

25 April 2025

**Key International events:**

Federal Reserve Bank of San Francisco President Mary Daly said that the **Federal Reserve can make more reductions as projected earlier but policymakers should wait for more clarity regarding trade and other policies.**

The US Commerce Department said that **durable goods orders of US shot up by 9.2% YoY in March 2025 after climbing by a downwardly revised 0.9% YoY in February 2025.** Economists had expected orders to jump by 2.0% YoY.

The US Conference Board said that **US Leading Economic Index dropped 0.7% MoM in March 2025 after decreasing 0.2% MoM in February 2025.** Economists polled by Reuters had forecast the index sliding 0.5% MoM.

As per data from the US Energy Information Administration (EIA), **US crude oil inventories crept up by 0.2 mn barrels in the week ended April 18, 2025 after rising by 0.5 mn barrels in the previous week.** Economists had expected inventories to dip by 0.7 mn barrels.

According to S&P Global, the Euro area private sector moved closer to stagnation as activity was held back by faster reduction in orders amid the escalating trade tariff concerns. **The HCOB flash composite output index eased to 50.1 in April 2025, down from 50.9 in March 2025, the lowest in four months.** Economists had forecast the index to slip to 50.3.

As per data from Eurostat, **the Euro area trade surplus rose to EUR 24.0 bn in February 2025 from EUR 21.7 bn in February 2024.** The surplus totaled EUR 0.8 bn in January 2025. Exports climbed 6.2% YoY, faster than the 2.8% YoY rise in January 2025. Meanwhile, growth in imports slowed to 5.7% from 7.5%.

**The Governing Council, led by ECB President Christine Lagarde, cut the deposit rate by 25 bps to 2.25%.** The main refinancing rate was lowered by similar volume to 2.40% and the marginal lending rate to 2.65%.

Japan Ministry of Internal Affairs and Communications said that **overall consumer prices in Japan were up 3.6% YoY in March 2025.** That was in line with expectations and down from 3.7% YoY in February 2025.

The People's Bank of China left its interest rates unchanged for the sixth successive session. **The central bank retained its one-year loan prime rate at 3.10%. Likewise, the five-year LPR, the benchmark for mortgage rates, was 3.60%, unchanged from the previous month.**

The International Monetary Fund slashed the global growth forecasts for CY25 and CY26, citing the potential impact of the trade tariffs imposed by US President Donald Trump and cautioned against significant adverse effect on the world economy if the current trade tensions persist. **Global economy is set to grow 2.8% YoY in CY25 and 3.0% YoY in CY26, the IMF said. That is significantly less than the 3.3% YoY expansion that the lender projected for both years in January 2025.**

**Key Domestic events:**

According to SIAM, **automobile exports from India rose by 19% YoY to over 53 lakh units in FY25 driven by robust demand for passenger vehicles, two wheelers and commercial vehicles in the overseas markets.** Overall exports last fiscal stood at 53.63 lakh units as compared with 45 lakh units in FY24.

According to data from the Petroleum Planning and Analysis Cell (PPAC), **the average price of the Indian basket of crude oil has fallen to a 47-month low of USD 68.34 per barrel so far in April 2025. This marks a 5.6% drop from March's USD 72.47 per barrel,** and is the lowest level since May 2021, when global prices plummeted amid the economic turmoil triggered by the Covid-19 pandemic.

As per CRISIL, the textile industry is expected to recover in FY26 after two years of contraction, driven by stable cotton prices, improving exports of readymade garments (RMG) and steady domestic demand. **Revival of RMG exports augurs well for the small and medium enterprises (SMEs), which account for 80% of the textile value chain.**

Finance minister Nirmala Sitharaman said that **India hopes to finalize the first tranche of a bilateral trade agreement with the US by the end of the American autumn season that runs from mid-September to mid-December 2025.**

According to official data released, **the output of eight key infrastructure sectors slowed down to 3.8% YoY in March 2025, as against 6.3% YoY growth registered in March 2024.** In March 2025, production of crude oil and natural gas recorded a negative growth.

According to the latest monthly payroll data released by the Employees' Provident Fund Organisation (EPFO), the number of monthly fresh formal hirings declined for the third straight month in February 2025, signalling further deterioration in the formal labour markets. **The number of new monthly subscribers under the Employees' Provident Fund (EPF) decreased by nearly 10% MoM to 739,000 in February 2025 from 823,000 in January 2025.**

According to CRISIL Ratings, higher minimum support prices for key cash crops, better replacement and construction demand amid hopes of above-normal monsoon are likely to drive domestic tractor sales to hit an all-time high of around 975,000 units in FY26, growing at 3-5% YoY.

**The International Monetary Fund (IMF) pared its FY26 growth forecast for India by 30 bps to 6.2% YoY, citing escalating trade tensions and mounting global uncertainty.** The WEO stressed that a swift escalation of trade tensions has generated extremely high levels of policy ambiguity, complicating efforts to establish a central global growth outlook.

As per RBI, the Indian diaspora deposited 23.3% YoY more money into non-resident Indians (NRI) accounts during the first 11 months of FY25. **NRIs inflows in deposits grew by USD 14.55 bn between April 2024 and February 2025, against USD 11.8 bn during the same period a year ago.**

As per RBI, **Net foreign Direct Investment (FDI) into the country declined sharply to USD 1.5 bn during April 2024-February 2025 from USD 11.5 bn in the same period a year ago** due to higher repatriation and outward FDI from India.

According to S&P Global, **the HSBC flash India Composite Purchasing Managers' Index (PMI) climbed to 60.0 in April 2025 from 59.5 in March 2025,** the strongest pace of combined manufacturing and services growth since August 2024. The Manufacturing PMI rose to 58.4 in April 2025 from 58.1 in March 2025 and the Services PMI rose to a four-month high of 59.1 in April 2025 from 58.5 in March 2025.

According to RBI data, **NRI deposits in Indian banks surged by 23.3% YoY to USD 14.55 bn during the first 11 months of FY25 compared to USD 11.8 bn during the same period in FY24.** At the end of February 2025, the total outstanding NRI deposits stood at USD 160.33 bn. The rise in deposits was led by FCNR(B) accounts which received inflows of USD 6.75 bn during the period.

**The World Bank has trimmed India's growth forecast by 40 basis points to 6.3% YoY for FY26, citing global economic weakness and policy uncertainty.**

According to the Finance Secretary, Mr. Ajay Seth, **the direct hit from tariffs introduced by the Trump Administration on India could shave off between 0.2-0.5% from India's GDP growth.** He also cautioned on the second order impacts pointing towards trade turmoil that can slow Global growth.

According to economists in a Reuters poll, the Indian economy will grow a bit slower than previously thought in FY26, US tariffs have negatively impacted business sentiment, raising concerns about already weak private investment. **Gross domestic product (GDP) growth in India is expected to average 6.3% YoY in FY26.**

As per official sources, **the terms of references (ToRs) finalized by India and the US for the proposed bilateral trade agreement include around 19 chapters covering issues such as tariffs, goods, non-tariff barriers, and customs facilitation.** To give further impetus to the talks in the 90-day tariff pause window, an Indian official team will be visiting Washington next week to iron out differences.

**Equity Round up:** S&P BSE Sensex opened at 78903. It made a weekly high of 80255 and a low of 78606 before closing 659 points higher at 79213.

**Events to watch out for the next week:****International Events**

1. US Wholesale Inventories for Mar'25 on 29 April 2025
2. Eurozone Consumer Confidence for Apr'25 on 29 April 2025
3. Eurozone Economic Sentiment for Apr'25 on 29 April 2025
4. Eurozone GDP Growth Rate Flash for Q1 CY25 on 30 April 2025
5. China NBS General PMI for Apr'25 on 30 April 2025

**Domestic Events**

1. Forex Reserves for week ended 25 April 2025 on 2 May 2025
2. Manufacturing Production for Mar'25 on 28 April 2025
3. Industrial Production for Mar'25 on 28 April 2025

**Key Equity Market Indices****Closing****% Change WoW**

BSE Sensex	79,213	0.84
Nifty 50	24,039	0.79
BSE 100	25,114	0.72
BSE 200	10,845	0.76
BSE Midcap	42,529	1.31
BSE Smallcap	48,006	0.12
BSE FMCG	20,539	-0.09
BSE HC	41,885	0.45
BSE IT	34,880	5.87
BSE Auto	49,251	2.80
BSE BANKEX	62,248	-0.07
BSE CG	61,509	0.65
BSE CD	56,996	-0.22
BSE Oil & Gas	25,747	0.55

**Other Key Indices#****Closing****Change WoW**

10 Year G-Sec (6.79% 2034)	6.32%	(-) 7 bps
Interbank Call	5.85%	0 bps
INR/USD	85.45	0.08%
Gold (Rs/10gm)	95,631	0.76%

# Taken during market hours , 10 Year G-Sec (6.79% 2034) and Interbank Call as on 24 Apr '25

**World Indices****Closing****% Change WoW**

Dow Jones*	40,093	1.07
Nasdaq*	17,166	5.27
FTSE	8,413	2.37
DAX	22,216	4.99
Hang Seng	21,981	2.74
Nikkei	35,706	3.86
Bovespa*	1,34,580	4.88
Indonesia Jakarta	6,679	3.74

\* Dow Jones, Nasdaq and Bovespa as on Thursday

Rs. Bn	Gross Buying	Gross Selling	Net (WoW)
FPIs	672.9	541.8	131.1
DII	345.2	366.6	-21.4

Data for FPI from 21 Apr 2025 to 24 Apr 2025. Data for DII from 21 Apr 2025 to 23 Apr 2025.

Arbitrage Spreads	Spot	Future*	Prem/(Dis)
Nifty 50	24,039	24,120	81

\*May 2025 Expiry

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HDFC Bank House, 1 st Floor, C.S. No. 6 \ 242, Senapati Bapat Marg, Lower Parel, Mumbai 400 013. Phone: (91)-22-66527100, ext 7111, Fax: (91)-22-24900983 \ 24900858

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