



WEEKLY WRAP

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BRICKWORK RESEARCH

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Weekly Wrap

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India Economic News

- India's economy is projected to grow 6.4% in the current fiscal year ending March 2026, according to a Reuters poll of 51 economists conducted from June 17-26. Despite a four-year low in 2024-25, growth is expected to remain steady, largely supported by strong government capital investment
- India posted a current account surplus of \$13.5 billion (1.3% of GDP) in Q4 FY25, reversing a \$11.3 billion deficit in the previous quarter and rising sharply from a \$4.6 billion surplus a year earlier
- India's external debt increased to \$736.3 billion (19.1% of GDP) by the end of March 2025, up from \$668.8 billion (18.5% of GDP) a year earlier
- The Ministry of Finance stated that while India's macroeconomic conditions are in a "relatively goldilocks" phase, ongoing global uncertainties make this a period of "nervous but exciting times" for the economy
- Hon'ble Minister Piyush Goyal said India is on track to become a \$5 trillion economy by 2027, having progressed from the "fragile five" to one of the world's top five economies

Global Economic News

- U.S. economy contracted by 0.5% on an annualized basis in the first quarter of 2025, as President Donald Trump's trade war triggered a surge in imports that disrupted business operations
- China's industrial profits fell 9.1% in May compared to a year earlier, marking the steepest monthly decline since October, when profits dropped 10%. The data highlights growing concerns that Beijing's stimulus measures are failing to effectively boost business profitability
- For the first time in decades, wealthy nations are ramping up defence spending amid global conflicts and alliance concerns. On June 25, NATO members agreed to raise military spending to 3.5% of GDP by 2035, potentially adding \$800 billion annually
- IMF chief Kristalina Georgieva warned that U.S. strikes on Iran could hurt global economic growth. she said the IMF is closely monitoring energy prices, noting the risk of secondary and tertiary impacts
- The World Economic Forum warns that geopolitical tensions and trade wars could lead to a decade of weak global growth. As the WEF meets in Tianjin, discussions will focus on challenges and emerging growth drivers like AI

Equity Markets	Last*	1 Week	YTD
Nifty	25,637.80	2.09%	7.98%
Sensex	84,058.90	2.00%	7.07%
Dow Jones	43,819.27	3.82%	1.00%
S&P 500	6,173.07	2.45%	4.96%
Nasdaq	20,273.46	3.27%	5.02%
FTSE 100	8,798.91	0.28%	6.52%
Nikkei 225	40,809.82	6.27%	3.83%
Shanghai	3,432.76	2.19%	5.23%
CAC 40	7,691.55	1.34%	4.03%
DAX	24,033.22	2.92%	5.26%
Commodities	Last*	1 Week	YTD
Gold	\$3138.4	-1.91%	18.60%
Silver	\$36.1	-1.37%	22.79%
Crude Oil WTI	\$69.36	-7.45%	-6.00%
Currency	Last*	1 Week	YTD
USD / INR	85.47	0.02%	-0.35%
EUR / INR	100.16	0.01%	13.20%
Government Bond	Last*	1 Week	Y-o-Y
India 10 Year G-Bond	6.31	0.01%	-9.96%

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

*Data as of 27th June

Central Bank and Regulatory Updates

- RBI has directed banks to swiftly pass on the 50 bps rate cut to customers. SBI, Bank of Baroda, and HDFC Bank have already implemented the reduction in lending rates
- The shift from 'accommodative' to 'neutral' in the June 6 policy "does not rule out further rate cuts," said Saugata Bhattacharya, an external member of the RBI's monetary policy committee, in an interview
- Jio BlackRock Investment Advisers, a 50:50 joint venture between Jio Financial Services and U.S. asset manager BlackRock, has received SEBI's approval to launch a stock broking business in India
- SEBI has carried out multiple raids as part of a pump-and-dump probe, signaling a tougher stance on stock price manipulation. details are undisclosed
- RBI has tightened due diligence for onboarding Aadhaar Enabled Payment System operators (ATOs), requiring banks to reverify KYC before reactivating ATOs inactive for over three months, amid rising fraud
- RBI has extended call money market hours to 7 PM, effective July

Sectoral News

- India is ramping up efforts to build domestic rare earth magnet production capabilities, as global supply chain disruptions from China's export curbs persist. According to Electronics and IT Ministry official Amitesh Sinha
- India is in talks with Japan and Vietnam for rare earth supplies amid China's export restrictions. The country also plans to launch an incentive scheme to process rare earth oxides into magnets, expected to take two years, said Hon'ble Union Minister HD Kumaraswamy
- India secured \$4.8 billion in tech startup funding in H1 2025, maintaining its position as the third-largest market globally after the US and UK, according to Tracxn
- ICRA cut its FY26 domestic passenger vehicle wholesale growth forecast to 1-4%, down from 4-7%, due to high inventory and shortages of key components like rare earth magnets, especially affecting electric vehicles
- India's plastic pipes industry is set to grow at a 14% CAGR from FY24 to FY27, rising from ₹54,100 crore to ₹80,500 crore, driven by strong demand in housing, irrigation, water supply, and sanitation, according to Motilal Oswal report

Economic Indicators - 2025	Last	Previous
GDP Annual Growth Rate* (Q4 FY25)	6.5%	8.2%
Unemployment Rate (May)	5.6%	5.1%
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	57.6
HSBC India Services PMI (June)	60.7	58.8
FX Reserves, USD Billion (June)	697.94	698.95
Bank Deposit Growth (June)	10.4%	9.9%
GST Collections (₹ Trillion) (May)	2.01	2.37
Infra Output (YoY) (May)	0.70%	0.5%
Trade Balance (Q1) USD Billion (June)	-59.50	-79.20
WPI Food (YoY) (May)	-1.56%	-0.86%
WPI Fuel (YoY) (May)	-2.27%	-2.18%
WPI Inflation (YoY) (May)	0.39%	0.85%
WPI Mfg Inflation (YoY) (May)	2.04%	2.62%
CPI Inflation (YoY) (May)	2.82%	3.16%
Industrial Production (YoY) (Apr)	2.70%	3.90%

*GDP Estimates

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

* Views are personal

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