

25 June 2026

Key International events:

As per data from the US Commerce Department's Bureau of Economic Analysis, **the US Current Account Deficit expanded to USD 226.8 bn in Q1 CY26, surpassing analyst expectations.** The deficit grew by USD 5.8 bn, or 2.6% QoQ. The Q4 CY25 deficit was revised to USD 221.1 bn from an earlier estimate of USD 190.7 bn.

According to the US Energy Information Administration, **US Crude Oil Inventories including the Strategic Petroleum Reserve decreased by more than 15 mn barrels during the week ending June 19, 2026, reaching 743.3 mn barrels.** This marks the lowest inventory level since October 1984.

Forecasters expect the US Personal Consumption Expenditures Price Index to show acceleration on both a MoM and YoY basis in May 2026. The latest update to the US Fed's favorite inflation gauge is unlikely to challenge a growing consensus at the US central bank around the need for interest-rate hikes this year.

As per flash survey results from S&P Global, **the Euro Area Flash Composite Output Index registered 49.5 in June 2026, up from 48.5 in May 2026, and above forecasts of 49.1.** The private sector contracted at a slower pace as services activity posted a slower fall while manufacturing output continued to grow moderately.

According to the European Commission, **Eurozone Consumer Confidence rose by 1.3 points to -17.7 in June 2026 from -19.0 in May 2026.** Economists polled by Reuters had expected a rise to -17.5.

China left benchmark lending rates unchanged for the 13th consecutive month in June 2026, in line with market expectations. The one-year Loan Prime Rate (LPR) was kept at 3.00%, while the five-year LPR was unchanged at 3.50%.

As per flash survey data compiled by S&P Global, **Japan's Flash Composite Output Index rose to 52.5 in May 2026 from 51.1 in April 2026.** The private sector activity grew for the fifteenth consecutive month, underpinned by faster increase in manufacturing output and a renewed upturn in services activity.

As per data from Japan's Ministry of Internal Affairs and Communications, **Japan's headline inflation rose to 1.5% YoY in May 2026 from 1.4% YoY in April 2026.** Core inflation rose to 1.8% YoY, slower than the 1.9% YoY increase in April 2026.

Key Domestic events:

Reserve Bank of India (RBI) Governor Sanjay Malhotra said that it is premature to discuss interest rate hikes, noting that the central bank is monitoring the impact of higher crude oil prices on inflation before taking a view on the policy path. "If we wanted to prepare the market for rate hikes, we would have changed stance from neutral to restrictive," he said.

As per data from the RBI Bulletin, **the central bank net sold USD 8.94 bn in April 2026, against a net sale of USD 9.76 bn in March 2026,** as the INR remained under pressure amid geopolitical tensions and foreign outflows. The RBI bought USD 16.23 bn and sold USD 25.17 bn during the month as the Rupee depreciated 0.11% MoM.

As per RBI data, **Net Foreign Direct Investment (FDI) into India jumped more than fourfold to USD 6.58 bn in April 2026,** driven by a surge in equity inflows and lower repatriation by foreign investors. Gross FDI inflows grew 65% YoY to USD 15.29 bn in April 2026. Net FDI stood at USD 917 mn in March 2026.

As per RBI data, **outward remittances under the Liberalised Remittance Scheme (LRS) moderated by 7.85% YoY in April 2026,** owing to a contraction in international travel spending amid global uncertainty caused by the US-Iran conflict. Remittances under the scheme stood at USD 2.28 bn in the month.

The World Bank's Board of Executive Directors has approved USD 1.5 bn in financing to support India's structural reforms aimed at boosting private sector-led job creation and accelerating economic growth. The financing is expected to support reforms that can create employment opportunities for 11 mn young Indians entering the workforce over the next two decades.

According to S&P Global Ratings, **energy stress, a sub-par monsoon, and slowing global growth will pull down India's GDP growth to 6.6% YoY in FY27.** The Indian economy recorded 7.7% YoY in FY26 and 7.1% YoY in FY25. The growth projection is in line with the RBI's estimate.

According to the Ministry of Statistics and Programme Implementation (MoSPI), **the first-ever monthly Index of Services Production (ISP), measuring the output of India's services industry, will be released on July 14, 2026.** It is conceived as the services-sector counterpart to the long-standing Index of Industrial Production (IIP).

According to Crisil Ratings, **domestic gold-loan lenders are well protected against a potential correction in gold prices despite the higher regulatory Loan-To-Value (LTV) limit of 85% for loans below Rs 5,00,000.**

According to S&P Global, **the HSBC Flash India Composite Purchasing Managers' Index (PMI) Output Index fell to 57.4 in June 2026 from 59.3 in May 2026.** Manufacturing PMI fell to 54.5 in June 2026 from 55 in May 2026, while the Services PMI declined to a 17-month low of 57.3 from 59.8 during this period.

According to the Crisil report, the composition of bank deposits has undergone a shift from FY19 to FY26, with the **share of the non-household segment, including financial corporations and non-financial corporations, rising to 26.3% in FY26 from 20.5% in FY19.**

According to a report by Experian India, **the share of gold loans with a tenure of less than three months rose to 47% in Q3 FY26 from 32% in Q3 FY25,** while the average tenure of loans originated by NBFCs declined to 5.1 months from 6.4 months over the same period.

According to the vice-president and head of research for oil markets at S&P Global Energy, India's energy security will increasingly depend not only on diversifying suppliers but also on ensuring access through multiple transport routes.

According to the RBI Governor, most measures required for India's inclusion in global bond indices had already been completed, while some investor-friendly steps aimed at easing investments were either being implemented or would be rolled out in the coming weeks.

As per minutes of the RBI's Monetary Policy Committee (MPC) meeting, **most members of the MPC flagged the need for close monitoring of inflation becoming generalised while highlighting uncertainty surrounding both inflation and growth prospects due to the West Asia conflict.**

According to RBI data, **India's foreign exchange reserves fell by USD 9.99 bn to USD 671.63 bn in the week ended June 12, 2026.** Foreign Currency Assets rose by USD 846 mn to USD 544.29 bn. Gold reserves fell by USD 10.75 bn to USD 103.82 bn and Special Drawing Rights declined by USD 66 mn to USD 18.70 bn.

According to a report from the Comptroller and Auditor General (CAG), four Indian states that ran revenue surpluses - Karnataka, Telangana, Chhattisgarh, and Bihar - have slipped into revenue deficit within a span of two years, from FY23 to FY25, due to a combination of expanding welfare guarantees, higher subsidies and, in some cases, a fall in own tax collections.

As per data from the Ministry of Commerce and Industry, **growth in India's Eight Core Sectors slowed to a seven-month low of 0.5% YoY in May 2026 from an upwardly revised 1.8% YoY in April 2026,** weighed down by sharp contractions in coal and petroleum products. Growth in petroleum refinery products, which carries the largest weight of 28.04 in the index, slumped to a 42-month low of 8.7% YoY contraction from a mild contraction of 0.5% YoY in April 2026.

According to a report by Mercom India Research, **India added a record 2.7 GW of rooftop solar capacity in Q4 FY26,** marking the sector's strongest-ever quarterly performance as installations surged 125% YoY.

As per data from the Petroleum Planning & Analysis Cell (PPAC), **India's crude oil import bill rose 81.5% YoY in May 2026 to USD 18.7 bn** as the West Asia crisis resulted in elevated energy prices. India imported 21.6 mn tonnes of crude oil in May 2026, compared with 21.3 mn tonnes in May 2025, for which it paid USD 10 bn.

Equity Round up: BSE Sensex opened at 77,161. It made a weekly high of 77,803 and a low of 76,083 before closing 298 points higher at 77,100.

Events to watch out for the next week:**International Events**

1. US ISM Manufacturing for Jun'26 on 01 Jul'26
2. US Unemployment Rate for Jun'26 on 02 Jul'26
3. HCOB Eurozone Composite PMI for Jun'26 on 03 Jul'26
4. China NBS Composite PMI for Jun'26 on 30 Jun'26

Domestic Events

1. Forex Reserves for week ended 26 June 2026 on 3 July 2026
1. Industrial Production for May'26 on 29 Jun'26

Key Equity Market Indices	Closing	% Change WoW
BSE Sensex	77,100	0.39
Nifty 50	24,056	0.18
BSE 100	25,618	0.13
BSE 200	11,237	-0.09
Nifty Midcap 150*	22,751	-0.97
Nifty Smallcap 250*	17,705	-0.05
BSE FMCG	18,342	-0.39
BSE HC	48,562	1.50
BSE IT	26,651	-0.67
BSE Auto	59,667	1.70
BSE BANKEX	65,600	0.81
BSE CG	80,938	-3.19
BSE CD	59,369	-2.78
BSE Oil & Gas	26,310	-0.64

* BSE Midcap and BSE Small Cap indices data is not available for 25th June'26 so included Nifty Indices.

Other Key Indices#	Closing	Change WoW
10 Year G-Sec (6.94% 2036)	6.78%	(-) 6 bps
Interbank Call	5.37%	4 bps
INR/USD	94.40	0.08%
Gold (Rs/10gm)	1,39,873	-3.52%

Taken during market hours, 10 Year G-Sec (6.94% 2036) and Interbank Call as on 24 June '26

World Indices	Closing	% Change WoW
Dow Jones*	51,849	0.55
Nasdaq*	25,477	-3.93
FTSE	10,501	1.22
DAX	24,923	-0.52
Hang Seng	23,077	-3.54
Nikkei	72,366	1.57
Bovespa*	1,70,507	1.32
Indonesia Jakarta	5,999	-2.88

* Data as on 24 June '26

Rs. Bn	Gross Buying	Gross Selling	Net (WoW)
FPIs	804.2	729.7	74.5
DII	401.8	417.0	-15.2

Data for FPI from 19 June 2026 to 24 June 2026. Data for DII from 19 June 2026 to 23 June 2026.

Arbitrage Spreads	Spot	Future*	Prem/(Dis)
Nifty 50	24,056	24,103	47

*June 2026 Expiry

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