

# INDIA | 26 JULY 2025

## India Weekly Watch

### ECONOMY IN MINUTES – B2K Analytics Research

Macro Indicators	June	Previous Month	1 Yr ago
Eight Core Industries (YoY Growth in %)	1.71	1.19	5.00

Rates and Yields (%)	25-Jul	Prev	1 Yr ago
Call Money Rates	5.39	5.11	6.48
91-day Treasury Bill Yields	5.34	5.37	6.61
364-day Treasury Bill Yields	5.54	5.56	6.75
1-year G Sec Yield	5.56	5.55	6.82
5-year G Sec Yield	6.05	6.04	6.79
10-year G sec Yield	6.37	6.36	6.87
AA Corporate Bonds: 1-year	7.48	8.34	8.84
AA Corporate Bonds: 5-year	9.64	9.85	9.15
AA Corporate Bonds: 10-year	8.67	8.83	8.51
AAA Corporate Bonds: 1-year	6.60	6.54	7.98
AAA Corporate Bonds: 5-year	6.92	6.84	7.64
AAA Corporate Bonds: 10-year	7.14	7.04	7.80

Demand/ Supply	25-Jul	Prev of week	1 Yr ago
Net Liquidity Injected (+)/Absorbed (-): (Rs Crore)	-2,98,063	-3,15,666	-1,59,425
Deposit Growth (%): 11-Jul-2025	10.15	10.05	11.12
Credit Growth (%): 11-Jul 2025	9.82	9.48	14.01

Mutual Funds: For the Week	18-Jul	Prev of week	1 Yr ago
Mutual Funds: Debt (Rs Crore)	-4,576.33	-3,393.17	-3,182.50
Mutual Funds: Equity (Rs Crore)	8,808.98	6,631.03	-3,484.08

Foreign Investment: For the Week	25-Jul	Prev of week	1 Yr ago
FPI-Equity (USD Bn)	-0.11	-1.09	0.35
FPI-Debt (USD Bn)	-0.46	0.36	0.71

Market Performance	25-Jul	Prev of week	1 Yr ago
NSE Nifty 50	24,837	24,968	24,835
BSE Sensex	81,463	81,758	81,333
BSE Market Cap (Rs Crore)	45,273,516	45,945,864	45,739,890
NSE India VIX	11.28	11.39	12.25

Global Indicators	25-Jul	Prev of week	1 Yr ago
Federal Funds Rate (%)	4.33	4.33	5.33
S&P 500	6,388.64	6,296.79	5,459.10
Hang Seng Index (HSI)*	25,388.35	24,825.66	17,021.31
Nikkei 225	41,456.23	39,819.11	37,667.41
Nasdaq	21,108.32	20,895.66	17,357.88
FTSE 100	9,120.31	8,992.12	8,285.71
DAX	24,217.50	24,289.51	18,417.55
Shanghai SE	3,593.66	3,534.48	2,890.90
DOW Jones	44,901.92	44,342.19	40,589.34
ASX 200	8,666.86	8,757.17	7,921.27

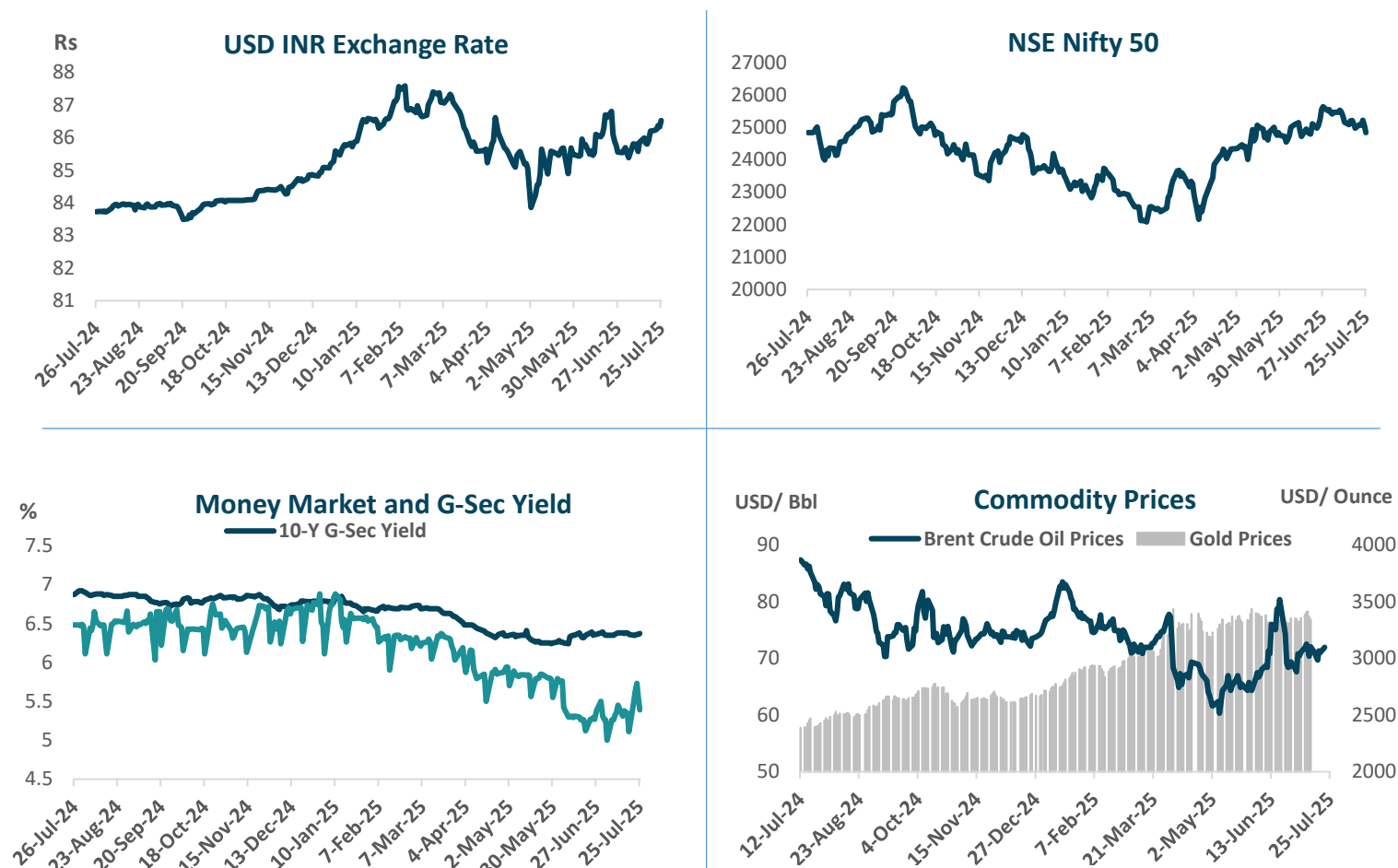
Commodity Prices	25-Jul	Prev of week	1 Yr ago
Gold (USD/Ounce)	3,343.50	3,355.10	2,386.10
Brent Crude Oil - Spot (USD/Barrel) *	71.10	71.06	81.10
Brent Crude Oil - Futures (USD/Barrel)	68.44	69.28	76.01

Forex Market	25-Jul	Prev of week	1 Yr ago
USD-INR	86.53	86.20	83.73
EUR-INR	101.73	100.16	90.86
JPY-INR	58.87	57.93	54.48
GBP-INR	116.79	115.73	107.68
US Dollar Index	97.40	98.20	104.06
Foreign Exchange Reserves (USD Bn)	695.49	696.67	670.86

Note: \*: Data is for day before

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

## Weekly Charts and Key Market Updates



- ✓ US stocks strengthened last week amid renewed optimism in the market after the US government announced a trade deal with Japan on 22 July, giving hope for more trade deals with other countries.
- ✓ China, ECB maintained the key interest rates however, Turkey opted to reduce the rate by 300bps.
- ✓ India and the UK signed the Comprehensive Economic and Trade Agreement (CETA) on 27 July 2025.
- ✓ Eight core industries growth remained sluggish in June, as five out of eight core sectors production growth contracted (YoY) due to disruption in economic activities following an early monsoon, weak demand and ongoing trade tensions with the US.
- ✓ The rupee depreciated further amid continued foreign outflows and increased demand for the US dollar. On the positive side, forex reserves remain healthy, providing for a comfortable buffer against external shocks.
- ✓ The NSE Nifty 50 and BSE Sensex fell for the fourth straight week followed by weak investor sentiment due to continued foreign fund outflows, uncertainty over the US-India trade deal and weaker corporate earnings for Q1 FY2025.
- ✓ The liquidity remained in surplus over the week yet call money rates moved upwards reflecting demand for short-term funds. G-sec and AAA corporate bond yields too increased over the week, on the back of diminishing hopes of another rate cut in the upcoming August 2025 MPC meeting.

### Our View

- ✓ India and the UK trade deal is expected to boost the trade between the two countries over the next few years.
- ✓ Global market participants are likely to remain cautious ahead of the key data release (Manufacturing PMI data) for US, UK, Euro zone, China and India. The interest rate decisions of the Fed and Bank of Japan which is expected to be announced on Wednesday and Thursday, respectively remains a key monitorable events.
- ✓ On the domestic front, lack of any major cues from domestic and global front, Indian markets unlikely to make any major shifts. Foreign investors cautious approach due to heightened global tensions arising from uncertainty over the US trade policies likely to sustain, resulting further outflows from the Indian markets.

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