WEEKLY **WRAP**

Issue 25

BRICKWORK RESEARCH

"Standing strong with the victims of Pahalgam, united in support and solidarity during this challenging time."

28 April 2025

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Weekly Wrap

India Economic News

- RBI forecasts a 6.5% growth for the Indian economy, while Governor Sanjay Malhotra urges US industries to invest, highlighting opportunities despite global uncertainties
- IMF has lowered India's GDP growth forecast for FY26 to 6.2%, citing trade tensions and US tariffs, with a slight decline to 6.3% projected for FY27. Nevertheless, India is still expected to outpace both emerging and advanced economies in growth
- Hon'ble Commerce and Industry Minister Piyush Goyal stated that India will not permit irregular practices or the trans-shipment of goods from its territory to other regions
- India must create at least 8 million jobs annually and boost manufacturing's GDP share over the next 10–12 years to achieve its 2047 developed nation goal, said CEA V. Anantha Nageswaran
- India's immediate closure of the Integrated Check Post at Attari following the Pahalgam terror attack is expected to disrupt cross-border trade with Pakistan valued at ₹3,886.53 crore. Bilateral trade had already been declining since India imposed a 200% duty on Pakistani imports in 2019

Global Economic News

- IMF has lowered its global GDP growth forecast for this year to 2.8%, down 0.5% from its January 2025 projection. It noted that although the forecast is based on existing trade policies, intensifying downside risks continue to overshadow the outlook
- US President Donald Trump has warned that the US economy could slow down if Federal Reserve Chairman Jerome Powell does not move to cut interest rates
- China ramps up cash injection to cushion economy against US tariff effects, with the People's Bank of China set to inject $82.3 billion through a one-year medium-term lending facility to ensure sufficient liquidity in the banking system
- IMF has cut China's growth forecast for this year to 4%, citing a highly uncertain environment where downside risks prevail
- Germany's government has downgraded its 2025 economic growth forecast, now expecting the economy to stagnate instead of growing by 0.3%, amid rising global uncertainty and tariff-related disruptions

Equity Markets	Last	1 Week	YTD
Nifty	24,199.30	0.67%	2.14%
Sensex	80,031.98	1.03%	1.86%
Dow Jones	40,113.50	2.48%	-5.71%
S&P 500	5,525.21	7.12%	-6.06%
Nasdaq	17,382.94	9.53%	-9.96%
FTSE 100	8,415.25	1.04%	1.88%
Nikkei 225	35,828.50	0.34%	8.82%
Shanghai	3,296.89	0.06%	1.41%
CAC 40	7,536.26	2.86%	1.93%
DAX	22,242.45	4.46%	0.96%
Commodities	**Last**	**1 Week**	**YTD**
Gold	$3,322.1	1.81%	25.54%
Silver	$33.1	1.90%	12.59%
Crude Oil WTI	$63.48	0.89%	-13.97%
Currency	**Last**	**1 Week**	**YTD**
USD / INR	85.35	-0.03%	-0.56%
EUR / INR	96.93	-0.09%	9.55%
Government Bond	**Last**	**1 Week**	**Y-o-Y**
India 10 Year G-Bond	6.47	1.73%	-11.65%

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

Weekly Wrap

Central Bank and Regulatory Updates

- RBI has directed banks to transition their digital banking domains to 'Bank.in' by October 31, 2025, as part of an effort to strengthen the security and integrity of online banking platforms
- RBI has eased LCR norms, allowing banks to apply a lower 7.5% run-off factor on digital retail deposits, down from the 10% suggested in the draft, to support liquidity management
- RBI purchased 57.5 tonnes of gold in FY25, marking its second-largest annual gold acquisition since it began accumulating reserves in December 2017
- RBI has slapped penalties totaling over ₹2.24 crore on Indian Bank (₹1.61 crore) and Indian Overseas Bank (₹63.60 lakh) for regulatory non-compliance
- Starting June 1, SEBI has revised the cut-off times for repurchasing overnight fund units to 3 PM for offline and 7 PM for online transactions, supporting pledge-based upstreaming of client funds. These funds invest in risk-free overnight government securities, ensuring low-risk liquidity

Sectoral News

- Hon'ble Prime Minister Narendra Modi emphasized that the steel industry is crucial to India's goal of becoming a $5 trillion economy, outlining a comprehensive vision where steel will be key to national growth across sectors, including infrastructure, automobiles, defense, and railways
- A senior executive from Godrej Pet Care stated that India's pet care industry could reach ₹10,000 crore by 2028, up from approximately ₹6,000 crore currently
- India is expected to export between 600,000 and 700,000 metric tons of sugar this season ending in September 2025, despite the government permitting exports of up to 1 million tons, according to a representative of the Indian Sugar & Bio-Energy Manufacturers Association
- India's global capability centre workforce, projected to grow to 3 million by 2030, is expected to create 400,000 jobs for freshers and see a 3-5% improvement in gender diversity, according to HR investment platform FirstMeridian
- Pahalgam attack has cast a shadow over Jammu & Kashmir's ₹12,000 crore tourism industry, potentially affecting around 2.5 lakh local livelihoods

Economic Indicators	Last	Previous
GDP Annual Growth Rate*	6.5%	9.2%
Unemployment Rate	7.90%	8.2%
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 (Apr)	**58.4**	**58.1**
HSBC India Services PMI (Apr)	**59.1**	**58.5**
FX Reserves, USD Bilion	**686.15**	**677.84**
Bank Deposit Growth	10.1%	10.3%
GST Collections (₹ Trillion) (March)	1.96	1.84
Infra Output (YoY) (Mar)	**3.8%**	**3.4%**
Trade Balance (Mar) USD Billion	-21.54B	-14.05B
WPI Food (YoY) (Mar)	1.57%	3.38%
WPI Fuel (YoY) (Mar)	-0.20%	-0.71%
WPI Inflation (YoY) (Mar)	2.05%	2.38%
WPI Mfg Inflation (YoY) (Mar)	3.07%	2.86%
CPI Inflation (YoY) (Mar)	3.34%	3.61%
Industrial Production (YoY) (Feb)	2.90%	5.20%

*GDP Estimates

* Views are personal

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