

WEEKLY WRAP

Issue 24

BRICKWORK RESEARCH

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Weekly Wrap

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India Economic News

- India aims to become a \$10 trillion economy and achieve developed nation status by 2047, according to Chief Economic Advisor V. Anantha Nageswaran
- Indian economy poised to overtake Germany, Japan in 3 years: NITI Aayog CEO B V R Subrahmanyam
- RBI Governor Sanjay Malhotra stated that while India demonstrates economic resilience, it continues to confront global challenges, with GDP growth still falling short of the nation's ambitions
- UNCTAD forecasts India's economy to grow at 6.5% in 2025, supported by robust public spending and monetary easing, despite a modest slowdown from 2024. In contrast, global growth is projected at just 2.3%
- India's trade deficit widened sharply to \$21.54 billion in March, surpassing economists' forecast of \$16 billion, amid global trade volatility driven by tariff-related concerns
- Fitch has lowered India's GDP forecast by 10 basis points to 6.4% amid escalating trade tensions

Global Economic News

- Global growth is projected to decelerate to 2.3% in 2025, reflecting a recessionary trend driven by rising trade tensions and growing economic uncertainty, according to the UN Conference on Trade and Development
- IMF Chief Kristalina Georgieva says rising trade tensions and global trade shifts may prompt downward forecast revisions, but a global recession is unlikely
- Federal Reserve Chair Jerome Powell said that U.S. economic growth is slowing, pointing to modest consumer spending and a spike in tariff-driven imports. However, he emphasized that the economy and job market remain strong
- U.S. economy could suffer a \$20 billion loss as foreign tourists avoid the country due to the ongoing trade war and Trump administration policies, according to the International Trade Administration
- China's Q1 GDP grew by 5.4%, surpassing expectations, though concerns over potential impacts from U.S. tariffs continue to cast a shadow

Equity Markets	Last	1 Week	YTD
Nifty	23,840	5.49%	1.13%
Sensex	78,498.37	5.18%	0.73%
Dow Jones	39,669.39	-1.30%	-8.00%
S&P 500	5,282.70	-2.28%	-10.80%
Nasdaq	16,286.45	-3.24%	-15.64%
FTSE 100	8,275.66	4.58%	0.19%
Nikkei 225	34,730.28	-0.36%	-12.77%
Shanghai	3,663.63	0.81%	1.07%
CAC 40	7,285.86	2.24%	-1.46%
DAX	21,205.86	3.13%	0.73%
Commodities	Last	1 Week	YTD
Gold	\$3,263.1	5.40%	23.31%
Silver	\$32.5	6.06%	10.54%
Crude Oil WTI	\$61.99	1.22%	-15.99%
Currency	Last	1 Week	YTD
USD / INR	85.62	-0.28%	-0.48%
EUR / INR	97.57	-0.48%	9.74%
Government Bond	Last	1 Week	Y-o-Y
India 10 Year G-Bond	6.46	1.51%	-11.83%

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

Central Bank and Regulatory Updates

- RBI has imposed penalties on Kotak Mahindra Bank, IDFC First Bank, and Punjab National Bank for lapses in regulatory compliance
- According to data from the RBI, the value of its gold holdings jumped by ₹11,986 crore in just one week, bringing the total value of RBI's gold reserves to ₹6,88,496 crore
- RBI is stepping up its oversight of NBFCs' collaborations with fintech loan service providers (LSPs). RBI officials are actively engaging with LSPs, emphasizing compliance with KYC norms, proper data management, and transparent communication with customer
- SEBI has proposed increasing the investment limits for mutual funds in REITs and InvITs to offer more investment opportunities and further diversify these schemes
- SEBI has halted Gensol Engineering's stock split, barred promoters Anmol and Puneet Singh Jaggi from accessing the securities market, and appointed a forensic auditor to investigate alleged fund misappropriation and misleading disclosures

Sectoral News

- Niti Aayog report suggests that U.S. tariffs on China and rising costs present India with a unique opportunity to redefine its position in the global tools export market. It recommends creating world-class clusters and offering support to overcome cost challenges for the local tool industry
- India Hot Rolled & Cold Rolled Steel Market was valued at USD 171.11 billion in 2024 and is projected to reach USD 270.49 billion by 2030, growing at a CAGR of 7.77%. Domestic steel demand is expected to increase by 9-10% in FY25, according to R&M report
- Italian Federation of Aerospace, Defence, and Security Companies and the Society of Indian Defence Manufacturers have signed a memorandum of understanding to enhance industrial collaboration and strengthen bilateral trade in the defense sector
- According to the latest EY-FICCI M&E report, live events in India grew by 15% in 2024, reaching ₹101 billion, and are expected to hit ₹167 billion by 2027, registering a robust CAGR of 18.2% the highest among all entertainment segments

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 (Mar)	58.1	56.3
HSBC India Services PMI (Mar)	58.5	59
FX Reserves, USD Billion	677.84	676.27
Bank Deposit Growth	10.1%	10.3%
GST Collections (₹ Trillion) (March)	1.96	1.84
Infra Output (YoY) (Feb)	2.9%	5.1%
Trade Balance (Mar) USD Billion	-21.54	-14.05
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

Authors

Manasvi Joshi, Research Analyst

Abhishek Das, Senior Research Analyst

Girish Basantani, Senior Research Analyst

Vikrant Chaturvedi, Senior Manager – Research

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