

# Global Navigator

July 2025



**HSBC** Mutual Fund

# Global Update

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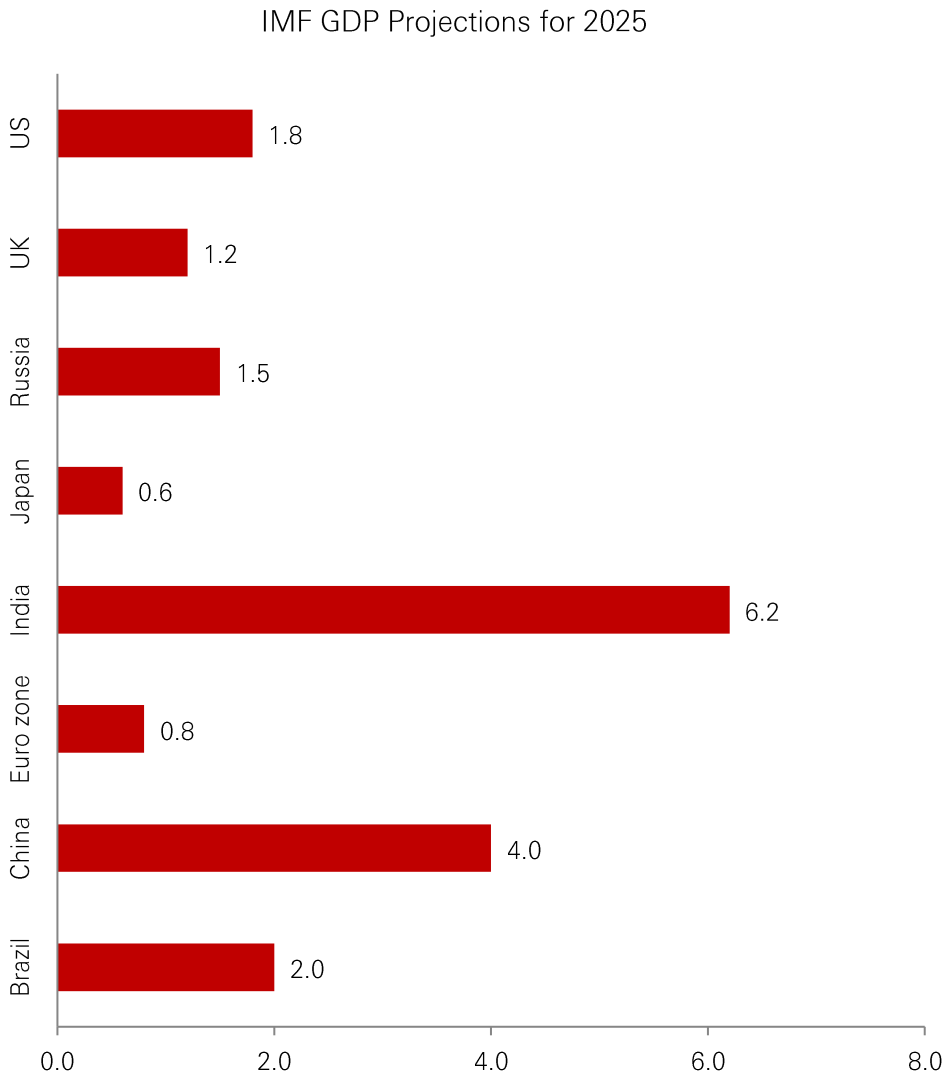
	GDP		Inflation		Industrial Growth	
	Current	Previous	Current	Previous	Current	Previous
US	-0.5% Q1 2025	2.4% Q4 2024	2.4% May'25	2.3% Apr'25	0.6% May'25	1.4% Apr'25
Eurozone	1.5% Q1 2025	1.2% Q4 2024	1.9% May'25	2.2% Apr'25	0.8% Apr'25	3.7% Mar'25
UK	1.3% Q1 2025	1.5% Q4 2024	3.4% May'25	3.5% Apr'25	-0.3% Apr'25	-0.7% Mar'25
China	5.4% Q1 2025	5.4% Q4 2024	-0.1% May'25	-0.1% Apr'25	5.8% May'25	6.1% Apr'25
Japan	-0.2% Q1 2025	2.2% Q4 2024	3.5% May'25	3.6% Apr'25	0.5% Apr'25	1.0% Mar'25
India	7.4% Q4 FY25	6.4% Q3 FY25	2.82% May'25	3.16% Apr'25	1.2% May'25	2.7% Apr'25

Major Global Central Bank	Latest Key Interest rate
US Federal Reserve	4.50%
Bank of England	4.25%
European Central Bank	2.15%
Bank of Japan	0.50%
India RBI	5.50%

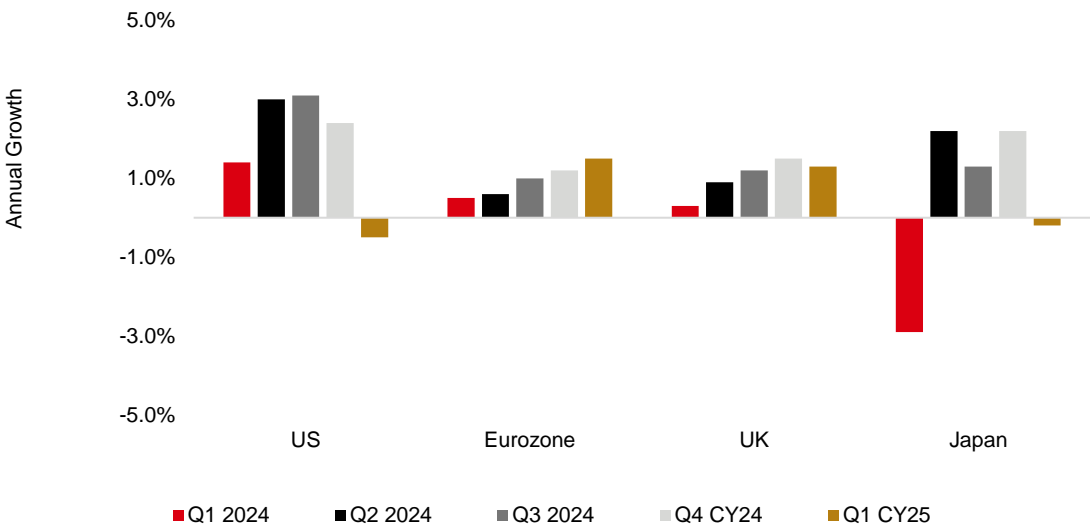
Source: Crisil, Bloomberg, Respective Central Banks, IMF. Data as on 30 June 2025

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

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## US economy contracted 0.5% in the first quarter of 2025; Fed kept funds rate unchanged

- The US economy shrunk an annualised 0.5% in the first quarter of 2025 compared with a growth of 2.4% in the previous quarter.
- Also, the US Federal Reserve kept the federal funds rate unchanged at 4.25-4.50% in June, marking a fourth consecutive pause, with the Federal Open Market Committee choosing to adopt a cautious stance to evaluate the economic impact of US President's policies.

## UK economy expanded 1.3% in the first quarter of 2025; Bank of England opted to hold key rates

- The UK economy grew 1.3% on-year in the first quarter of 2025 vs an expansion of 1.5% in the previous quarter.
- Meanwhile, the Bank of England (BoE) voted 6-3 to keep the bank rate steady at 4.25% at its June meeting, taking into account heightened global uncertainty and persistent inflationary pressures.

## Eurozone economy grew 1.5% in the first quarter of 2025; ECB cut key rates by 25 bps

- The eurozone economy expanded 1.5% on-year in the first quarter of 2025 vs a growth of 1.2% in the fourth quarter of 2024.
- The European Central Bank cut all three key interest rates by 25 bps at its June meeting – main refinancing rate to 2.15%, deposit facility rate to 2.0% and marginal lending rate to 2.4%.

## Japan's economy contracted 0.2% in the first quarter of 2025; BoJ kept key short-term rate unchanged

- The Japanese economy printed -0.2% on an annualised basis in the first quarter of 2025 vs a downwardly revised growth of 2.2% in the fourth quarter of 2024.
- The Bank of Japan (BoJ) kept its key short-term interest rate unchanged at 0.5% at its June meeting.

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

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# Global- Performance trends

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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	3.64	9.73
Nasdaq	7.50	28.24	-3.88	35.23	43.64	21.39	-33.10	43.42	28.64	5.48	15.06
Nikkei	0.42	19.10	-12.08	18.20	16.01	4.91	-9.37	28.24	19.22	1.49	7.84
Hang Seng	0.39	35.99	-13.61	9.07	-3.40	-14.08	-15.46	-13.82	17.67	20.00	0.94
FTSE	14.43	7.63	-12.48	12.10	-14.34	14.30	0.91	3.78	5.69	7.19	3.45
Cac 40	4.86	9.26	-10.95	26.37	-7.14	28.85	-9.50	16.52	-2.15	3.86	5.16
Xetra Dax	6.87	12.51	-18.26	25.48	3.55	15.79	-12.35	20.31	18.85	20.09	8.33
Shanghai	-12.31	6.56	-24.59	22.30	13.87	4.80	-15.13	-3.70	12.67	2.76	-0.27
Brazil Bovespa	38.93	26.86	15.03	31.58	2.92	-11.93	4.69	22.28	-10.36	15.44	12.35
Russia RTS	52.22	0.18	-7.65	45.28	-10.42	15.01	-39.18	11.63	-17.56	27.88	4.20
Nifty 50 TRI	4.39	30.27	4.64	13.48	16.14	25.59	5.69	21.30	10.09	8.71	13.16
BSE SENSEX TRI	3.47	29.56	7.23	15.66	17.16	23.23	5.80	20.33	9.49	7.77	13.04

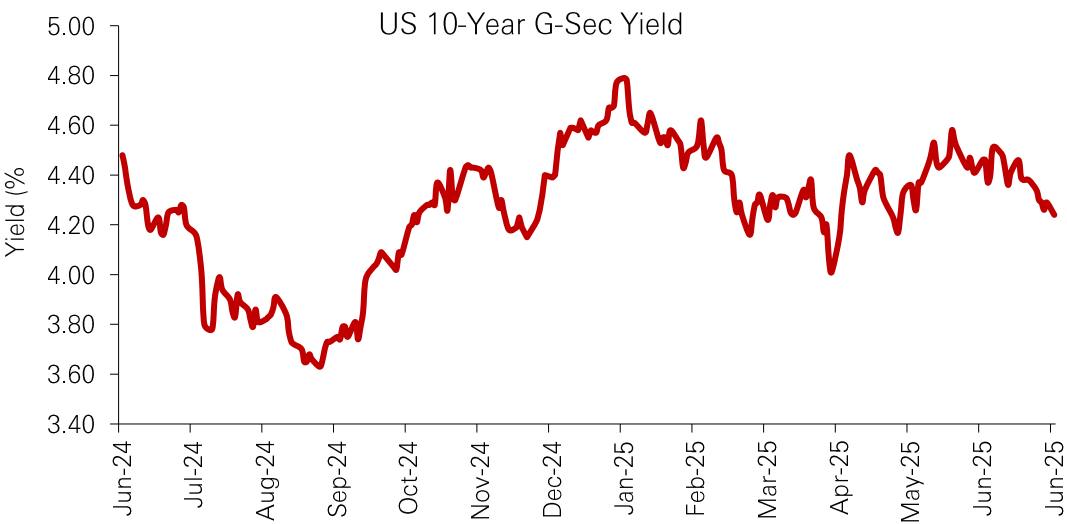
Source: Crisil, BSE, NSE and Financial websites Figures in red indicate negative returns in that period. CY25- YTD (till May 30, 2025) \*10-year CAGR, Data as on 30 June 2025

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## US treasury prices ended higher in June

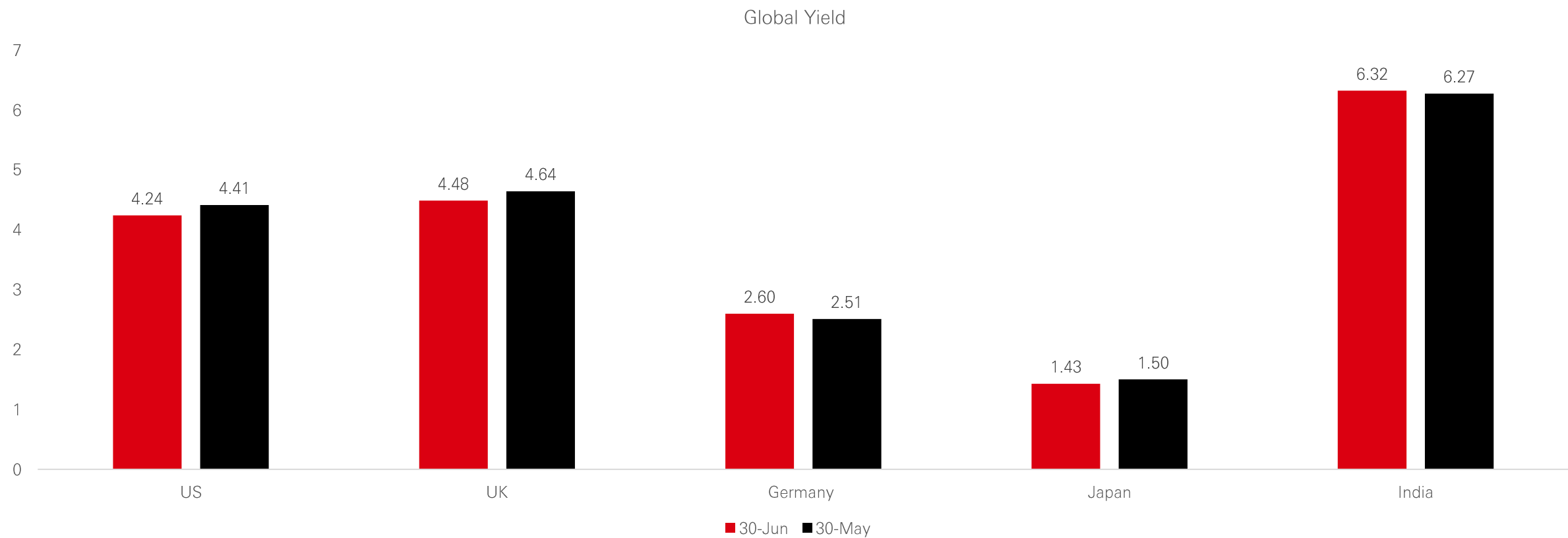
- United States (US) Treasury prices ended higher in June due to uncertainty around government’s tariff policy and geopolitical tensions in Middle East. The yield on the 10-year Treasury settled at 4.24% on June 30, 2025 compared to 4.41% on May 30.
- Bond prices rose after an unexpected fall in retail sales for the May month raised concern that the economy is headed for a slowdown or even a recession. It reported few gains after the US central bank held interest rates steady, and maintained its forecast for two rate cuts this year.
- Bond prices rose further due to lingering concerns over economic growth triggered by escalating geopolitical tensions in Middle East.
- However, further fall in yield halted after US President said that a ceasefire was in effect. It rose further after Fed Chair repeated his expectation that policymakers are well positioned to wait before approving adjustments to the Fed’s policy rate.



Global bond yields			
	30-Jun	30-May	Change
US 10-Year (%)	4.24	4.41	-0.17
UK 10-Year (%)	4.48	4.64	-0.16
German 10-Year (%)	2.60	2.50	0.9
Japan10-Year (%)	1.43	1.50	-0.07

Source: Crisil, Bloomberg, Data as on 30 June 2025, Past performance may or may not be sustained in future and is not a guarantee of any future returns.  
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# Global Yield and Where India Stands



	US	UK	Germany	Japan	India
Current Yield (%)	4.24	4.48	2.6	1.43	6.32
Inflation (%)	2.4	3.4	2	3.5	2.82
Real Yield (%)	1.84	1.08	0.6	-2.07	3.5

Source : Crisil, Data as on 30 June 2025, Inflation Data as of May 2025 Past performance may or may not be sustained in future and is not a guarantee of any future returns.  
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# Domestic Equity

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# History of Equity markets through major events

BSE SENSEX Index Value

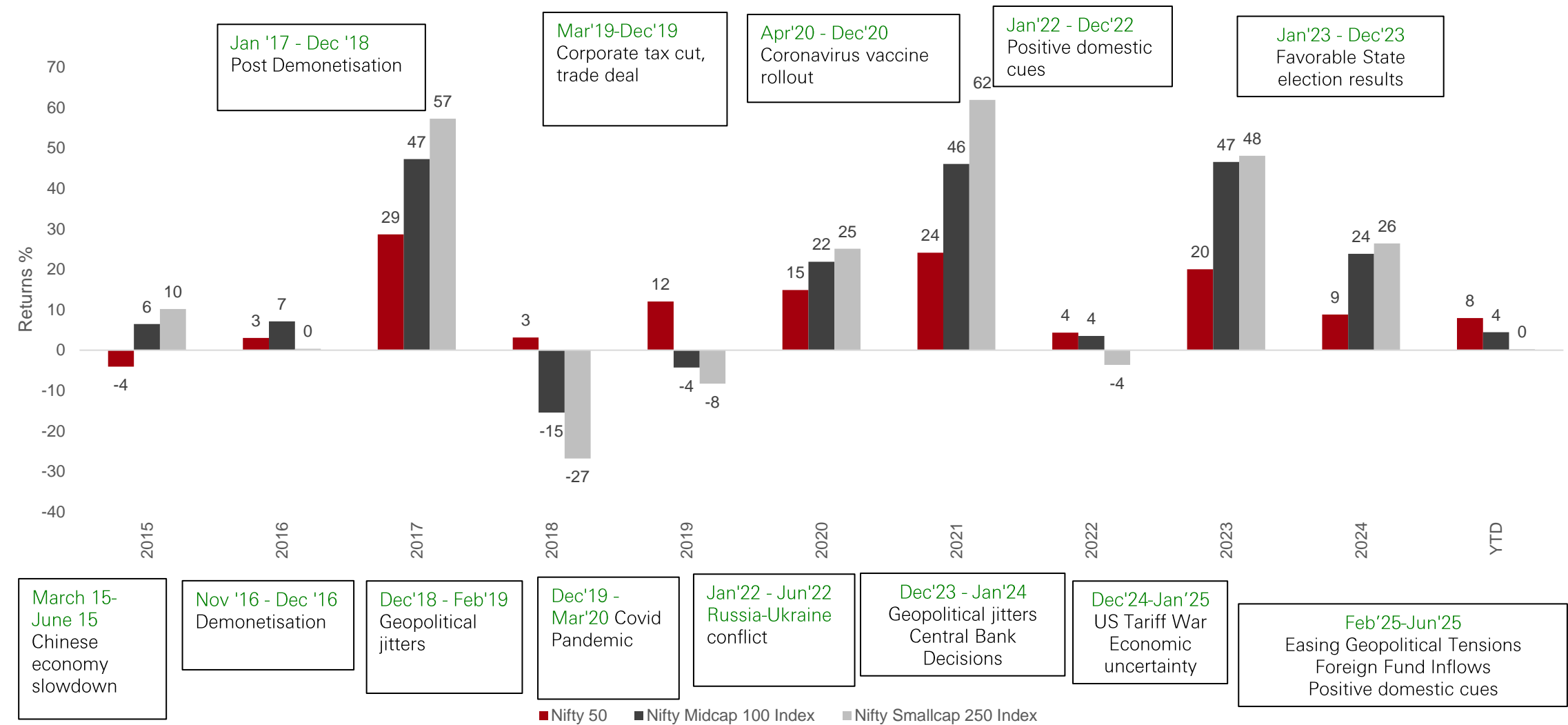


Source: BSE, Crisil, Data as on 30 June 2025, Past performance may or may not be sustained in future and is not a guarantee of any future returns.

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# History of Equity markets through major events

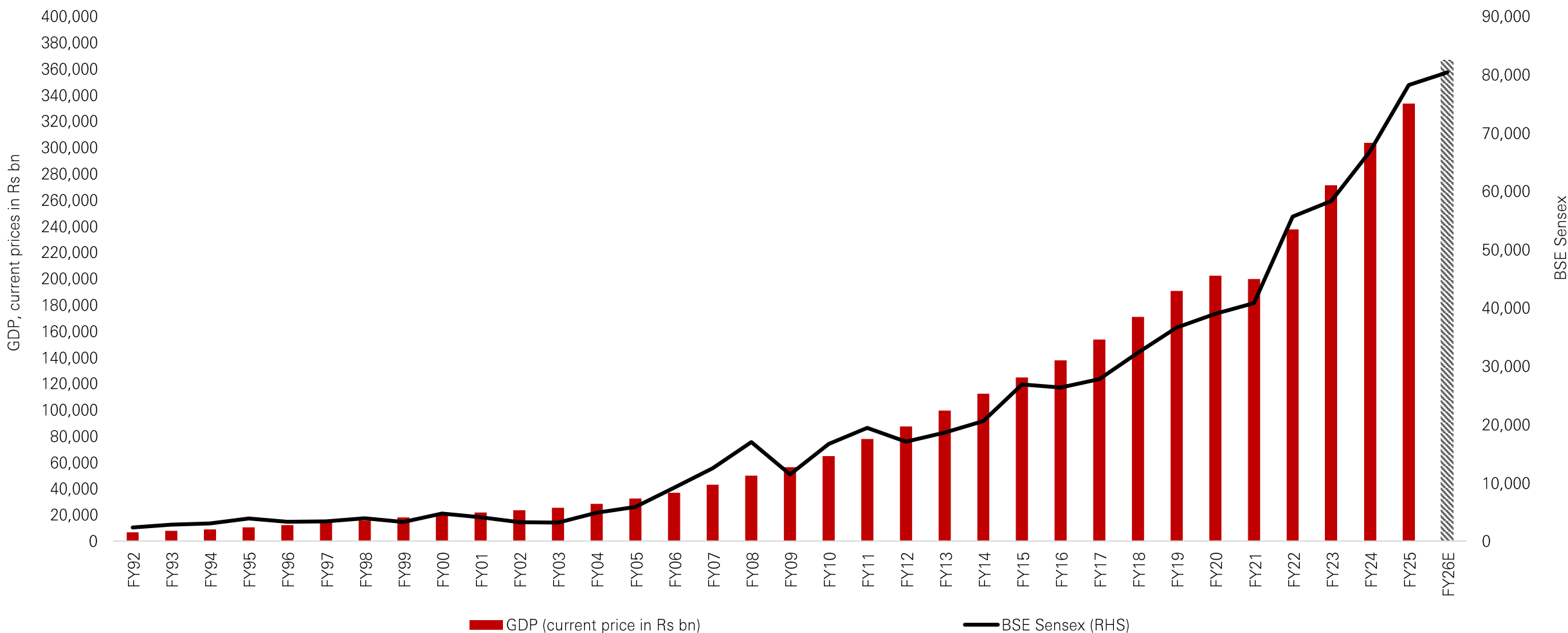
Performance of major equity indices



Source: NSE, Crisil, Data as on 30 June 2025, Past performance may or may not be sustained in future and is not a guarantee of any future returns.  
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# Equity mirrors economic growth in the long term

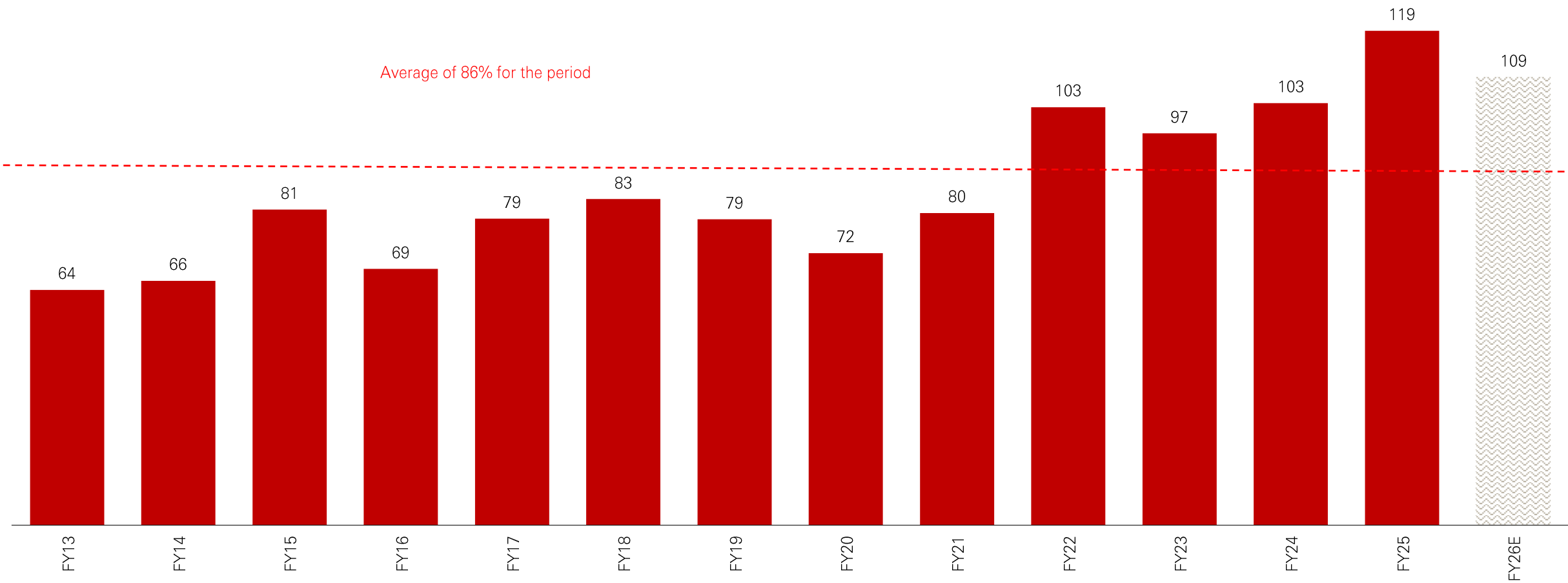
GDP - The Indian economy is expected to carry the momentum of last year’s GDP growth into the current fiscal year as well



Source: Crisil, Bloomberg, BSE, IMF, The GDP projection for fiscal year 2026 is shown shaded in this graph is for illustration purposes only and is not guaranteed,  
Data as on 30 June 2025, 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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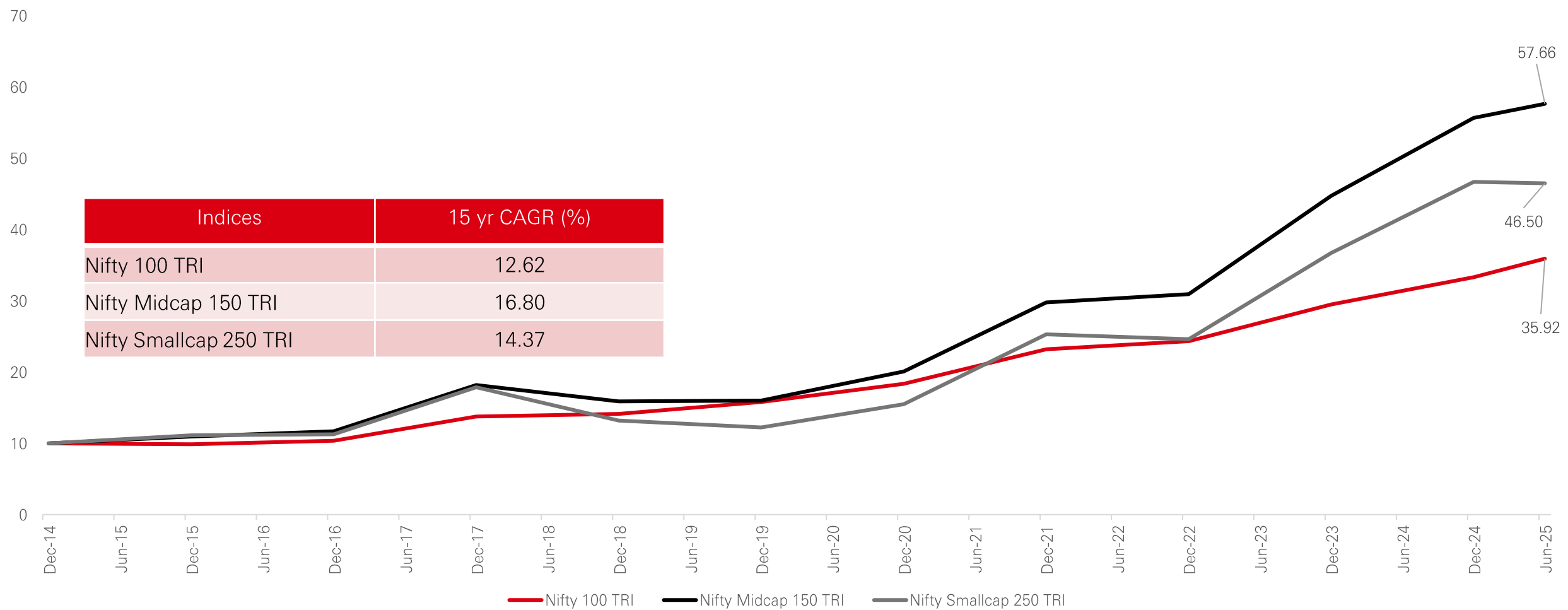
# India Market cap to GDP (%)

Market cap as a % of GDP



Shaded area are Estimates (E) – FY26  
Source: Crisil, MOSPI, Bloomberg, CRISIL estimates;  
Data as on 30 June 2025, Past performance may or may not be sustained in future and is not a guarantee of any future returns. GDP- Gross Domestic Product  
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# Nifty Mid-cap 150 TRI vs Nifty Small-cap 250 TRI vs Nifty 100 TRI



Source: Crisil, NSE. Data as on 30 June 2025, data represents YTD values. The indices values are rebased by 10  
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# Indian market - Performance trends

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Indices	% Change										10-year CAGR*
	CY16	CY17	CY18	CY19	CY20	CY21	CY22	CY23	CY24	CY25*	
Nifty 50 TRI	4.39	30.27	4.64	13.48	16.14	25.59	5.69	21.30	10.09	8.71	13.16
BSE SENSEX TRI	3.47	29.56	7.23	15.66	17.16	23.23	5.80	20.33	9.49	7.77	13.04
BSE Auto TRI	10.38	33.31	-21.33	-9.94	14.27	20.59	17.83	47.71	23.40	4.11	12.31
BSE BANKEX TRI	8.39	39.98	5.65	21.12	-2.12	12.97	21.91	12.12	7.15	11.89	12.50
BSE CG TRI	-2.38	41.42	-0.49	-8.79	12.52	54.75	17.17	68.15	22.53	7.28	16.45
BSE CD TRI	-5.83	102.87	-8.32	21.53	22.19	47.73	-10.93	26.40	29.31	-7.08	19.27
BSE FMCG TRI	4.77	33.26	12.11	-2.14	13.19	11.70	19.08	29.65	3.25	-1.17	11.94
BSE Healthcare TRI	-12.43	1.10	-5.38	-2.80	62.61	21.54	-11.50	37.97	44.30	-2.00	11.03
BSE IT TRI	-6.14	13.29	27.26	11.84	60.05	58.45	-22.70	28.28	22.21	-10.76	16.05
BSE Metal TRI	43.19	52.82	-16.20	-10.16	18.43	72.68	15.70	35.50	10.24	10.91	17.88
BSE Oil & Gas TRI	30.38	37.81	-12.40	10.59	-0.55	31.72	20.45	17.30	16.50	8.13	14.85
BSE Power TRI	2.99	22.03	-14.30	-0.64	11.38	73.68	28.51	36.45	21.28	0.21	15.72
BSE PSU TRI	16.89	22.69	-18.69	-1.12	-12.80	47.95	28.30	61.48	24.34	7.62	14.02
BSE Realty TRI	-5.27	107.24	-30.69	27.58	9.20	55.40	-9.97	80.16	33.45	-7.17	18.94

Source: Crisil, BSE, Figures in red indicate negative returns in that period. \*10-year CAGR, Data as on 30 June 2025, CY25 is YTD (till May 30, 2025) (CD- Consumer Durable/ CG – Capital Goods))

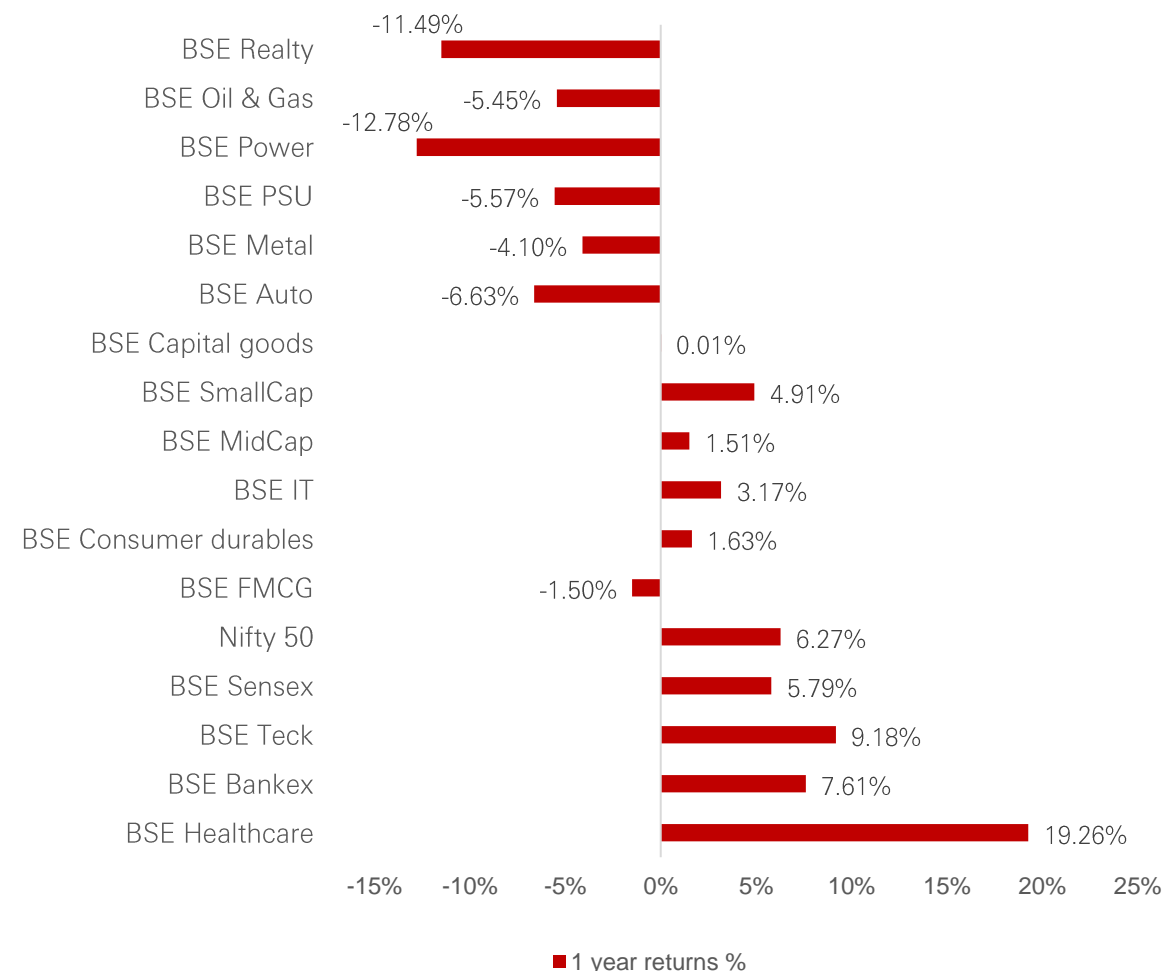
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## Indian equity indices rose in June'25

- Indian equities extended their winning run in June 2025, recording gains for the fourth consecutive month, even as global and geopolitical uncertainties clouded investor sentiment briefly.
- However, positive domestic cues, easing global trade concerns and a positive outlook spurred by policy support aided equities.
- Equities rose after the Reserve Bank of India (RBI)'s Monetary Policy Committee (MPC) announced a larger-than-anticipated cut in the repo rate.
- The MPC beat market expectations by slashing the repo rate by 50 basis points to 5.50%.
- Improved domestic cues, including inflation data, also aided investor sentiment during this period.
- Some support also came from the easing concerns pertaining to global trade.



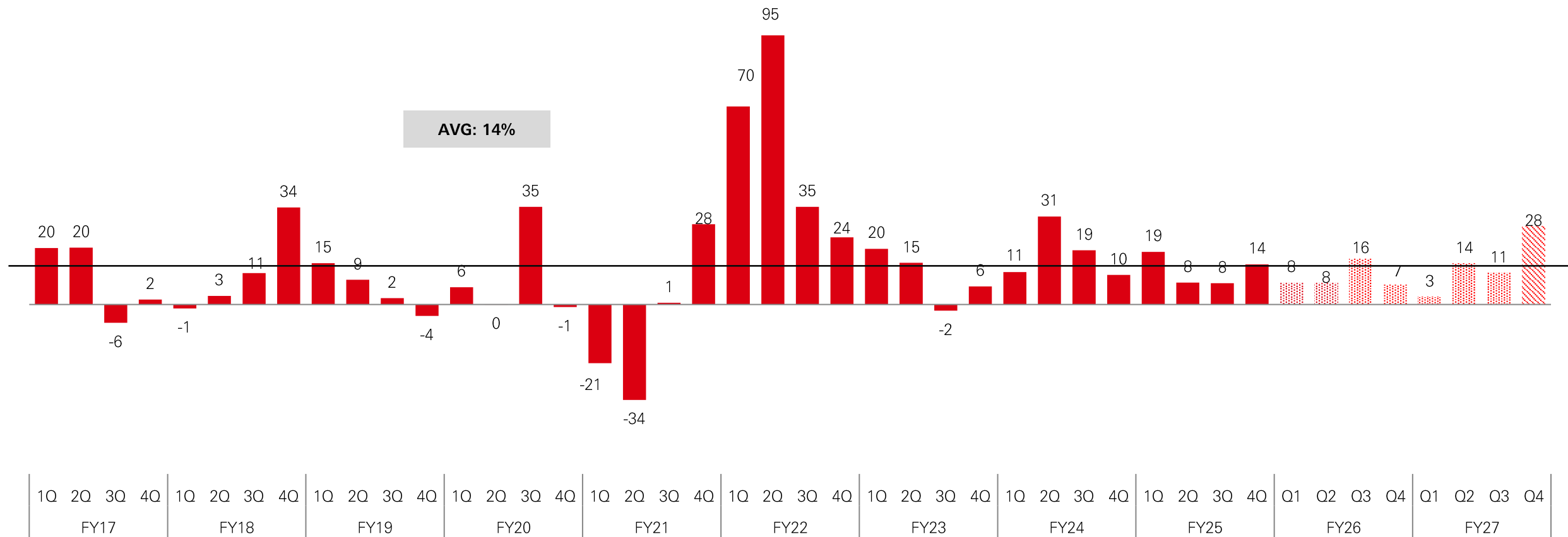
Source –Crisil, Data as on 30 June 2025, Past performance may or may not be sustained in future and is not a guarantee of any future returns. GDP – Gross Domestic Product

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# Earnings growth – quarterly trend

Nifty 50 earnings



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

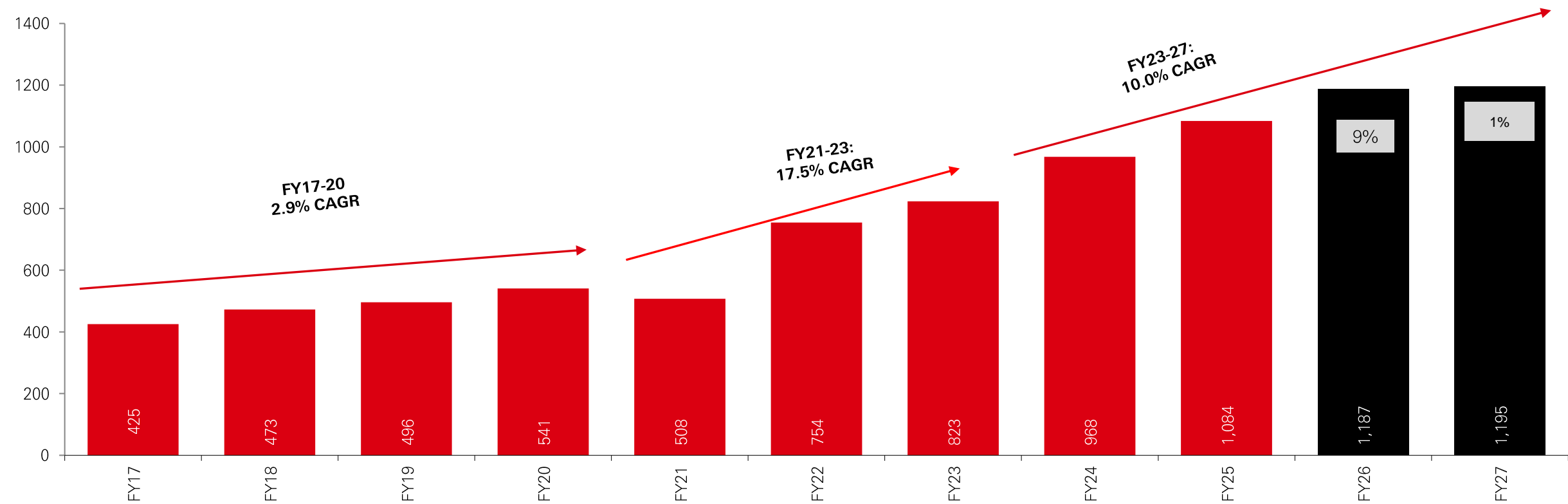
Estimates – shaded portion of FY26 and FY27

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

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# Earnings trend

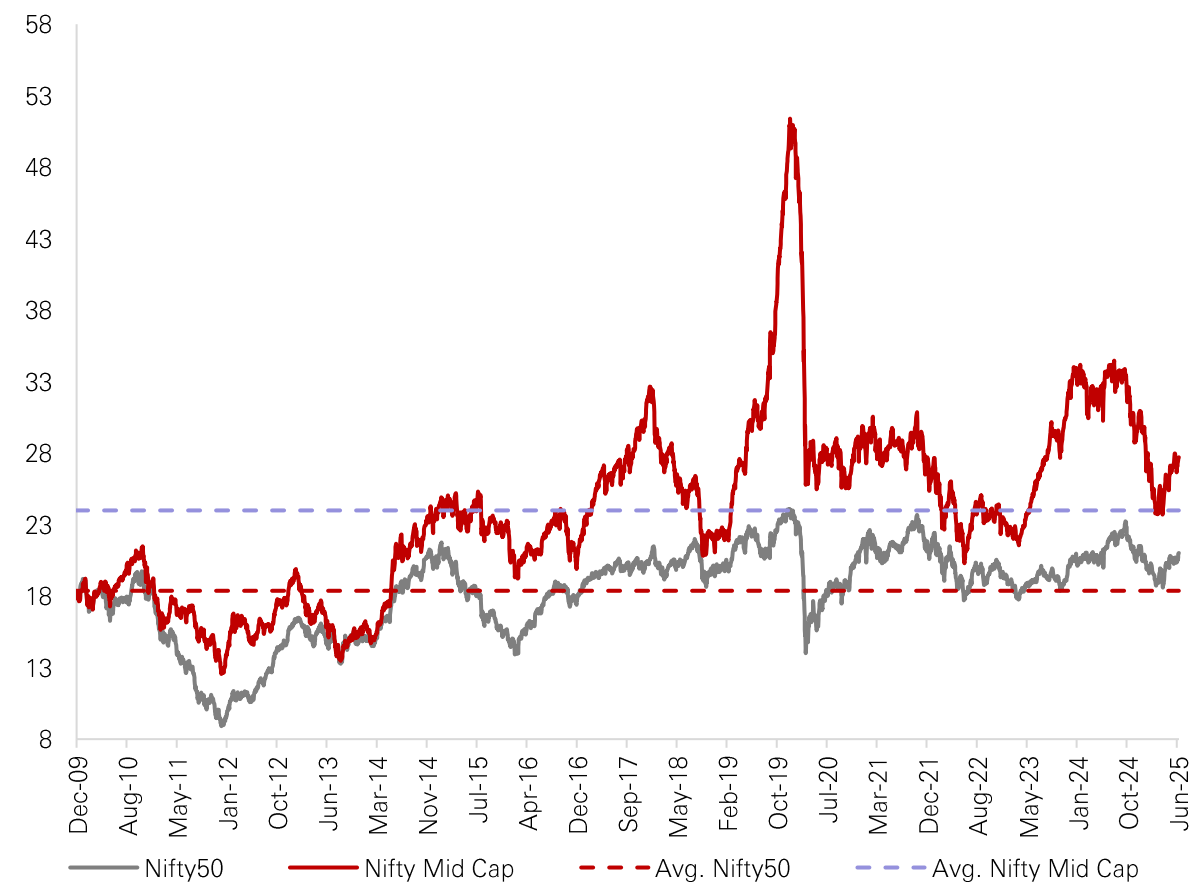
India - Equity earnings (Nifty 50 EPS)



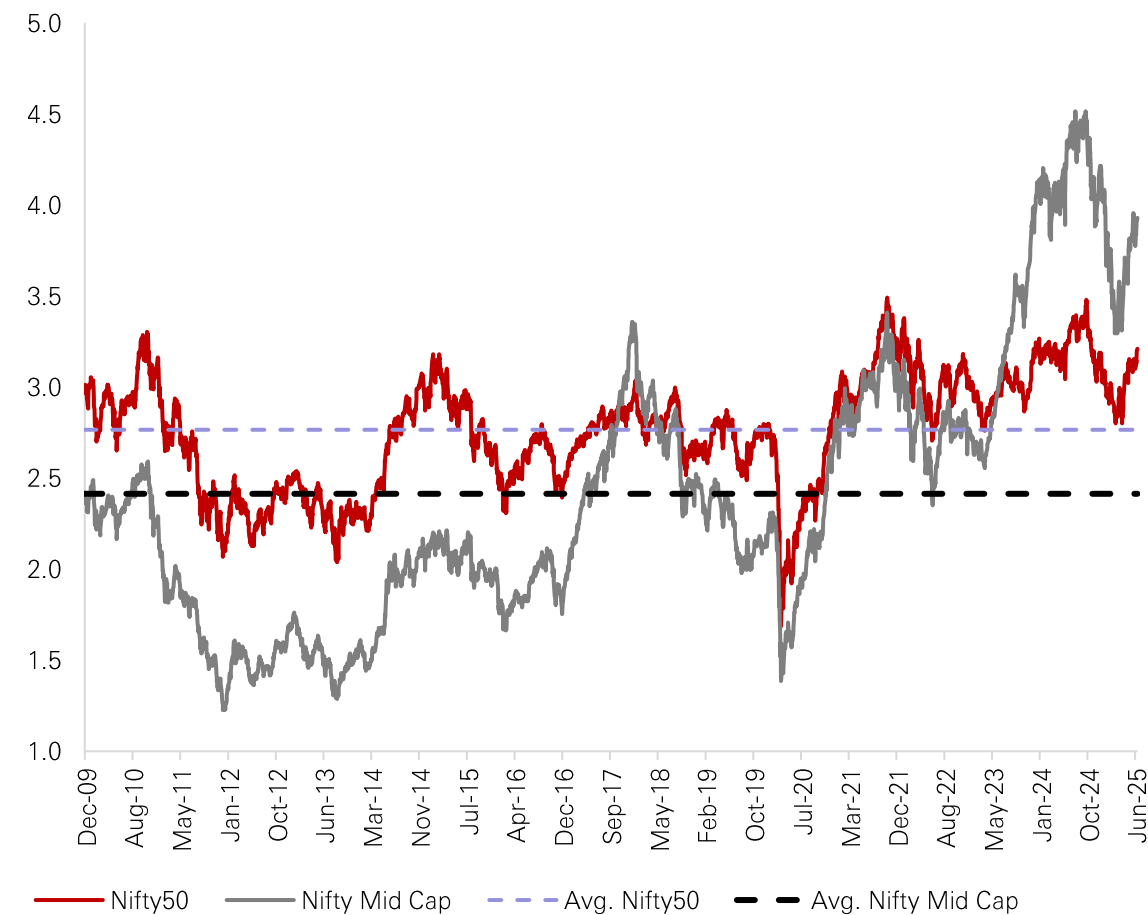
Note: Trailing 12M EPS (Earnings Per Share)  
Black shaded columns are estimates of FY26 and FY27  
Data for FY 26 is for only three quarters  
Source: Crisil, Bloomberg, Data as on 30 June 2025, Past performance may or may not be sustained in future and is not a guarantee of any future returns.  
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# Market valuations – Nifty 50 and Nifty Midcap 100

Large and Mid Cap - Price to Earnings (PE)



Large and Mid Cap - Price to Book (PB)



Source: Crisil, Bloomberg  
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- MSCI World index saw a strong rally of 4.2% in Jun led by US (S&P 500) rising 5.0% & MSCI Europe rose 2.0% and MSCI Japan rose 1.6%. MSCI EM also rose 5.7% supported by a 3.1% rise in MSCI China.
- Back in India, broader markets continued their strong upward trend with NSE Midcap Index gaining 4.1% and BSE Smallcap Index gaining a 4.4% for the month.
- India GDP growth has further accelerated to 7.4%yoy in Q4FY25.
- With USD weakening and decline in crude prices the room for easing has increased further. Forecast of an above normal monsoon is also a positive for rural demand.
- Government has tried to partly address the slowdown in private consumption through the income tax rate cuts in the Union Budget. RBI is now trying to aggressively ease policy rates and boost liquidity.
- Nifty consensus EPS estimate for CY25/26 saw a cut of 2% during Jun. This along with the market recovery, Nifty now trades on 20.8x 1-year forward PE. This is now 7% it's 5-year average and a ~15% premium to its 10-year average. Valuations in midcap and small cap space have also recovered following the sharp rally over the last few months.
- 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.
- 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.
- Supportive real estate cycle: Real Estate remains another strong medium term growth driver having weathered the impact of higher interest rates. Demand trends in top metro cities remain strong and inventory levels have declined.
- Global commodity prices: Benign global prices of crude oil and fertilizers has been a positive for India from inflation, fiscal deficit and corporate margins perspective in FY24-25.

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

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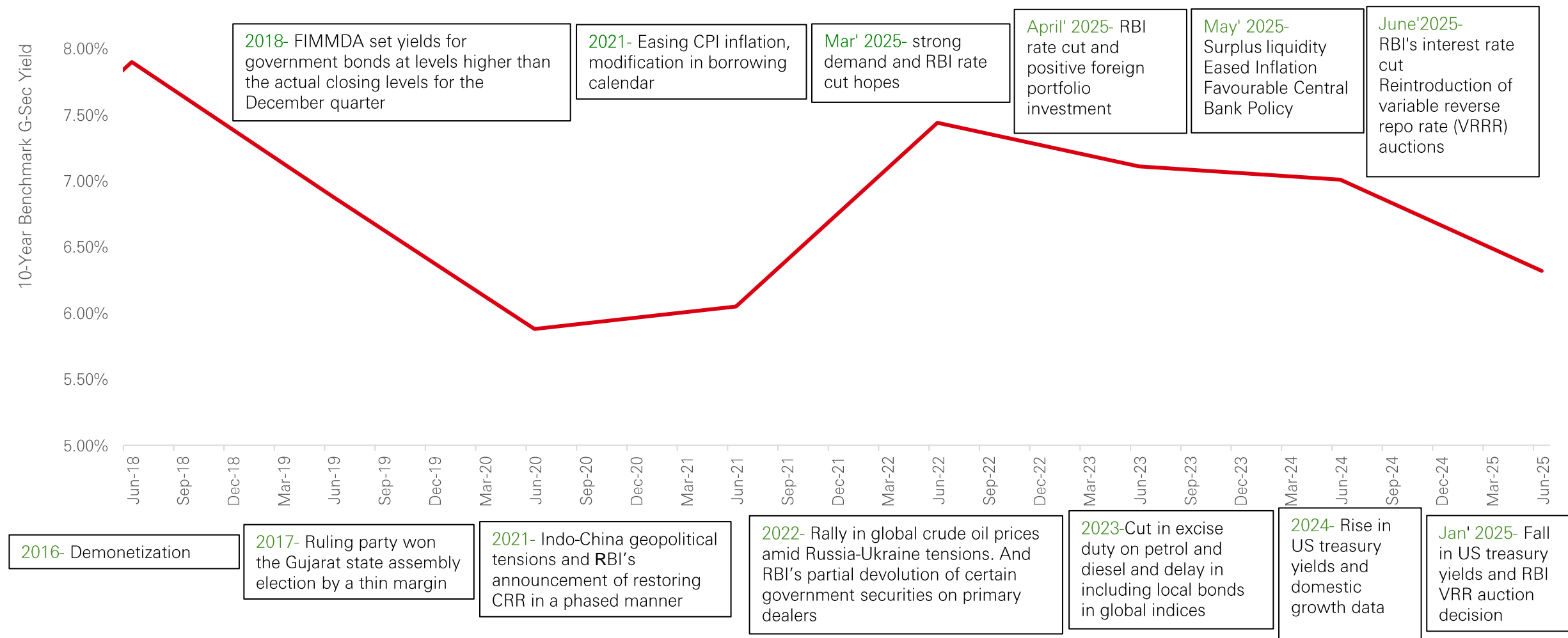
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# Domestic Debt

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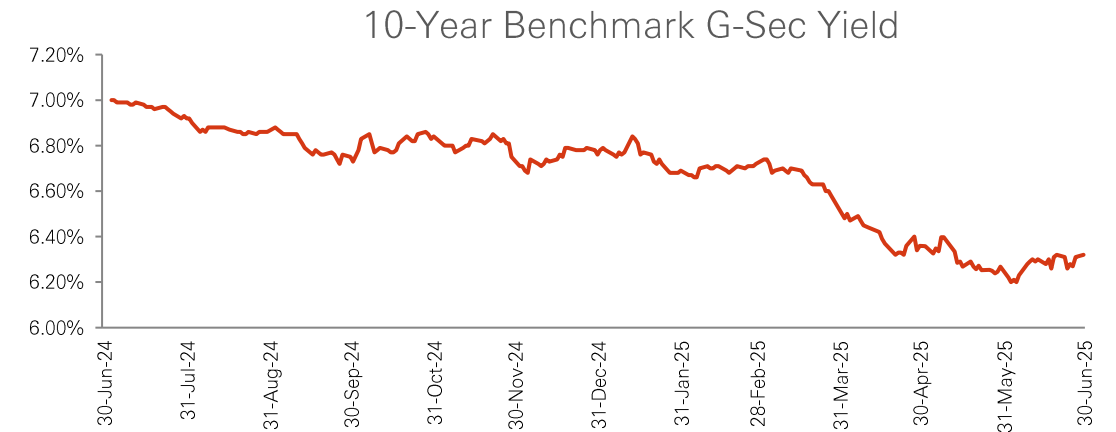
# History of Debt Markets through major events

10-year G-Sec yield movement through major events

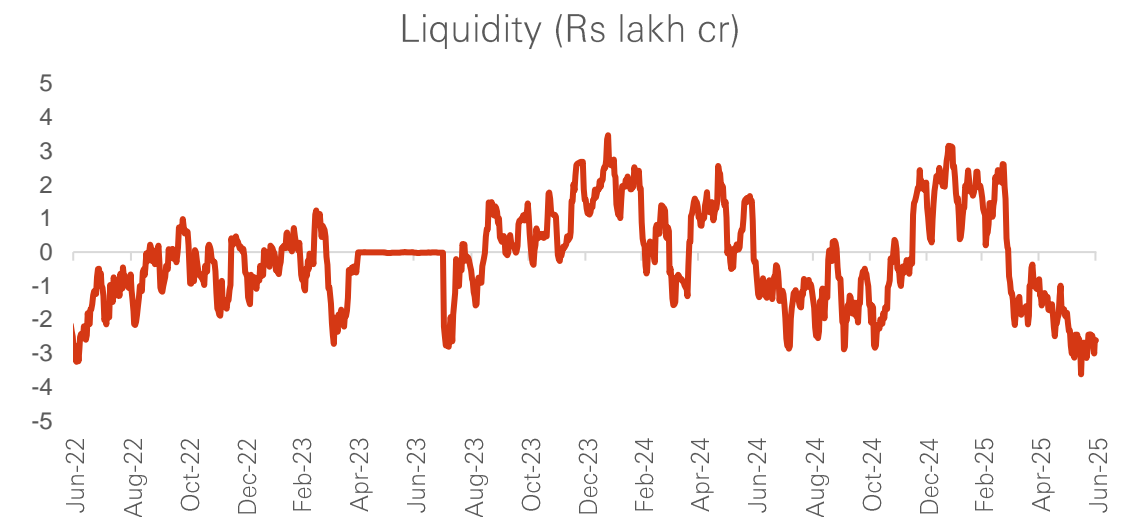


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- The weighted average call money rate (WACR) for June stood at around 5.40%, lower than the newly set repo rate of 5.50%.
- The RBI's interest rate cut and shift in policy stance pushed Indian government bond yields to 6.30% levels soon after the June policy meeting. Thereafter, however, the yields saw very little change for the rest of the month.
- The yield on the new 10-year benchmark 06.33% GS 2035 paper eventually settled at 6.32% on June 30, 2025, as compared with 6.27% on May 30.
- The higher-than-anticipated policy rate cut from the erstwhile 6.00% to 5.50% led to weakened demand for longer-tenure debt.
- This, coupled with the indications of limited policy space going forward, led to the cutting of positions by investors and the mounting of pressure on bond prices during the first half of the month.
- Weak demand for state debt at auctions and expectations of the reintroduction of variable reverse repo rate (VRRR) auctions to suck out surplus liquidity also kept bond prices under pressure.



\*Data as of 30th June 2025

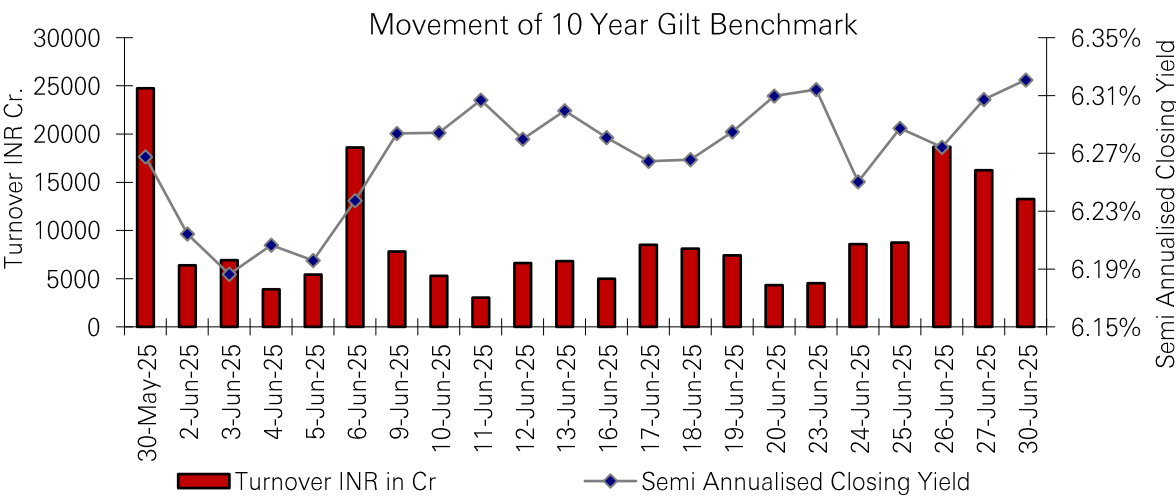
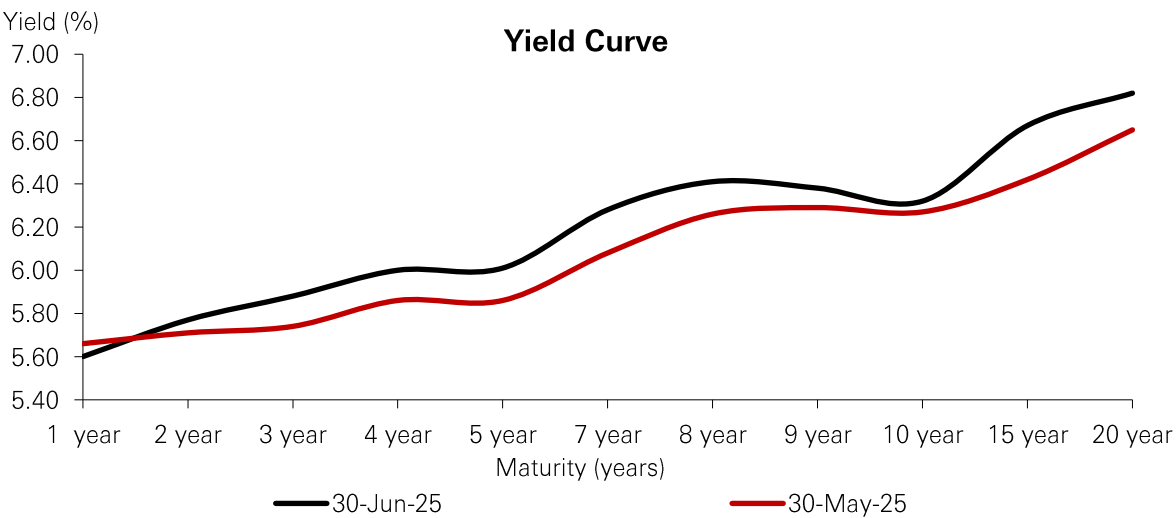


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Debt Market Indicators	30-June-25	30-May-25
Call Rate	5.25%	5.75%
3-mth CP rate	6.20%	6.43%
5 yr Corp Bond	6.72%	6.73%
10 Yr Gilt	6.32%	6.27%
Repo	5.50%	6.00%
SDF	6.25%	6.25%
CRR	4.00%	4.00%
1-Month CD	5.85%	6.28%
3-mth CD rate	5.82%	6.10%
6-Month CD	6.10%	6.45%



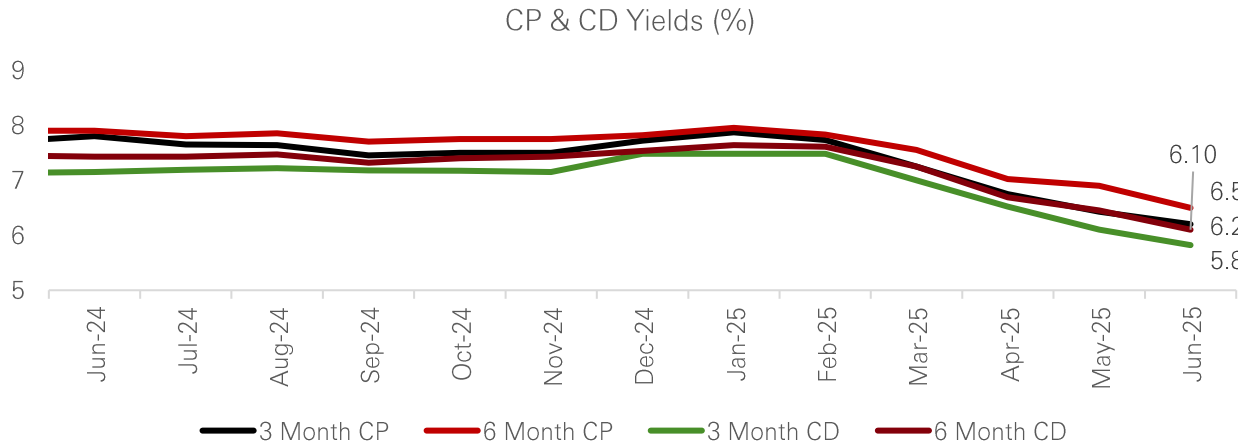
Source: Crisil Fixed Income database

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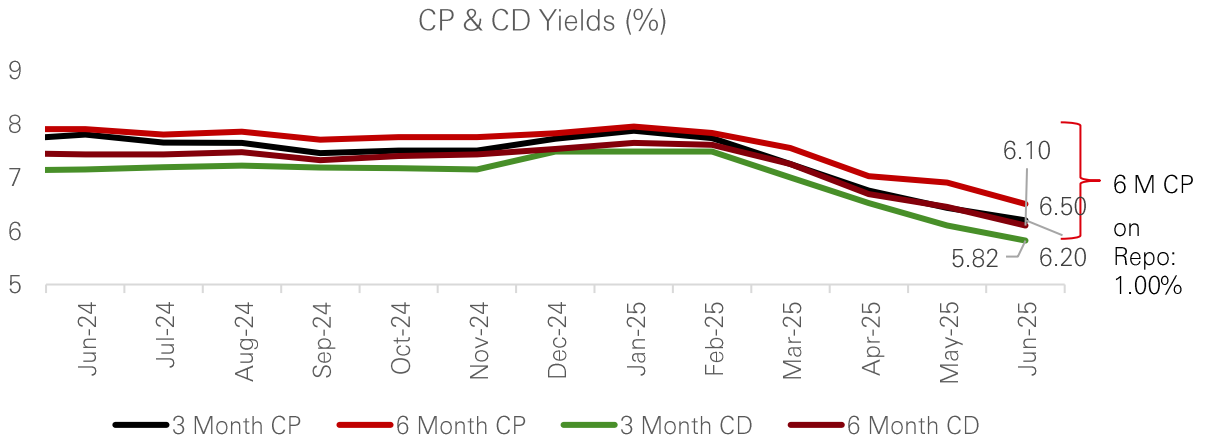
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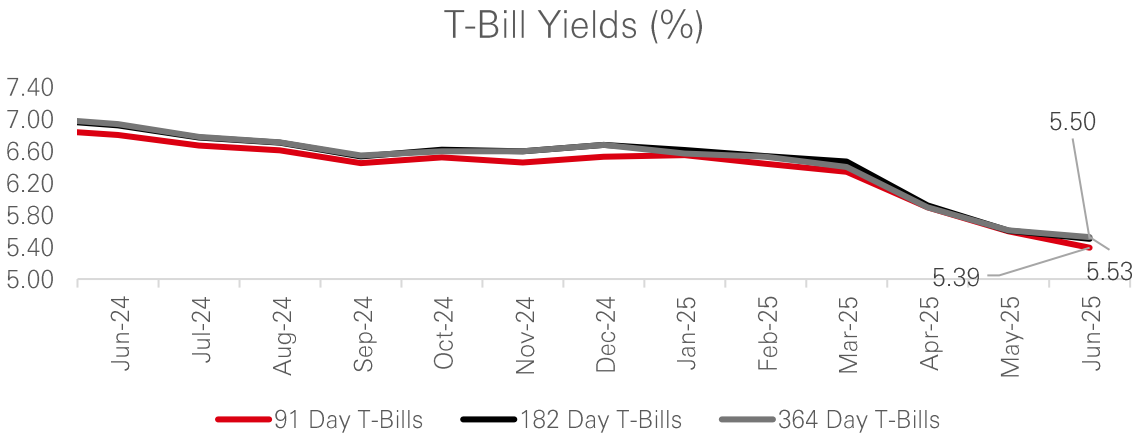




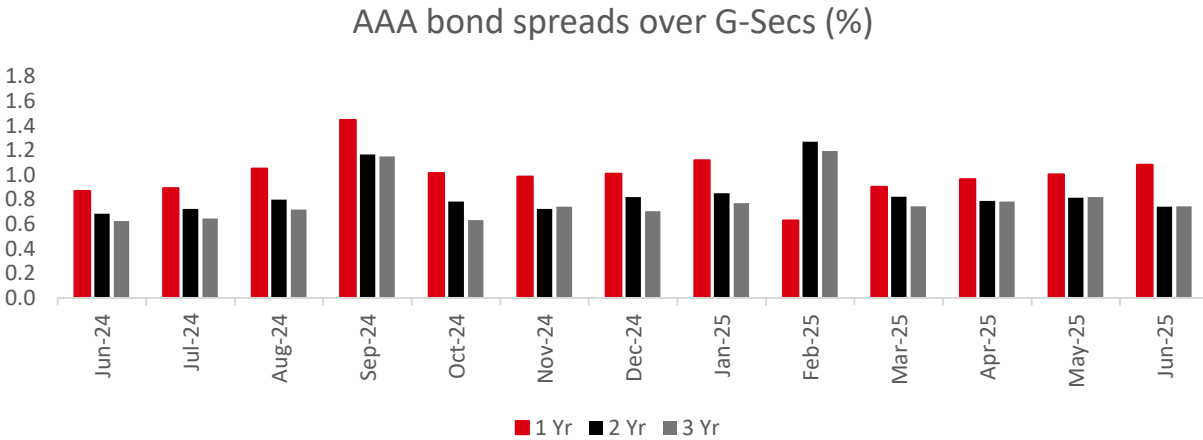
CP and CD largely steady in June



Spread of CPs over repo rate at 1.00% in June



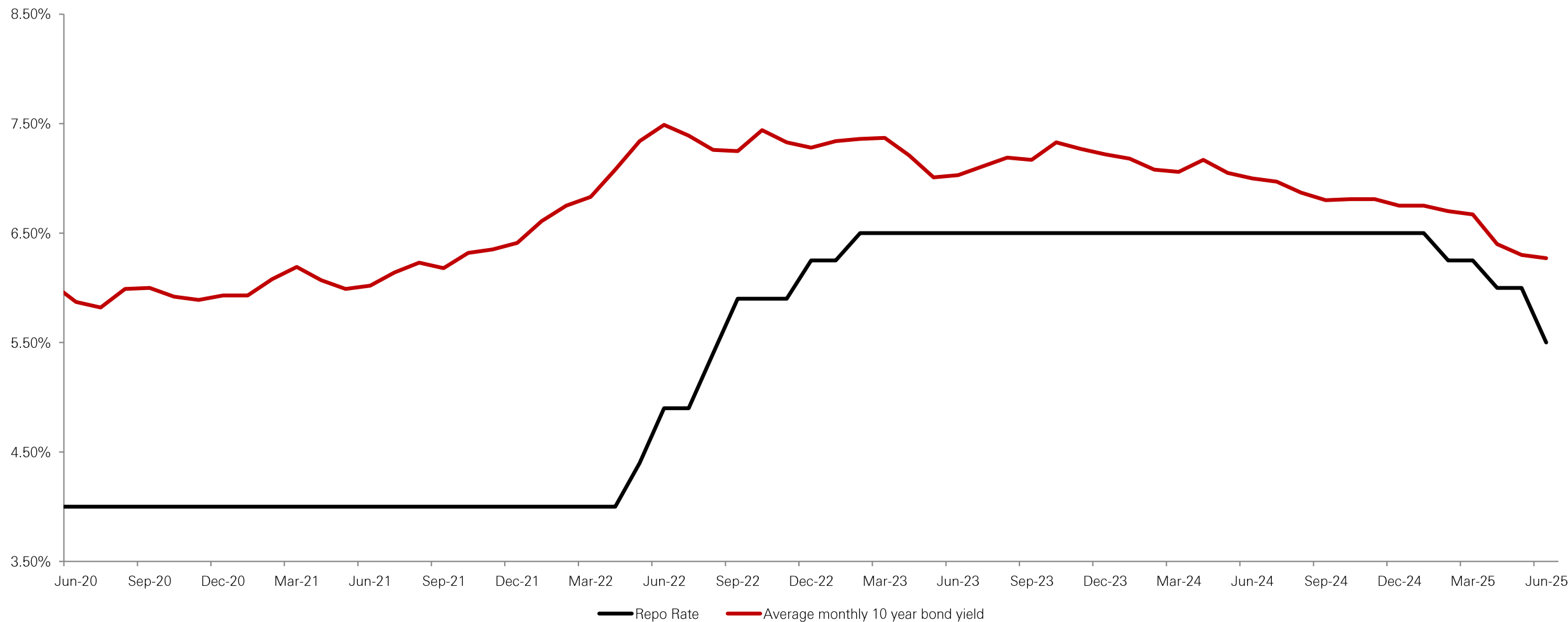
T-Bill yields were steady in June



AAA corporate bond spreads were steady in June

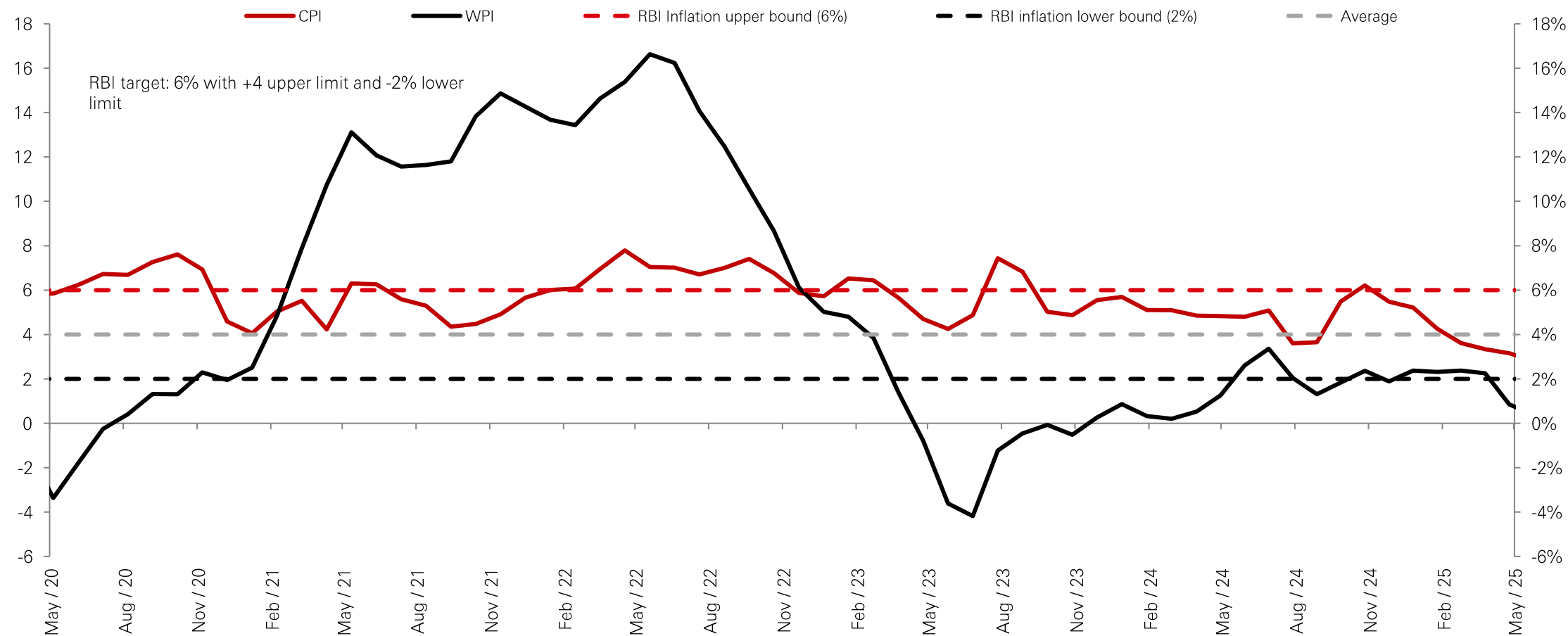
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# RBI Repo Rate reduced to 5.50% June policy meet



Source: RBI, Crisil, Data as on 30 June 2025  
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CPI inflation below the RBI's target range average



Source: Crisil, MOSPI, RBI, Data as on 30 June 2025, Past performance may or may not be sustained in future and is not a guarantee of any future returns.  
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- Jammed-up June - with RBI-MPC's front-loaded policy action causing a knee-jerk reaction in the fixed income markets which remained unresponsive even when the latest CPI inflation print came in lower at 2.8% YoY.
- Expect inflation to remain benign while signs on economic activity remain mixed.
- Governments' spending especially on capital account has been positive, YoY & MoM.
- Current account deficit (CAD) would stay benign, and it would be the capital flows that need to be tracked.
- While the USDINR reacted to the geopolitical developments and oil price spike, intermittently during June, but it stabilized as situation improved, moving in sync with EM peers.
- The RBI's forwards book maturity also has not impacted the system liquidity conditions over the last couple months and RBI's aggressive liquidity steps have pushed the durable liquidity well into the surplus.
- All-in-all, India's macros remain steady, and all eyes will be on how the policy moves through the system, with focus on transmission.
- Room for further policy easing will only open up if the Fed cuts earlier than anticipated, or if domestic growth or inflation sharply falls below estimates.
- In this backdrop, expect G-Sec rates to consolidate and broadly remain range bound. However, RBI has reiterated that liquidity will remain in surplus for the foreseeable future, which implies that liquidity will remain the main driver of softer yields domestically, going forward. Lower absolute levels in G-Sec along with lower differential with US treasuries point towards a gradual reallocation towards corporate bonds to chase carry.
- Corporate bonds in the 2-4 year segment continue to offer 60-80 bps over the corresponding, which makes it the sweet spot on the corporate yield curve. Expect spreads to compress going forward by 20-25 bps.

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

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# Domestic Economy

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# Indian Economic Environment

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	Indicators	Jun-25	May-25	Apr-25	Mar-25	Feb-25	Jan-25	Dec-24	Nov-24	Oct-24	Sep-24	Aug-24	Jul-24	Jun-24
Debt Indicators	Currency in circulation (Rs billion)	38427	38344	37762	36997	36444	35892.682	35,643	35,589	35,103	34,994	35,231	35,600	35,814
	Repo rate	5.50%	6.00%	6.00%	6.25%	6.25%	6.50%	6.50%	6.50%	6.50%	6.50%	6.50%	6.50%	6.50%
	10-year G-sec yield	6.32%	6.27%	6.36%	6.58%	6.72%	6.69%	6.76%	6.75%	6.85%	6.75%	6.86%	6.92%	7.01%
	Call rate	5.25%	5.75%	6.00%	7.00%	6.50%	6.65%	6.00%	6.70%	5.75%	6.24%	6.50%	6.50%	6.25%
	Forex reserves (\$ billion; mthly. avg.)	698	689	682	658	638	628.9	648.1	666.1	693.9	688.7	673.8	661.7	653.5

Economy	GDP	NA			7.40%			6.40%			5.60%			6.50%
	Fiscal deficit (Rs billion)	NA	-1731.69	1863.32	2304.18	1773.1	2554.53	674.95	957.7	276.3	393.44	1582.31	1412.33	850.97
	Gross Tax Collections (Rs crore)	NA	243,753	271,478	590,999	219,870	233,928	489,453	228,341	218,792	481,120	248,493	253,432	371,168
	IIP, %y/y	NA	1.20%	2.70%	3.90%	2.90%	5.00%	3.20%	5.20%	3.50%	3.10%	-0.10%	4.70%	4.70%
	Exports, \$ billion	NA	38.73	38.49	41.97	36.91	36.43	38.0	32.1	39.2	34.6	34.7	34.0	35.2
	Imports, \$ billion	NA	60.61	64.91	63.51	50.96	59.42	60.0	70.0	66.3	55.4	64.4	57.5	56.2
	Manufacturing PMI	58.4	57.6	58.2	58.1	56.3	57.7	56.4	56.5	57.5	56.5	57.5	58.1	58.3
	Services PMI	60.4	58.8	58.7	58.5	59.0	56.5	59.3	58.4	58.5	57.7	60.9	60.3	60.5
	GST collections (Rs crore)	184,597	201,050	236,716	196,141	183,646	195,506	176,857	182,269	187,346	173,240	174,962	182,075	173,813
	CPI inflation, % y/y	NA	2.82%	3.16%	3.34%	3.61%	4.31%	5.22%	5.48%	6.21%	5.49%	3.65%	3.60%	5.08%
	WPI inflation, % y/y	NA	0.39%	0.85%	2.05%	2.38%	2.31%	2.37%	1.89%	2.36%	1.84%	1.31%	2.04%	3.36%
	India crude oil import (mbpd)	NA	NA	21.23	22.7	19.1	20.8	20.0	19.1	19.5	18.8	19.1	19.44	18.81

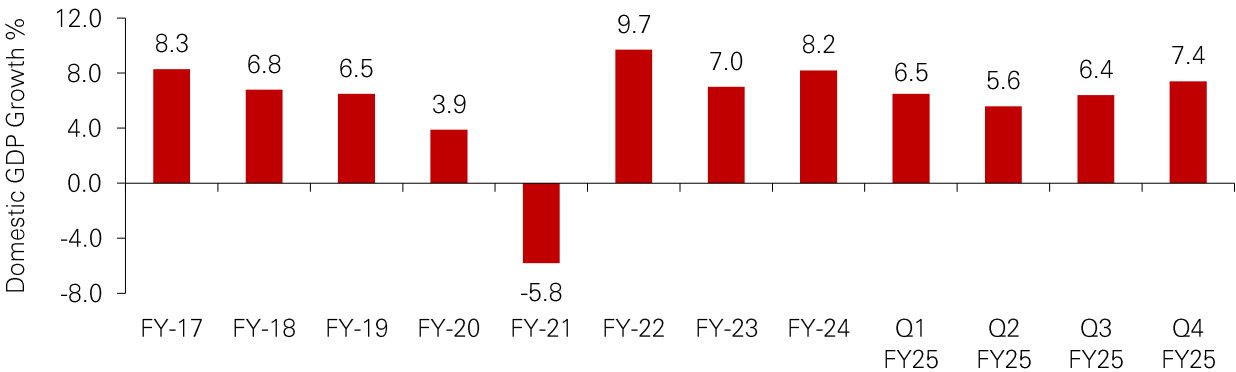
Sector update	Auto – Passenger vehicles	NA	-1.10%	5.90%	2.4%	2.4%	2.3%	9.8%	20.6%	15.2%	3.7%	-2.2%	-2.3%	4.3%
	Auto – Two-wheelers	NA	2.20%	-16.70%	11.4%	-9.0%	2.1%	-8.78%	-1.15%	14.16%	15.78%	9.57%	12.45%	19.51%
	Auto – Commercial vehicles	NA	-1.00%	-2.10%	-1.0%	-3.3%	0.6%	3.38%	13.79%	1.48%	-22.02%	-11.63%	-12.29%	-8.30%
	Auto – Tractors	NA	9.10%	7.70%	25.4%	13.6%	11.4%	13.99%	-1.34%	22.37%	3.72%	-5.85%	1.61%	3.60%
	Banks – Deposit growth	10.40%	10.00%	10.20%	10.60%	10.60%	10.7%	11.50%	11.20%	11.80%	11.60%	10.90%	11.30%	11.80%
	Banks – Credit growth	9.60%	9.80%	10.30%	11.80%	11.30%	11.90%	11.28%	11.20%	11.70%	13.00%	13.50%	13.90%	19.30%
	Infra – Coal	NA	2.80%	3.5%	1.6%	1.7%	4.6%	5.30%	7.50%	7.80%	2.60%	-8.10%	6.80%	14.80%
	Infra – Electricity	NA	-5.80%	1.70%	7.50%	3.6%	2.4%	6.20%	4.40%	2.00%	-0.50%	-3.70%	7.90%	8.60%
	Infra – Steel	NA	6.70%	4.40%	8.70%	6.9%	4.7%	7.30%	10.50%	5.70%	1.80%	4.10%	7.00%	6.30%
	Infra – Cement	NA	9.20%	6.30%	12.20%	10.8%	14.6%	4.60%	13.10%	3.10%	7.20%	-2.50%	5.10%	1.80%

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

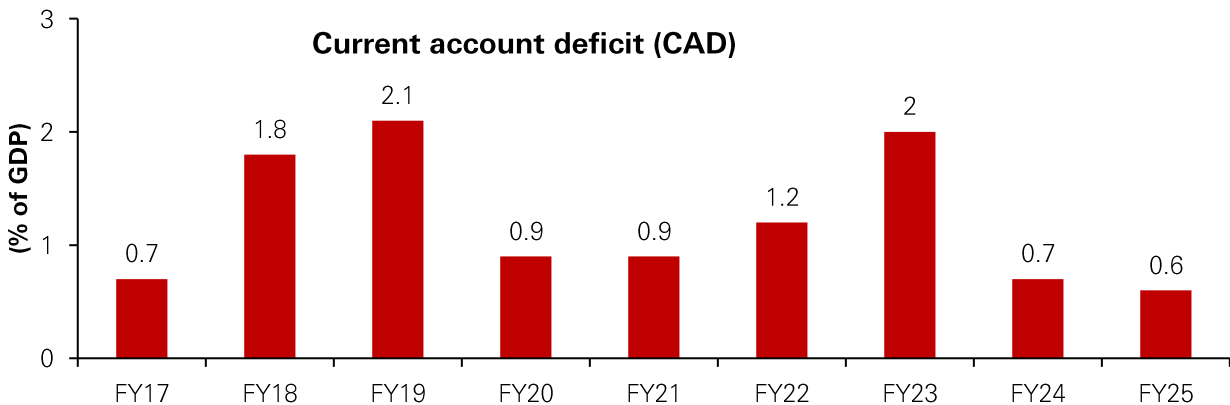
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## India expected to be resilient amid heightened global uncertainty; growth outlook remains positive

- Heightened trade tensions, policy uncertainty and geopolitical stress emerged as fresh headwinds for all economies globally in June 2025. In the wake of these, the World Bank, in its latest Global Economic Prospects report, expressed the possibility of global growth decelerating to its slowest pace since 2008 outside of outright global recession.
- The World Bank also slashed its growth forecast for India to 6.3% in the current financial year from an earlier estimate of 6.7% growth, citing dampened export and investment growth. It, however, expressed confidence about India remaining the fastest-growing major economy during the year, with fundamentals strong enough to withstand trade pressures.
- Meanwhile, S&P Global Ratings raised its GDP growth forecast for India in the current fiscal to 6.5%, up from its earlier projection of 6.3%.



### Gross domestic product expanded to 7.4% in Q4 of fiscal 2025

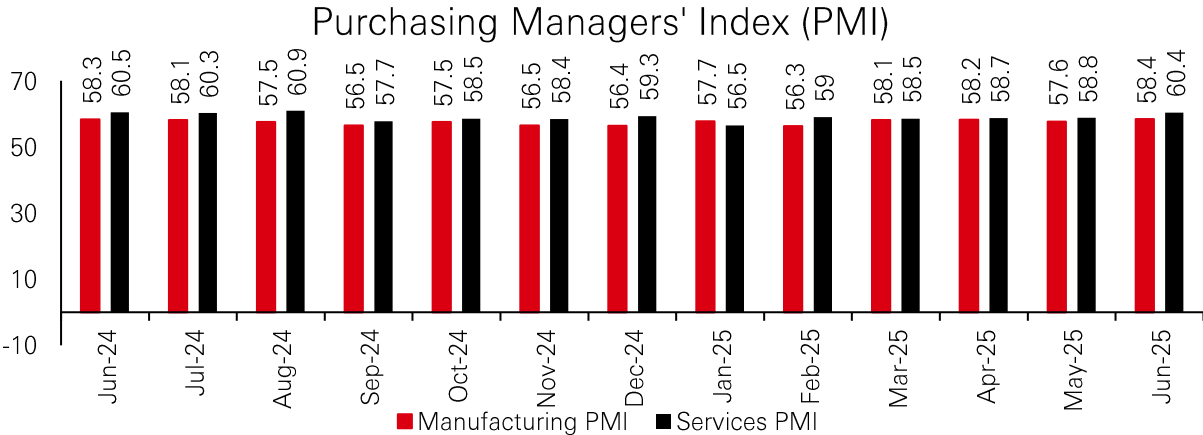


### Current account deficit contracted to 0.6% of GDP for fiscal 2025

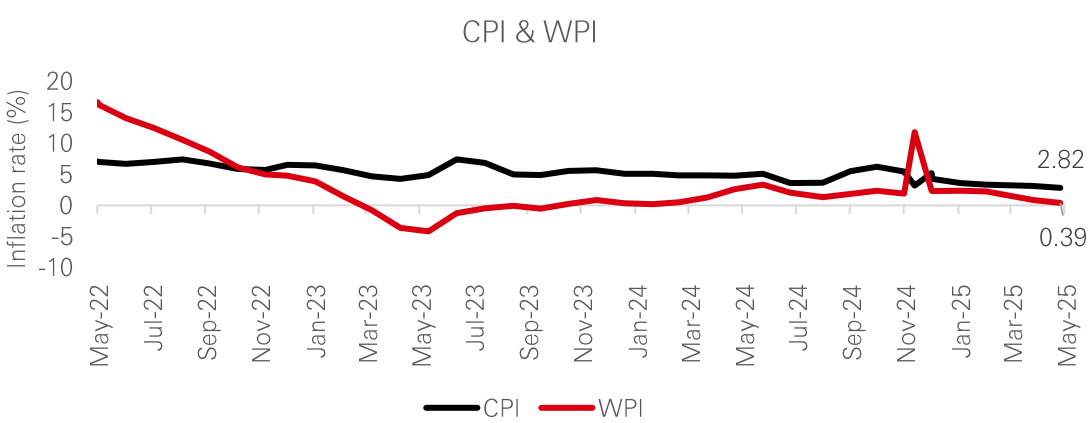
Source – Crisil, Mospi, Data as on 30 June 2025

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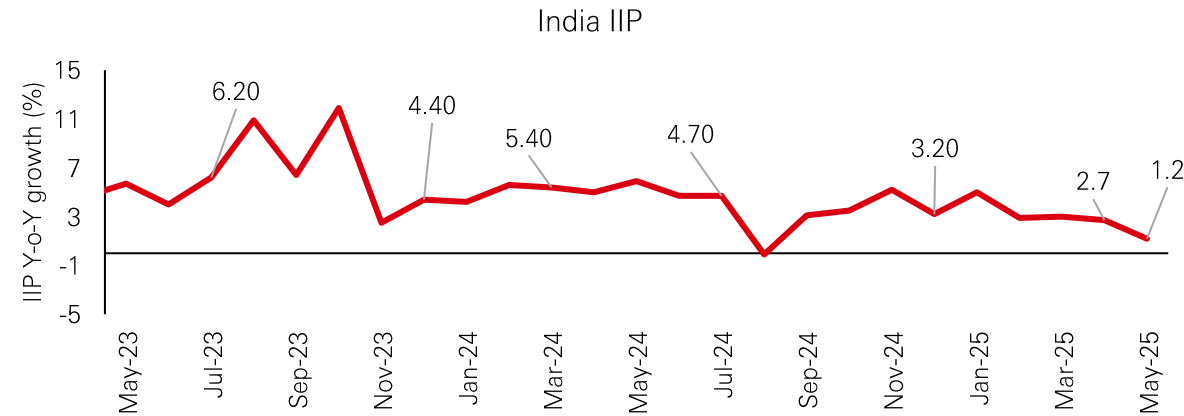
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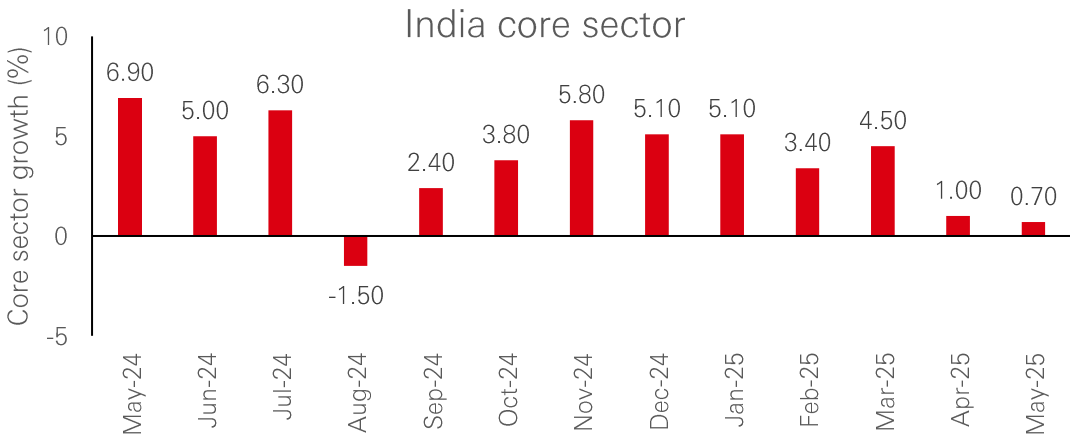
Domestic manufacturing and services activity rose in June



Retail inflation and wholesale inflation eased in May



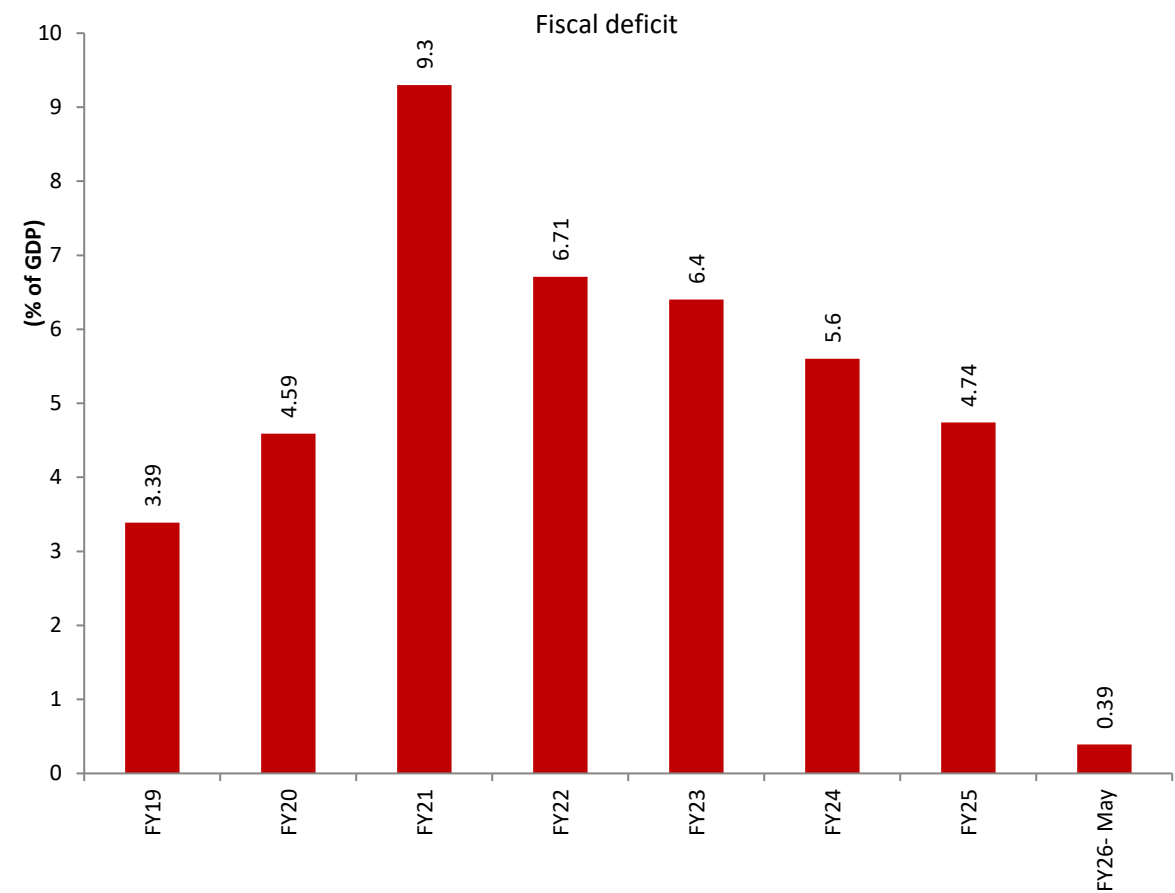
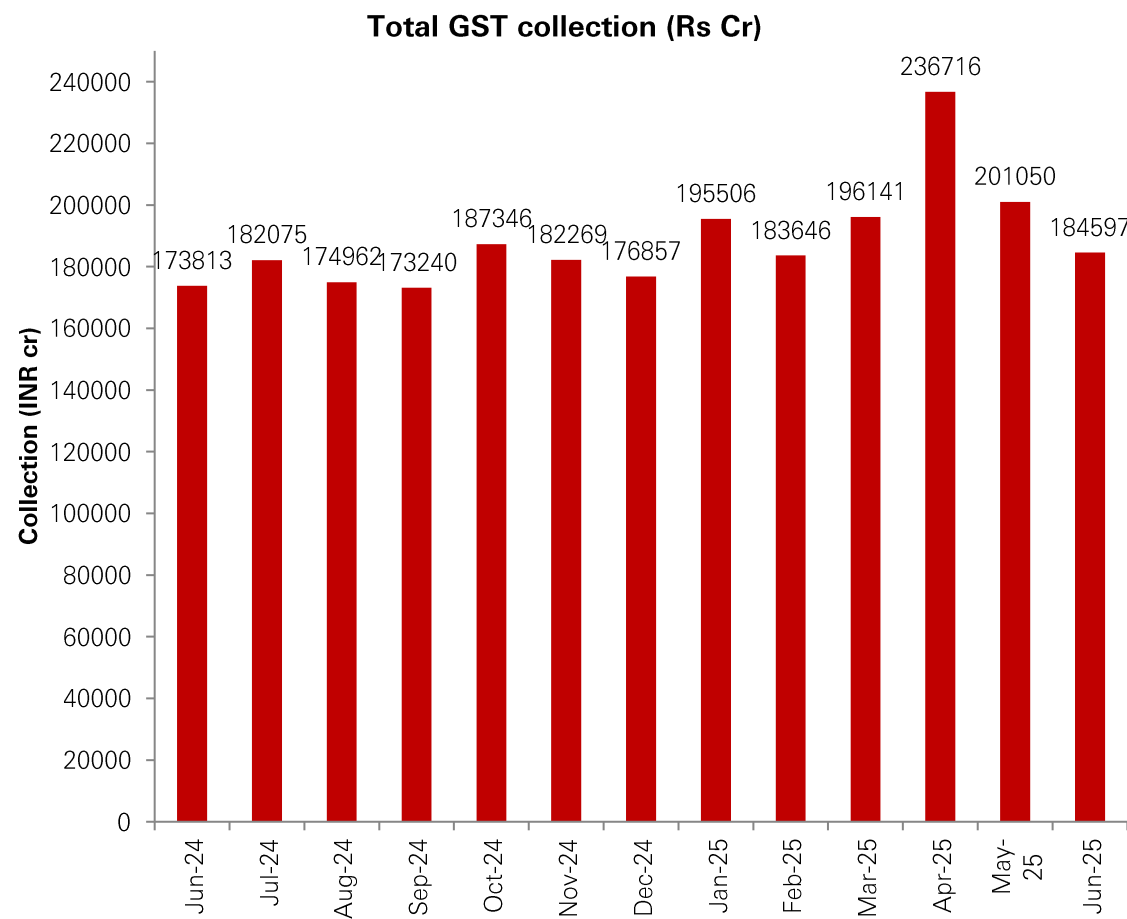
Industrial output growth slowed in May



Core sector growth eased in May

Source—Crisil, Trading Economics, MOSPI, EAI, Data as on 30 June 2025, RBI- Reserve Bank of India GDP- Gross Domestic Product.  
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# GST collection INR 1.84 lakh crore in June



As per reports, the government collected INR 1.84 lakh crore goods and services tax (GST) for the month of June. Fiscal deficit for Apr-May period stood at 0.39% of estimated GDP for FY26.

Source- Crisil, gst.gov.in, Data as on 30 June 2025, Past performance may or may not be sustained in future and is not a guarantee of any future returns. GST – Goods and Services Tax  
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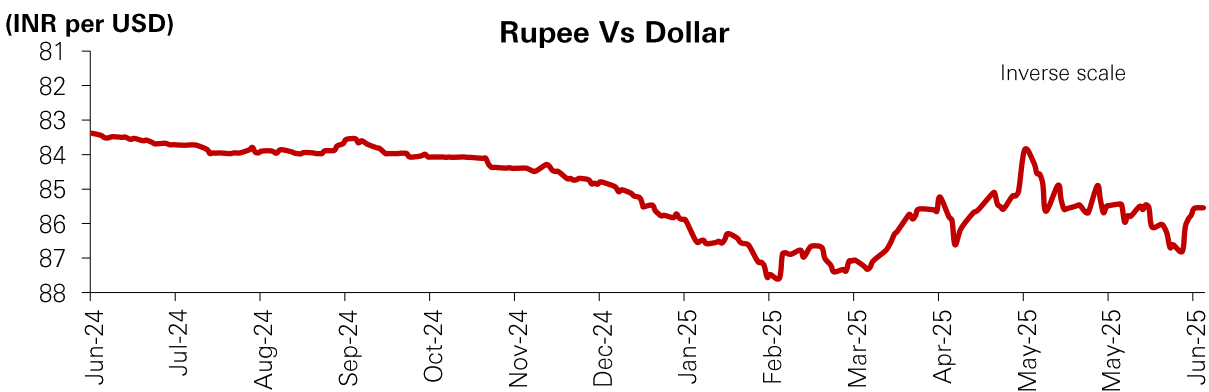
# Currency & Commodity market update

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Rupee ended lower in June

- The Indian rupee closed June at 85.54 to the dollar, down 0.07% from its May 30 closing of 85.48.
- Weakness persisted despite support from the Reserve Bank of India’s aggressive rate cut at the beginning of the month, a weakening dollar index, and easing global crude oil prices towards the month-end.
- In the first half of June, rising crude oil prices, strong dollar demand and persistent foreign fund outflows exerted considerable pressure on the rupee.
- Escalating geopolitical tensions in the Middle East compounded the pressure, leading the rupee to a five-month low of 86.81 to the dollar on June 23.

Rupee Movement V/s Global Currencies				
	30-June-25	30-May-25	Change	% Change
USD	85.54	85.48	0.06	0.07%
GBP	117.47	115.14	2.33	2.02%
EURO	100.45	96.94	3.51	3.62%
100 YEN	59.43	59.36	0.07	0.12%



Rupee declined due to geopolitical tensions

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

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## International crude oil prices rose in June

- Crude oil prices on the New York Mercantile Exchange closed at \$65.11 per barrel on June 30, up 7.11% compared with \$60.79 per barrel on May 30.
- Crude prices logged an overall slight rise in June, primarily driven by ongoing geopolitical uncertainties that intensified concerns over supply.

## Domestic gold prices rose in June

- The price of gold ended at Rs 95,886 per 10 gram on June 30, up 0.56% from Rs 95,355 per 10 gram on May 30, according to the India Bullion and Jewellers Association Ltd.
- Gold prices remained elevated in the month, supported by haven demand due to concerns over tariffs and geopolitical uncertainties. Intermittent weakness in the dollar index also added to the rally.
- However, prices weakened due to profit booking and lower demand in the domestic market.

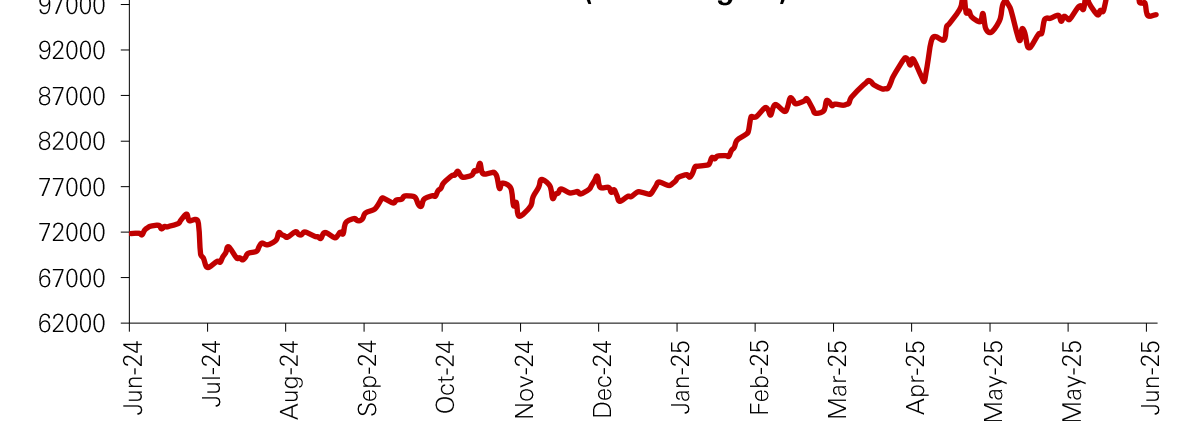
(\$ Per Barrel)

Global Crude Oil prices - NYMEX (\$ per barrel)



102000

Gold (INR / 10 gms)



Source – Crisil, NYMEX. IBJA Data as on 30 June 2025.

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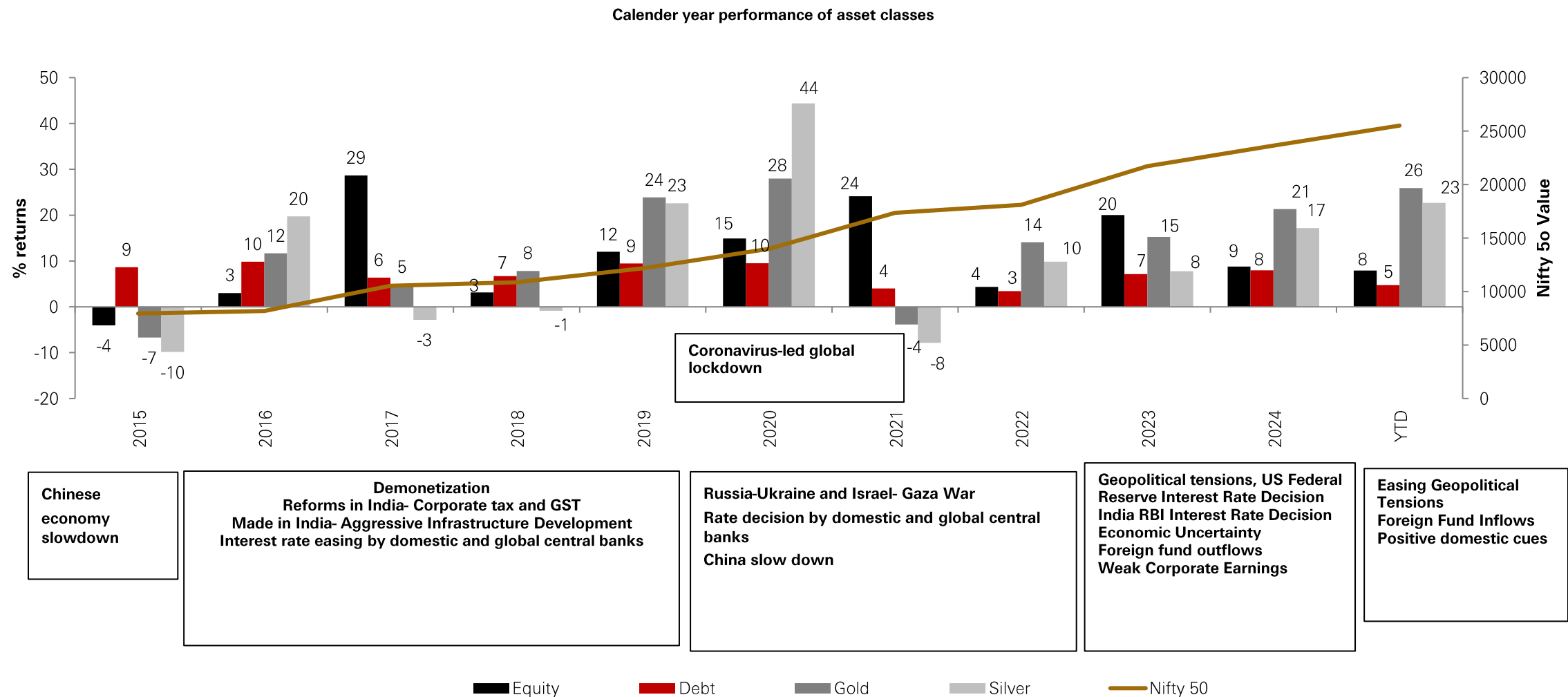
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# Asset Performance

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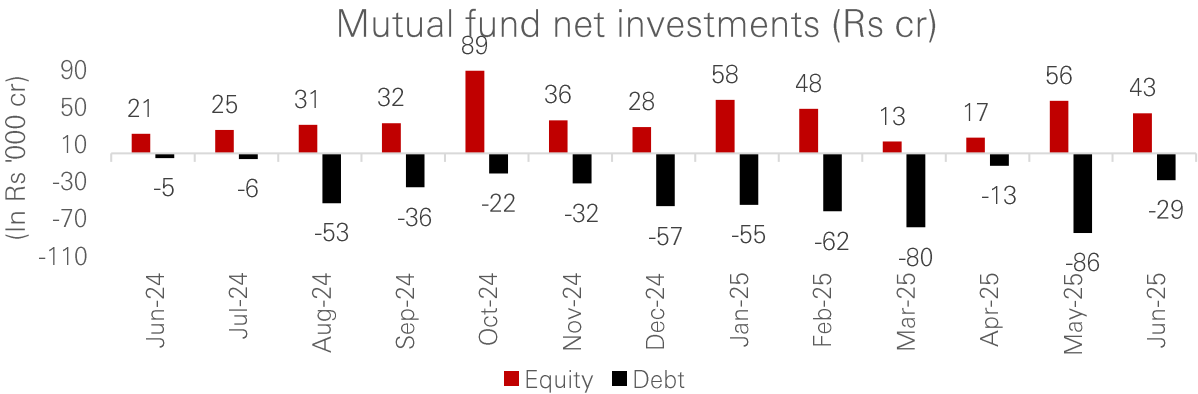


# History of asset classes through major events

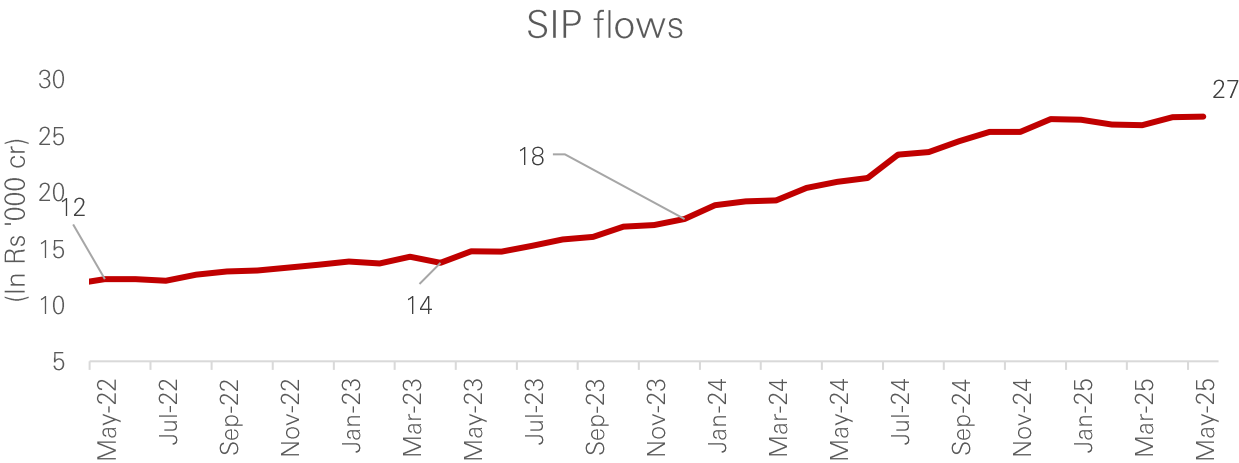


Equity- Nifty 50, Debt- Crisil short duration debt index  
Gold and silver returns are based on spot rates from India Bullion and Jewellers Association (IBJA) and MCX  
Source: NSE, CRISIL, Data as on 30 June 2025, Past performance may or may not be sustained in future and is not a guarantee of any future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



Inflows through SIPs steady in May 2025



- Assets under management (AUM) of the domestic mutual fund (MF) industry rose 3.14% (or by Rs 219,773 crore) in May to ~Rs 72.20 lakh crore from Rs 69.99 lakh crore in April, driven by equity-oriented schemes.
- Assets of open-ended equity funds rose 4.8% on-month to Rs 32.05 lakh crore. The category witnessed a net inflow of Rs 19,013 crore, lower than the Rs 24,269 crore seen in April.
- Assets of hybrid funds rose 4.43% (or by Rs 40,541 crore) on-month to Rs 9.55 lakh crore in May owing to gains in the assets of balanced hybrid funds/ aggressive hybrid funds. The net inflow into the category rose to Rs 20,765 crore from Rs 14,248 crore in April.
- Collections through systematic investment plans saw a marginal increase to Rs 26,688 crore from Rs 26,632 crore in April. The number of SIP accounts touched 9.05 crore from 8.89 crore in April.

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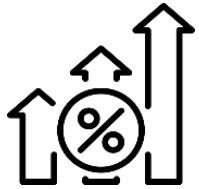
# Economic Events Calendar

Date	Indicators	Previous
11-July-25	UK GDP, May	0.9%
12-July-25	China Balance of Trade, Jun	\$103.22bn
14-July-25	India WPI inflation rate, Jun	0.39%
15-July-25	China GDP Growth Rate Q2	1.2%
18-July-25	US Building Permits Prel, June	-2%
20-July-25	China Loan Prime Rate 1Y/5Y July	3% / 3.5%
30-July-25	US Fed interest rate decision	4.5%
31-July-25	India Infrastructure Output, Jun	0.7%
31-July-25	Japan BoJ Interest Rate Decision	0.5%

Source: Crisil, Data as on 30 June 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  
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- The Monetary Policy Committee (MPC) of the Reserve Bank of India (RBI) voted unanimously to cut the policy repo rate by 50 basis points (bps) to 5.50%
- Accordingly, the standing deposit facility (SDF) rate, the marginal standing facility (MSF) rate and bank rate are revised to 5.25%, 5.75% and 5.75%, respectively. The MPC shifted the policy stance to 'neutral' from 'accommodative', indicating limited policy space and the need to monitor data closely to balance growth and inflation



- The RBI said, the provisional estimates released by the National Statistical Office (NSO) placed India's real gross domestic product (GDP) growth at 6.5% in fiscal 2025, driven by continued rural demand support and improving urban consumption.
- Meanwhile, private consumption and traction in fixed capital formation are set to support overall economic momentum, despite global uncertainties. Considering these factors, GDP growth for fiscal 2026 is projected at 6.5%, with first quarter at 6.5%, second quarter at 6.7%, third quarter at 6.6% and fourth quarter at 6.3%, with risks evenly balanced



- RBI Governor Sanjay Malhotra said the economy is progressing well, with strong fundamentals and a benign inflation outlook, creating space to support growth.
- Amid global uncertainties, today's policy steps aim to push growth to a higher trajectory, while ensuring price stability, which is key to long-term, equitable development

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

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

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