

Key International events:

According to the US Conference Board, **the US Leading Economic Index inched up by 0.1% MoM in May 2026 after rising by 0.2% MoM in April 2026**. The uptick matched economist estimates. The increase was fueled by positive contributions from financial components, especially stock prices and the interest rate spread.

Following Kevin Warsh's first monetary policy meeting as chairman, the US Federal Reserve announced its widely expected decision to leave interest rates unchanged. **The Fed decided to maintain the target range for the Federal Funds Rate at 3.50-3.75%**, citing its dual goals of maximum employment and inflation at the rate of 2% YoY over the longer run.

As per data from the US Energy Information Administration, **crude oil inventories in the US plunged by 8.3 mn barrels in the week ended June 12, 2026** after slumping by 7.2 mn barrels in the previous week.

As per data from the US Labor Department, **Import Prices in the US jumped by 1.9% MoM in May 2026 after leaping by an upwardly revised 2.0% MoM in April 2026**. Economists had expected import prices to increase by 1.0% MoM compared to the 1.9% MoM jump originally reported for the previous month.

As per data from the US Federal Reserve, **Industrial Production in the US crept up by 0.1% MoM in May 2026 after climbing by an upwardly revised 0.9% MoM in April 2026**. Economists had expected industrial production to rise by 0.2% MoM compared to the 0.7% MoM increase originally reported for the previous month.

According to the University of Michigan, **the US Consumer Sentiment Index jumped to 48.9 in June 2026 after slumping to 44.8 in May 2026**, with consumers experiencing some relief due to the early-month easing in gasoline prices. Economists had expected the index to rise to 46.0.

According to Eurostat, **Eurozone Inflation matched the flash estimate of 3.2% YoY in May 2026, following a 3.0% YoY increase in April 2026**. However, Core Inflation accelerated beyond expectations to 2.6% YoY.

As per data from the Euro Area Trade Balance, **the Euro Area Trade Balance showed a shortfall of EUR 1.0 bn in April 2026 compared to a surplus of EUR 4.9 bn in March 2026**. In April 2025, the trade surplus totaled EUR 8.7 bn. This was driven by an increase in the energy deficit and a reduced surplus in the machinery and vehicles product group.

As per data from Eurostat, **Eurozone Industrial Production logged a marginal 0.1% MoM expansion in April 2026 compared to March 2026 when production had advanced 0.4% MoM**, with consumer and intermediate goods offsetting declines in capital and energy sectors. Output was expected to climb 0.2% MoM.

The Bank of England (BoE) left its key interest rate unchanged, as widely expected. **The Monetary Policy Committee, governed by Andrew Bailey, voted 7-2 to hold the Bank Rate at 3.75%**. The rate remains the lowest since June 2023. Previously, the BoE had reduced the rate by 25 bps each in August 2025 and November 2025.

The Bank of Japan (BoJ) decided to raise its benchmark interest rate by 25 bps to its highest level in 31 years, and to halt government bond purchase reductions next year. **The BoJ Policy Board voted 7-1 to raise the interest rate to 1.00% from 0.75%, as widely expected**.

Key Domestic events:

As per data from the Income Tax Department, **India's Net Direct Tax collections rose 14.64% YoY to Rs 5.21 trillion from April 1 to June 17 of FY27**, as compared with Rs 4.5 trillion collected during the same period of FY26. Gross Direct Tax collections increased 12.46% YoY to Rs 6.1 trillion from Rs 5.4 trillion over the period.

According to rating agency ICRA, **geopolitical tensions in West Asia are likely to act as a key overhang, impacting earnings of India Inc with a 100-150 bps contraction in operating profit margin**. Besides, development of El Nino conditions could potentially disrupt rural demand, impacting revenues of a large section of the corporate sector, which had posted a healthy revenue growth in Q4 FY26.

As per RBI data, **liquidity in the banking system fell to Rs 238.81 bn, the lowest in FY27, due to advanced tax outflows**. To address this, the RBI infused Rs 723 bn of transient liquidity into the banking system through two 2-day Variable Rate Repo (VRR) auctions.

As per RBI data, **sales growth of listed private non-financial companies rose to 13.9% YoY in Q4 FY26 from 10.1% YoY in Q3 FY26**, driven by the manufacturing and services sectors. Sales of 1,817 listed manufacturing companies grew 14.5% YoY in Q4 FY26, compared with 11.4% YoY growth in the previous quarter.

According to the Comptroller and Auditor General (CAG), **18 of India's 28 states overshot the fiscal deficit ceiling of 3% of Gross State Domestic Product (GSDP) in FY25**. The deterioration is comparable only to the increase seen during the Covid year of FY21. Additionally, the number of states with a revenue surplus declined to 13 in FY25 from 16 in FY24.

According to Crisil Ratings, **the Emergency Credit Line Guarantee Scheme (ECLGS) 5.0 could increase the debt levels of rated corporates by around 10%** as companies tap the facility to meet higher working capital requirements arising from the ongoing West Asia conflict.

According to Swedish telecom gear maker Ericsson, **India's 5G subscriptions are projected to cross 1.1 bn by the end of 2031, accounting for 81% subscription penetration**. At the end of 2025, 5G subscriptions reached 430 mn and accounted for 35% of total mobile subscriptions.

As per preliminary RBI data, **India recorded a Current Account Surplus of USD 4.7 bn in April 2026 as against a deficit of USD 4.8 bn in April 2025**, on the back of higher services exports and net transfer receipts. The imports bill was at USD 72.5 bn, up from USD 65.8 bn, while exports stood at USD 44.6 bn compared to USD 38.7 bn.

As per Commerce Ministry data, **India's Merchandise Trade Deficit eased to USD 28.21 bn in May 2026 as compared to USD 28.38 bn in April 2026**. Merchandise exports rose 18% YoY to USD 45.2 bn, while imports grew 20.62% YoY to USD 73.41 bn in May 2026. **India recorded an estimated Services Trade Surplus of USD 17.70 bn in May 2026**, with final data expected later this month.

As per data from the Ministry of Commerce and Industry, **India's factory-gate inflation, measured by the Wholesale Price Index (WPI), rose to 9.68% YoY in May 2026 from 8.3% YoY in April 2026**. Higher prices of fuel, food articles and some manufactured goods drove the rise in wholesale inflation.

According to the Periodic Labour Force Survey (PLFS), **India's Unemployment Rate climbed to an 11-month high of 5.5% in May 2026 from 5.2% in April 2026**. Notably, the Labour-Force Participation Rate (LFPR) hit an 11-month low of 54.4% in May 2026, down from 55% recorded in April 2026.

**The RBI has permitted Authorised Dealer (AD) banks to open repatriable Rupee accounts for overseas individuals investing in listed Indian companies effective immediately**, operationalising the move to broaden participation in domestic equity markets beyond Non-Resident Indians (NRIs) and Overseas Citizens of India (OCIs).

According to a report from the World Bank, **global energy prices are expected to remain elevated in CY26 with a 36% YoY increase in the Brent crude oil prices** due to the persisting conflict in the Middle East and the closure of the Strait of Hormuz. Commodity prices are anticipated to rise by 22% YoY in CY26, in contrast to the 7% YoY decline expected in January 2026.

As per data from the National Statistics Office (NSO), **India's Consumer Price Index (CPI) based retail inflation accelerated to 3.93% YoY in May 2026 from 3.48% YoY in April 2026**, nearing RBI's 4% YoY target, as food and transport costs edged higher. This is estimated to be a 16-month high when compared with back series data.

As per data from AMFI, passive equity fund flows moderated sharply, as **net inflows into Index Funds fell 73% MoM in May 2026 to Rs 27.82 bn from Rs 102.18 bn in April 2026**, while Exchange-Traded Funds (ETFs) attracted Rs 66.92 bn, down 31% MoM from Rs 96.68 bn in the previous month.

**Equity Round up:** BSE Sensex opened at 76,725. It made a weekly high of 77,492 and a low of 74,453 before closing 1,275 points higher at 76,803.

Events to watch out for the next week:

International Events

1. US GDP for Q1 CY26 on 25 Jun'26
2. US Current Account for Q1 CY26 on 24 Jun'26
3. HCOB Eurozone Composite PMI for Jun'26 on 23 Jun'26
4. China 1 & 5-Year Loan Prime Rate on 22 Jun'26
5. China FDI data for May'26 on 23 Jun'26

Domestic Events

1. Forex Reserves for week ended 19 June 2026 on 26 June 2026
2. Infrastructure Output for May'26 on 22 Jun'26
3. HSBC Composite PMI Flash for Jun'26 on 23 Jun'26

| Key Equity Market Indices | Closing | % Change WoW |
|---------------------------|---------|--------------|
| BSE Sensex                | 76,803  | 1.69         |
| Nifty 50                  | 24,013  | 1.65         |
| BSE 100                   | 25,584  | 1.97         |
| BSE 200                   | 11,247  | 2.16         |
| Nifty Midcap 150*         | 22,973  | 3.21         |
| Nifty Smallcap 250*       | 17,714  | 3.72         |
| BSE FMCG                  | 18,414  | 1.51         |
| BSE HC                    | 47,845  | 0.96         |
| BSE IT                    | 26,829  | -1.25        |
| BSE Auto                  | 58,671  | 1.31         |
| BSE BANKEX                | 65,073  | 1.70         |
| BSE CG                    | 83,601  | 5.97         |
| BSE CD                    | 61,067  | 4.52         |
| BSE Oil & Gas             | 26,479  | 1.25         |

\* BSE Midcap and BSE Small Cap indices data is not available for 19<sup>th</sup> June'26 so included Nifty Indices.

| Other Key Indices#         | Closing  | Change WoW |
|----------------------------|----------|------------|
| 10 Year G-Sec (6.94% 2036) | 6.84%    | (-) 8 bps  |
| Interbank Call             | 5.33%    | 6 bps      |
| INR/USD                    | 94.33    | -0.82%     |
| Gold (Rs/10gm)             | 1,44,970 | -1.91%     |

# Taken during market hours, 10 Year G-Sec (6.94% 2036) and Interbank Call as on 18 June '26

| World Indices     | Closing  | % Change WoW |
|-------------------|----------|--------------|
| Dow Jones*        | 51,565   | 1.41         |
| Nasdaq*           | 26,518   | 2.74         |
| FTSE              | 10,374   | -0.40        |
| DAX               | 25,052   | 1.86         |
| Hang Seng*        | 23,925   | -3.21        |
| Nikkei            | 71,250   | 7.92         |
| Bovespa*          | 1,68,278 | -1.88        |
| Indonesia Jakarta | 6,177    | 2.82         |

\* Data as on 18 June '26

| Rs. Bn | Gross Buying | Gross Selling | Net (WoW) |
|--------|--------------|---------------|-----------|
| FPIs   | 741.7        | 717.9         | 23.8      |
| DIIs   | 536.4        | 474.9         | 61.5      |

Data for FPI from 12 June 2026 to 18 June 2026. Data for DII from 12 June 2026 to 17 June 2026.

| Arbitrage Spreads | Spot   | Future* | Prem/(Dis) |
|-------------------|--------|---------|------------|
| Nifty 50          | 24,013 | 24,077  | 64         |

\*June 2026 Expiry