



# WEEKLY WRAP

Issue 35

**BRICKWORK RESEARCH**

7 July 2025

# Weekly Wrap

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## India Economic News

- The Indian economy is projected to grow between 6.4% and 6.7% in the current financial year, fueled by robust domestic demand, although geopolitical uncertainties continue to present potential downside risks, according to CII President Rajiv Memani
- India's policies are strategically designed to propel the country from a \$4 trillion economy to a \$32 trillion economy by 2047, said Piyush Goyal, Minister of Commerce and Industry
- U.S. and India are intensifying efforts toward a trade deal following President Trump's agreement with Vietnam, which reduced U.S. tariffs on numerous Vietnamese products from the previously threatened 46% to 20%
- India is projected to remain the fastest-growing economy, with Morgan Stanley forecasting real GDP growth of 5.9% in 2025 and 6.4% in 2026, according to its latest Global Investment Committee report
- According to a new report by PwC India, the country's total GVA is expected to rise from \$3.39 trillion in 2023 to \$9.82 trillion by 2035, reflecting a CAGR of 9.27%

## Global Economic News

- US added 147,000 jobs in June, exceeding expectations despite the Trump trade war. Economists had predicted a decline, but 8,000 more jobs were created compared to May, and the unemployment rate fell to 4.1%
- FED Chair Jerome Powell points to a strong economy while maintaining a wait-and-see approach on interest rates. Federal Reserve officials are evaluating the impact of tariff hikes on the U.S. economic outlook and inflation
- Germany is launching a landmark fiscal reform that could reshape the European economy, featuring a €500 billion infrastructure fund and significant defence spending increases—both designed to bypass the country's strict debt brake rules
- China is increasingly concerned over U.S. efforts to secure trade deals with Asian and European allies that could exclude Chinese companies from global supply chains. These agreements include limits on Chinese content and pledges to counter China's trade practices
- China President Xi Jinping emphasized the urgency of building a "unified national market" to boost domestic demand amid growing global uncertainties

Equity Markets	Last*	1 Week	YTD
Nifty	25,450.35	-0.04%	7.15%
Sensex	83,490.48	0.07%	6.16%
Dow Jones	44,828.53	2.30%	5.37%
S&P 500	6,279.35	1.20%	6.76%
Nasdaq	20,601.10	1.14%	6.71%
FTSE 100	8,822.91	0.27%	6.81%
Nikkei 225	39,605	-0.52%	0.81%
Shanghai	3,465.05	-0.21%	7.66%
CAC 40	7,696.27	0.06%	4.09%
DAX	23,787.45	-1.02%	6.21%
Commodities	Last	1 Week	YTD
Gold	\$3,327.2	0.27%	25.73%
Silver	\$36.5	1.12%	24.15%
Crude Oil WTI	\$66.30	-0.72%	-10.15%
Currency	Last	1 Week	YTD
USD / INR	85.69	0.23%	-0.07%
EUR / INR	100.51	-0.15%	13.59%
Government Bond	Last	1 Week	Y-o-Y
India 10 Year G-Bond	6.29	0.05%	-10.05%

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

\*Data as of 4<sup>th</sup> July

## Central Bank and Regulatory Updates

- RBI has appointed veteran banker Kesavan Ramachandran as an Executive Director, effective 1 July 2025. Prior to this promotion, Ramachandran served as the Principal Chief General Manager
- RBI withdrew ₹1,00,010 crore from the banking system through a seven-day VRRR auction. It received bids totaling ₹1,70,880 crore, accepting ₹1,00,010 crore at a cut-off rate of 5.47%
- RBI's stress test projects a slight rise in bad loans for the top 46 banks, with the GNPA ratio increasing from 2.3% in March 2025 to 2.5% by March 2027, while capital buffers are expected to remain strong even under severe stress
- SEBI has banned U.S.-based investment firm Jane Street from Indian securities markets for manipulating stock indices and illegally earning ₹4,843 crore
- SEBI has announced a six-month window starting July 7, 2025, for investors to resubmit rejected physical share transfer deeds submitted before April 1, 2019

## Sectoral News

- India's soft drink market is set to rebound with over 10% growth in 2025, according to Systematix Institutional Equities. The ₹30,000 crore carbonated soft drink segment, historically growing at 13–14% annually, is expected to benefit from better weather and reduced regional competition
- The Indian toy market, valued at around \$1.9 billion in 2024, is expected to reach \$4.7 billion by 2033. Driven by urbanization, higher incomes, and changing consumer trends. According to industry estimates
- India's sugar industry has expanded into a ₹1.3 lakh crore annual sector, significantly contributing to rural development, energy self-reliance, and green fuel production, said Union Food Minister Pralhad Joshi
- Union Minister of Steel and Heavy Industries, HD Kumaraswamy, wrapped up a three-day diplomatic and business visit to the UAE, holding high-level talks aimed at strengthening bilateral trade and industrial collaboration between India and the UAE

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
<b>HSBC India Mfg PMI (June)</b>	<b>58.4</b>	<b>58.4</b>
<b>HSBC India Services PMI (June)</b>	<b>60.4</b>	<b>60.7</b>
<b>FX Reserves, USD Billion (July)</b>	<b>702.78</b>	<b>697.94</b>
Bank Deposit Growth (June)	10.4%	9.9%
<b>GST Collections (₹ Trillion) (June)</b>	<b>1.85</b>	<b>2.01</b>
Infra Output (YoY) (May)	0.70%	0.50%
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) (May)	1.20%	2.60%

\*GDP Estimates

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

\* Views are personal

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