Global Navigator

May 2025

HSBC Mutual Fund

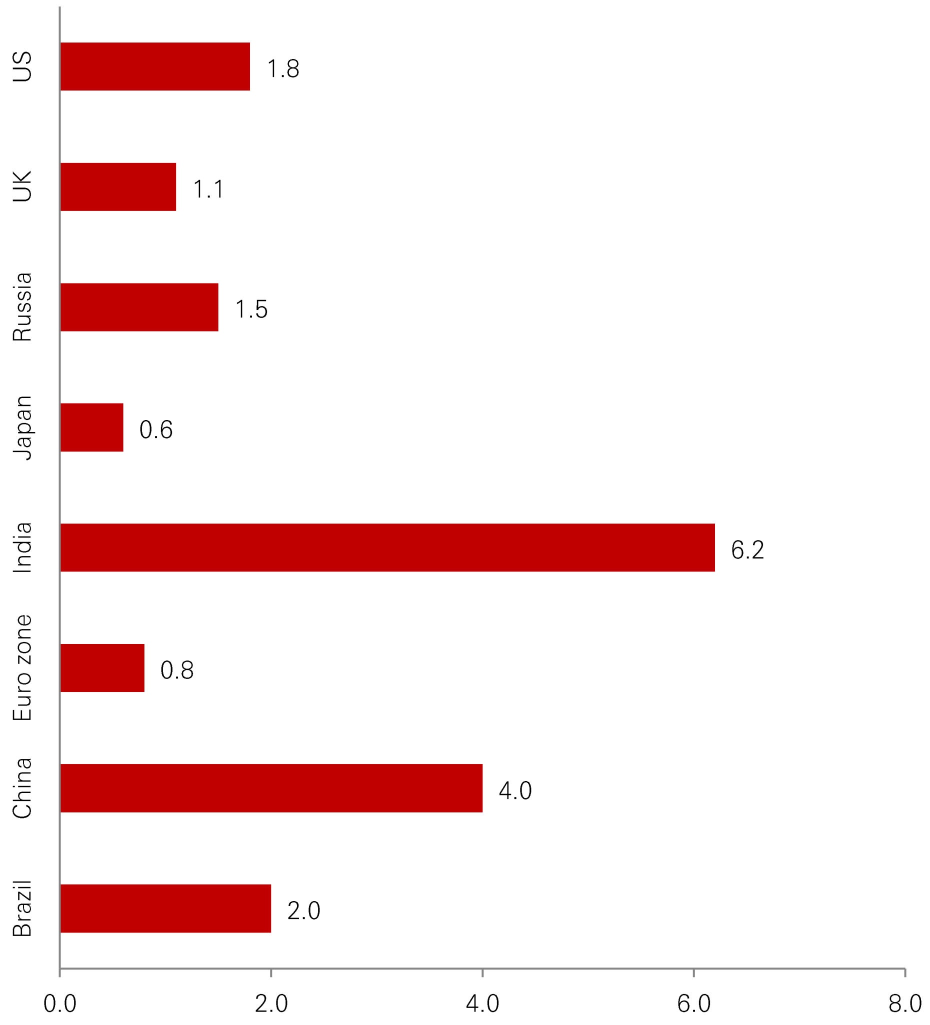
Global Update

Global Economic Update

	GDP		Inflation		Industrial Growth	
	Current	Previous	Current	Previous	Current	Previous
US	0.3% Q1 2025	2.4% Q4 2024	2.4% Mar’25	2.8% Feb’25	1.3% Mar’25	1.5% Feb’25
Eurozone	1.2% Q1 2025	1.2% Q4 2024	2.2% Mar’25	2.3% Feb’25	1.2% Feb’25	-0.5% Jan’25
UK	1.5% Q4 2024	1.2% Q3 2024	2.6% Mar’25	2.8% Feb’25	0.10% Feb’25	-0.5% Jan’25
China	5.4% Q1 2025	5.4% Q4 2024	-0.1% Mar’25	-0.7% Feb’25	7.7% Mar’25	5.9% Jan-Feb’25
Japan	2.2% Q4 2024	1.4% Q3 2024	3.6% Mar’25	3.7% Feb’25	0.10% Feb’25	2.20% Jan’25
India	6.2% Q3 FY25	5.6% Q2 FY25	3.34% Mar’25	3.61% Feb’25	3.0% Mar’25	2.7% Feb’25

Major Global Central Bank	Latest Key Interest rate
US Federal Reserve	4.50%
Bank of England	4.50%
European Central Bank	2.40%
Bank of Japan	0.50%
India RBI	6.00%

IMF GDP Projections for 2025

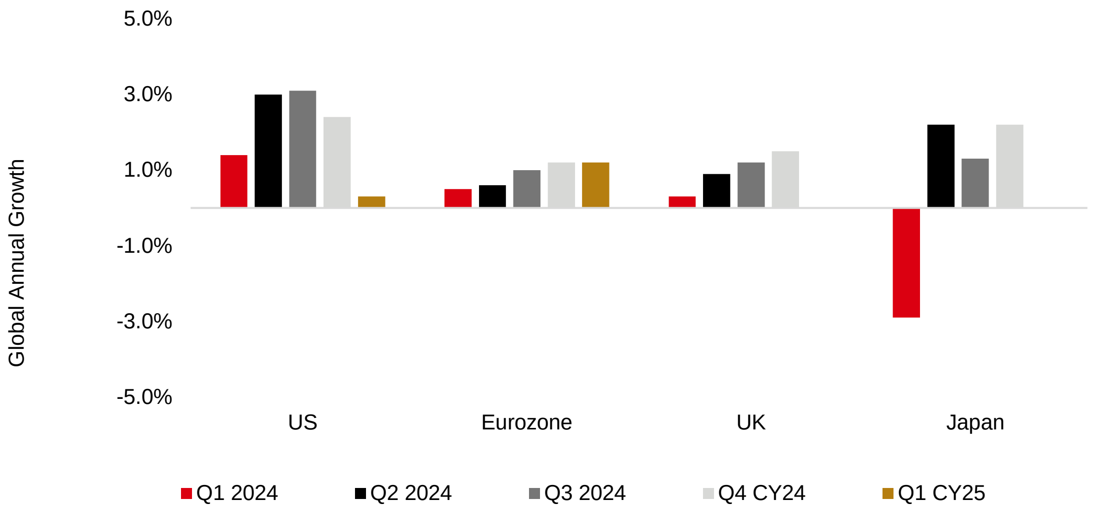


Source: Crisil, Bloomberg, Respective Central Banks, IMF. Data as on 30 April 2025

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

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.

Global Economic Update



US economy contracted at 0.3% in the first quarter of 2025; Federal Reserve raised concerns regarding market volatility

- The US economy contracted at an annualised rate of 0.3% in the first quarter of 2025 compared with a 2.4% growth in the previous quarter.
- Federal Reserve Chair described the recent market volatility as a rational response to shifting trade policies and not a cause for Fed intervention.

Bank of England Governor expressed concerns over US trade policy

- The British economy expanded 1.4% on-year in February compared with an upwardly revised 1.2% growth in January.
- Bank of England (BoE) said he was taking the risks from US tariff escalations “very seriously”, following the IMF’s downgrade of global and UK growth forecasts.

Eurozone economy grew annually at 1.2% in the first quarter of 2025; ECB lowered interest rates by 25 basis points

- The Eurozone economy grew by 1.2% on-year in the first quarter of 2025, matching the previous quarter’s pace.
- The European Central Bank (ECB) cut all three of its key interest rates by 25 basis points each, lowering the main refinancing rate to 2.40%, the deposit rate to 2.25% and the marginal lending facility to 2.65%.

Bank of Japan keeps key short-term interest rate unchanged

- The Bank of Japan (BoJ) kept its key short-term interest rate unchanged at 0.5% during its May meeting, amid rising concerns that US President’s tariff measures could dampen both US and global economic growth.

Source : Crisil, Data as on 30 April 2025, Past performance may or may not be sustained in future and is not a guarantee of any future returns.
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.

Global- Performance trends

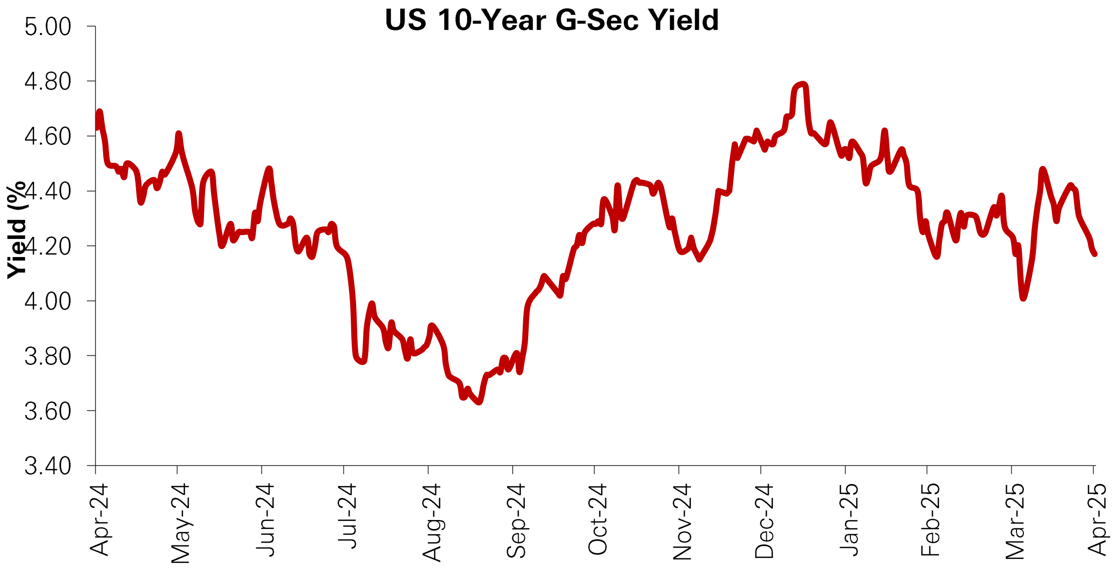
Global indices	% Change										
	CY16	CY17	CY18	CY19	CY20	CY21	CY22	CY23	CY24	CY25 *	10-year CAGR*
DJIA	13.42	25.08	-5.63	22.34	7.25	18.73	-8.78	13.70	12.88	-4.41	8.85
Nasdaq	7.50	28.24	-3.88	35.23	43.64	21.39	-33.10	43.42	28.64	-9.66	13.29
Nikkei	0.42	19.10	-12.08	18.20	16.01	4.91	-9.37	28.24	19.22	-9.65	6.59
Hang Seng	0.39	35.99	-13.61	9.07	-3.40	-14.08	-15.46	-13.82	17.67	10.26	0.09
FTSE	14.43	7.63	-12.48	12.10	-14.34	14.30	0.91	3.78	5.69	3.94	3.13
Cac 40	4.86	9.26	-10.95	26.37	-7.14	28.85	-9.50	16.52	-2.15	2.89	5.06
Xetra Dax	6.87	12.51	-18.26	25.48	3.55	15.79	-12.35	20.31	18.85	13.00	7.67
Shanghai	-12.31	6.56	-24.59	22.30	13.87	4.80	-15.13	-3.70	12.67	-2.17	-0.76
Brazil Bovespa	38.93	26.86	15.03	31.58	2.92	-11.93	4.69	22.28	-10.36	12.29	12.04
Russia RTS	52.22	0.18	-7.65	45.28	-10.42	15.01	-39.18	11.63	-17.56	26.28	4.07
Nifty 50 TRI	4.39	30.27	4.64	13.48	16.14	25.59	5.69	21.30	10.09	3.18	12.88
BSE SENSEX TRI	3.47	29.56	7.23	15.66	17.16	23.23	5.80	20.33	9.49	2.86	12.90

Source: Crisil, BSE, NSE and Financial websites Figures in red indicate negative returns in that period. CY25- YTD (till April 30, 2025) *10-year CAGR, Data as on 30 April 2025
Past performance may or may not be sustained in future and is not a guarantee of any future returns.
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.

US Fixed Income Markets - Overview

US treasury prices ended higher in April

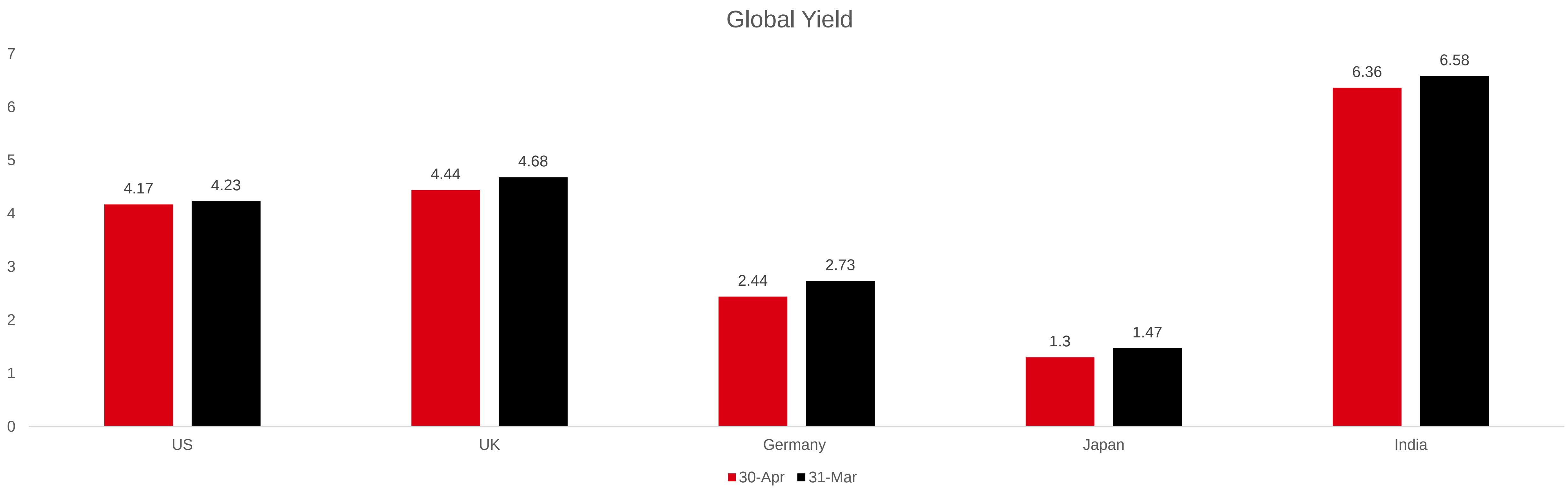
- US Treasury prices ended higher in April due to safe-haven demand as the US-China trade war intensified with both the countries announcing unprecedented retaliatory tariffs against each other, giving rise to global recession worries.
- Investors sought safe-haven assets as the US government's imposition of new import tariffs and their abrupt deferment gave rise to confusion, adding to the uncertainty for investors and policymakers around the world.
- Demand for bonds rose after the Fed chair said the central bank will await more economic data before adjusting interest rates and warned that president's tariff policies could push inflation and employment away from the bank's targets.
- Bond prices had earlier risen after US President pressured the Fed chair publicly on the social media to cut rates. The prices rose further as his attacks on Powell escalated over the next few days.
- However, later in the month gains in debt prices were capped as worries of a fierce global trade war eased.
- Moreover, stronger-than-expected inflation also put downward pressure on the prices.



Global bond yields			
	30-Apr	31-Mar	Change
US 10-Year (%)	4.17	4.23	-0.06
UK 10-Year (%)	4.44	4.68	-0.24
German 10-Year (%)	2.44	2.73	-0.29
Japan10-Year (%)	1.30	1.47	-0.17

Source: Crisil, Bloomberg, Data as on 30 April 2025, Past performance may or may not be sustained in future and is not a guarantee of any future returns.
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.

Global Yield and Where India Stands

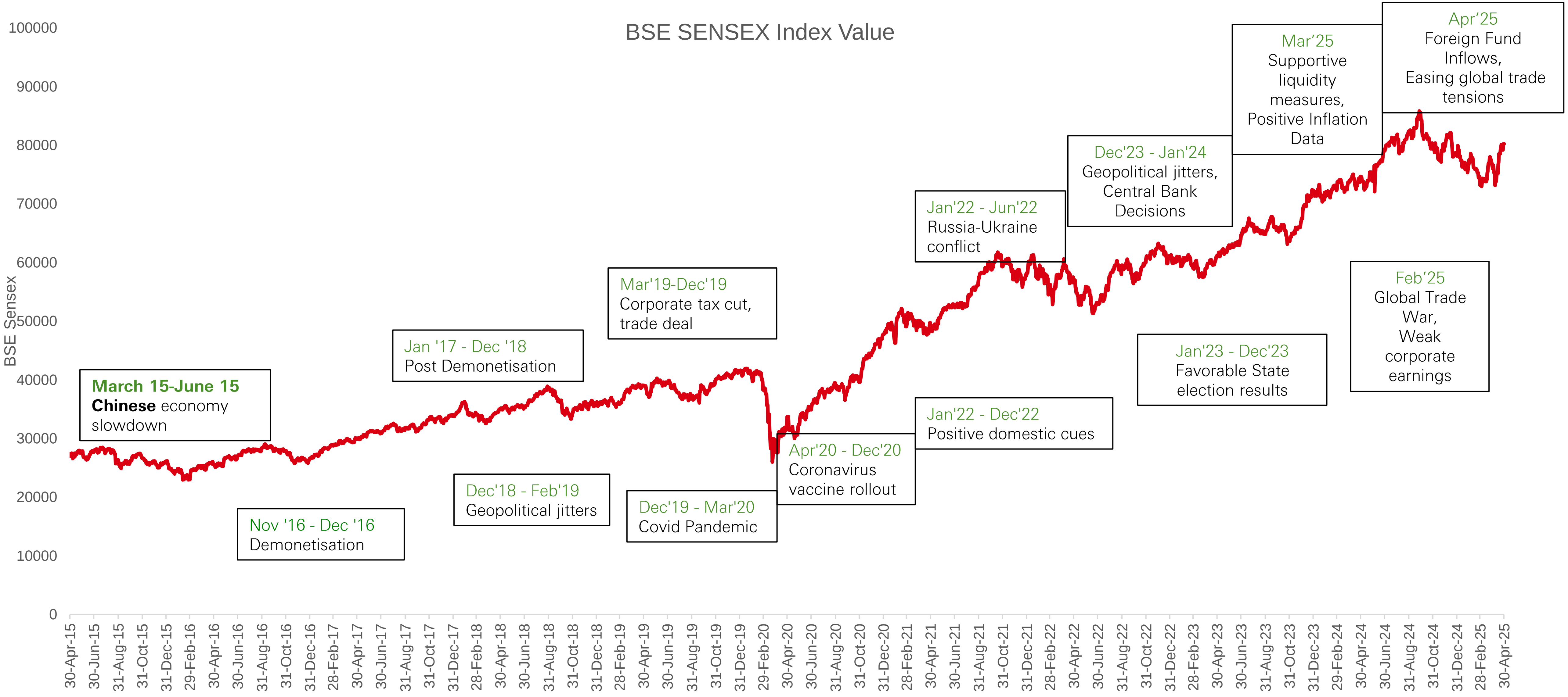


	US	UK	Germany	Japan	India
Current Yield (%)	4.17	4.44	2.44	1.3	6.36
Inflation (%)	2.4	2.6	2.1	3.6	3.34
Real Yield (%)	1.77	1.84	0.34	-2.3	3.02

Source : Crisil, Data as on 30 April 2025, Inflation Data as of March 2025 Past performance may or may not be sustained in future and is not a guarantee of any future returns.
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.

Domestic Equity

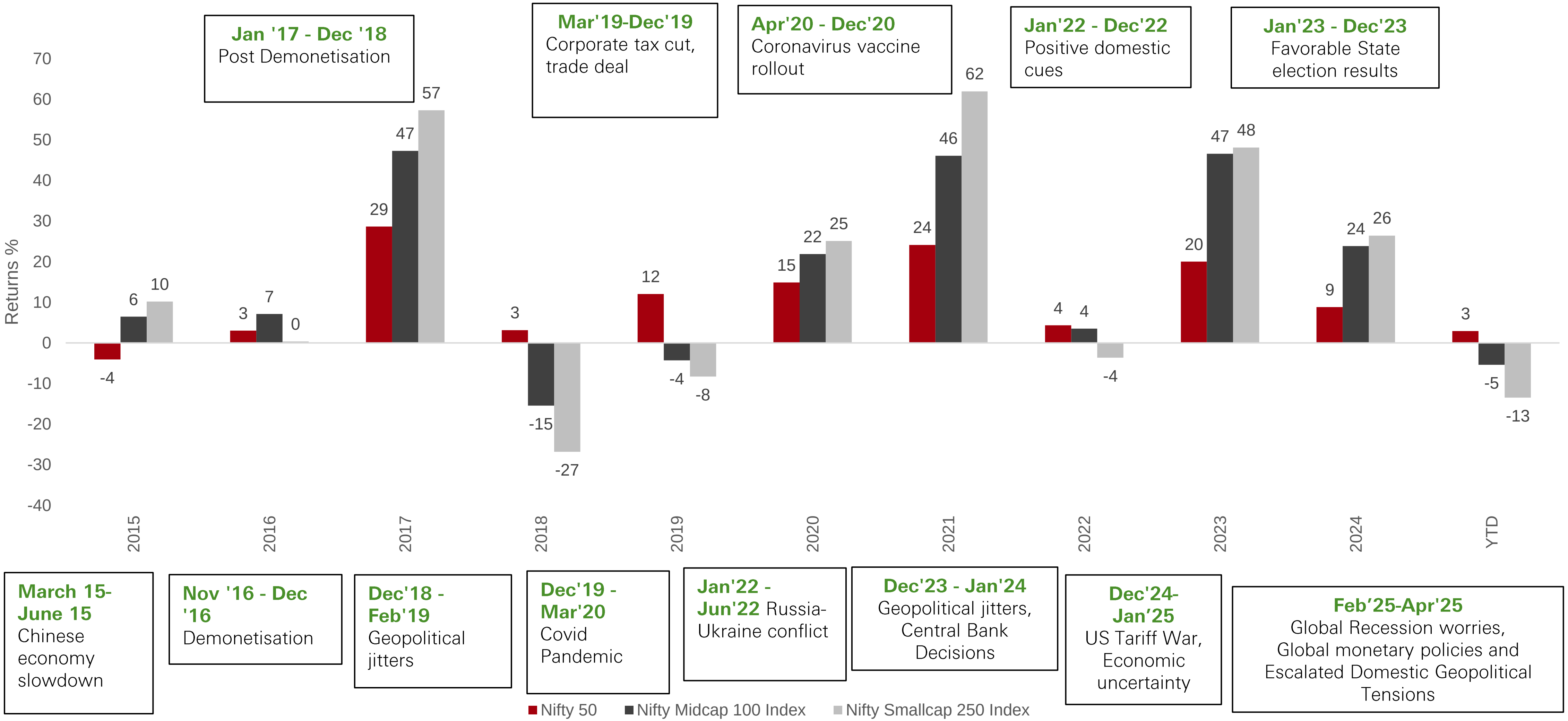
History of Equity markets through major events



Source: BSE, Crisil, Data as on 30 April 2025, Past performance may or may not be sustained in future and is not a guarantee of any future returns.
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.

History of Equity markets through major events

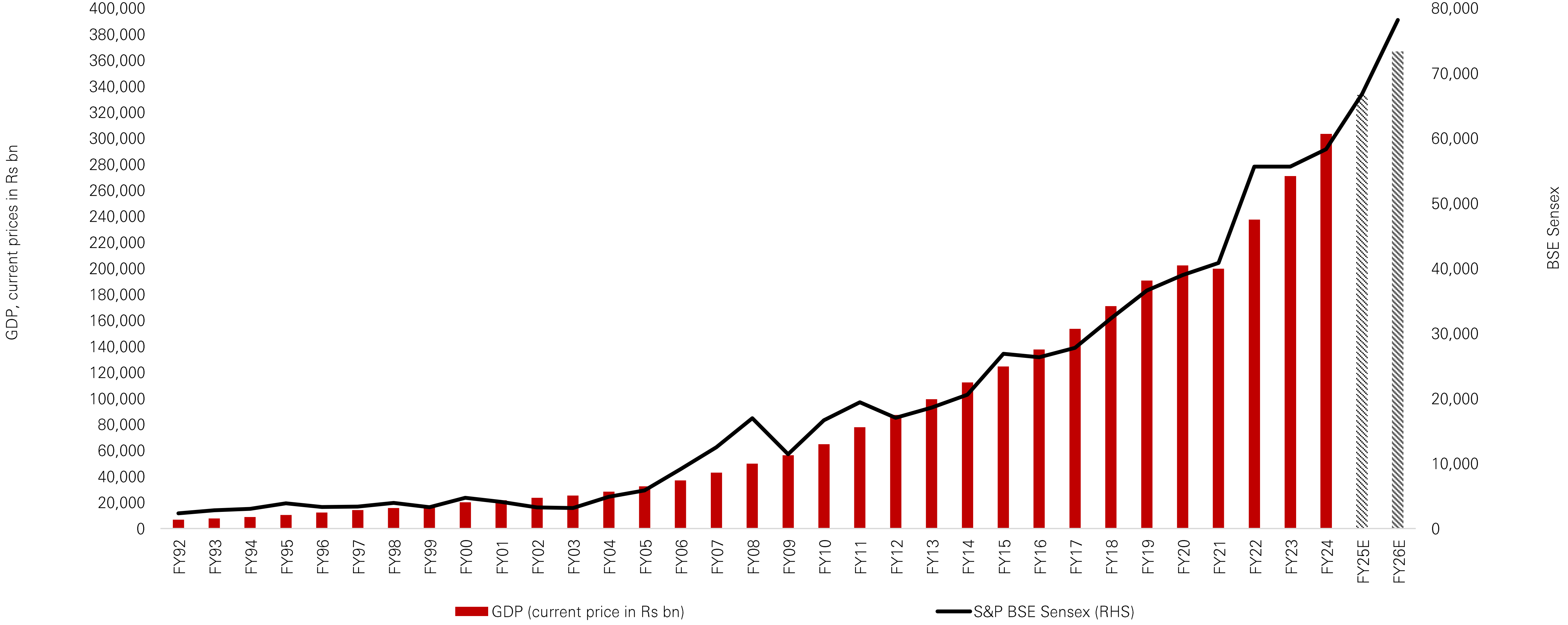
Performance of major equity indices



Source: NSE, Crisil, Data as on 30 April 2025, Past performance may or may not be sustained in future and is not a guarantee of any future returns.
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.

Equity mirrors economic growth in the long term

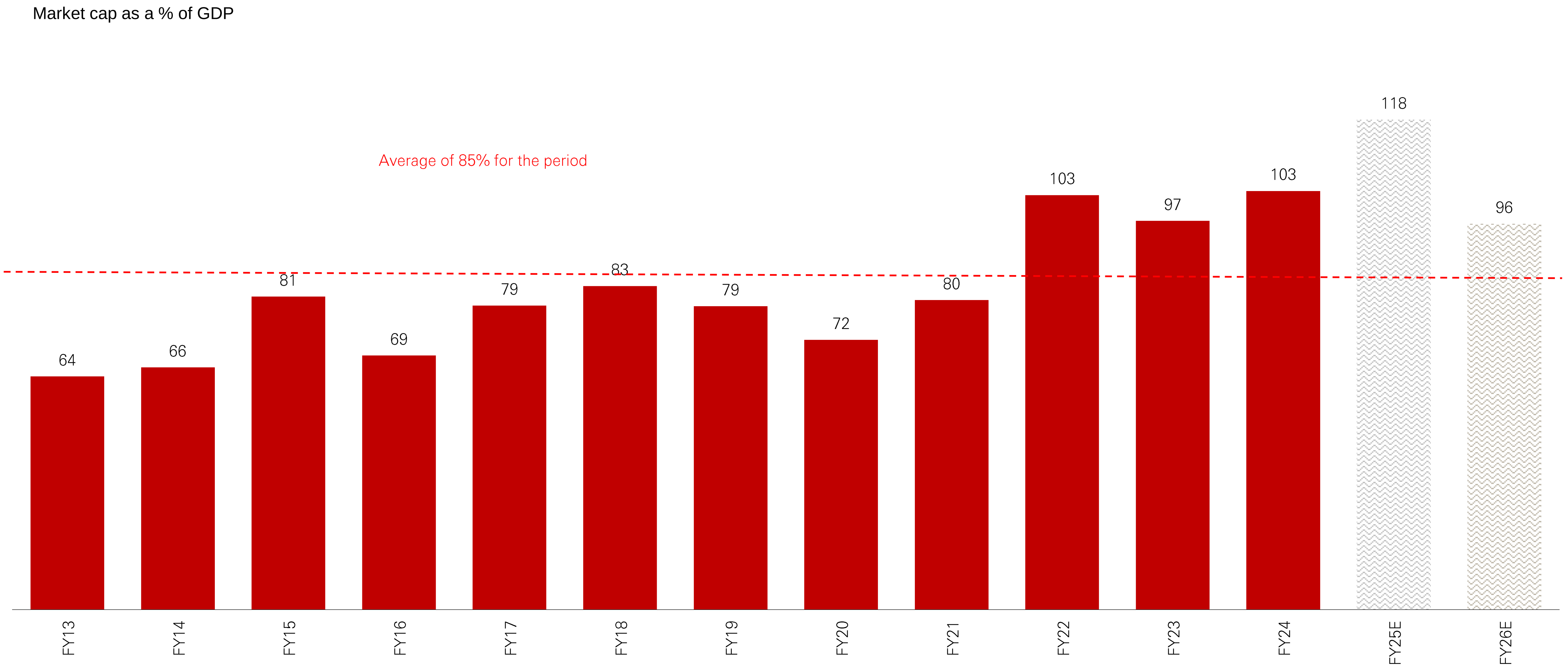
GDP - The Indian economy is expected to carry the momentum of last year's GDP growth into the current fiscal year as well



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 30 April 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.

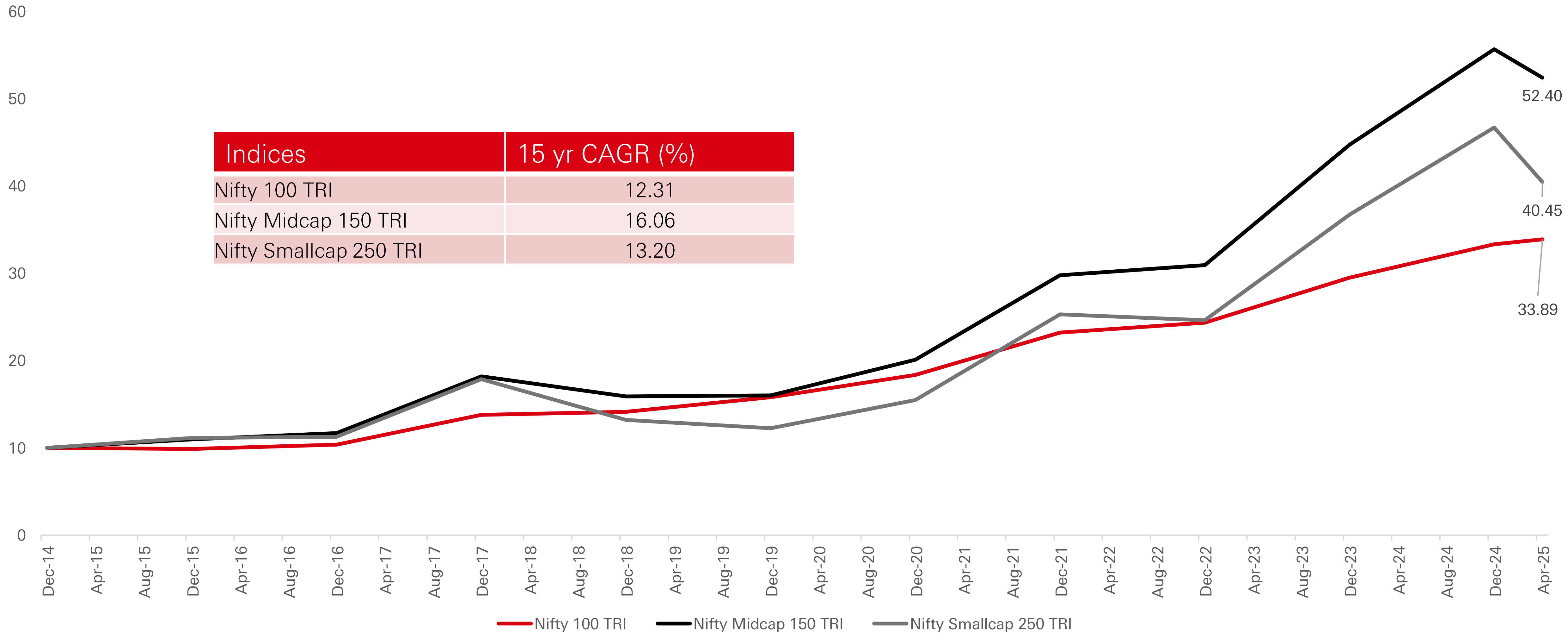
HSBC Mutual Fund

India Market cap to GDP (%)



Shaded area are Estimates (E) – FY25
Source: Crisil, MOSPI, Bloomberg, CRISIL estimates;
Data as on 30 April 2025, 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.

Nifty Mid-cap 150 TRI vs Nifty Small-cap 250 TRI vs Nifty 100 TRI



Indices	15 yr CAGR (%)
Nifty 100 TRI	12.31
Nifty Midcap 150 TRI	16.06
Nifty Smallcap 250 TRI	13.20

Source: Crisil, NSE. Data as on 30 April 2025, data represents YTD values. The indices values are rebased by 10
Past performance may or may not be sustained in future and is not a guarantee of any future returns.
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.

Indian market - Performance trends

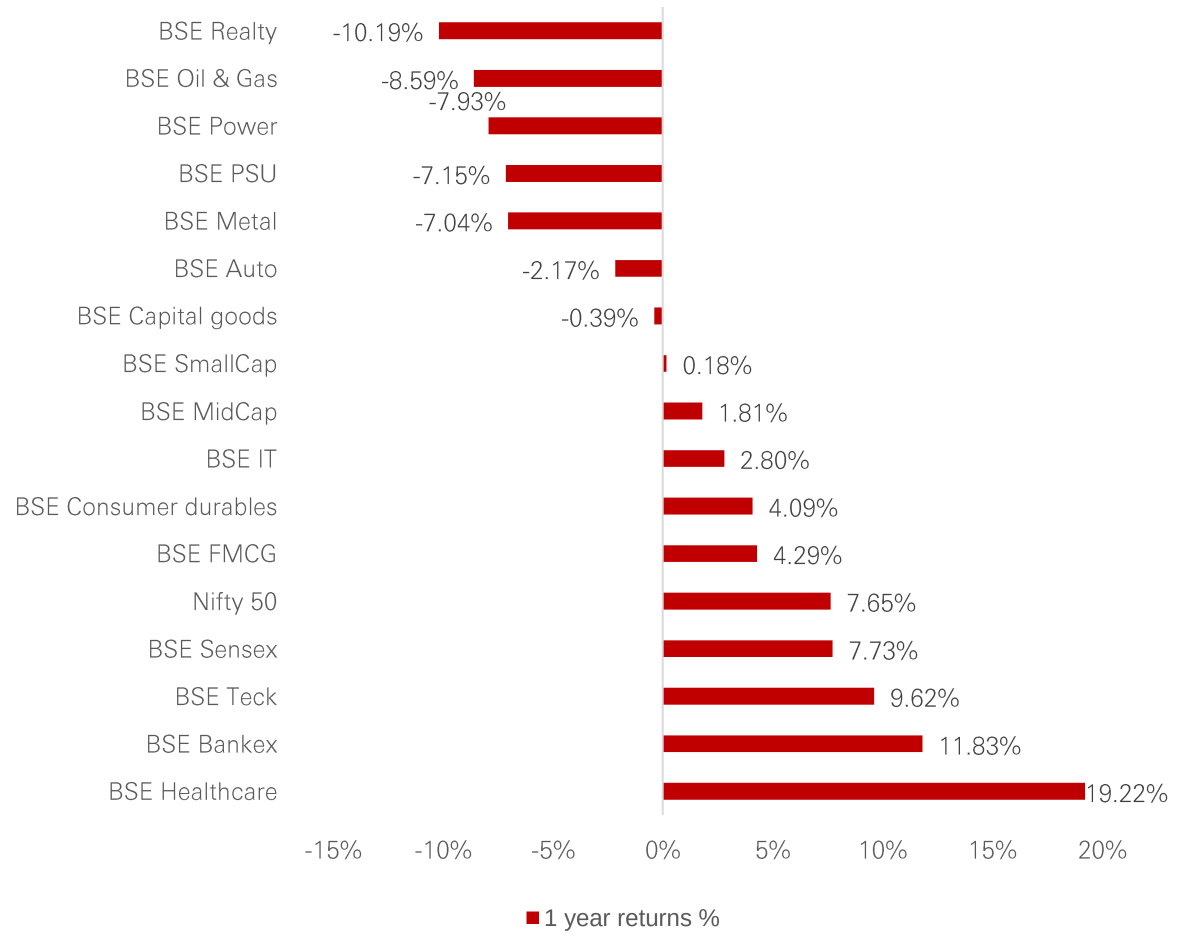
Indices	% Change										
	CY16	CY17	CY18	CY19	CY20	CY21	CY22	CY23	CY24	CY25*	10-year CAGR*
Nifty 50 TRI	4.39	30.27	4.64	13.48	16.14	25.59	5.69	21.30	10.09	3.18	12.88
BSE SENSEX TRI	3.47	29.56	7.23	15.66	17.16	23.23	5.80	20.33	9.49	2.86	12.90
BSE Auto TRI	10.38	33.31	-21.33	-9.94	14.27	20.59	17.83	47.71	23.40	-3.13	11.74
BSE BANKEX TRI	8.39	39.98	5.65	21.12	-2.12	12.97	21.91	12.12	7.15	8.45	12.20
BSE CG TRI	-2.38	41.42	-0.49	-8.79	12.52	54.75	17.17	68.15	22.53	-7.22	15.45
BSE CD TRI	-5.83	102.87	-8.32	21.53	22.19	47.73	-10.93	26.40	29.31	-10.81	19.21
BSE FMCG TRI	4.77	33.26	12.11	-2.14	13.19	11.70	19.08	29.65	3.25	-0.94	12.36
BSE Healthcare TRI	-12.43	1.10	-5.38	-2.80	62.61	21.54	-11.50	37.97	44.30	-6.61	10.75
BSE IT TRI	-6.14	13.29	27.26	11.84	60.05	58.45	-22.70	28.28	22.21	-18.55	15.14
BSE Metal TRI	43.19	52.82	-16.20	-10.16	18.43	72.68	15.70	35.50	10.24	0.95	16.21
BSE Oil & Gas TRI	30.38	37.81	-12.40	10.59	-0.55	31.72	20.45	17.30	16.50	2.79	15.09
BSE Power TRI	2.99	22.03	-14.30	-0.64	11.38	73.68	28.51	36.45	21.28	-4.08	14.81
BSE PSU TRI	16.89	22.69	-18.69	-1.12	-12.80	47.95	28.30	61.48	24.34	-0.29	13.30
BSE Realty TRI	-5.27	107.24	-30.69	27.58	9.20	55.40	-9.97	80.16	33.45	-16.62	16.43

Source: Crisil, BSE, Figures in red indicate negative returns in that period. *10-year CAGR, Data as on 30 April 2025, CY25 is YTD (till April 30, 2025) (CD- Consumer Durable/ CG – Capital Goods))
Past performance may or may not be sustained in future and is not a guarantee of any future returns.
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.

Equity Market Review

Indian equity indices gained in April'25

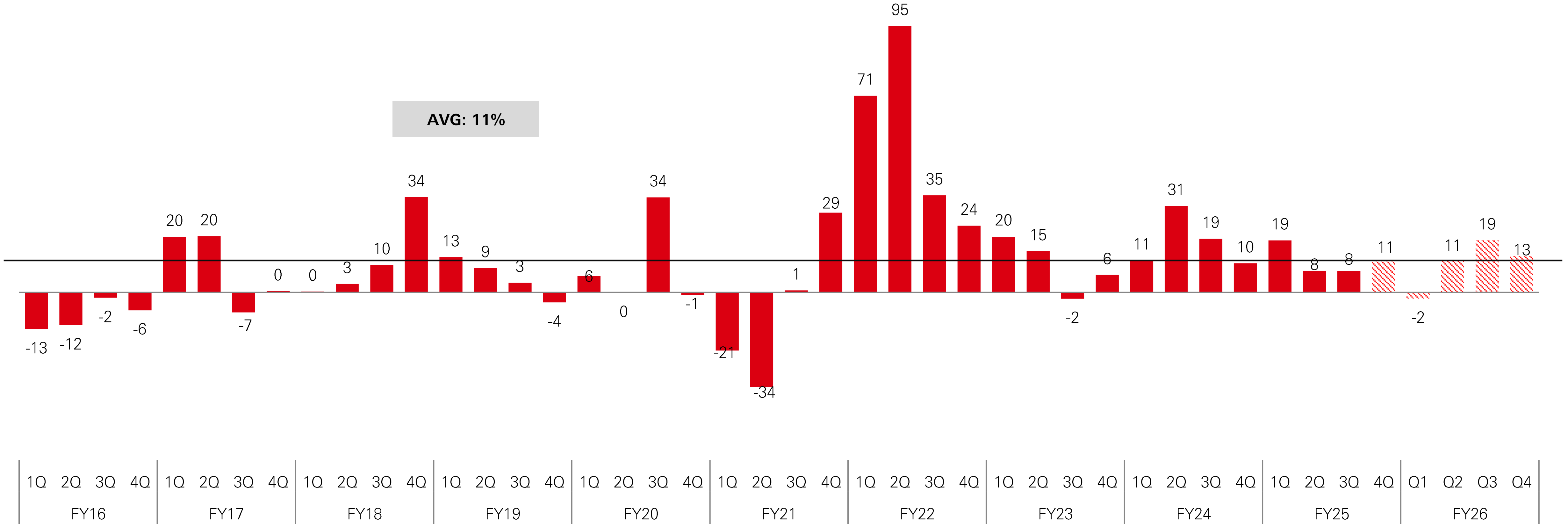
- After having snapped a three-month losing streak to make a strong recovery in March, the Indian equity markets registered another month-on-month gain in April.
- The market saw some losses at the beginning of the month because of fears of a looming global trade war and recession caused by reciprocal tariffs imposed by the US on most countries (26% on India), fueling fears of a global trade war and recession.
- However, as the month progressed, these were gradually neutralised by growing hopes of a minimal impact of the tariffs on India, given the progress in India-US trade talks. Positive manufacturing data also led to some gains.
- The market was further boosted by a slowdown in foreign fund outflows supported by easing global tariff concerns and a weak dollar index.
- Some gains arose from investors' response to robust corporate earnings, especially in banking stocks.



Source –Crisil, Data as on 30 April 2025, 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.

Earnings growth – quarterly trend

Nifty 50 earnings



Nifty 50 EPS Growth (Y-o-Y)

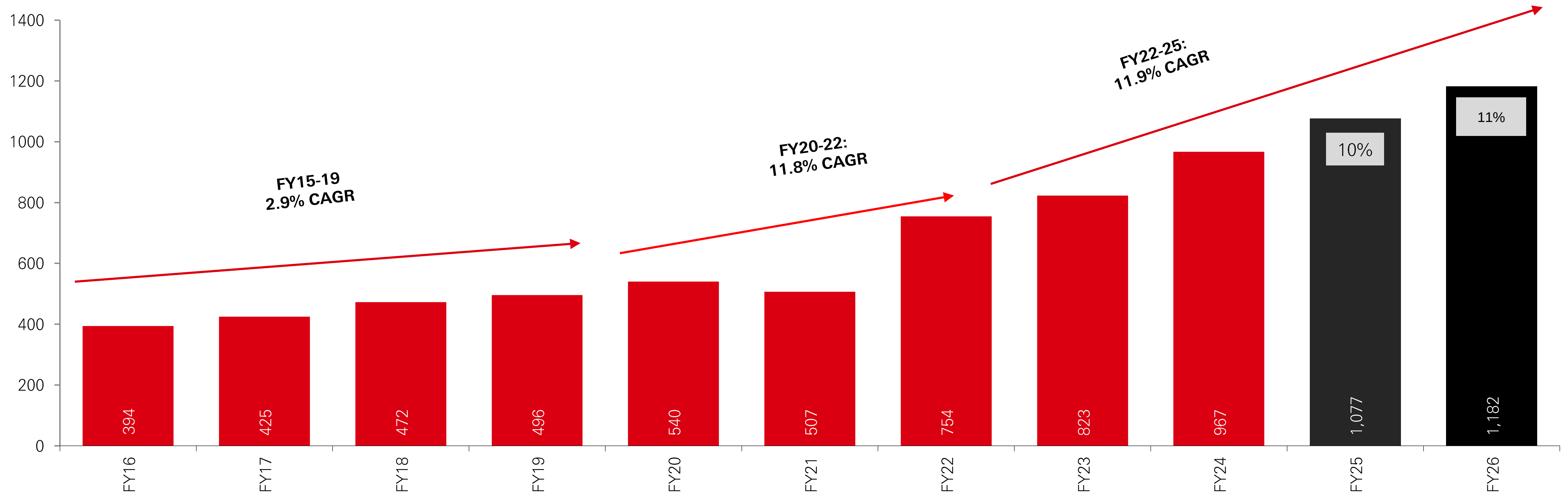
Estimates – shaded portion of FY25 and FY26

Source: Crisil, Bloomberg, Data as on 30 April 2025, Past performance may or may not be sustained in future and is not a guarantee of any future returns.

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.

Earnings trend

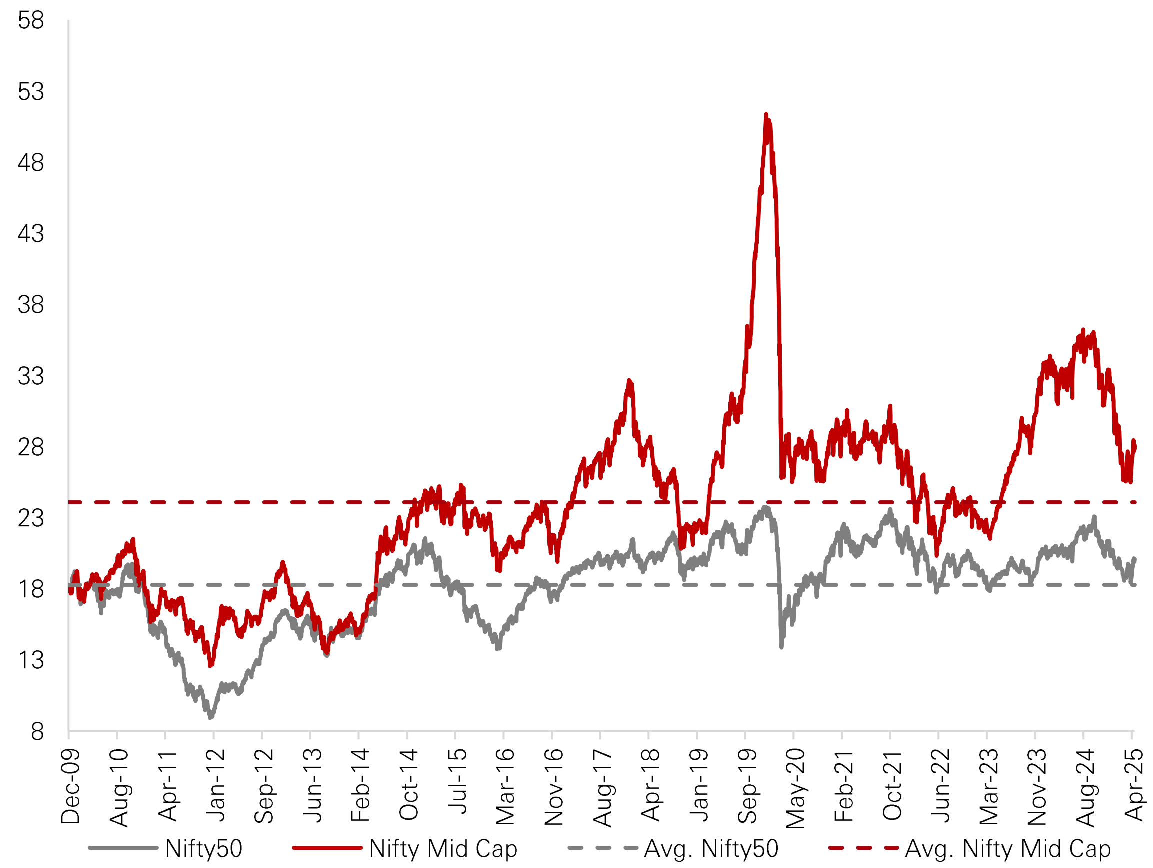
India - Equity earnings (Nifty 50 EPS)



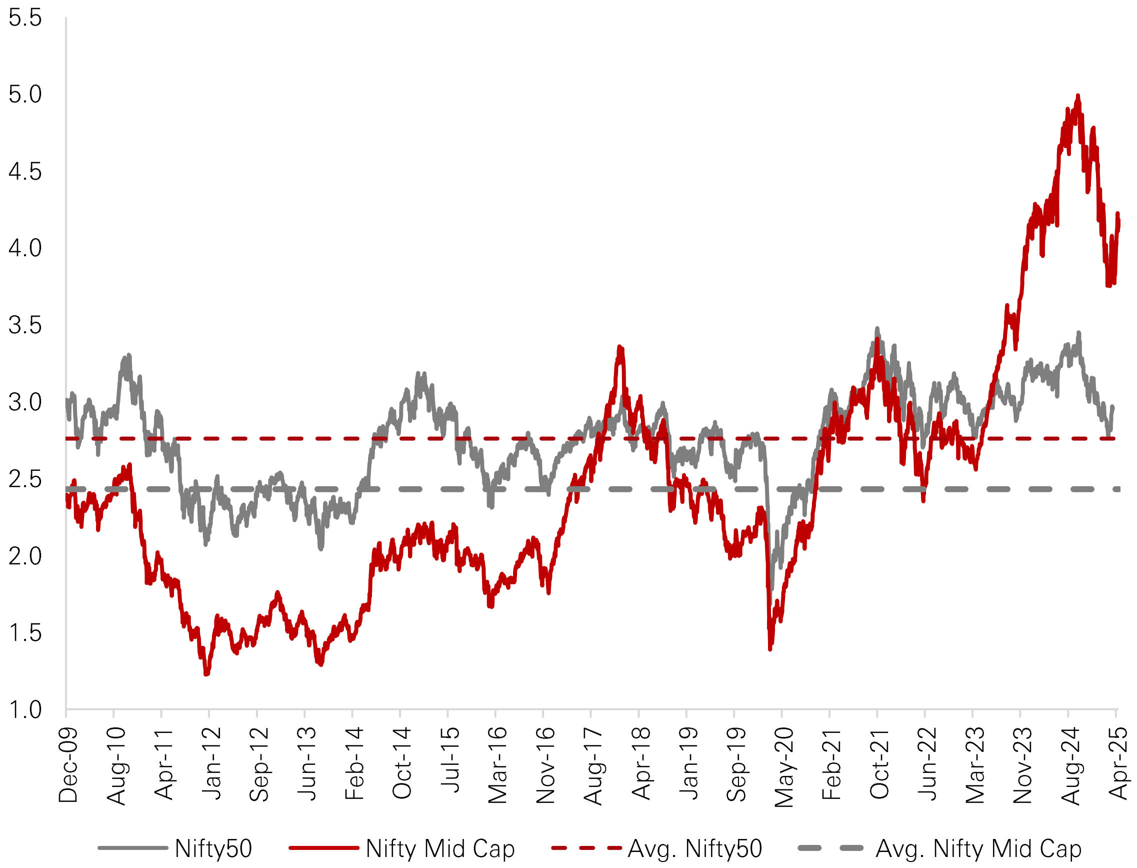
Note: Trailing 12M EPS (Earnings Per Share)
Black shaded columns are estimates of FY25 and FY26
Data for FY 26 is for only three quarters
Source: Crisil, Bloomberg, Data as on 30 April 2025, Past performance may or may not be sustained in future and is not a guarantee of any future returns.
Note-The 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.

Market valuations – Nifty 50 and Nifty Midcap 100

Large and Mid Cap - Price to Earnings (PE)



Large and Mid Cap - Price to Book (PB)



Source: Crisil, Bloomberg
Data as on 30 April 2025, Past performance may or may not be sustained in future and is not a guarantee of any future returns.
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.

Equity Market Outlook

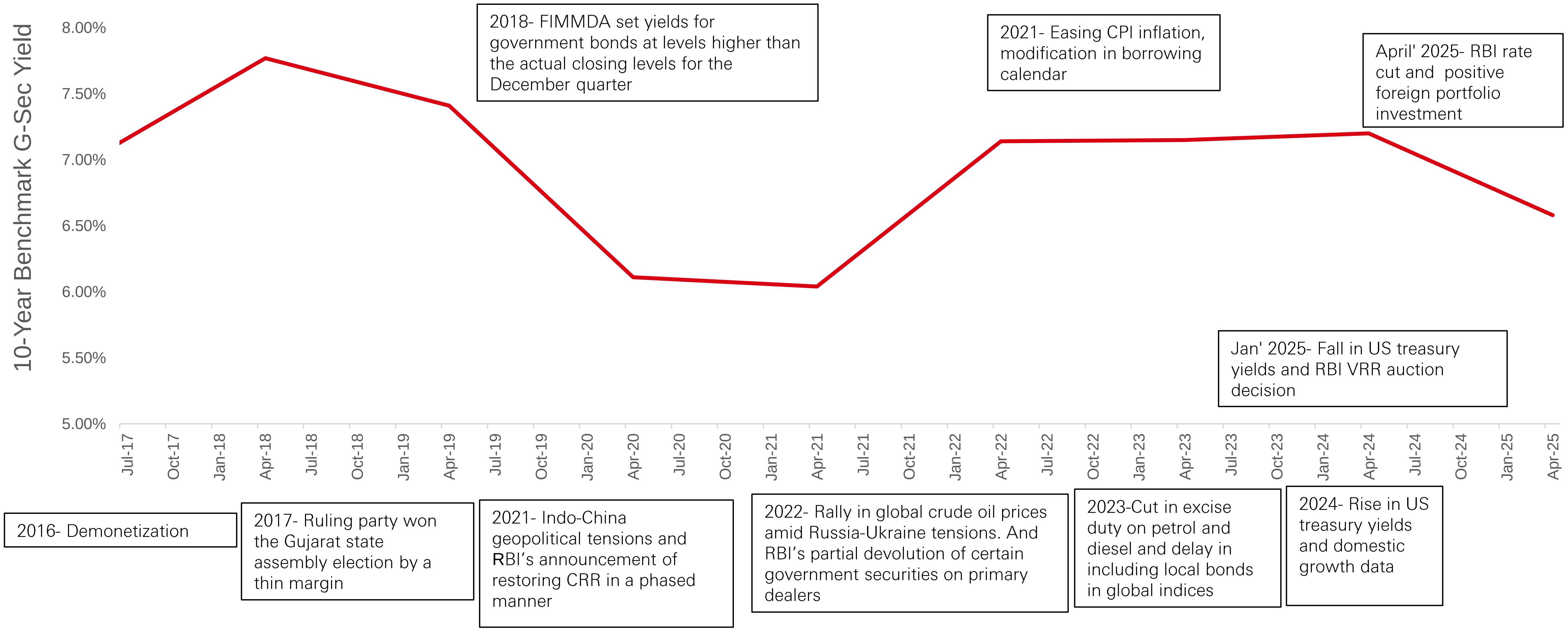
- Nifty consensus EPS estimate for CY25/26 got revised down by 2% / 3%, respectively during April.
- Along with the market recovery, Nifty now trades on 20.1x 1-year forward PE. This is now in-line with its 5-year average and a 10% premium to its 10-year average.
- Valuations in Midcap and Smallcap space have also moderated following the sharp correction over January and February.
- Global macro environment remains challenging with heightened geo-political and economic uncertainties.
- Announcement of 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. RBI is also now trying to ease policy rates and liquidity conditions rapidly.
- With USD weakening and decline in crude prices the room for easing has increased further. Most economists now expect another 50bps of rate cut from the RBI during the calendar year. Forecast of an above normal monsoon is also a positive for rural demand.
- Growth cycle in India may be bottoming out. Interest rate and liquidity cycle, decline in crude prices and normal monsoon are all supportive of a pick-up in growth going forward.
- Although, global trade related uncertainty remains a headwind to private capex in the near term, 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. 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 30 April 2025, Past performance may or may not be sustained in future and is not a guarantee of any future returns.
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.

Domestic Debt

History of Debt Markets through major events

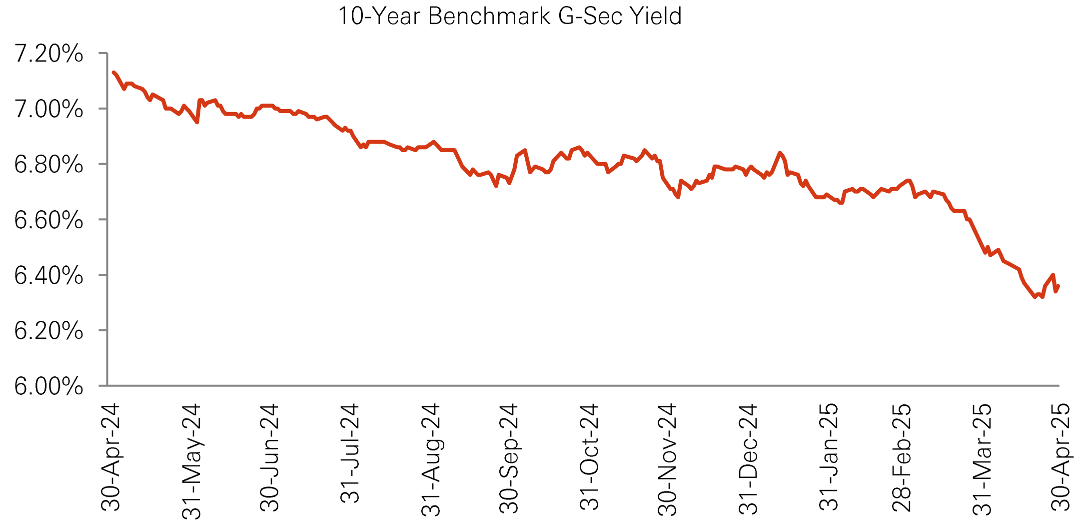
10-year G-Sec yield movement through major events

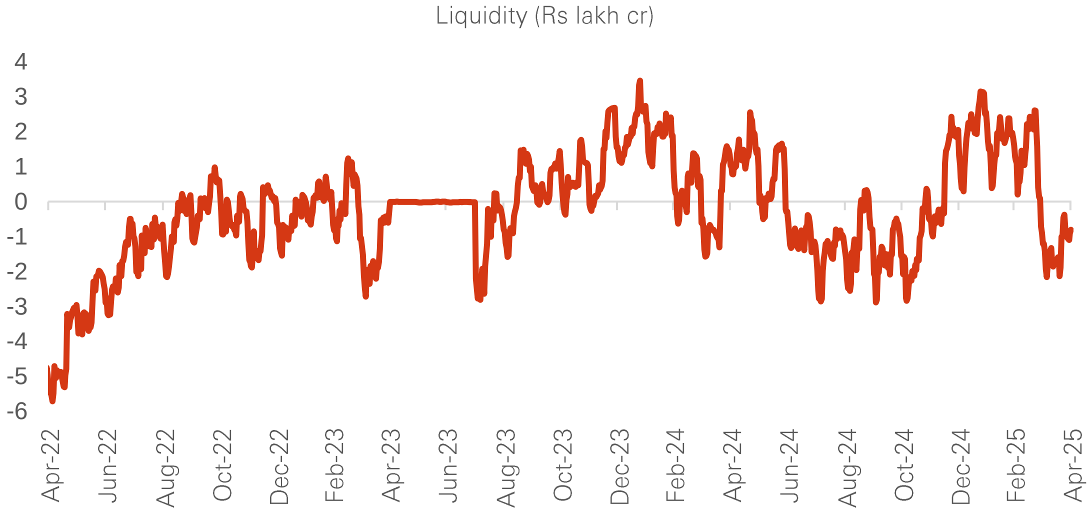


Source: NSE, Crisil, Data as on 30 April 2025, Past performance may or may not be sustained in future and is not a guarantee of any future returns.
The sector(s)/stock(s)/issuer(s) mentioned in this document do not constitute any research report nor it should be considered as an investment research, investment recommendation or advice to any reader of this content to buy or sell any stocks / investments. 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.

History of Debt Markets through major events

- Interbank call money rates remained below the newly set repo rate of 6.0% during April, with the WACR for the month coming in at around 5.94%.
- Meanwhile, the RBI's policy rate cuts, coupled with positive foreign portfolio investments into the Indian debt market, pushed yields on 10-year benchmark government bonds to their lowest levels in over three years. Accordingly, the yields eased from 6.58% in March-end to 6.36% on April 30.
- Bond prices rose sharply at the start of the month ahead of the April monetary policy meeting, following the RBI's announcement of its decision to buy bonds worth Rs 80,000 crore in open market operation (OMO) purchase auctions in four tranches. The rally in the prices was also brought about by expectations of monetary easing amid rising concerns over sweeping tariffs by the US and the possibility of a looming recession.
- The RBI's announcement of a rate cut at its monetary policy meeting and the change in its stance from 'neutral' to 'accommodative' raised hopes for further rate cuts, thereby leading to a fall in the yields.
- As the month progressed, the central bank's infusion of liquidity into the system, softer-than-expected domestic inflation and strong demand for bonds ahead of the RBI's debt purchase kept bond prices high.

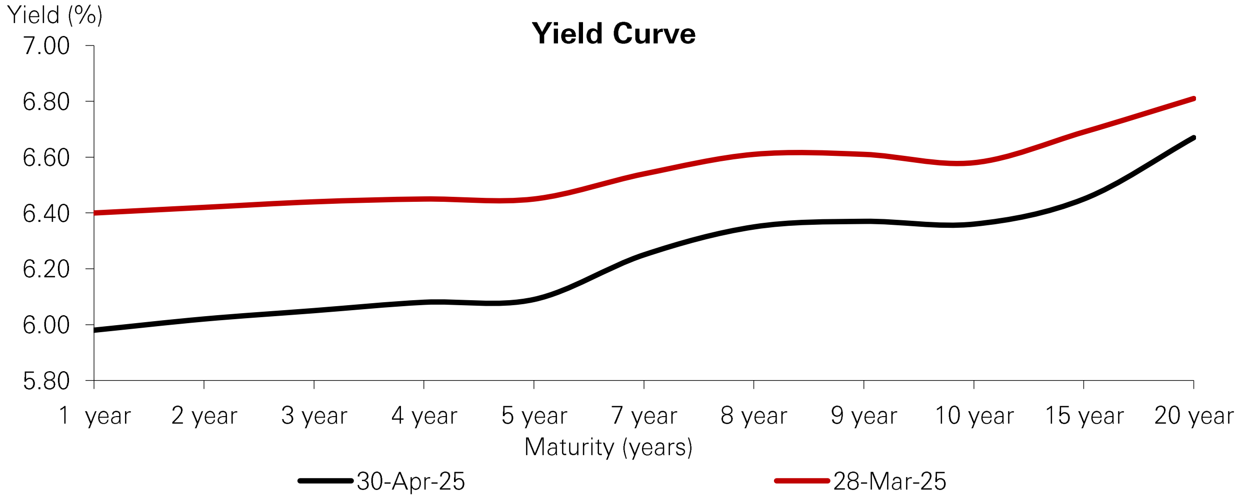


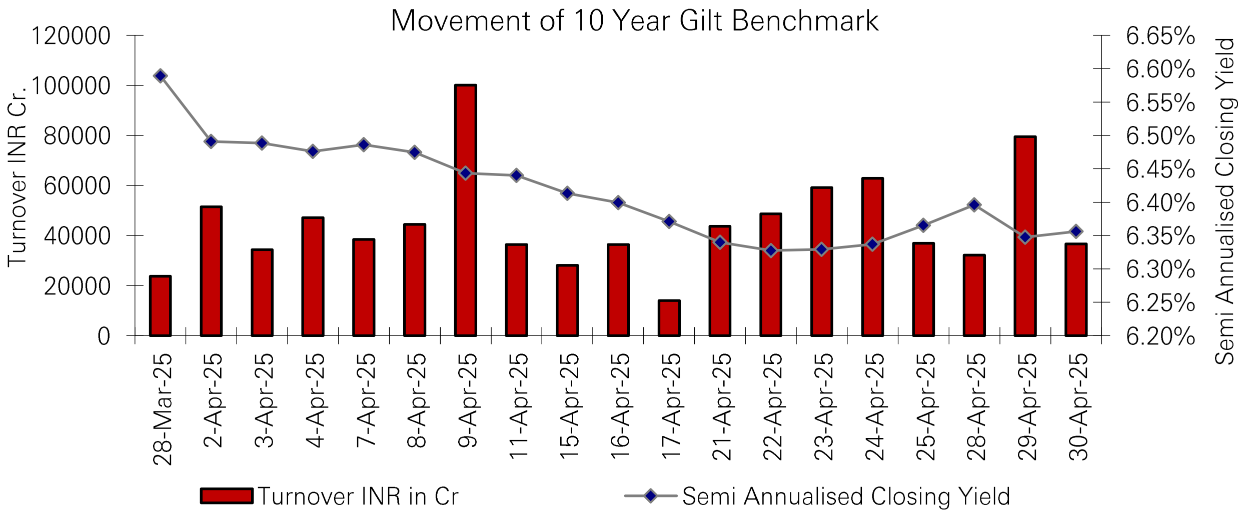


Source: NSE, Crisil, Data as on 30 April 2025, Past performance may or may not be sustained in future and is not a guarantee of any future returns.
Note-The details provided above is as per the information available in public domain at this moment and subject to change. Please consult your financial 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.

Debt Market Review

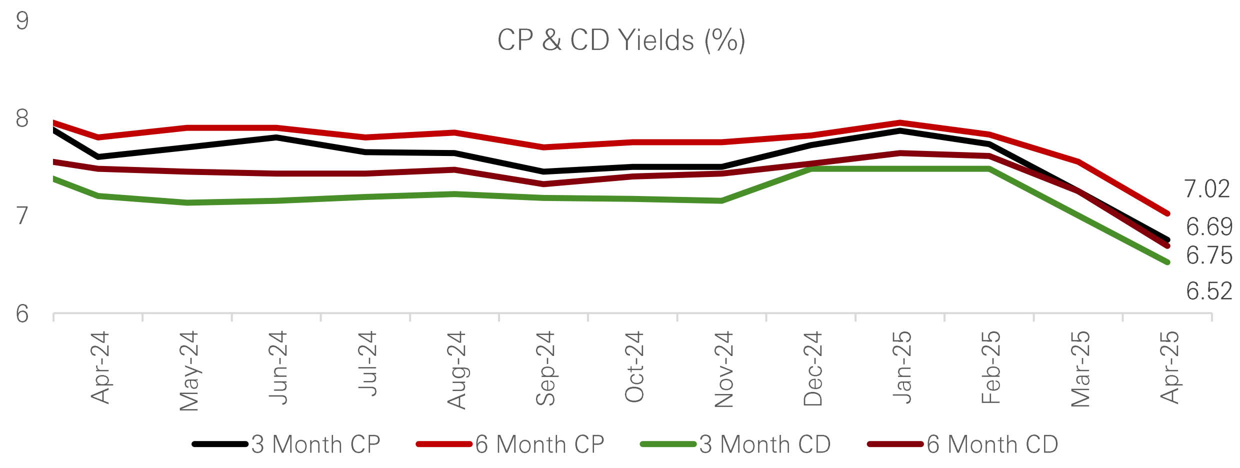
Debt Market Indicators	30-Apr-25	28-Mar-25
Call Rate	6.00%	7.00%
3-mth CP rate	6.75%	7.25%
5 yr Corp Bond	6.99%	7.11%
10 Yr Gilt	6.36%	6.58%
Repo	6.00%	6.25%
SDF	5.75%	6.00%
CRR	4.00%	4.00%
1-Month CD	6.49%	7.10%
3-mth CD rate	6.52%	7.00%
6-Month CD	6.69%	7.25%

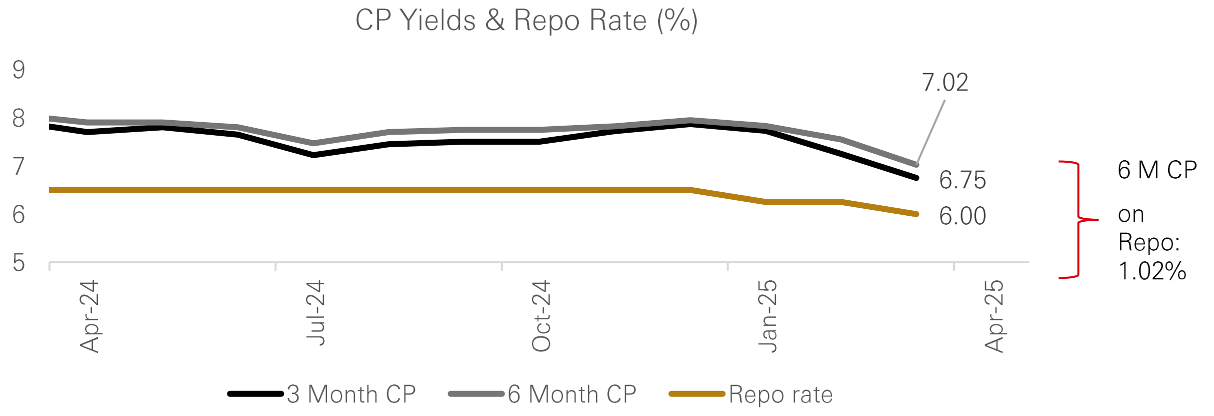




Source: Crisil Fixed Income database
Data as on 30 April 2025, Past Performance may or may not be sustained in future. Investors should not consider the same as investment advice
Note-The details provided above is as per the information available in public domain at this moment and subject to change. 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.

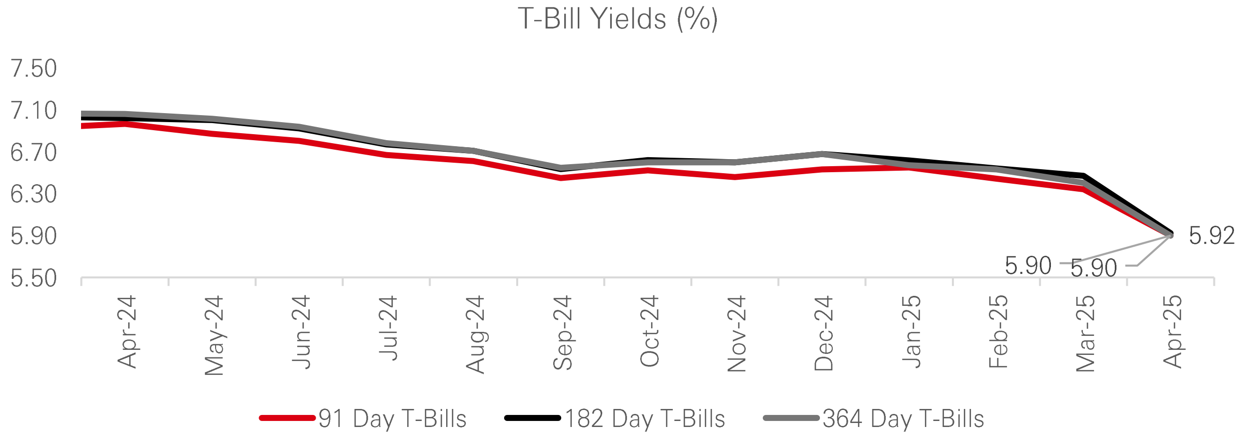
Debt Market Review

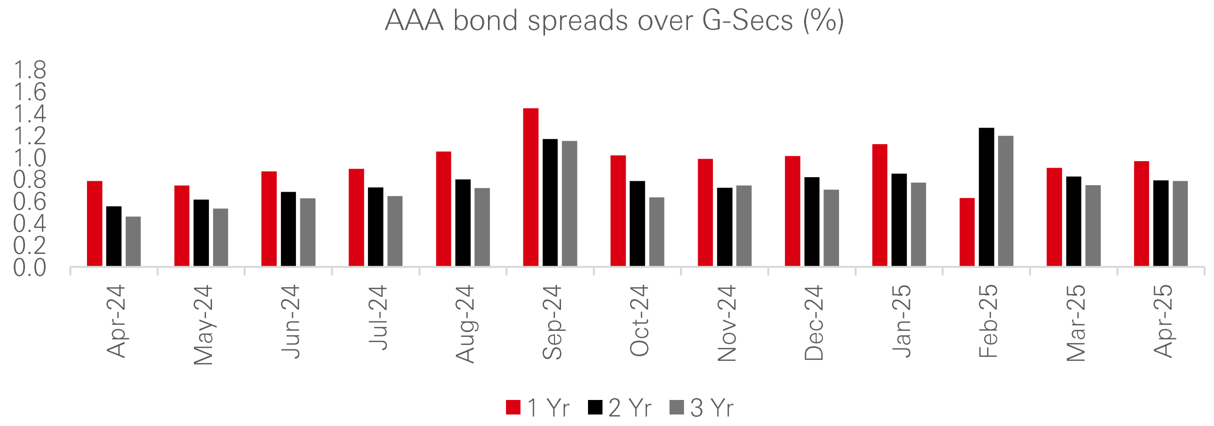




CP and CD largely steady in April

Spread of CPs over repo rate at 1.02% in April



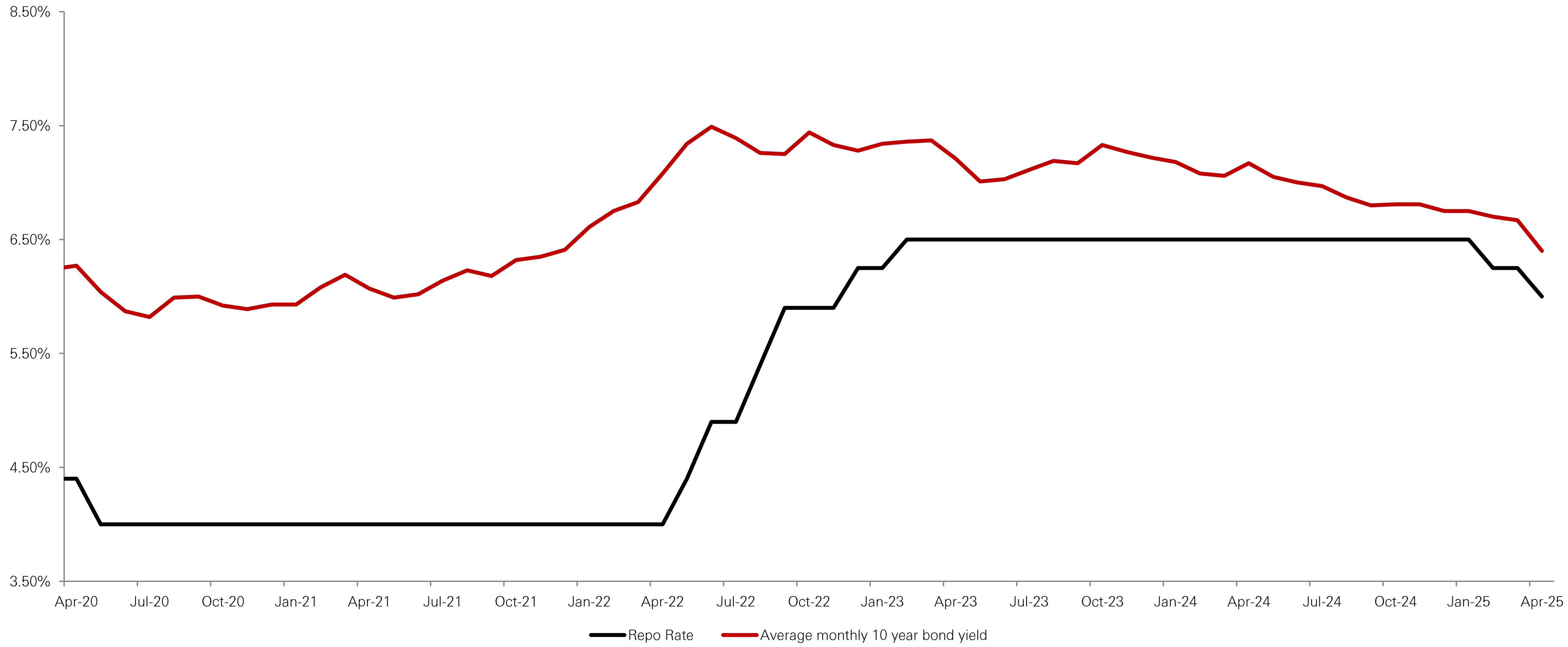


T-Bill yields were steady in April

AAA corporate bond spreads were steady in April

Source: Crisil, Data as on 30 April 2025, Past performance may or may not be sustained in future and is not a guarantee of any future returns.
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.

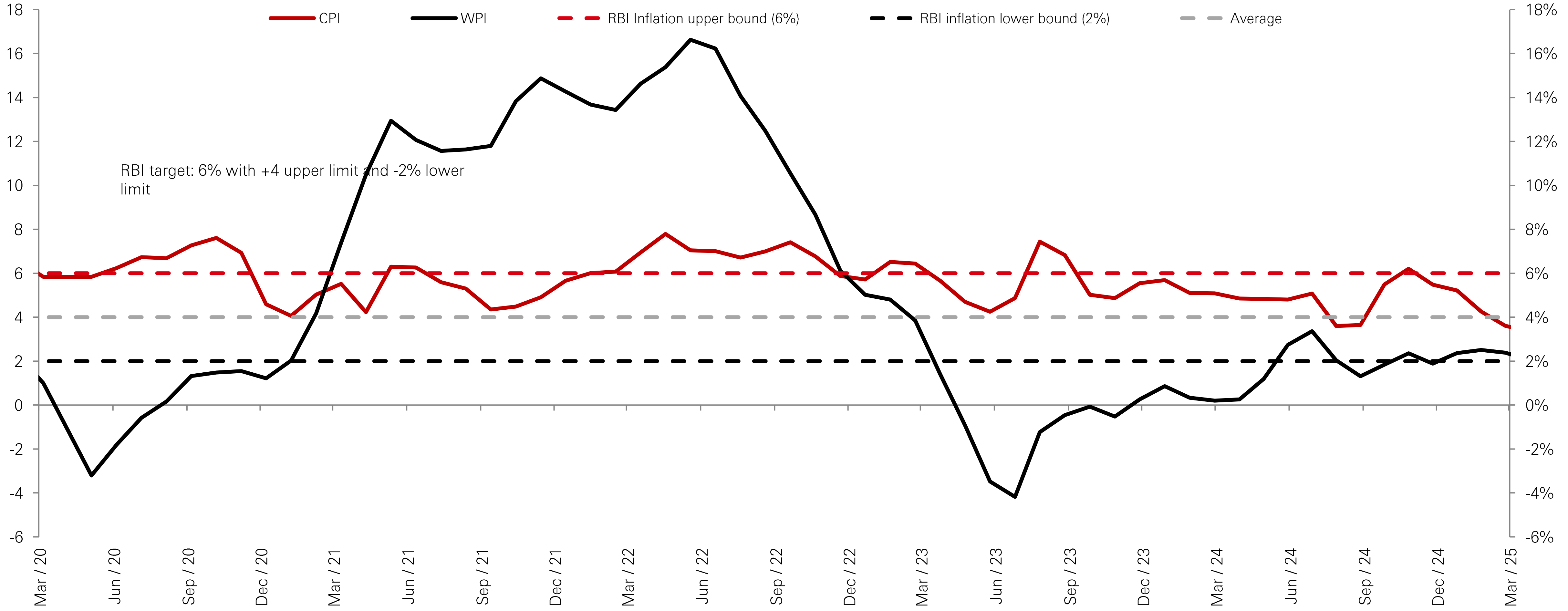
RBI Repo Rate reduced to 6.00% April policy meet



Source: RBI, Crisil, Data as on 30 April 2025
Past performance may or may not be sustained in future and is not a guarantee of any future returns.
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.

Inflation target and trend

CPI inflation below the RBI's max target range



Source: Crisil, MOSPI, RBI, Data as on 30 April 2025, Past performance may or may not be sustained in future and is not a guarantee of any future returns.
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.

Debt Market Outlook

- To summarize the month of April in one befitting acronym is VUCA - volatility, uncertainty, complexity and ambiguity - as US administration imposed a 10% tariff on all countries and individualized reciprocal tariffs on nations with which the US has the largest trade deficits.
- The IMF estimates trade barriers to shave-off global growth by ~US$ 2 tn in CY26. For most economies, the IMF has revised lower its growth estimates which is a result of greater policy uncertainty, trade tensions, and a softer demand outlook.
- Amid all the tariff uncertainty, India's macros remain on a strong foothold.
- Due to the tariff war and global outlook, demand for safe-haven assets has led to capital outflows and weighed on EM currencies, incl. India.
- With a 90-day pause in reciprocal tariffs, scope of reaching bilateral agreements and the dollar softening, the EM currencies by end-April pared losses while some pairs like the USDINR have appreciated.
- India's exposure to the US, its trade diplomacy and the RBI's steady hand & its policy approach have put India on the leaderboard amid the tariff concerns that has eclipsed business and growth outlook, globally.
- India's cooling inflation has provided the RBI-MPC to focus on supporting growth by way of policy easing and adopting an accommodative stance.
- The RBI's proactive steps to inject liquidity into the system have buoyed market sentiments, especially for bond investors, and market participants are pricing in a deeper rate cut cycle by the RBI-MPC with 50 bps done and at least another 50 bps in CY25.
- We expect a 25 bps rate cut at the June policy underpinned by system liquidity surplus which in turn is expected to keep interest rates soft. Given this backdrop, we continue to maintain a positive duration bias across the funds.

Source: HSBC Asset Management, India, Data as on 30 April 2025, Past performance may or may not be sustained in future and is not a guarantee of any future returns.
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.

Domestic Economy

Indian Economic Environment

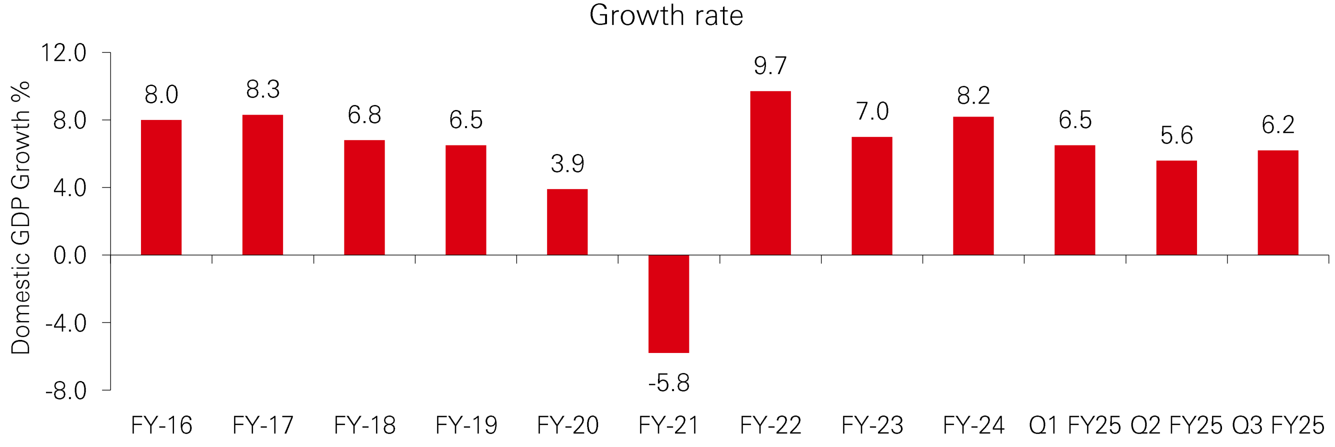
	Indicators	Apr-25	Mar-25	Feb-25	Jan-25	Dec-24	Nov-24	Oct-24	Sep-24	Aug-24	Jul-24	Jun-24	May-24	Apr-24
Debt Indicators	Currency in circulation (Rs billion)	37762	36997	36444	35892.682	35,643	35,589	35,103	34,994	35,231	35,600	35,814	35,792	35,455
	Repo rate	6.00%	6.25%	6.25%	6.50%	6.50%	6.50%	6.50%	6.50%	6.50%	6.50%	6.50%	6.50%	6.50%
	10-year G-sec yield	6.36%	6.58%	6.72%	6.69%	6.76%	6.75%	6.85%	6.75%	6.86%	6.92%	7.01%	6.99%	7.20%
	Call rate	6.00%	7.00%	6.50%	6.65%	6.00%	6.70%	5.75%	6.24%	6.50%	6.50%	6.25%	6.24%	6.70%
	Forex reserves ($ billion; mthly. avg.)	682	658	638	628.9	648.1	666.1	693.9	688.7	673.8	661.7	653.5	643.8	644.4
Economy	GDP	NA	NA	NA	NA	6.20%			5.60%			6.50%		
	Fiscal deficit (Rs billion)	NA	NA	1773.1	2554.53	674.95	957.7	276.3	393.44	1582.31	1412.33	850.97	-1595.21	2101.36
	Gross Tax Collections (Rs crore)	NA	NA	219,870	233,928	489,453	228,341	218,792	481,120	248,493	253,432	371,168	204,623	255,006
	IIP, %y/y	NA	3.00%	2.90%	5.00%	3.20%	5.20%	3.50%	3.10%	-0.10%	4.70%	4.70%	5.90%	5.00%
	Exports, $ billion	NA	41.97	36.91	36.43	38.0	32.1	39.2	34.6	34.7	34.0	35.2	38.13	34.99
	Imports, $ billion	NA	63.51	50.96	59.42	60.0	70.0	66.3	55.4	64.4	57.5	56.2	61.9	54.1
	Manufacturing PMI	58.2	58.1	56.3	57.7	56.4	56.5	57.5	56.5	57.5	58.1	58.3	57.5	58.8
	Services PMI	58.7	58.5	59.0	56.5	59.3	58.4	58.5	57.7	60.9	60.3	60.5	60.2	60.8
	GST collections (Rs crore)	236,716	196,141	183,646	195,506	176,857	182,269	187,346	173,240	174,962	182,075	173,813	172,739	210,267
	CPI inflation, % y/y	NA	3.34%	3.61%	4.31%	5.22%	5.48%	6.21%	5.49%	3.65%	3.60%	5.08%	4.80%	4.83%
	WPI inflation, % y/y	NA	2.05%	2.38%	2.31%	2.37%	1.89%	2.36%	1.84%	1.31%	2.04%	3.36%	2.61%	1.26%
	India crude oil import (mbpd)	NA	22.7	19.1	20.8	20.0	19.1	19.5	18.8	19.1	19.44	18.81	22.03	21.44
Sector update	Auto – Passenger vehicles	NA	2.4%	2.4%	2.3%	9.8%	20.6%	15.2%	3.7%	-2.2%	-2.3%	4.3%	20.5%	35.40%
	Auto – Two-wheelers	NA	11.4%	-9.0%	2.1%	-8.78%	-1.15%	14.16%	15.78%	9.57%	12.45%	19.51%	1.09%	22.78%
	Auto – Commercial vehicles	NA	-1.0%	-3.3%	0.6%	3.38%	13.79%	1.48%	-22.02%	-11.63%	-12.29%	-8.30%	-0.10%	14.40%
	Auto – Tractors	NA	25.4%	13.6%	11.4%	13.99%	-1.34%	22.37%	3.72%	-5.85%	1.61%	3.60%	0.00%	-3.00%
	Banks – Deposit growth	10.20%	10.60%	10.60%	10.7%	11.50%	11.20%	11.80%	11.60%	10.90%	11.30%	11.80%	13.30%	12.50%
	Banks – Credit growth	10.30%	11.80%	11.30%	11.90%	11.28%	11.20%	11.70%	13.00%	13.50%	13.90%	19.30%	19.50%	19.10%
	Infra – Coal	NA	1.6%	1.7%	4.6%	5.30%	7.50%	7.80%	2.60%	-8.10%	6.80%	14.80%	10.20%	7.50%
	Infra – Electricity	NA	6.20%	3.6%	2.4%	6.20%	4.40%	2.00%	-0.50%	-3.70%	7.90%	8.60%	13.70%	10.20%
	Infra – Steel	NA	7.10%	6.9%	4.7%	7.30%	10.50%	5.70%	1.80%	4.10%	7.00%	6.30%	8.90%	9.80%
	Infra – Cement	NA	11.60%	10.8%	14.6%	4.60%	13.10%	3.10%	7.20%	-2.50%	5.10%	1.80%	-0.60%	0.20%

Source – Crisil, Mospi, Financial Websites, RBI, PIB Data as on 30 April 2025

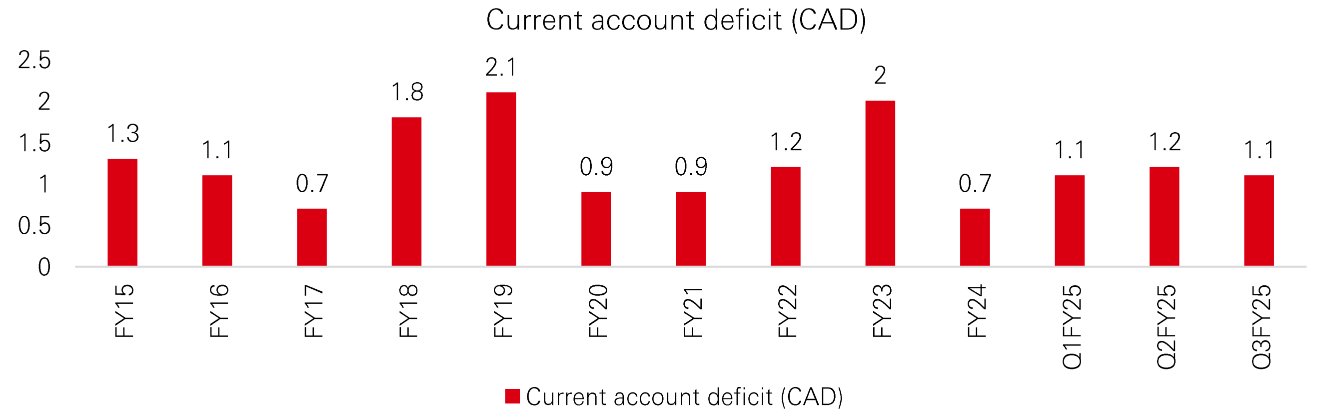
Indian Economic Environment

Growth outlook for India remains positive despite escalating trade tensions and global uncertainties

- The International Monetary Fund (IMF), for instance, pared its fiscal 2026 growth forecast for India by 30 basis points (bps) to 6.2% in its latest World Economic Outlook (WEO) report. Likewise, the World Bank trimmed its fiscal 2026 growth forecast for India by 40 bps to 6.3%, citing an "increasingly challenging global environment".
- Nevertheless, the Reserve Bank of India (RBI) expects continued rural demand and improving urban consumption to spur growth of 6.5% in India's gross domestic product (GDP).
- To support this growth, the apex bank, in its recent Monetary Policy Committee (MPC) meeting, slashed the policy repo rate by 25 bps to 6.0%, subsequently making adjustments to the standing deposit facility, marginal standing facility, and bank rates as well



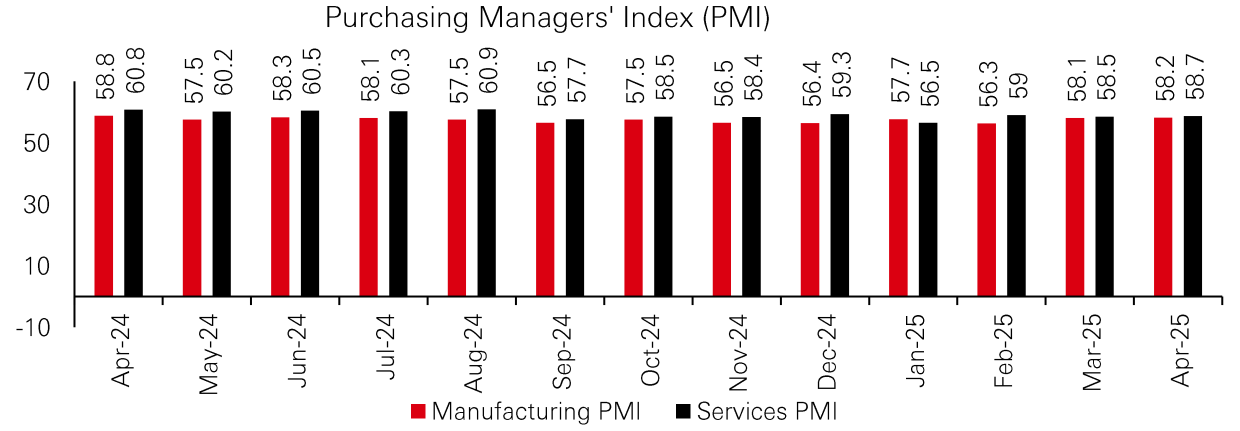
Gross domestic product expanded to 6.2% in Q3 of fiscal 2025



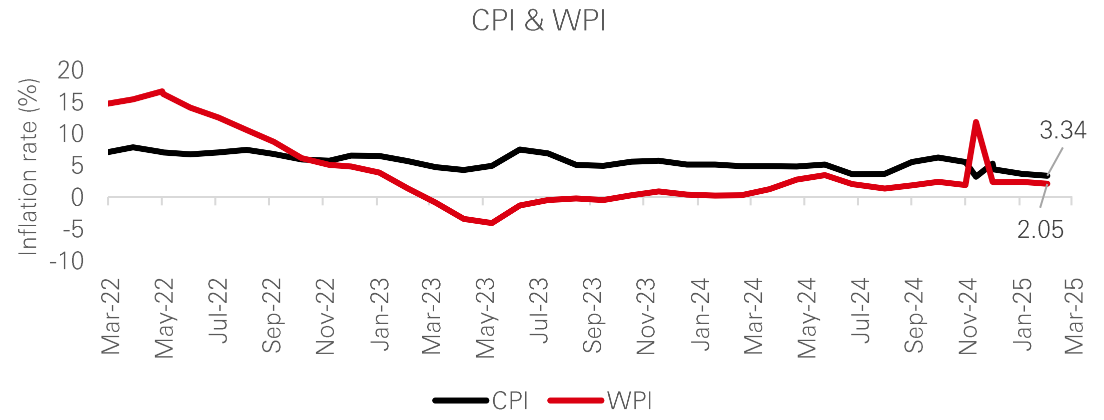
Current account deficit expanded to 1.1% of GDP for Q3 of fiscal 2025

Source – Crisil, Mospi, Data as on 30 April 2025
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.

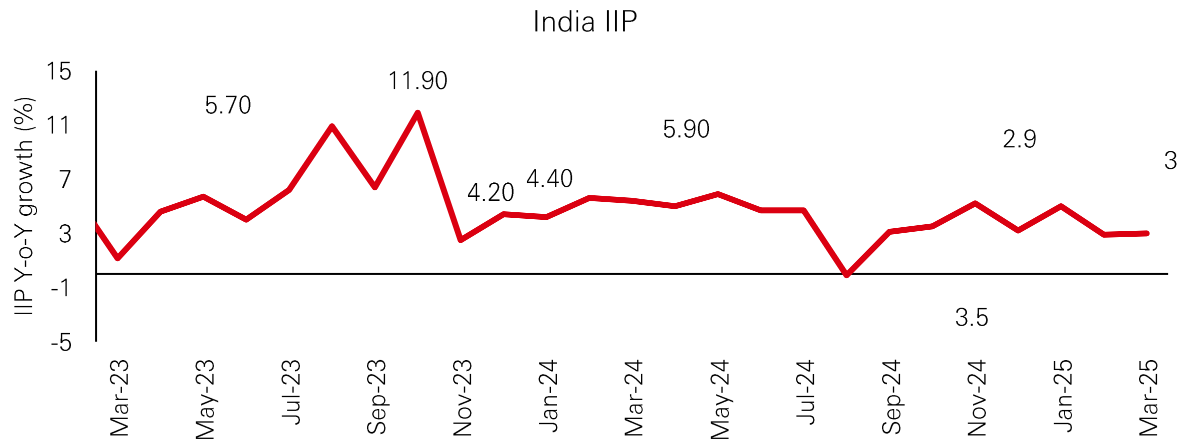
Indian Economic Environment



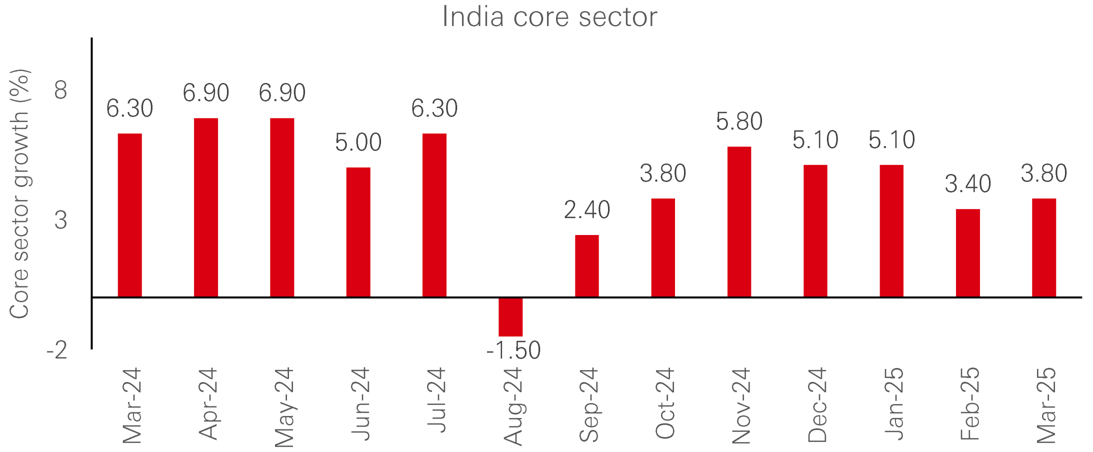
Domestic manufacturing and services activity rose in April



Retail inflation and wholesale inflation eased in March



Industrial output growth rose in March

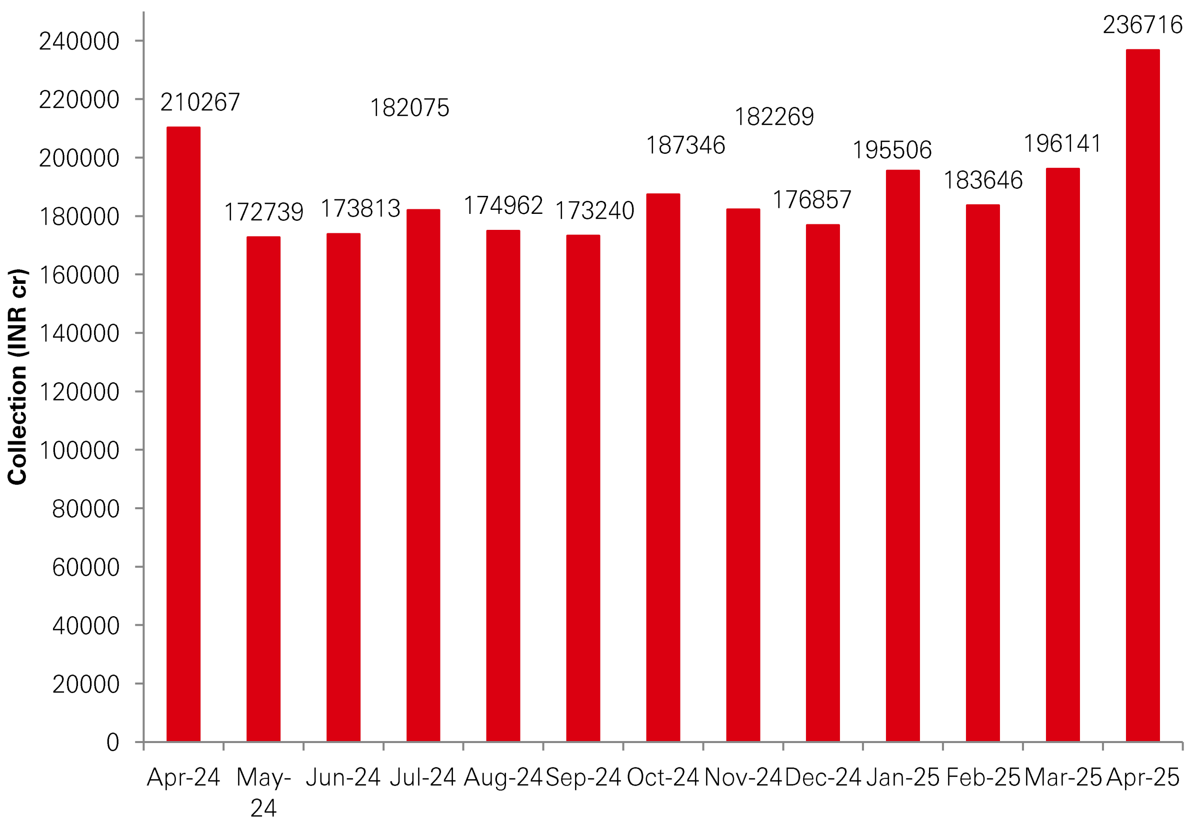


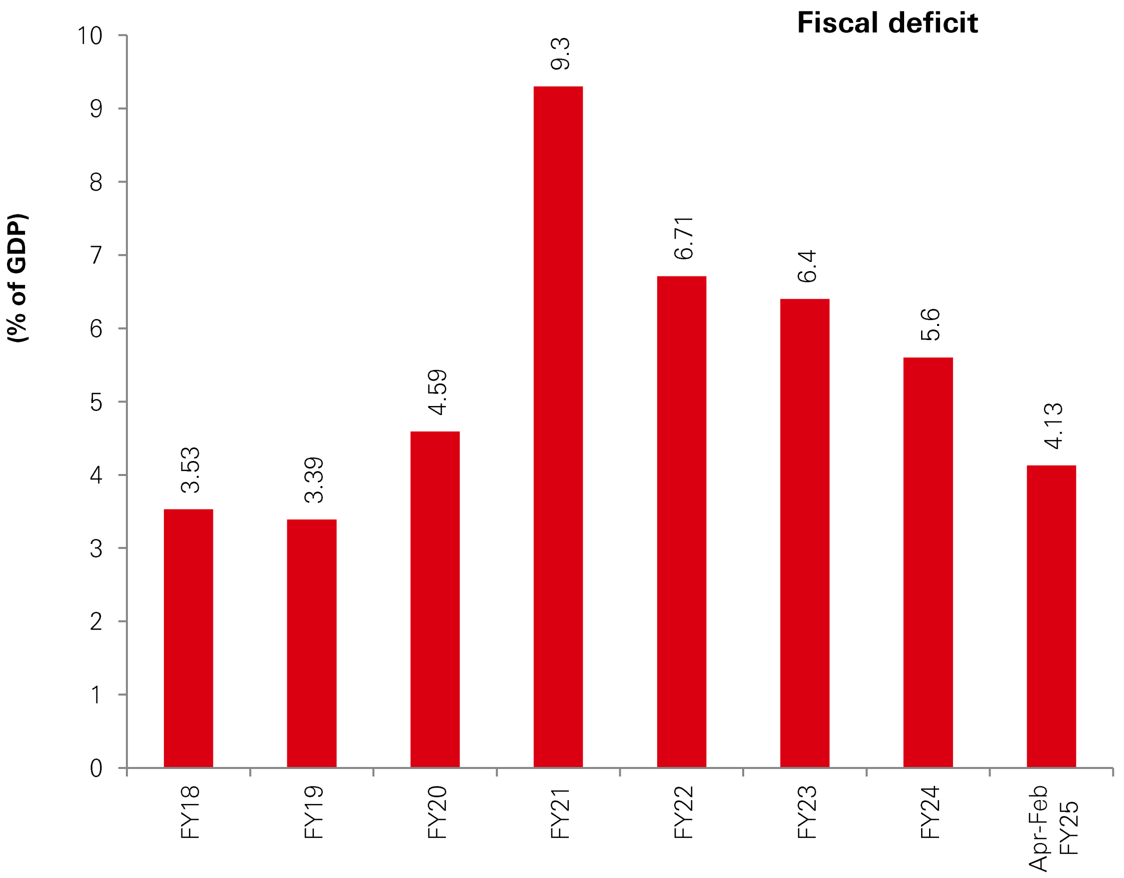
Core sector growth rose in March

Source –Crisil, Trading Economics, MOSPI, EAI, Data as on 30 April 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.
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.^- Sources- https://www.rbi.org.in/
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.

GST collection INR 2.36 lakh crore in April

As per reports, the government collected INR 2.36 lakh crore goods and services tax (GST) for the month of April.
Fiscal deficit stood at 4.13% of GDP for Apr-Feb FY25.





Source- Crisil, gst.gov.in, Data as on 30 April 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
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.

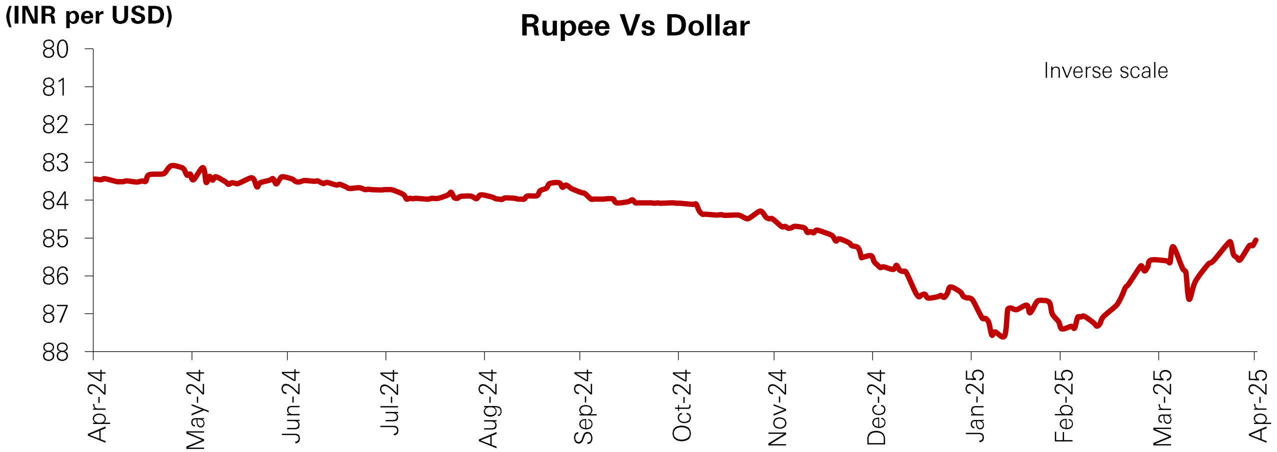
Currency & Commodity market update

Forex Market Review

Indian rupee gained in April

- The Indian rupee ended April at 85.05 against the US dollar, appreciating by over half a percent from 85.58 on March 28.
- The Indian currency rose through the month owing to persistent foreign portfolio inflows, a weaker dollar index and softening global crude oil prices. Positive domestic cues, including upbeat inflation data and resilient equity markets, also boosted the sentiment.
- However, the rupee's trajectory was not without volatility. Geopolitical tensions between India and Pakistan, intermittent strength in the dollar index and prevailing global trade uncertainties occasionally weighed on the currency. Despite these headwinds, strong macro fundamentals and optimism over progress in US-India trade relations helped the rupee gain.

Rupee Movement V/s Global Currencies				
	30-Apr-25	28-Mar-25	Change	% Change
USD	85.05	85.58	-0.53	-0.62%
GBP	113.88	110.74	3.14	2.83%
EURO	96.74	92.32	4.41	4.78%
100 YEN	59.62	56.75	2.87	5.06%



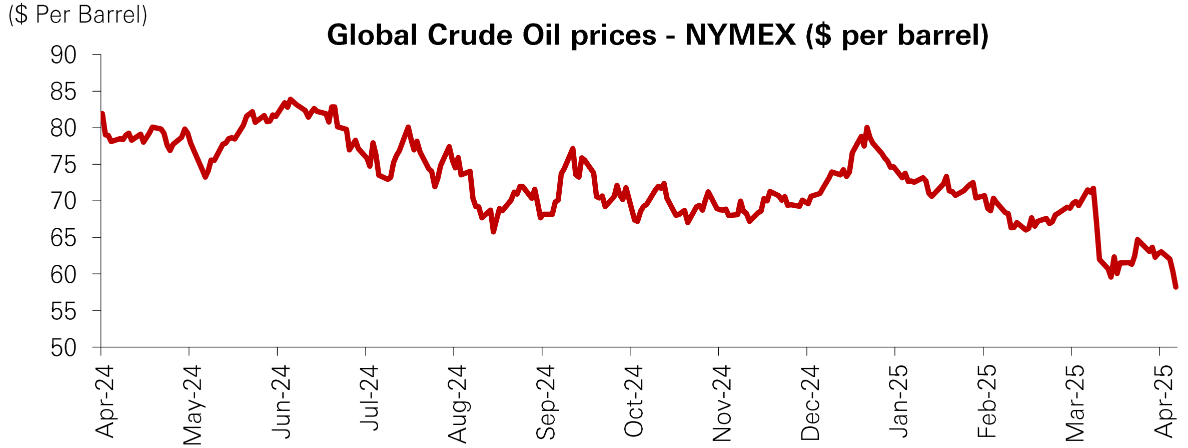
Rupee recovered due to persistent foreign fund inflows

Source: RBI, Crisil. Data as on 30 April 2025, Past performance may or may not be sustained in future and is not a guarantee of any future returns. US- United States
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.

Commodity Market Review

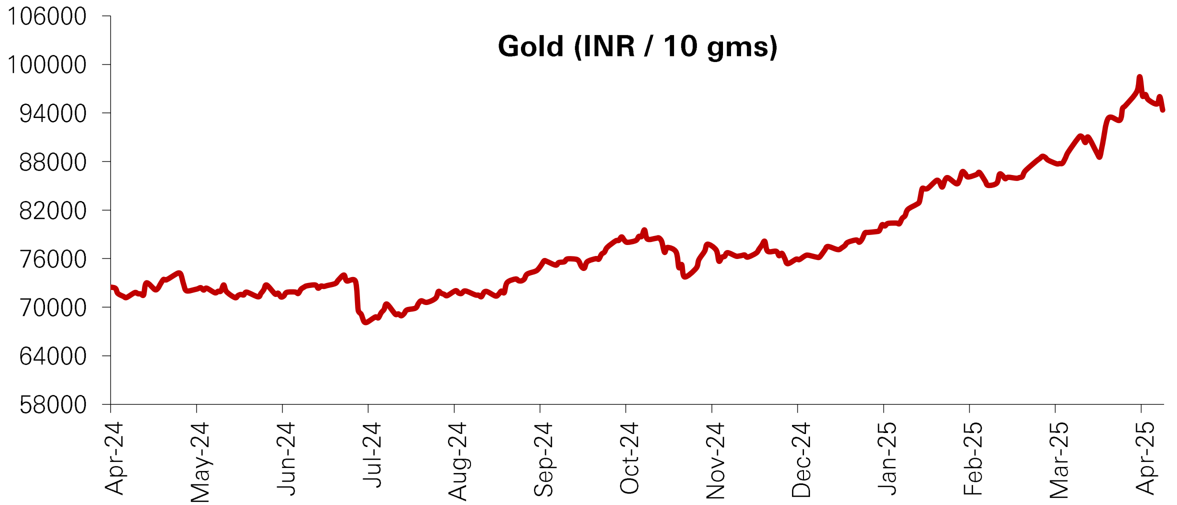
International crude oil fell in April

- Crude oil prices on the New York Mercantile Exchange closed at $58.21 per barrel on April 30, 2025, down 16.08% from $69.36 per barrel on March 28.
- The prices declined mainly owing to fears that escalating trade tensions are likely to slow down global economy, which, in turn, may pull down oil demand. Worries of a global trade war flared up last month after US President imposed unprecedentedly high tariffs on imports into the country.



Domestic gold rose in April

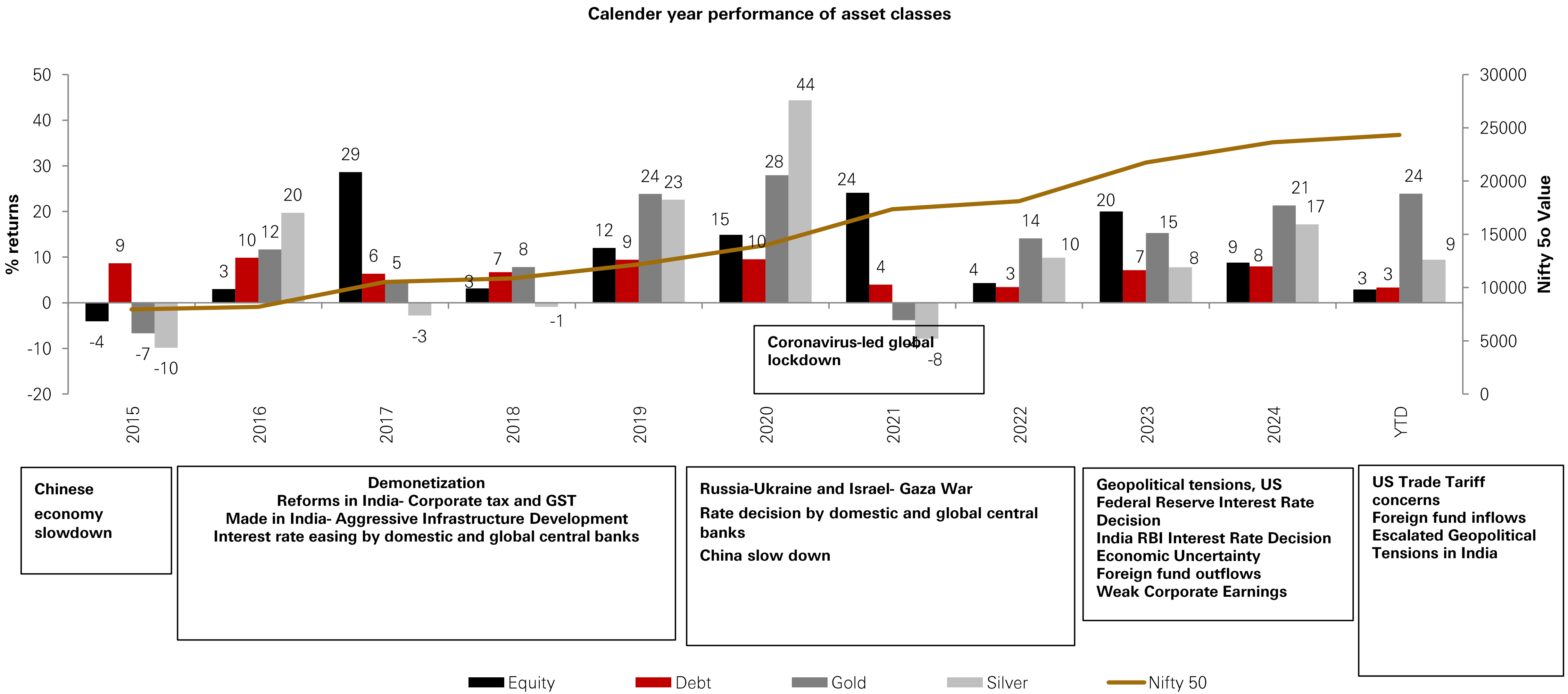
- Gold prices ended at Rs 94,361 per 10 grams on April 30, 2025, up 5.83% from Rs 89,164 per 10 grams on March 28, 2025, according to the India Bullion and Jewellers Association Ltd.
- Gold prices began the month on a higher note owing to rising safe-haven demand on account of mounting concerns about global economic growth and trade war.



Source – Crisil, NYMEX. IBJA Data as on 30 April 2025.
Past performance may or may not be sustained in future and is not a guarantee of any future returns.
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.

Asset Performance

History of asset classes through major events

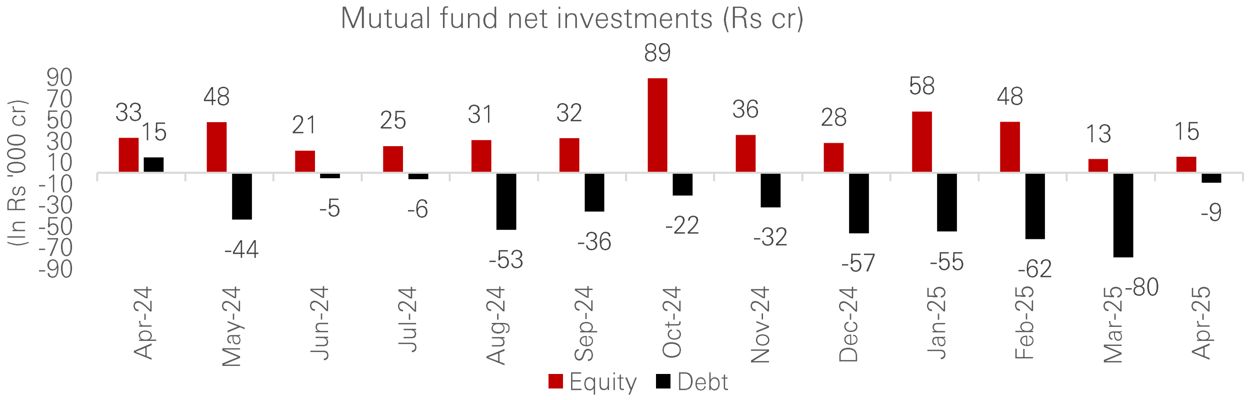


Chinese economy slowdown	Demonetization Reforms in India- Corporate tax and GST Made in India- Aggressive Infrastructure Development Interest rate easing by domestic and global central banks	Russia-Ukraine and Israel- Gaza War Rate decision by domestic and global central banks China slow down	Geopolitical tensions, US Federal Reserve Interest Rate Decision India RBI Interest Rate Decision Economic Uncertainty Foreign fund outflows Weak Corporate Earnings	US Trade Tariff concerns Foreign fund inflows Escalated Geopolitical Tensions in India

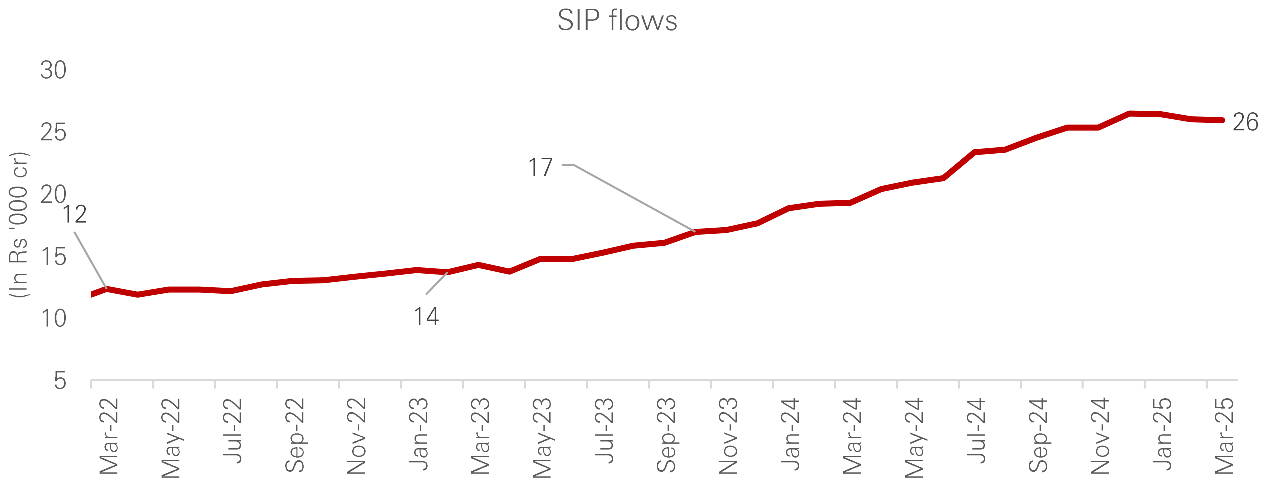
Equity- Nifty 50, Debt- Crisil short duration debt index
Gold and silver returns are based on spot rates from India Bullion and Jewellers Association (IBJA) and MCX
Source: NSE, CRISIL, Data as on 30 April 2025, Past performance may or may not be sustained in future and is not a guarantee of any future returns.
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.

Market sentiment in April 2025

Mutual funds net buyers in equity and sellers in debt



Inflows through SIPs steady in March 2025



- Assets under management (AUM) of the domestic mutual fund (MF) industry rose 1.87% (Rs 120,793 Crore in absolute terms) on-month in March to ~Rs 65.74 lakh crore, compared with Rs 64.53 lakh crore the previous month, predominantly led by equity-oriented mutual funds.
- Assets of open-ended equity funds rose 7.5% on-month to Rs 29.45 lakh crore in March. The category witnessed net inflow of Rs 25,082 crore in March compared with the inflow of Rs 29,303 crore in March.
- Assets of open-ended solution-oriented funds were up 5.71% on-month to Rs 51,182 crore in March compared with Rs 48,418 crore in February. The category's net inflow rose to Rs 241 crore in March compared with Rs 246 crore in February.
- Collections through systematic investment plans (SIP) continued their upward trend, touching Rs 25,926 crore in March compared with Rs 25,999 crore in February . However, the number of SIP accounts declined to 10.05 crore from 10.17 crore during the same period.

Source: Crisil, AMFI, Data as on 30 April 2025, Past performance may or may not be sustained in future and is not a guarantee of any future returns.
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.

Economic Events Calendar

Date	Indicators	Previous
07-May-25	US Fed Interest Rate Decision	4.5%
08-May-25	UK BoE Interest Rate Decision	4.5%
	Japan BoJ Monetary Policy Meeting Minutes	NA
10-May-25	China Inflation Rate, April	-0.1%
12-May-25	India Inflation Rate, April	3.34%
13-May-25	US Inflation Rate, April	2.4%
14-May-25	India WPI Inflation, April	2.05%
15-May-25	Eurozone Growth Rate, Q1	1.2%
	UK GDP, March	1.5%
16-May-25	Japan GDP Growth Annualized, Q1	2.2%
20-May-25	China Loan Prime Rate 1Y	3.1%
	China Loan Prime Rate 5Y	3.6%

Source: Crisil, Data as on 30 April 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, WPI- Wholesale Price Index
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.

Economic Events Calendar (cont'd)

Date	Indicators	Previous
21-May-25	UK Inflation/Core Inflation Rate, April	2.6%
22-May-25	India HSBC Manufacturing PMI Flash, May	58.2
23-May-25	Japan Inflation Rate, April	3.6%
28-May-25	India Industrial Production, March	3.0%
29-May-25	US GDP Growth Rate QoQ 2nd Est Q1	0.3%

Source: Crisil, Data as on 30 April 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
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 Policy Outcome and Key Takeaways

- 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%
- 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
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.

Disclaimer

This document has been prepared by HSBC Asset Management (India) Private Limited (HSBC) for information purposes only with an intent to provide market overview and should not be construed as an offer or solicitation of an offer for purchase of any of the funds of HSBC Mutual Fund. All information contained in this document (including that sourced from third parties), is obtained from sources, which HSBC/ third party, believes to be reliable but which it has not been independently verified by HSBC/ the third party. Further, HSBC/ the third party makes no guarantee, representation or warranty and accepts no responsibility or liability as to the accuracy or completeness of such information. The information and opinions contained within the document are based upon publicly available information and rates of taxation applicable at the time of publication, which are subject to change from time to time. Expressions of opinion are those of HSBC only and are subject to change without any prior intimation or notice. It does not have regard to specific investment objectives, financial situation and the particular needs of any specific person who may receive this document. Investors should seek financial advice regarding the appropriateness of investing in any securities or investment strategies that may have been discussed or recommended in this report and should understand that the views regarding future prospects may or may not be realized.

This document is intended only for those who access it from within India and approved for distribution in Indian jurisdiction only. Distribution of this document to anyone (including investors, prospective investors or distributors) who are located outside India or foreign nationals residing in India, is strictly prohibited. Neither this document nor the units of HSBC Mutual Fund have been registered under Securities law/Regulations in any foreign jurisdiction. The distribution of this document in certain jurisdictions may be unlawful or restricted or totally prohibited and accordingly, persons who come into possession of this document are required to inform themselves about, and to observe, any such restrictions. If any person chooses to access this document from a jurisdiction other than India, then such person does so at his/her own risk and HSBC and its group companies will not be liable for any breach of local law or regulation that such person commits as a result of doing so.

HSBC Mutual Fund, 9-11th Floor, NESCO - IT Park Bldg. 3, Nesco Complex, Western Express Highway, Goregaon East, Mumbai 400063. Maharashtra.

GST - 27AABCH0007N1ZS, Website: www.assetmanagement.hsbc.co/in

Mutual Fund investments are subject to market risks, read all scheme related documents carefully.

CL 2736