

The background features a collage of business-related elements. On the left, a world map is overlaid with a grid of numerical data. In the center and right, there are various charts including 3D bar graphs, pie charts, and a tablet displaying a dashboard with a circular gauge. The overall color palette is dominated by blues and yellows.

WEEKLY WRAP

Issue 31

BRICKWORK RESEARCH

9 June 2025

Weekly Wrap

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India Economic News

- Organisation for Economic Cooperation and Development (OECD) projects that India's economy will expand by 6.3% in 2025–26 and 6.4% in 2026–27
- India's economy is poised for significant growth, G20 former NITI Aayog CEO Amitabh Kant projecting it could reach \$30 trillion by 2047
- Moody's Ratings stated that India's robust domestic economy will sustain growth, allowing banks to maintain strong asset quality and keep NPL levels between 2–3% over the next year
- India has formally contested the U.S.'s 25% tariffs on auto imports at the WTO, calling them a "safeguard measure" aimed at protecting U.S. producers, according to its June 2 filing
- India's extreme poverty rate fell to 5.3% in 2022–23 from 27.1% in 2011–12, according to new World Bank estimates. This decline means 269 million people rose above the international poverty line over 11 years
- The U.S. has indicated a possible trade deal with India before the July 9 reciprocal tariff deadline, with US Commerce Secretary Howard Lutnick stating Washington is prepared to offer New Delhi preferential access in certain sectors

Global Economic News

- OECD's latest Economic Outlook warns of weakening global growth due to trade barriers, tighter finances, and policy uncertainty. Global growth is projected to slow from 3.3% in 2024 to 2.9% in 2025 and 2026, with the biggest declines expected in the US, Canada, Mexico, and China
- OECD has downgraded the UK's growth forecast to 1.3% in 2025 and 1% in 2026, citing damage from Trump's tariff war affecting trade and investment
- U.S. economy stalled in May, with consumer spending down and businesses pausing hiring, the Fed's Beige Book reported. Nine of 12 districts saw little or no growth, while the rest reported only slight expansion
- U.S. private sector job growth slowed sharply in May 2025, with just 37,000 jobs added, the smallest monthly increase in over two years as hiring momentum weakened
- ECB cut interest rates, as expected, but signaled a pause in its easing cycle after inflation hit the 2% target. Since last June, the ECB has made eight cuts totaling 2 percentage points to support the eurozone economy amid global uncertainties

Equity Markets	Last	1 Week	YTD
Nifty	24,591.00	-0.65%	3.58%
Sensex	80,849.68	-0.74%	3.06%
Dow Jones	42,731.37	1.11%	0.46%
S&P 500	6,000.36	1.09%	2.02%
Nasdaq	19,529.95	1.49%	1.16%
FTSE 100	8,837.91	0.75%	6.20%
Nikkei 225	38,088.57	0.33%	-4.75%
Shanghai	3,397.21	1.49%	2.60%
CAC 40	7,804.87	0.68%	4.84%
DAX	24,304.46	1.28%	2.60%
Commodities	Last	1 Week	YTD
Gold	\$3,321.43	-1.78%	26.55%
Silver	\$36.14	6.41%	24.69%
Crude Oil WTI	\$64.38	2.96%	-10.43%
Currency	Last	1 Week	YTD
USD / INR	85.78	-0.38%	-0.24%
EUR / INR	97.80	-0.35%	10.46%
Government Bond	Last	1 Week	YTD
India 10 Year G-Bond	6.28	0.42%	-7.58%

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

Central Bank and Regulatory Updates

- RBI delivered a larger-than-expected rate cut, lowering the repo rate to 5.5%. This marks a total reduction of 1% over three meetings. Governor Sanjay Malhotra said the move, along with a 100 basis point cut in the CRR ratio to 3%, aims to "frontload" support for economic growth
- In FY 2024-25, the RBI imposed 353 penalties totaling ₹54.78 crore on regulated entities for violations of statutory norms. Cooperative banks were penalized the most, followed by NBFCs, housing finance firms, public and private banks, and foreign banks
- SEBI has frozen Mehul Choksi's bank, demat, and mutual fund accounts to recover dues of ₹2.1 crore
- SEBI has eased its stance on approving IPOs for companies with a large public shareholder base, addressing a grey area that had delayed several major listings
- HDB Financial Services has received SEBI approval for its ₹12,500 crore IPO, marking the largest ever by an NBFC and the fifth-largest overall

Sectoral News

- Rare earth crisis: Indian companies remain hopeful as global panic grows amid China's tightening of rare earth exports, Indian firms focus on domestic incentives and stockpiling, while global automakers and medical device manufacturers grapple with increasing supply concerns
- Hon'ble Union Commerce Minister Piyush Goyal announced that India and Italy have agreed to strengthen collaboration in areas such as smart manufacturing, technology, and the automobile sector, following meeting co-chaired with Italy's Deputy Prime Minister Antonio Tajani
- India's stainless steel demand is expected to grow by 7–8% annually over the next 2–3 years, according to ISSDA. In FY25, overall consumption rose to 4.8 million tonnes, reflecting an 8% year-on-year increase
- India's pharma industry is getting a boost as API raw material prices fall due to Chinese oversupply and competitive pricing. Higher domestic production, aided by government support and cheaper raw materials, is also driving the decline, improving profit margins

Economic Indicators	Last	Previous
GDP Annual Growth Rate*	6.5%	8.2%
Unemployment Rate	7.90%	8.2%
Interest Rate	5.50%	6.00%
Government Debt to GDP	81.59%	82.49%
Consumer Confidence	95.50	93.7
Business Confidence	120.00	120.30
HSBC India Mfg PMI (May)	57.6	58.2
HSBC India Services PMI (May)	58.8	58.7
FX Reserves, USD Billion	691.49	692.72
Bank Deposit Growth	10.0%	10.0%
GST Collections (₹ Trillion) (May)	2.01	2.37
Infra Output (YoY) (Apr)	0.5%	4.6%
Trade Balance (Apr) USD Billion	-26.42B	-21.54B
WPI Food (YoY) (Apr)	-0.86%	1.57%
WPI Fuel (YoY) (Apr)	-2.18%	0.20%
WPI Inflation (YoY) (Apr)	0.85%	2.05%
WPI Mfg Inflation (YoY) (Apr)	2.62%	3.07%
CPI Inflation (YoY) (Apr)	3.16%	3.34%
Industrial Production (YoY) (Apr)	2.70%	3.90%

*GDP Estimates

* Views are personal

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