



FORTNIGHTLY WRAP

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India Economic News

- India's economy has tripled over the past decade, growing from Rs 106.57 lakh crore to Rs 331.03 lakh crore in 2024–25. With a 6.5% GDP growth and easing inflation, the country's strong domestic demand, stable investment, and global confidence are driving this momentum
- India saw a robust 12.6% growth in investment confidence in Q3 2025, the highest among 32 economies, according to the Dun & Bradstreet Global Business Investment Confidence Index
- India's trade deficit fell to \$18.78 billion in June 2025, lower than economists' expectations, down from \$21.88 billion in May. Exports to the U.S. saw a significant increase despite trade tensions
- India's retail inflation rate dropped more than anticipated to a 77-month low of 2.1% in June 2025, down from 2.82% in May, as food prices fell by 1.06% y-o-y, supported by a favorable base effect
- According to a PwC report, India's economic activity is expected to grow to \$9.82 trillion by 2035, compared to \$3.39 trillion in 2023
- According to Temasek, India's growth will stay resilient, fueled by increased capital expenditure and consumption, despite the global uncertainties

Global Economic News

- JP Morgan CEO Jamie Dimon cautioned that President Trump's trade policies could pose major risks to the US economy, citing concerns over tariffs, trade uncertainty, and geopolitical factors
- President Donald Trump announced a landmark trade deal with Indonesia. The agreement includes Indonesia purchasing \$15 billion in U.S. energy, \$4.5 billion in agricultural products, and 50 Boeing jets, with a 19% tariff on exports to the U.S.
- China's economy grew over 5% y-o-y in Q2, according to official data, staying on course to meet its 2025 growth target despite the trade war with the U.S. GDP expanded by 1.1% from April to June 2025
- Starting August 1, U.S. President Donald Trump imposed a 30% tariff on imports from Mexico and the European Union, following the collapse of negotiations with these key trading partners
- After meetings in South Africa, the finance ministers of the G20 reached a consensus, stressing the importance of central bank independence in response to months of criticism from U.S. President Donald Trump

Equity Markets	Last*	1 Week	YTD
Nifty	25,039.20	0.28%	5.51%
Sensex	82,099.21	0.42%	4.55%
Dow Jones	44,342.19	-0.07%	4.23%
S&P 500	6,296.79	0.45%	7.06%
Nasdaq	20,895.66	1.24%	8.24%
FTSE 100	8,992.12	0.57%	8.86%
Nikkei 225	39,819.11	0.63%	1.31%
Shanghai	3,549.89	0.44%	10.39%
CAC 40	7,822.67	-0.08%	5.80%
DAX	24,289.51	0.14%	8.81%
Commodities	Last	1 Week	YTD
Gold	\$3,338.7	0.59%	26.16%
Silver	\$38.2	3.94%	29.93%
Crude Oil WTI	\$68.19	-1.38%	-7.59%
Currency	Last	1 Week	YTD
USD / INR	86.28	0.15%	0.57%
EUR / INR	100.32	0.17%	13.39%
Government Bond	Last	1 Week	Y-o-Y
India 10 Year G-Bond	6.29	-0.13%	-9.48%

*YTD – Indicates % gain/loss as of year to date

*Last as of 19th July

Central Bank and Regulatory Updates

- RBI has introduced revised rules for loans against gold and silver for agriculture and small businesses. The new pledging norms will apply to all commercial banks, regional rural banks, small finance banks, and state and district cooperative banks
- RBI Governor Sanjay Malhotra stated that the central bank's Monetary Policy Committee could take different directions on future rate decisions, depending on inflation trends and economic growth
- Jane Street has deposited ₹4,843 crore in escrow accounts and requested SEBI to lift certain conditional restrictions imposed under the interim order
- SEBI Whole Time Director Ananth Narayan cautioned against excessive short-term derivatives trading on expiry days, highlighting unsustainable structures and retail losses exceeding ₹1 trillion
- Jio BlackRock Mutual Fund has obtained approval from SEBI to launch four passive funds
- ICICI Prudential AMC, India's second-largest mutual fund manager, has filed its DRHP with SEBI for an IPO, aiming to raise around ₹10,000 crore

Sectoral News

- India aims to boost tourism's contribution to 10% of its economy by 2047, aligning with global standards, says Union Minister of Culture and Tourism, Shri Gajendra Singh Shekhawat. Currently, tourism represents about 5-6% of the economy
- Finance Minister Nirmala Sitharaman emphasized the rapid growth and potential of India's Global Capability Centres, which are expected to contribute \$200 billion to the economy by 2030 and generate millions of jobs
- India is making significant strides to enhance its domestic shipbuilding sector by planning eight mega clusters along its extensive coastline. Five of these will be new greenfield projects, while three will focus on expanding existing facilities, as stated by Union Shipping Secretary TK Ramachandran
- A report by Avenir Capital states that green hydrogen is set to drive a ₹10 lakh crore investment wave in India by 2030. The country aims to produce 5 million tonnes of green hydrogen annually and establish 20 GW of electrolyser manufacturing capacity by the end of the decade

Economic Indicators - 2025	Last	Previous
GDP Annual Growth Rate* (Q4 FY25)	6.5%	8.2%
Unemployment Rate (June)	5.6%	5.6%
Interest Rate (June)	5.50%	6.00%
Government Debt to GDP (FY25)	56.1%	57.1%
Consumer Confidence (May)	95.40	95.50
Business Confidence (March)	120.00	120.30
HSBC India Mfg PMI (June)	58.4	58.4
HSBC India Services PMI (June)	60.4	60.7
FX Reserves, USD Billion (July)	696.67	699.74
Bank Deposit Growth (July)	10.1%	10.4%
GST Collections (₹ Trillion) (June)	1.85	2.01
Infra Output (YoY) (May)	0.70%	0.50%
Trade Balance (Q1) USD Billion (June)	-59.50	-79.20
WPI Food (YoY) (June)	-3.75%	-1.56%
WPI Fuel (YoY) (June)	-2.65%	-2.27%
WPI Inflation (YoY) (June)	-0.13%	0.39%
WPI Mfg Inflation (YoY) (June)	1.97%	2.04%
CPI Inflation (YoY) (June)	2.10%	2.82%
Industrial Production (YoY) (May)	1.20%	2.60%

*GDP Estimates

Sources: RBI, Government Press Releases, Ministry of Finance.

* Views are personal

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