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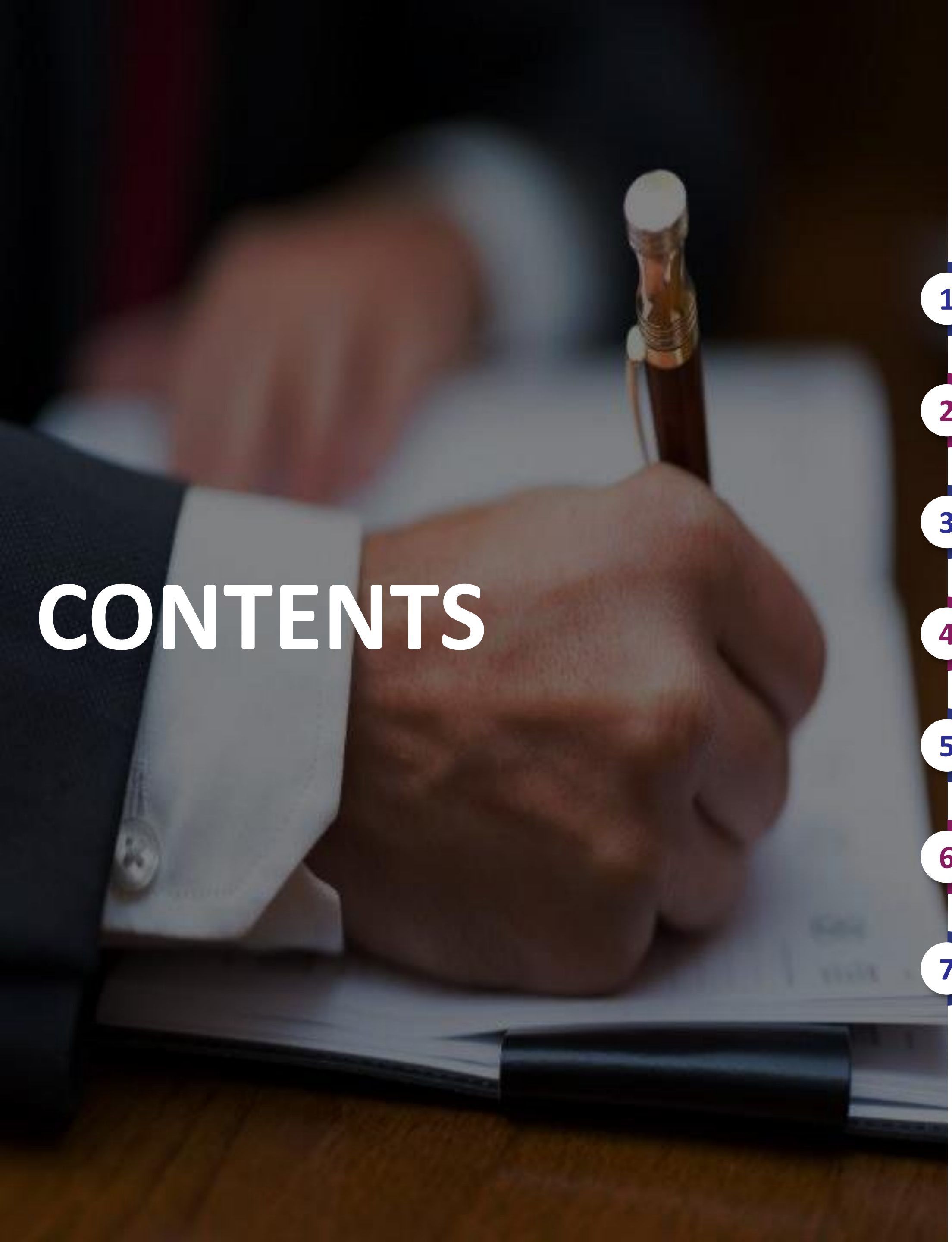
Much ‘De’liberation about Liberation ‘Day’

04 April 2025



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EXECUTIVE SUMMARY

EXECUTIVE SUMMARY (1/2)

Mr. Trump bites the bullet on tariffs, and every country is impacted in the crossfire

A list of ~60 countries were singled out for a significant increase in reciprocal tariffs ranging from 10% to 50%. To conceptualise reciprocal tariffs, the tariff rates that would drive bilateral trade deficits to zero were computed. China was slapped with a 34% tariff over an above existing tariff, making it amongst the worst hit, with the EU scraping through with a 20% levy. No country emerged unscathed with a blanket 10% tariff on all.

US policy shifts: growth risks & global impact

The US seeks to curb its trade deficit and improve fiscal health with reciprocal tariffs, but abrupt disruptions could dampen growth and investment, amidst rising uncertainty. Impact on inflation would be watched with tariff effects offset by weaker commodity prices and slowing consumption. With fiscal restraint, subdued investment, and fading consumption momentum, economic headwinds are mounting, reinforcing concerns of prolonged stagnation and slower global growth.

Is the USD losing its grip as global trade disrupted?

The US Dollar Index (DXY) sliding from 110 to 101.7 marks a pivotal shift in global currency trends, aligning with emerging economies' de-dollarisation push. A weaker USD hints at fading demand for American assets, fuelled by geopolitical shifts and reserve diversification. Is this the beginning of the end for the USD's dominance, or just another cycle of volatility with financial risks ahead? The world is watching…

Amid trade chaos, India holds its ground on external front

While India's lower trade-to-GDP ratio offers some insulation, supply chain disruptions may still impact investment and trade financing. FDI inflows remain uncertain, adding to near-term volatility. High tariffs are now a reality, but India's 26% rate remains lower than key competitors in solar modules, electronics, and textiles etc., providing a relative advantage. How this plays out for investment and competitiveness remains to be seen…

Can India's service sector dodge the trade war fallout?

The Indian IT sector and GCC growth might face pressure as global economic deceleration threatens to curb demand for outsourced services. With AI adoption and growing concerns over immigration policies, *the sector could face sluggish hiring*. *A slowdown in IT and GCC sectors could weaken discretionary spending and dampen real estate demand*

EXECUTIVE SUMMARY (2/2)

RBI's evolving playbook: currency & liquidity reversal

The currency and liquidity landscape has shifted sharply. INR has strengthened from ~87.5 to ~85.1 against the USD, supported by a softening DXY, favourable USD-INR swap dynamics, and weaker crude prices. These factors have eased risks, allowing the RBI to unwind massive forward positions in gradual manner. Liquidity, in deficit for much of Q1CY25, flipped to surplus in Apr'25, driven by large RBI interventions through VRR, OMO, and a surge in government spending in late Mar'25. This sharp reversal eased funding pressures, pulling short-end rates lower, with T-bill yields and TREPS rate below the repo rate and the 10Y Union G-sec benchmark hovering ~6.50%.

RBI & currency volatility: the twin forces shaping yield outlook

The decline in 10Y Union G-sec bond yields to ~6.50% reflects easing rate expectations, supported by surplus banking system liquidity, which has driven a sharp drop in short-term yields. With inflation moderating and growth risks persisting, the *RBI is likely to cut rates by 25bps in the upcoming policy meeting*. However, the *broader outlook remains sensitive to currency volatility and the RBI's participation through OMOs. Given the higher risk premium, credit spreads—especially for AA-rated and below bonds—may widen slightly compared to last year as investors demand higher risk premia*

MACROECONOMIC OVERVIEW

CONSUMPTION PICKS REIGNS OF ECONOMY FROM CAPEX

REAL GVA SECTORAL BREAK UP

Change (% y/y)	Q3FY25	Q2FY25	Q1FY25	Q4FY24	Q3FY24	Q2FY24	Q1FY24	Q4FY23	Q3FY23
GVA	**6.2**	**5.8**	**6.5**	**6.3**	**8.0**	**9.2**	**9.9**	**6.0**	**5.3**
Agriculture and allied	**5.6**	**4.1**	**1.7**	**0.6**	**1.5**	**3.7**	**5.7**	**7.6**	**6.4**
Industry	**4.5**	**3.8**	**8.4**	**8.4**	**11.8**	**15.1**	**7.3**	**3.4**	**1.0**
Mining and quarrying	1.4	-0.3	6.8	4.3	4.7	4.1	4.1	2.9	2.6
Manufacturing	3.5	2.1	7.5	8.9	14.0	17.0	7.3	0.9	-4.3
Electricity, gas & water supply	5.1	3.0	10.2	7.7	10.1	11.7	4.1	7.3	9.9
Construction	7.0	8.7	10.1	8.7	10.0	14.6	9.2	7.4	9.1
Services	**7.4**	**7.2**	**6.8**	**6.7**	**8.3**	**7.5**	**12.5**	**7.2**	**7.5**
Trade, hotel, transport & comm.	6.7	6.1	5.4	5.1	8.0	5.4	11.0	7.0	9.7
Finance, real estate and prof serv.	7.2	7.2	6.6	7.6	8.4	8.3	15.0	9.2	9.4
Public admin., defence, & other svcs	8.8	8.8	9.0	7.8	8.4	8.9	9.3	4.7	1.3

REAL GDP EXPENDITURE COMPONENTS

Change (% y/y)	Q3FY25	Q2FY25	Q1FY25	Q4FY24	Q3FY24	Q2FY24	Q1FY24	Q4FY23	Q3FY23
GDP	**6.2**	**5.6**	**6.5**	**7.8**	**9.5**	**9.3**	**9.7**	**6.2**	**4.8**
Private final consumption exp. (PFCE)	**6.9**	**5.9**	**7.7**	**4.0**	**5.7**	**3.0**	**7.4**	**1.5**	**2.4**
Govt. final consumption exp. (GFCE)	**8.3**	**3.8**	**-0.5**	**0.9**	**2.3**	**20.1**	**5.3**	**13.9**	**2.5**
Gross capital formation (GCF)	**5.0**	**6.1**	**6.4**	**8.0**	**12.4**	**11.9**	**8.9**	**3.3**	**4.7**
Gross fixed capital formation (GFCF)	5.7	5.8	6.7	6.5	9.3	11.7	8.4	3.8	6.7
Exports	**10.4**	**2.5**	**8.1**	**8.1**	**3.0**	**4.6**	**-7.0**	**12.4**	**8.2**
Imports	**-1.1**	**-2.5**	**-0.7**	**8.3**	**11.3**	**14.3**	**18.0**	**-0.4**	**2.9**

- Real GDP growth picked pace at 6.2% y/y in Q3FY25, with favourable monsoon and ample sowing boosting agriculture output and rural incomes, leading to fine consumption demand. Government capex picked a brisk pace of revival while exports surged owing to PLI-driven sectors like electronics.

- *We expect the real GDP to grow by 6.2% in FY26. Our projections imply that downside risks in the form of global headwinds outweigh a possible fillip from incremental domestic consumption aided by direct tax cuts and rural welfare schemes*

Source: MoSPI, CEIC, SBICAPS

ECONOMIC CONDITIONS SHOW SEASONAL UPTICK IN MAR'25

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INDICATOR	APR'24	MAY'24	JUN'24	JUL'24	AUG'24	SEP'24	OCT'24	NOV'24	DEC'24	JAN'25	FEB'25	MAR'25
INDUSTRY												
Manufacturing PMI	58.8	57.5	58.3	58.1	57.5	56.5	57.5	56.5	56.4	57.7	56.3	58.1
IIP (y/y)	5.2%	6.3%	4.9%	5.0%	0.0%	3.2%	3.7%	5.0%	3.5%	5.0%		
Eight Core (y/y)	6.9%	6.9%	5.0%	6.3%	-1.5%	2.4%	3.8%	5.8%	4.8%	5.1%	2.9%	
Finished Steel Consumption (y/y)	9.6%	15.9%	19.5%	14.4%	10.0%	11.8%	8.9%	9.5%	5.2%	10.9%	10.9%	
2W Retail Sales (y/y)	33.6%	2.5%	4.7%	17.5%	6.3%	-8.5%	37.0%	16.4%	-17.4%	4.2%	-6.0%	
PV Retail Sales (y/y)	18.6%	-1.0%	-6.8%	14.0%	-4.5%	-18.8%	36.5%	-10.7%	0.2%	15.5%	-8.1%	
SERVICES/CONSUMPTION												
Services PMI	60.8	60.2	60.5	60.3	60.9	57.7	58.5	58.4	59.3	56.5	59.0	58.5
Petrol Consumption (y/y)	14.2%	3.4%	4.6%	10.5%	8.6%	3.0%	8.7%	9.6%	11.1%	6.7%	3.5%	5.3%
Diesel Consumption (y/y)	1.4%	2.4%	1.0%	4.5%	-2.5%	-1.9%	0.1%	8.5%	6.0%	4.2%	-1.3%	0.9%
Railway Freight Volume (y/y)	1.4%	3.7%	10.1%	4.5%	0.0%	6.0%	1.5%	1.2%	3.6%	3.7%	-0.4%	5.0%
Port Cargo Volume (y/y)	1.3%	3.7%	6.8%	6.0%	6.7%	5.9%	-3.4%	-5.0%	3.4%	6.2%	7.4%	13.6%
Electricity Supply (y/y)	10.4%	15.2%	9.0%	8.3%	-4.7%	0.4%	0.8%	3.8%	5.2%	2.3%	-0.7%	6.7%
Total Airport Footfall (y/y)	6.0%	8.3%	7.7%	7.8%	7.5%	8.1%	9.8%	13.2%	10.5%	13.5%	11.2%	-1.5%
Fastag Revenues (y/y)	8.6%	8.7%	11.2%	12.0%	8.4%	10.4%	10.4%	14.5%	13.3%	19.0%	18.3%	14.5%
UPI Transactions (y/y)	39.6%	37.3%	36.0%	34.6%	30.7%	30.7%	37.0%	23.9%	27.5%	27.5%	20.2%	25.2%
Gross GST Revenues (y/y)	12.4%	10.0%	7.6%	10.3%	10.0%	6.5%	8.9%	8.5%	7.3%	12.3%	9.1%	9.9%

Source: S&P Global, FADA, SUGAM, CEIC, SBICAPS

MANUFACTURING REBOUND COULD BE SHAPING UP

Domestic HFIs end FY25 on a strong note, indicate improved manufacturing activity

- Manufacturing PMI rose to 8-month high in Mar’25, reflecting favourable domestic demand conditions and softer inflation, while international orders expanded at a softer pace.
- Sustained momentum in commercial activity is underscored by strong growth in electricity supply and rebound in diesel consumption. Infrastructure oriented sectors seem buoyant with steel consumption rising 11% y/y in Feb’25, with imports outpacing exports. Increased movement of goods is reflected in strong FasTag collections, ample port cargo volumes and strong railway freight growth.
- Consistent UPI transactions, robust GST collection and FMCG sales are indicators of a solid consumption story

Union has pledged support for key industries during a global trade rout

- Steel exports are facing headwinds with US tariffs on the product and EUs carbon crackdown. However, domestic steel industry could see a fillip with the industry expecting safeguard duty and the Steel Minister saying the government would devise a strategy to protect domestic producers. Positive sentiment from China is also a positive for this cyclical sector
- PLI schemes for 14 sectors have attracted investments of Rs. 1.6 trn as of Nov’24, with sales of Rs. 14 trn against target of Rs. 15.5 trn up to FY25 and exports surpassing Rs. 5.3 trn. Wiser by the initial experience, Union has decided to revamp PLI schemes for key sectors while envisaging expansion in new export-oriented MSME sectors.
- PM Mr. Modi extended an olive branch to the smaller players, exhorting MSMEs as the backbone of growth. He announced two new missions focused on enhancing manufacturing and exports. Also, Ms. Sitharaman saying that she is committed to easing regulations.

FISCAL CONSOLIDATION CONTINUES ON EXPECTED LINE

ITEM (Rs. bn)	FY24A	FY25RE	FY26BE	GROWTH FY26BE/FY25RE	11MFY24	11MFY25	GROWTH 11MFY25/11MFY24	11MFY25/FY25RE
Corporation Tax	9,111	9,800	10,820	10.4%	7,527	7,672	1.9%	78%
Income Tax	10,447	12,570	14,380	14.4%	8,124	9,915	22.0%	79%
Customs Duty	2,331	2,350	2,400	2.1%	1,964	2,046	4.2%	87%
Excise Duty	3,054	3,050	3,170	3.9%	2,538	2,502	-1.4%	82%
Service Tax	4	1	1		5	0		
GST	9,572	10,619	11,780	10.9%	8,373	9,347	11.6%	88%
Other Taxes	39	50	50	0.0%	368	507	37.8%	
Gross tax Revenue	**34,655**	**38,535**	**42,702**	**10.8%**	**28,899**	**32,042**	**10.9%**	**83%**
(-) Transfer to States, UTs	11,295	12,869	14,224	10.5%	10,334	11,805	14.2%	92%
Net tax Revenue	**23,273**	**25,570**	**28,374**	**11.0%**	**18,495**	**20,156**	**9.0%**	**79%**
Non-Tax Revenue	**4,018**	**5,310**	**5,830**	**9.8%**	**3,603**	**4,933**	**36.9%**	**93%**
Non-debt Capital Receipts	**598**	**590**	**760**	**28.8%**	**361**	**374**	**3.4%**	**63%**
Total Receipts	**27,888**	**31,470**	**34,964**	**11.1%**	**22,459**	**25,463**	**13.4%**	**81%**
Revenue Expenditure	34,943	36,981	39,443	6.7%	29,417	30,813	4.7%	83%
Capital Expenditure	9,492	10,184	11,211	10.1%	8,056	8,119	0.8%	80%
Total Expenditure	**44,434**	**47,165**	**50,653**	**7.4%**	**37,473**	**38,932**	**3.9%**	**83%**
Revenue Deficit	**7,652**	**6,101**	**5,238**	**-14.1%**	**7,319**	**5,723**	**-21.8%**	**94%**
Fiscal Deficit	**16,546**	**15,695**	**15,689**	**0.0%**	**15,014**	**13,469**	**-10.3%**	**86%**
Nominal GDP	**295,357**	**324,114**	**356,979**	**10.1%**				

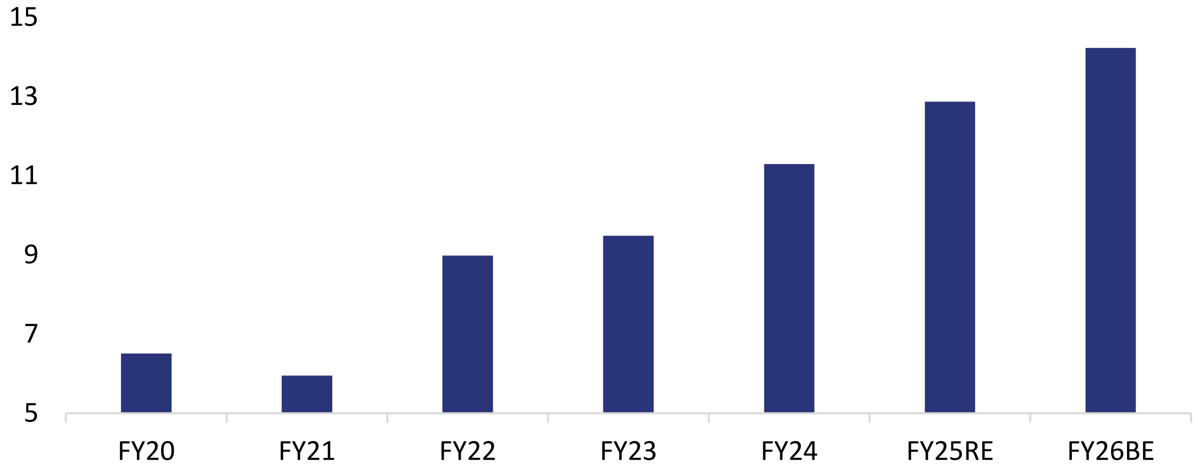
- Gross direct tax collection rose 16.2% y/y to Rs. 25.9 trn in YTD FY25 (as of 16th Mar'25), driven by personal income taxes. Capex gathered steam in 11MFY25, rising 1% y/y to Rs. 8.2 trn at 80% of FY25RE, after contracting for most of FY25, driven by sharp pick up by roads, railways and defence.

- The Union is on target to meet the fiscal deficit trajectory ahead of trajectory, and has announced its shift to debt/GDP approach subsequently

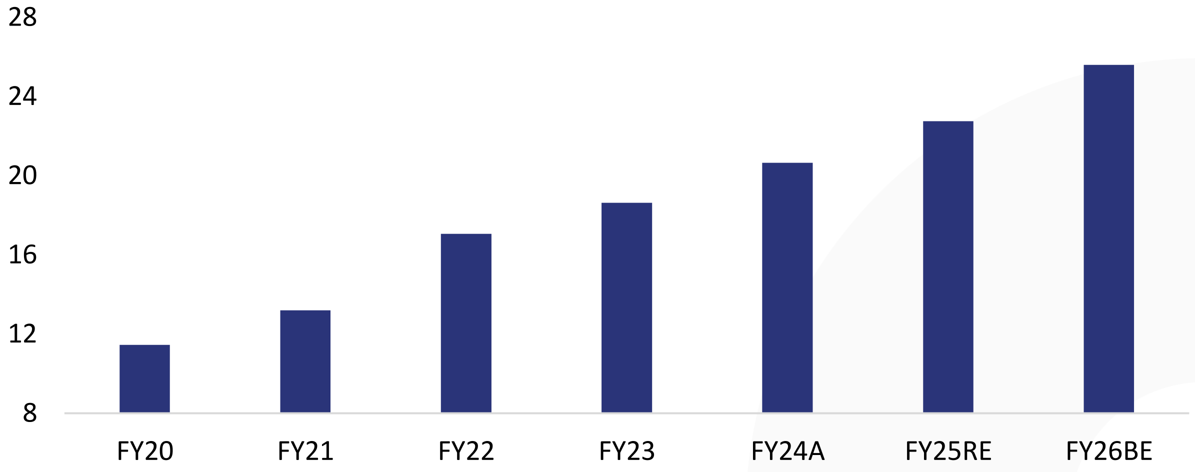
Source: Union Budget Documents, CGA, CEIC, SBICAPS

STATES TO GET HIGHER TRANSFERS IN FY26BE

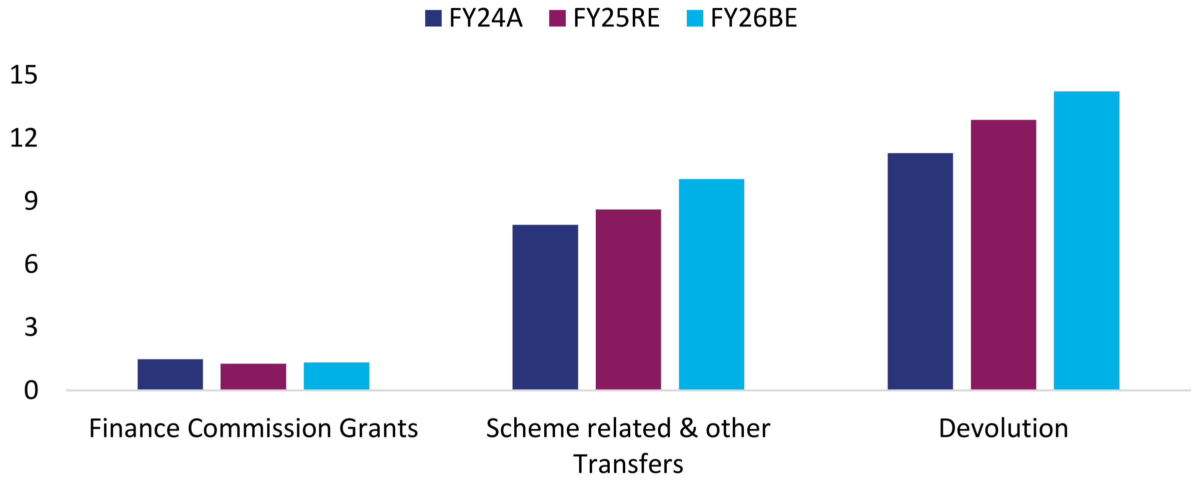
STATES SHARE IN UNION TAXES (Rs. trn)



TOTAL TRANSFER TO STATES AND UTs (Rs. trn)



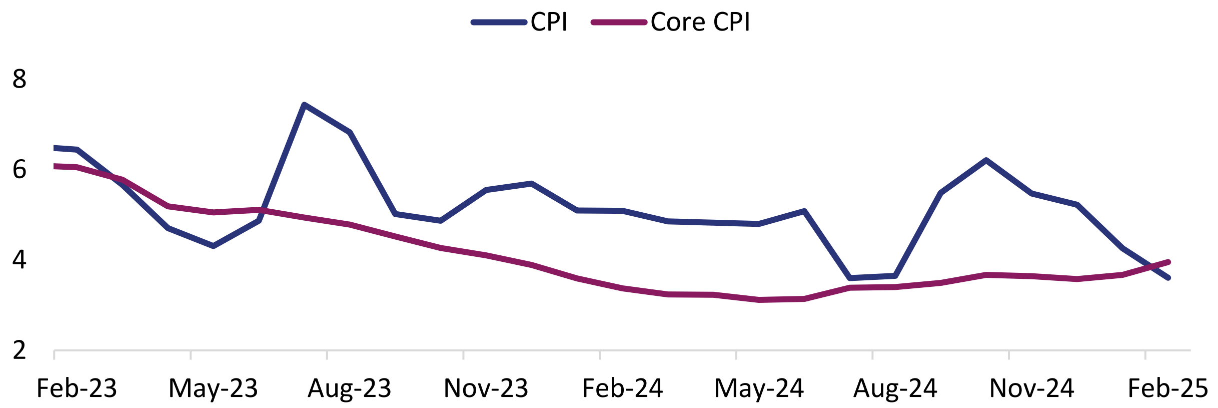
COMPOSITION OF TRANSFERS TO STATES (Rs. trn)



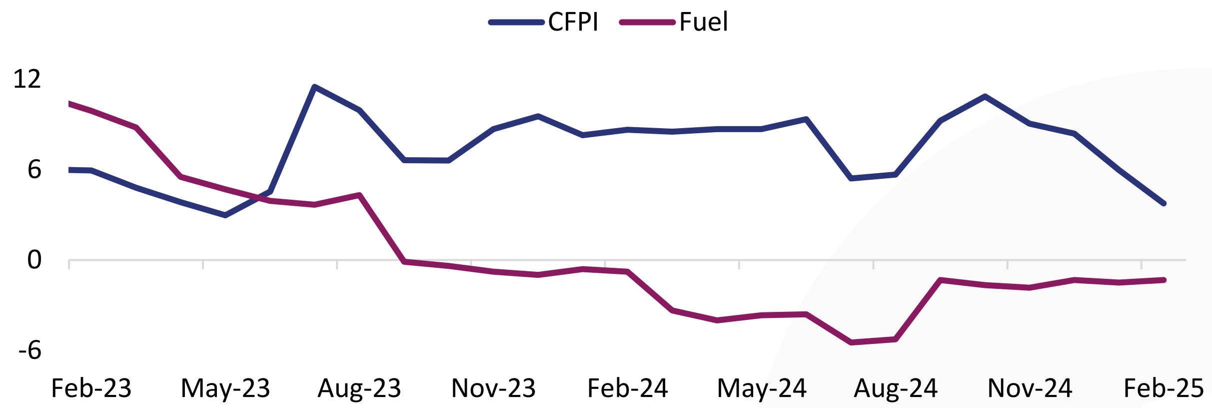
- States have rejoiced on higher transfers from Union, expected to grow further by ~Rs. 2.8 trn in FY26BE vs. FY25RE, higher than the Rs. 2.1 trn addition expected in FY25RE over FY24A, led by an equally higher devolution of taxes and scheme related transfers
- Union's concessional capex loans to States have exceeded FY25RE of Rs. 1.25 trn, approaching the original Budgeted estimate

FOOD PRICES SATIATES INFLATIONARY URGES, BUT CORE PHASED BY LOW BASE

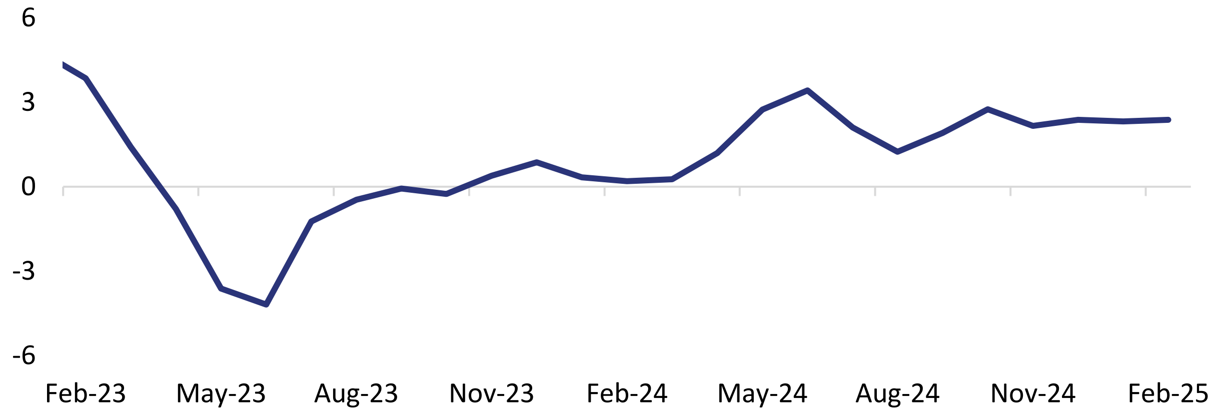
CONSUMER PRICE INDEX (CPI) & CORE CPI (Y/Y)



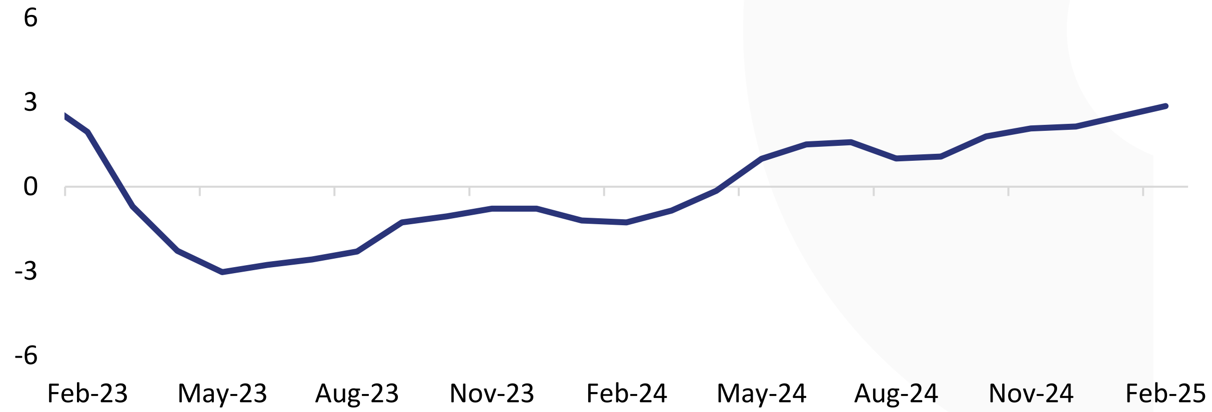
CFPI AND CPI: FUEL (Y/Y)



WHOLESALE PRICE INDEX (WPI) (Y/Y)



WPI: MANUFACTURED PRODUCTS (Y/Y)

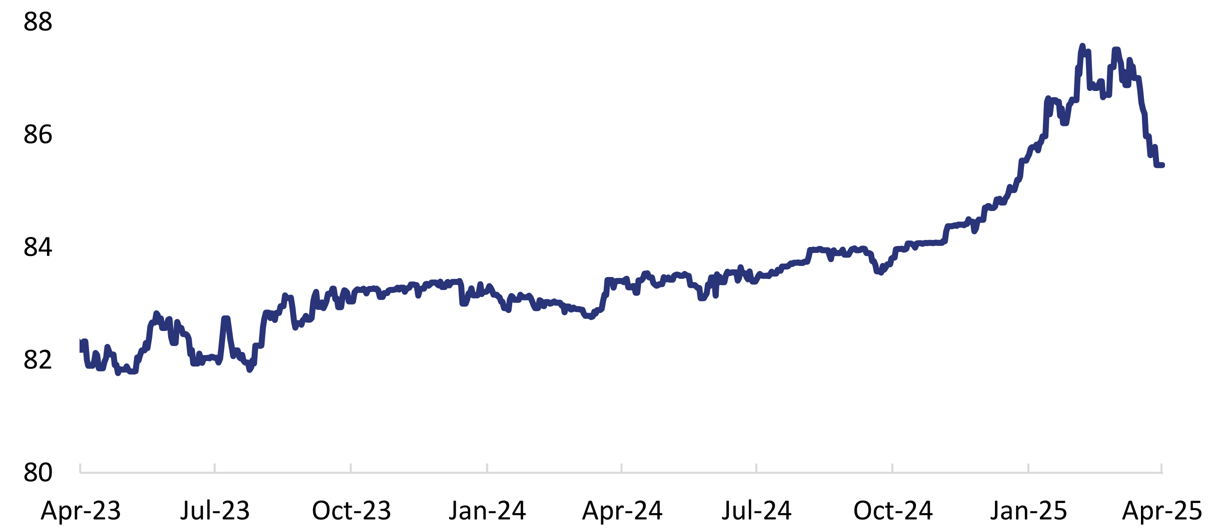


- CPI dropped further to 3.7% y/y in Feb’25, augmented by drop in ramped up food prices and contracting fuel prices, although core ticked upwards to 4% y/y in Feb’25. *In FY26, we expect CPI to chime in at ~4.4%, 20bps above RBI’s projections, though below FY24 number due to better crop production dipping food inflation offset by low base of Core*
- WPI inched upwards to 2.4% y/y in Feb’25 with softer rise in food prices being offset by higher global commodity prices leading to steeper cost of manufacturing. Subsequently, manufacturing products rose 2.9% y/y in Feb’25, at its highest pace in over 2 years.

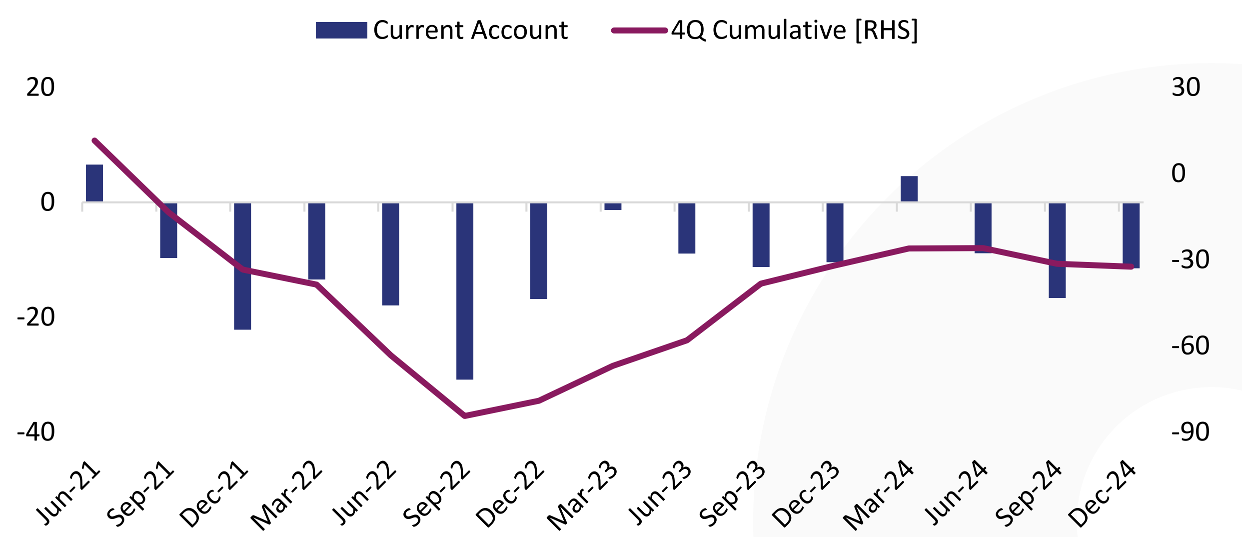
Source: CEIC, SBICAPS

INR SEEKS CY24 LEVELS, ENVIGORED BY CAPITAL FLOWS AND USD SELLING BY BANKS

USD/INR EXCHANGE RATE (Rs. per USD)



CURRENT ACCOUNT BALANCE (USD bn)



INDICATOR	MAR'24	APR'24	MAY'24	JUN'24	JUL'24	AUG'24	SEP'24	OCT'24	NOV'24	DEC'24	JAN'25	FEB'25	MAR'25
Forex Reserves (USD Bn)	646.4	640.2	651.5	652.0	670.6	682.2	705.8	682.1	659.4	635.7	630.6	638.7	658.8
Goods Imports (%y/y)	-6.4%	11.1%	7.2%	4.6%	9.6%	9.2%	7.3%	1.1%	16.0%	1.9%	10.3%	-16.3%	
Oil Imports (%y/y)	-9.3%	20.5%	28.0%	19.6%	22.7%	-25.6%	6.5%	17.0%	6.5%	-9.0%	-13.5%	-29.6%	
Non-oil Imports (%y/y)	-5.2%	7.4%	-0.5%	0.0%	5.9%	21.5%	7.6%	-4.2%	19.5%	5.8%	19.9%	-11.3%	
Goods Exports (%y/y)	-0.6%	2.0%	13.3%	2.4%	0.6%	-9.9%	-0.2%	16.6%	-5.1%	-1.2%	-2.4%	-10.9%	
Oil Exports (%y/y)	-35.1%	9.7%	38.3%	-18.8%	-13.8%	-40.2%	-30.2%	-25.2%	-51.1%	-29.6%	-58.7%	-29.3%	
Non-oil Exports (%y/y)	7.9%	0.2%	8.2%	7.6%	4.1%	0.2%	6.7%	25.5%	7.8%	5.1%	14.5%	-6.3%	
Goods Trade Balance (USD Bn.)	-15.3	-19.2	-22.0	-20.8	-23.9	-33.5	-24.1	-25.6	-31.8	-20.3	-23.0	-14.1	
Services Exports (%y/y)	-1.4%	17.1%	9.7%	3.2%	16.6%	5.7%	14.6%	22.7%	14.2%	16.9%	12.0%	11.6%	
Services Imports (%y/y)	-2.1%	20.0%	6.2%	-3.1%	16.0%	9.1%	13.5%	28.0%	26.1%	13.9%	12.6%	-4.8%	
Overall Trade Balance (USD Bn)	-1.9	-5.8	-9.3	-7.3	-9.3	-19.6	-8.1	-8.4	-17.0	-1.2	-5.0	3.1	

Source: CEIC, Bloomberg, SBICAPS

INDIA'S MAJOR TRADING PARTNERS: USA DOMINATES EXPORTS

TOP EXPORT DESTINATIONS – 11MFY25

COUNTRIES	EXPORTS (USD bn)	GROWTH (% Y/Y)
USA	76.4	9.1%
UAE	33.3	5.2%
Netherlands	21.0	3.7%
UK	13.2	12.5%
China PRP	12.7	-15.7%
Singapore	12.1	-5.6%
Saudi Arabia	10.8	4.0%
Bangladesh PR	10.4	5.1%
Germany	9.5	7.4%
Australia	7.8	4.4%
Others	188.5	-4.5%
GRAND TOTAL	**395.6**	**0.1%**

TOP IMPORT SOURCES – 11MFY25

COUNTRIES	IMPORTS (USD bn)	GROWTH (% Y/Y)
China PRP	103.8	10.4%
Russia	58.3	4.9%
UAE	55.7	29.2%
USA	41.6	7.2%
Saudi Arabia	26.8	-7.9%
Iraq	26.1	-2.0%
Switzerland	21.1	2.9%
Indonesia	21.0	-2.3%
Singapore	19.5	-0.7%
Korea RP	19.4	-0.2%
Others	263.3	4.2%
GRAND TOTAL	**656.7**	**5.7%**

- USA is India's largest export destination and India enjoys a significant trade surplus with it. India stands favourably placed on major export items such as textiles and electronics as competitors such as China, Vietnam, Thailand, and Malaysia have been slapped with higher tariffs
- Sectors such as marine exports and gems and jewellery are expected to face headwinds from the new tariffs. Mr. Trump also said tariffs on pharmaceuticals were also incoming. Indirect impact of tariffs on other countries could reduce cost of imports, though there is chance of dumping

Source: MOSPI, FE, SBICAPS

RECIPROCAL TARIFF LIST: A FORMULA FOR CHAOS?

SR. NO.	COUNTRY	TARIFFS CHARGED TO US	US DISCOUNTED RECIPROCAL TARIFFS
1	China	67%	34%
2	European Union	39%	20%
3	Vietnam	90%	46%
4	Taiwan	64%	32%
5	Japan	46%	24%
6	**India**	**52%**	**26%**
7	South Korea	50%	25%
8	Thailand	75%	36%
9	Switzerland	61%	31%
10	Indonesia	64%	32%
11	Malaysia	47%	24%
12	Cambodia	97%	49%
13	United Kingdom	10%	10%
14	South Africa	60%	30%
15	Brazil	10%	10%
16	Bangladesh	74%	37%
17	Singapore	10%	10%
18	Israel	33%	17%
19	Philippines	34%	17%
20	Chile	10%	10%

USTR FORMULA TO COMPUTE RECIPROCAL TARIFFS

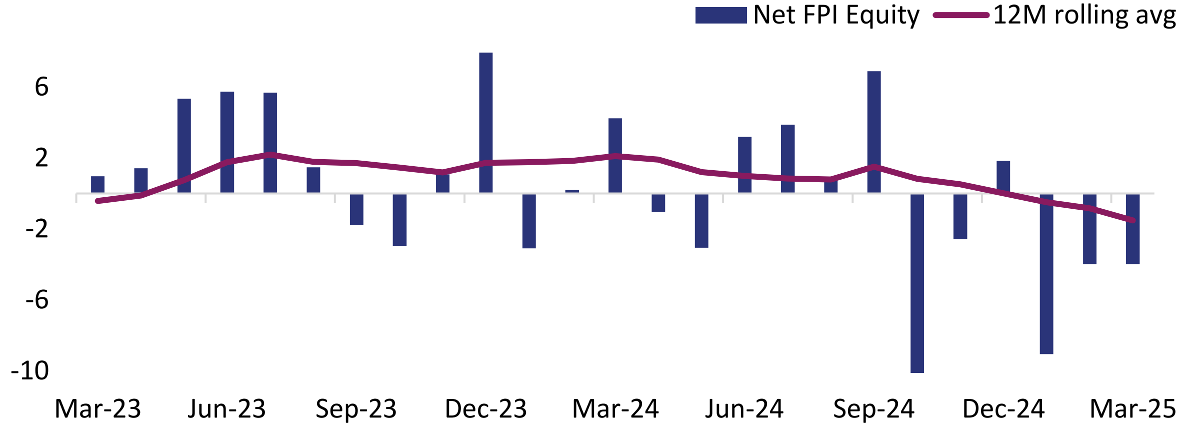
$$\Delta\tau_i = \frac{x_i - m_i}{\varepsilon * \varphi * m_i}.$$

- ~60 countries with large tariff differential and high trade surpluses with USA were singled out for specific reciprocal tariffs. All other countries will face a blanket 10% tariff
- Canada and Mexico were conspicuous by their absence. However, they will continue to face earlier tariffs announced. China now faces a 54% levy, which comprises of a 34% reciprocal tariff and 20% fentanyl related tariff
- Major world leaders denounced the tariffs, and several countries are instituting plans to support domestic industry, impose retaliatory tariffs, and stop investments into the US

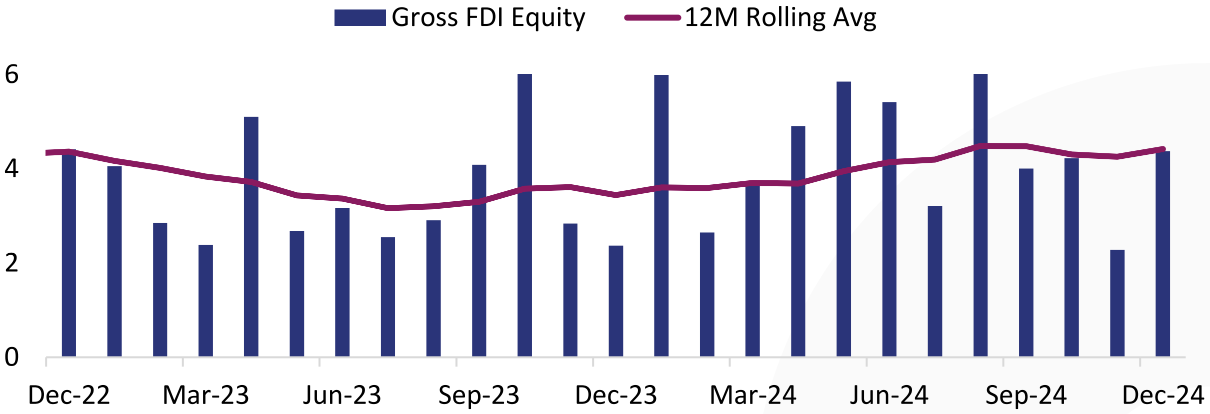
Source: The White House, USTR, SBICAPS

DEBT INFLOWS PARTIALLY ASSUAGE EQUITY OUTFLOWS IN FY25

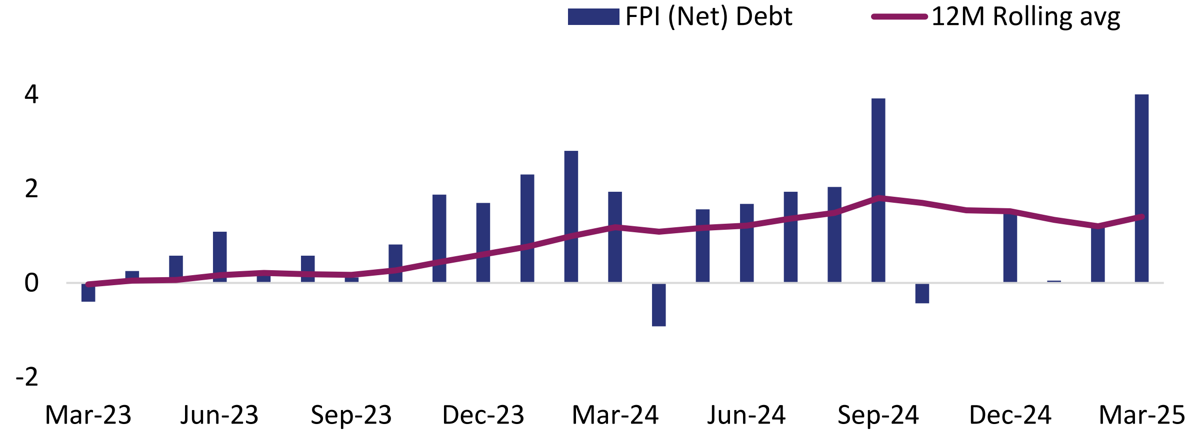
NET FPI EQUITY INFLOW (USD bn)



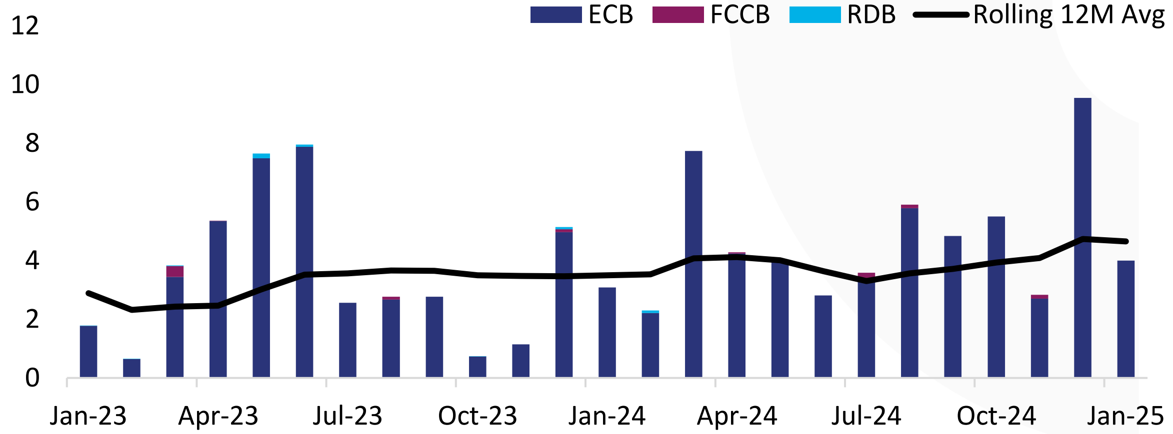
GROSS FDI EQUITY INFLOWS (USD bn)



NET FPI DEBT FLOWS (USD bn)



GROSS ECB ISSUED (USD bn)

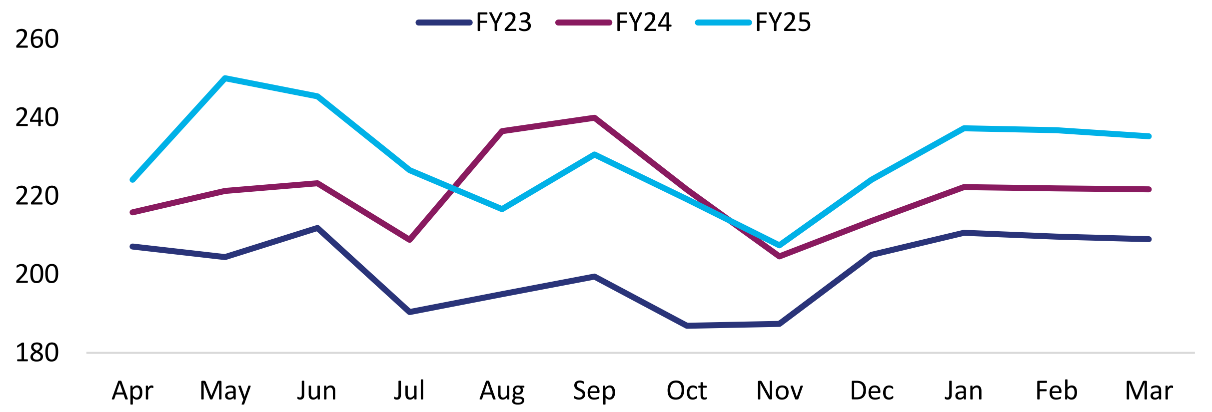


- Tariff trouble led to FPIs selling equities in affected sectors, leading to outflows worth USD 6.9 bn in IT, USD 5.1 bn in FMCG and USD 3.6 bn in automobiles in first half of Mar'25. FPIs poured in on debt securities to the tune of USD 4.3 bn, driven by massive inflows through the FAR route, as foreigners congregate to benefit from increased liquidity and rate cuts.

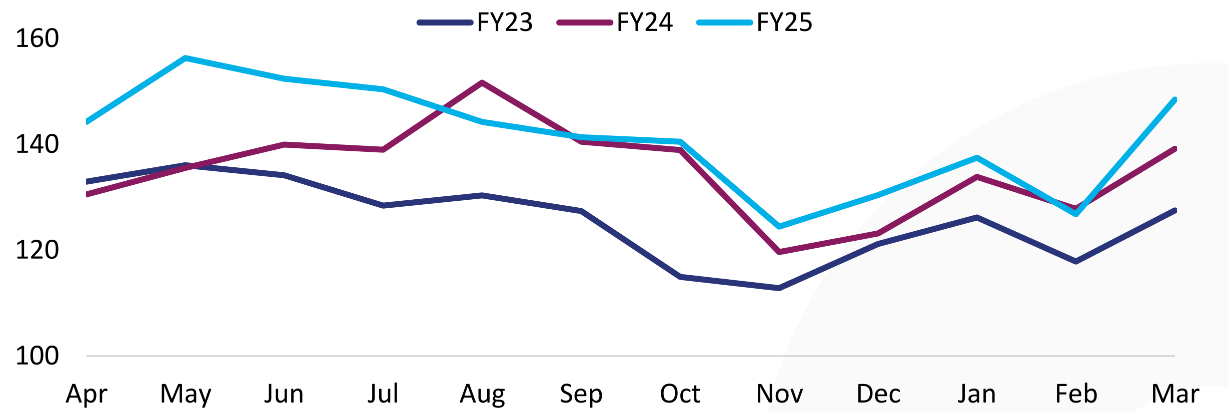
SECTORAL UPDATES

POWER AWAITS A SUMMER OF DISCONTENT

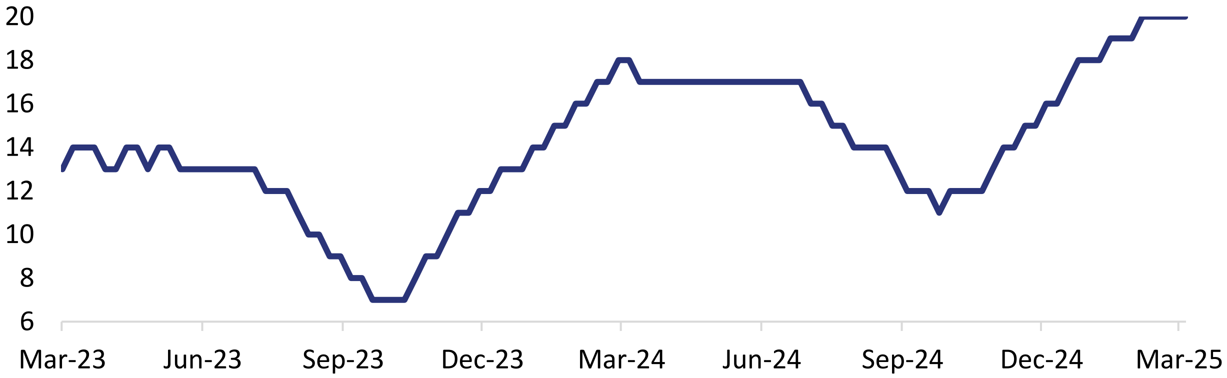
PEAK POWER DEMAND (GW)



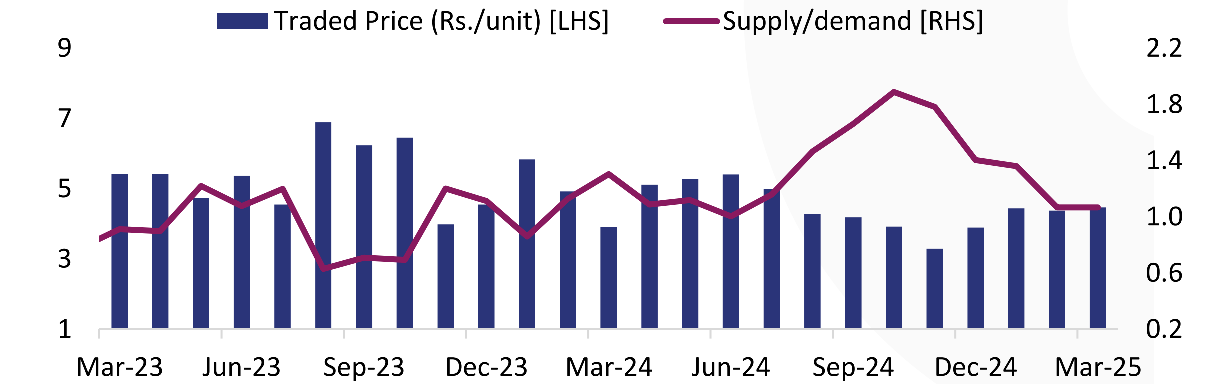
POWER SUPPLY (BU)



COAL STOCKS WITH POWER SECTOR (NUMBER OF DAYS)



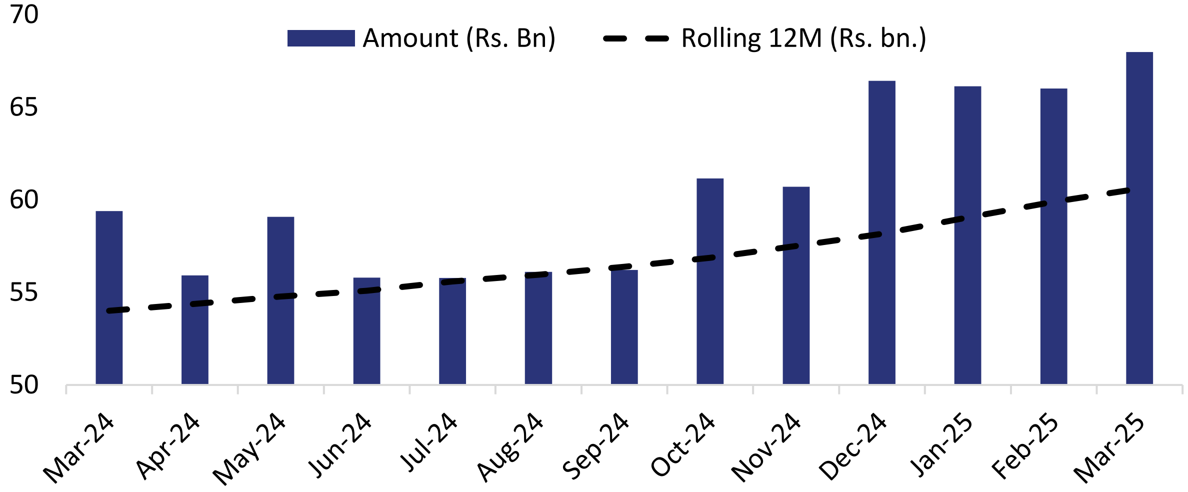
SPOT PRICE (Rs./UNIT) VS. SUPPLY-DEMAND IN DAM



- Electrical energy supply grew by a moderate 4.8% y/y in FY25 despite a strong finish in Mar’25. This was due to an above normal monsoon wiping out Q2 and a warmer winter reducing heating demand
- Peak demand is expected to touch 270 GW in summer, with multiple States set to face a heatwave as per the IMD. Multiple ministries are coordinating with coal supply, helped by improved availability as domestic production crossed 1 bn tonnes in FY25

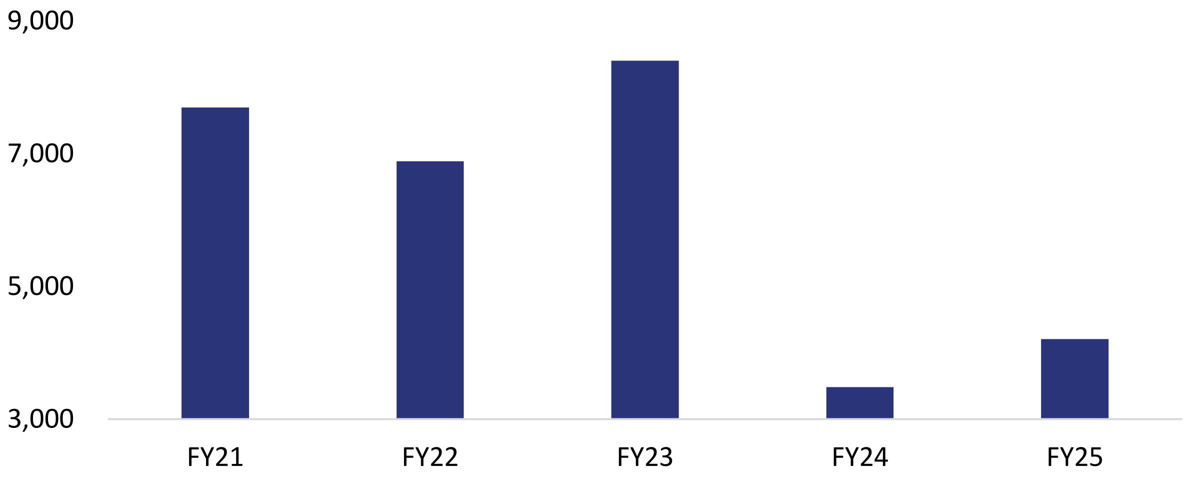
FASTAG COLLECTIONS SOAR IN FY25

FASTAG COLLECTIONS

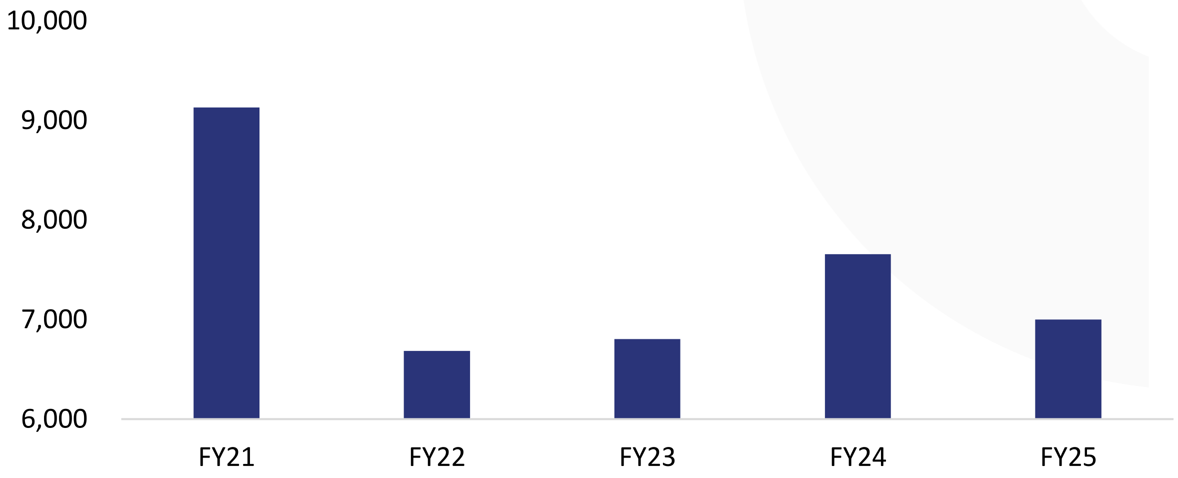


- FastTag collections grew 12.3% y/y to Rs. 730 bn in FY25, aided by Mar'25 which experienced the highest ever collections at Rs. 68 bn. An increase of 4-5% is effective from 1 Apr'25, which will aid revenues in FY26
- MoRTH Minister Mr. Gadkari claimed that 25,000 km of 2-lane highways would be upgraded to 4-lanes at the cost of Rs. 10 trn. He added that 16,000 km of national highways will be converted to 6-lane roads

NATIONAL HIGHWAY AWARDING (km) – 10MFY



NATIONAL HIGHWAY CONSTRUCTION (km) – 10MFY



BANKING: CREDIT EXPANDS AS LENDING-DEPOSIT RATE GAP NARROWS

INDICATOR	APR'24	MAY'24	JUN'24	JUL'24	AUG'24	SEP'24	OCT'24	NOV'24	DEC'24	JAN'25	FEB'25	MAR'25
CREDIT												
Non-food credit growth (%y/y)	15.3%	16.2%	13.9%	15.1%	13.6%	13.0%	11.5%	10.6%	11.1%	11.4%	10.9%	11.2%
Industry credit growth (%y/y)	6.9%	8.9%	7.7%	10.2%	9.7%	8.9%	7.9%	8.0%	7.2%	8.0%	7.1%	
Services credit growth (%y/y)	19.5%	20.7%	15.1%	15.4%	13.9%	13.7%	12.7%	13.0%	11.7%	12.5%	12.0%	
Personal credit growth (%y/y)	15.3%	17.8%	16.6%	17.8%	13.9%	13.4%	12.9%	13.3%	12.0%	11.8%	11.7%	
DEPOSITS												
Total Deposits (%y/y)	13.3%	11.7%	11.3%	10.6%	10.9%	11.1%	11.7%	11.2%	11.5%	10.8%	10.6%	10.2%
Time Deposits (%y/y)	13.1%	11.4%	11.5%	10.9%	10.9%	11.1%	13.2%	11.5%	11.4%	11.0%	11.0%	10.7%
Demand Deposits (%y/y)	14.9%	14.1%	9.6%	8.2%	10.6%	11.7%	11.6%	8.9%	12.3%	9.4%	7.7%	7.0%
KEY RATIOS												
C/D Ratio (%)	76.9%	77.5%	77.4%	77.3%	79.5%	79.6%	79.0%	79.5%	80.4%	80.4%	80.8%	80.7%
Investment/Deposit Ratio (%)	29.1%	29.1%	29.6%	29.6%	29.9%	29.8%	29.8%	29.7%	29.6%	29.9%	30.0%	29.9%
KEY RATES												
1Y MCLR (Median-All SCB)	8.9%	8.8%	8.9%	8.9%	8.9%	9.0%	9.0%	9.0%	9.0%	9.0%	9.1%	9.0%
WALR – fresh (%)	9.6%	9.4%	9.3%	9.4%	9.4%	9.4%	9.5%	9.4%	9.3%	9.3%	9.4%	
WALR – o/s (%)	9.8%	9.8%	9.9%	9.9%	9.9%	9.9%	9.9%	9.9%	9.9%	9.9%	9.8%	
WADTDR – fresh (%)	6.5%	6.5%	6.5%	6.5%	6.5%	6.5%	6.4%	6.5%	6.6%	6.6%	6.5%	
WADTDR – o/s (%)	6.9%	6.9%	6.9%	6.9%	6.9%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	
Repo Rate	6.50%	6.50%	6.50%	6.50%	6.50%	6.50%	6.50%	6.50%	6.50%	6.50%	6.25%	6.25%

Source: RBI, SBICAPS; Data excludes impact of HDFC merger until Jul'24

TRANSMISSION DISPARITY BETWEEN CREDIT AND DEPOSITS IN BANKS

Credit growth is impacted by headwinds, profitability under pressure

- Banks faced increased headwinds in H2FY25, with credit growth moderating due to lagged impact of regulatory tightening, asset quality deterioration in certain retail segments, tighter liquidity conditions and hoisted interest rates.
- Industry credit growth remains well above long-term averages, driven by growth in export-oriented sectors such as electronics and sugar, along with capex in key sectors like aviation, petroleum and chemicals. Continued impact of regulatory restraints plagues services credit, while unaffected segments eke out continuous growth
- Personal loans growth dipped to the lowest in 4 years, with secured segment slowing down along with unsecured while uptick in slippages warrants a cautious outlook on borrowed consumption. However, Union's push on boosting consumption with tax cuts amidst improved incomes bodes well for the segment.

Banks' chase for elusive deposit being supplemented by diversified funding sources

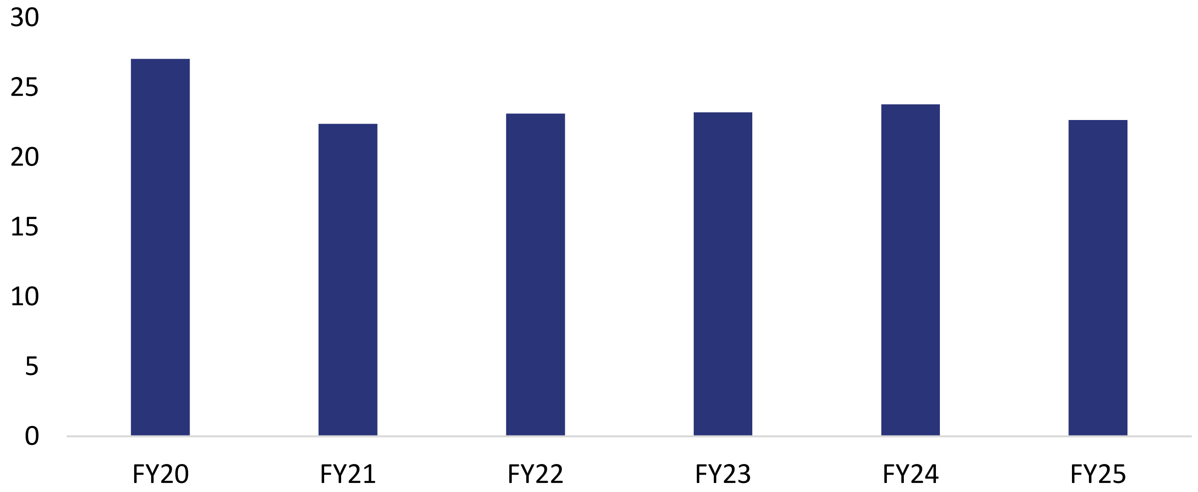
- Deposit growth has consistently remained above long-term averages in FY25, hovering around ~11% y/y mark as CD ratios remained elevated. Notably, certain PVBs with high CD ratios have led the charge in deposit mobilization, while few PSBs with low CD ratios have underwhelmed. Despite moderation in incremental CD ratios, banks have continued scouring for deposits in search of funds for on-lending.
- Consequently, banks act to diversify their funding sources with borrowings rising 23% y/y to Rs. 9.3 trn and 42% y/y rise in certificates of deposit outstanding. Notably, CD issuances rose 50% y/y in Mar'25, with accelerated issuance from a large private bank that had to shore up liquidity amidst deposit outflows. Subsequently CD rates rose to highest in a year in Mar'25.
- Further, several PSBs have raised equity through the QIP route in Mar'25 costs; shore up their capital and comply with minimum shareholding norms.

RBI is focused on lowering borrowing costs; banks rejoice on easing liquidity while impact of rate cuts remain varied

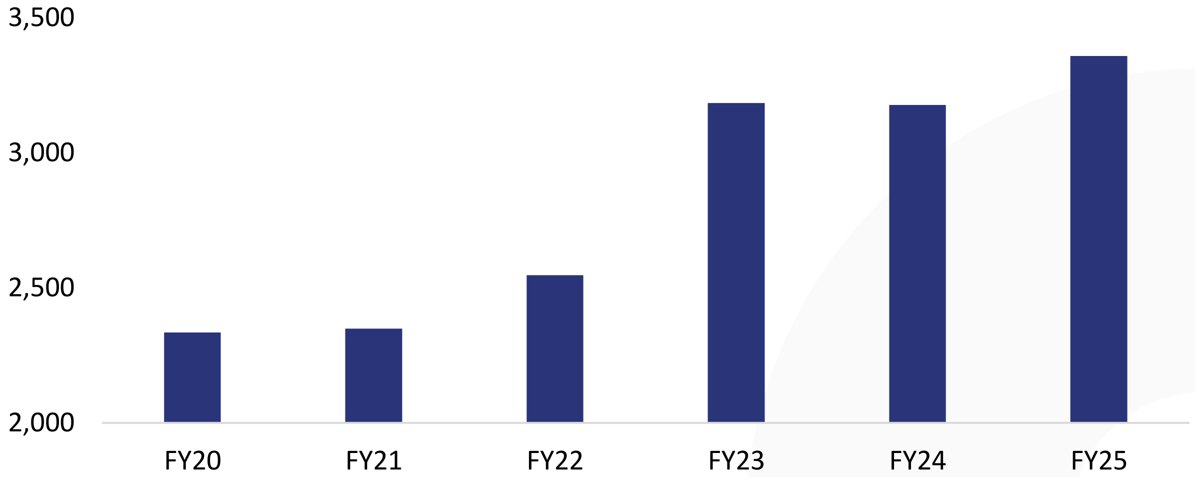
- Banks have responded to the rate cuts by lowering lending and deposit rates in Feb'25, with fresh rates falling ~10 bps
- Thus, ample liquidity and anticipation of rate cuts have prompted several PVBs with high deposit growth to cut retail deposit rates, pre-empting RBI's move.

PREMIA SUFFER AS INSURERS ADJUST TO REGULATORY CHANGES

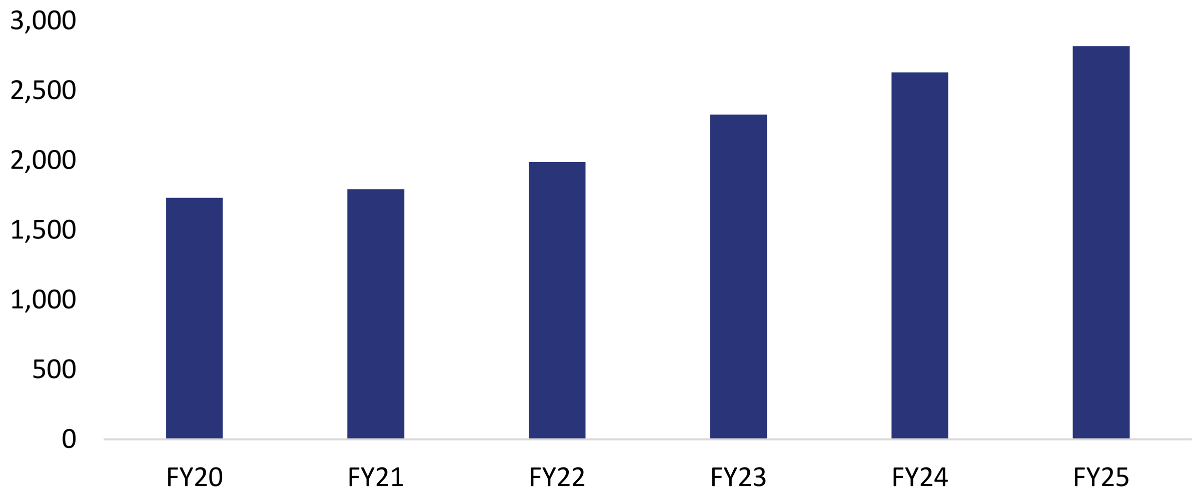
NEW LIFE INSURANCE POLICIES (mn units) – 11MFY



FIRST YEAR PREMIUM- LIFE INSURANCE (Rs. bn) – 11MFY



GROSS DIRECT PREMIUM- NON- LIFE INSURANCE (Rs. bn) – 11MFY

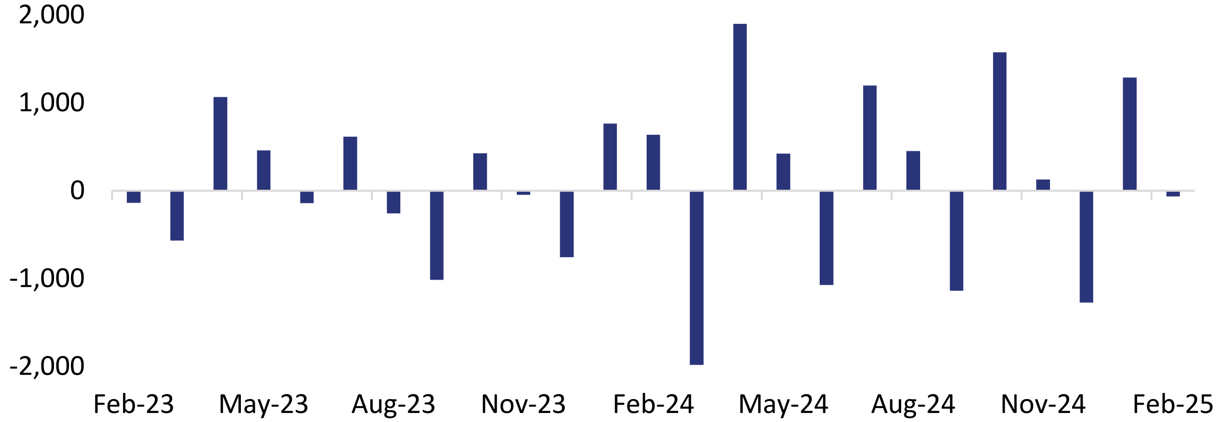


- Life insurers' new business premium dropped 12% y/y in Feb'25, owing to a steep fall in public sector, offset by flattish growth of the private sector, as impact of change in surrender value norms is felt.
- Non-life insurers' gross direct premium fell 2.8% y/y with weakness across the board exacerbated by new accounting norms. Slower PV sales has dented motor insurance growth, which has been the driver in yesteryears

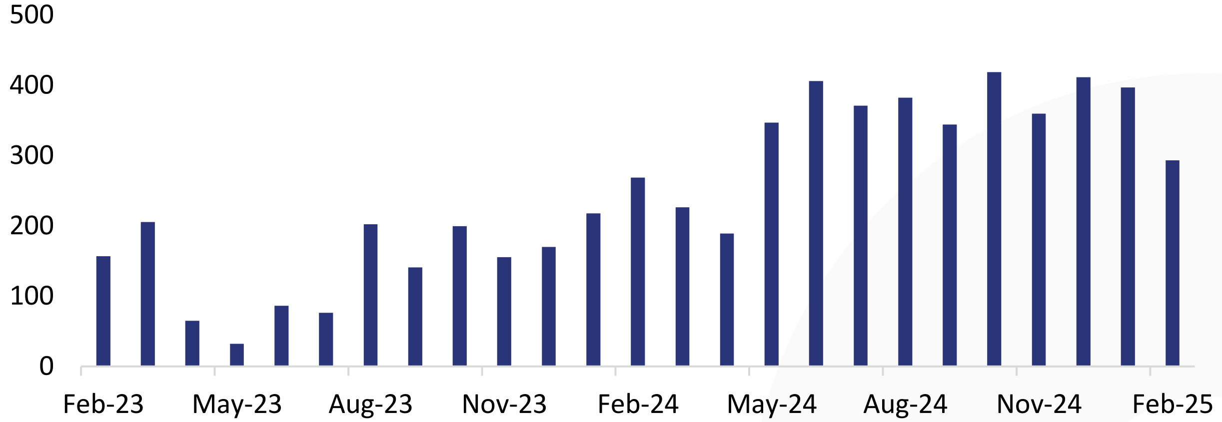
Source: GIC, IRDAI, CEIC, SBICAPS

MARKET MAYHEM LEADS TO SOFTER EQUITY MF FLOWS

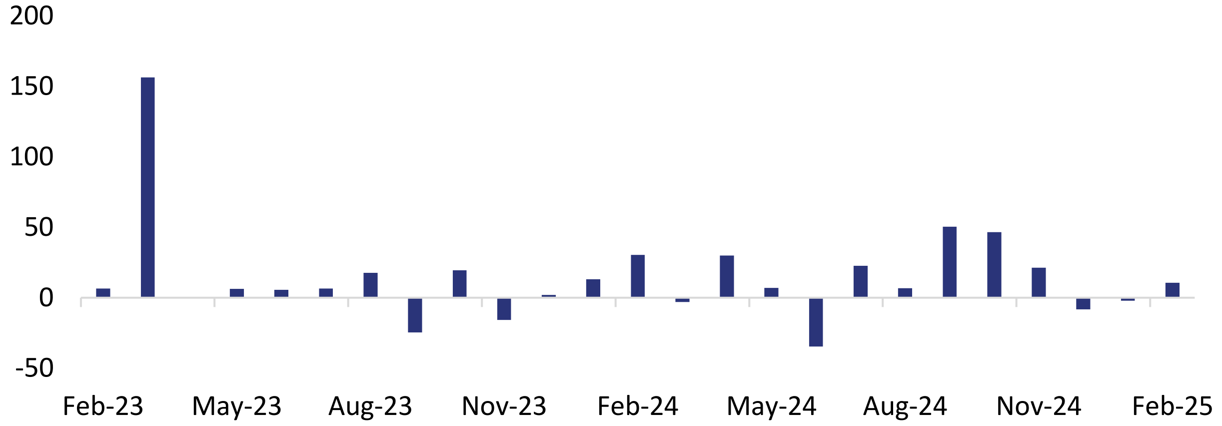
OPEN ENDED SCHEME: INCOME/DEBT MF NET INFLOW (Rs. bn)



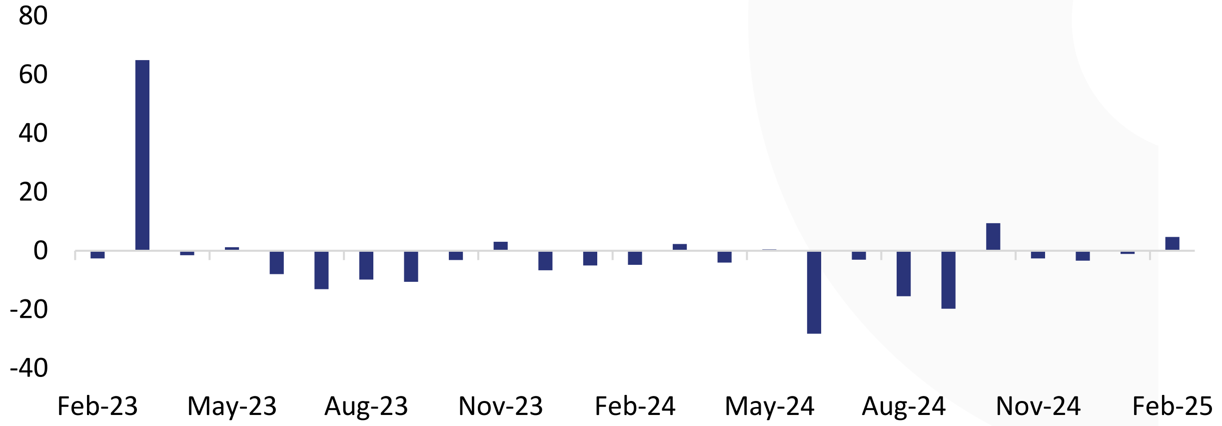
OPEN ENDED SCHEME: EQUITY MF NET INFLOW (Rs. bn)



CORPORATE BOND NET INFLOW (Rs. bn)



BANKING AND PSU FUND NET INFLOW (Rs. bn)



- Mutual funds experienced inflows of Rs. 400 bn in Feb’25, with mild outflows in debt and tepid inflows in equity. Debt funds witnessed outflow worth Rs. 65 bn in Feb’25 across funds, however, corporate bond funds experienced Rs. 10 bn worth inflows. Equity inflows of Rs. 293 bn is the lowest since Apr’24 as equity markets correct from highs

MONETARY POLICY AND YIELDS

LIQUIDITY AND GROWTH TO DOMINATE THE RBI'S MIND IN APR'25 MPC

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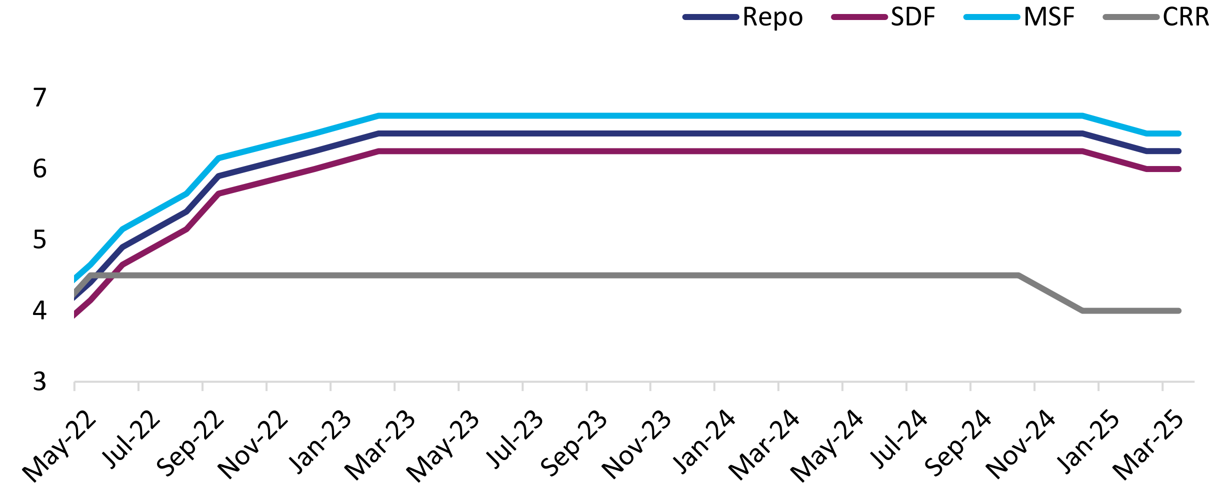
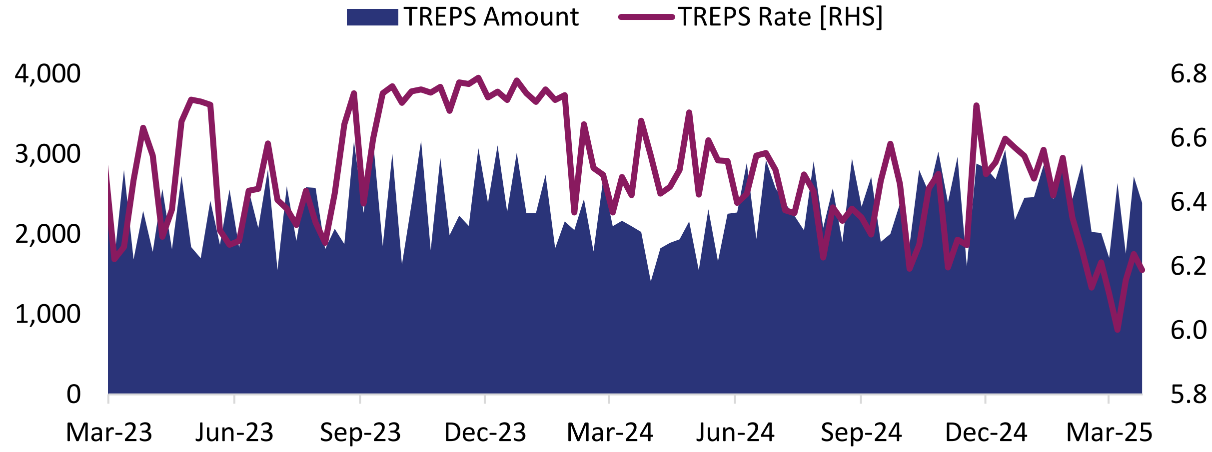
KEY RATES (%)



TREPS DAILY AVG VOLUME (Rs. Bn.) AND RATE (%)



STANCE OF POLICY

DATE	STANCE	VOTE
04-May-22	Remain accommodative, while focusing on withdrawal of accommodation	6-0
08-Jun-22 05-Aug-22	Withdrawal of Accommodation	6-0
30-Sep-22	Withdrawal of Accommodation	5-1
07-Dec-22 08-Feb-23	Withdrawal of Accommodation	4-2
06-Apr-23 08-Jun-23 10-Aug-23 06-Oct-23 08-Dec-23 08-Feb-24 05-Apr-24	Withdrawal of Accommodation	5-1
07-Jun-24 07-Aug-24	Withdrawal of Accommodation	4-2
09-Oct-24 05-Dec-24 **07-Feb-25**	Neutral	6-0

- RBI's MPC unanimously delivered a 25 bps rate cut in Feb'25, taking the repo rate to 6.25%, in-line with expectations
- *We project an additional 50-75 basis points of rate cuts in CY25, contingent on global development, with a rate cut of 25bps likely in the Apr'25 policy*

Source: RBI, CEIC, SBICAPS

LIQUIDITY CONDITIONS EASE IN THE NEW FISCAL

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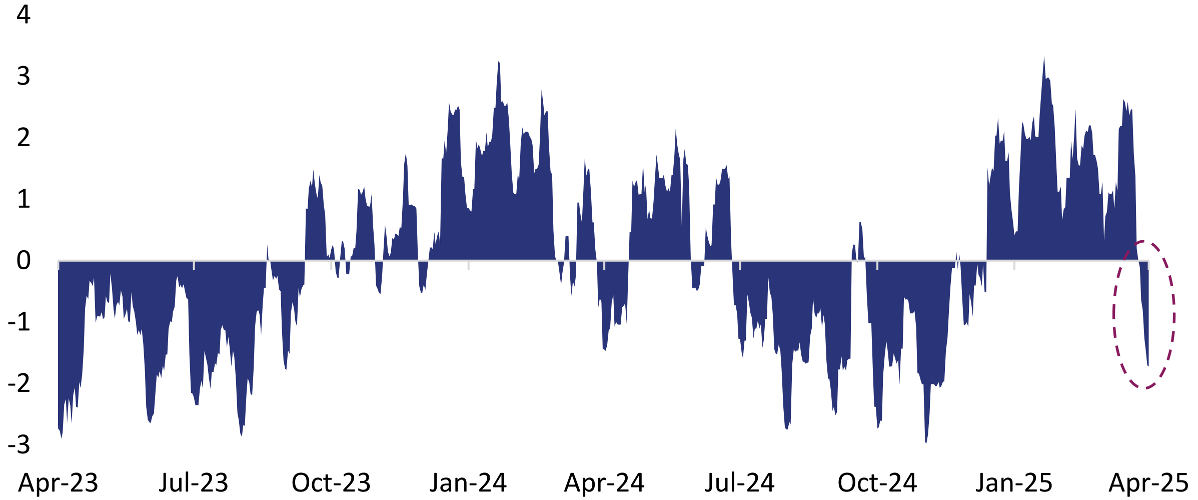
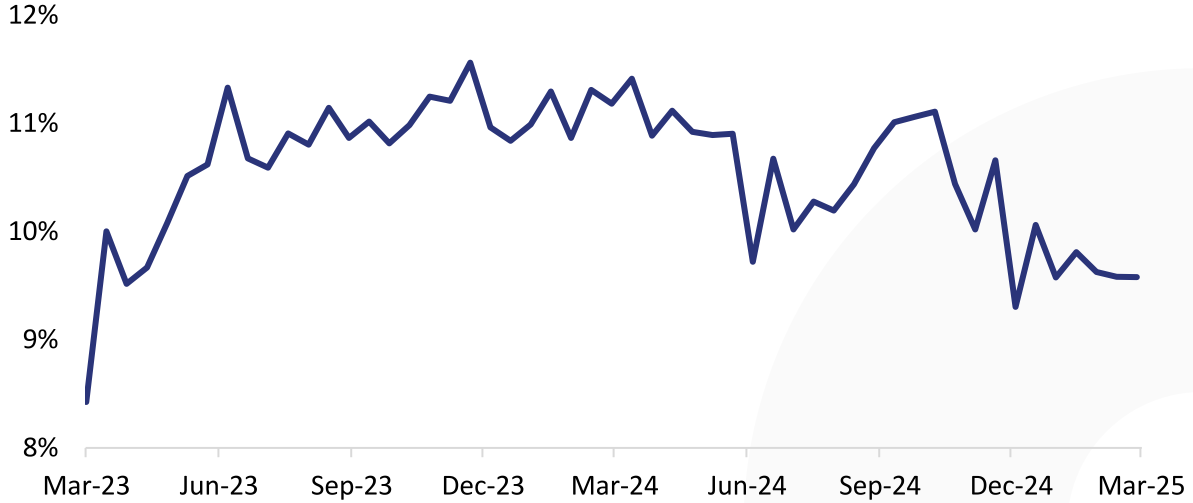
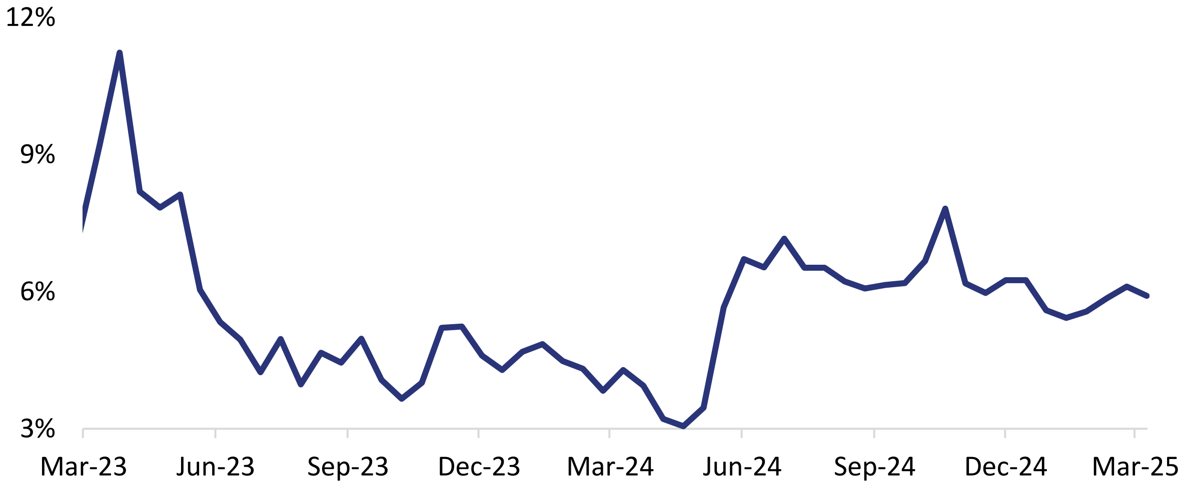
BLOOMBERG INDIA LIQUIDITY INDICATOR* (Rs. trn)



MONEY STOCK M3 (Y/Y)



CURRENCY WITH PUBLIC (Y/Y)

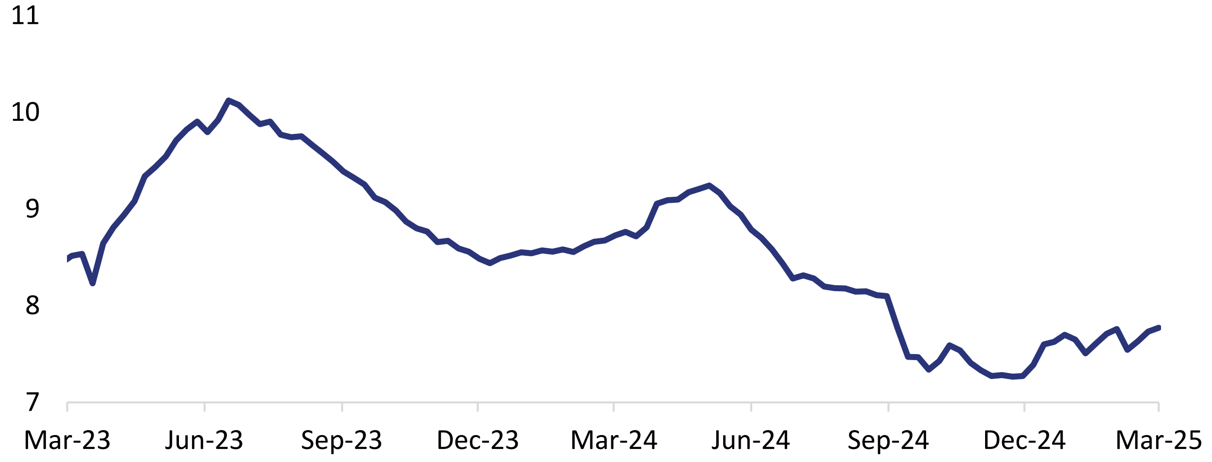


- Banking system liquidity turned positive for the first time in 3 months at the end of Mar’25, washing out the worst ever liquidity crunch, aided by hands on approach taken by RBI to address deep deficit in liquidity
- RBI has indicated further liquidity easing operations such as Rs. 800 bn worth OMO purchases, USD/INR Sell/ Buy swaps, rolling over USD forwards, etc. in a bid to keep liquidity abundant to ensure quick transmission of lower borrowing costs.
- Notably, daily VRRs have started to get tepid responses, with RBI decreasing the notified quantum and cancelling a 14-day repo, reflective of easing liquidity conditions

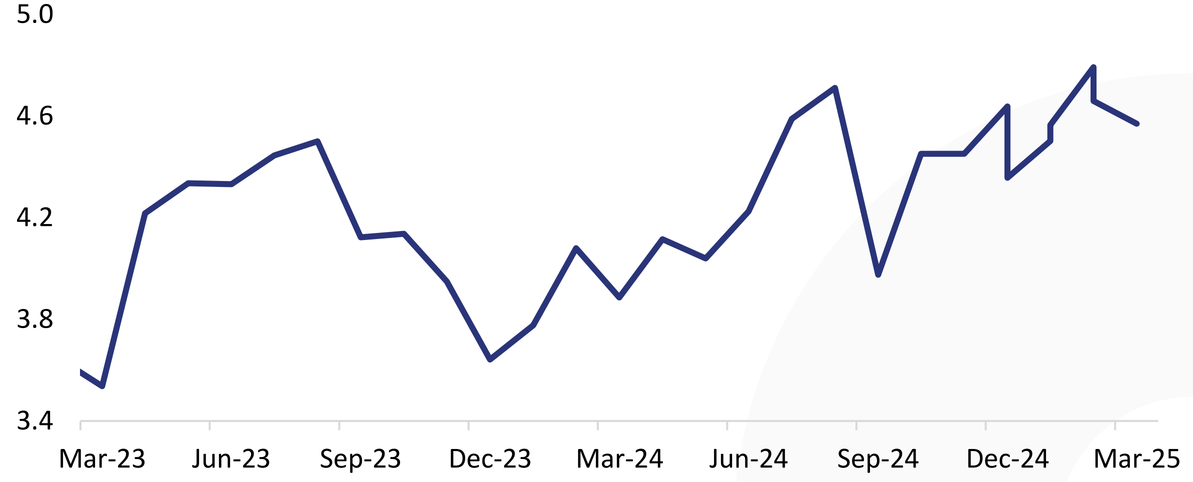
Source: Bloomberg, RBI, SBICAPS; *Negative values indicate surplus

FIRMS RAISE SHORT-TERM FUNDING AS RATES ARE SLASHED

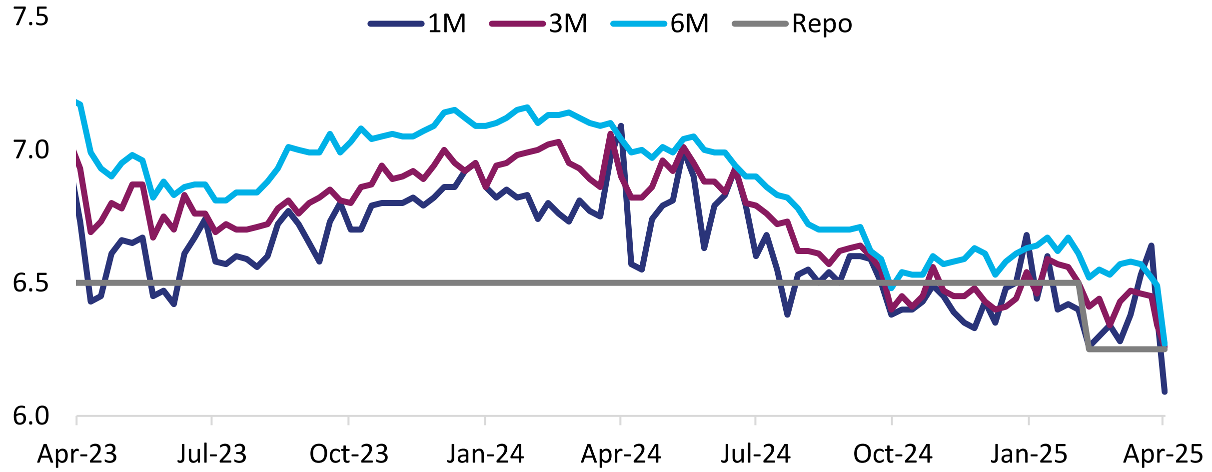
T-BILL OUTSTANDING (Rs. trn)



COMMERCIAL PAPER OUTSTANDING (Rs. trn)



T-BILL SECONDARY YIELDS & REPO (%)



- Union has indicated a slimmer T-Bill issuance profile for Q1FY26, lower 5% y/y at Rs. 2.5 trn (compared to indicative), with a higher share of 364-day T-Bill suggesting changing tenor mix
- Higher liquidity and expectations of rate cuts have led to significant descent in T=Bill yields, with several papers on the shorter end dipping below the policy rate in secondary trading.
- CPs outstanding inched downwards in Mar’25 after bumper Feb’25, with several firms refinancing at lower rates. Notably, several companies have indicated intent to issue longer tenor papers once rates recede comfortably.

UNION G-SEC YIELDS DROP PRECIPITOUSLY AS LIQUIDITY TAP OPENS

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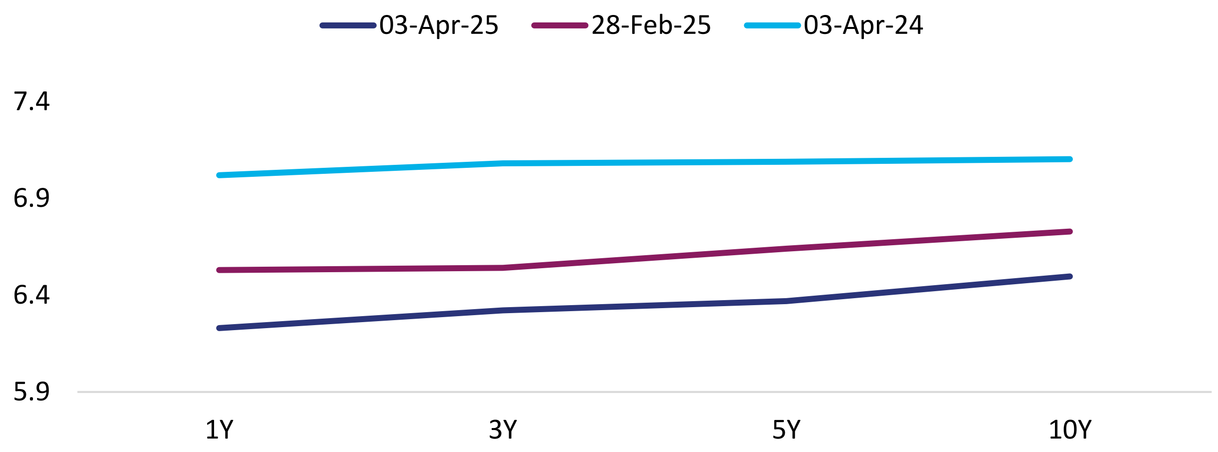
YIELD CURVE (%)



G-SEC YIELD (10 YEARS) (%)

G-SEC YIELD (5 YEARS) (%)

- Benchmark Union G-sec yields dropped sharply in the new fiscal as surfeit liquidity enabled sudden transmission of policy rate cut to the yield curve
- Yield curve has steeped with term premium (10Y-1Y) now >25 bps

OIS RATES EASE AND CORPORATE SPREADS ZOOM

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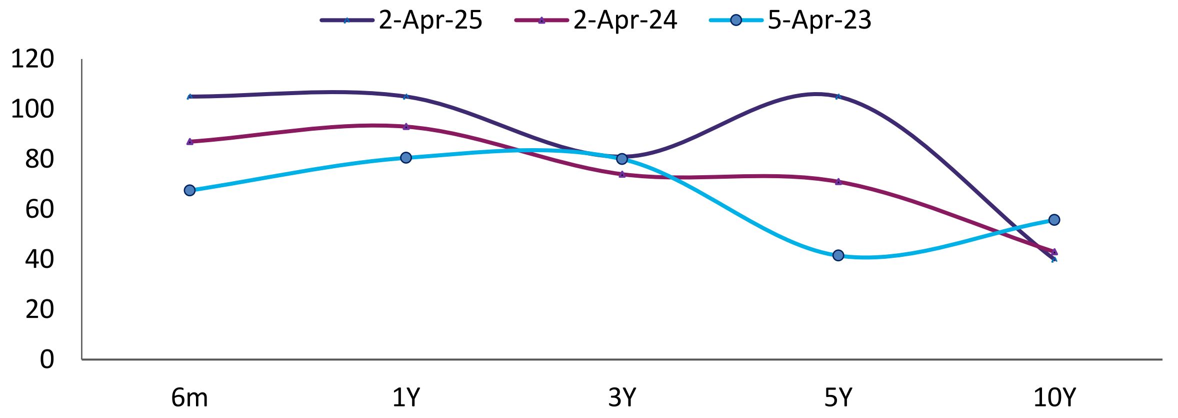
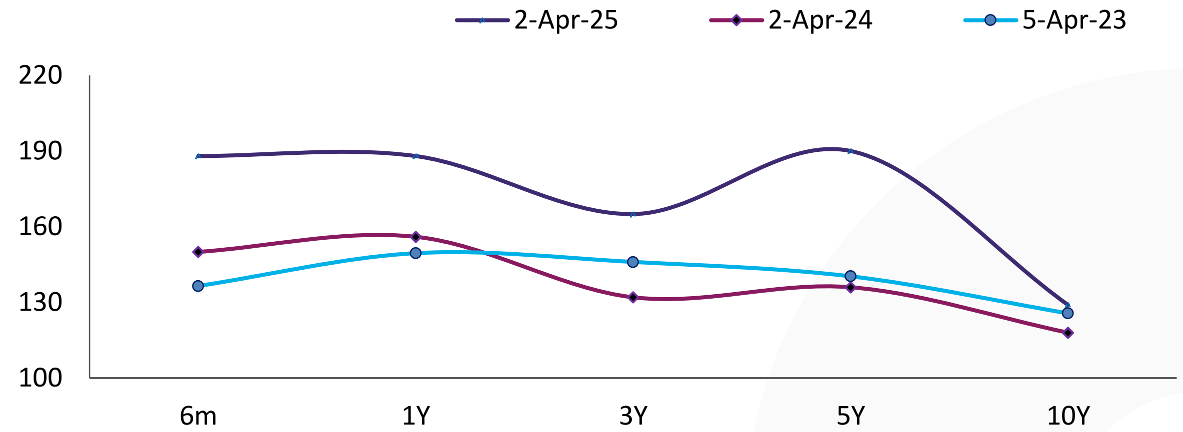
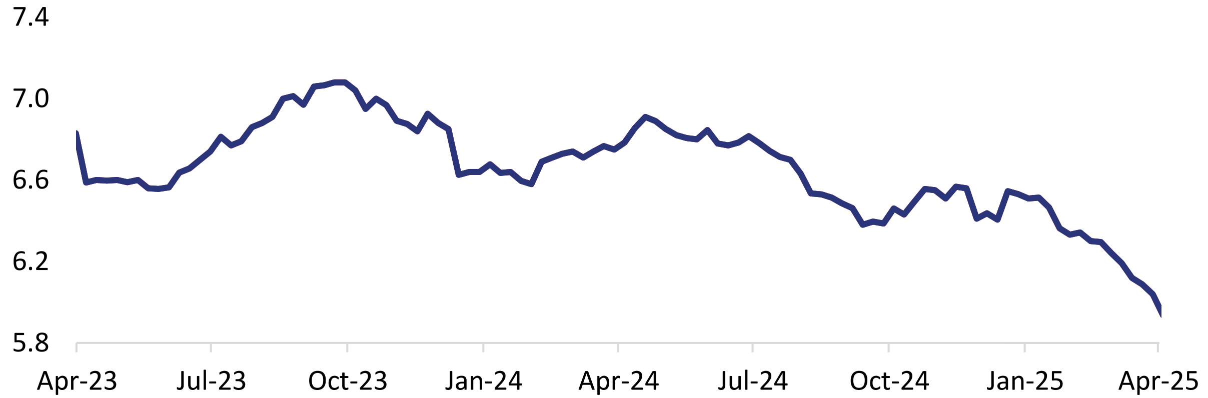
FIMMDA CORPORATE AAA SPREAD OVER GILT CURVE (bps)



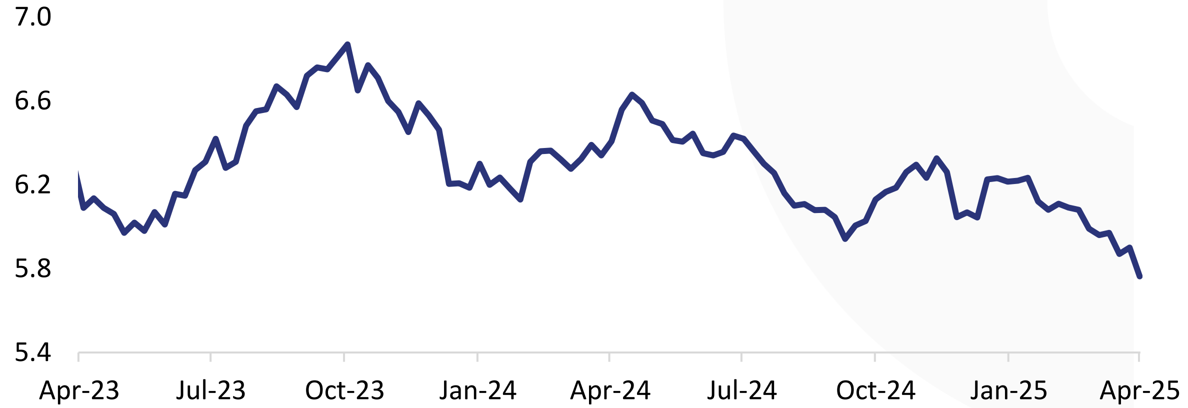
FIMMDA CORPORATE AA SPREAD OVER GILT CURVE (bps)



OIS 1- YEAR (%)



OIS 5 –YEAR (%)

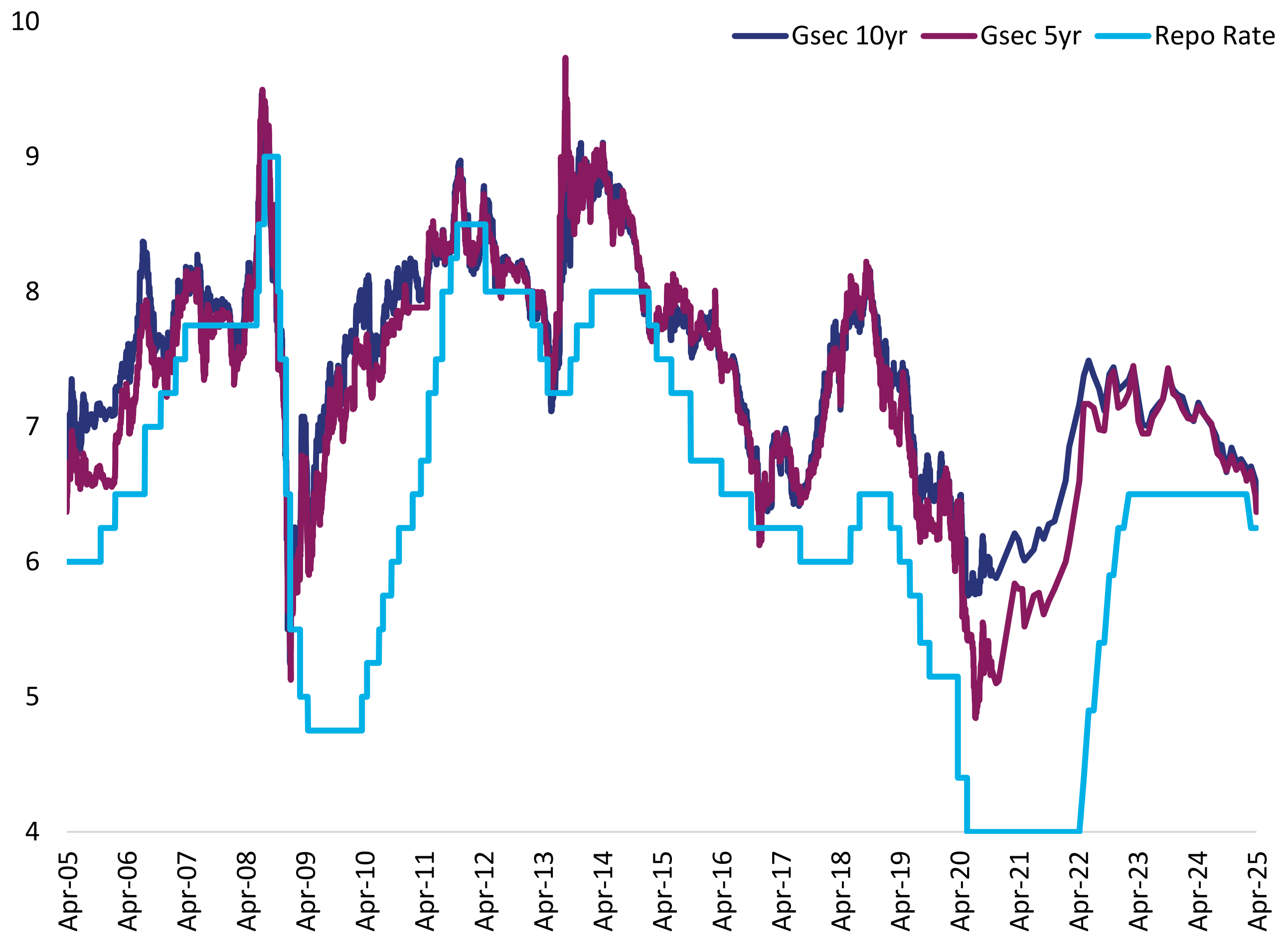


- Easing liquidity conditions augmented by rate cut expectations have led to a downtrend in OIS rates. Notably, 1Y OIS has traversed 25 bps below the policy rate
- Corporate spreads are on an uptrend as a re-leveraging cycle meets easing Union G-sec yields. Benchmark SGS yield spreads have also heaved upwards

Source: Bloomberg, FIMMDA, SBICAPS

OUTLOOK ON G-SEC YIELDS

KEY RATES (%)



- We expect headline inflation (CPI) to average ~4.4% in FY26 with evenly balanced risks
- We expect general government (Union + State) fiscal deficit ~7.1% of GDP in FY26

YIELD OUTLOOK

We expect 10Y G-Sec yields to remain in the range of ~6.25%-6.75% in the coming months

Below are the upside and downside risks to our yield outlook:

Yield softening triggers

- Inclusion in global bond indices
- Liquidity surplus
- Softening in commodity prices due to global slowdown

Yield hardening triggers

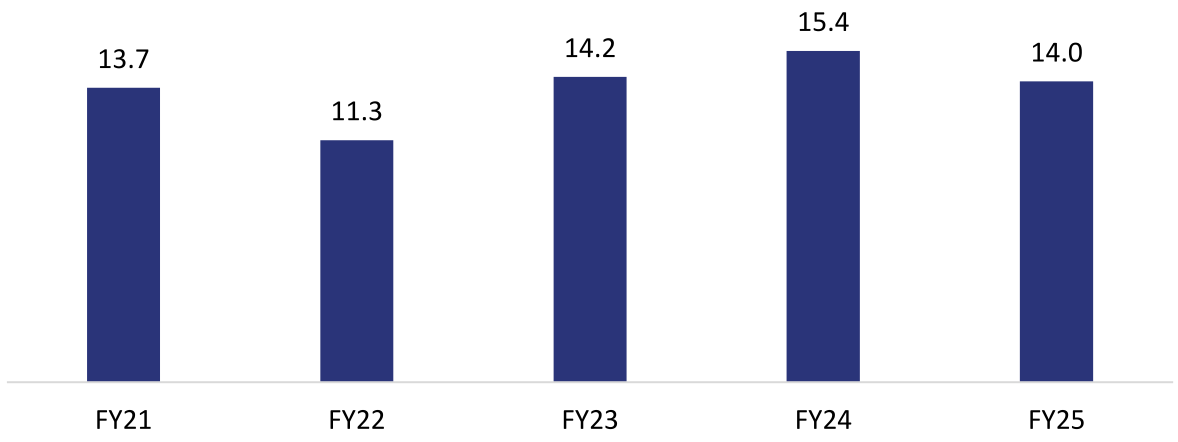
- Higher CPI print than estimate
- Higher crude price- impact on fiscal position and inflation
- Higher government borrowing
- Currency volatility as seen in CY13 and CY18
- Slower than hitherto expected US rate cut trajectory

Source: Bloomberg, SBICAPS

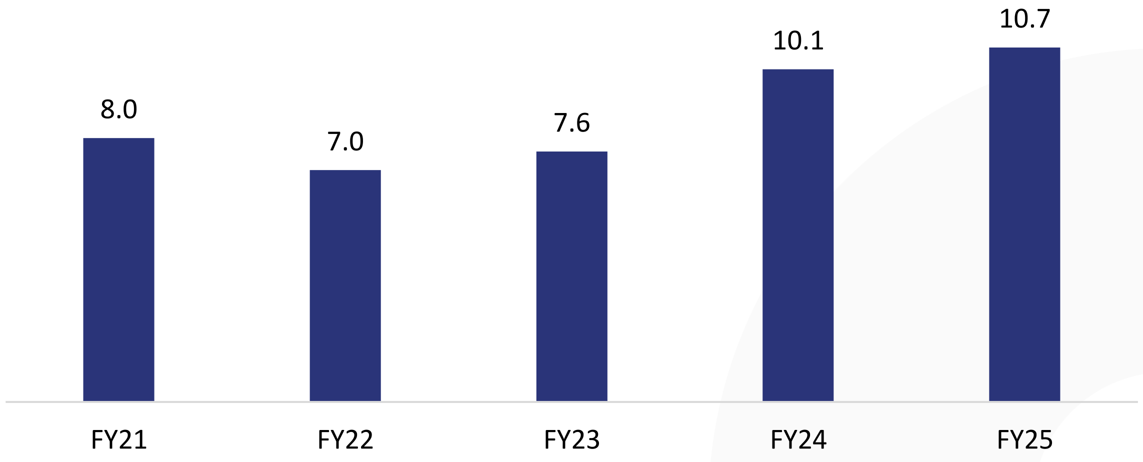
CAPITAL MARKETS

UNION CATERS TO CHANGING INVESTOR MIX, AMIDST RBI'S LIQUIDITY INJECTIONS

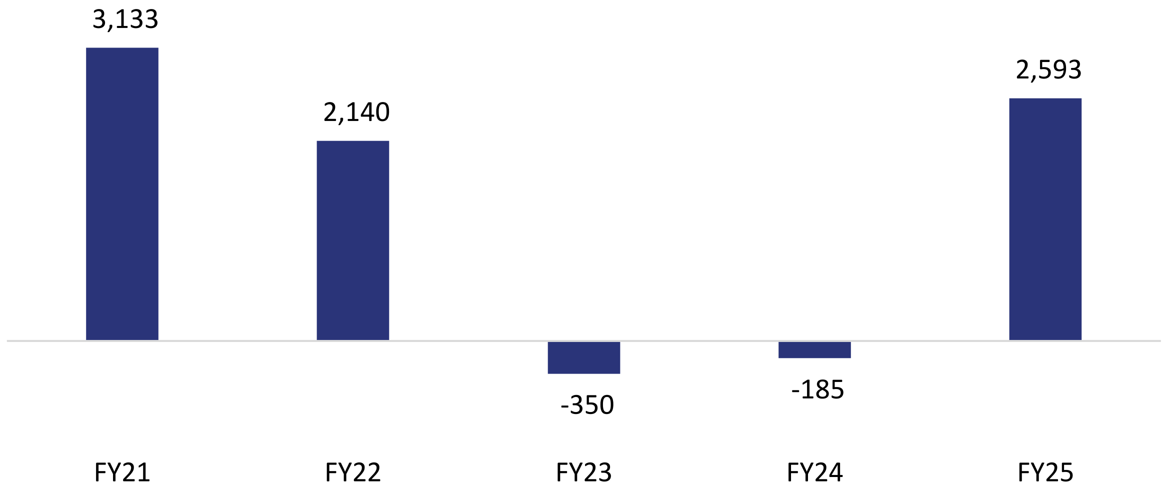
G-SEC: GROSS AMOUNT RAISED (Rs. trn)



SGS BIDS ACCEPTED (Rs. trn)



CUMULATIVE NET OMO PURCHASES (Rs. bn)

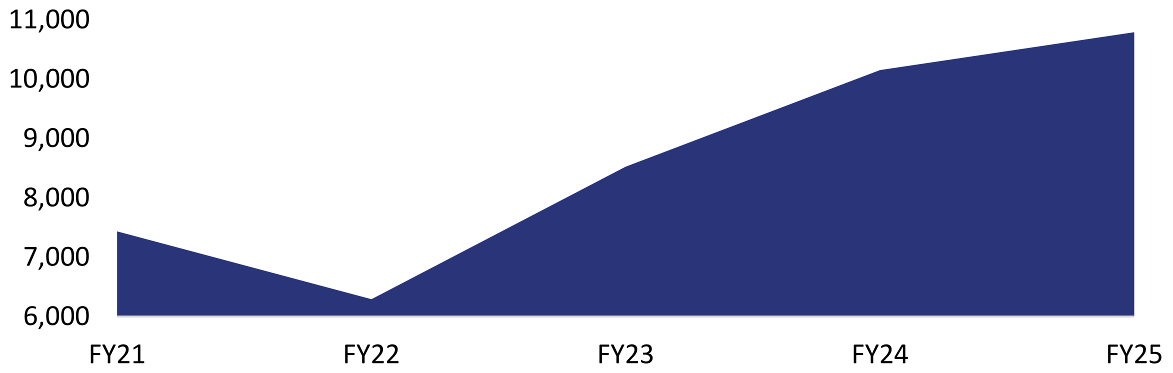


- Union's borrowing calendar for H1FY26 indicates resurgence of 10Y papers where there is significant appetite from mutual funds and FPIs. Notably, share of 50+ year papers at 10.5% is the highest-ever, garnering demand from ultra long duration players
- *Gross SGS issuances will likely increase to ~Rs. 11.5 trn in FY26 with major variation amongst States.* This comes after a strong Rs. 10.7 trn of gross issuances seen in FY25 with impressive rear-guard action
- RBI's sustained momentum in liquidity injection has led to the highest annual OMO purchases since the pandemic induced liquidity crunch of FY21.

Source: RBI, CEIC, SBICAPS

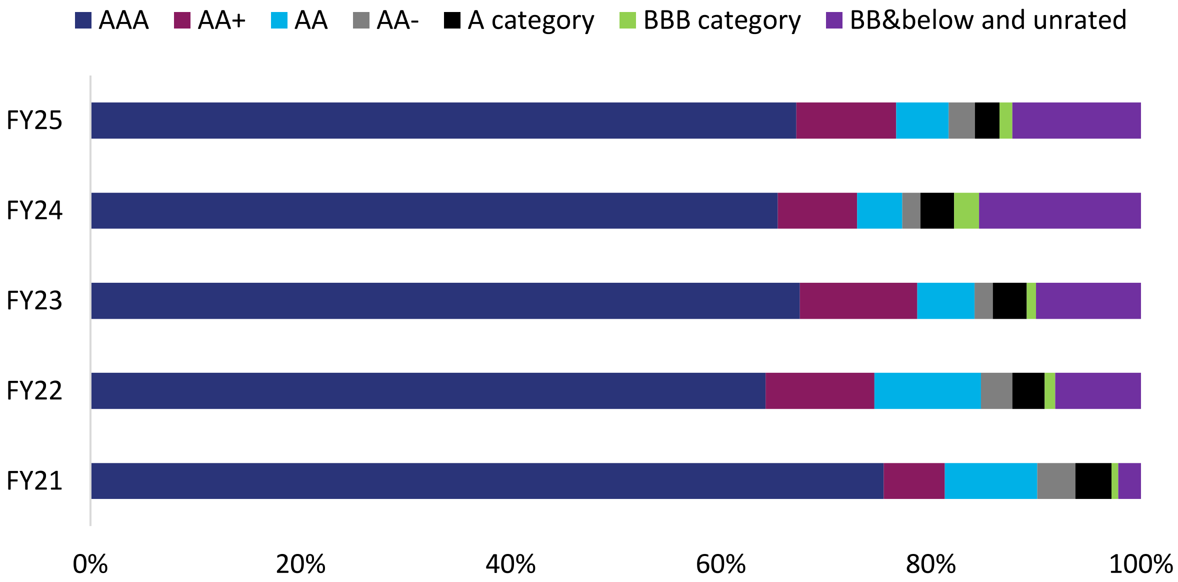
BOND ISSUANCES SOARED IN FY25

GROSS PRIVATE PLACEMENTS (Rs. bn)

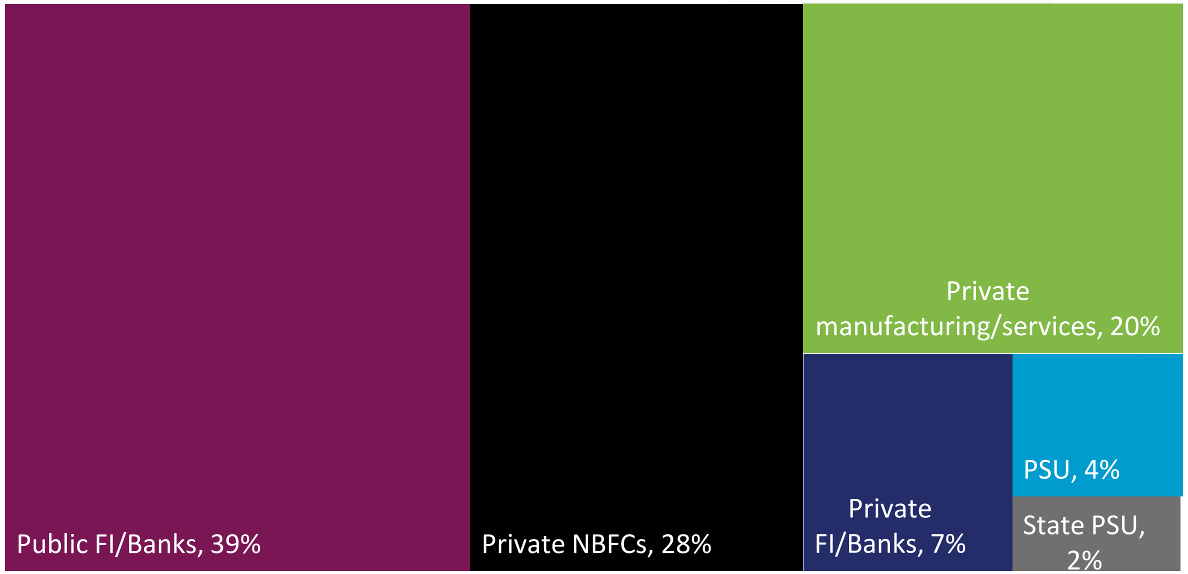


- After a momentous H1 which saw gross issuances rising by 8.1% y/y, H2 saw slower traction with a 4.7% rise. Thus total issuances finished shy of the Rs. 11 trn mark
- AAA rated issuances remained dominant in FY25 as well, reversing the gains made by lower rated papers in FY24
- Share of public FI/Banks continued to rise in FY25 at the expense of private FI/Banks, with a sharp loss in share for private manufacturing/services

GROSS ISSUANCE WITH RATING SPLIT (%)

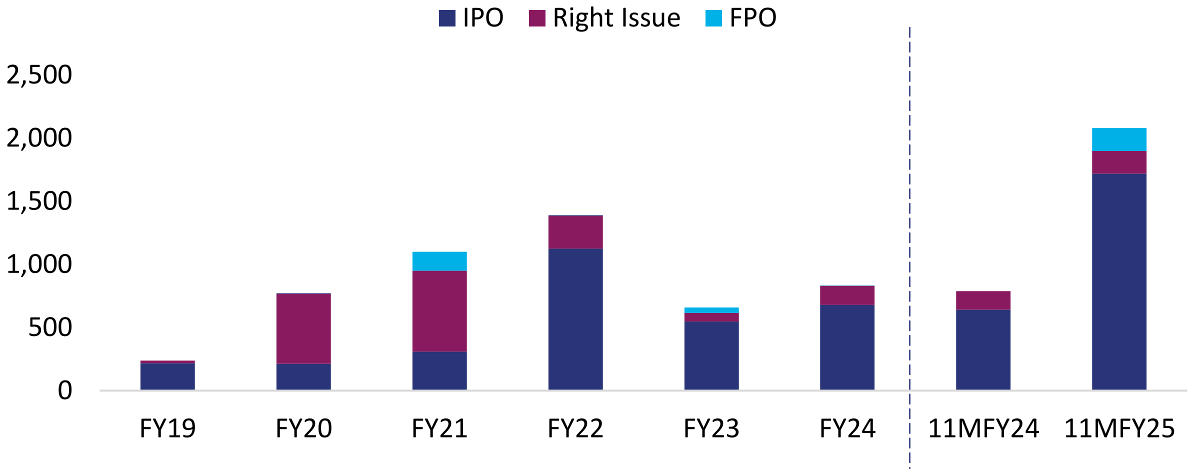


ISSUER TYPE WISE GROSS ISSUANCES BY AMOUNT- FY25

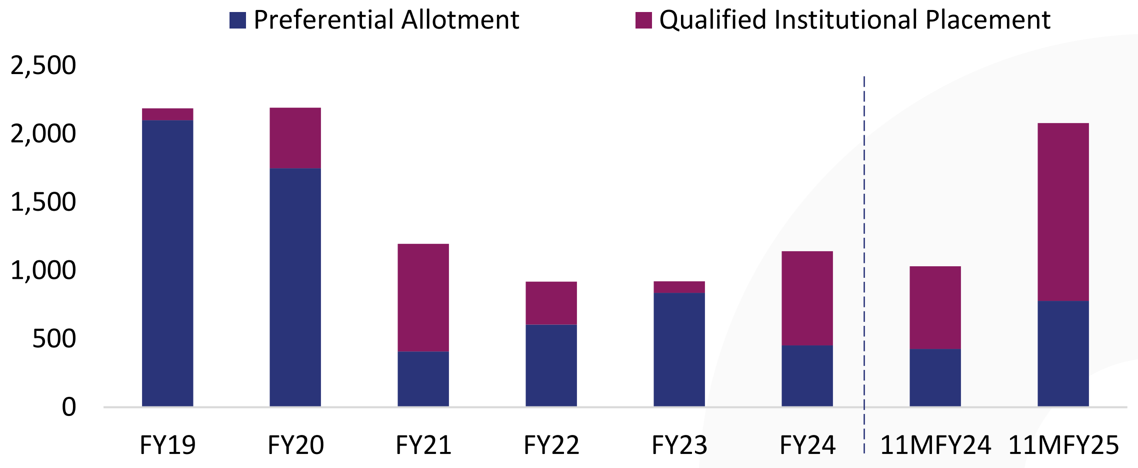


RECORD EQUTIY MOBILISATION THROUGH PRIMARY MARKETS IN FY25

EQUITY MOBILISATION THROUGH PRIMARY MARKETS - PUBLIC AND RIGHTS ISSUE (Rs. Bn)



EQUITY MOBILISATION THROUGH PRIMARY MARKETS – PRIVATE (Rs bn)



EQUITY CAPITAL RAISED - PUBLIC AND RIGHTS ISSUE (Rs. bn)

Sector	FY24	11MFY25
Automobile and Auto Components	15.2	366.4
Consumer Services	87.0	286.2
Financial Services	170.2	239.8
Telecommunication	1.3	227.2
Capital Goods	121.4	172.5
Healthcare	111.9	148.2
Total	830.9	2,081.0

- Equity mobilization through primary equity capital markets in 11MFY25 is already ~2.5x FY24 levels. However, Feb’25 saw a slowing down of equity raising through IPOs, with 14 firms aiming to raise Rs. 97 bn, its lowest in FY25
- Beyond public markets, private primary markets continue to gain steam, reaching ~Rs. 2.1 trn (1.8x FY24 levels) led by unprecedented QIPs
- QIPs that have surpassed the cumulative of last 3 FYs in 11MFY25, driven by solid issuances by real estate players. Notably, several PSU FIs raised funds via QIP in Feb’25.

Source: SEBI, SBICAPS

GLOBAL SNAPSHOT

GLOBAL ASSET CLASSES CRASH ON TARIFF NEWS

COMMODITY	%1M CHANGE	%1Y CHANGE
LME Metals Index	-1%	1%
Copper	-1%	2%
Aluminium	-6%	1%
Iron Ore 62% Fe*	3%	4%
Gold	6%	35%
Brent Crude	-2%	-23%
Natural Gas	-6%	131%
Newcastle Coal	-2%	-23%

EQUITY INDICES	%1M CHANGE	%1Y CHANGE
S&P 500	-6.6%	4.8%
Nikkei 225	-10.4%	-15.9%
STOXX Europe 600	-5.1%	2.4%
FTSE 100	-3.2%	6.3%
BSE Sensex 30	3.7%	2.0%
Hang Seng	-5.7%	36.6%
IBOV	6.8%	2.9%

CURRENCIES	%1M CHANGE	%1Y CHANGE
DXY Index	-3.8%	-2.3%
USD/EUR	-4.1%	-2.2%
USD/JPY	-2.7%	-3.7%
USD/GBP	-2.3%	-3.5%
USD/CNY	-0.1%	0.7%
USD/INR	-2.5%	2.0%

Note: Positive numbers indicate strengthening USD

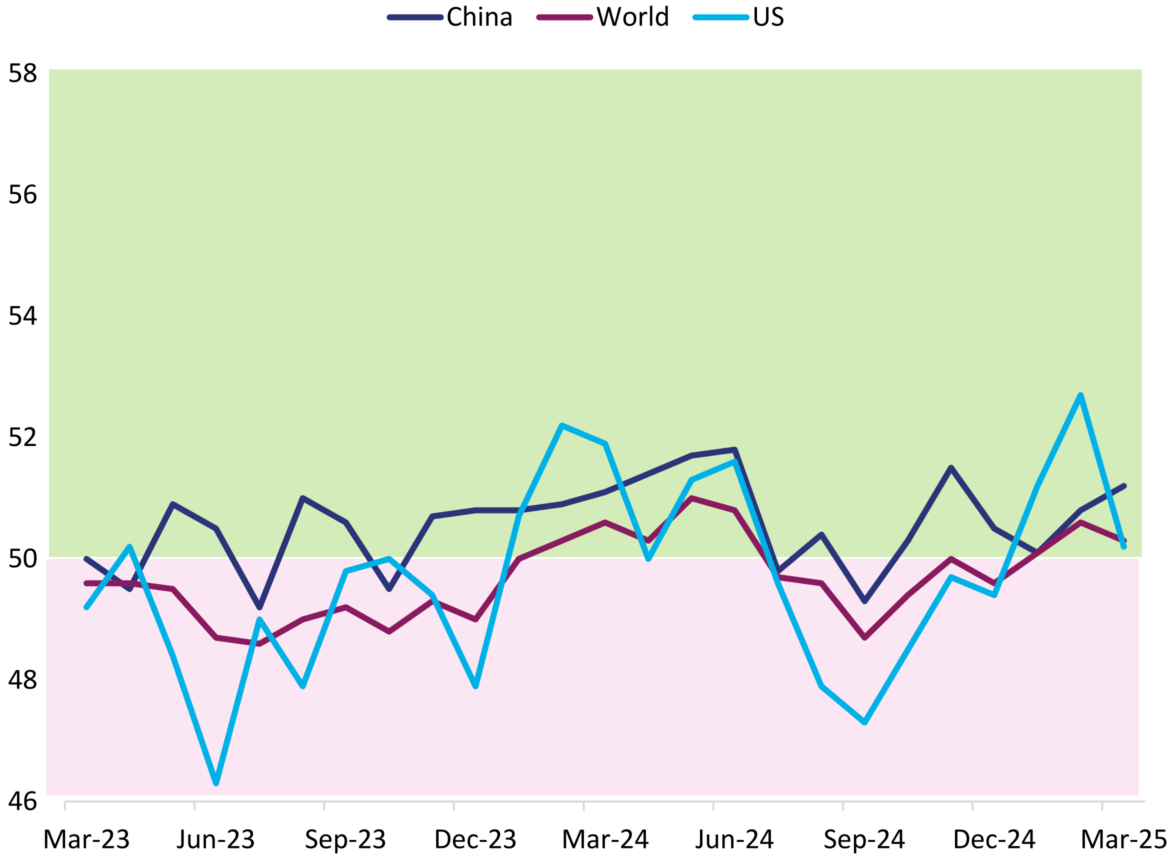
- USD index corrected sharply with INR gaining from ~87.5 to ~85.1. This could signal a loss of confidence in USD assets as the US violently imposes its sovereignty on trade, brewing an environment of distrust and de-globalisation
- Crude oil prices crashed in the aftermath of the tariffs on fears of tariff induced slowdown being met with a large than expected hike in OPEC production
- Equity indices saw a bloodbath, with several markets seeing their worst fall since the pandemic period

1Y & 1M change are as of 04 Apr’25, * CFR China

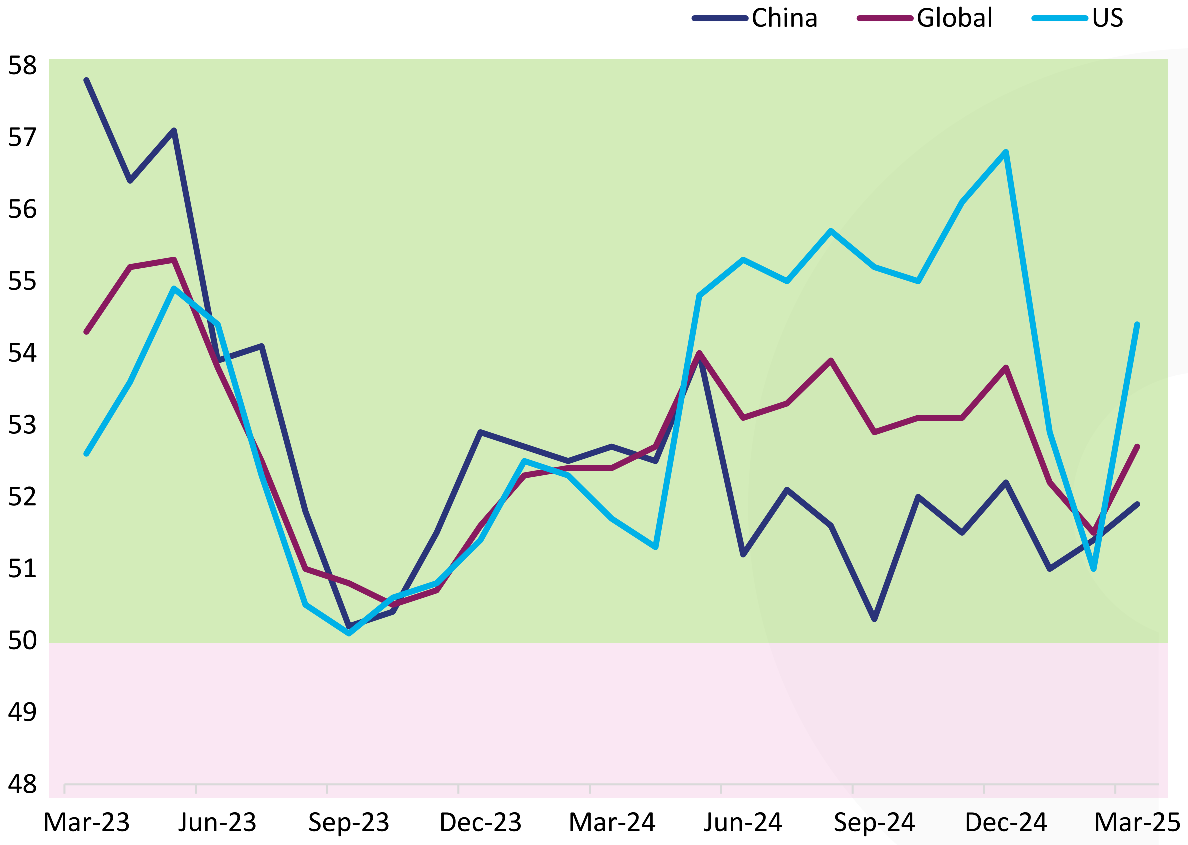
GLOBAL ECONOMIC ACTIVITY REMAINS EXPANSIONARY FOR NOW

SBICAPS
Complete Investment Banking Solutions

GLOBAL PMI- MANUFACTURING



GLOBAL PMI- SERVICES



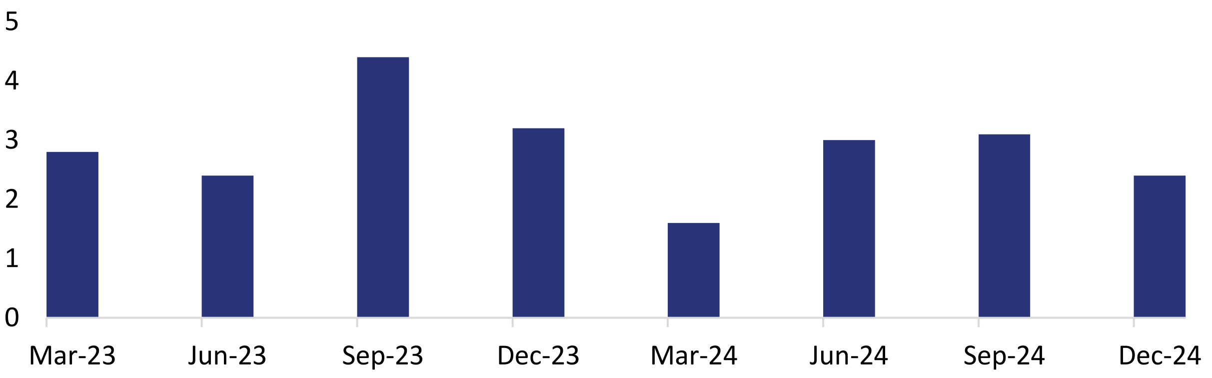
- Global manufacturing bucked the recent trend with lacklustre showing in Mar'25 amidst slower rise in new orders and outputs with trade disruptions raising input costs. Notably, US manufacturing made a U-turn in Mar'25, with decline in production and hiring as outlook softened over impact of changing government policies

- Global composite PMI clocked 52.1 in Mar'25, up from 51.5 in Feb'25. Services activity rebounded while manufacturing expansion slowed though remaining expansionary

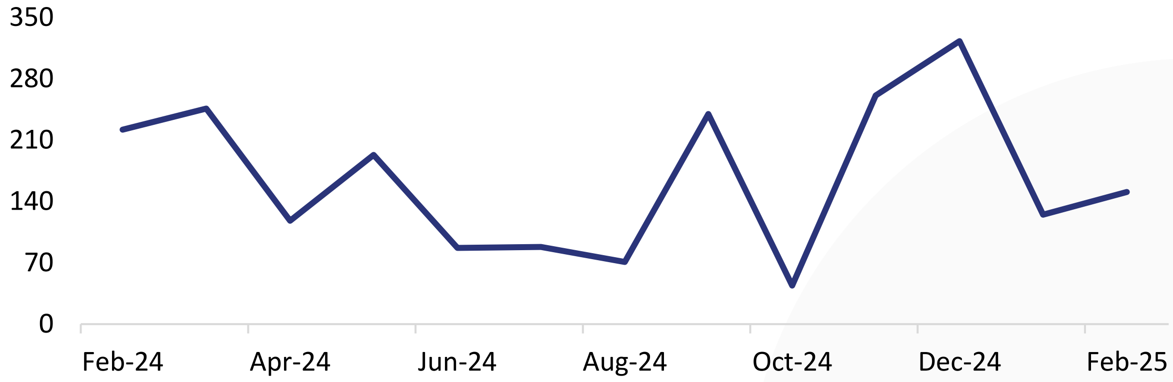
Source: S&P Global, Bloomberg, SBICAPS

US GROWTH FOR CY25 REMAINS CLOUDED BY TARIFF TRAUMA

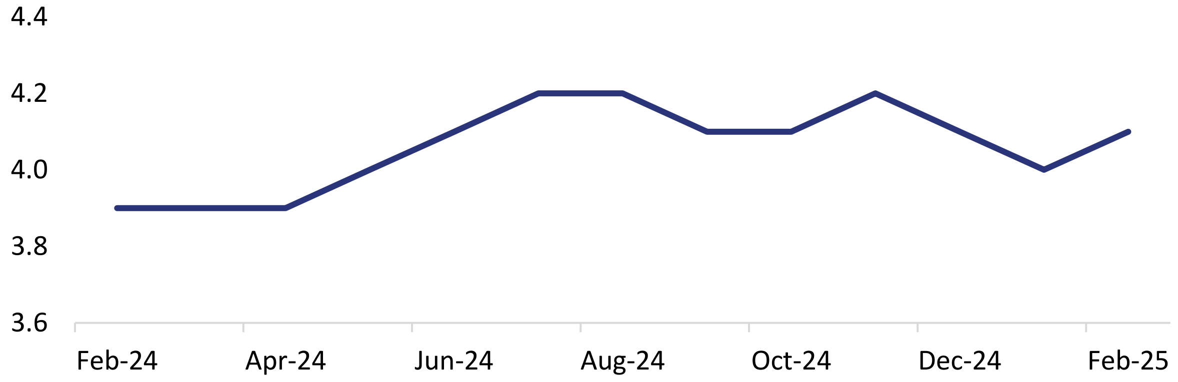
US REAL GDP GROWTH (% Q/Q SAAR)



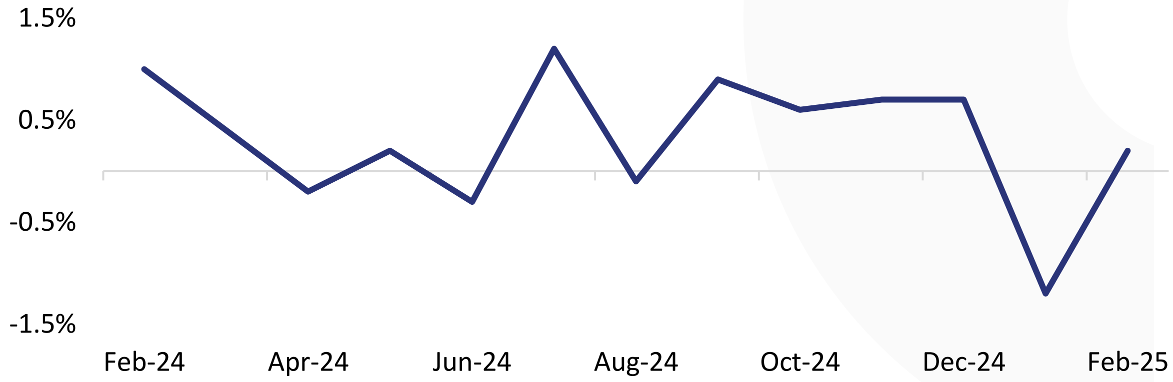
CHANGE IN NON-FARM PAYROLL (‘000 M/M)



UNEMPLOYMENT RATE (%)



RETAIL SALES (M/M)



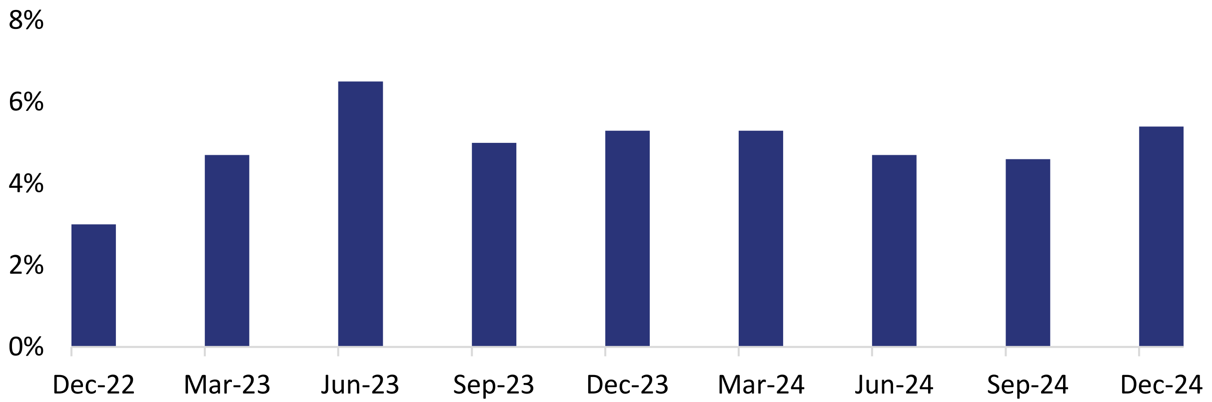
- US real GDP was upwards revised by 0.1pp to 2.4% q/q saar in Q4CY24, driven by 4% q/q saar rise in consumption (Prev: 4.2% q/q saar), offset by slumping private investments. US retail sales rebounded, albeit marginally, in Feb’25, as consumers pull back on discretionary spendings as cautious consumers remain wary of tariffs and firings of government workers.

- US payrolls growth slowed to 140k additions in Jan’25, caused partly by major upward revisions to previous 2-months’ data amidst a slowdown due to wildfires California and cold weather across the country. Headline numbers depict labour market strength when considering unemployment rate reduced 0.1 pp to 4% in Jan’25.

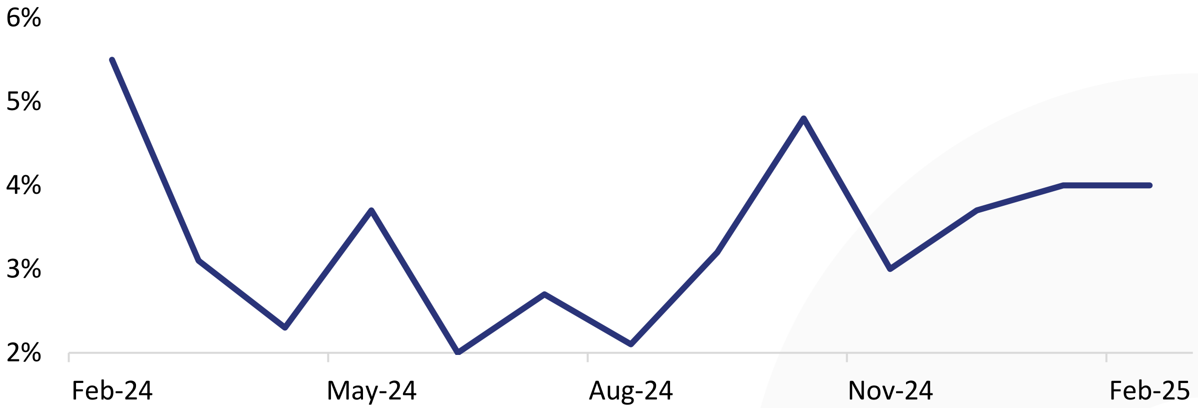
Source: Bloomberg, US BLS, SBICAPS

STIMULUS ANNOUNCEMENTS INSPIRE 5% GROWTH TARGET FOR CHINA IN CY25

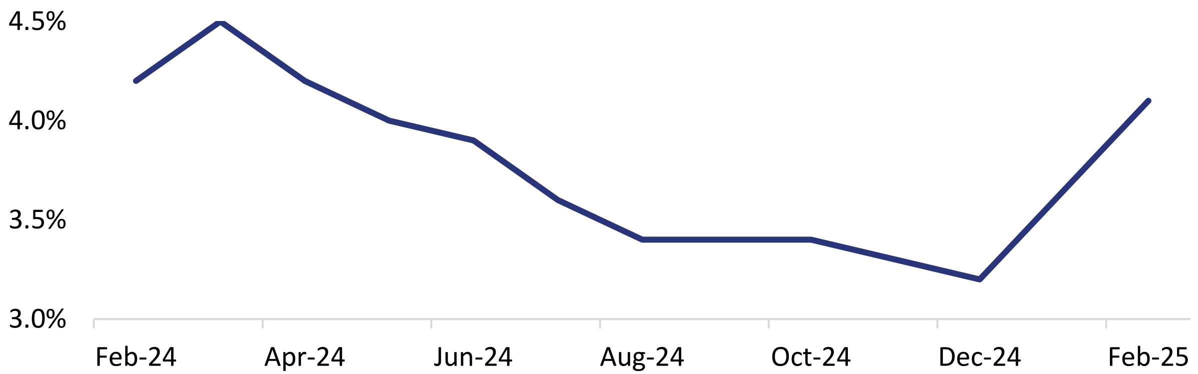
CHINA REAL GDP GROWTH (% Y/Y)



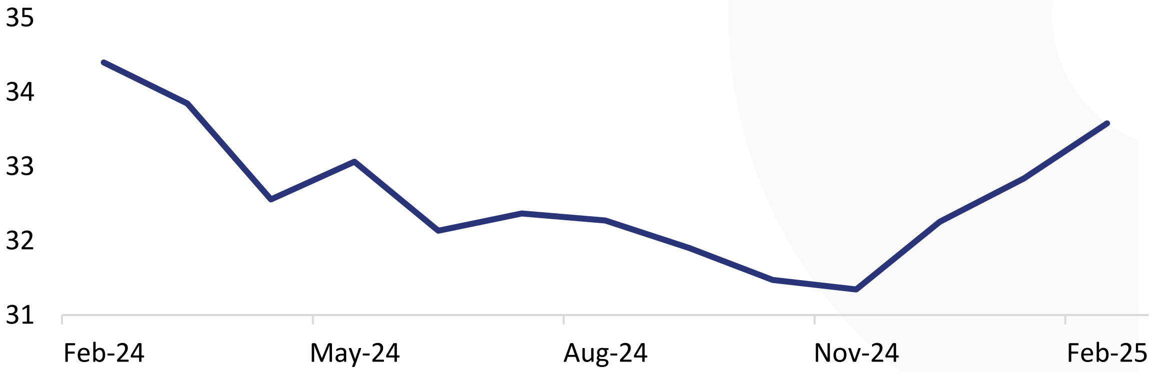
RETAIL SALES (% Y/Y)



FIXED ASSET INVESTMENT (% Y/Y)



AGGREGATE FINANCING (CNY TRN) – 12M CUMULATIVE ROLLING

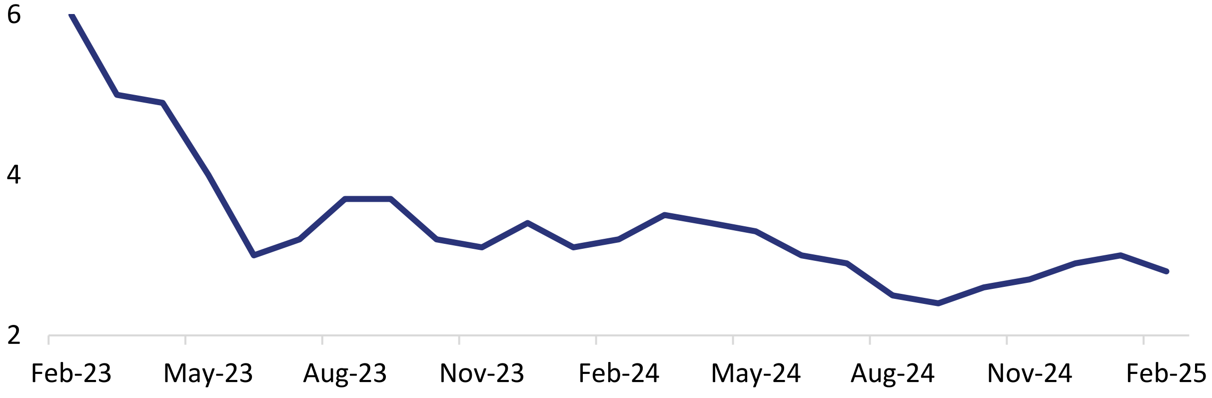


- The Chinese Finance Ministry vowed to accelerate fiscal spending and make countercyclical adjustments. Defence spending is set to rise 7.2% y/y to CNY 1.78 trn, with a CY27 deadline to modernise the military
- CY25 Budget deficit is planned at around 4% of GDP. Some part of this would be financed by CNY 1.3 trn of ultra long special sovereign bonds, CNY 4.4 trn of new special local government bonds, and CNY 500 bn of new special sovereign bonds for big bank

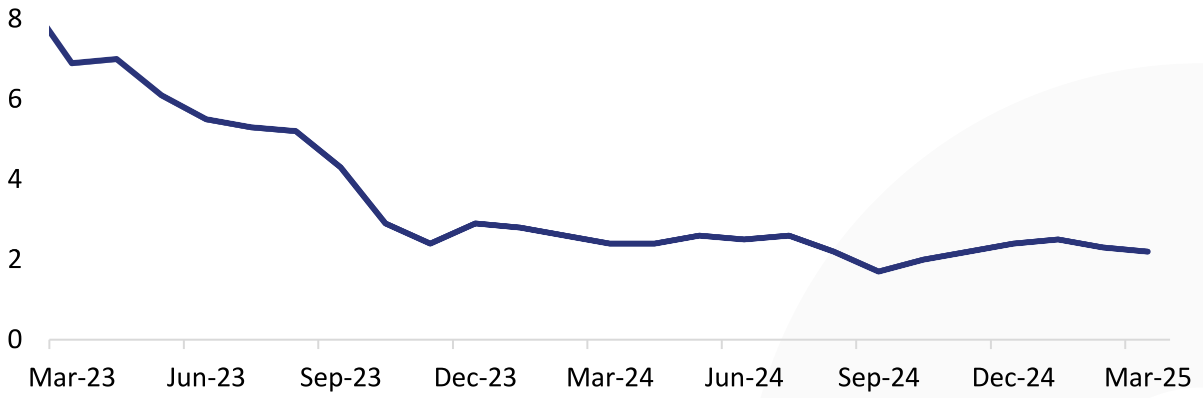
Source: Bloomberg, SBICAPS

INFLATION CONCERNS NOW SECONDARY, EXCEPT IN JAPAN

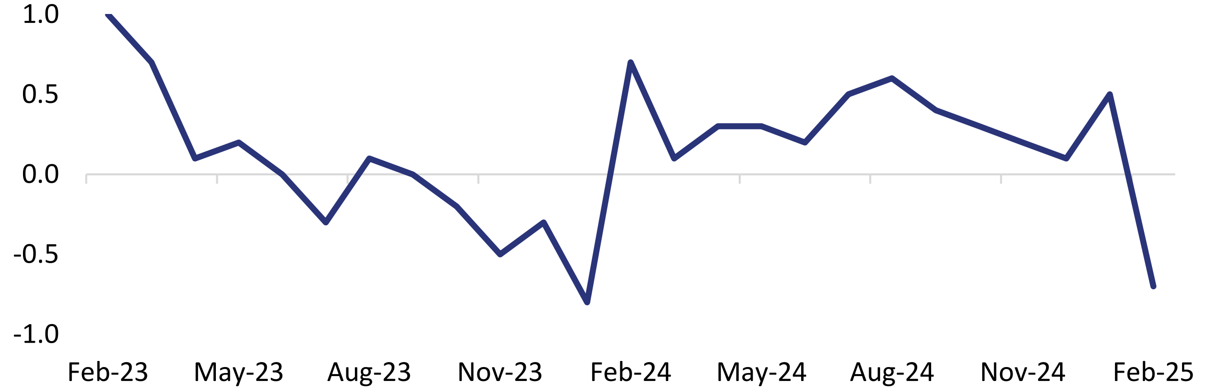
US CPI (% Y/Y)



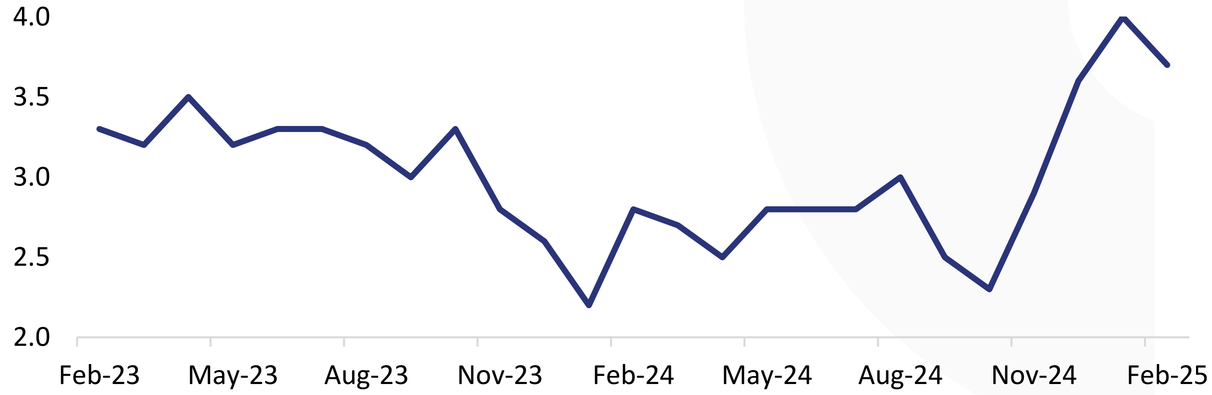
EUROZONE CPI (% Y/Y)



CHINA CPI (% Y/Y)



JAPAN CPI (% Y/Y)

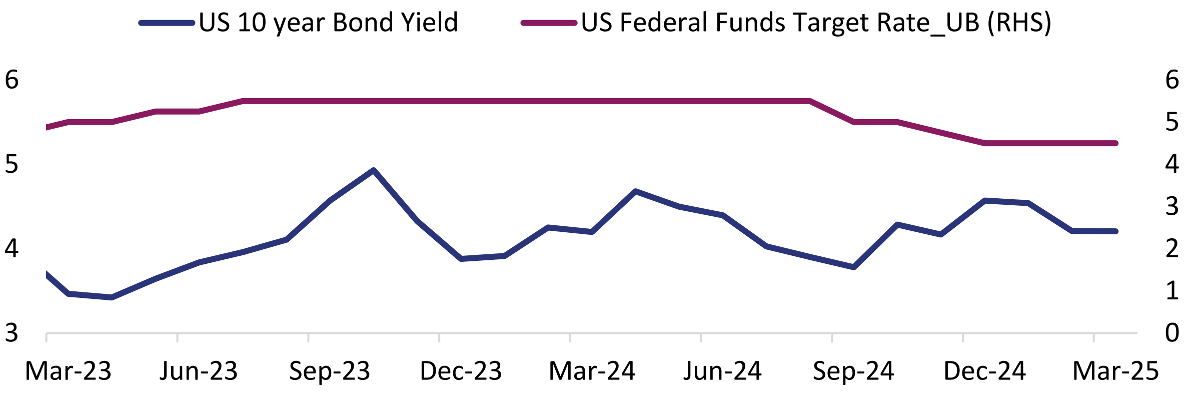


- US CPI eased to 2.8% y/y in Feb’25, driven by core falling to lowest since Apr’21. Notably, shelter inflation, which continues to drive headline, has descended to it lowest since Dec’21.
- Timid fall in Eurozone CPI was a welcome site for ECB, with services inflation moving to its lowest levels in over a year. Inflationary forces seem to recede in Asia, with appreciating JPY leading to lower goods inflation in Japan, while a slower than expected consumer spending spells deflation for China

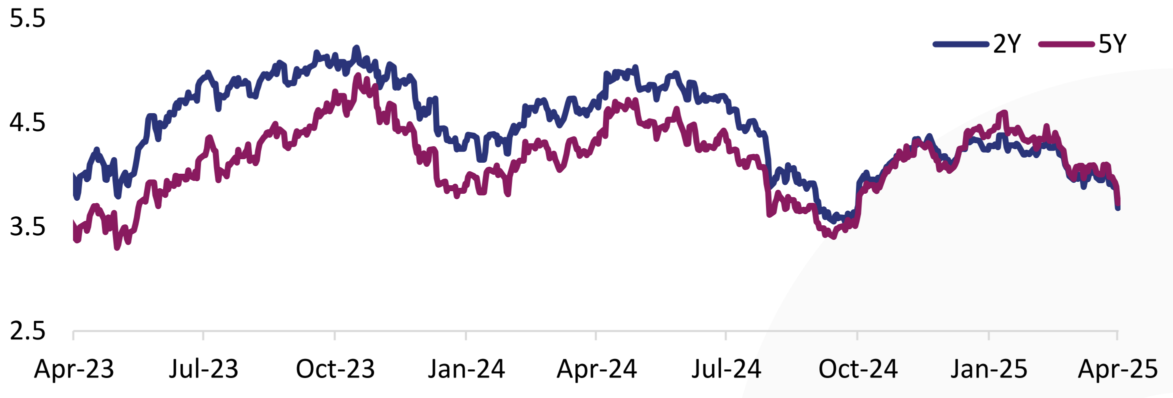
Source: Bloomberg, SBICAPS

US RATE CUT TRAJECTORY IS NOW STEEPER

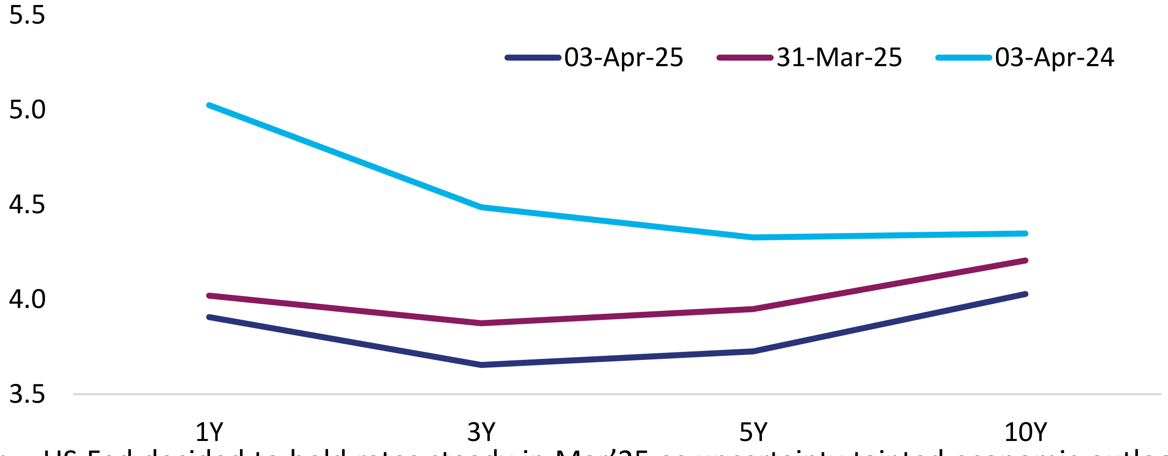
US 10-YEAR G-SEC YIELD VS POLICY RATE (%)



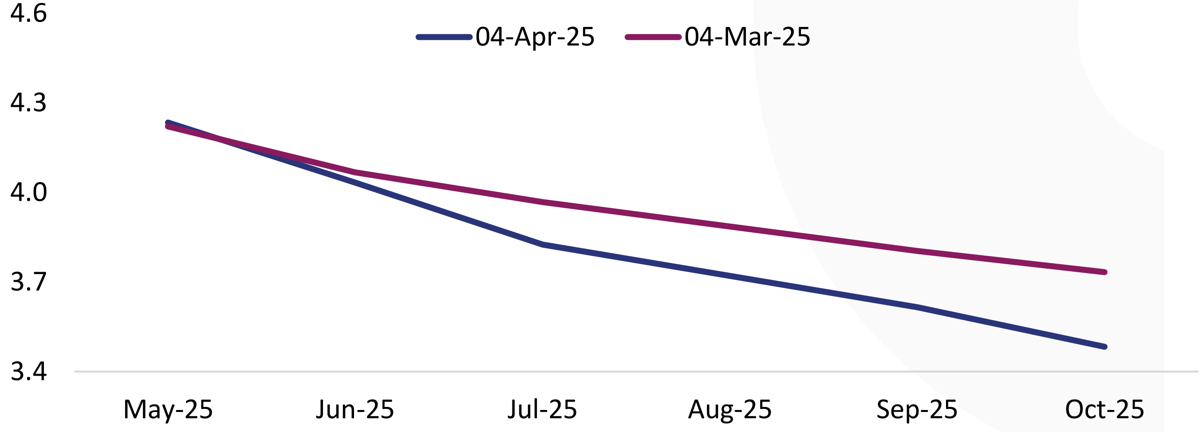
US 2Y AND 5Y G-SEC YIELD (%)



YIELD CURVE (%)



MARKET-IMPLIED PATH OF US FED POLICY RATE (%)

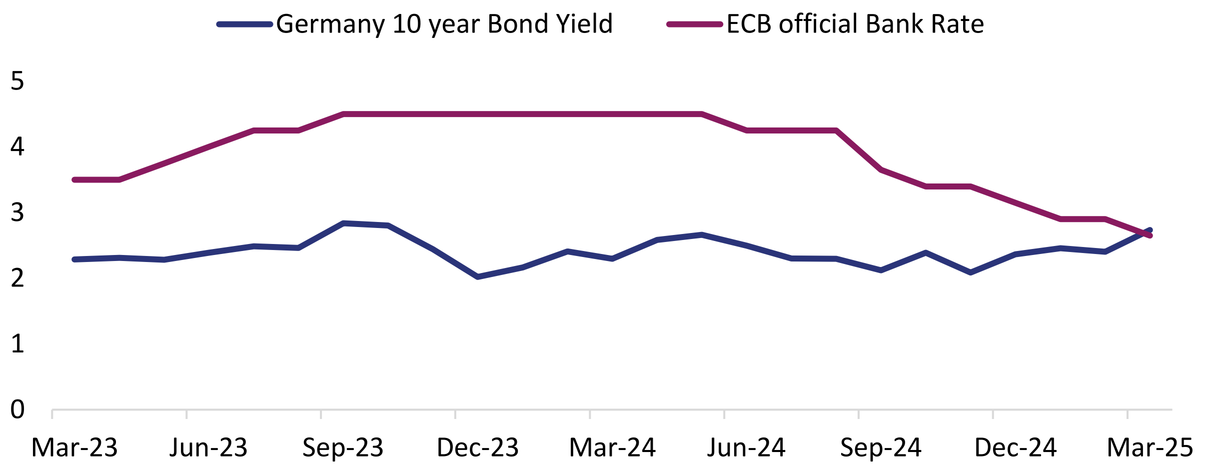


- US Fed decided to hold rates steady in Mar’25 as uncertainty tainted economic outlook. Economic outlook has been muddled with higher inflation and lower growth expectations, with 11/19 officials pencilling in 2 or more cuts, lower than 15 in Dec’25. Mr. Powell noted that substantial part of higher price expectation comes from tariffs

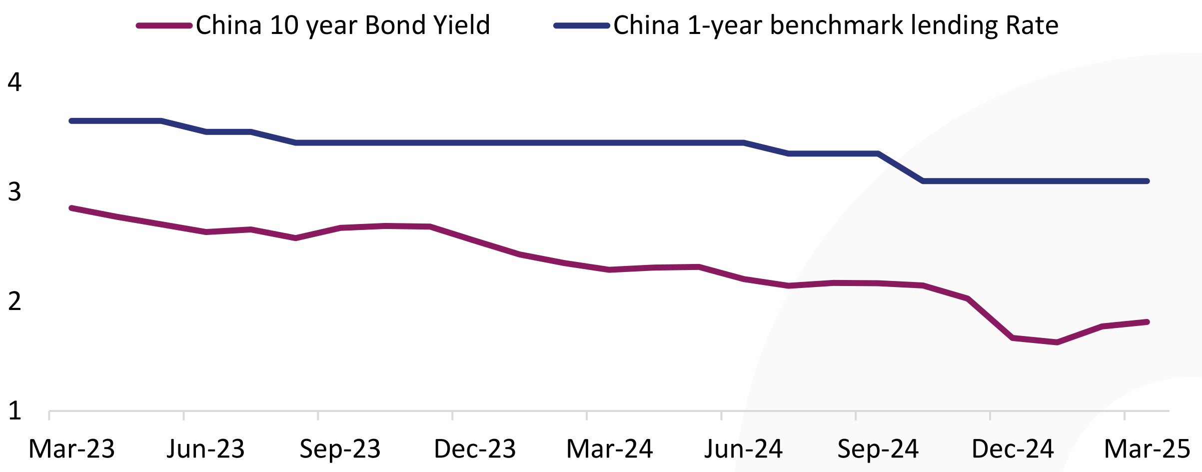
- Rate cut path has become significantly steeper owing to expectations of a slowdown

CENTRAL BANKS FAVOUR A DOVISH TILT AMIDST RISING CHAOS

EUROZONE 10-YEAR BOND YIELD VS POLICY RATE (%)



CHINA 10-YEAR BOND YIELD VS POLICY RATE (%)



POLICY RATE OF OTHER MAJOR CENTRAL BANKS

REGION	FEB'20	MAR'21	MAR'22	MAR'23	CURRENT
England	0.75%	0.10%	0.75%	4.25%	4.50%
Japan	-0.10%	-0.10%	-0.10%	-0.10%	0.50%
Brazil	4.25%	2.75%	11.75%	13.75%	14.25%
Australia	0.75%	0.10%	0.10%	3.60%	4.10%
Canada	2.00%	0.50%	0.75%	4.50%	2.75%
S. Korea	1.25%	0.50%	1.25%	3.50%	2.75%
S. Africa	6.25%	3.50%	4.25%	7.75%	7.50%
Russia	6.00%	4.50%	20.00%	7.50%	21.00%

- ECB cut policy rate by 25 bps to 2.5%, citing that monetary policy is becoming meaningfully less restrictive to prop up growth. Switzerland cut rates by 25 bps to 0.25%, flagging rising uncertainty.
- Canada cut its policy rates by 25 bps to 2.75%, while tempering expectations for further cuts, citing damage control from trade conflict. Banxico delivered a 50 bps cut
- Brazil opted for a divergent rate action, hiking policy rate by 100 bps while signalling smaller hikes further, as runaway inflation is boosted by loose fiscal policy.

06

ECONOMIC CALENDAR

GLOBAL ECONOMIC CALENDAR – (07 APR– 30 APR)

DATE	AREA	EVENT	PERIOD
7	EC	Retail Sales	Feb
8	JN	Trade Balance	Feb
9	**IN**	**RBI Policy Rate**	**9-Apr**
9	US	FOMC Meeting Minutes	19-Mar
9	CH	New Yuan Loans CNY YTD	Mar
9	CH	Aggregate Financing CNY YTD	Mar
10	JN	PPI YoY	Mar
10	CH	PPI YoY	Mar
10	CH	CPI YoY	Mar
10	US	CPI YoY	Mar
11	**IN**	**Industrial Production YoY**	**Feb**
11	US	PPI Final Demand YoY	Mar
14	CH	Trade Balance	Mar
15	**IN**	**Wholesale Prices YoY**	**Mar**
15	**IN**	**CPI YoY**	**Mar**
15	**IN**	**Trade Balance**	**Mar**
16	CH	Industrial Production YoY	Mar
16	CH	GDP YoY	1Q
16	CH	Retail Sales YoY	Mar
16	CH	Fixed Assets Ex Rural YTD YoY	Mar
16	UK	CPI YoY	Mar
16	US	Industrial Production YoY	Mar
17	JN	Trade Balance	Mar

DATE	AREA	EVENT	PERIOD
17	EC	ECB Main Refinancing Rate	17-Apr
17	US	Housing Starts MoM	Mar
17	US	Building Permits	Mar P
21	CH	1-Year Loan Prime Rate	21-Apr
21	CH	5-Year Loan Prime Rate	21-Apr
23	JN	Jibun Bank Japan PMI Composite	Apr P
23	**IN**	**HSBC India PMI Composite**	**Apr P**
23	EC	HCOB Eurozone Composite PMI	Apr P
23	UK	S&P Global UK Composite PMI	Apr P
23	EC	Trade Balance SA	Feb
23	US	S&P Global US Composite PMI	Apr P
23	US	New Home Sales	Mar
24	JN	PPI Services YoY	Mar
27	CH	Industrial Profits YoY	Mar
28	**IN**	**Industrial Production YoY**	**Mar**
30	JN	Industrial Production YoY	Mar P
30	JN	Retail Sales YoY	Mar
30	CH	Manufacturing PMI	Apr
30	CH	Non-manufacturing PMI	Apr
30	CH	Caixin China PMI Mfg	Apr
30	US	GDP Annualized QoQ	1Q A
30	US	PCE Price Index YoY	Mar

Source: Bloomberg, SBICAPS

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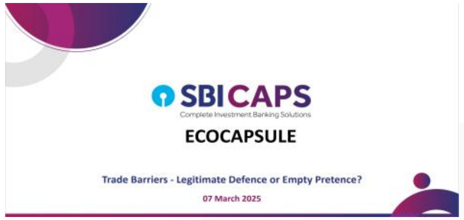

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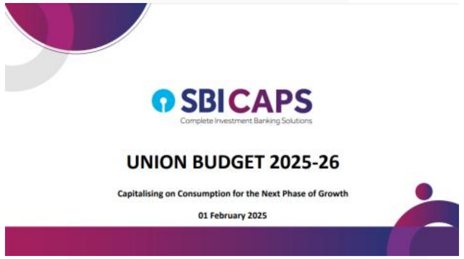
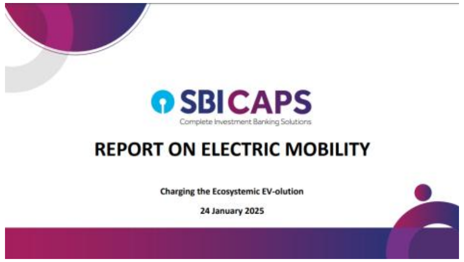
Capitalising on Consumption for the Next Phase of Growth

February 2025





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Charging the Ecosystemic EV-olution

January 2025

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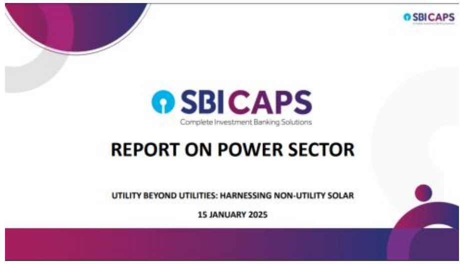
UTILITY BEYOND UTILITIES: HARNESSING NON UTILITY SOLAR

January 2025



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