

02 April 2026

Key International events:

The ISM said **US's Manufacturing PMI inched up to 52.7 in March 2026 from 52.4 in February 2026**. Economists had expected the index to edge down to 52.3.

As per ADP, **Private Sector Employment in the US grew by 62,000 jobs in March 2026 after climbing by an upwardly revised 66,000 jobs in February 2026**. Private sector employment in the US increased by more than expected.

The EIA said that **crude oil inventories in the US climbed by 5.5 mn barrels in the week ended March 27, 2026 after jumping by 6.9 mn barrels in the previous week**. Economists had expected crude oil inventories to rise by 2.0 mn barrels.

The US Conference Board said that **Consumer Confidence Index of US inched up to 91.8 in March 2026 from a downwardly revised 91.0 in February 2026** amid a surge in gasoline prices and continued tariff pass-through.

The US Labor Department said that **job openings in the US fell to 6.88 mn in February 2026 from an upwardly revised 7.24 mn in January 2026**. Job openings in the US decreased from an upwardly revised level in the month of February 2026.

According to a survey from the University of Michigan, **the US Consumer Sentiment Index for March 2026 fell to 53.3, from 56.6 in February 2026**, though American households do not appear to expect the impact of the Iran war on inflation and growth to persist in the long term.

Data from Eurostat showed that **the Unemployment Rate of Eurozone rose to 6.2% in February 2026 from 6.1% in January 2026**. In the same period last year, the jobless rate was 6.3%.

As per flash estimate from Eurostat, **Eurozone Inflation rose to 2.5% YoY in March 2026 from 1.9% YoY in February 2026. A similar higher rate was last seen in January 2025**. Eurozone inflation accelerated to the highest since early 2025 as energy prices surged amid the war in Iran.

According to the European Central Bank's Consumer Expectations Survey, **inflation expectations in the Euro Area declined, with median expectations for the next 12 months falling to 2.5% YoY in February 2026 from 2.6% YoY in January 2026**. However, the survey captured responses before the outbreak of the Middle East war.

Survey results from S&P Global showed that **the Headline RatingDog Manufacturing Purchasing Managers' Index of China fell to 50.8 in March 2026 from 52.1 in February 2026**. China's manufacturing activity continued to expand in March 2026 but the pace of growth moderated from the previous month.

The China's National Bureau of Statistics showed that the manufacturing sector in China moved back up into expansion territory in March 2026, **with a manufacturing PMI score of 50.4. That beat expectations for a score of 50.1 and it was at 49.0 in February 2026**.

As per data from China's National Bureau of Statistics, **Industrial Profits in China grew 15.2% YoY in January – February 2026 following a 0.6% YoY increase for the whole of CY25**. This reinforces recovery signals in the world's second largest economy even as the Middle East war threatens global growth.

Key Domestic events:

According to government data released, **the net Goods and Services Tax (GST) revenue in March 2026 rose 8.2% YoY to Rs 1.78 trillion, excluding compensation cess receipts (which have now largely ended)**. This marked the strongest growth in the last six months of the GST 2.0 regime. In absolute terms, March 2026 net GST revenue is the highest in the last six months, surpassing January 2026 Rs 1.70 trillion.

Rating agencies like Crisil and CareEdge reported a moderation in rating ratios during the H2 FY26 compared with the H1 FY26, while India Ratings & Research (Ind-Ra) said that the upgrade-to-downgrade (UID) ratio dipped in FY26 relative to FY25. **ICRA, however, said that the credit ratio improved to 3.1x in FY26 from 2x in FY25, with 388 upgrades versus 124 downgrades. The agency said that the default rate remained low at 0.4%, indicating benign credit conditions.**

The Ministry of Railways ferried **1,670 mt of cargo in FY26, marking a 3.3% YoY increase**, but falling about 30 mt short of its target laid out in the revised estimates of the Union Budget. **Coal cargo, at 818 mt in FY26, recorded a 0.5% YoY decline**. The ministry has set a target to achieve 3,000 mt of freight by 2031.

As per the NSO data, **India's Industrial Production grew 5.2% YoY in February 2026, mainly due to improvement in manufacturing sector**. The factory output, measured in terms of IIP, expanded by 2.7% YoY in February 2025. NSO revised the industrial production growth for January 2026 to 5.1% YoY.

Government data showed that **as of February 2026, India's fiscal deficit escalated to Rs 12.5 trillion, capturing 80.4% of the year's aimed target**. This decrease from last year showcases improved financial governance. The economy amassed total receipts of Rs 27.92 trillion while spending reached Rs 40.45 trillion. Strong non-tax revenue, fueled by RBI transfers, contributed significantly.

According to the EY Economy Watch report if the impact continues through FY27, **India's GDP growth could fall from the projected 7% YoY to roughly 6% YoY, while Consumer Price Index (CPI) inflation could increase from 4% YoY to about 5.5 % YoY**.

As per Crisil Ratings, India's residential real estate industry appears to have entered a phase of calibrated growth after a strong post-pandemic surge **that saw it clock a CAGR of 26% in sales value from FY22 to FY25**.

According to CEO of CareEdge Global IFSC Limited, rising global crude oil prices due to tensions in West Asia could push up India's inflation significantly. **A USD 10 increase per barrel in crude oil prices could raise India's headline inflation by 55-60 bps in FY27**.

As per RBI data, **India's forex reserves dropped by USD 11.41 bn to USD 698.35 bn during the week ended March 20, 2026 due to a sharp decrease in gold reserves**. While Foreign Currency Assets increased by USD 2.13 bn to USD 557.69 bn, Gold reserves decreased by USD 13.49 bn to USD 117.19 bn during the week.

As per RBI data, **banking credit grew by 13.8% YoY in the fortnight ended March 15, 2026**, lower compared to 14.5% YoY growth recorded in the previous fortnight. On the other hand, **deposits saw 10.8% YoY growth in the fortnight compared to 10.2% YoY in the previous fortnight**.

According to the RBI, **the central government plans to issue Rs 8.2 trillion worth of G-secs in H1 FY27**, which is 51% of the revised borrowing estimate of Rs 16.09 trillion for FY27. The strategy includes 26 weekly auctions and green bonds to raise funds for sustainable projects.

According to the Chief Economic Advisor, V Anantha Nageswaran, in the monthly economic review, **the combined impact of West Asia's conflict on India across growth, inflation, the fiscal balance, and external balances is likely to be significant**. Early high-frequency indicators for March 2026 suggest a moderation in economic momentum, reflecting the initial impact of these global developments

Equity Round up: BSE Sensex opened at 72,565. It made a weekly high of 73,965 and a low of 71,546 before closing 264 points lower at 73,320.

Events to watch out for the next week:

International Events

1. ISM US Services PMI for Mar'26 on 06 Apr'26
2. US FOMC Meeting Minutes on 08 Apr'26
3. US CPI for Mar'26 on 10 Apr'26
4. HCOB Eurozone Composite PMI for Mar'26 on 07 Apr'26
5. Eurozone Sentix Investor Confidence for Apr'26 on 07 Apr'26

Domestic Events

1. Forex Reserves for week ended 03 March 2026 on 10 April 2026
2. HSBC Composite PMI Final for Mar'26 on 06 Apr'26
3. HSBC Services PMI Final for Mar'26 on 06 Apr'26

Key Equity Market Indices	Closing	% Change WoW
BSE Sensex	73,320	-0.36
Nifty 50	22,713	-0.47
BSE 100	23,846	-0.36
BSE 200	10,347	-0.43
Nifty Midcap 150*	19,806	-0.74
Nifty Smallcap 250*	14,724	0.47
BSE FMCG	17,087	-0.05
BSE HC	41,372	-2.49
BSE IT	29,288	2.95
BSE Auto	53,234	-1.18
BSE BANKEX	58,009	-1.37
BSE CG	66,360	1.00
BSE CD	53,320	-0.73
BSE Oil & Gas	25,653	0.00

* BSE Midcap and BSE Small Cap indices data is not available for 2nd April'26 so included Nifty Indices.

Other Key Indices#	Closing	Change WoW
10 Year G-Sec (6.48% 2035)	7.00%	12 bps
Interbank Call	6.90%	160 bps
INR/USD	93.10	-1.80%
Gold (Rs/10gm)	1,46,608	2.56%

Taken during market hours, 10 Year G-Sec (6.48% 2035) and Interbank Call as on 30 March '26

World Indices	Closing	% Change WoW
Dow Jones*	46,566	1.32
Nasdaq*	21,841	2.02
FTSE	10,338	4.42
DAX	22,820	2.57
Hang Seng	25,117	0.66
Nikkei	52,463	-1.70
Bovespa*	1,87,953	2.86
Indonesia Jakarta	7,027	-0.99

* Data as on 01 April '26

Rs. Bn	Gross Buying	Gross Selling	Net (WoW)
FPIs	1486.4	1996.4	-510.0
DIIs	1001.0	813.4	187.6

Data for FPI from 20 March 2026 to 30 March 2026. Data for DII from 20 March 2026 to 27 March 2026.

Arbitrage Spreads	Spot	Future*	Prem/(Dis)
Nifty 50	22,713	22,773	60

*April 2026 Expiry

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