

WEEKLY WRAP

Issue 23

BRICKWORK RESEARCH

14 April 2025

Weekly Wrap

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India Economic News

- Hon'ble Prime Minister Narendra Modi stated at the Bharat Rising Summit that India's economy has demonstrated remarkable growth despite prevailing global challenges
- RBI has revised GDP growth forecast for the current fiscal year, beginning April 1, lowering it to 6.5% from the earlier projection of 6.7%, citing concerns over tariff threats
- Moody's has revised India's GDP growth forecast for 2025 downward to 6.1%, from its earlier projection of 6.4%, primarily due to concerns over the potential economic impact of newly imposed and threatened tariffs by the US
- India and the UK have agreed to explore opportunities for positioning London as a global financial centre and foreign exchange hub to facilitate the internationalisation of the rupee, according to a joint statement issued during the India-UK Economic and Financial Dialogue
- RBI expects inflation to ease to 4% in FY26, aided by favorable food prices, providing some relief to households despite ongoing global uncertainties

Global Economic News

- U.S. President Donald Trump declared a 90-day pause on tariffs for most countries
- European Commission President Ursula von der Leyen welcomed Donald Trump's decision to halt planned tariff hikes, describing it as a significant move toward stabilizing the global economy
- WTO Director-General Ngozi Okonjo-Iweala has cautioned that escalating trade tensions between US and China, whose bilateral trade represents roughly 3% of global trade could pose a serious threat to the global economic outlook
- Donald Trump's tariff measures have triggered a sell-off in U.S. government debt, as investor confidence in the U.S. economy declines. Concerns over the economic impact of the tariffs led to a sharp spike in yields, with rates surging to 4.5%
- Forecasters say the German economy is likely to stagnate this year, even if Donald Trump removes tariffs. Leading German economic institutes have downgraded their growth projection for 2025 to just 0.1%, down from the 0.8% forecast made in September 2024

Equity Markets	Last	1 Week	YTD
Nifty	22,399.15	-0.61%	-3.85%
Sensex	73,847.15	-0.51%	-4.27%
Dow Jones	40,212.71	4.95%	-5.48%
S&P 500	5,363.36	5.95%	-8.81%
Nasdaq	16,724.46	7.19%	-13.37%
FTSE 100	7,946.18	-1.13%	-3.58%
Nikkei 225	33,585.58	1.24%	-12.96%
Shanghai	3619.89	5.5%	0.43%
CAC 40	7,104.80	-2.34%	-3.91%
DAX	20,374.10	-1.30%	0.11%
Commodities	Last	1 Week	YTD
Gold	\$3095.9	-0.40%	16.97%
Silver	\$30.60	-7.66%	4.08%
Crude Oil WTI	\$61.05	-11.64%	-17.27%
Currency	Last	1 Week	YTD
USD / INR	85.93	-0.30%	0.36%
EUR / INR	97.60	4.53%	10.30%
Government Bond	Last	1 Week	Y-o-Y
India 10 Year G-Bond	6.44	-0.46%	-10.29%

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

Central Bank and Regulatory Updates

- RBI reduced the repo rate by 25 basis points to 6%, as the Monetary Policy Committee unanimously voted in favor of the rate cut to bolster economic growth
- According to IDFC FIRST Bank, the RBI is expected to inject up to ₹4 trillion into the economy during the current fiscal year through bond purchases and foreign exchange swap
- RBI has issued a draft regulatory framework intended to enhance the safety and transparency of gold-backed loans for borrowers
- SEBI has established a High-Level Committee to examine issues related to conflicts of interest among board members and employees of the securities market regulator
- SEBI has relaxed disclosure requirements for Foreign Portfolio Investors, raising the asset threshold for detailed beneficial ownership disclosures from ₹25,000 crore to ₹50,000 crore
- Tata Capital has submitted regulatory filings with SEBI for its upcoming ₹15,000 crore IPO through the confidential route, with Tata Sons and IFC set to divest shares

Sectoral News

- The general insurance industry is projected to grow by 13% Y-o-Y in gross written premium in FY26, driven more by an increase in value rather than a rise in new policyholders. Industry recorded an 8.5% Y-o-Y growth in FY25, down from 12.8% in FY24. according to India Ratings
- According to data from AMFI, the total assets managed by the mutual fund industry surged by 23%, or ₹12.3 lakh crore, in FY25, reaching ₹65.7 lakh crore
- NITI Aayog has unveiled its Vision 2030, aiming to double India's auto component production to \$145 billion and triple exports to \$60 billion by FY30. The strategy includes fiscal incentives, free trade agreements, support for R&D, and infrastructure improvements
- The National Solar Energy Federation of India and SolarPower Europe have entered into a new agreement to enhance collaboration in solar manufacturing between India and the European Union. This partnership is expected to pave the way for fresh business opportunities and increased access to funding

Economic Indicators	Last	Previous
GDP Annual Growth Rate*	6.5%	9.2%
Unemployment Rate	8.2%	8.3%
Interest Rate	6.00%	6.25%
Government Debt to GDP	81.59%	82.49%
Consumer Confidence	95.50	93.7
Business Confidence	120.00	120.30
HSBC India Mfg PMI (Mar)	58.1	56.3
HSBC India Services PMI (Mar)	58.5	59
FX Reserves, USD Billion	676.27	665.40
Bank Deposit Growth	10.3%	10.2%
GST Collections (₹ Trillion) (March)	1.96	1.84
Infra Output (YoY) (Feb)	2.9%	5.1%
Trade Balance (Q4) USD Billion	-79.20B	-75.30B
WPI Food (YoY) (Feb)	3.38%	5.88%
WPI Fuel (YoY) (Feb)	-0.71%	-2.78%
WPI Inflation (YoY) (Feb)	2.38%	2.31%
WPI Mfg Inflation (YoY) (Feb)	2.86%	2.51%
CPI Inflation (YoY) (Feb)	3.61%	4.26%
Industrial Production (YoY) (Feb)	2.90%	5.20%

*GDP Estimates

* Views are personal

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