

Key International events:

Federal Reserve Bank of New York President John Williams said that **he does not expect a sustained rise in energy prices for the rest of CY26, despite renewed conflict in the Middle East**. Williams also said that market expectations for oil prices to decline over the next six to 12 months remain reasonable.

The Federal Reserve released the minutes of its June 16-17, 2026 monetary policy meeting, which marked Kevin Warsh's first meeting as head of the central bank. **The Fed said that most participants remarked on scenarios in which inflationary pressures would dissipate and inflation would soon begin to return to 2% YoY.**

The Energy Information Administration released a report showing US crude oil inventories unexpectedly increased. **The report said that crude oil inventories climbed by 3.0 mn barrels in the week ended July 3, 2026 after falling by 3.8 mn barrels in the previous week.** Economists had expected crude oil inventories to decrease by 1.9 mn barrels.

The US Commerce Department said that **the US Trade Deficit widened to USD 77.6 bn in May 2026 from a revised USD 54.6 bn in April 2026**. Economists had expected the trade deficit to surge to USD 78.7 bn from the USD 55.9 bn originally reported for the previous month. The substantially wider trade deficit came amid a sharp increase in the value of imports and a steep drop in the value of exports.

The ISM said that **US's Services PMI edged down to 54.0 in June 2026 after rising to 54.5 in May 2026**, although a reading above 50 still indicates growth. The modest decrease matched economist estimates.

Federal Reserve Chairman Kevin Warsh said that **he would stick firmly to the US central bank's 2% YoY inflation target and "disappoint" anyone who expects loose monetary policy despite President Donald Trump's call for interest rate cuts.**

A senior European Central Bank policymaker said that **the outlook for the Eurozone economy remains fragile**, calling for monetary policy decisions to be tested against a range of scenarios given the profound shifts in the global economy.

Eurostat reported that Eurozone producer prices rose at a slower pace in May 2026 largely due to the decline in energy prices. **Producer prices grew 0.2% MoM in May 2026, slower than the 0.7% MoM increase in April 2026.**

Survey data from the behavioral research institute Sentix showed that **the investor confidence index of Eurozone rose to a four-month high of -3.1 in July 2026 from -13.4 in June 2026**. The reading was expected to improve to -8.9.

S&P Global data showed that **the Eurozone Composite Output Index registered 50.0 in June 2026 compared to 49.5 in May 2026. The flash score was 49.5.** The stabilization reflects growth in manufacturing being offset by a further fall in services.

Survey data from S&P Global showed that **the UK Services Purchasing Managers' Index (PMI) posted 48.8 in June 2026, down from 49.3 in May 2026.** The flash score was 48.7. The score hit the lowest since the start of 2023.

The China's National Bureau of Statistics said that **overall Consumer Prices in China were up a seasonally adjusted 0.3% MoM in June 2026.** That missed expectations for a decline of 0.2% MoM following the 0.1% MoM drop in May 2026.

Survey data from S&P Global showed that **China's headline RatingDog Services Purchasing Managers' Index (PMI) fell to 54.1 in June 2026 from 54.4 in the previous month.** The reading was expected to decline to 53.0.

Japan's Ministry of Finance said that **Japan posted a Current Account Surplus of JPY 3.968 trillion in May 2026.** That missed expectations for a surplus of JPY 4.121 trillion and was up from JPY 3.908 trillion in April 2026.

Key Domestic events:

According to the RBI, India's foreign exchange reserves declined to a 15-month low of USD 666.93 bn during the **week ended June 27, 2026, the lowest since the week ended March 28, 2025.** The total reserves fell by USD 5.65 bn due to a decline in gold reserves, which fell by USD 5.39 bn to USD 102.54 bn during the reported week.

In the July 2026 Asian Development Outlook, **the ADB forecasted Developing Asia and the Pacific to grow 4.9% YoY, which was slower than the 5.1% YoY expansion estimated in April 2026. However, the outlook for CY27 was maintained at 5.1% YoY.** The Asian Development Bank also downgraded its growth outlook for developing Asia and the Pacific citing higher energy costs, supply disruptions and tighter financial conditions following the Middle East conflict.

Finance minister Nirmala Sitharaman **urged Global Capability Centres (GCCs) to move up the value chain while Chief Economic Adviser (CEA) V Anantha Nageswaran cautioned that Artificial Intelligence (AI) can be a threat to such centres that are focussing on low-cost and repetitive work.**

The International Monetary Fund (IMF) trimmed its **global growth forecast for CY26 to 3% YoY from the 3.1% YoY it had projected in April 2026.** It also forecast global growth of 3.4% YoY for CY27.

The International Monetary Fund (IMF) **pared its growth forecast for India by 10 bps to 6.4% YoY for FY27 from its April 2026 forecast, saying higher energy prices may offset the resilience in the country's economic activity.** For FY28, the multilateral organisation upgraded its growth forecast by 20 bps to 6.7% YoY.

According to ICRA, **India's power transmission sector is likely to witness Rs 6 trillion in investment over the next six years through 2032** as the country gears up to integrate upcoming Renewable Energy (RE) capacity into the grid.

According to data released by the GSTN, **E-way bill generation under the Goods and Services Tax (GST) regime rose 14.5% YoY to a four-month high of 136.77 mn in June 2026 from 119.46 mn a year earlier.** It's pointing to continued resilience in goods movement and steady tax compliance.

The ACMA said that **India's auto component industry recorded a turnover of Rs 7.60 trillion (USD \$5.9 bn) in FY26, registering growth of 12.7% YoY in rupee terms.** The performance was driven by robust domestic demand, higher vehicle production, sustained investments in capacity and technology, and steady export growth despite an increasingly uncertain global environment.

According to Crisil Ratings, **NBFCs drove India's securitisation market to its strongest-ever first-quarter performance in Q1 FY27, with issuances rising 22% YoY to around Rs 600 bn.** More than 98% of the volume originated from NBFCs, unlike previous peak periods when bank-originated transactions had also contributed significantly.

According to FADA, **India's passenger vehicle sales stood at 4,10,853 units, recording a jump of 28.63% YoY in June 2026.** The auto dealers body reported that the total automobile industry retailed 25,57,234 units with a 21.83% YoY growth in June 2026 with tractors recording 25.31% YoY growth, two-wheelers at 21.22% YoY, commercial vehicles at 16.88% YoY and three-wheelers at 16.21% YoY.

According to data released by the Finance Ministry's Department of Public Enterprises (DPE), **CPSEs achieved 25% of their FY27 capex target in Q1 FY27, with spending rising 26% YoY to Rs 2.10 trillion,** led by the Railway Board and NHAI. In the corresponding quarter of FY26, CPSEs had achieved 22% of their full-year capex target.

Final data compiled by S&P Global showed that **the seasonally adjusted HSBC India Services PMI dropped to 57.4 in June 2026 from 59.8 in May 2026.** The flash score was 57.3. The softer increase in services output was due to the slowest growth in new orders in over two-and-a-half years. The weaker sales growth was attributed to challenging market conditions and reduced client interest in services.

Agriculture Commissioner P K Singh said that cotton sowing in India, which had lagged 23% YoY through the kharif season, has gained pace in July 2026 as the southwest monsoon strengthens in key growing states such as Maharashtra. Cotton acreage stood at 63.18 lakh hectare as on July 5, 2026 against 82 lakh hectare planted at the same period last year.

Equity Round up: BSE Sensex opened at 77,941. It made a weekly high of 78,665 and a low of 76,259 before closing 195 points lower at 77,569.

Events to watch out for the next week:

International Events

1. US CPI for Jun'26 on 14 Jul'26
2. US Capacity Utilization for Jun'26 on 17 Jul'26
3. China Industrial Production for Jun'26 on 15 Jul'26
4. China Balance of Trade for Jun'26 on 15 Jul'26

Domestic Events

1. Forex Reserves for week ended 10 July 2026 on 17 July 2026
2. CPI Inflation Rate for Jun'26 on 13 Jul'26
3. Bank Credit for Jun'26 on 13 Jul'26
4. Wholesale Prices for Jun'26 on 14 Jul'26
5. Trade Balance for Jun'26 on 15 Jul'26

Key Equity Market Indices	Closing	% Change WoW
BSE Sensex	77,569	-0.25
Nifty 50	24,207	-0.26
BSE 100	25,798	-0.04
BSE 200	11,337	0.16
Nifty Midcap 150*	23,167	1.23
Nifty Smallcap 250*	18,119	0.68
BSE FMCG	18,409	-1.18
BSE HC	49,941	-0.29
BSE IT	27,212	1.80
BSE Auto	59,410	-0.60
BSE BANKEX	65,688	0.36
BSE CG	79,102	0.46
BSE CD	62,003	2.15
BSE Oil & Gas	26,323	0.47

* BSE Midcap and BSE Small Cap indices data is not available for 10th July '26 so included Nifty Indices.

Other Key Indices#	Closing	Change WoW
10 Year G-Sec (6.94% 2036)	6.75%	3 bps
Interbank Call	5.34%	7 bps
INR/USD	95.33	0.11%
Gold (Rs/10gm)	1,43,368	-2.03%

Taken during market hours, 10 Year G-Sec (6.94% 2036) and Interbank Call as on 09 July '26

World Indices	Closing	% Change WoW
Dow Jones*	52,487	-0.78
Nasdaq*	26,207	1.45
FTSE	10,476	-1.29
DAX	25,131	-2.12
Hang Seng	24,175	3.53
Nikkei	68,558	-1.70
Bovespa*	1,72,742	-0.03
Indonesia Jakarta	5,924	0.83

* Data as on 09 July '26

Rs. Bn	Gross Buying	Gross Selling	Net (WoW)
FPIs	877.8	733.3	144.5
DIIIs	306.6	296.5	10.1

Data for FPI from 03 July 2026 to 09 July 2026. Data for DII from 03 July 2026 to 06 July 2026.

Arbitrage Spreads	Spot	Future*	Prem/(Dis)
Nifty 50	24,207	24,250	43

*July 2026 Expiry

Disclaimer: This document has been prepared on the basis of publicly available information, internally developed data and other sources believed to be reliable. HDFC Bank Limited ("HDFC Bank") does not warrant its completeness and accuracy. This information is not intended as an offer or solicitation for the purchase or sale of any financial instrument / units of Mutual Fund. Recipients of this information should rely on their own investigations and take their own professional advice. Neither HDFC Bank nor any of its employees shall be liable for any direct, indirect, special, incidental, consequential, punitive or exemplary damages, including lost profits arising in any way from the information contained in this material. HDFC Bank and its affiliates, officers, directors, key managerial persons and employees, including persons involved in the preparation or issuance of this material may, from time to time, have investments / positions in Mutual Funds / schemes referred in the document. HDFC Bank may at any time solicit or provide commercial banking, credit or other services to the Mutual Funds / AMCs referred to herein.

Accordingly, information may be available to HDFC Bank, which is not reflected in this material, and HDFC Bank may have acted upon or used the information prior to, or immediately following its publication. HDFC Bank neither guarantees nor makes any representations or warranties, express or implied, with respect to the fairness, correctness, accuracy, adequacy, reasonableness, viability for any particular purpose or completeness of the information and views. Further, HDFC Bank disclaims all liability in relation to use of data or information used in this report which is sourced from third parties.

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

HDFC Bank Limited is an AMFI Registered Mutual Fund Distributor (ARN 0005) and SIF Distributor, APMI Registered PMS Distributor.

Mutual fund investments are subject to market risks, read all scheme related documents carefully.

Investments in Specialized Investment Fund involves relatively higher risk including potential loss of capital, liquidity risk and market volatility. Please read all investment strategy related documents carefully before making the investment decision.