, there was a 10bps revision in growth-inflation. With GDP growth revised a shade higher to 6.7% and inflation a shade lower at 5.0%. For GDP, the bulk of the revision is largely due to the 40bps uptick estimated for Q1FY27. For the remaining quarters, forecasts remain largely unchanged and MPC stated that the outlook remains 'hazy'.
- The Q1FY28 forecast is forecasted at 5.3% YoY which also indicates that the RBI MPC is expecting inflation to glide lower after peaking at 5.9% in Q3FY27. The MPC did emphasize the need for greater clarity on inflation, not only the path but also its composition.
- The RBI MPC chose to remain vigilant, not wanting to rock the boat as it waited for further cues on evolving growth-inflation dynamic. MPC continues to see inflation pressures as mainly supply-demand driven and not turning broad based yet; on growth it believes domestic demand to be resilient but can get clouded due to El Nino conditions, geopolitical uncertainties.
- Market has largely read the policy as a neutral hold with dovish undertones with rates rallying 4-8 bps across assets. Capital flow measures announced in June continue to support markets with FCNR B flows likely to benefit the shorter end of the curve, as well as 3 to 5 year corporate bonds. RBI's stand at proactively ensuring sufficient liquidity guided by aligning WACR to repo rate also hints towards rates remaining supportive but trade in a range bound fashion.
- Investors with short-term investment horizon can look at the less than 1 year bucket, i.e. Ultra Short Duration, Money Market Fund and Low Duration Fund as they offer pick-up over Liquid Fund category
- For investors with a medium-term investment horizon, Short Duration, Banking & PSU Debt and Corporate Bond Funds may provide an investment opportunity as they provide accrual plus opportunities with an aim to create alpha through capital gains.
- For investors with about 2-year horizon, Income Plus Arbitrage FOFs provide a tax efficient solution.

Source: HSBC Asset Management, India, Data as on 31 July 2026, 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

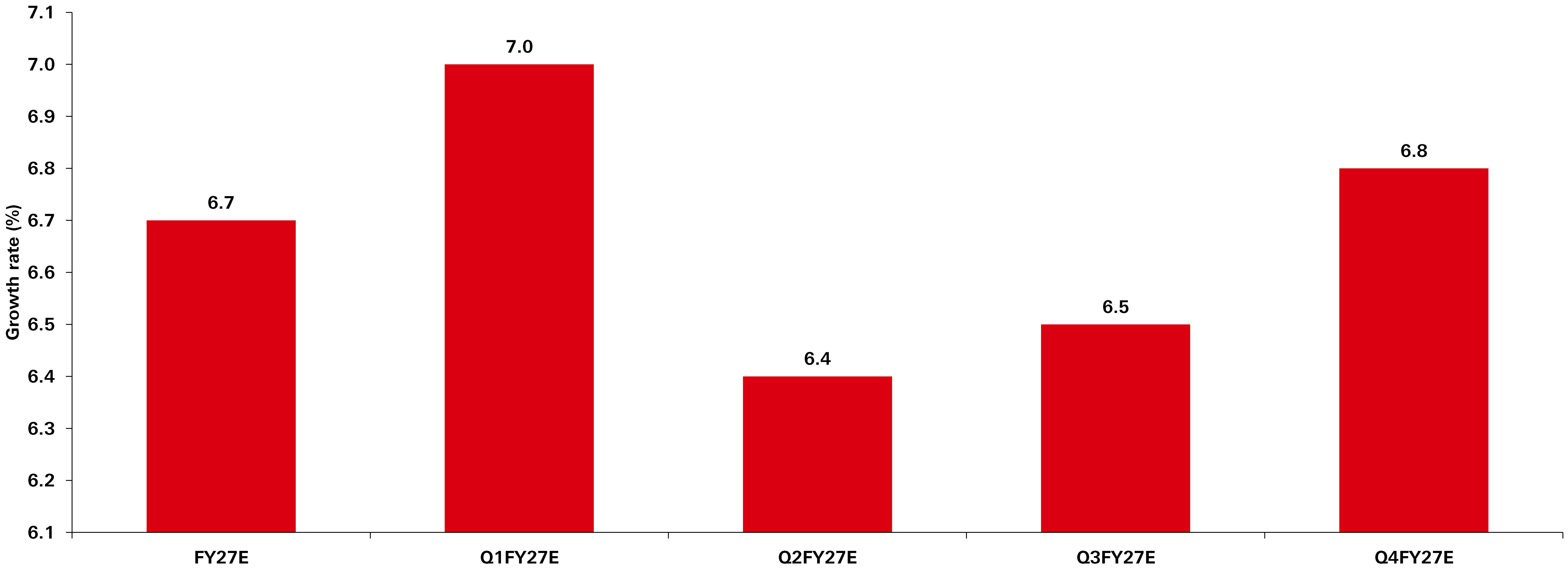
Indian Economic Environment

Section	Indicators	Jul-26	Jun-26	May-26	Apr-26	Mar-26	Feb-26	Jan-26	Dec-25	Nov-25	Oct-25	Sep-25	Aug-25	Jul-25
Debt Indicators	Currency in circulation (Rs billion)	42977	43177	42826	42289	41320	40445	39800	39079	38512	38184	38071	38097	38147
	Repo rate	5.25%	5.25%	5.25%	5.25%	5.25%	5.25%	5.25%	5.25%	5.50%	5.50%	5.50%	5.50%	5.50%
	10-year G-sec yield	6.83%	6.76%	7.00%	7.02%	7.02%	6.66%	6.70%	6.60%	6.54%	6.53%	6.57%	6.59%	6.38%
	Call rate	5.35%	5.45%	5.55%	5.20%	7.00%	5.12%	4.80%	4.85%	5.50%	5.10%	5.00%	5.45%	4.95%
	Forex reserves ($ billion; mthly. avg.)	677	675	688	700	703	724	696	692	689	699	701	693	698
Economy	GDP	NA	NA			7.80%			8.00%			8.30%		
	Fiscal deficit (Rs billion)	NA	3078.33	1623.54	3623.03	2665.2	2712.42	1255.65	-1208.29	1515.27	2520.21	-250.3	1297.37	1876.84
	Gross Tax Collections (Rs crore)	NA	376339	258244	266339	604833	177715	257532	647837	222,040	249,036	521,391	251,053	223,901
	IIP, %y/y	NA	7.30%	5.00%	4.90%	3.00%	4.40%	4.10%	6.70%	7.00%	-0.90%	6.10%	4.70%	5.40%
	Exports, $ billion	NA	40.41	45.20	43.56	38.92	36.61	36.56	38.51	38.13	34.38	36.38	35.1	37.24
	Imports, $ billion	NA	70.84	73.41	71.94	59.59	63.71	71.24	63.55	62.66	76.06	68.53	61.59	64.59
	Manufacturing PMI	53.50	54.20	55.00	54.70	53.90	56.90	55.40	55.00	56.60	59.20	57.70	59.30	59.10
	Services PMI	53.30	57.40	59.80	58.80	57.50	58.10	58.50	58.00	59.80	58.90	60.90	62.90	60.50
	GST collections (Rs crore)	211,205	194,812	194,184	242,702	200,064	183,609	193,384	174,550	170,276	195,936	189,017	186,315	195,735
	CPI inflation, % y/y	NA	4.38%	3.93%	3.48%	3.40%	3.21%	2.75%	1.33%	0.71%	0.25%	1.44%	2.07%	1.61%
	WPI inflation, % y/y	NA	9.87%	9.68%	8.36%	3.98%	2.18%	1.19%	0.30%	-0.59%	-1.18%	-0.20%	0.00%	-0.79%
	India crude oil import (mbpd)	NA	19.59	22.42	18.47	19.39	20.13	21.09	21.59	21.24	20.90	19.93	19.60	18.90
Sector update	Auto – Passenger vehicles	NA	21.90%	26.80%	26.10%	11.60%	9.80%	12.20%	27.90%	18.6%	16.5%	0.20%	-6.90%	2.30%
	Auto – Two-wheelers	NA	16.03%	14.87%	28.40%	19.30%	35.20%	26.20%	39.40%	21.2%	2.15%	6.66%	7.14%	8.70%
	Auto – Commercial vehicles	NA	31.00%	12.75%	15.00%	13.60%	23.40%	27.30%	28.00%	24.2%	9.87%	25.67%	3.75%	4.60%
	Auto – Tractors	NA	11.90%	19.59%	26.80%	29.10%	34.20%	43.00%	37.10%	30.1%	14.84%	45.39%	28.30%	8.00%
	Infra – Coal	NA	1.40%	-9.50%	-9.00%	-4.00%	1.40%	0.90%	3.70%	2.20%	8.40%	-1.10%	10.80%	-12.30%
	Infra – Electricity	NA	9.80%	11.20%	5.50%	0.80%	2.30%	5.10%	6.20%	-1.50%	-7.00%	3.10%	4.20%	3.70%
	Infra – Steel	NA	4.60%	5.10%	4.70%	9.60%	9.90%	13.80%	11.10%	11.60%	9.50%	14.30%	15.30%	15.70%
	Infra – Cement	NA	9.80%	8.40%	8.30%	4.70%	9.10%	11.30%	14.00%	15.10%	5.20%	5.10%	5.40%	11.10%

Source – Crisil Intelligence, Mospi, Financial Websites, RBI, PIB Data as on 31 July 2026.

Past performance may or may not be sustained in future and is not a guarantee of any future returns. 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. The sector(s)/stock(s)/issuer(s) mentioned in this document do not constitute any research report nor it should be considered as an investment research, investment recommendation or advice to any reader of this content to buy or sell any stocks / investments.

RBI Expects 6.7% GDP Growth For FY27



- The RBI has projected India's real gross domestic product (GDP) growth for fiscal 2027 at 6.7%, with Q1 at 7.0%; Q2 at 6.4%; Q3 at 6.5 %; and Q4 at 6.8%. The risks are evenly balanced..

Source : RBI, Data as on 5 August 2026, Past performance may or may not be sustained in future and is not a guarantee of any future returns.
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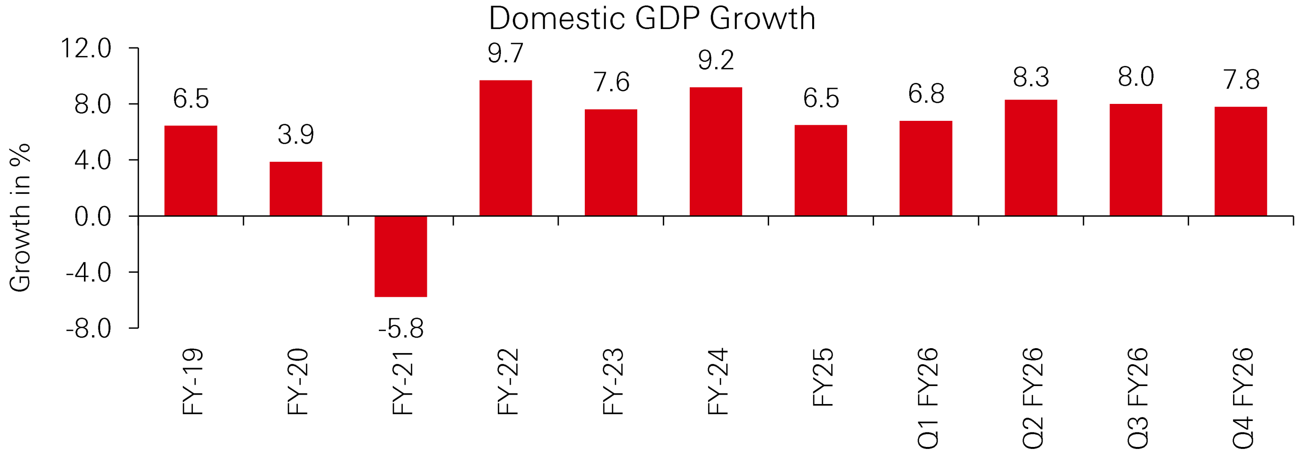
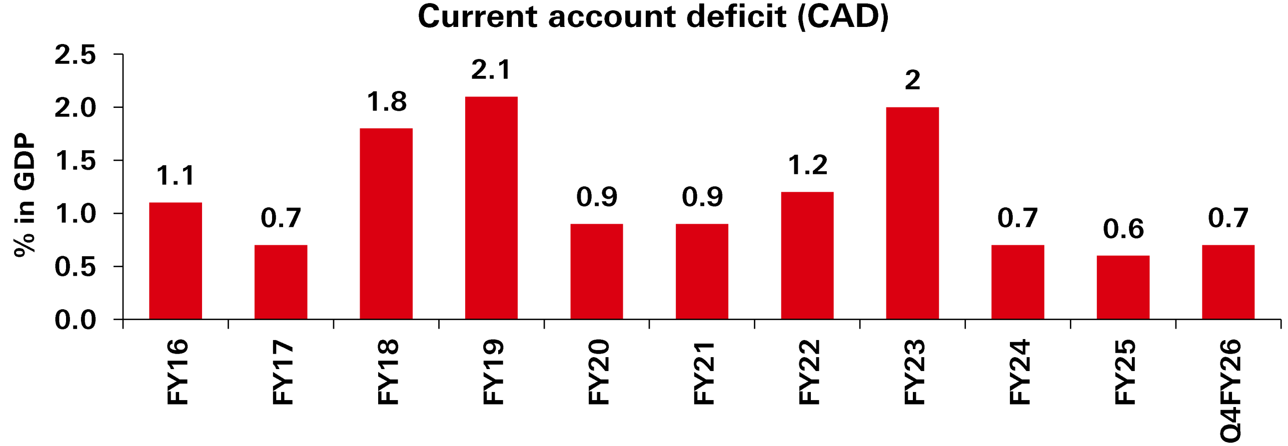
Indian Economic Environment

Strong macroeconomic fundamentals to help Indian economy remain resilient in the face of global uncertainty

- The Middle East conflict sent the world spinning into an energy crisis, generating headwinds for several economies, including India.
- The Asian Development Bank (ADB), for instance, revised India's gross domestic product (GDP) growth forecast this fiscal to 6.6% from 6.9% earlier, citing the eroding impact of higher global oil prices and external uncertainties on the purchasing power of households, consumer spending and private demand.
- Nevertheless, strong macroeconomic fundamentals are expected to help the Indian economy remain resilient, even amid persistent downside risks. Despite having lowered its GDP growth forecast to 6.6% in June, the Reserve Bank of India continued to reaffirm its confidence in India's ability to maintain a stable growth trajectory.
- In its State of the Economy report released in July, the central bank vouched for the country's ability to absorb shocks and navigate external uncertainties well, backed by healthy demand and the resilient performance of industry and services.



Gross domestic product eased to 7.8% in Q4 of fiscal 2026



Current account surplus stood at 0.7% of GDP on-year for Q4FY26

Source – Crisil Intelligence, Mospi, Data as on 31 July 2026 (GDP for FY18 to FY23 has base year 2011-12, while FY24, 25, and 26 has base year 2022-23)
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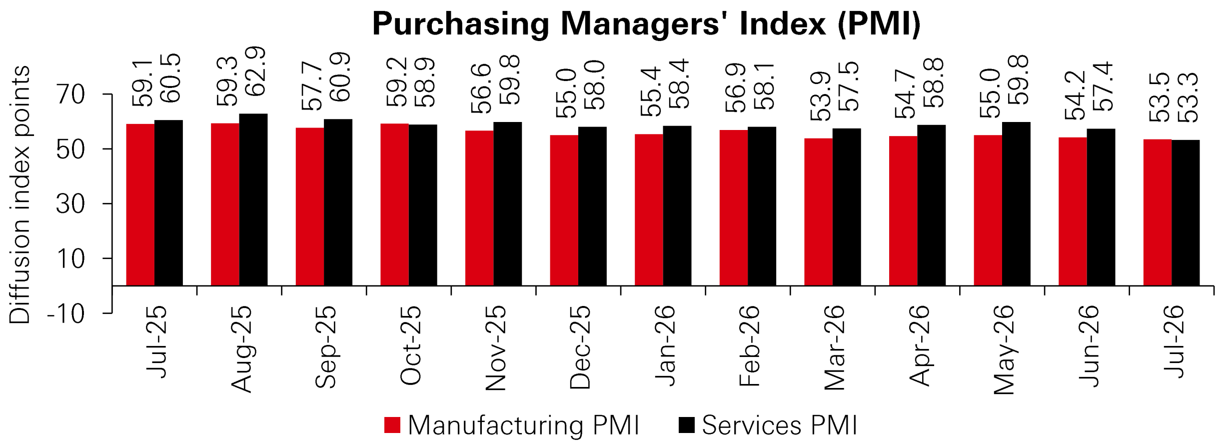
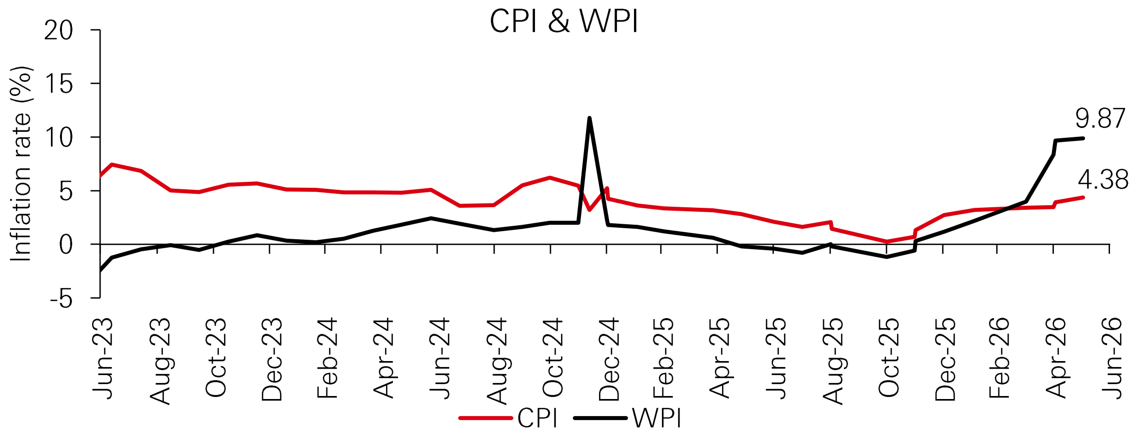
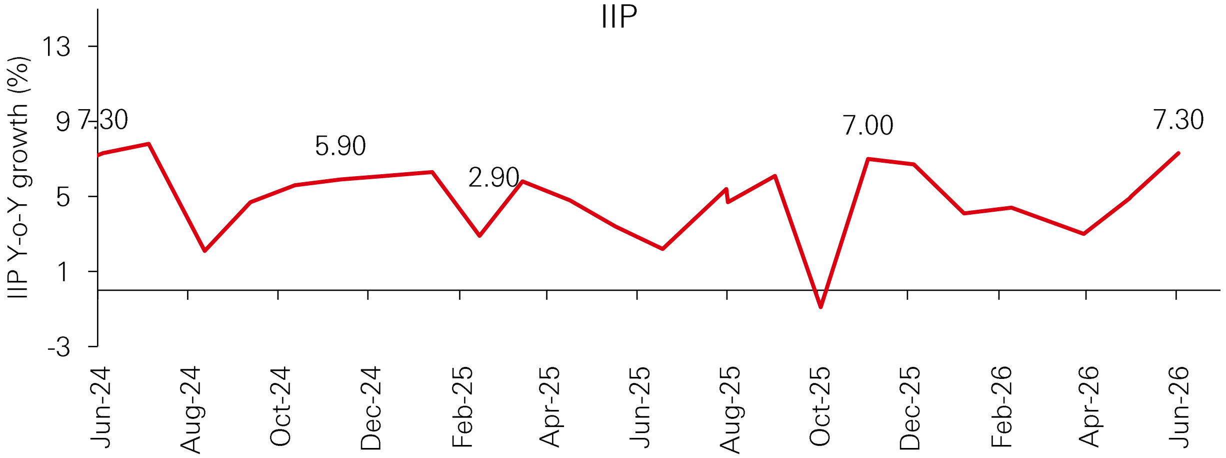
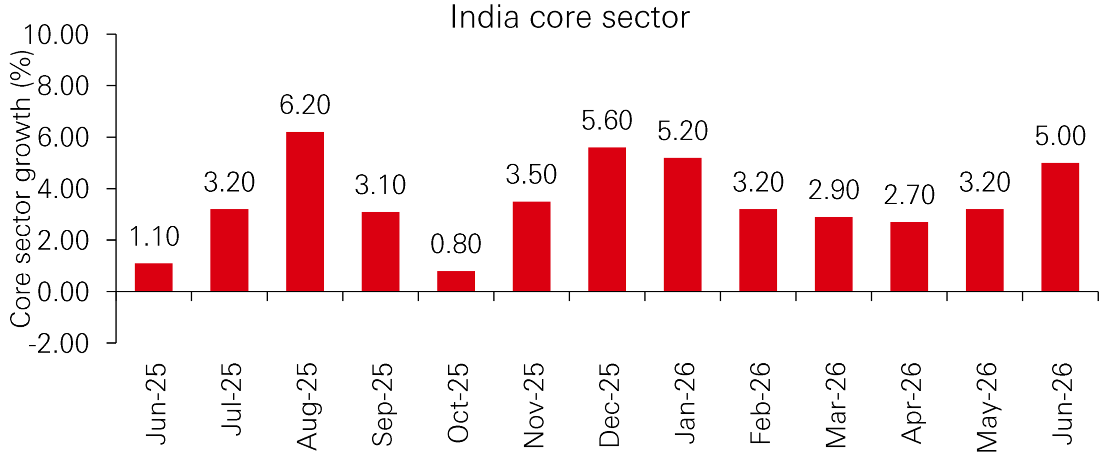
Indian Economic Environment









Source –Crisil intelligence, Trading Economics, MOSPI, EAI, Data as on 31 July 2026, 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.
Note: As per the govt data, we have revised the IIP, WPI and Core Sector numbers with base year changed to 2022-23.
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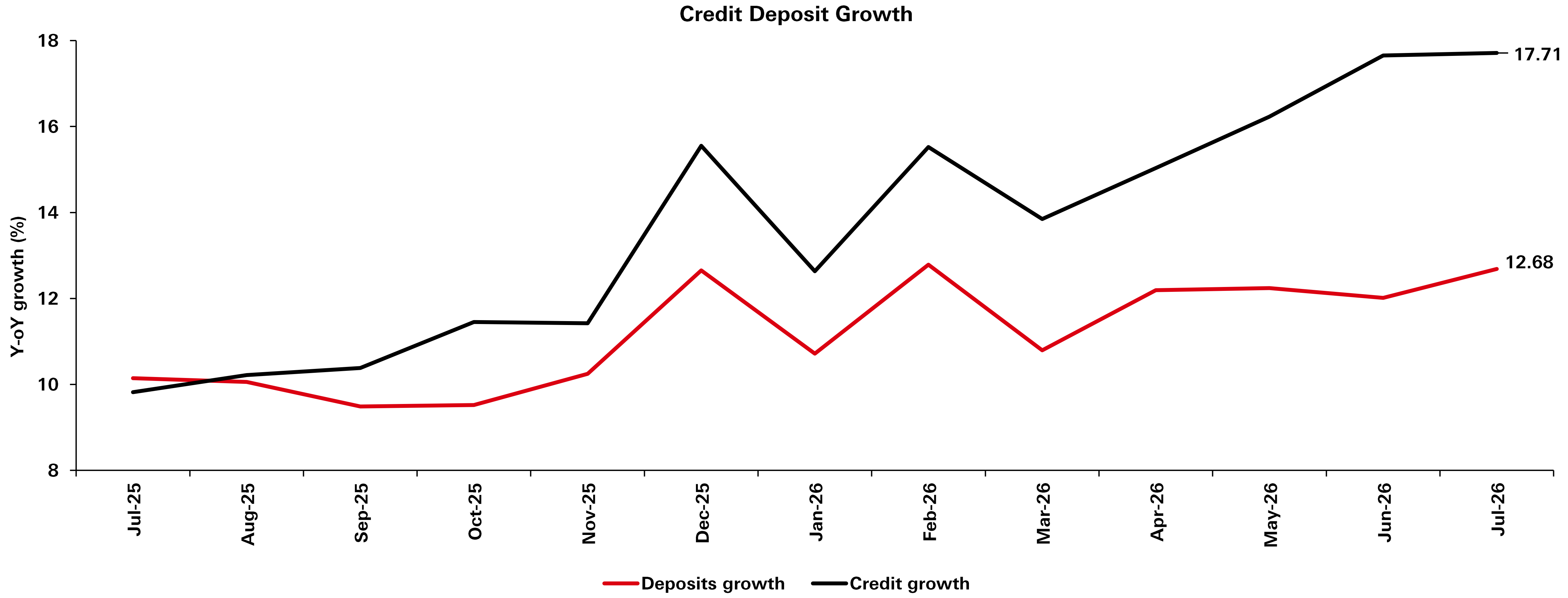
Credit Growth and Deposit Growth Rose In July 2026



- Credit growth consistently outpaced deposit growth during July 2025-July 2026, with lending momentum strengthening sharply from December 2025 onwards while deposit growth remained relatively stable.

Source: RBI, Data as on 15 July 2026

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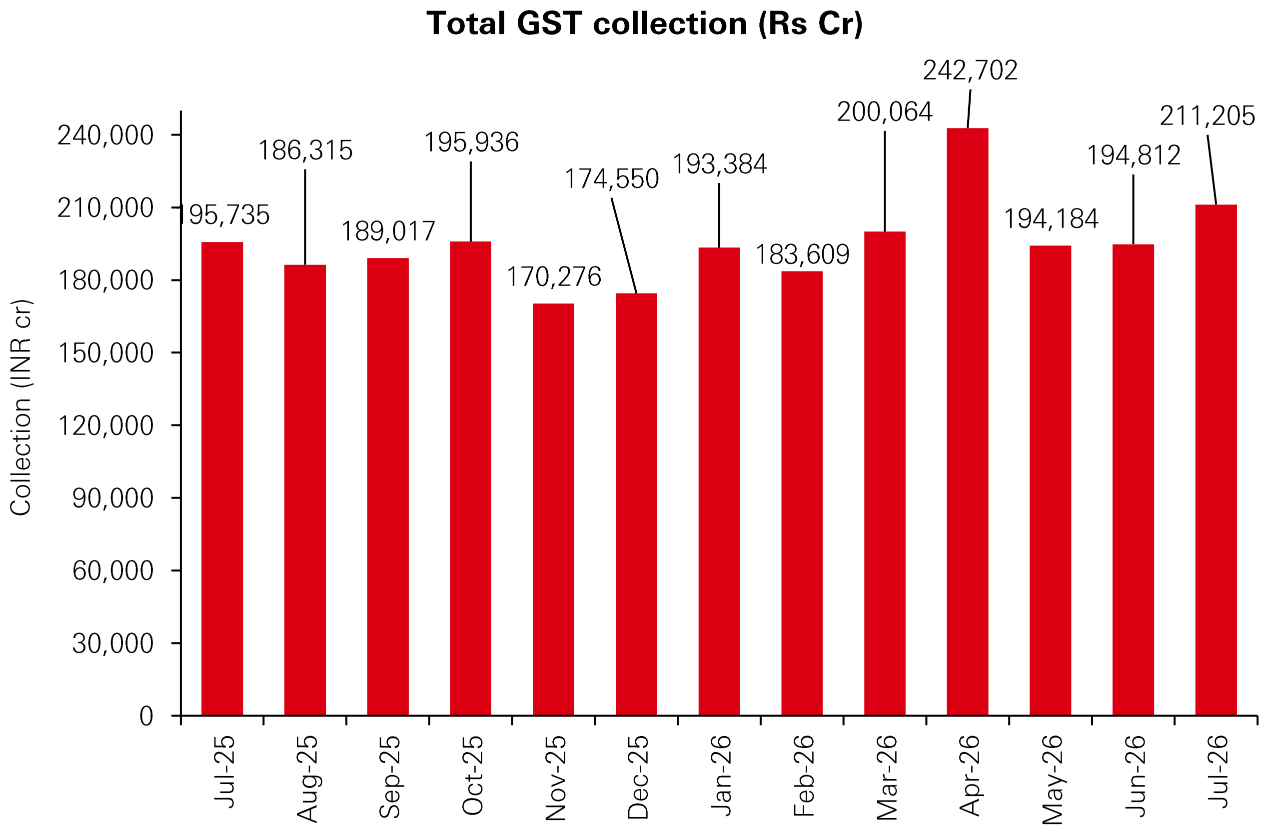
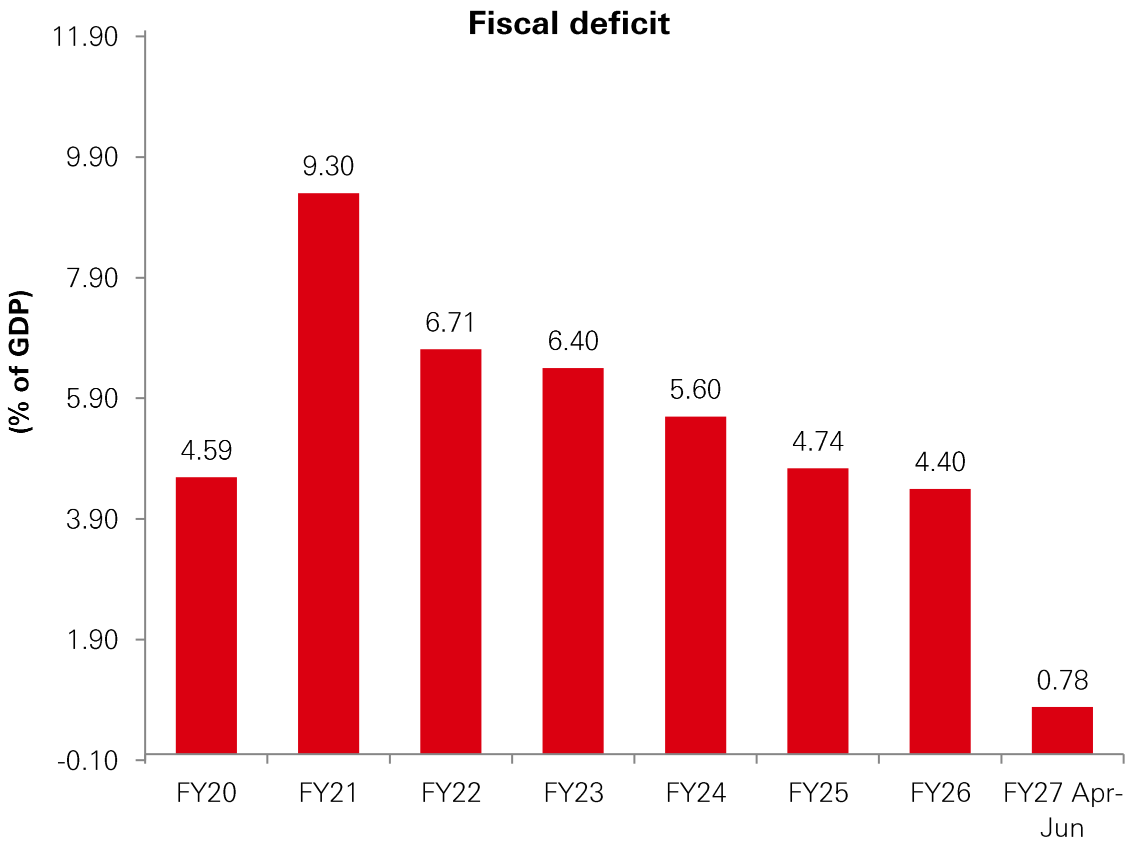
GST Collection Reaches Rs 2.11 Lakh Crore in July





As per reports, the government collected INR 2.11 lakh crore goods and services tax (GST) for the month of July.
Fiscal deficit for April-June period stood at 0.78% of estimated GDP for FY27.

Source- Crisil Intelligence, gst.gov.in, Data as on 31 July 2026, 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

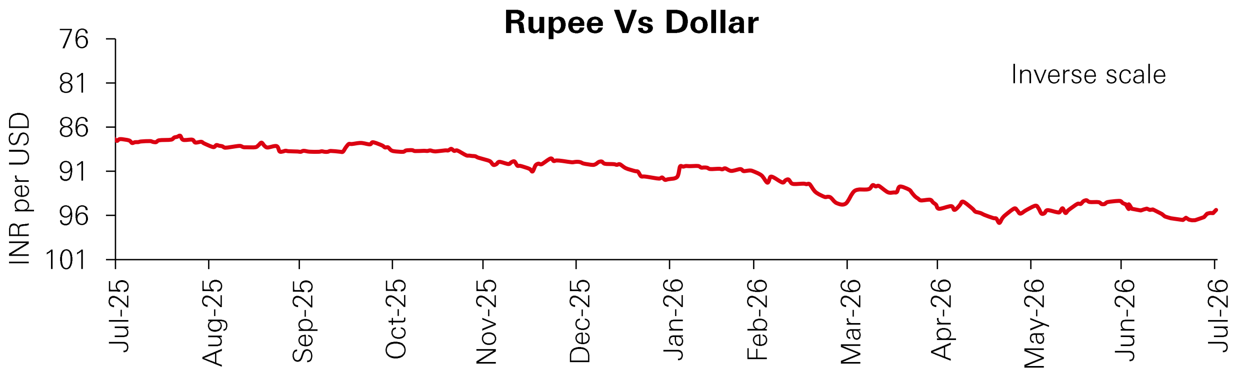
Forex Market Review

Rupee ended lower in July

- The Indian rupee weakened vs the United States (US) dollar during a volatile July, with the Reserve Bank of India (RBI)'s reference rate depreciating 77 paise to Rs 95.37 from Rs 94.60 in June.
- The rupee ended the month lower against the dollar due to sustained demand for the greenback from importers and corporates, alongside elevated crude oil prices, which kept concerns around the trade deficit and inflation outlook in focus. The situation in West Asia and a broadly firm dollar also weighed on sentiment for the Indian unit. However, supportive domestic factors partially offset the downside. Likely RBI intervention helped contain volatility, while steady foreign fund inflows supported the Indian currency.
- According to data from the RBI, banks mobilised $40.82 billion under the RBI's concessional swap facility as of July 31, 2026, including $36.73 billion through foreign currency non-resident (bank) deposits, $2.58 billion via overseas foreign currency borrowings and $1.52 billion through external commercial borrowings.

Rupee Movement V/s Global Currencies

	31-July-26	30-June-26	Change	% Change
USD	95.37	94.60	0.77	0.82%
GBP	128.28	125.13	3.14	2.51%
EURO	109.82	107.72	2.10	1.95%
100 YEN	59.46	58.27	1.19	2.04%



Rupee ended lower due to sustained demand for the greenback from importers and corporates.

Source: RBI, Crisil Intelligence. Data as on 31 July 2026, 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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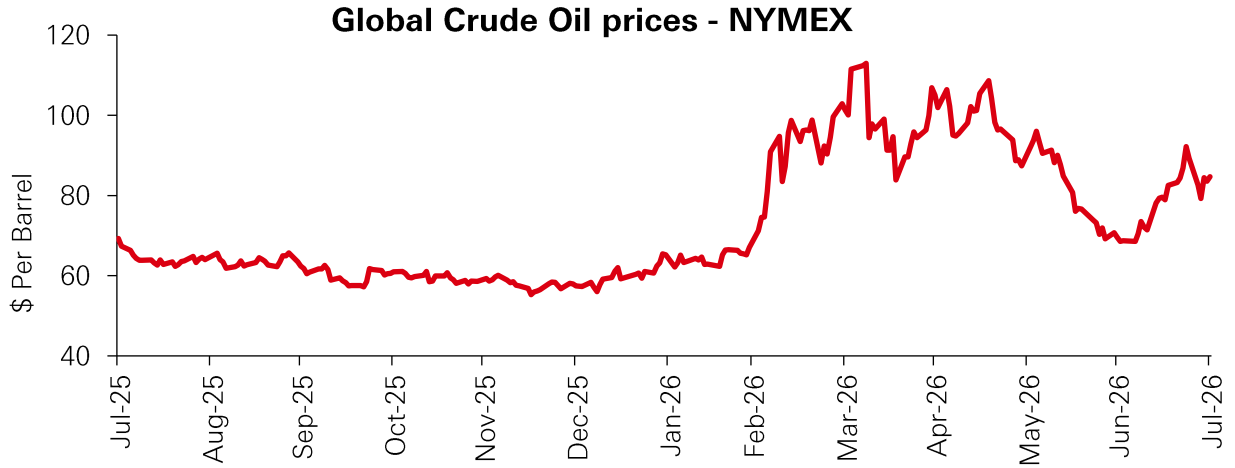
Commodity Market Review

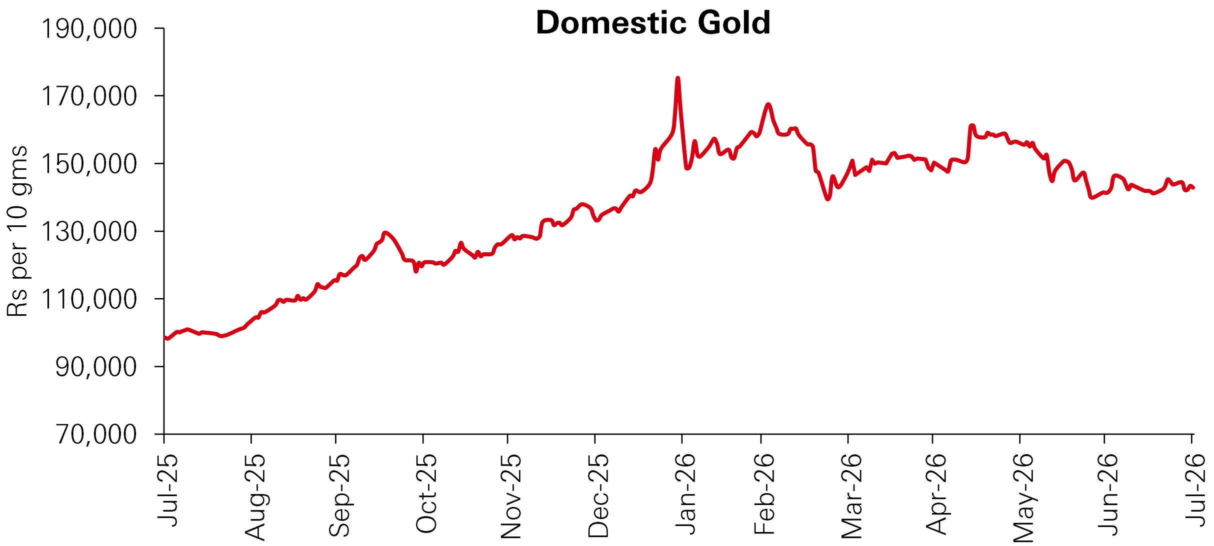
International crude oil prices rose in July

- Crude oil prices on the New York Mercantile Exchange closed at $84.67 a barrel on July 31, up 15.17% on-month from $69.50. Brent crude also closed 17.17% higher at $90.12 per barrel vs $72.95.
- This was following lower prices of crude oil in the beginning of the month amid easing geopolitical uncertainties, which reduced supply risk concerns. However, resurfacing geopolitical uncertainties raised concerns over potential supply disruptions across key oil transit routes, pushing up prices. Falling crude oil inventories in the US also contributed to the rise in prices.



Domestic gold prices rose in July

- Gold prices ended at Rs 1,42,860 per 10 gm on July 31, up 1.11% from Rs 1,41,286 per 10 gm on June 30, as reported by the India Bullion and Jewellers Association (IBJA)
- Gold prices in India remained volatile through July but ended higher compared with the end of June. The month began on a strong note, supported by haven demand amid global uncertainties. However, gains were partially reversed in the following weeks as a stronger US dollar exerted pressure on bullion prices, alongside some moderation in domestic demand.



Source – Crisil Intelligence, NYMEX. IBJA Data as on 31 July 2026.
Past performance may or may not be sustained in future and is not a guarantee of any future returns.
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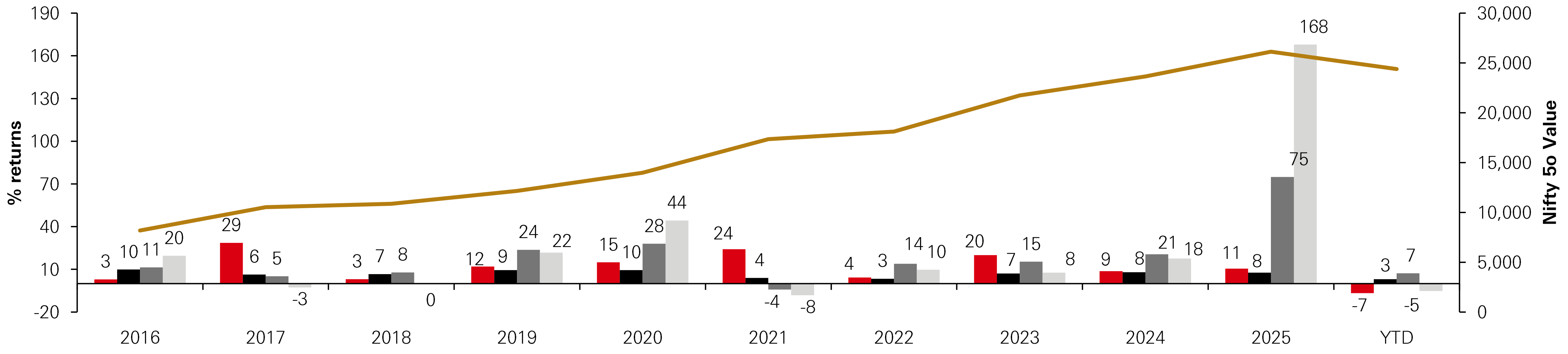
Asset Performance

History Of Asset Classes Through Major Events

Calender year performance of asset classes



Demonetization
Reforms in India- Corporate tax and GST
Made in India- Aggressive Infrastructure Development
Interest rate easing by domestic and global central banks

Coronavirus-led global lockdown

Russia-Ukraine and Israel- Gaza War
Rate decision by domestic and global central banks
China slow down

Geopolitical tensions, US Federal Reserve Interest Rate Decision
India RBI Interest Rate Decision
Economic Uncertainty
Foreign fund outflows
Weak Corporate Earnings

Easing inflation data
Optimism over GST reforms
Strong corporate earnings

Rising Crude oil Prices
Profit Booking
Caution Ahead of the Union Budget
Sharp rise in commodity prices
Escalating geopolitical tensions
Positive macro economic data
US-Iran war
Heightening inflation concerns
Foreign fund outflows
Domestic resilience
Intermittent improvement in global cues

Equity- Nifty 50, Debt- CRISIL Intelligence Short Term Bond Index
Gold and silver returns are based on spot rates from India Bullion and Jewellers Association (IBJA)
Source: NSE, Crisil Intelligence, Data as on 31 July 2026, Past performance may or may not be sustained in future and is not a guarantee of any future returns.
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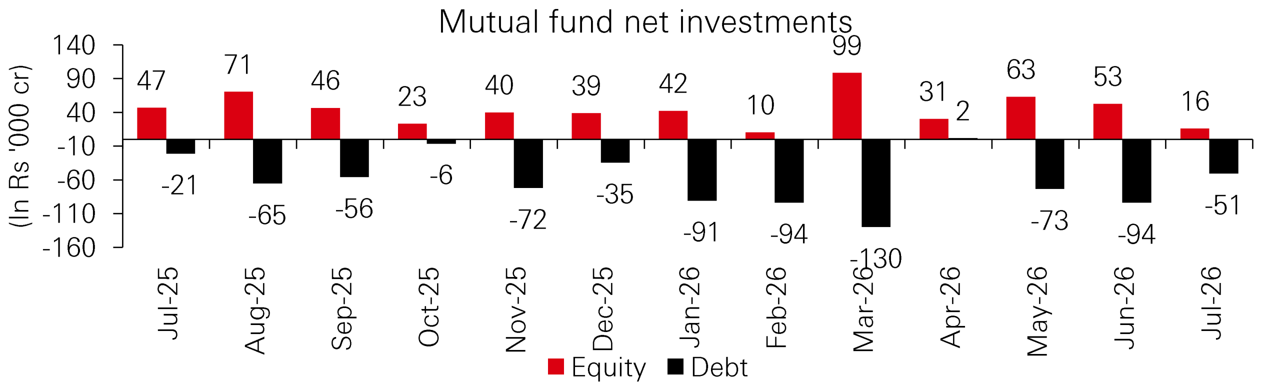
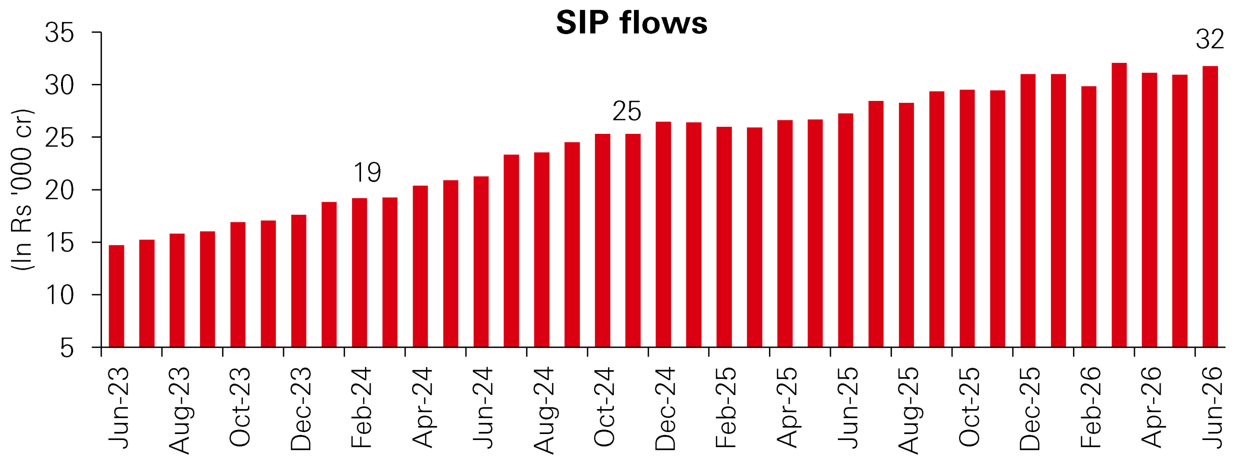
Market Sentiment In July 2026

Mutual funds were net buyers in equity and net sellers in debt



- Mutual funds were net buyers of Rs 16,000 crore in equities in July 2026, down from June 2026. In debt, they were net sellers of Rs 51,000 crore compared to net sellers of Rs 74,000 crore.

Inflows through SIPs rose in June 2026



- Collections through systematic investment plans (SIP) rose to Rs 31,781 crore in June 2026 compared to Rs 30,954 crore in May 2026. The number of SIP accounts rose to 9.78 crore from 9.64 crore.

Source: Crisil Intelligence, AMFI, Data as on 31 July 2026, 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
7-Aug-26	US Non-Farm Payrolls, July	57K
9-Aug-26	China Inflation Rate, July	1%
12-Aug-26	US Inflation Rate, July	3.5%
	India Inflation Rate, July	4.38%
13-Aug-26	UK GDP, June	1.3%
14-Aug-26	Eurozone GDP Growth Rate 2nd Est Q2	0.5%
	India WPI Inflation, July	9.87%
17-Aug-26	Japan GDP Growth Rate QoQ Prel Q2	0.5%
	India Balance of Trade, July	$-30.43B
	India Exports/Imports, July	1.5%
	India Unemployment Rate, July	$40.4B / $70.84B
19-Aug-26	US FOMC Minutes	-
	Eurozone Inflation Rate, July	2.8%
	UK Inflation Rate, July	3.75%
20-Aug-26	India Infrastructure Output, July	5%
21-Aug-26	India HSBC Manufacturing PMI Flash, Aug	53.5
26-Aug-26	US GDP Growth Rate QoQ 2nd Est Q2	2.1%
28-Aug-26	Eurozone Consumer Inflation Expectations, Aug	30.3
	India Industrial/Manufacturing Production, July	7.3%/7.8%
31-Aug-26	India GDP Growth Rate YoY Q1FY27	7.8%
	India Government Budget Value, July	INR-3078B

Source: Crisil Intelligence, Data as on 31 July 2026, 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, WPI- Wholesale Price Index
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RBI Policy Outcome and Key Takeaways

- The Reserve Bank of India's (RBI) Monetary Policy Committee (MPC) unanimously decided to maintain the repo rate at 5.25%. Consequently, the standing deposit facility rate remains at 5.00%, and the marginal standing facility rate and bank rate stay at 5.50%.
- The MPC decided to retain its neutral stance, reflecting a cautious approach amid elevated global uncertainties, volatile energy prices, supply chain pressures and evolving inflation dynamics. The committee stressed the need for greater clarity on the inflation outlook and growth-inflation trade-off before taking further policy action.
- The RBI has projected India's real gross domestic product growth for fiscal 2026-2027 at 6.7%, with quarterly growth estimated at 7.0% in the first quarter, 6.4% in the second quarter, 6.5% in the third quarter and 6.8% in the fourth quarter. Growth is expected to be driven by robust domestic demand, strong investment activity, sustained services growth and healthy exports, although risks persist from global economic turbulence, high energy prices, supply chain disruptions and weather-related uncertainties.
- The RBI has projected inflation, based on the Consumer Price Index (CPI), at 5.0% for fiscal 2026-2027. The quarterly inflation rates are expected to be 4.7% in the second quarter, 5.9% in the third quarter and 5.5% in the fourth quarter. Inflation is expected to increase in the near term, owing to food and fuel price pressures, before moderating. The RBI has projected core inflation at 4.3% for fiscal 2026-2027.
- The RBI governor said that the global economic environment remains uncertain due to geopolitical tensions, volatile crude oil prices and trade disruptions. However, the Indian economy shows resilience, driven by domestic demand, manufacturing and services activity, although growth is expected to moderate amid external headwinds.

Source: Crisil Intelligence, 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, Data as on 5 August 2026
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