

Key International events:

According to the US Labor Department, job openings in the US climbed to 7.74 mn in January 2025 from a downwardly revised 7.51 mn in December 2024. Economists had expected jobless claims to inch up to 7.63 mn in January 2025 from the 7.60 mn originally reported for the previous month.

As per data from the US Labor Department, consumer price growth in the US slowed to 2.8% YoY in February 2025 from 3.0% YoY in January 2025. Economists had expected it to edge down to 2.9% YoY. Core consumer price growth also slowed to 3.1% YoY in February 2025 from 3.3% YoY in January 2025. It was expected to dip to 3.2% YoY.

According to the US Treasury Department, the US budget deficit for October-February 2025 hit a record USD 1.147 trillion. This includes a USD 307 bn February 2025 deficit for President Donald Trump's first full month in office, up 4% YoY (USD 11 bn), as outlays for debt interest, Social Security and health care benefits swamped growth in revenues.

According to a report by the US Energy Information Administration, crude oil inventories in the US rose by 1.4 mn barrels in the week ended March 7, 2025, after climbing by 3.6 mn barrels in the previous week. Economists had expected crude oil inventories to grow by 2.1 mn barrels.

According to Eurostat, the Euro area economy grew at a faster than initially estimated pace, driven by consumption and investment. Eurozone economic growth for Q4 CY24 was revised up to 1.2% YoY from 0.9% YoY. The rate was faster than the 1.0% YoY growth in Q3 CY24.

As per data from the Chinese customs office, China's exports growth eased and imports logged an unexpected sharp decline in the January to February 2025 period, amid mounting trade tensions. Exports grew at a slower pace of 2.3% YoY, following a 10.7% YoY rise in December 2024. Imports declined 8.4% YoY, in contrast to the 1.0% YoY increase registered in December 2024.

According to a World Gold Council report, gold hit new highs, supported by a weaker US Dollar. Gold extended its year-to-date gains to 9% during February 2025 before closing up 0.8% MoM. Rising inflation expectations, lower rates, and continued geo-economic uncertainty are playing in gold's favour.

Key Domestic events:

As per RBI data, India's forex reserves dropped by USD 1.78 bn to USD 638.70 bn in the week ended February 28, 2025. Foreign currency assets, a major component of the reserves, decreased by USD 493 mn to USD 543.35 bn. Gold reserves decreased by USD 1.304 bn to USD 73.272 bn during the week.

According to a Deloitte India report, as Indian companies are focused on optimising compensation cost budgets while navigating global and local headwinds, so the average increment is expected to be at 8.8% in 2025, compared with 9.0% in 2024. 75% of companies will either reduce or keep their pay increases the same.

As per RBI data, credit growth continued to outpace deposit growth even as both have slowed over previous years. Outstanding bank deposits amounted to Rs 222 trillion as of February 21, 2025, up 10.3% YoY. Meanwhile, outstanding bank credit amounted to Rs 179.9 trillion, up 11% YoY over the same period.

According to an ACMA-BCG report, automotive component companies see a new opportunity to increase their exports manifold if India signs a bilateral agreement with the US, even after tweaking tariffs in this sector, as tariffs on other US trade partners rise. Indian auto component exports could hit USD 100 bn, nearly a fivefold increase from USD 21 bn currently.

The Union Finance Ministry sought Parliament's approval for Rs 6.78 trillion in additional spending for the FY25 through the second batch of supplementary demands for grants. This includes 52 grants and three appropriations. Of this, the net cash outgo amounts to Rs 514.63 bn, while the rest is being offset by savings and enhanced receipts across various ministries.

According to a report by Crisil, home-cooked meals became cheaper in February 2025. The price of a vegetarian thali declined by nearly 5% MoM to Rs 27.2 in February 2025, owing to a decline in the prices of onions, potatoes, and tomatoes. Similarly, the price of a non-vegetarian thali also declined by nearly 5% MoM to Rs 57.4 in February 2025 due to a drop in broiler prices.

According to the Ministry of Labour and Employment, over 306.8 mn unorganised workers have already registered on e-Shram portal as on March 3, 2025, with more than half of them being female by 53.68%.

According to a study by Bain & Company, India is poised to become a global AI talent hub, but a looming skill gap threatens to hinder its progress. India's AI sector could surpass 2.3 mn job openings by 2027 while the AI talent pool is expected to grow to around 1.2 mn, presenting an opportunity to reskill more than 1 mn workers.

The RBI has said with the normalisation of post-pandemic pent-up demand conditions, the growth in net sales of select FDI companies moderated to 9.3% YoY during FY24 from the high of 20.3% YoY in FY23. The data relates to the financial performance of non-government non-financial FDI companies in India.

As per data from the Solvent Extractors' Association of India (SEA), India's palm oil imports in February 2025 rose 35.7% MoM to 373,549 metric tonnes. India, the world's biggest buyer of vegetable oils, imported an average of more than 750,000 tonnes of palm oil every month in the marketing year that ended in October 2024.

According to the Coal Ministry, India's coal import dropped by 8.4% YoY to 183.42 mn tonnes (MT) in the April-December FY25 period, resulting in foreign exchange savings of around Rs 423.15 bn (~USD 5.43 bn). The country's coal import was 200.19 MT in the corresponding period of FY24.

According to a report by Bain & Company and IVCA, India's Venture Capital (VC) ecosystem exhibited robust growth in CY24, with funding surging 43% YoY to USD 13.7 bn. This recovery was fuelled by a 45% YoY rise in deal activity, with 1,270 transactions recorded, reinforcing India's position as the second largest market for venture capital and growth funding in the Asia-Pacific region.

According to the ManpowerGroup Employment Outlook Survey, Indian employers continued to report strong hiring intentions globally in Q2 CY25, with a Net Employment Outlook (NEO) of 43%. India continues to lead the global Net Employment Outlook, exceeding the global average by 18 points for Q2 CY25.

According to rating agency ICRA, India's data centre (DC) operational capacity is expected to increase to 2,000-2,100 MW by March 2027 from around 1,150 MW as of December 2024, on the back of data usage and data localisation initiatives. Indian data centre players are projected to invest Rs 2-2.3 trillion, with a development pipeline of 3-3.5 GW to be delivered over the next 7-10 years.

As per data from MoSPI, India's retail inflation eased to a seven-month low of 3.61% YoY in February 2025, down from 4.31% YoY in January 2025, as food price pressures softened. This brings inflation below RBI's medium-term target of 4% YoY for the first time since August 2024. Core inflation increased by 3.99% YoY in February 2025 as against 3.66% YoY in the previous month.

As per data from MoSPI, India's industrial output, measured by the Index of Industrial Production (IIP) grew by 5.0% YoY in January 2025, from 3.5% YoY in December 2024.

According to Moody's Ratings, India's economic growth will exceed 6.5% YoY in FY26, up from 6.3% YoY in FY25, on higher government capex and consumption boost from tax cuts and interest rate reduction.

Global Rating agency Moody's said the asset quality of Indian banks may deteriorate moderately up to 3.0% in the next 12-18 months after substantial improvements. However, they kept the outlook for the banking system "stable".

According to Icra, India's IT services industry is expected to witness moderate revenue growth of 4-6% YoY in FY26. Their projections are based on a sample set of companies that account for approximately 60% of the industry's revenue.

Equity Round up: S&P BSE Sensex opened at 74475. It made a weekly high of 74741 and a low of 73598 before closing 504 points lower at 73829.

Events to watch out for the next week:

International Events

1.

US FOMC Rate Decision on 19 Mar'25

2.

US Industrial Production for Feb'25 on 18 Mar'25

3.

China Industrial Production for Q1 CY25 on 17 Mar'25

Domestic Events

1.

Forex Reserves for week ended 14 March 2025 on 21 March 2025

2.

Current Account Balance for Q4 FY25 on 17 Mar'25

3.

WPI Food Index for Feb'25 on 17 Mar'25

Key Equity Market Indices	Closing	% Change WoW
BSE Sensex	73,829	-0.68
Nifty 50	22,397	-0.69
BSE 100	23,327	-0.85
BSE 200	10,052	-1.00
BSE Midcap	39,063	-2.07
BSE Smallcap	43,845	-3.86
BSE FMCG	18,820	-0.09
BSE HC	39,295	-0.66
BSE IT	35,395	-4.84
BSE Auto	46,246	-1.80
BSE BANKEX	55,313	-0.34
BSE CG	57,757	-1.96
BSE CD	52,894	-2.00
BSE Oil & Gas	23,654	-0.75

Other Key Indices#	Closing	Change WoW
10 Year G-Sec (6.79% 2034)	6.68%	0 bps
Interbank Call	6.27%	6 bps
INR/USD	87.01	0.15%
Gold (Rs/10gm)	86,843	0.91%

Taken during market hours , 10 Year G-Sec (6.79% 2034) and Interbank Call as on 12 Mar '25

World Indices	Closing	% Change WoW
Dow Jones*	41,351	-2.88
Nasdaq*	17,648	-2.33
FTSE	8,562	-0.91
DAX	22,678	-1.52
Hang Seng	23,463	-3.17
Nikkei	36,790	-0.26
Bovespa*	1,23,864	0.41
Indonesia Jakarta	6,647	0.17

* Dow Jones, Nasdaq and Bovespa as on Thursday

Rs. Bn	Gross Buying	Gross Selling	Net (WoW)
FPIs	494.4	547.1	-52.6
DIIs	703.0	462.8	240.2

Data for FPI from 07 Mar 2025 to 12 Mar 2025. Data for DII from 28 Feb 2025 to 06 Mar 2025.

Arbitrage Spreads	Spot	Future*	Prem/(Dis)
Nifty 50	22,397	22,437	40

*March 2025 Expiry

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