

INDIA | 16 August 2025

India Weekly Watch

ECONOMY IN MINUTES – B2K Analytics Research

Macro Indicators	July	Previous Month	1 Yr ago
CPI Inflation Rate (YoY %)	1.55	2.10	3.60
WPI Inflation Rate (YoY %)	-0.58	-0.13	2.10
Exports (USD Bn)	37.24	35.15	34.71
Imports (USD Bn)	64.59	53.92	59.48
Passenger Vehicle Sales '000)	340.77	312.85	341.51

Global Indicators	15-Aug	Wk ago	Yr ago
Federal Funds Rate (%)	4.33	4.33	5.33
S&P 500	6,449.80	6,389.45	5,554.25
Hang Seng Index (HSI)*	25,270.07	24,858.82	17,430.16

Rates and Yields (%)	15-Aug	Previous week	1 Yr ago
Call Money Rates*	5.22	5.56	6.11
91-day Treasury Bills	5.48	5.43	6.61
364-day Treasury Bills*	5.58	5.57	6.72
1-year G Secs	5.65	5.62	6.77
5-year G Secs	6.24	6.16	6.79
10-year G secs	6.48	6.40	6.87
AA Corporate Bonds: 1-year*	9.16	7.96	9.04
AA Corporate Bonds: 5-year*	8.50	9.63	9.94
AA Corporate Bonds: 10-year*	8.37	8.84	8.79
AAA Corporate Bonds: 1-year*	6.55	6.57	8.01
AAA Corporate Bonds: 5-year*	6.96	6.83	7.65
AAA Corporate Bonds: 10-year*	8.16	7.16	7.49

Indian Markets	15-Aug	Wk ago	Yr ago
NSE Nifty 50*	24,631	24,363	24,541
NSE Nifty 100*	25,226	24,934	25,579
NSE Nifty 500*	22,680	22,443	23,057
NSE Nifty Bank*	55,342	55,005	50,517
BSE Sensex*	80,598	79,858	80,437
BSE Market Cap (Rs Bn)	444,786	440,635	451,598
NSE India VIX*	12.36	12.03	14.4
NSE Nifty 50 PE*	21.7	21.5	22.8
NSE Nifty 50 Div yield*	1.4	1.4	1.2

Demand/ Supply	15-Aug	Previous week	1 Yr ago
Net Liquidity Injected (+)/Absorbed (-): (Rs Bn) *	-30,334	-31,279	-15,523
Deposit Growth (%): 25-Jul-2025	10.17	10.15	10.57
Credit Growth (%): 25-Jul 2025	9.89	9.71	13.68

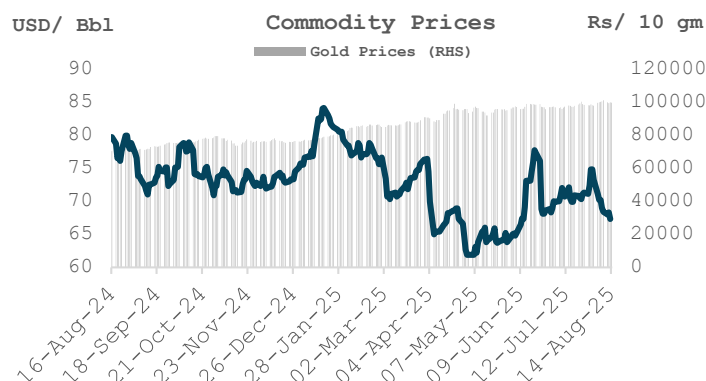
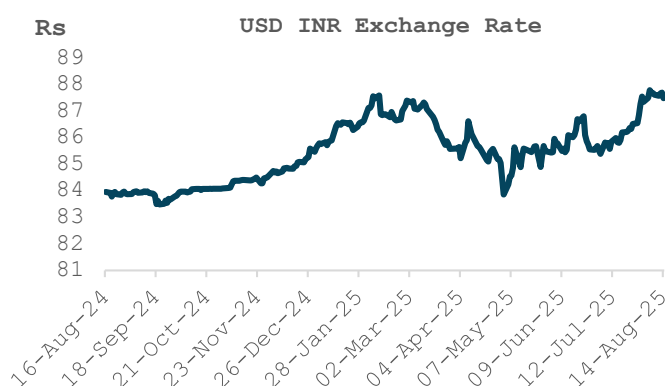
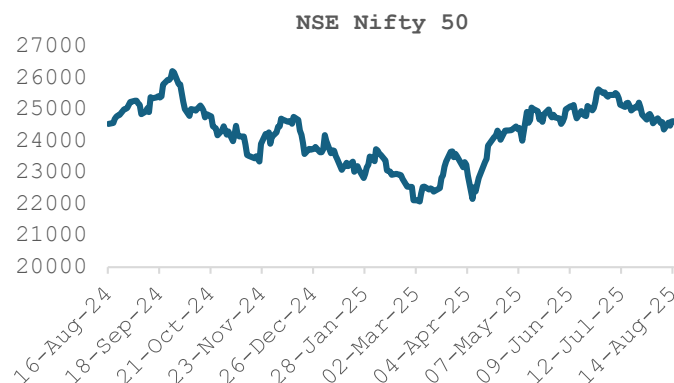
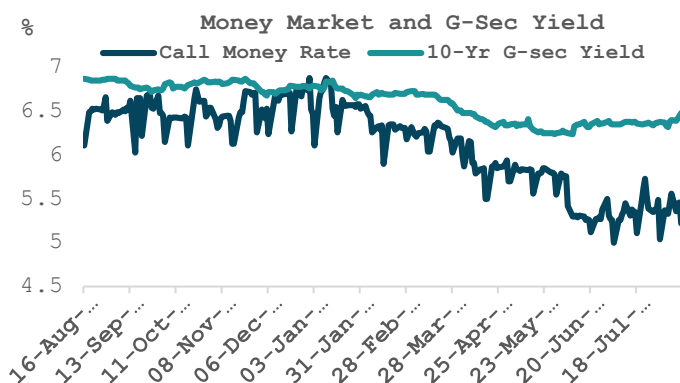
Commodity Prices	15-Aug	Previous week	1 Yr ago
Gold (USD/Ounce)	3,335.5	3,394.2	2,485.8
Gold (Rs/ 10 gms) *	99,547	100,997	79,243
Brent Crude Oil - Spot (USD/Barrel) *	67.30	78.40	79.7
Brent Crude Oil - Futures (USD/Barrel)	65.85	66.59	75.25

Investments: For the Week	15-Aug	Previous week	1 Yr ago
Mutual Funds: Debt (Rs Bn)	-136.98	-151.75	-155.73
Mutual Funds: Equity (Rs Bn)	146.47	152.53	158.20
FPI-Equity (USD Bn)	-0.35	-1.34	0.29
FPI-Debt (USD Bn)	0.56	0.29	-0.93

Forex Market	15-Aug	Wk ago	Yr ago
USD-INR*	87.49	87.62	83.96
EUR-INR*	102.38	102.05	92.22
JPY-INR*	0.60	0.60	0.56
GBP-INR*	118.82	117.66	108.15
US Dollar Index	97.71	98.01	102.46
Forex Reserves (USD Bn): 8-Aug	693.62	688.87	670.12

Note: *: Previous day data

Source: RBI, MoSPI, CCIL, NSE, BSE, NSDL, US Department of Treasury, S&P Global, Federal Reserve, ICE, IMF, LBMA, Hang Seng, Nikkei, Shanghai stock exchange, CMIE



- ❖ Inflation rates softened further on the back of declining food prices. Core inflation however remains above 4%, reaching 4.17% in July 2025.
- ❖ Merchandise trade deficit reached an eight-month high due to higher imports as retailers stocked up on goods to get ahead of any potential rise in tariffs.
- ❖ Indian markets recovered slightly last week breaking their six-week losing streak, buoyed by an upgrade in India's sovereign credit rating from BBB- to BBB by S&P Global.
- ❖ Crude oil prices fell last week as OPEC+ increased their output and raised crude oil supply. Prices also fell due to concerns over weak global demand.

Our View

- ❖ The Trump-Putin meeting in Alaska on August 14 did not yield any agreement to end the Russia-Ukraine war. Trump's meeting with Zelensky on August 16 focused on seeking a potential resolution. Despite these diplomatic efforts, the US is not expected to withdraw the heightened tariffs on Indian goods. The best near-term scenario for India is a possible delay or suspension of further tariff increases, but not a rollback of existing duties.
- ❖ With the onset of the early monsoon, Kharif sowing is expected to be boosted leading to a bumper harvest for FY2026. With another high output for foodgrain production, food prices will likely remain subdued leading to lower inflation for FY2026.
- ❖ Markets are expecting that the new GST regime will bring a more simplified tax structure with two slabs of 5% and 18%. This will boost confidence in the market and boost investment.