

INDIA | 2 August 2025

India Weekly Watch

ECONOMY IN MINUTES – B2K Analytics Research

Macro Indicators	Latest	Previous month	1 Yr ago
IIP (YoY %): June	1.52	1.87	4.93
IIP Manufacturing (YoY %): June	3.89	3.19	3.53
Manufacturing PMI: July	59.1	58.4	58.1
GST Collection (Rs trillion): July	1.96	1.85	1.82

Market Performance	1-Aug	Prev of week	1 Yr ago
NSE Nifty 50	24,565	24,837	24,718
BSE Sensex	80,600	81,463	80,982
BSE Market Cap (Rs Bn)	444,526	451,679	457,170
NSE India VIX	11.98	11.28	14.32

Rates and Yields (%)	1-Aug	Previous week	1 Yr ago
Call Money Rates	5.04	5.39	6.11
91-day Treasury Bills	5.44	5.34	6.60
364-day Treasury Bills*	5.55	5.54	6.78
1-year Govt Securities	5.70	5.56	6.80
5-year Govt Securities	6.03	6.05	6.80
10-year Govt Securities	6.38	6.37	6.90
AA Corporate Bonds: 1-year	7.60	7.49	8.23
AA Corporate Bonds: 5-year	9.60	9.15	9.59
AA Corporate Bonds: 10-year*	9.33	9.36	9.25
AAA Corporate Bonds: 1-year	6.51	6.61	7.69
AAA Corporate Bonds: 5-year	9.02	6.81	7.63
AAA Corporate Bonds: 10-year	7.30	7.04	7.61

Global Indicators	1-Aug	Previous week	1 Yr ago
Federal Funds Rate (%)	4.33	4.33	5.33
S&P 500	6,238.01	6,388.64	5,346.56
Hang Seng Index (HSI)*	24,507.81	25,388.35	16,945.51
Nikkei 225	40,799.60	41,456.23	35,909.70
Nasdaq	20,650.13	21,108.32	16,776.16
FTSE 100	9,068.58	9,120.31	8,174.71
DAX	23,425.97	24,217.50	17,661.22
Shanghai SE	3,559.95	3,593.66	2,905.34
DOW Jones	43,588.58	44,901.92	39,737.26
ASX 200	8,662.05	8,666.86	7,943.24

Demand/ Supply	1-Aug	Previous week	1 Yr ago
Net Liquidity Injected (+)/Absorbed (-): (Rs Bn)	-3,652	-2,878	-2,557
Deposit Growth (%): 11-Jul-2025	10.15	10.06	11.28
Credit Growth (%): 11-Jul 2025	9.82	9.48	14.01

Commodity Prices	1-Aug	Previous week	1 Yr ago
Gold (USD/Ounce)	3,346.85	3,343.50	2,469.85
Brent Crude Oil - Spot (USD/Barrel)	73.20	71.30	79.00
Brent Crude Oil - Futures (USD/Barrel)	69.67	68.44	73.19

Mutual Funds: For the Week	1-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

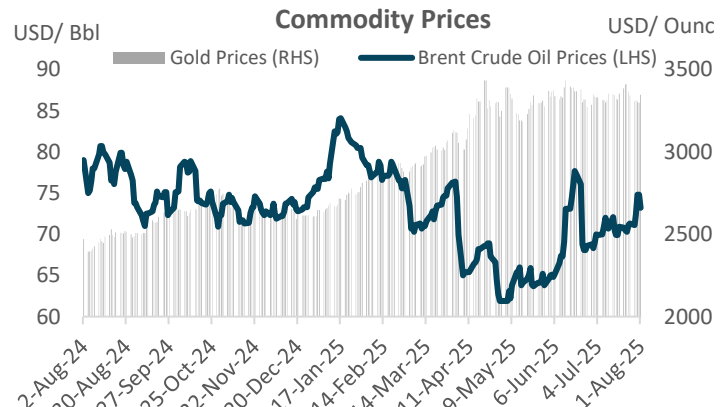
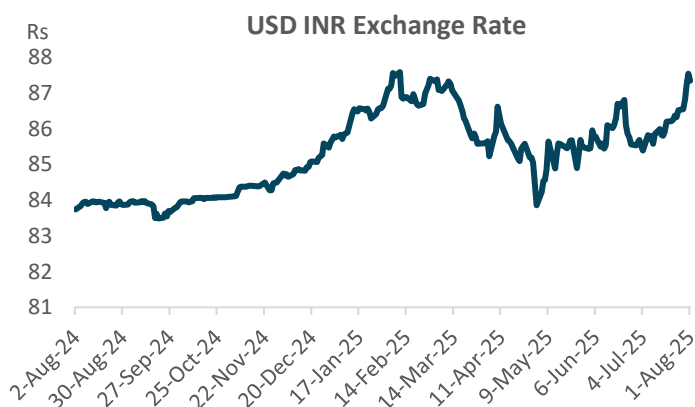
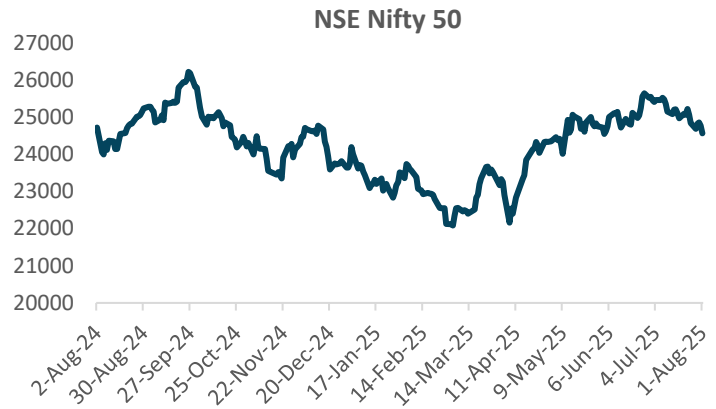
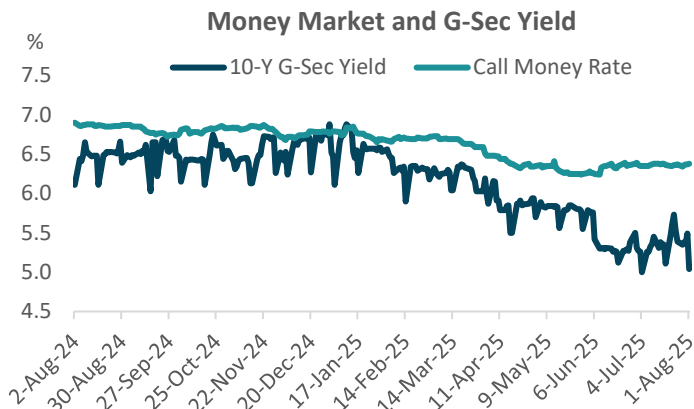
Forex Market	1-Aug	Previous week	1 Yr ago
USD-INR	87.35	86.52	83.74
EUR-INR	99.88	101.73	90.47
JPY-INR	0.58	0.59	0.56
GBP-INR	115.34	116.79	106.65
US Dollar Index	98.93	97.40	103.21
Foreign Exchange Reserves (USD Bn): 25-Jul	698.19	695.49	667.39

Foreign Investment: For the Week	1-Aug	Prev of week	1 Yr ago
FPI-Equity (USD Bn)	-2.00	-0.11	-0.28
FPI-Debt (USD Bn)	0.12	-0.46	1.12

Note: *: Data is for day before

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

Weekly Charts and Key Market Updates



- ❖ US stock market saw a sharp fall last week due to a weaker-than-expected growth in employment for July and rising concerns over the impact of the new country-specific tariff rates imposed by US on various countries.
- ❖ The Indian markets fell too and the NSE Nifty 50 marked 5 weeks straight decline, as investor sentiment remained weak on the backdrop of trade uncertainties with the US and discouraging IIP growth numbers. Sharp contractions in the mining and electricity sector dragged the IIP growth down despite a moderate upswing in manufacturing activities.
- ❖ Manufacturing PMI climbed to a 16-month high for July, driven by robust domestic demand and strong growth in production.
- ❖ GST collections increased by 7.5% YoY in July, showing sustained economic momentum despite current global concerns.
- ❖ The Indian rupee hit a record low last week against the backdrop of the 25% tariff imposed on Indian exports by the US, and persistent foreign outflows.
- ❖ Money market rates eased by 35 bps in a week and remained much lower than the repo rate due to ample liquidity conditions in the banks. While G-sec yields remained flat amid mixed sentiments on rate cuts in the August RBI's MPC meeting.

Our View

- ❖ Short-term setbacks from the 25% tariff imposed by US on Indian export is unavoidable, as higher tariffs will reduce demand for Indian products. In the long run, India can use this opportunity to find footholds in new markets. Some of the demand from the US will be captured by the UK, thanks to the newly enacted free trade agreement between the US and UK.
- ❖ The MPC is unlikely to push another rate cut in their August meeting and likely to adopt a cautious approach following the evolving uncertainties surrounding the economic conditions.