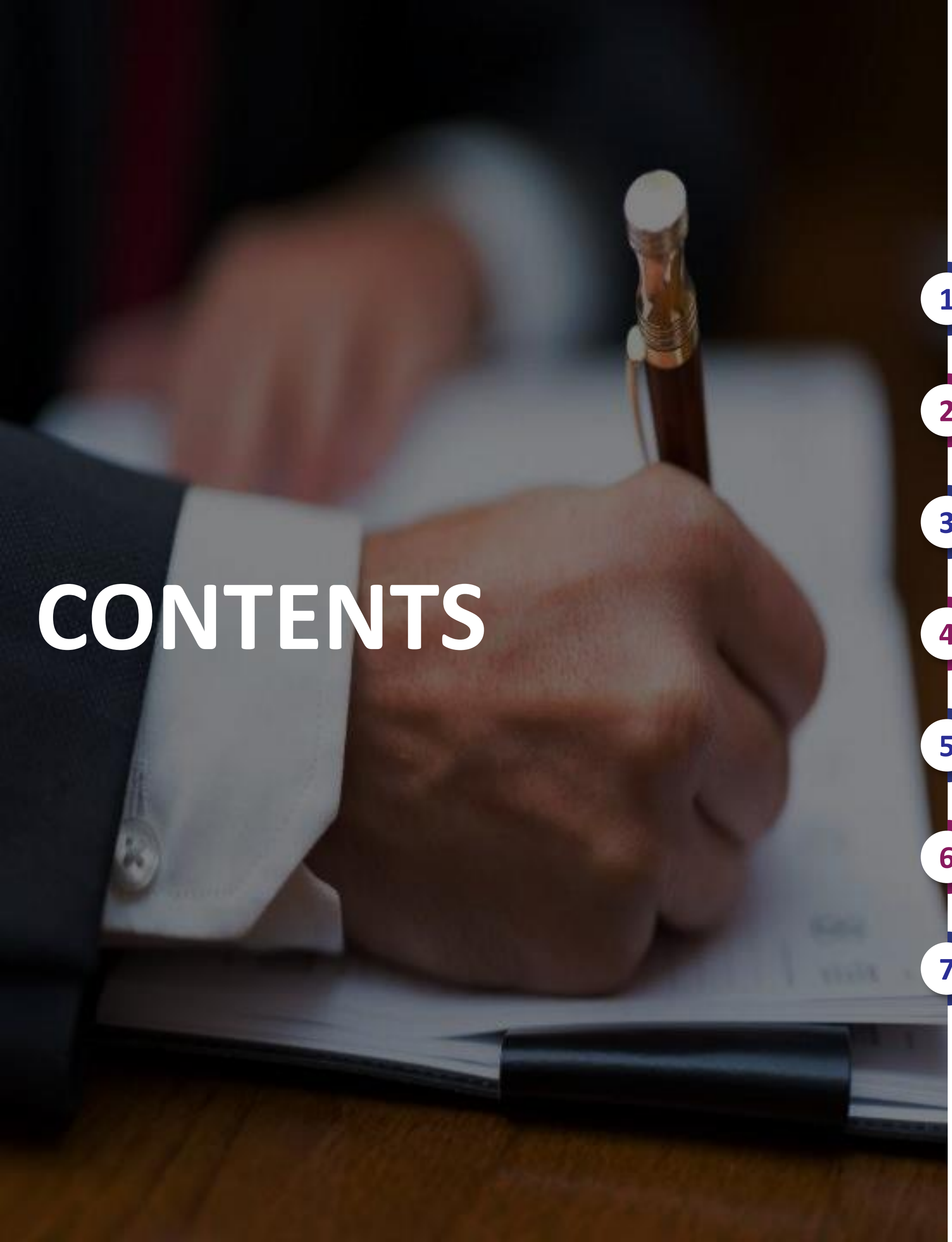
ECOCAPSULE

The Calm Before A Storm In The Teacup

May 2025



CONTENTS

1 Executive Summary 3

2 Macroeconomic Overview 6

3 Sectoral Updates 17

4 Monetary Policy And Yields 24

5 Capital Markets 31

6 Global Snapshot 35

7 Economic Calendar 43

EXECUTIVE SUMMARY

EXECUTIVE SUMMARY (1/2)

In the business world, the rearview mirror is always clearer than the windshield. – Warren Buffet

The sulphuric pitch of 'Liberation Day' took the breaths away of the global markets, and the subsequent US announcement of a 90-day pause on tariffs was a much needed breath of oxygen. Since then, the air has cleared further, with delayed auto tariffs and a dovish regulatory shift aiming to reassure markets. These actions, paired with relatively resilient Q1CY25 GDP and payroll data from the US helped the S&P 500 rebound to early Apr'25 levels, tempering near-term volatility.

Yet, paradoxically, this extended state of limbo may prove more damaging than a swift correction. A sharp policy shock, while painful, would at least have forced repricing and clarified the path forward. Instead, markets now float in suspended animation — a slow bleed that clots corporate strategy, hinders supply chain recalibration, and narrows investment horizons.

This uncertainty is tightening financial conditions. Liquidity is increasingly under pressure, with elevated geopolitical risks, shifting rate expectations, and erratic policy signalling narrowing funding channels — especially across primary equity markets. The private credit and equity landscape is being tested by weaker exit opportunities, shrinking deal pipelines, and rising risk premia. In this environment, selectivity and discipline will define future vintages, not capital velocity.

Further complicating the backdrop are sharp currency swings, driven as much by external imbalances and USD volatility as by domestic flows. For emerging markets, this continues to distort monetary independence and intensify capital allocation risks.

In contrast to global fragility, India remains relatively well-insulated, supported by its inward-oriented economy, declining crude prices, and a proactive monetary policy stance. While global shocks persist, the real GDP impact for FY26 is expected to be minimal — around 0.2-0.5pp — with nominal GDP growth likely to hover around 9% y/y, buoyed by subdued inflation and a solid base.

EXECUTIVE SUMMARY (2/2)

India’s strategic positioning may yield further benefits. It is reportedly close to becoming one of the first countries to finalise a trade deal with the US, with terms of reference already in place. While some concessions — including a rare ‘forward most-favoured nation’ clause — are on the table, expected clarity on over 90% of the 12,000 open tariff lines and exemptions for labour-intensive sectors could significantly improve export and investment certainty.

On the domestic front, the RBI has been swift and assertive, cutting rates twice in anticipation of moderating inflation and lower global commodity prices. An additional 50–75 bps of easing remains likely. Meanwhile, liquidity conditions have turned decisively positive, with OMOs purchases in YTDCY25 at an all-time high, ensuring effective policy transmission.

However, as ever, liquidity remains a facilitator — not a growth driver in itself. When overstretched, it risks fuelling asset mispricing and bubbles. The challenge now lies with the government and industry to capitalise on these favourable conditions and drive productive investment. Early signals, however, remain mixed. The NSO’s capex intent survey paints a cautious picture, with FY26 private capex intentions at Rs. 4.9 trn, down 26% from FY25 — a stark reflection of prevailing uncertainty.

Ergo, while the worst-case scenarios have been postponed, the underlying fragility remains. The narrative has shifted from panic to patience, but the risks — especially around liquidity, private capital deployment, and currency dislocations — continue to bubble beneath the surface.

MACROECONOMIC OVERVIEW

DOUBLING DOMESTIC DRIVERS AGAINST GLOBAL GLOOM

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% y/y 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

DOMESTIC ECONOMY STARTS FY26 ON A STRONG FOOTING

SBICAPS
Complete Investment Banking Solutions

INDICATOR	MAY'24	JUN'24	JUL'24	AUG'24	SEP'24	OCT'24	NOV'24	DEC'24	JAN'25	FEB'25	MAR'25	APR'25
INDUSTRY												
Manufacturing PMI	57.5	58.3	58.1	57.5	56.5	57.5	56.5	56.4	57.7	56.3	58.1	58.2
IIP (%y/y)	6.3%	4.9%	5.0%	0.0%	3.2%	3.7%	5.0%	3.7%	5.2%	2.7%	3.0%	
Eight Core (%y/y)	6.9%	5.0%	6.3%	-1.5%	2.4%	3.8%	5.8%	5.1%	5.1%	3.4%	3.8%	
Finished Steel Consumption (%y/y)	15.9%	19.5%	14.4%	10.0%	11.8%	8.9%	9.5%	5.2%	10.9%	10.9%	13.6%	
2W Retail Sales (%y/y)	2.5%	4.7%	17.5%	6.3%	-8.5%	37.0%	16.4%	-17.4%	4.2%	-6.0%	-1.4%	2.6%
PV Retail Sales (%y/y)	-1.0%	-6.8%	14.0%	-4.5%	-18.8%	36.5%	-10.7%	0.2%	15.5%	-8.1%	8.8%	4.4%
SERVICES/CONSUMPTION												
Services PMI	60.2	60.5	60.3	60.9	57.7	58.5	58.4	59.3	56.5	59	58.5	58.7
Petrol Consumption (%y/y)	3.4%	4.6%	10.5%	8.6%	3.0%	8.7%	9.6%	11.1%	6.7%	5.0%	5.7%	4.6%
Diesel Consumption (%y/y)	2.4%	1.0%	4.5%	-2.5%	-1.9%	0.1%	8.5%	5.9%	4.2%	-1.3%	0.9%	4.0%
Railway Freight Volume (%y/y)	3.7%	10.1%	4.5%	0.0%	6.0%	1.5%	1.2%	3.6%	3.7%	-0.4%	3.8%	5.2%
Port Cargo Volume (%y/y)	3.7%	6.8%	6.0%	6.7%	5.9%	-3.4%	-5.0%	3.4%	6.2%	7.4%	13.3%	
Electricity supply (% y/y)	15.2%	9.0%	8.3%	-4.7%	0.4%	0.8%	3.8%	5.2%	2.3%	-0.7%	6.4%	1.6%
Total Airport Footfall (%y/y)	8.3%	7.7%	7.8%	7.5%	8.1%	9.8%	13.2%	10.5%	13.5%	11.2%	9.3%	-0.3%
Fastag revenues (%y/y)	8.7%	11.2%	12.0%	8.4%	10.4%	10.4%	14.5%	13.3%	19.0%	18.3%	14.5%	21.6%
UPI transactions (%y/y)	37.3%	36.0%	34.6%	30.7%	30.7%	37.0%	23.9%	27.5%	27.5%	20.2%	25.2%	21.9%
GST Revenues (%y/y)	10.0%	7.6%	10.3%	10.0%	6.5%	8.9%	8.5%	7.3%	12.3%	9.1%	9.9%	12.6%

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

DOMESTIC SELF RELIANCE IN OPERATION AS UNION EYES GLOBAL COOPERATION

Macro-indicators sow greenshoots of industrial revival, can consumption flare keep up?

- Strong manufacturing and services PMI showing has been reflective of robust economic expansion and renewed domestic demand vigour at the start of FY26. Surge in export demand, the fastest in 14-years, that too for consumer goods, suggests shifting of global supply chains to domestic shores

- Steel consumption rose 12% y/y in FY25, faster than production at 4.8%, meaning India remained a net steel importer for 2nd consecutive year. Imposition of safeguard duties for 200 days will provide further impetus for domestic capacity utilisation in FY26

- Continued industrial momentum is displayed by rise in diesel consumption and surging FasTag collections, with the latter aided by toll rate revisions, in Apr'25

- GST collections rose 12.6% y/y to Rs. 2.4 trn, its 2nd highest ever showing, driven by 21% y/y rise in levies from imported goods, while domestic earnings rose 10.8% to Rs. 1.9 trn

- Signs of consumption revival was led by rural demand, underscored by strong growth in 3W and tractors, while 2W grew for 1st time in 3 months in Apr'25. Notably, EV sales surged 58% y/y in Apr'25

- UPI grew at a robust pace in Apr'25, despite several outtages. FM highlighted the need to target 1 bn UPI transactions per day in the next 2-3 years

Union bats for global economic cooperation to boost key sectors

- Union laid down terms of reference on bilateral trade pact with US, outlining roadmap for negotiations. The proposal allegedly covers 19 sectors, pledging collaboration across key industries such as pharmaceuticals, AI, biotechnology and semiconductors, while allowing market accesses to firms in both countries

- Union has further separately offered zero tariffs on auto-components, steel and pharmaceuticals on a reciprocal basis up to a certain quantity of imports, in order to sweeten the negotiations and expedite the trade deal

- POTUS Mr. Trump and US Treasury Secretary Mr. Bessent have hinted that India could be the first to strike a trade deal with low trade barriers and willingness to cut a deal

ECONOMIC MOMENTUM UNDERSCORED BY ROBUST TAX COLLECTIONS

SBICAPS
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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%**				

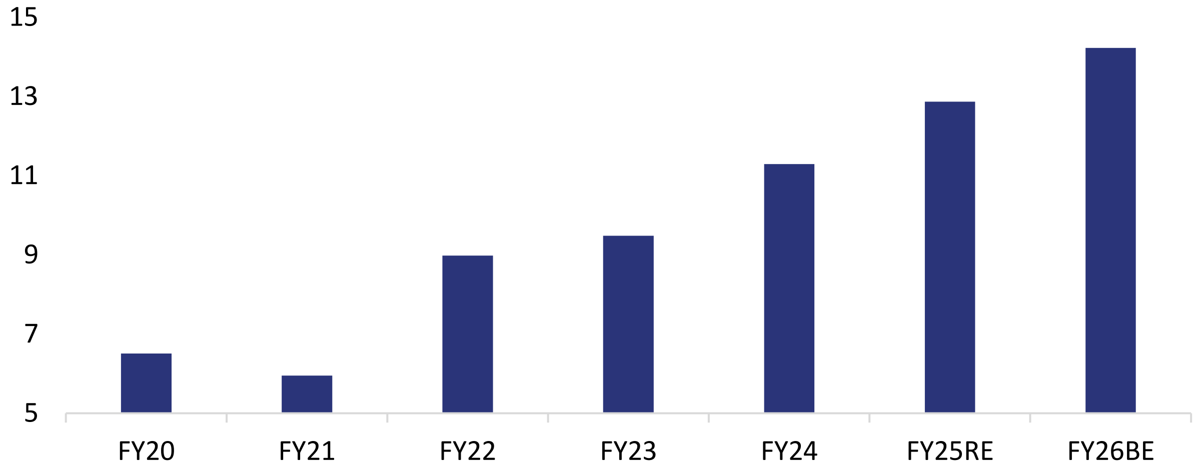
- Gross direct tax collections rose 15.6% y/y in FY25 to Rs. 27 trn, driven by 18% y/y surge in non-corporate taxes and 57% y/y rise in STT, owing to buoyant capital market activities. Notably, tax buoyancy improved slightly to 1.57 in FY25, from 1.54 in FY24

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

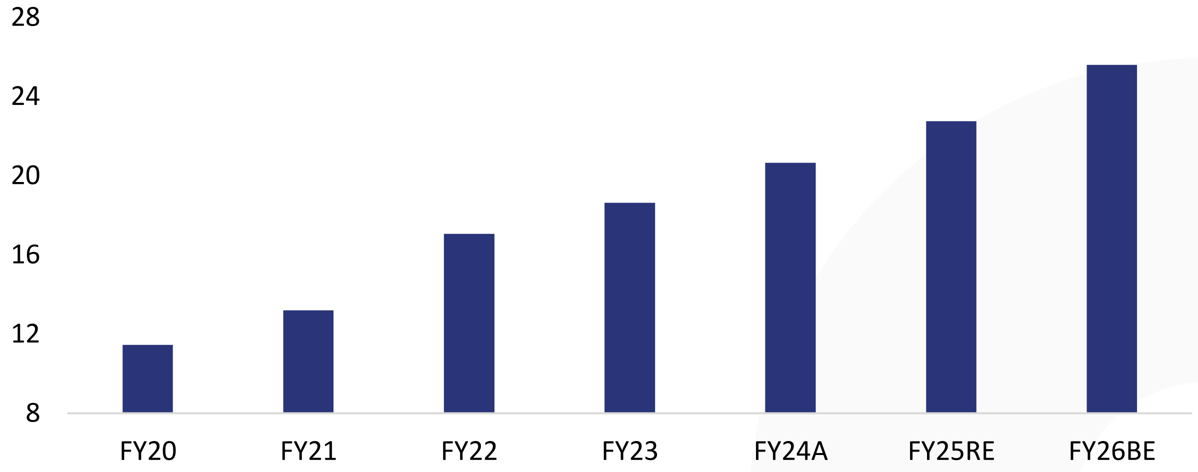
Source: Union Budget Documents, CGA, CEIC, SBICAPS

STATES TO GET HIGHER TRANSFERS IN FY26BE

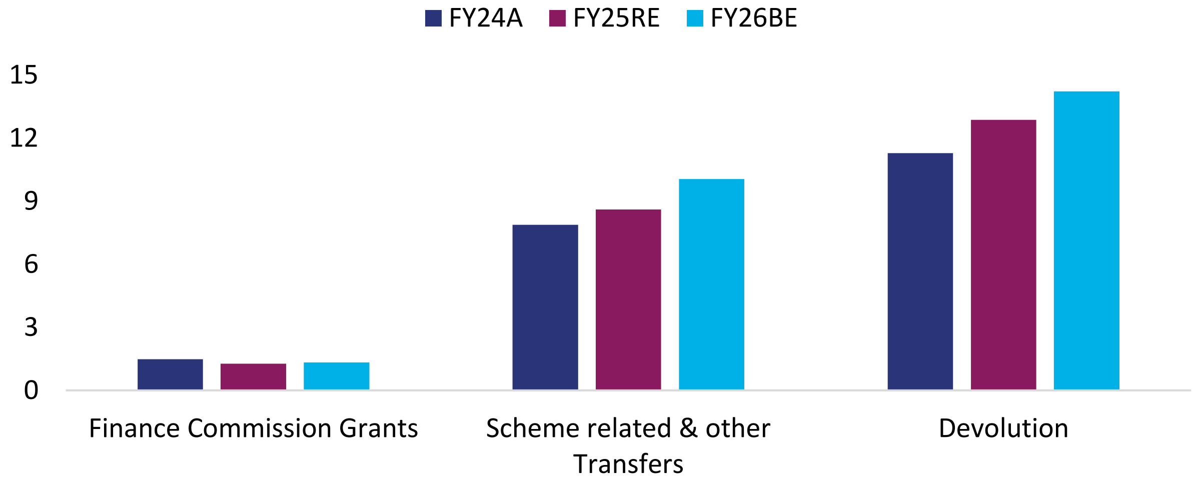
STATES SHARE IN UNION TAXES (Rs. trn)



TOTAL TRANSFER TO STATES AND UTs (Rs. trn)



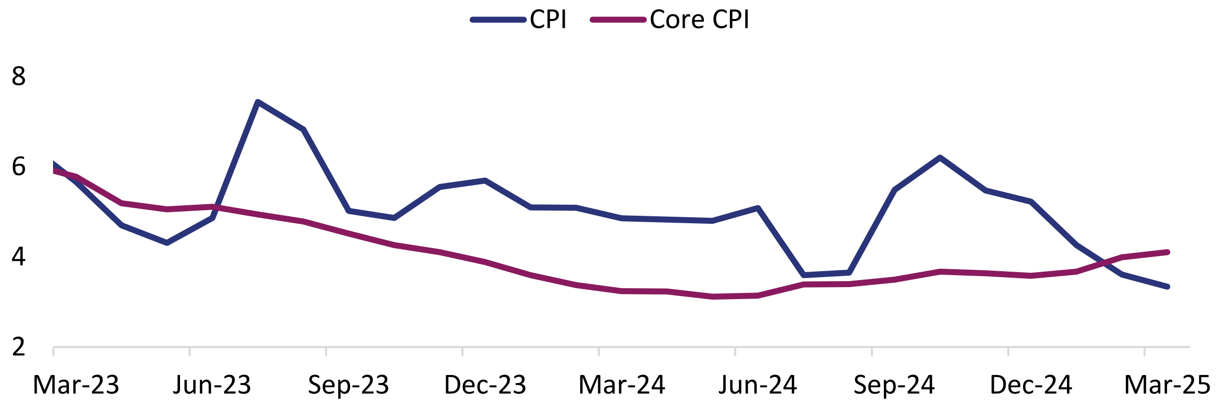
COMPOSITION OF TRANSFERS TO STATES (Rs. trn)



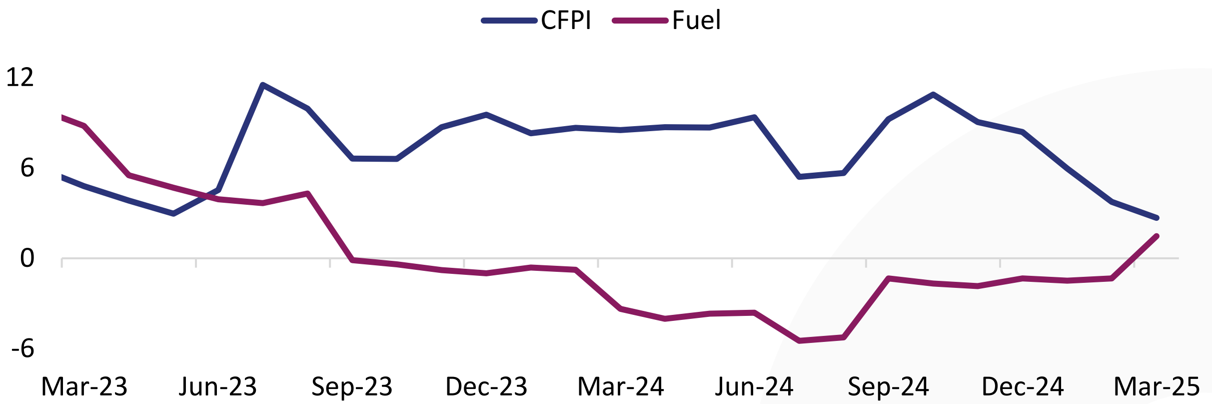
- States have rejoiced on higher transfers from Union, expected to grow further by ~Rs. 2.8 trn in FY26BE vs. FY25RE, higher than the Rs. 2.1 trn addition expected in FY25RE over FY24A, led by an equally higher devolution of taxes and scheme related transfers
- Union's concessional capex loans to States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

INFLATION SLOWEST IN 6 YEARS AS FOOD PRICES REMAIN SATIATED

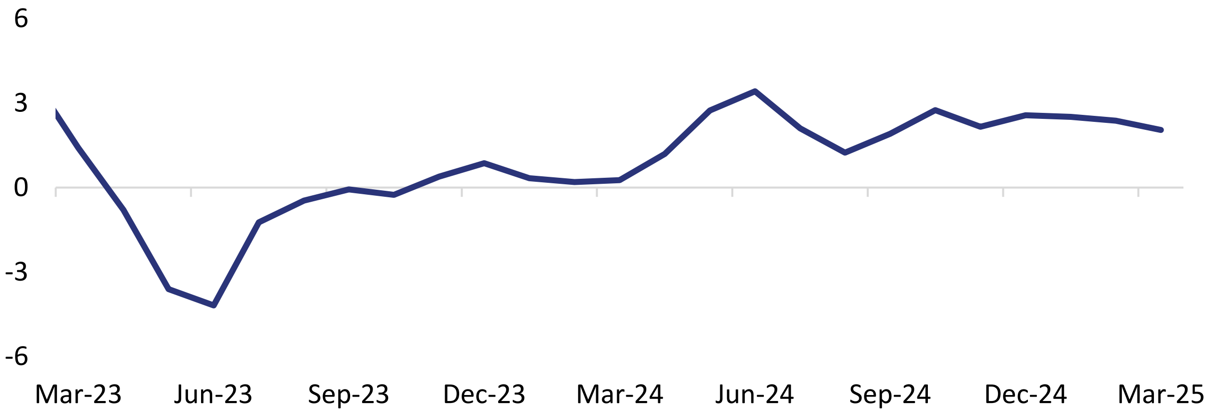
CONSUMER PRICE INDEX (CPI) & CORE CPI (% Y/Y)



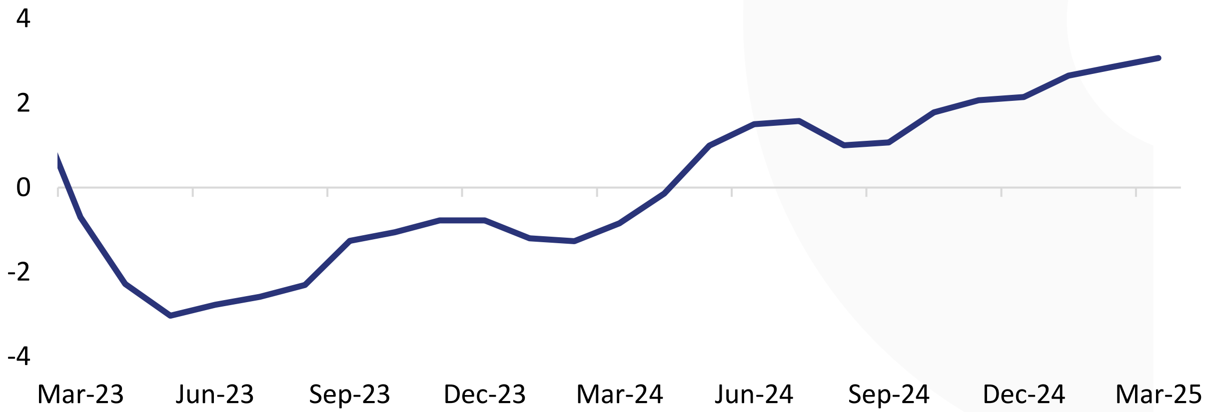
CFPI AND CPI: FUEL (% Y/Y)



WHOLESALE PRICE INDEX (WPI) (% Y/Y)



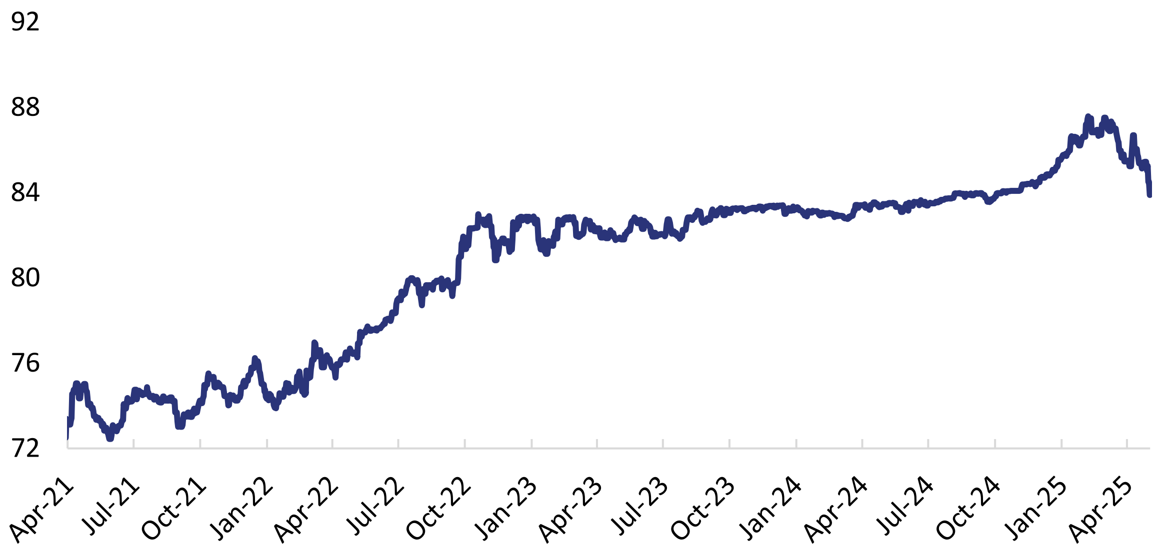
WPI: MANUFACTURED PRODUCTS (% Y/Y)



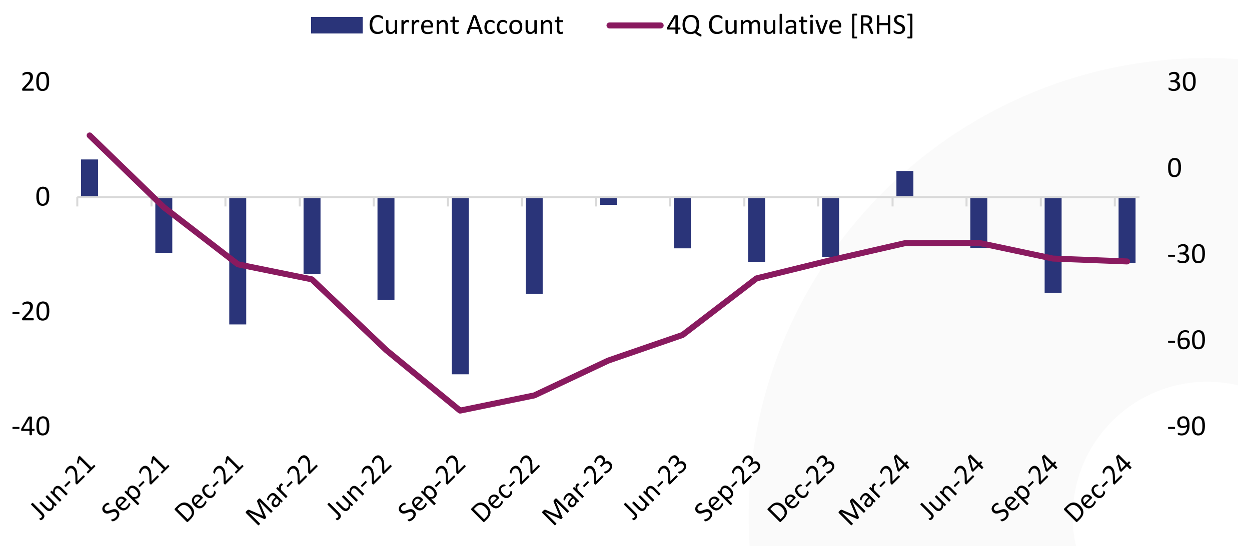
- CPI printed 3.3% y/y in Mar'25, its lowest since Aug'19, due to softer food inflation, especially vegetable and pulses. Notably, core inched up due surge in price of personal care. *In FY26, we expect CPI to chime in at ~4.4%, 20bps above RBI's projections, though below FY24 number due to better crop production dipping food inflation offset by low base of Core*
- WPI dipped to 2% y/y in Mar'25 with halving in pace of food inflation and deflation in vegetable prices being offset by higher global commodity prices leading to steeper cost of manufacturing and power. Subsequently, manufacturing products rose 3.1% y/y in Mar'25, at its highest pace in over 2 years

INR PARES LOSSES AGAINST USD

USD/INR EXCHANGE RATE (Rs. per USD)



CURRENT ACCOUNT BALANCE (USD bn)



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	APR'25
Forex Reserves (USD Bn)	640.2	651.5	652.0	670.6	682.2	705.8	682.1	659.4	635.7	630.6	638.7	668.3	688.1
Goods Imports (%y/y)	11.1%	7.2%	4.6%	11.2%	10.0%	7.8%	1.9%	16.1%	2.3%	10.3%	-16.3%	11.4%	
Oil Imports (%y/y)	20.4%	28.0%	19.6%	22.7%	-25.6%	6.5%	17.0%	6.5%	-9.0%	-13.4%	-29.6%	16.3%	
Non-oil Imports (%y/y)	7.4%	-0.5%	0.0%	7.9%	22.6%	8.2%	-3.2%	19.7%	6.3%	19.9%	-11.3%	9.4%	
Goods Exports (%y/y)	2.0%	13.3%	2.4%	0.6%	-9.9%	-0.2%	16.6%	-5.3%	-1.5%	-2.5%	-10.9%	0.7%	
Oil Exports (%y/y)	9.7%	38.3%	-18.8%	-13.8%	-40.2%	-30.2%	-25.2%	-52.2%	-31.7%	-59.2%	-29.2%	-9.5%	
Non-oil Exports (%y/y)	0.2%	8.2%	7.6%	4.1%	0.2%	6.7%	25.5%	7.8%	5.1%	14.5%	-6.3%	2.2%	
Goods Trade Balance (USD Bn.)	-19.2	-22.0	-20.8	-24.8	-34.0	-24.4	-26.1	-32.0	-20.7	-23.0	-14.1	-21.5	
Services Exports (%y/y)	17.1%	9.7%	3.2%	16.6%	5.7%	14.6%	22.7%	14.2%	16.9%	12.0%	11.6%	18.6%	
Services Imports (%y/y)	20.0%	6.2%	-3.1%	16.0%	9.1%	13.5%	28.0%	26.1%	13.9%	12.6%	-4.8%	5.3%	
Overall Trade Balance (USD Bn)	-5.8	-9.3	-7.3	-10.1	-20.1	-8.4	-8.9	-17.1	-1.5	-5.0	3.1	-3.4	

Source: CEIC, Bloomberg, SBICAPS

RENEWED AFFINITY FOR RISK ASSETS TRIGGERS FPI BUYING IN DOMESTIC FIRMS

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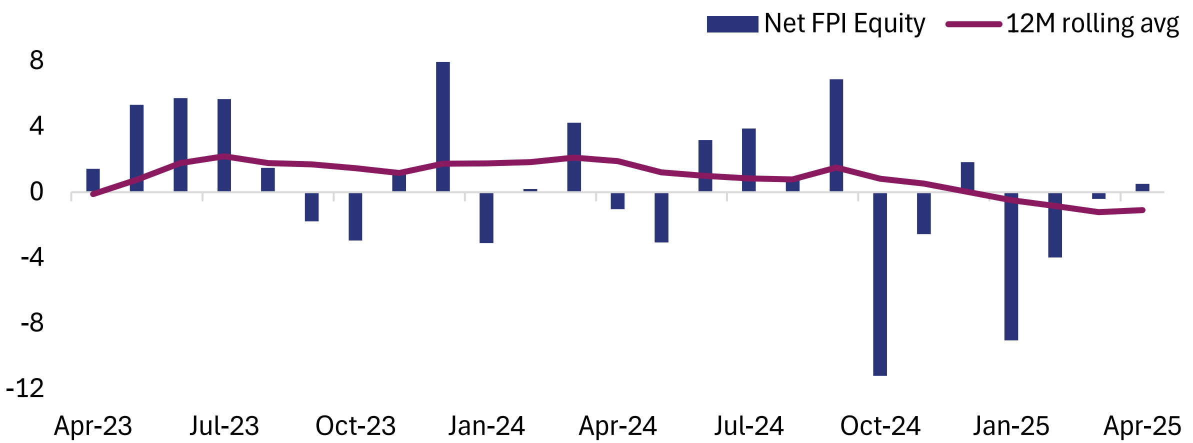
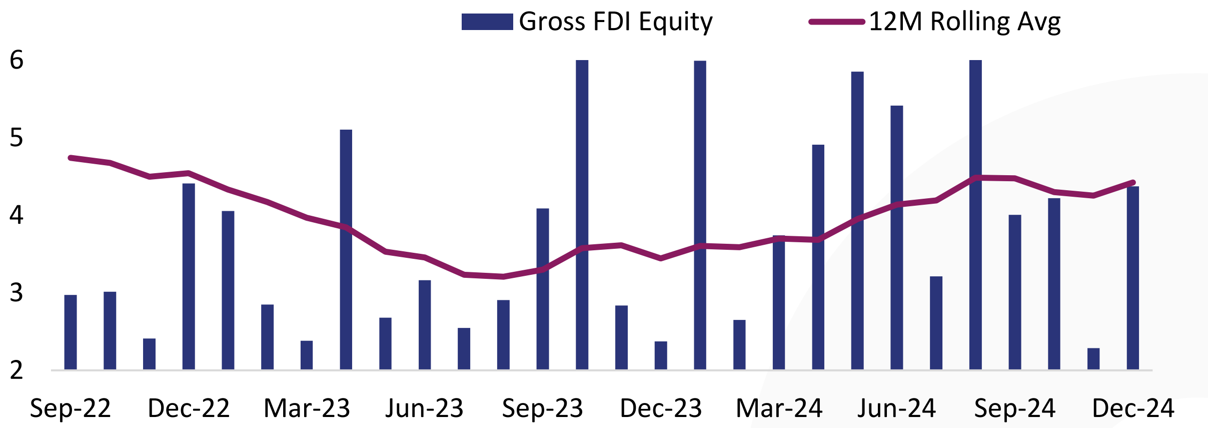
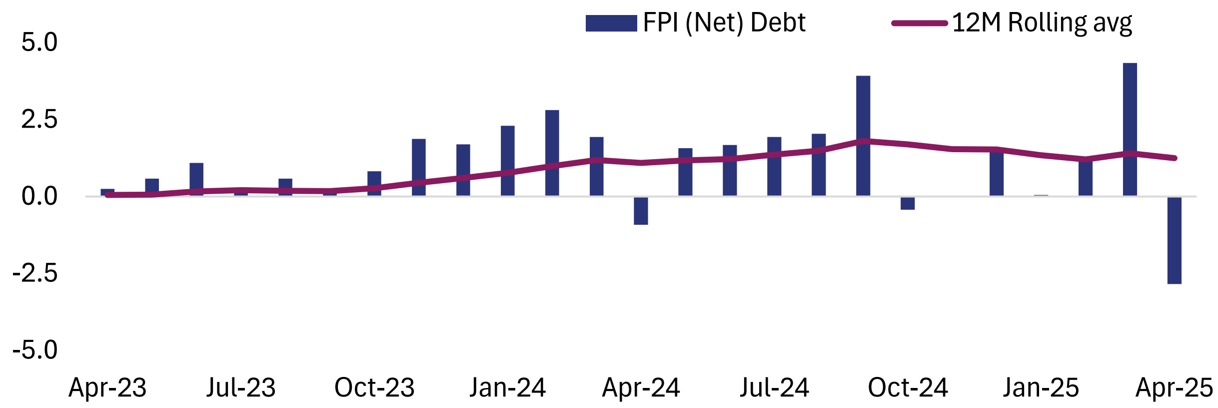
NET FPI EQUITY INFLOW (USD bn)



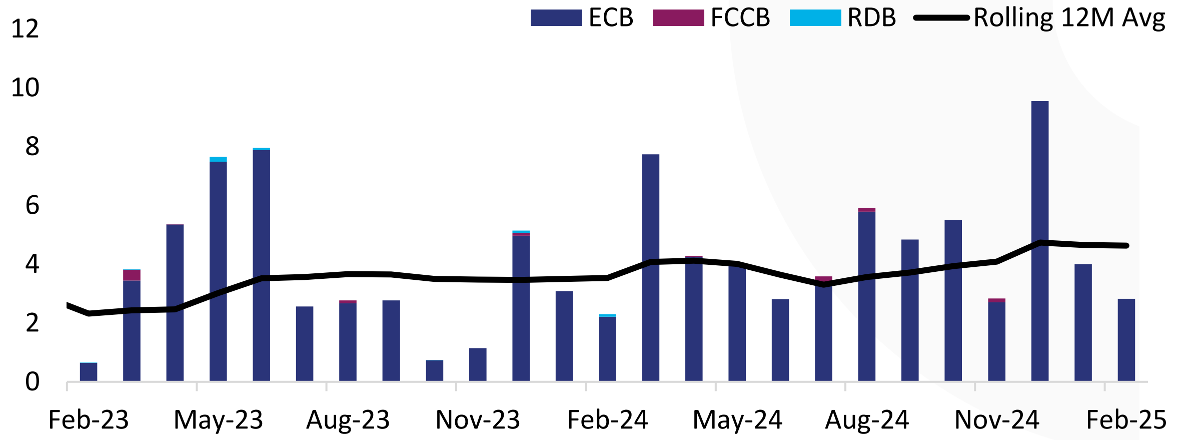
GROSS FDI EQUITY INFLOWS (USD bn)



NET FPI DEBT FLOWS (USD bn)



GROSS ECB ISSUED (USD bn)



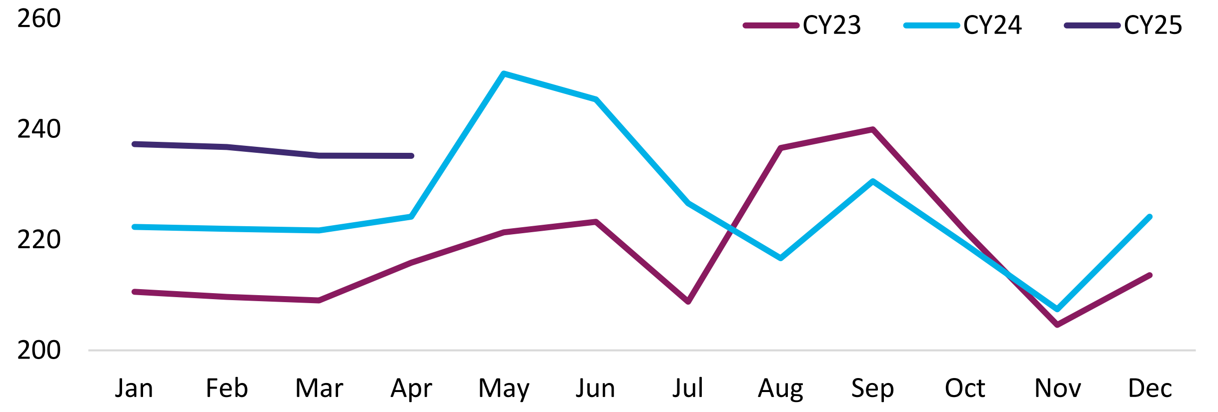
- FPIs turned net buyers in domestic equities in Apr’25, executing longest buying streak in 9 months worth USD 4.5 bn in second half of Apr’25, driven by weakening USD, benign crude and a renewed inclination towards risk assets
- Completion of bond inclusion process for JPMorgan’s suite of indices in Mar’25 meant lower passive flows through FAR securities in Apr’25

Source: NSDL, RBI, CEIC, SBICAPS

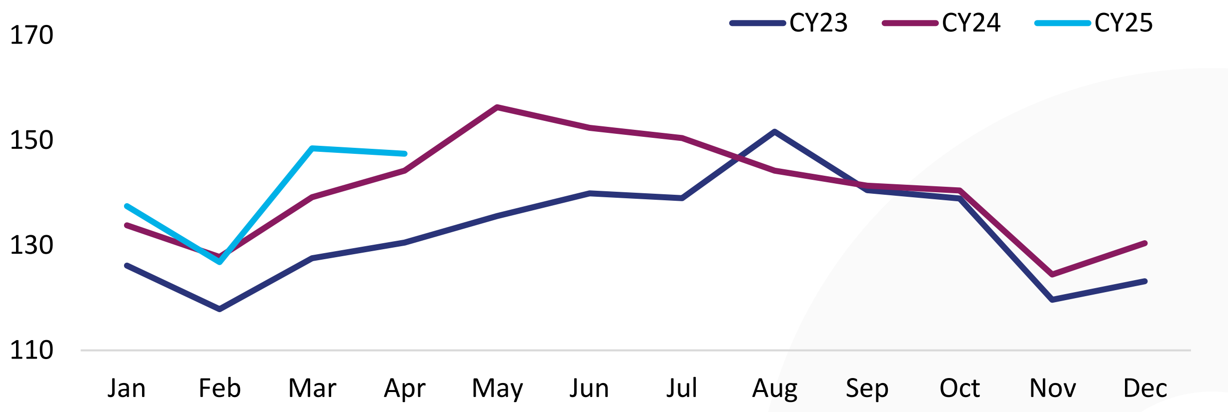
SECTORAL UPDATES

HEATWAVES CAUSE HIGHER PEAKS AND VARIATIONS IN POWER DEMAND

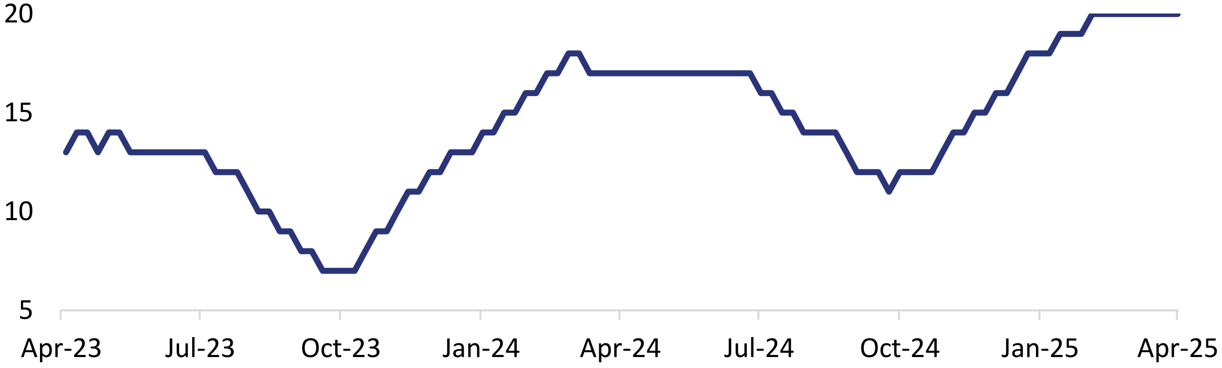
PEAK POWER DEMAND (GW)



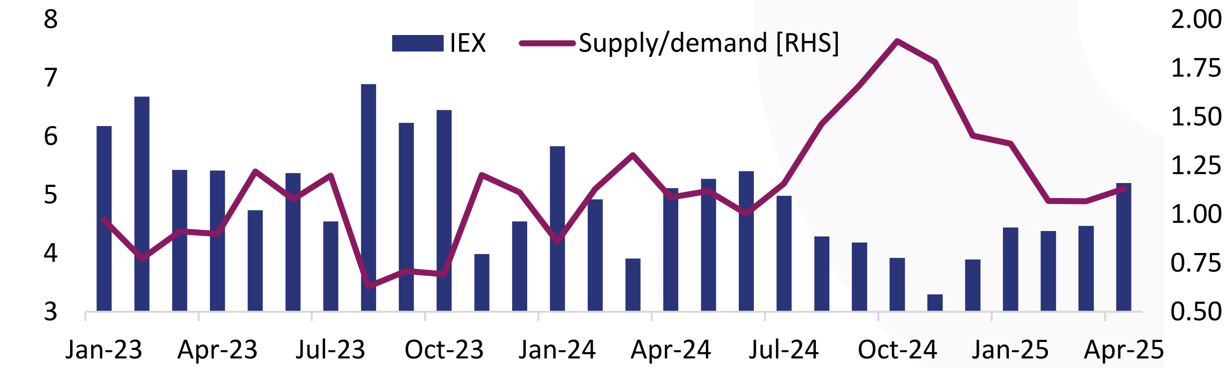
POWER SUPPLY (BU)



COAL STOCKS WITH POWER SECTOR (NUMBER OF DAYS)



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



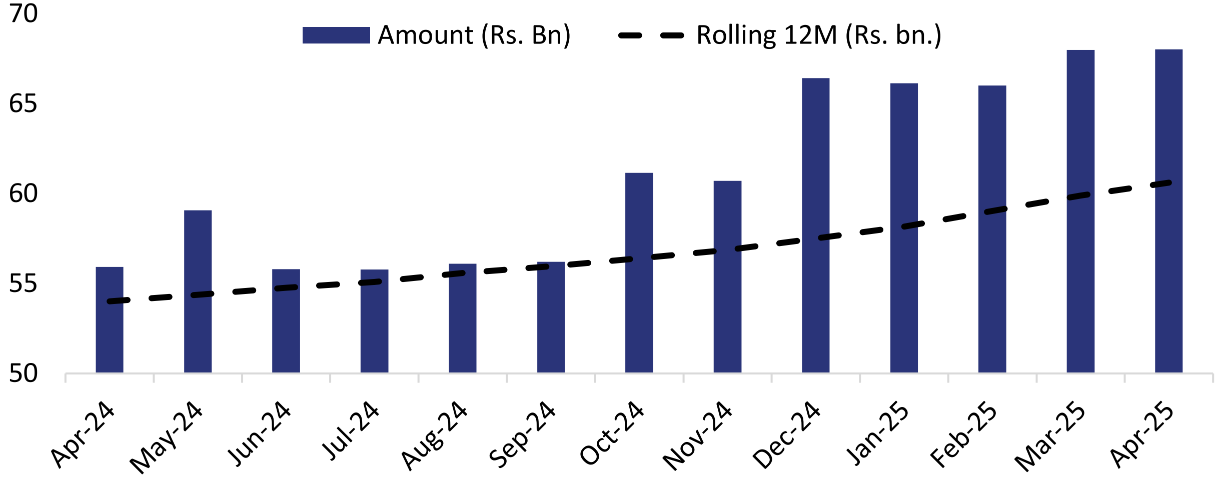
- Electrical energy supply grew by a tepid 2.2% y/y in Apr’25 to 147.5 BU, with regional variation as 7.5% y/y surge in Western Region was offset by contraction in South and Eastern regions. Peak demand rose 5% y/y to 235 GW, reflective of above normal heatwave days in Gujarat and Rajasthan, with expectations of 277 GW peak power demand in May’25

- Union and State governments have proposed several measures to strengthen grid reliability and efficiency, including amendments to inter-state transmission charges, introduction of carbon credit certificates and allowing 49% FDI through approval route in nuclear power sector

Source: Bloomberg, IEX, CEIC, SBICAPS

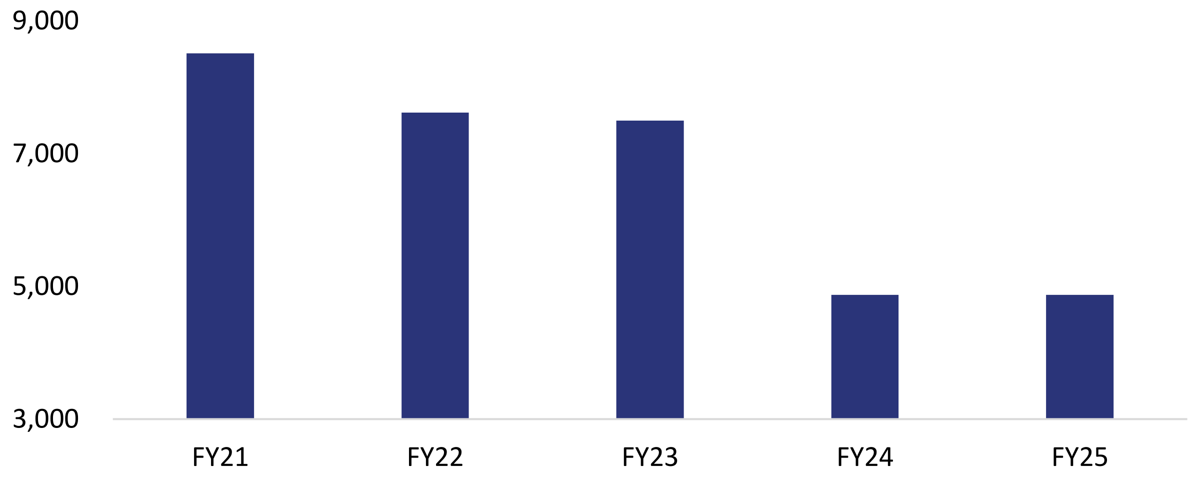
NEW TOLLING POLICY COULD CHANGE FASTAG DYNAMICS

FASTAG COLLECTIONS

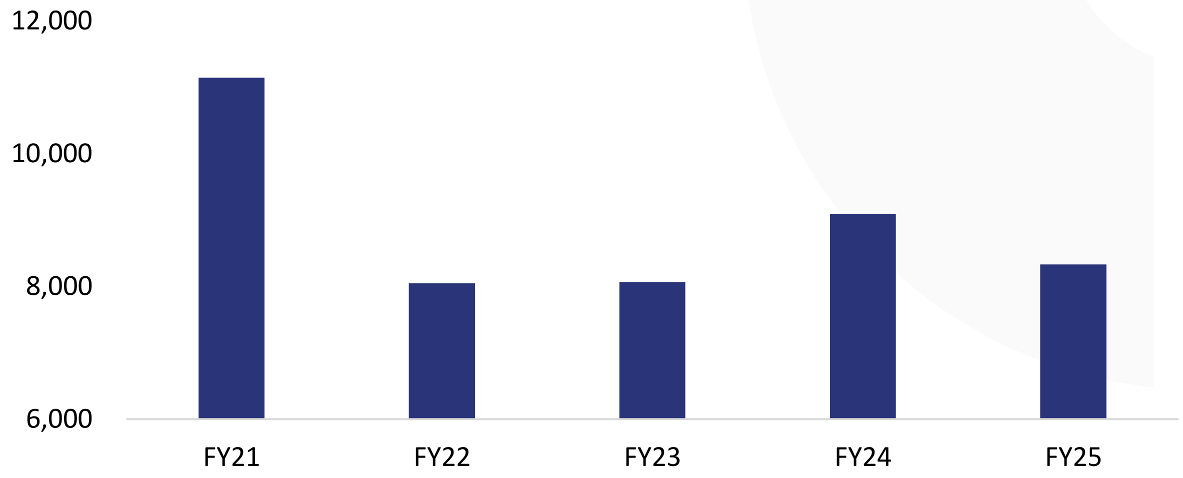


- FastTag collections continues to create new highs, growing 21.6% y/y to Rs. 68 bn in Apr’25, aided by toll hikes. States like Maharashtra have mandated FasTag usage at tolls, doubling tolls for alternate payment methods
- MoRTH Minister Mr. Gadkari stated that a new tolling policy is under works, which includes elimination of physical booths, per km charges for vehicles, and introduction of annual and lifetime passes for smoother and affordable operations
- Maharashtra government has approved the formation of “Maha InvIT”, to provide sustainable mechanism to raise capital for infra projects. Key assets from PWD, MSRDC and MSIDC are proposed to be transferred for future monetisation

NATIONAL HIGHWAY AWARDING (km) – 11MFY



NATIONAL HIGHWAY CONSTRUCTION (km) – 11MFY



C/D RATIO GAP BETWEEN BANKS NORMALISING AS LIQUIDITY EASES

INDICATOR	MAY'24	JUN'24	JUL'24	AUG'24	SEP'24	OCT'24	NOV'24	DEC'24	JAN'25	FEB'25	MAR'25	APR'25
CREDIT												
Non-food credit growth (%y/y)	16.2%	13.9%	15.1%	13.6%	13.0%	11.5%	10.6%	11.1%	11.4%	10.9%	11.0%	10.3%
Industry credit growth (%y/y)	8.9%	7.7%	10.2%	9.7%	8.9%	7.9%	8.0%	7.2%	8.0%	7.1%	7.8%	
Services credit growth (%y/y)	20.7%	15.1%	15.4%	13.9%	13.7%	12.7%	13.0%	11.7%	12.5%	12.0%	12.4%	
Personal credit growth (%y/y)	17.8%	16.6%	17.8%	13.9%	13.4%	12.9%	13.3%	12.0%	11.8%	11.7%	11.6%	
DEPOSITS												
Total Deposits (%y/y)	11.7%	11.3%	10.6%	10.9%	11.1%	11.7%	11.2%	11.5%	10.8%	10.6%	10.3%	10.2%
Time Deposits (%y/y)	11.4%	11.5%	10.9%	10.9%	11.1%	13.2%	11.5%	11.4%	11.0%	11.0%	10.7%	10.6%
Demand Deposits (%y/y)	14.1%	9.6%	8.2%	10.6%	11.7%	11.6%	8.9%	12.3%	9.4%	7.7%	7.0%	7.1%
KEY RATIOS												
C/D Ratio (%)	77.5%	77.4%	77.3%	79.5%	79.6%	79.0%	79.5%	80.4%	80.4%	80.8%	80.7%	80.8%
Investment/Deposit Ratio (%)	29.1%	29.6%	29.6%	29.9%	29.8%	29.8%	29.7%	29.6%	29.9%	30.0%	29.9%	29.7%
KEY RATES												
1Y MCLR (Median-All SCB)	8.8%	8.9%	8.9%	8.9%	9.0%	9.0%	9.0%	9.0%	9.0%	9.1%	9.0%	9.0%
WALR – fresh (%)	9.4%	9.3%	9.4%	9.4%	9.4%	9.5%	9.4%	9.3%	9.3%	9.4%	9.4%	
WALR – o/s (%)	9.8%	9.9%	9.9%	9.9%	9.9%	9.9%	9.9%	9.9%	9.9%	9.8%	9.8%	
WADTDR – fresh (%)	6.5%	6.5%	6.5%	6.5%	6.5%	6.4%	6.5%	6.6%	6.6%	6.5%	6.7%	
WADTDR – o/s (%)	6.9%	6.9%	6.9%	6.9%	7.0%	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%	6.25%	6.25%	6.00%

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

NIM SQUEEZE TO IMPACT BANKS WITH HIGH FLOATING RATE LOANS

Credit growth is strong but slowing

- Credit growth has fallen to its lowest in over 3 years in Apr’25, with several banks cutting growth targets for FY26 amidst geopolitical uncertainty triggered by US tariffs
- 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 diversify liabilities side as deposits remain costly

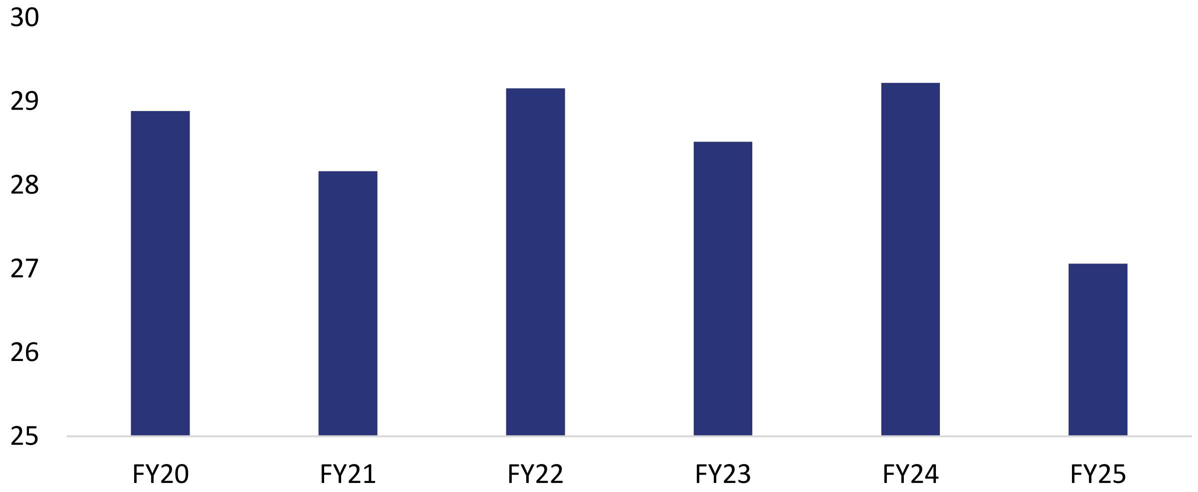
- Deposit growth has dwindled from the decadal highs of FY24 to slightly below long-term averages, despite elevated deposit rates. Further, CD ratios continue to inch up as banks continue to eke out cautious credit growth, despite deposit crunch affecting some banks more than other
- Notably, certain 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
- Further, banks have indicated preference for equity raising in FY26 with a couple PSBs gaining board approvals, while a certain PVB looks for international collaboration

NIM pressures expected in FY26 as deposit rates reset slower than lending rates

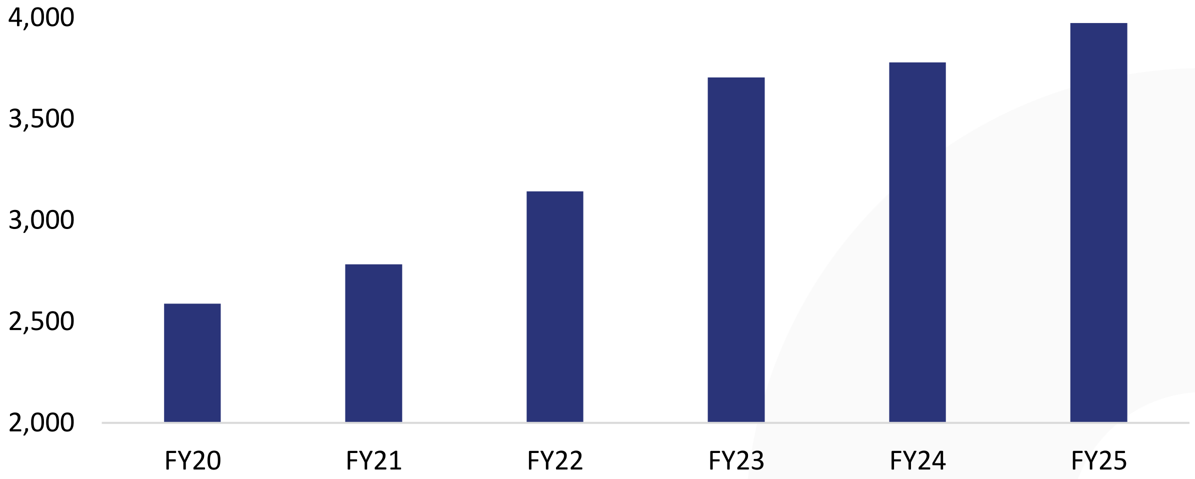
- Deposit rates have risen, with fresh rates rising ~15 bps, despite RBI’s best efforts to support rate transmission. The rise is more pronounced for PVBs who have higher CD ratios than PSBs, where rise in fresh rates was within 1 bps
- WALR fresh has fallen, albeit marginally, with PSBs leading the charge, while PVBs raised rates by ~8 bps, indicating much is left to be done on transmission front

PREMIA SUFFER AS INSURERS ADJUST TO REGULATORY CHANGES

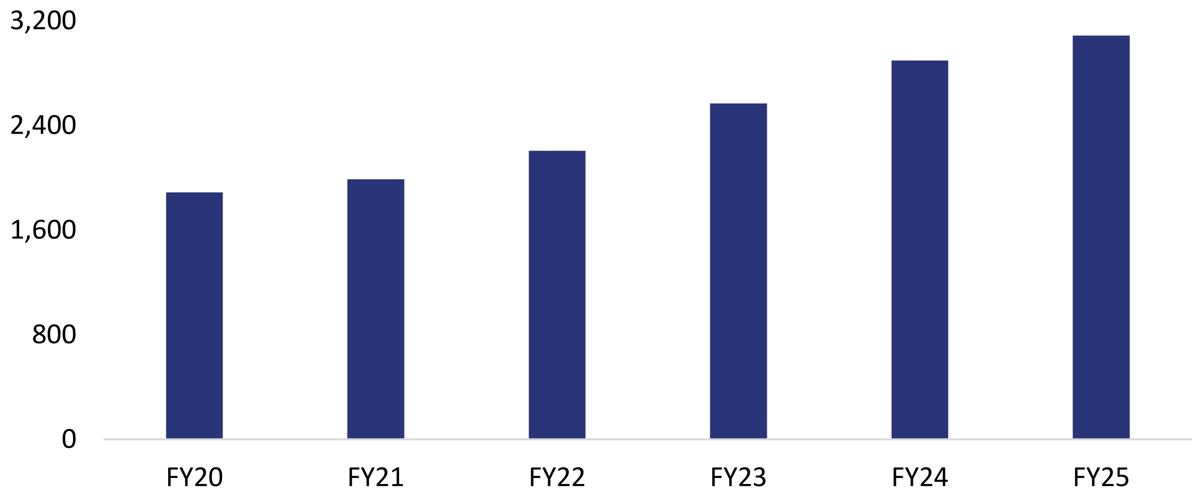
NEW LIFE INSURANCE POLICIES (mn units)



FIRST YEAR PREMIUM- LIFE INSURANCE (Rs. bn)



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

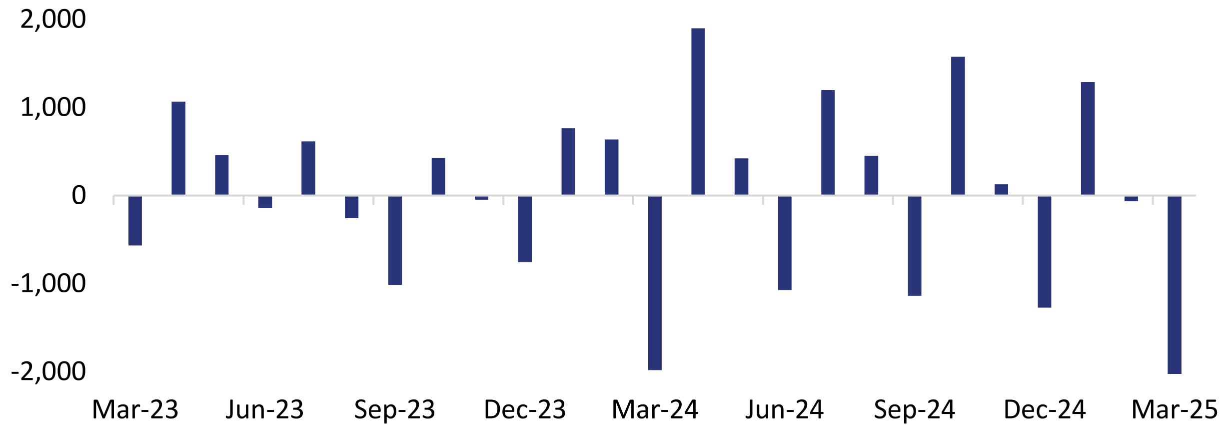


- Life insurers' new business premium grew 2% y/y in Mar'25 to Rs. 614 bn, after contracting for the past 4 months, as insurers adjust their product portfolios and commission structures to compensate for change in surrender value norms
- Non-life insurers' gross direct premium grew a tepid 0.5% y/y with weakness across the board exacerbated by new accounting norms. Slower PV sales has dented motor insurance growth, which has been the driver in yesteryears

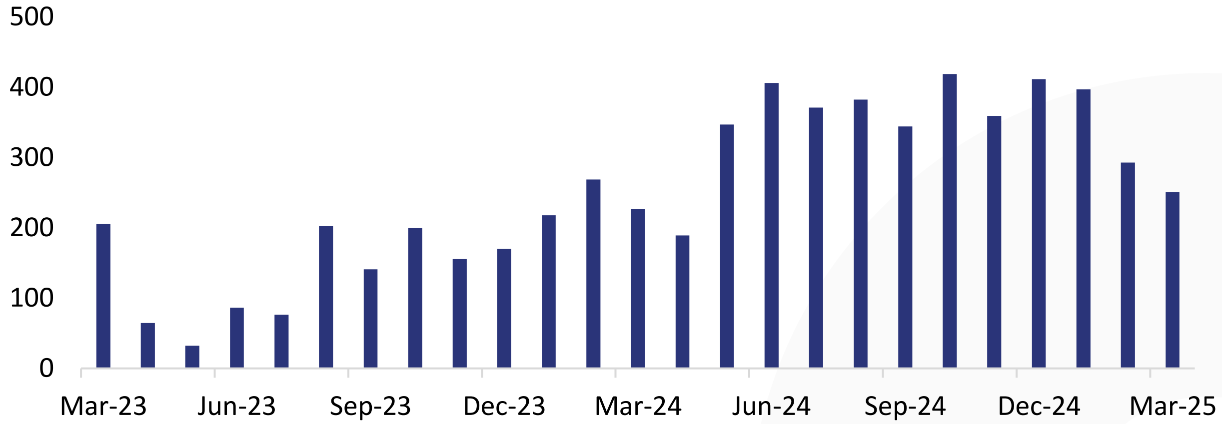
Source: GIC, IRDAI, CEIC, SBICAPS

TEPID EQUITY MF FLOWS REFLECTIVE OF SHIFT IN INVESTOR PREFERENCES

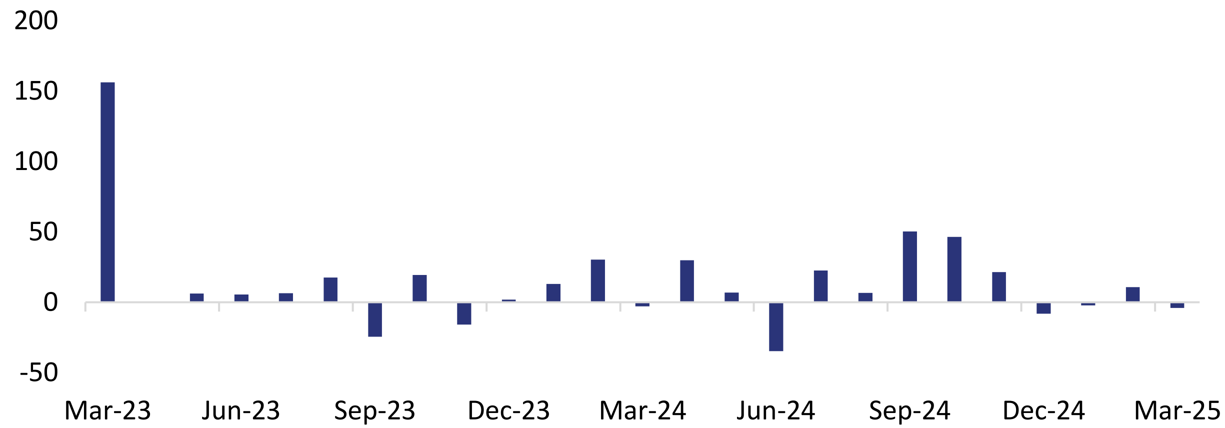
OPEN ENDED SCHEME: INCOME/DEBT MF NET INFLOW (Rs. bn)



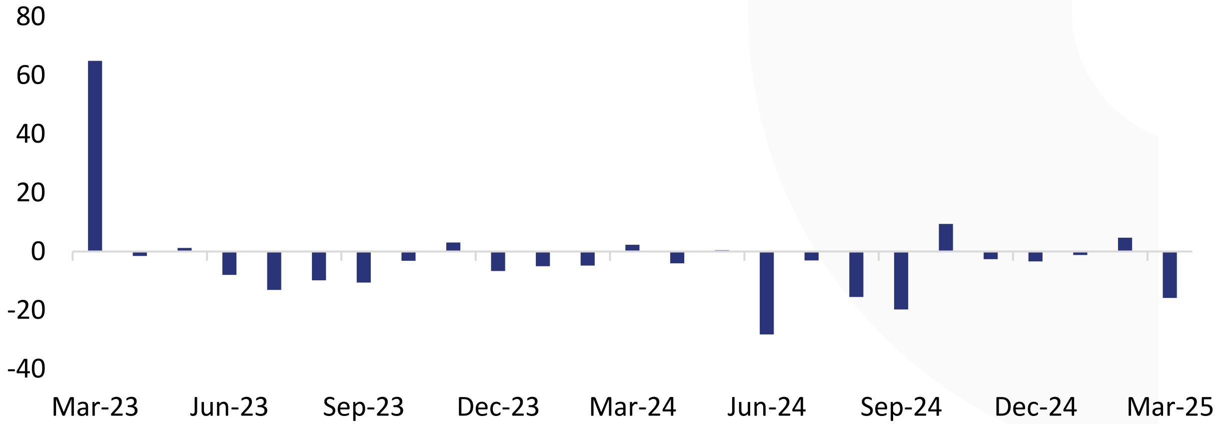
OPEN ENDED SCHEME: EQUITY MF NET INFLOW (Rs. bn)



CORPORATE BOND NET INFLOW (Rs. bn)



BANKING AND PSU FUND NET INFLOW (Rs. bn)



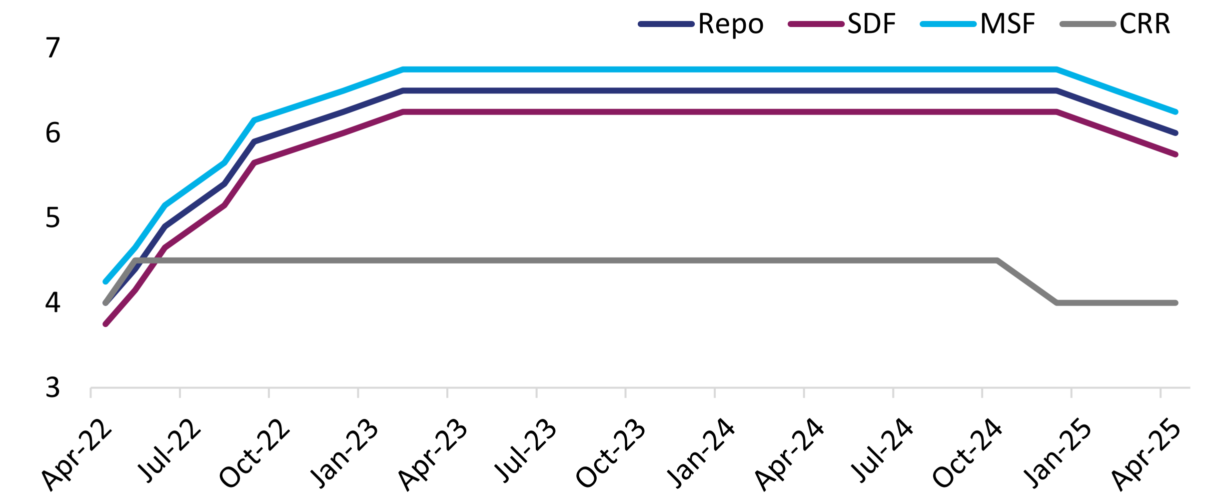
- Mutual funds experienced steep outflow of ~Rs. 1.6 trn in Mar’25, driven by Rs. 2 trn outflows in debt funds as corporate treasuries pull Rs. 1.3 trn out of liquid funds for cash management. Equity flows have receded, with mild recovery in small and mid-cap funds being dragged by the slowest flows into thematic funds since May’23
- Notably, flow into equity ETFs grew to the 2nd highest in over 5 years in Mar’25 to Rs. 110 bn, reflective of investor shift towards passive options amidst market volatility

Source: AMFI, CEIC, SBICAPS

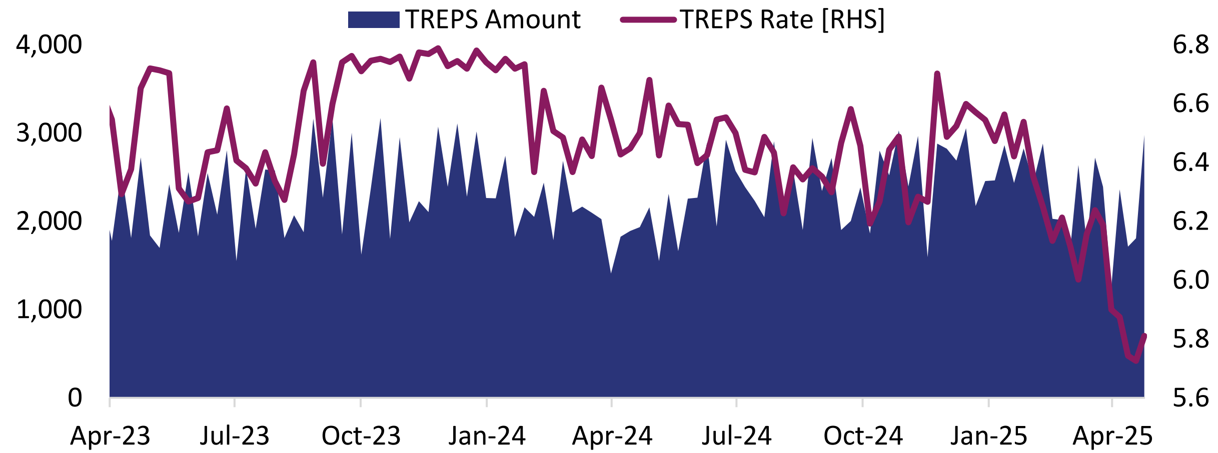
MONETARY POLICY AND YIELDS

RATE CUT TRAJECTORY STEEPER THAN PREVIOUSLY EXPECTED

KEY RATES (%)



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



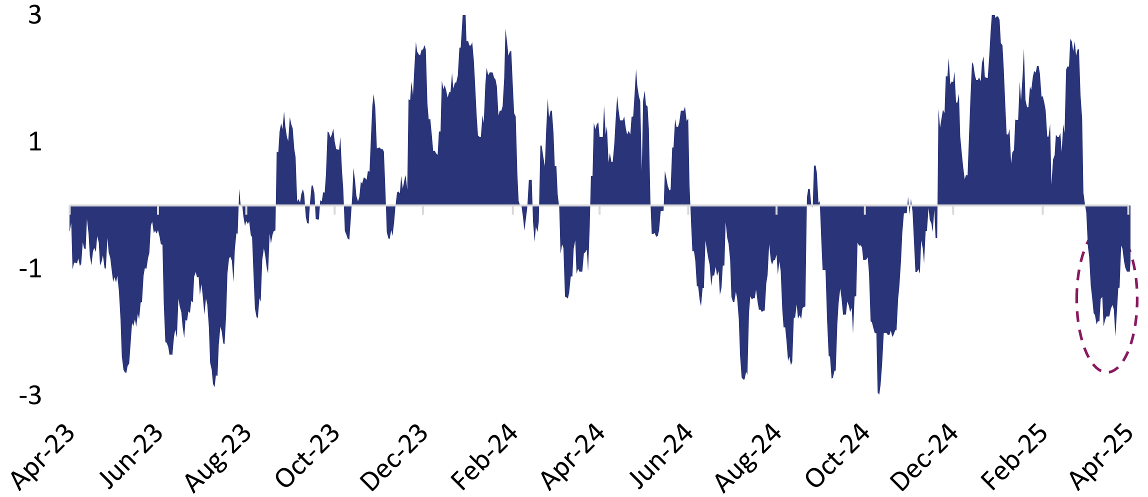
STANCE OF POLICY

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
09-Apr-25	**Accomodative**	**6-0**

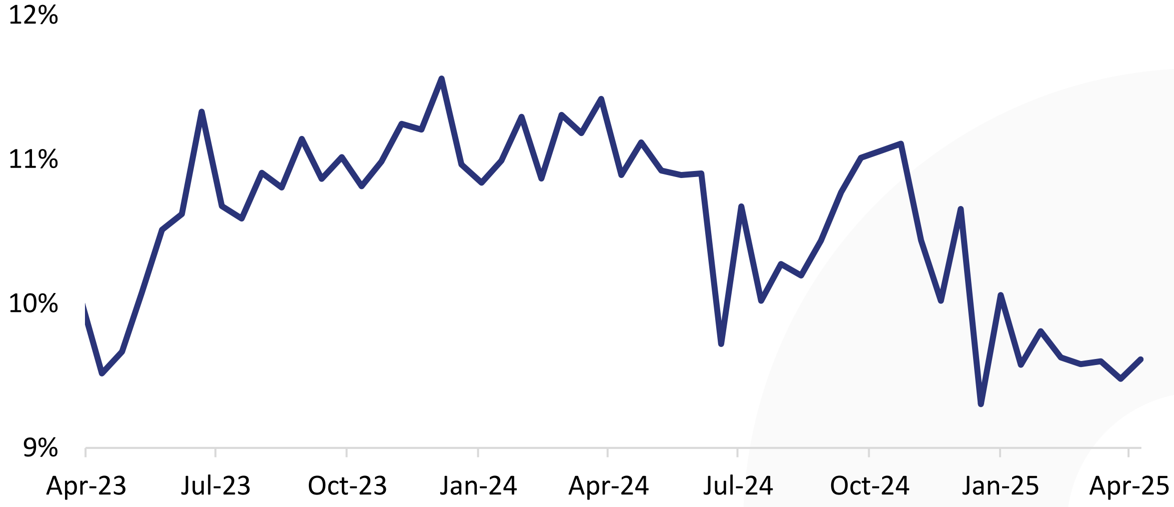
- RBI's MPC unanimously delivered a 25 bps rate cut in Apr'25, taking the repo rate to 6.00%, in-line with expectations. Several MPC members have stated the need to further support growth on benign inflation and global trade tensions
- *We project an additional 50-75 basis points of rate cuts*

LIQUIDITY DRAIN ON THE HORIZON KEEPS RBI UNEASY, DESPITE EASING CONDITIONS

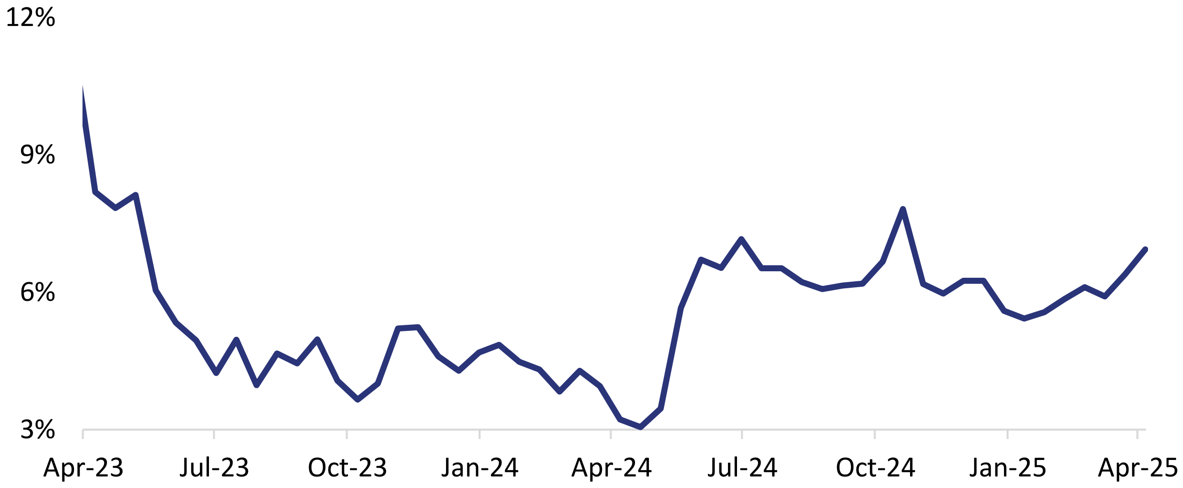
BLOOMBERG INDIA LIQUIDITY INDICATOR* (Rs. trn)



MONEY STOCK M3 (Y/Y)



CURRENCY WITH PUBLIC (Y/Y)

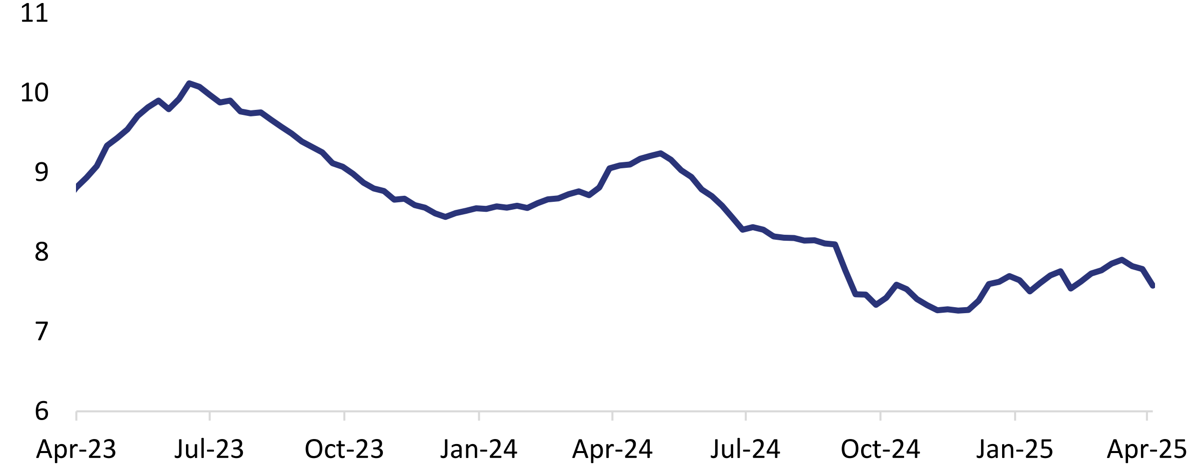


- Liquidity remained in surplus in Apr’25, after a tight Q1, in line with RBI’s pledge to maintain plush liquidity to aid policy transmission. Governor Mr. Malhotra has indicated that liquidity would be maintained in surplus at 1% - 1.5% of NDTL.
- RBI continues to employ durable liquidity measures like OMO in part to offset liquidity drain caused by maturing USD forward book and bumper dividend to the Union
- RBI continues to conduct VRR auctions, with lower quantum receiving tepid responses, indicative of skewed liquidity distribution as few banks run short on liquidity

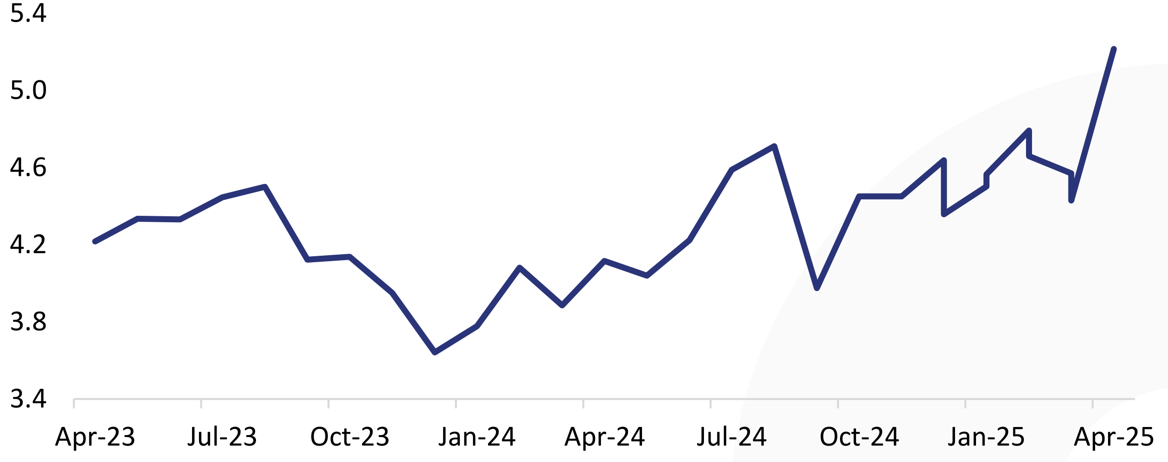
Source: Bloomberg, RBI, SBICAPS; *Negative values indicate surplus

FALL IN SHORT RATES PROMPTS NON-BANKS TO RAMP UP CP ISSUANCES

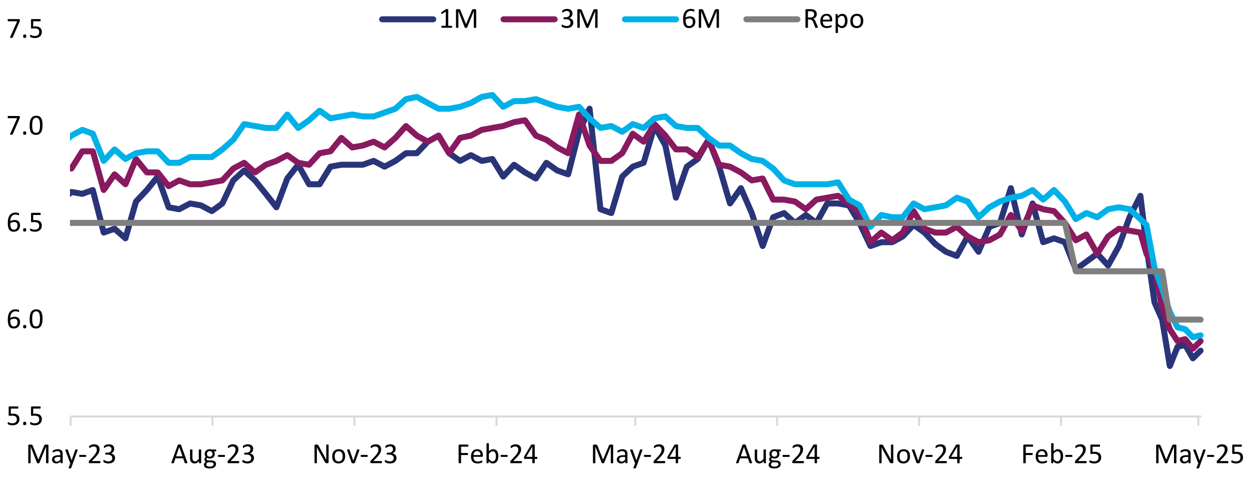
T-BILL OUTSTANDING (Rs. trn)



COMMERCIAL PAPER OUTSTANDING (Rs. trn)



T-BILL SECONDARY YIELDS & REPO (%)

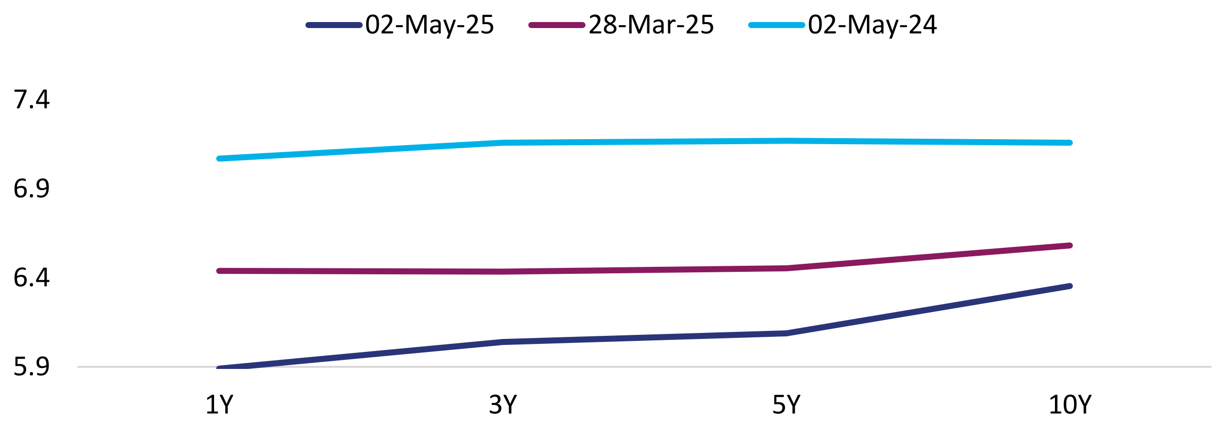


- RBI's flush of liquidity and lower T-Bill supply has led to rates at the shorter dipping below the policy rate. Notably, WACR has been hovering 15 bps below the repo rate in Apr'25
- CP outstanding surged in Apr'25, with top NBFCs scouring for funding, as CP rates fall dramatically in the wake of rate cuts supplemented by ample liquidity

YIELDS DROP OFF TO LOWEST IN 3 YEARS AMIDST SURFEIT LIQUIDITY

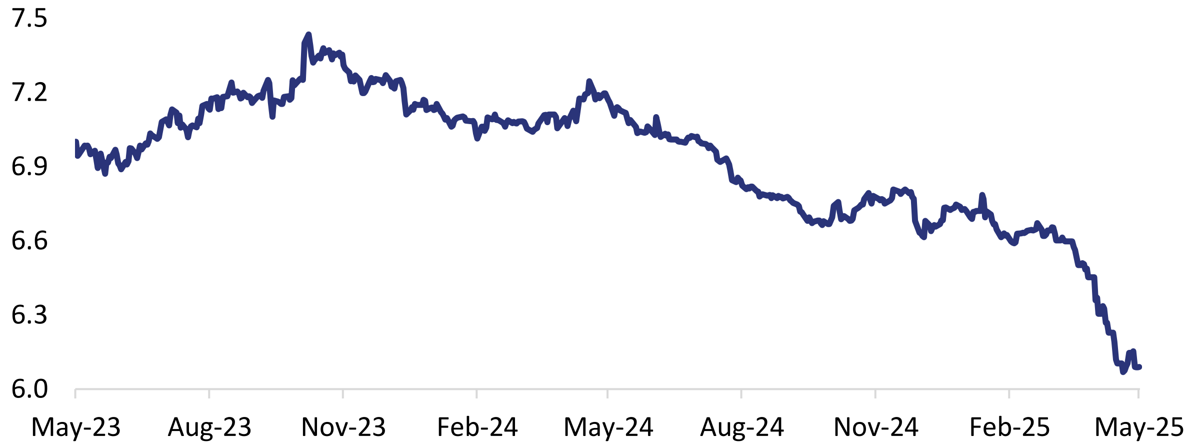
SBICAPS
Complete Investment Banking Solutions

YIELD CURVE (%)



G-SEC YIELD (10 YEARS) (%)

G-SEC YIELD (5 YEARS) (%)

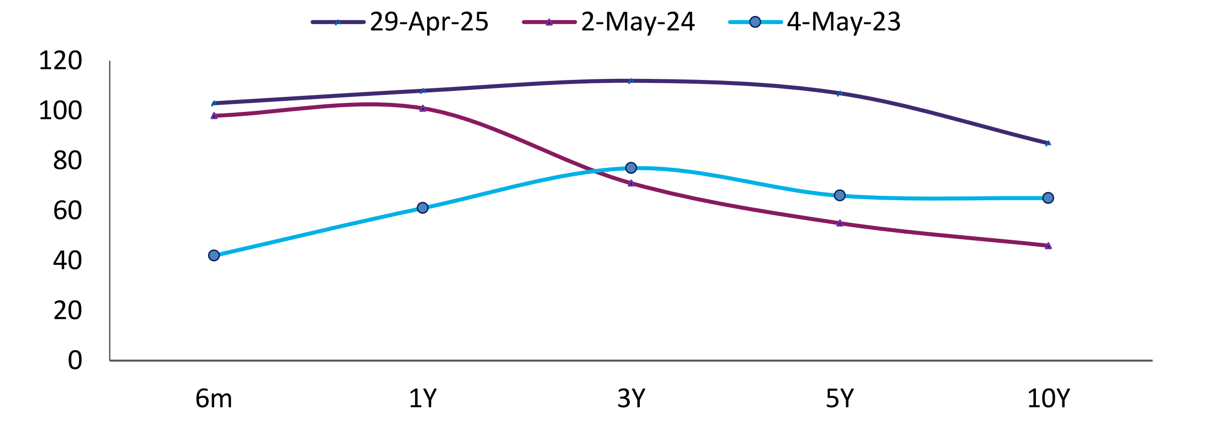


- Benchmark Union G-sec yields dropped ~25 bps in the new fiscal , tracking the repo rate, hovering around 6.35% handle. Notably, yields have gone below 6.3% only twice in the past 15 years (during COVID and demonetisation)
- Significant easing is boosted by softer inflation, RBI's liquidity flush and expectations of further rate reduction as RBI assesses the global macro backdrop
- Yield curve has steeped sharply with term premium (10Y-1Y) now >45 bps

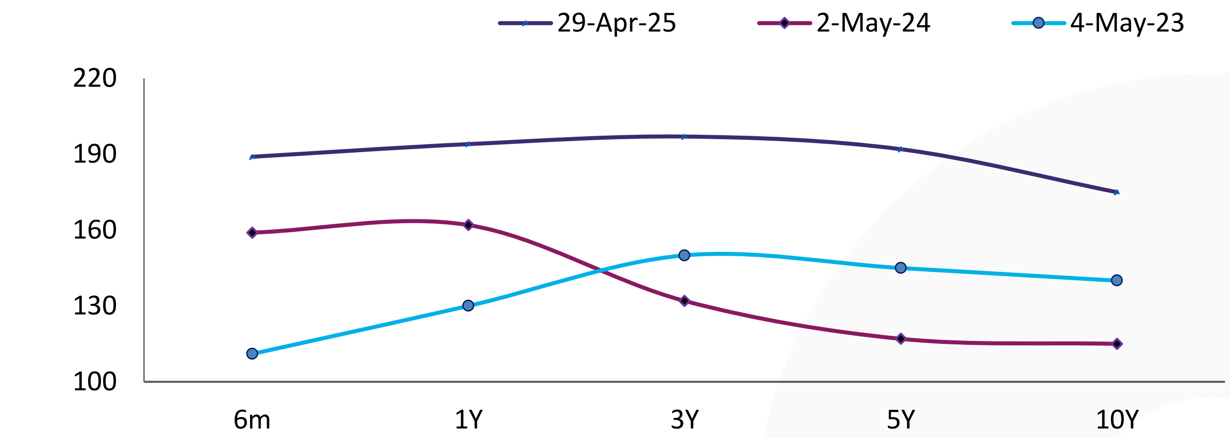
Source: Bloomberg, SBICAPS

OIS RATES EASE AND CORPORATE SPREADS ZOOM

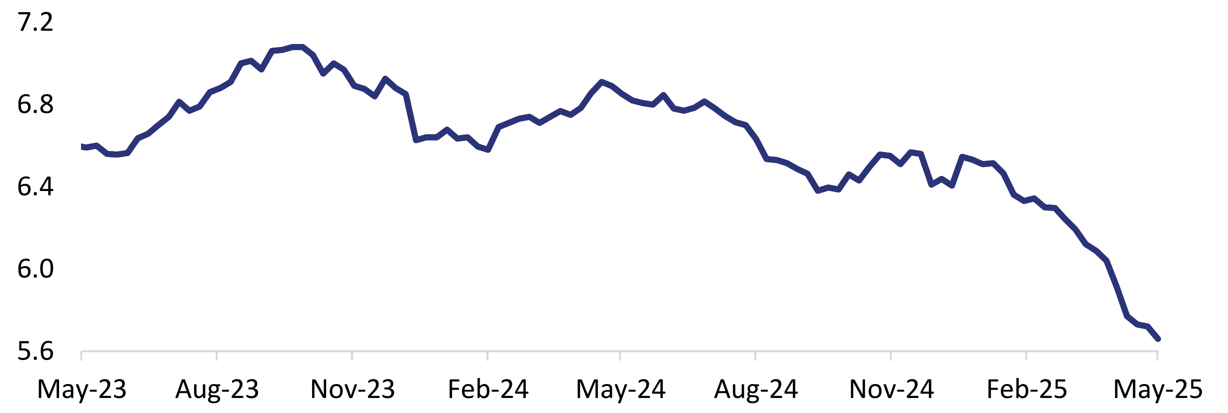
FIMMDA CORPORATE AAA SPREAD OVER GILT CURVE (bps)



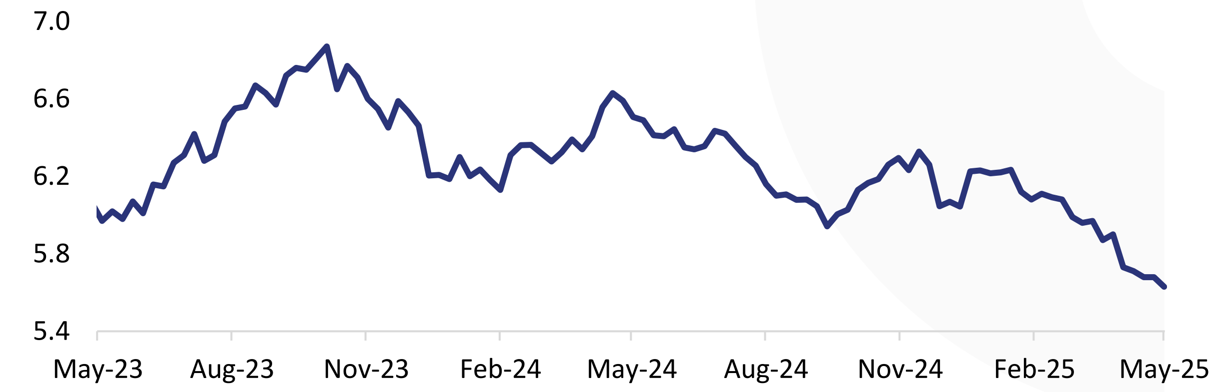
FIMMDA CORPORATE AA SPREAD OVER GILT CURVE (bps)



OIS 1- YEAR (%)



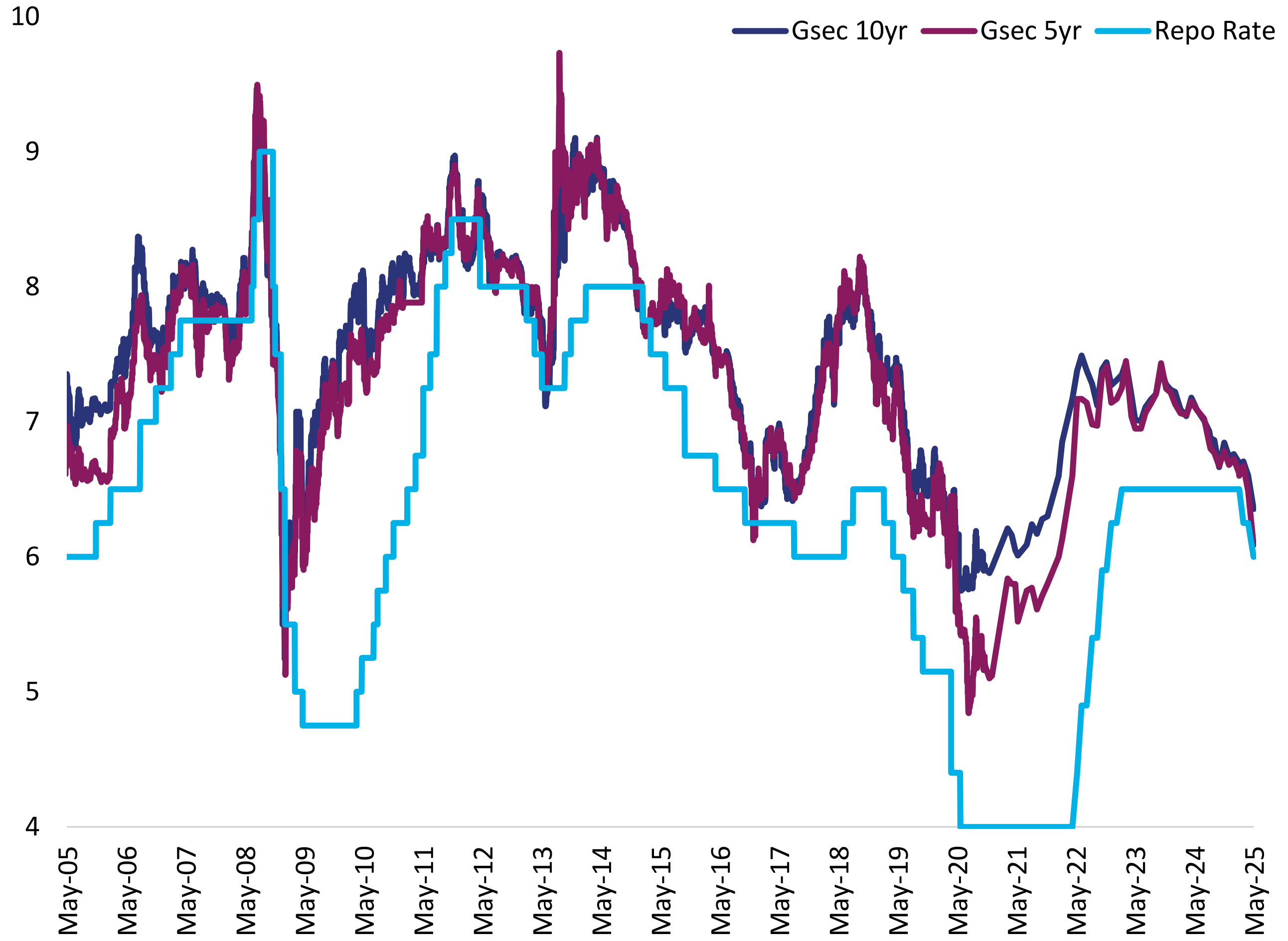
OIS 5 –YEAR (%)



- Easing liquidity conditions augmented by rate cuts have led to downtrend in OIS rates. Notably, 1Y OIS has traversed ~35 bps below the policy rate indicative of lower WACR expectations
- 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

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

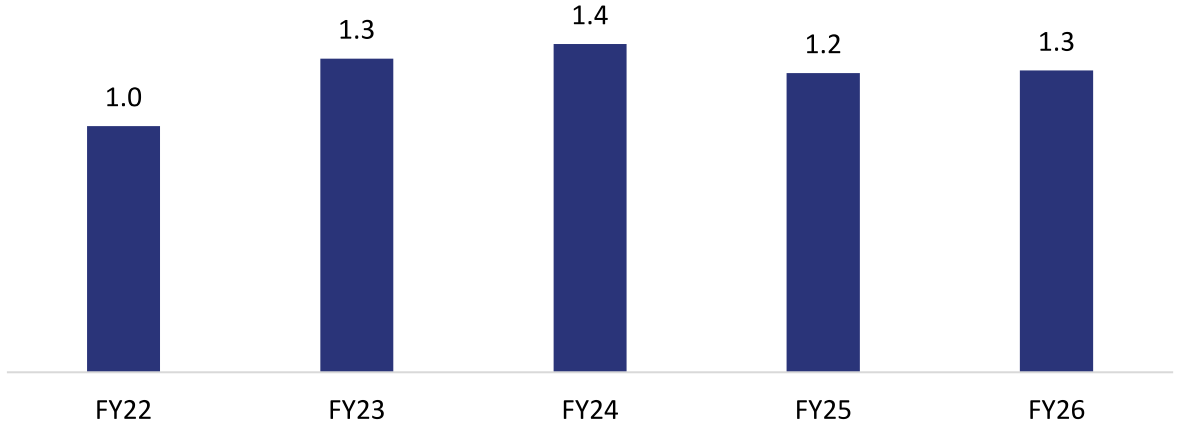
Yield hardening triggers

- 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

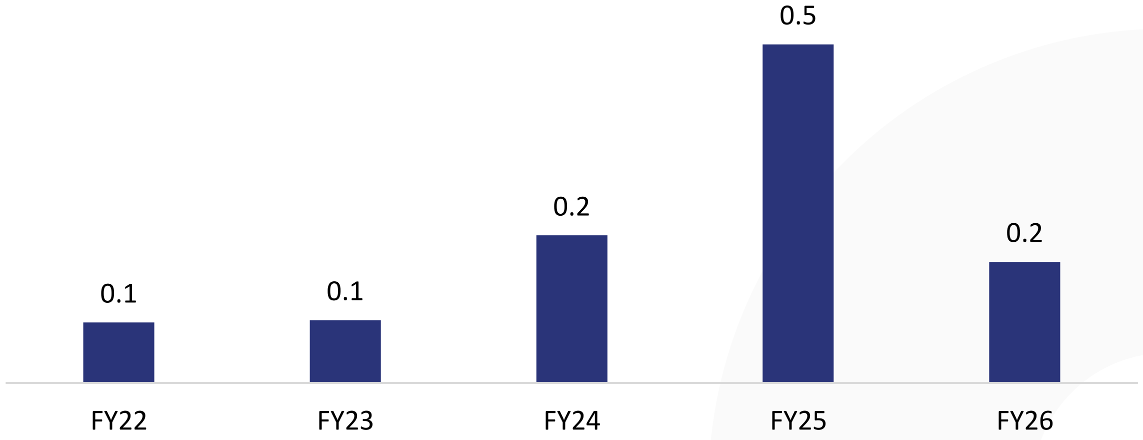
CAPITAL MARKETS

OMO PURCHASE PROGRAM CONTINUES UNABATED IN FY26

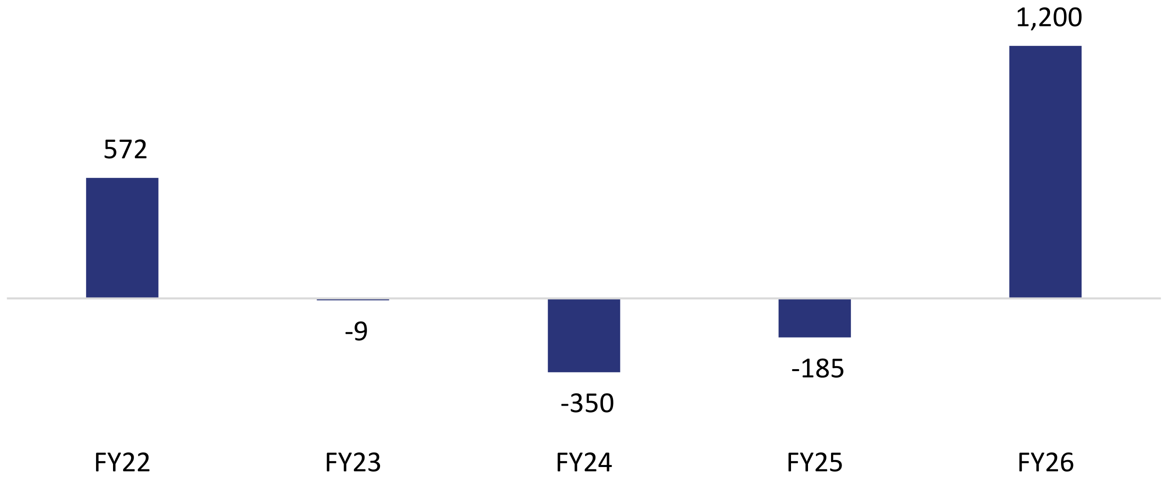
G-SEC: GROSS AMOUNT RAISED (Rs. trn) – 1MFY



SGS BIDS ACCEPTED (Rs. trn) – 1MFY



CUMULATIVE NET OMO PURCHASES (Rs. bn) – 1MFY

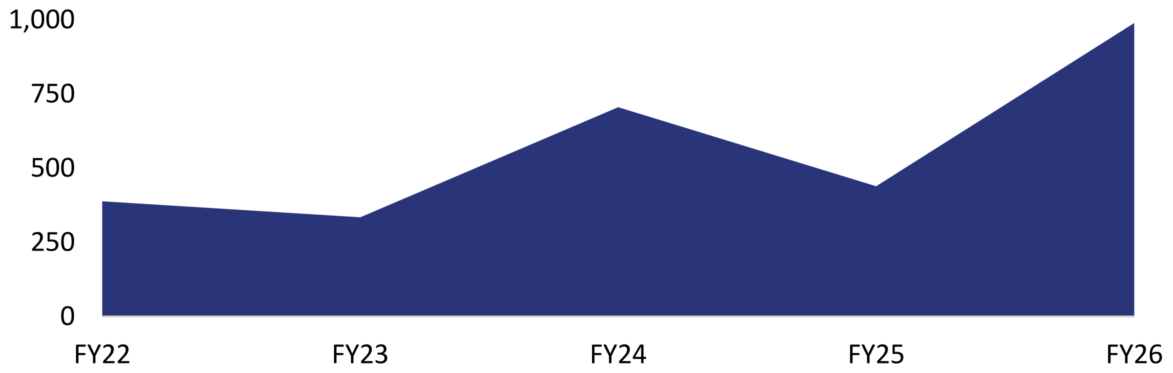


- Union's borrowing calendar for H1FY26 indicates resurgence of 10Y papers where there is significant appetite from mutual funds and FPIs. Notably, share of 50+ year papers at 10.5% is the highest-ever, garnering demand from ultra long duration players
- *Gross SGS issuances will likely increase to ~Rs. 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

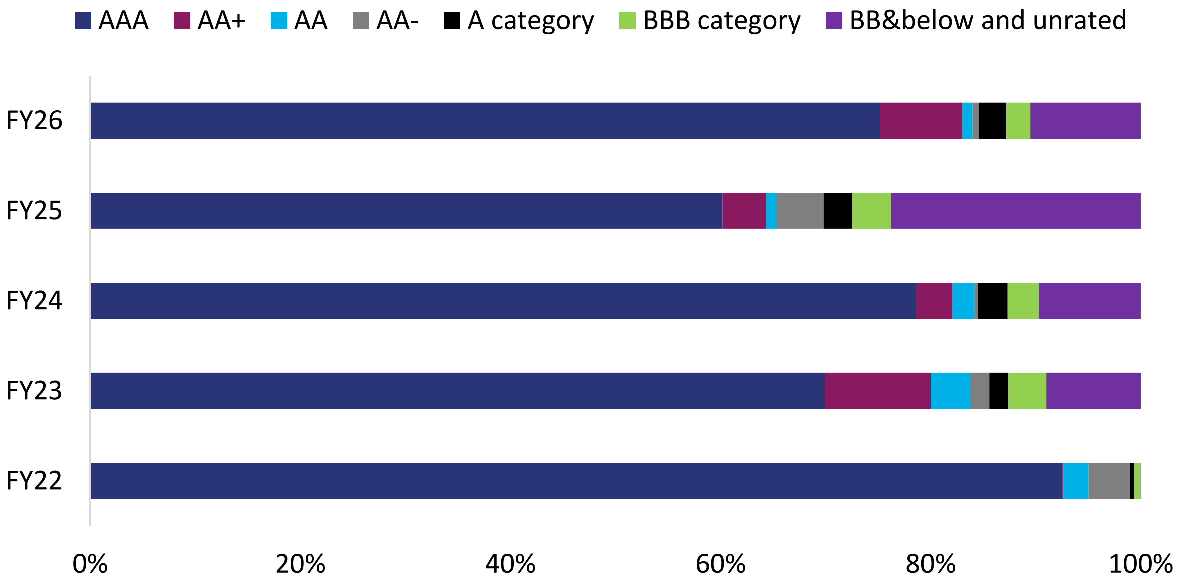
RATE REDUCTION BOOSTS CORPORATE BOND ISSUANCES IN APR'25

GROSS PRIVATE PLACEMENTS – 1MFY (Rs. bn)

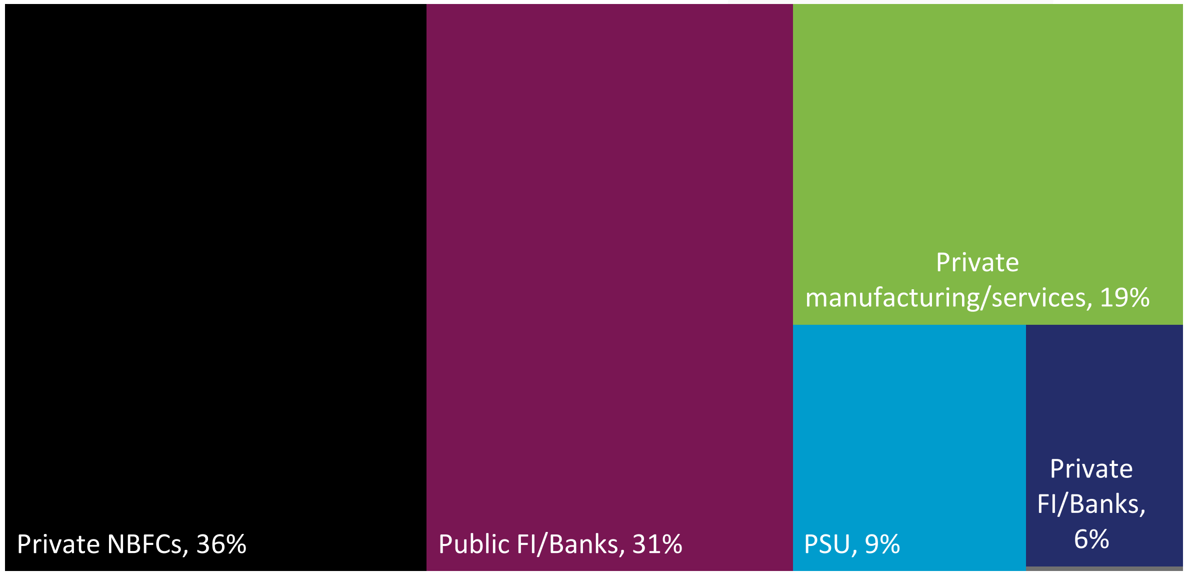


- Debt issuances more than doubled y/y in Apr'25, with several large corporations and conglomerates eyeing to raise funds at lower rates amidst rate cuts and plush liquidity
- AAA papers dominated issuances in Apr'25, driven by 25-30 bps compression in yields, while lower rated papers accrued smaller benefit of ~20 bps yield reduction
- 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 – 1MFY (%)

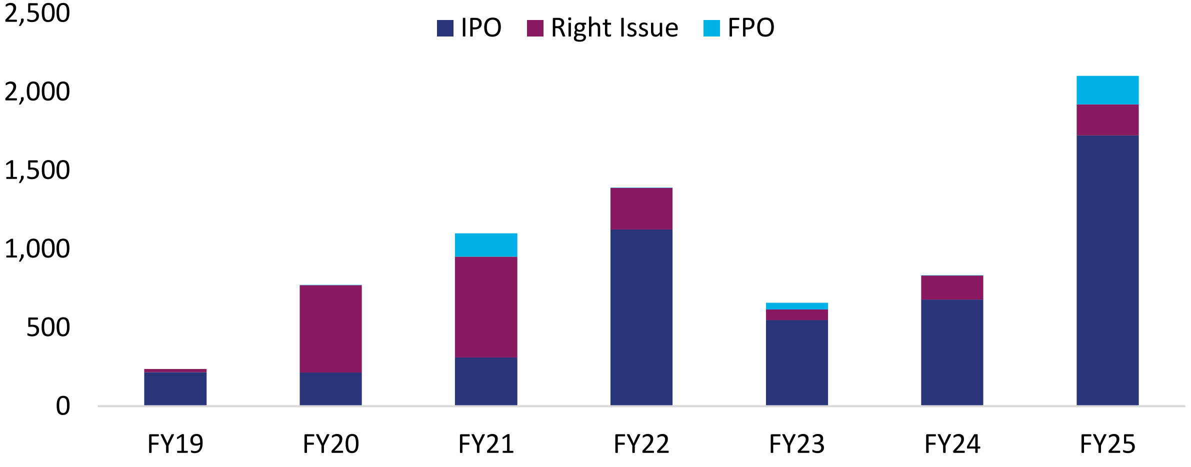


ISSUER TYPE WISE GROSS ISSUANCES BY AMOUNT- 1MFY26

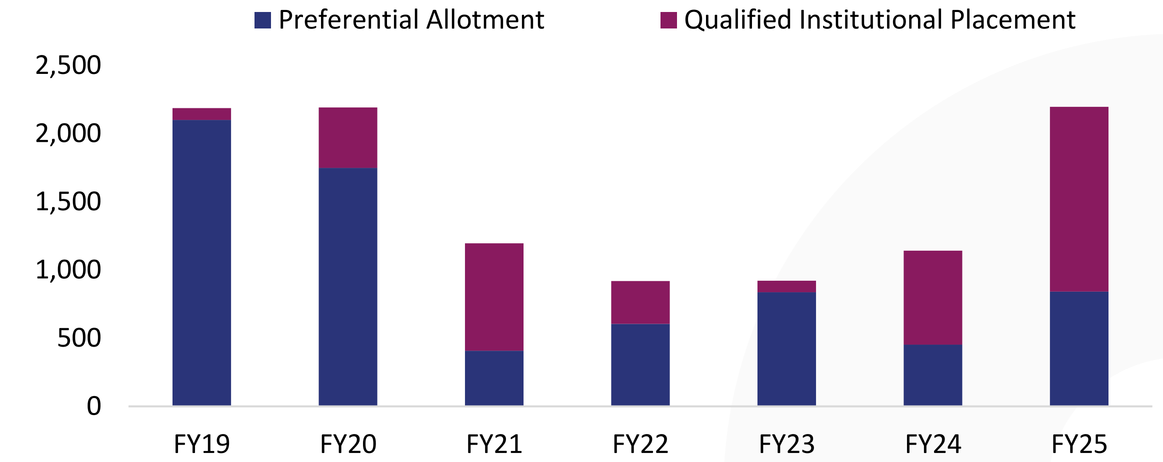


RECORD EQUTIY MOBILISATION THROUGH PRIMARY MARKETS IN FY25

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	FY25
Automobile and Auto Components	15.2	366.6
Consumer Services	87.0	287.0
Financial Services	170.2	239.8
Telecommunication	1.3	227.2
Capital Goods	121.4	181.3
Healthcare	111.9	148.2
Total	830.9	2,101.9

- FY25 was anointed as a bumper year for equity IPOs, growing 2.5x of FY24 levels, with favourable valuations and domestic fundamentals aiding capital raise
- Notably, India secured 22% share in global IPO activity in Q4FY25, despite slowdown in IPOs due to global market rout
- Beyond public markets, private primary markets continue to gain steam, reaching ~Rs. 2.2 trn (1.9x FY24 levels) led by unprecedented QIPs
- QIPs that have surpassed the cumulative of last 3 FYs in FY25, driven by solid issuances by real estate players. Notably, several PSU FIs raised funds via QIP in Feb'25

Source: SEBI, SBICAPS

GLOBAL SNAPSHOT

INVESTORS DISILLUSIONED BY US TYRANNY ON TRADE

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COMMODITY	%1M CHANGE	%1Y CHANGE
LME Metals Index	4%	-6%
Copper	-3%	-3%
Aluminium	-2%	-4%
Iron Ore 62% Fe*	-6%	-17%
Gold	7%	42%
Brent Crude	-10%	-29%
Natural Gas	-4%	72%
Newcastle Coal	-3%	-34%

EQUITY INDICES	%1M CHANGE	%1Y CHANGE
S&P 500	12.1%	10.9%
Nikkei 225	18.3%	-5.2%
STOXX Europe 600	8.1%	6.1%
FTSE 100	6.7%	4.7%
BSE Sensex 30	6.8%	9.0%
Hang Seng	-1.5%	21.1%
IBOV	6.2%	5.2%

CURRENCIES	%1M CHANGE	%1Y CHANGE
DXY Index	-3.2%	-5.0%
USD/EUR	-3.7%	-5.0%
USD/JPY	-2.4%	-6.3%
USD/GBP	-4.2%	-5.5%
USD/CNY	0.2%	0.4%
USD/INR	-1.1%	1.3%

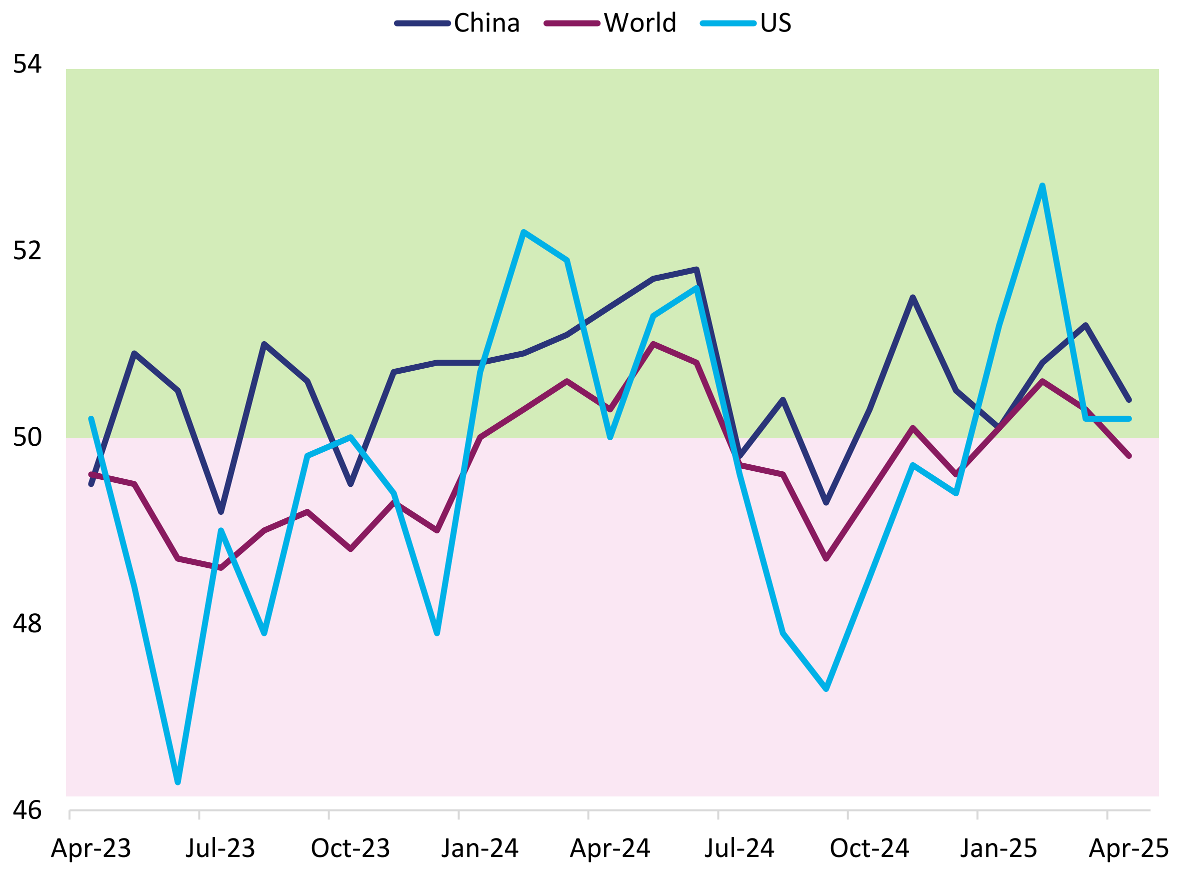
Note: Positive numbers indicate strengthening USD

- Gravity caught up with the greenback as it pared all gains of CY25 and slumped to its lowest levels in over 3 years, with investors signaling a loss of confidence in USD assets over volatile US trade policies amidst economic shake-up
- Crude oil prices crashed in the aftermath of the tariffs on fears of tariff induced slowdown and over-supply amidst production hike by 8 OPEC+ countries
- Equity indices had fallen sharply post POTUS Mr. Trump's liberation day façade but soon bounced back as trade embargo hit a pause, with several nations readying to carve out bilateral deals

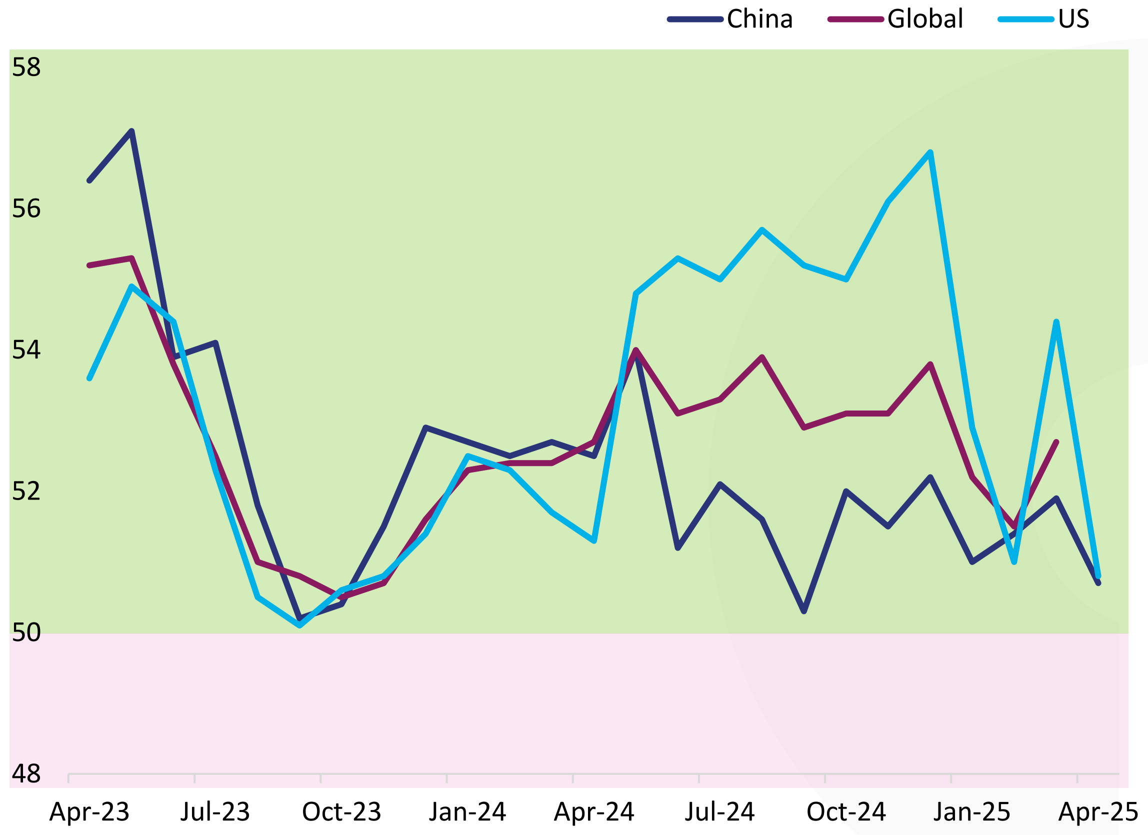
1Y & 1M change are as of 05 May'25, * CFR China

GLOBAL ECONOMIC ACTIVITY SLUMPS IN APR’25

GLOBAL PMI- MANUFACTURING



GLOBAL PMI- SERVICES

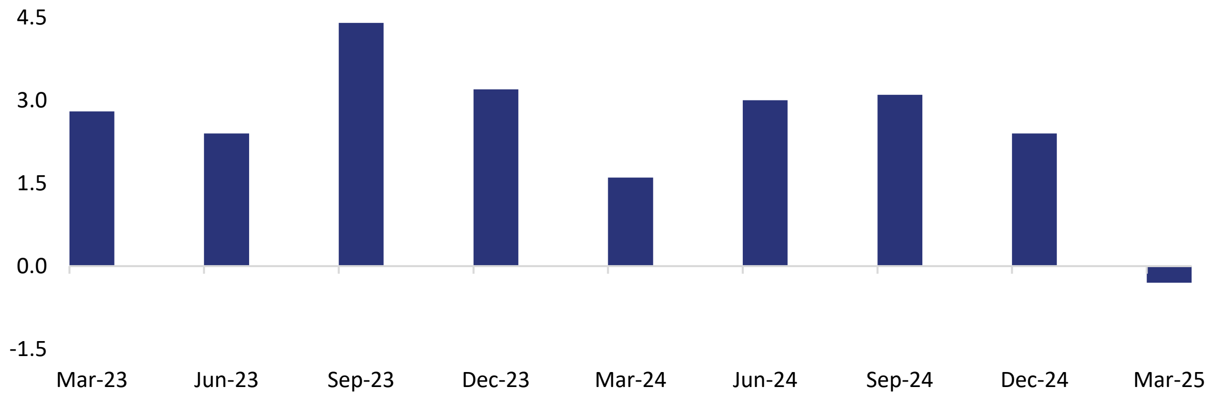


- Global manufacturing PMI rescinded into contractionary territories in Apr’25, with new orders and exports falling significantly as firms wait for policies to shift. Notably, US manufacturing PMI remained barely expansionary, with firms citing slower demand outlook and apprehension against committing to staffing or investments
- Services remain equally impacted by tariffs, with US services PMI falling to 1.5-year lows, due to higher input costs and demand uncertainty.

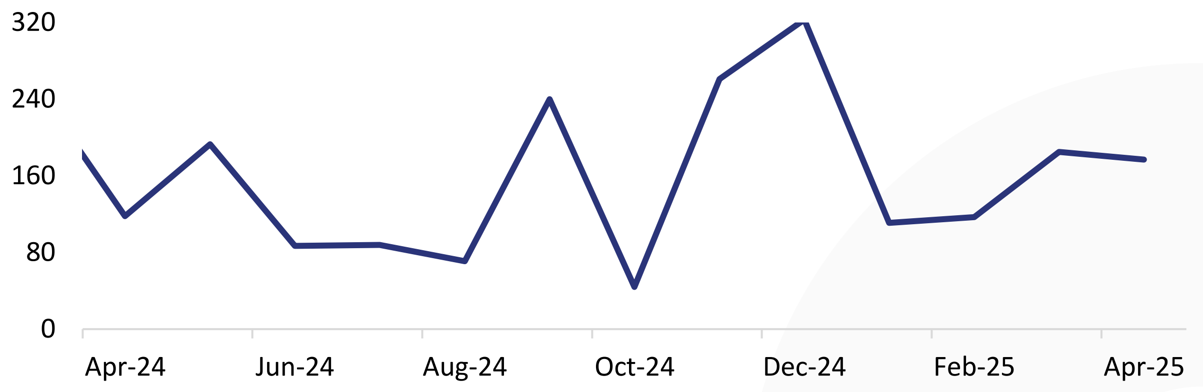
Source: S&P Global, Bloomberg, SBICAPS

TARIFF INDUCED INVENTORY BUILDUP DEFINES US SLOWDOWN IN Q1CY25

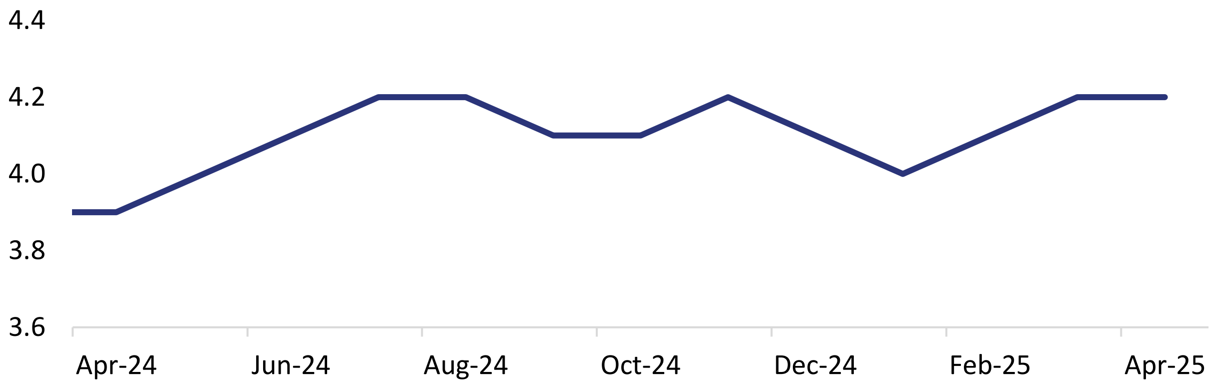
US REAL GDP GROWTH (% Q/Q SAAR)



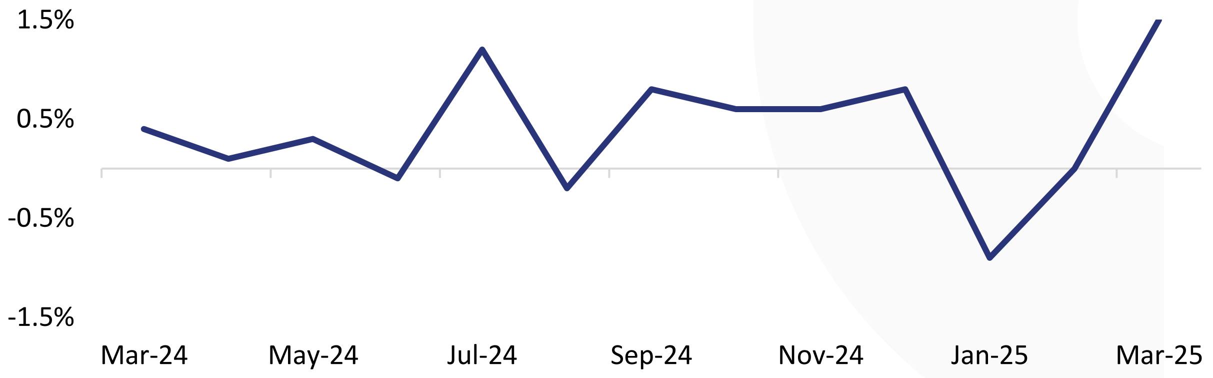
CHANGE IN NON-FARM PAYROLL ('000 M/M)



UNEMPLOYMENT RATE (%)



RETAIL SALES (M/M)



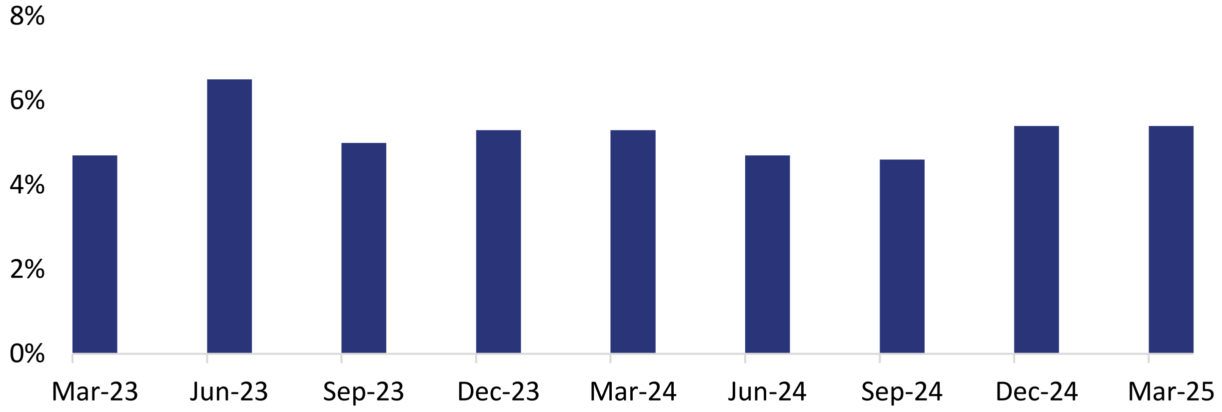
- US economy shrank 0.3% q/q saar in Q1CY25 (Q4CY24: 2.4% q/q saar) with net exports subtracting 5pp off of headline, its highest drag since 1947, as firms and consumers stocking on imports before tariffs. Notably, consumer spending rose at a tepid pace, while DOGE induced job cuts curbed government spending

- US labour market stability was underscored by higher than expected non-farm payrolls growth at 177k in Apr'25, with unemployment rate being stable at 4.2%, despite uptick in labour force participation. Further, retail sales rose sharply in Mar'25, boosted by auto sales, in anticipation of tariff related price hikes in the future

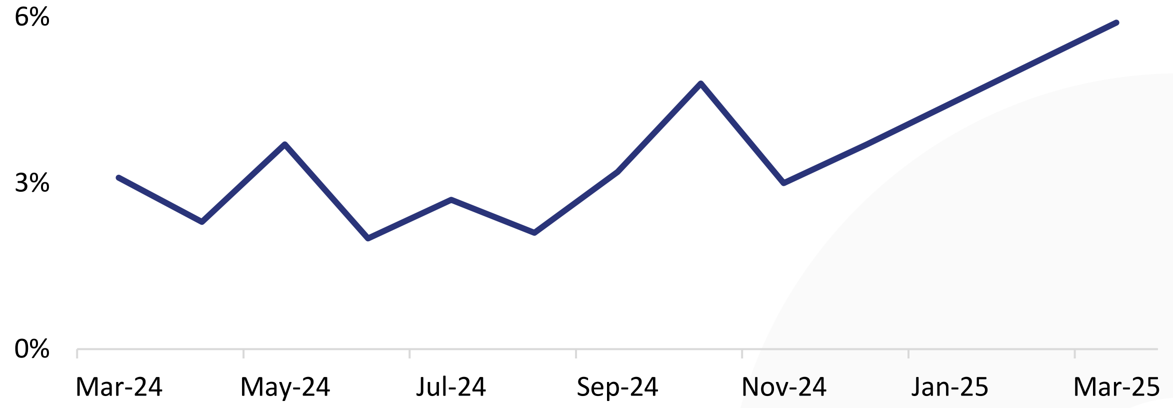
Source: Bloomberg, US BLS, SBICAPS

STIMULUS INSPIRES CHINESE GROWTH, ALBEIT TARIFFS YET TO BITE

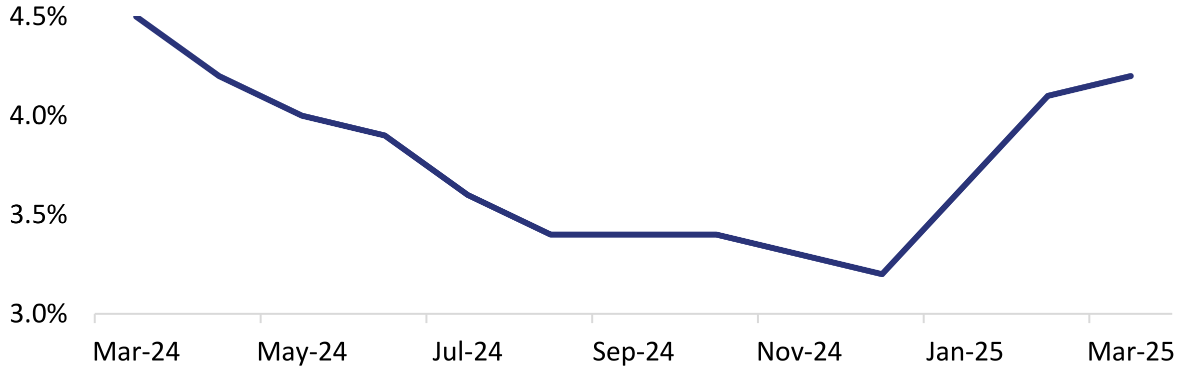
CHINA REAL GDP GROWTH (% Y/Y)



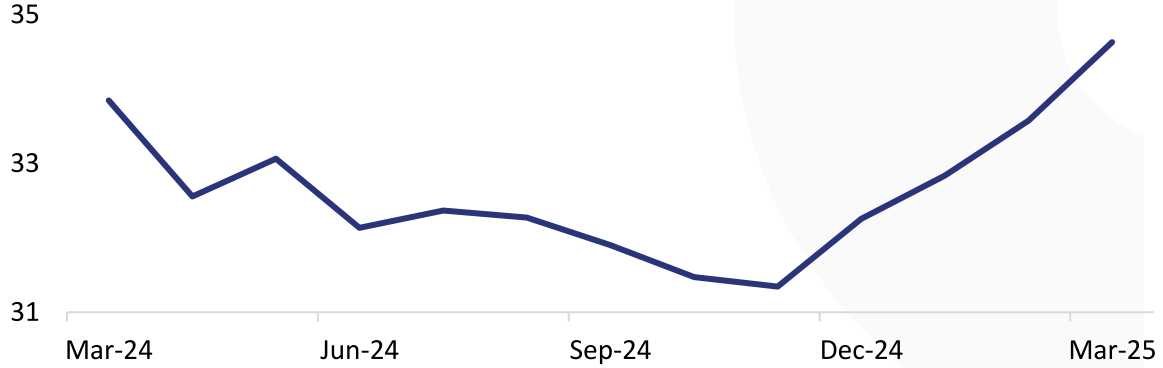
RETAIL SALES (% Y/Y)



FIXED ASSET INVESTMENT (% Y/Y)



AGGREGATE FINANCING (CNY TRN) – 12M CUMULATIVE ROLLING

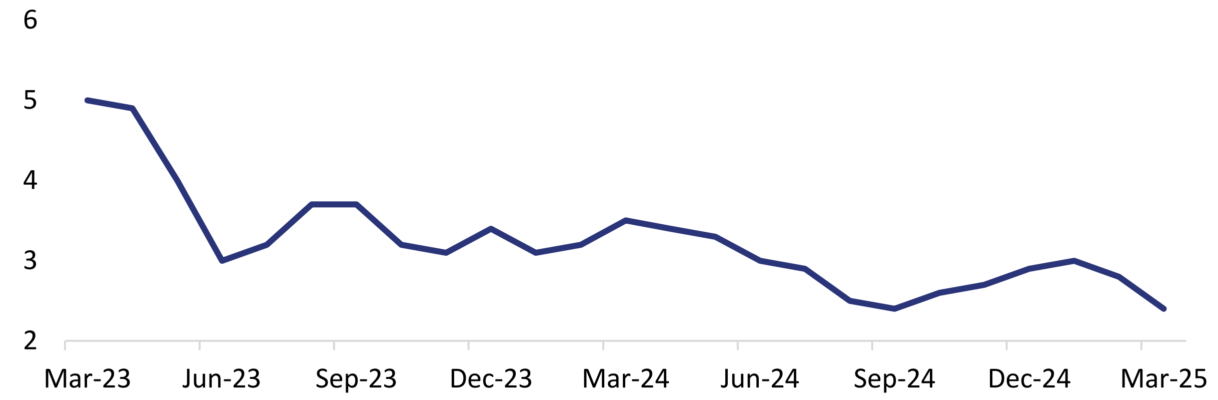


- China's economy grew 5.4% y/y in Q1CY25, beating all expectations, reflective of strong industrial activity, stimulus driven consumption and investments, ahead of steep new tariffs imposed by US. Politburo has outlined further plans to help exporters in tariff affected sectors to provide comfort in taking new orders
- Retail sales grew 6% y/y to CNY 4.1 trn in Mar'25, driven by consumer goods as trade-in schemes pick up pace. Industrial output grew 7.7% y/y in Mar'25 as large enterprises ramp up production. Credit growth rebounded further than expected in Mar'25, with a surge in corporate loans as policymakers ramp up stimuli to buttress escalating trade wars

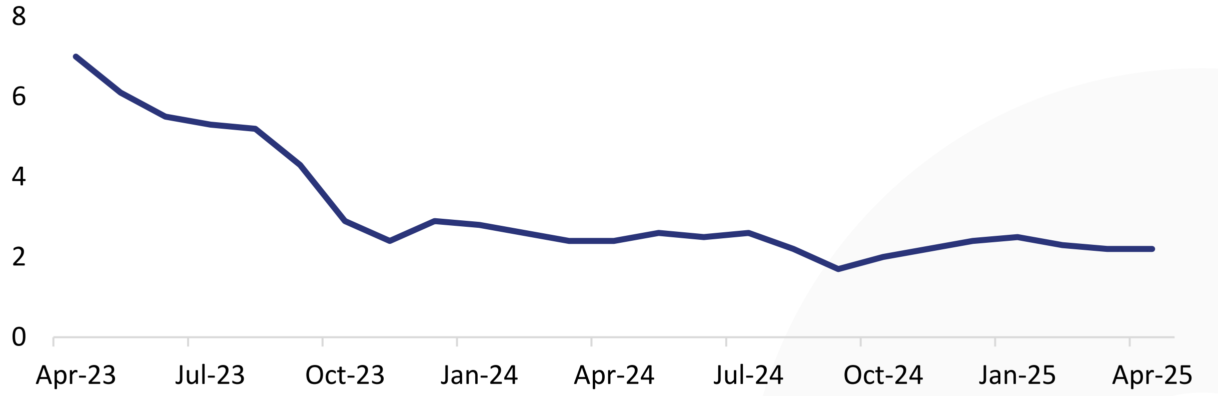
Source: Bloomberg, SBICAPS

INFLATION REMAINS DECEPTIVELY BENIGN AMIDST TARIFF WOES

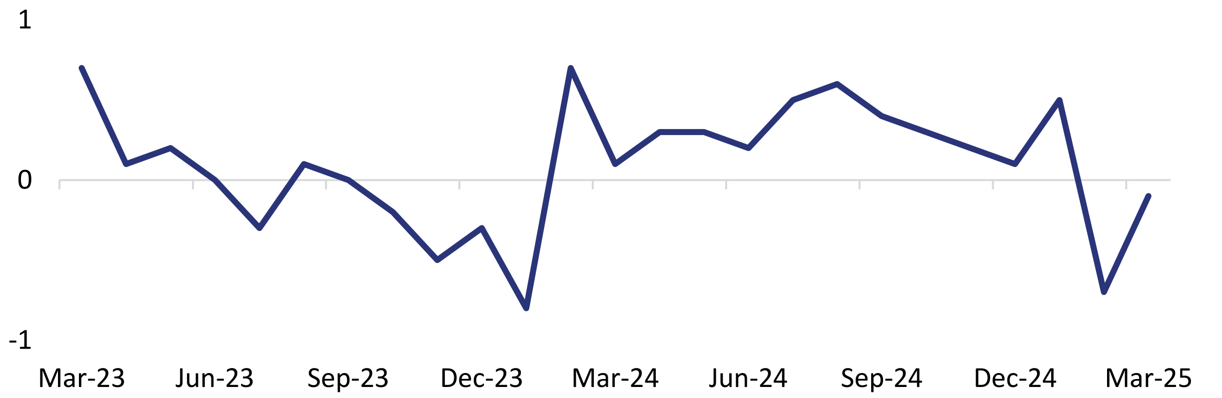
US CPI (% Y/Y)



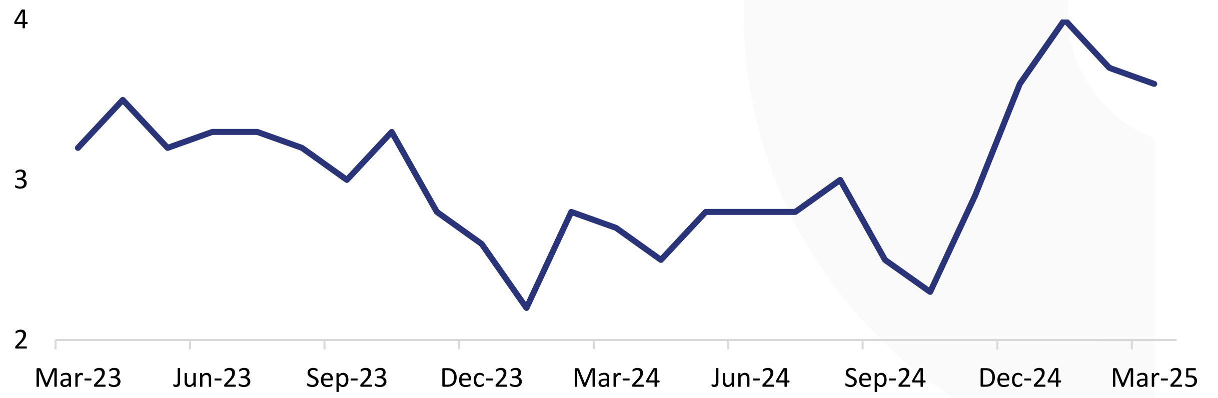
EUROZONE CPI (% Y/Y)



CHINA CPI (% Y/Y)



JAPAN CPI (% Y/Y)

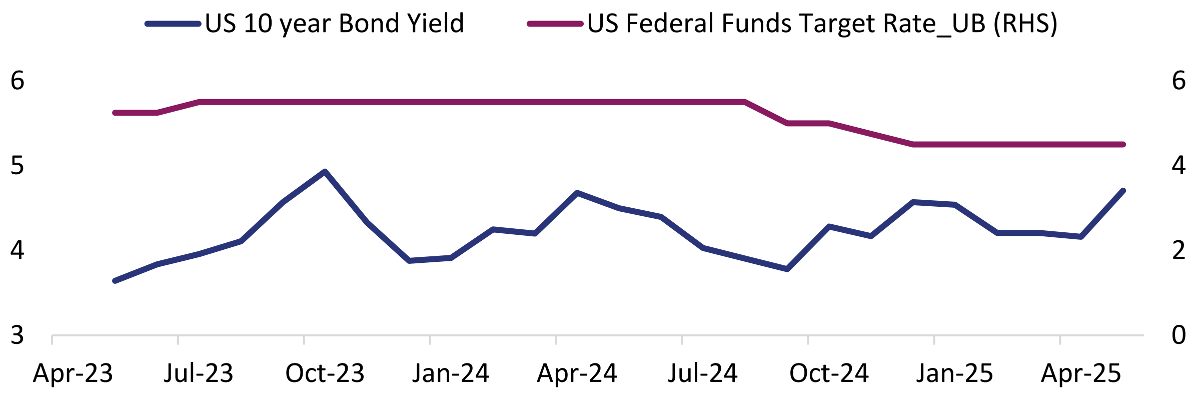


- US CPI eased to 6-month low of 2.4% y/y in Mar’25 as core fell to the lowest in 4-years. However, several US Fed officials have warned about mounting tariff pressures on inflation
- Eurozone inflation has been constantly hugging the target rate as US tariffs weigh on services activities. Inflationary woes persist in Asia with China’s deflationary woes re-appearing amidst trade gloom, while higher food and commodity costs keeps Japanese CPI elevated

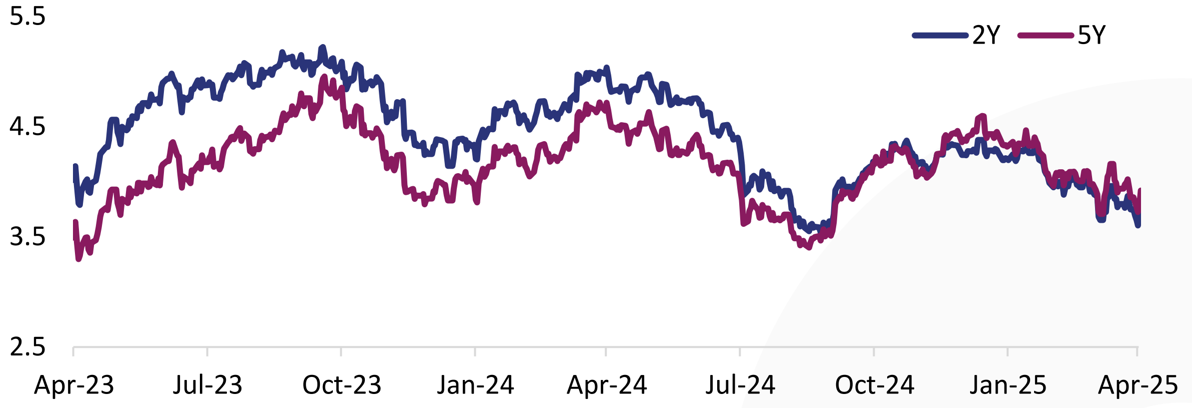
Source: Bloomberg, SBICAPS

US RATE CUT TRAJECTORY IS NOW STEEPER

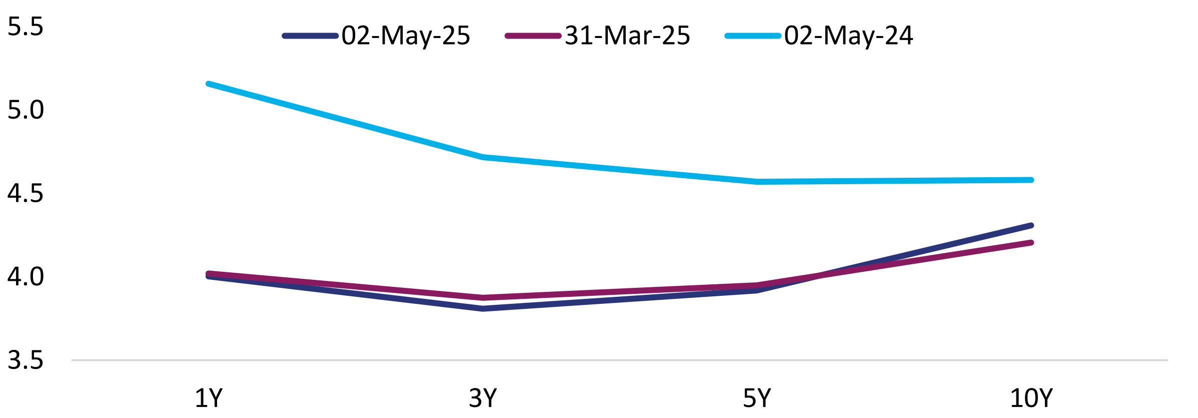
US 10-YEAR G-SEC YIELD VS POLICY RATE (%)



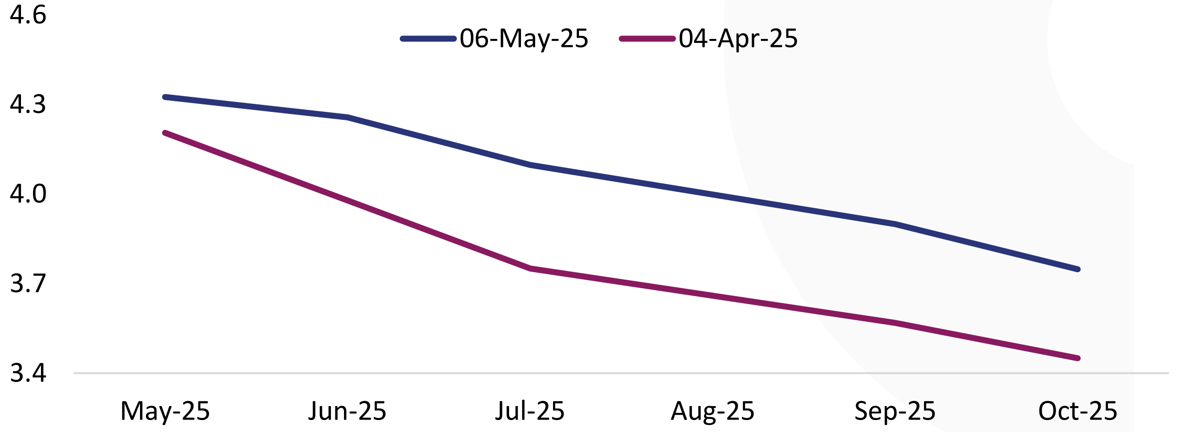
US 2Y AND 5Y G-SEC YIELD (%)



YIELD CURVE (%)



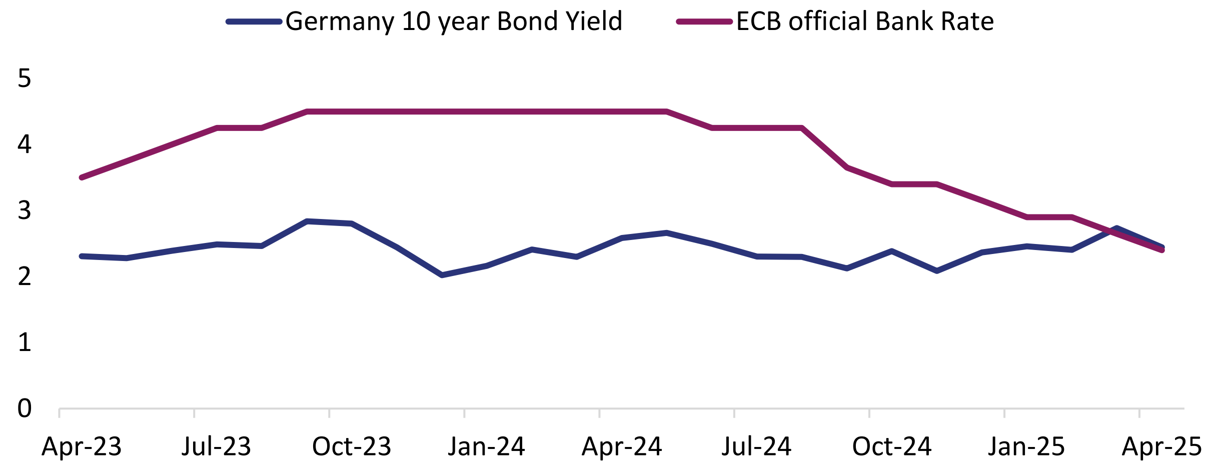
MARKET-IMPLIED PATH OF US FED POLICY RATE (%)



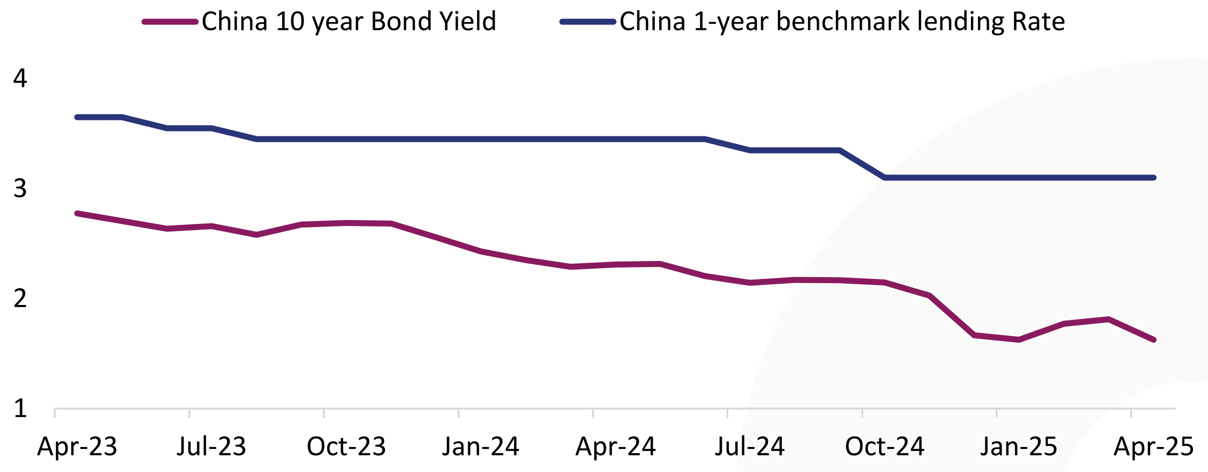
- US 10Y yields have ascended significantly after a dramatic Apr’25, marred with trade wars and loss of appetite for some US assets, underscored by tepid demand at US Treasury Auctions by international participants. Any relief to yields due to potential China deal was offset by higher-than-expected jobs report
- Rate cut expectations remain steep, with Federal Funds Rate futures indicating 99% chance of pause in Jun’25 meeting, but larger cuts thereafter

CENTRAL BANKS CHALK OUT PATH TO NAVIGATE CHAOTIC ENVIRONMENT

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



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



POLICY RATE OF OTHER MAJOR CENTRAL BANKS

REGION	MAR'22	MAR'23	MAR'24	MAR'25	CURRENT
England	0.75%	4.25%	5.25%	4.50%	4.50%
Japan	-0.10%	-0.10%	0.10%	0.50%	0.50%
Brazil	11.75%	13.75%	10.75%	14.25%	14.25%
Australia	0.10%	3.60%	4.35%	4.10%	4.10%
Canada	0.75%	4.50%	5.00%	2.75%	2.75%
S. Korea	1.25%	3.50%	3.50%	2.75%	2.75%
S. Africa	4.25%	7.75%	8.25%	7.50%	7.50%
Russia	20.00%	7.50%	16.00%	21.00%	21.00%

- ECB cut its policy rate by 25 bps to 2.25% on weak growth, while aiming to provide more stimulus. Several ECB officials have suggested to cut rates below neutral
- Japan hit pause on rate action while cutting growth forecasts, suggesting significant hit to exports. Mr. Ueda has indicated to hold further, till clarity is achieved on US tariffs
- Turkey reversed its easing cycle, hiking rates by 3.5% to 46%, aimed at easing inflation expectations and alleviate pressures on TRY amidst a political fallout

ECONOMIC CALENDAR

GLOBAL ECONOMIC CALENDAR – (07 MAY– 19 MAY)

DATE	AREA	EVENT	PERIOD
7	EC	Retail Sales YoY	Mar
7	US	FOMC Rate Decision	
8	UK	Bank of England Bank Rate	
8	BZ	Selic Rate	
8	PH	GDP YoY	1Q
9	CH	Trade Balance	Apr
9	CH	New Yuan Loans CNY YTD	Apr
9	CH	Aggregate Financing CNY YTD	Apr
10	CH	PPI YoY	Apr
10	CH	CPI YoY	Apr
12	US	Federal Budget Balance	Apr
12	**IN**	**CPI YoY**	**Apr**
13	US	CPI YoY	Apr
13	BZ	Central Bank Meeting Minutes	
14	JN	PPI YoY	Apr
14	**IN**	**Wholesale Prices YoY**	**Apr**
15	UK	GDP YoY	1Q P
15	UK	Industrial Production YoY	Mar

DATE	AREA	EVENT	PERIOD
15	UK	Trade Balance GBP/Mn	Mar
15	EC	GDP SA YoY	1Q S
15	US	Industrial Production MoM	Apr
15	US	Capacity Utilization	Apr
15	**IN**	**Trade Balance**	**Apr**
15	EC	GDP SA YoY	1Q S
16	JN	GDP Annualized SA QoQ	1Q P
16	JN	Industrial Production YoY	Mar F
16	EC	Trade Balance SA	Mar
16	US	Housing Starts	Apr
16	US	Building Permits	Apr P
16	JN	GDP SA	1Q P
16	MA	GDP YoY	1Q F
16	HK	GDP YoY	1Q F
19	CH	New Home Prices MoM	Apr
19	CH	Retail Sales YoY	Apr
19	CH	Industrial Production YoY	Apr
19	CH	Fixed Assets Ex Rural YTD YoY	Apr

Source: Bloomberg, SBICAPS

GLOBAL ECONOMIC CALENDAR – (19 MAY– 30 MAY)

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DATE	AREA	EVENT	PERIOD
19	CH	Residential Property Sales YTD YoY	Apr
19	EC	CPI YoY	Apr F
19	TH	GDP YoY	1Q
20	CH	Loan Prime Rate	
20	**IN**	**Eight Infrastructure Industries**	**Apr**
20	AU	RBA-Statement on Monetary Policy	
21	JN	Trade Balance	Apr
21	UK	CPI YoY	Apr
22	JN	Jibun Bank Japan PMI Composite	May P
22	**IN**	**HSBC India PMI Composite**	**May P**
22	EC	HCOB Eurozone Composite PMI	May P
22	US	S&P Global US Composite PMI	May P
23	US	New Home Sales	Apr
23	GE	GDP	1Q F
27	CH	Industrial Profits YoY	Apr
28	**IN**	**Industrial Production YoY**	**Apr**
28	US	FOMC Meeting Minutes	

DATE	AREA	EVENT	PERIOD
28	FR	GDP YoY	1Q F
29	US	GDP Annualized QoQ	1Q S
29	SK	BOK Base Rate	
29	MX	Central Bank Monetary Policy Minutes	
30	JN	Tokyo CPI YoY	May
30	JN	Industrial Production YoY	Apr P
30	JN	Retail Sales YoY	Apr
30	**IN**	**GDP YoY**	**1Q**
30	IN	Fiscal Deficit YTD INR	Apr
30	US	PCE Price Index YoY	Apr
30	**IN**	**Bank Credit YoY**	**Apr**
30	CH	Composite PMI	May
30	BZ	GDP YoY	1Q
30	CA	GDP YoY	Mar
30	TU	GDP YoY	1Q
30	**IN**	**GDP YoY**	**1Q**
30	BZ	GDP YoY	1Q

Source: Bloomberg, SBICAPS

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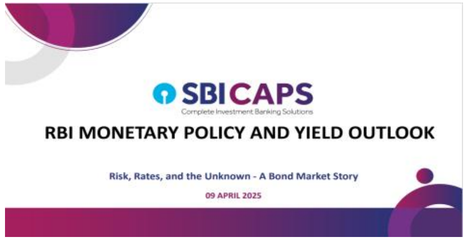

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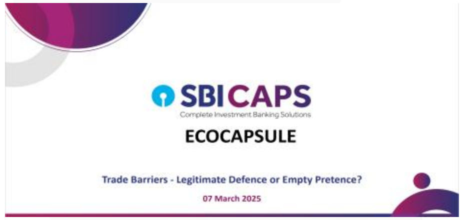

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