HSBC Mutual Fund

Global Markets Tracker | 2 July 2026

Equity Markets

- US-Iran signed a MoU agreement an interim framework - the 60-day window for resolving nuclear and other contentious issues runs through mid-August. The Strait of Hormuz (SoH) situation remained fluid; it improved market sentiments.
- In the US, the S&P 500 was down 1.3% MoM and was mainly due to a drop in the artificial-intelligence stocks. AI stocks were under pressure because of worries that they have rallied to high levels. . Despite June's drop, the S&P 500 is still on track for its best quarter in the last six years ago, when stocks rocketed out of the crash caused by the COVID pandemic.
- European shares posted gains through the quarter; The pan-European benchmark rose 2.5% over the month, marking its third straight monthly gain and capping its strongest quarter since 2020. Brent's retreat from a June high of $98.99 to a low of $71.38 eased one of the market's most direct pressures on earnings and input costs. (Bloomberg article).
- Japanese equities gained 5.6% MoM, the NIKKEI 225 Index is up by ~34% in 3-months. Investors continue to eye the currency after the yen slid to its weakest level against the dollar since 1986. The currency slumped to as low as 162.41.
- The Asian benchmark climbed 21% last quarter while a sub-gauge of tech shares soared a record 74%. However, the sector's rally slowed in June as rising concerns over the payoff from hefty AI investments, coupled with elevated valuations and crowded positioning, sparked intermittent pullbacks, particularly in Korean shares.
- The Kospi Composite fell 5.7% MoM; June was a highly volatile month for the KOSPI, dominated by the AI trade and its sharp swings; other influencing factors were foreign outflows, geopolitical risks, and a hawkish Bank of Korea — with chip giants Samsung and SK Hynix at the center of every major move (Bloomberg).
- Indonesian stocks were down ~8% MoM and is among the world's worst-performing equity markets in June battered by a confluence of policy uncertainty, commodity policy shifts, Rupiah weakness, and MSCI index reclassification fears.
- In India, stocks gained MoM, with Nifty 50 index outperforming the MSCI Emerging Markets Index which fell nearly 2% - the index's biggest relative gain vs the EM gauge in ~7-months. Nifty 50 rose 1.7% in June, outperforming the MSCI Emerging Markets Index which fell nearly 2% — the index's biggest relative gain versus the EM gauge in seven months. Also, gains were supported from falling oil prices post the US–Iran deal, RBI's measures and a less hawkish RBI MPC than the peers, and a late-month return of foreign buyers. (Bloomberg).

DMs	Jun-26	Current Levels	W-o-W chg (%)	M-o-M chg (%)	3 Mnth chg (%)	6 Mnth chg (%)	Y-o-Y chg (%)
US	7,499	7,499	1.8	-1.3	14.1	9.6	21.0
UK	10,497	10,451	-0.1	1.1	0.8	5.2	19.0
Germany	24,996	24,968	0.9	-0.1	7.2	1.9	5.5
France	8,404	8,336	-0.6	2.3	4.4	2.3	8.8
Japan	70,062	70,475	1.9	5.6	34.3	40.0	77.2
Switzerland	14,194	14,111	-0.1	6.1	8.6	6.4	17.9
Australia	8,779	8,723	-1.0	0.0	1.7	-0.1	1.5
Italy	51,682	51,531	-0.2	3.5	12.7	14.7	30.3
Spain	19,472	19,337	-0.3	6.3	10.0	11.7	38.2
Portugal	9,133	9,063	0.1	1.1	-2.5	9.7	19.3
Greece	2,460	2,472	0.1	4.2	16.1	16.6	31.2

EM Asia	Jun-26	Current Levels	W-o-W chg (%)	M-o-M chg (%)	3 Mnth chg (%)	6 Mnth chg (%)	Y-o-Y chg (%)
China	4,094	4,112	0.0	1.3	4.2	3.6	18.9
India	76,479	76,923	0.9	3.0	4.9	-10.3	-7.8
Indonesia	5,643	5,695	-3.2	-8.1	-19.0	-34.9	-17.2
Malaysia	1,664	1,657	-1.5	-1.6	-2.4	-0.8	6.9
Philippines	6,037	6,069	1.3	2.6	1.2	-1.1	-5.4
South Korea	8,476	8,303	-2.0	-5.7	58.6	92.7	170.0
Taiwan	46,126	47,019	2.1	3.2	44.4	60.2	108.3
Thailand	1,591	1,588	2.6	0.0	8.4	26.1	42.4
Singapore	5,171	5,162	-1.0	1.3	4.3	10.9	28.7
Hong Kong	22,881	22,881	-2.0	-12.1	-8.9	-13.1	-5.5

EM Americas	Jun-26	Current Levels	W-o-W chg (%)	M-o-M chg (%)	3 Mnth chg (%)	6 Mnth chg (%)	Y-o-Y chg (%)
Argentina	3,168,608	3,168,608	1.9	-2.3	5.6	3.8	56.0
Brazil	172,024	172,024	0.9	-0.1	-8.5	6.8	23.3
Chile	10,840	10,840	0.7	2.0	-0.2	3.4	32.0
Colombia	11,902	11,902	0.0	0.0	0.0	0.0	0.1
Mexico	66,967	66,967	0.2	-1.7	-3.9	4.1	15.8
Venezuela	5,727	5,727	2.2	-0.2	-8.9	175.0	1391.5

EM Europe	Jun-26	Current Levels	W-o-W chg (%)	M-o-M chg (%)	3 Mnth chg (%)	6 Mnth chg (%)	Y-o-Y chg (%)
Hungary	139,892	140,358	1.1	4.9	12.9	26.4	44.0
Polland	135,647	135,834	0.9	0.6	9.0	15.9	30.4
Romania	32,487	32,933	6.0	10.2	17.6	34.8	74.8
South Africa	110,314	109,044	-0.7	-2.7	-6.5	-5.9	12.5
Turkey	14,122	14,332	0.0	4.6	10.8	27.3	42.2
Ukraine	426	426	0.0	1.1	-7.4	-7.6	-13.6

Source: Bloomberg; Market data as of July 1, 2026, 18:45 Hours IST

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Debt Markets

- The 10Y yield were mixed across countries, MoM. However, the US-Iran MoU & truce talks sent oil prices correcting to pre-war levels by end-June 2026; lifting sentiments.
- In the US, treasuries were weaker, MoM, down ~5bps driven by a strong labor market, hawkish Fed repricing, and oil-driven inflation fears - with the yield oscillating in a wide range (roughly 4.37%–4.55%) as Iran deal optimism and softer PCE data provided intermittent relief – to eventually end at 4.47% in June.
- In Japan too, 10Y yield was up by ~2bps MoM in June and was primarily driven by the BoJ's rate hike to 1%, hawkish forward guidance from board members, and concerns around Japan’s fiscal path.
- In the UK, yields have been volatile and during June 10Y yield ended 8bps lower. Political uncertainty around the then PM’s resignation added a sharp but short-lived spike in the final week of June ; and gilts were broadly supported by the Iran deal which reduced the energy price overhang, but fiscal risks still remain in focus. (Bloomberg). In Europe, yields were mixed following the first rate hike by the ECB and also a hawkish repricing on sticky inflation; for France in particular, fiscal concerns as well as election cycle of 2027 have weighed on the French 10Y yield.
- Unlike the US and Japan, Australian 10Y yields declined over June by ~10bps as the RBA's pause signaled a likely peak in the hiking cycle. The market ended June pricing the RBA hiking cycle as essentially over.
- In EMs, 10Y yields were mixed, MoM; India 10Y yield eased 26bps MoM while that for Indonesia yields spiked ~44bps MoM.
- For India, bond market witnessed renewed optimism driven by the RBI's unanimous hold and dovish guidance, RBI’s FX measures to attract dollar inflows, broadening of the horizon of investable G-Secs for foreign debt investments coupled with the govt. tax exemptions to attract foreign bond inflows, and a sharp fall in oil prices post the US–Iran deal. During mid-month concerns around a wider fiscal deficit started to taper off with increased prospects of India’s inclusion in Bloomberg Global Aggregate Index and the possibility spurt of additional foreign demand for bonds added to the rally.
- In Indonesia, the 10Y yield rose sharply by 44bps vs May - peaking at 7.51% before closing around 7.13% and it was driven by fragile sentiments especially due to concerns around fiscal management, a record low Rupiah, and a surprise rate hike that initially deepened the selloff; BI infact raised again in a span of two-weeks. Some recovery that came through was mainly due to global oil price decline post the US–Iran deal.

	Yield (%)		Change in bps				
DM	**Jun-26**	**Current Yield**	**W-o-W chg**	**M-o-M chg**	**3 Mnth chg**	**6 Mnth chg**	**Y-o-Y chg**
US	4.47	4.50	11	5	18	33	26
UK	4.76	4.82	13	-8	-1	34	36
Germany	2.86	2.89	4	-9	-8	5	34
France	3.65	3.68	9	9	4	15	47
Japan	2.67	2.67	4	2	40	64	131
Switzerland	0.27	0.30	3	-11	-4	2	-9
Australia	4.72	4.79	2	-10	-12	5	67
Italy	3.63	3.67	11	-3	-13	15	25
Spain	3.34	3.38	7	-2	-6	12	19
Portugal	3.24	3.27	6	-7	-11	15	27
Greece	3.53	3.57	6	-8	-17	16	32
EM Asia	**Jun-26**	**Current Yield**	**W-o-W chg**	**M-o-M chg**	**3 Mnth chg**	**6 Mnth chg**	**Y-o-Y chg**
China	1.73	1.73	0	3	-8	-11	9
India	6.72	6.76	0	-26	-28	16	46
Indonesia	7.13	7.14	-5	44	49	109	55
Malaysia	3.61	3.61	-1	5	2	11	10
Philippines	5.26	5.30	-4	-2	5	59	31
South Korea	4.10	4.20	4	3	52	72	142
Thailand	2.04	2.03	-3	-28	-10	0	46
Singapore	2.02	2.06	1	4	-13	-5	-7
EM Americas	**Jun-26**	**Current Yield**	**W-o-W chg**	**M-o-M chg**	**3 Mnth chg**	**6 Mnth chg**	**Y-o-Y chg**
Brazil	14.34	13.91	12	17	37	65	92
Chile	5.63	5.55	-3	-4	4	23	-6
Colombia	11.78	11.44	-15	-78	-111	-87	-51
Mexico	9.03	9.00	8	-13	-11	-10	-30
Peru	6.10	6.00	2	-8	-90	31	-30
EM Europe	**Jun-26**	**Current Yield**	**W-o-W chg**	**M-o-M chg**	**3 Mnth chg**	**6 Mnth chg**	**Y-o-Y chg**
Hungary	5.03	4.97	-8	-36	-188	-173	-196
Polland	5.26	5.22	-8	-41	-41	13	-20
Romania	6.70	6.59	-6	-16	-28	0	-71
South Africa	8.42	8.45	1	-24	-61	26	-139
Turkey	30.83	30.82	-13	-179	48	377	227
Ukraine	11.81	11.79	-20	-47	-401	-195	-390

Source: Bloomberg; Market data as of July 1, 2026, 18:45 Hours IST

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Currency Markets

- Dollar index posted significant gains in June; up 2.3% MoM. The June gains were overwhelmingly driven by the new US Fed Chair's hawkish pause which further led to the repricing of a US Fed rate-hike in CY26. The expectations shifted & that too sharply higher which further got amplified by strong US labour data, safe-haven demand from some selloff in the tech space during June, and broad counterpart currency weaknesses as a drop in oil prices led to repricing of rate expectations elsewhere in the AE's.
- The Iran deal provided a brief mid-month interruption to the dollar but stronger US data and hawkish Fed kept the dollar firm. A drop in oil prices added to gains elsewhere and for EM's the gains were capped due to firmer dollar..
- Swiss Franc gained ~3.2% in June gains as safe-haven demand stayed amid the Iran conflict jitters, Swiss economic resilience, despite Central Bank's signaling on FX intervention.
- In Aussie, the AUD lost sheen post the three successive rate hikes with increased possibility that the RBA may be near the peak of its rate hiking cycle. AUD's rout reflected a rapid reversal of all three pillars of its 2026 rally - the RBA's pause ended its rate advantage, weak GDP data, and a hawkish Fed that widened the rate differential sharply in the dollar's favor (Bloomberg news)
- Yen was the month's standout mover as it fell to a four-decade low of 162.40 to dollar end-June, its weakest since 1986. It breached the July 2024 intervention level of 161.95. A BoJ rate hike that failed to close the gap with the Fed; also verbal intervention threats proved ineffective, leaving the Yen as the worst-performing major currency of the month.
- In a volatile month, EM/Asian currencies ended mixed, MoM; and a firmer dollar weighed on EMs. The oil price decline supported almost all EMs during June while some EMs pivoted to policy rate hikes to arrest the currency declines, whereas India de-linked rates and FX to address the currency pressures; and a de-escalation has further lent support to the levels.
- INR had a volatile but ultimately resilient June - opening near 95.75 per dollar on June 3 under pressure from oil prices, recovering sharply to 94.40 by June 25 to become Asia's top-performing currency for the month owing to RBI's FX measures, GoI tax exemptions on foreign bond flows and oil price decline in Jun'26; before closing at 94.67 on June 30. The latest data till May showed that RBI's net short forward book widened again and stands at all-time highs of ~US$ 107bn vs US$ 95bn in Apr'26.
- Indonesian Rupiah was Asia's worst-performing currency in June, hitting successive record lows against the dollar — levels not seen since the Asian Financial Crisis of 1997–98. (Bloomberg); its FX reserves depleted, the trade surplus fell on oil import costs, and one surprise rate hike with another hike in June quick succession failed to restore sentiments. The MSCI downgrade threat amplified foreign outflows; weighing on IDR. However, late-month oil price relief and return o foreign bond inflows provided some cushion to the IDR (Bloomberg).

DMs	Jun-26	Current Levels	W-o-W chg (%)	M-o-M chg (%)	3 Mnth chg (%)	6 Mnth chg (%)	Y-o-Y chg (%)
Dollar Index	101.19	101.50	-0.1	2.3	1.9	3.2	4.8
UK	1.33	1.32	0.4	-1.7	-0.6	-1.7	-3.8
Germany	1.14	1.14	0.1	-2.3	-1.9	-3.2	-3.7
France	1.14	1.14	0.1	-2.3	-1.9	-3.2	-3.7
Japan	162.55	162.73	0.6	1.9	2.5	3.8	13.5
Switzerland	0.81	0.81	0.0	3.2	2.2	2.4	2.6
Australia	0.69	0.69	-0.2	-3.8	-0.6	3.3	4.6

EM Asia	Jun-26	Current Levels	W-o-W chg (%)	M-o-M chg (%)	3 Mnth chg (%)	6 Mnth chg (%)	Y-o-Y chg (%)
China	6.79	6.79	-0.3	0.4	-1.2	-2.8	-5.2
India	94.67	95.25	0.6	0.3	0.4	5.9	11.3
Indonesia	17,882.00	17,948.00	0.0	0.4	5.7	7.5	10.8
Malaysia	4.08	4.09	-1.0	3.3	1.7	0.8	-2.4
Philippines	61.36	61.62	0.1	-0.2	2.4	4.8	9.4
South Korea	1,549.25	1,558.50	1.1	3.0	3.0	8.2	14.8
Taiwan	31.85	31.89	0.4	1.6	-0.2	1.5	9.3
Thailand	33.22	33.39	-0.1	2.6	2.5	6.0	3.0
Singapore	1.29	1.30	0.0	1.5	1.1	1.0	1.9
Hong Kong	7.84	7.84	0.0	0.1	0.1	0.8	-0.1

EM Americas	Jun-26	Current Levels	W-o-W chg (%)	M-o-M chg (%)	3 Mnth chg (%)	6 Mnth chg (%)	Y-o-Y chg (%)
Argentina	1,483.45	1,477.71	-0.1	3.6	6.2	1.8	21.2
Brazil	5.16	5.19	0.0	3.3	0.8	-5.5	-4.9
Chile	922.79	930.16	1.2	4.3	1.8	3.3	0.2
Colombia	3,419.65	3,426.60	-0.2	-3.5	-6.4	-9.3	-14.9
Mexico	17.49	17.55	-0.3	1.1	-1.5	-2.5	-6.3
Peru	3.42	3.41	-0.2	0.4	-1.3	1.5	-4.2

EM Europe	Jun-26	Current Levels	W-o-W chg (%)	M-o-M chg (%)	3 Mnth chg (%)	6 Mnth chg (%)	Y-o-Y chg (%)
Hungary	311.34	313.17	0.1	2.4	-5.4	-4.3	-7.4
Polland	3.76	3.78	0.2	3.7	2.2	5.0	4.9
Romania	4.59	4.61	-0.1	2.1	4.7	6.3	7.2
South Africa	16.39	16.45	-0.7	0.8	-2.2	-0.9	-6.5
Turkey	46.66	46.67	0.4	1.7	5.0	8.6	17.1
Ukraine	44.62	44.86	-0.1	1.2	2.4	6.4	7.2

Source: Bloomberg; Market data as of July 1, 2026, 18:45 Hours IST; **Note: *For EM buckets, +ve sign indicates depreciation against the dollar**

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Commodity Markets

- Brent crude had a dramatic June opening near $118/bbl at war-elevated levels, collapsing to below $75/bbl by month-end as the US–Iran deal transformed the supply outlook. The month's story was almost entirely about the Strait of Hormuz. Oil prices plummeted ~20%, and hovered near pre-war levels. Supply restoration is helping cool down the prices.
- Meanwhile, a point of observation is that of a drop in China's oil imports which hit decade-plus lows in June, refineries slashed runs to near-historic lows, and commercial stockpiles were drawn down to compensate – as per Bloomberg article, analysts flagged a lasting structural demand shift that may prevent a full import recovery even as the SoH reopens. More data is watched to assess the trends in China’s oil imports.
- By June 22, Iran had ramped up crude exports through Hormuz to the highest since the war started — around 6 million barrels on three supertankers transiting the chokepoint. Qatar, Iraq, and other Gulf producers also cranked up sales — Iraq boosted loadings at Basrah to match full-month volumes in just the first ten days of June. From Bloomberg news -
    - Russia’s daily shipments in the past 4-weeks are running at about 780K barrels, higher than that in Q1, the amount of its oil at sea is up by about 34% from a mid-April low. Cargoes are beginning to build up at Mersa El-Hamra in Egypt and in the Riau archipelago, east of Singapore, tanker-tracking data show.
    - Both China and India (the main markets for Russian crude) are showing subdued appetite for imported cargoes since the start of the Iran war. Moscow may be forced to offer deeper discounts on its crude, especially if a sanctions waiver that permits purchases of Iranian cargoes is extended beyond mid-August.
    - UAE exports rose about 30% from the prior month to more than 3.9 million barrels per day, near the highest level since 2017. The rebound comes after the UAE exited OPEC in May, removing production constraints previously imposed by the group. Regional oil flows have recovered to about 75% of pre-war levels as traffic through SoH normalizes, helping erase the conflict-driven spike in crude prices
- Gold pared gains and was down ~10% MoM even as gold opened June near ~US$ 4,540/oz, it ended weaker to ~$4,000/oz by and during June it hit its lowest since Nov’25. The primary drivers of the selloff were the resurgent dollar esp. following a hawkish FOMC and the repricing of the US Fed rate hikes coupled with reduced geopolitical risk premia. Meanwhile, a structural positive that held was that of - World Gold Council survey of 74 central banks which found that 45% planned to buy gold in the coming year - the highest-ever share since data collection began in 2018 - suggesting long-term institutional demand may remain intact despite the pullback (Bloomberg article)
- Similarly, silver prices too fell, but a little more swiftly; Silver breached $60/oz and is at its lowest level of the year. Meanwhile, other metals viz, platinum, palladium too fell MoM, no single macro catalyst dominated platinum or palladium specifically - moves were largely driven by spillover from gold and silver sentiment shifts

-Bloomberg

Commodities	Unit	Jun-26	Current Levels	W-o-W chg (%)	M-o-M chg (%)	3 Mnth chg (%)	6 Mnth chg (%)	Y-o-Y chg (%)
FTSE Core Commodity Excess Return Index	Index	354	354	-0.5	-8.4	-4.7	18.4	19.4
NYMEX WTI Crude	USD/bbl.	70	69	-1.9	-22.6	-13.2	21.0	12.2
ICE Brent Crude	USD/bbl.	73	72	-2.4	-22.0	-14.1	19.8	10.9
NYMEX Gasoline	USd/gal.	289	293	5.0	-2.9	8.0	53.6	47.0
NYMEX Heat Oil	USd/gal.	323	329	5.6	-8.2	1.2	61.1	54.2
ICE Gasoil	USD/MT	932	953	8.1	-11.9	-2.3	58.7	54.2
NYMEX Nat. Gas	USD/MMBtu	3	3	0.0	1.6	0.8	-12.8	-21.9
Spot Gold	USD/troy ounce	4,008	4,018	0.5	-10.4	-15.6	-7.0	20.3
Spot Silver	USD/troy ounce	59	58	1.7	-22.0	-22.2	-18.5	62.1
Spot Platinum	USD/troy ounce	1,553	1,568	-1.0	-18.7	-20.2	-23.9	15.3
Spot Palladium	USD/troy ounce	1,212	1,203	2.7	-11.7	-18.6	-25.8	8.6
Spot Aluminium	$/metric tons	3,070	3,070	-4.9	-18.5	-12.8	3.4	18.2
Spot Copper	$/metric tons	13,349	13,349	0.3	-1.8	8.9	7.2	32.8
Spot Zinc	$/metric tons	3,574	3,574	2.3	1.6	11.0	16.0	30.4
LME Nickel 3 month forwa	$/metric tons	16,287	16,287	-5.2	-14.6	-4.8	-2.2	7.0
LME Lead 3 month forwarc	$/metric tons	1,875	1,875	-3.1	-7.0	-1.5	-6.8	-8.3
LME Tin 3 month forward	$/metric tons	51,570	51,570	0.8	-6.9	10.3	27.2	53.0
Generic 1st 'W ' Future	USd/bu.	581	583	-0.4	-4.2	-2.4	15.0	8.6
Generic 1st 'RR' Future	USD/cwt	13	13	-0.6	1.7	12.7	33.6	-1.0
Generic 1st 'C ' Future	USd/bu.	413	420	3.2	-5.4	-7.5	-4.6	0.0
USD Crude Palm Oil Jul24	USD/MT	1,097	1,096	-0.9	-3.4	-7.6	10.5	15.8

Source: Bloomberg; Market data as of July 1, 2026, 18:45 Hours IST

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Central Bank Monetary Policy

The Middle East crisis has reignited inflation worries, especially for Central Banks globally. Most policy outcomes had a hawkish leaning amid the West Asia conflict and Central banks took a data-dependent approach.

- **US Fed** - The FOMC held the rates steady, however, a modest uptick in the dot plot reflected a hawkish hold and Fed Chair announced task forces to be set up to review and revamp the US Fed policymaking approach; reiterating & emphasizing on bringing inflation back down to its 2% target. The
- **European Central Bank (ECB) hiked** its key policy rates by 25bps, bringing the deposit rate to 2.25%.
- **Swiss National Bank** (SNB) – The SNB's left rates unchanged at 0%, in line with expectations; and raised its inflation-growth forecasts. The monetary policy assessment retains the wording on the strength of the Swiss franc and the SNB's willingness to intervene.
- **Bank of Japan (BoJ)** lifted its target rate to 1% from 0.75%, the highest since 1995, in line with expectations. The board voted 7-1 for the rate increase. The central bank flagged a jump in producer prices driven by surging crude oil costs, and the risk that higher inflation expectations could lift underlying consumer price gains above its 2% target.
- **Bank of England (BoE)** held policy rates steady as widely expected; and continued to signal it stands ready to act to curb inflationary pressures. The vote split was 7-2 with 2 of the members voting for a 25bps rate hike.
- **Canada's central bank (BoC)** Governing Council held the overnight rate target at 2.25%, as widely anticipated.
- **Bank of Indonesia (BI)** in a surprise inter-meeting on 9-Jun **hiked** the rates by 25bps even as its meeting was scheduled for 18-Jun
    - BI on 18-Jun **hiked again**, raising the rates by another 25bps even after having raised rates in a surprise inter-meeting on 9-June; taking cumulative rate hikes to 100bps with BI rate at 5.75% to curb inflation and to defend the currency.
- **Philippines central bank -** The Bangko Sentral ng Pilipinas (BSP) **hiked** the policy rate by 25bps to 4.75%, its 2nd consecutive hike as it battled Iran war-driven inflation running at 6.8% YoY, with BSP Governor signaling that another hike in August is possible.
- **People's Bank of China (PBoC)** was defined by a landmark policy framework shift toward an overnight rate regime. Also, the PBOC pushed aggressively on yuan internationalization — launching a new repo facility to provide yuan liquidity to foreign central banks, linking onshore and offshore yuan markets via six major state lenders, and naming new yuan clearing banks in South Africa and Indonesia.
- **Reserve Bank of Australia (RBA)** RBA held the cash rate steady after three consecutive hikes, opting to assess the cumulative impact of earlier tightening on the economy and housing market.
- **Bank of Korea (BoK)** held rates steady; reinforced its hawkish shift in its semiannual Financial Stability Report, warning that higher rates will be needed at an "appropriate time" as rising home prices, household debt, and leveraged investment threaten financial imbalances
- **RBI MPC** RBI MPC in a unanimous vote maintained a Cautious Hold with neutral stance; leaving the Repo Rate unchanged at 5.25%. MPC minutes reiterated the same. MPC revised GDP lower by 30bps to 6.6%; and inflation was revised upwards by 50bps to 5.1%. Apart from MPC, RBI announced a slew of macroprudential steps on FX & Rates to attract dollar flows, the key driver behind a reversal in rates/FX.

Country / Region	CPI YoY%	Policy Rate	3M Change (bps)	Last Month	Next Mtg.
Australia	4.0%	4.35%	50	5-May	11-Aug
U.K.	2.8%	3.75%	0	18-Jun	30-Jul
U.S.	4.2%	3.75%	0	17-Jun	29-Jul
New Zealand	3.1%	2.25%	0	-	8-Jul
Canada	3.2%	2.25%	0	10-Jun	15-Jul
Euro zone	3.0%	2.40%	25	11-Jun	23-Jul
Japan	1.5%	1.00%	25	28-Apr	
South Korea	3.1%	2.50%	0	-	16-Jul
Brazil	4.7%	14.25%	-75	17-Jun	6-Aug
China (1Y Prime Rate)*	1.2%	3.00%	0	22-Jun	
India	**3.9%**	5.25%	0	5-Jun	5-Aug
Indonesia	3.3%	5.75%	100	9-Jun	22-Jul
South Africa	4.5%	7.00%	25	18-Jun	23-Jul
Philippines	6.8%	4.75%	50	18-Jun	27-Aug

Source: Bloomberg; Market data as of July 1, 2026, 18:45 Hours IST

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