

WEEKLY YIELD

Update of Equity & Debt Market

July 4, 2025

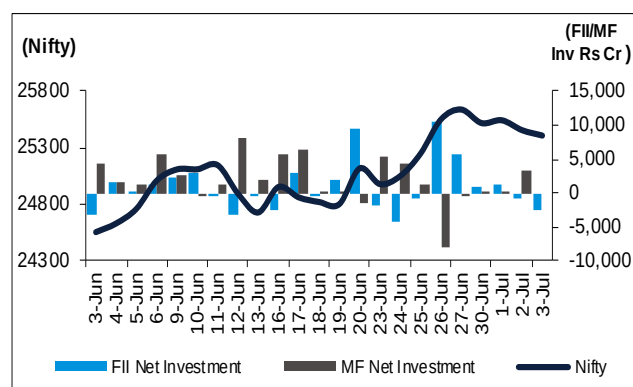


DOMESTIC EQUITY

- Indian equities ended lower this week amid global uncertainties and cautious sentiment ahead of the July 9, 2025 deadline for United States (US) tariffs on India. However, later in the week the positive sentiments sparked by the US President's comments on a potential trade deal with India limited the losses. BSE Sensex and Nifty 50 fell 0.74% and 0.69%, respectively.
- Most of the sectors ended lower with Realty, Bankex and Power losing the most. BSE Realty, BSE Bankex and BSE Power fell 2.20%, 1.39%, and 1.18%, respectively.

Broad Indices	Week change%	3 month change%	1 year change%
BSE Sensex	-0.74	10.71	4.23
Nifty 50	-0.69	11.16	4.77
BSE Midcap	0.59	15.57	-0.57
BSE Smallcap	1.07	19.54	1.96
BSE Bankex	-1.39	7.62	5.32
BSE CG	1.08	21.26	-2.25
BSE FMCG	-0.58	3.39	-2.66
BSE IT	0.68	15.85	-0.57
BSE Healthcare	2.00	10.77	18.56

Source: BSE, NSE



Source: SEBI, NSE

Past performance may or may not be sustained in the future.



GLOBAL EQUITY

- US stocks rose during the week driven by strong earnings results from major tech firms, renewed confidence around artificial intelligence and latest PCE inflation data that boosted Fed rate cut hopes.
- Britain's FTSE index ended the week higher, mainly owing to gains in financial and healthcare sectors amid easing worries around a US-China trade deal and geopolitical uncertainties in the Middle East.
- Asian equities closed higher. Japan's Nikkei index ended lower, mainly owing to uncertainty surrounding trade talks between Japan and the US.
- Hong Kong's Hang Seng Index ended lower during the week, mainly because of resurfacing trade concerns as a US-Vietnam trade deal signals hurdles for China's offshore shipments and investor worries over the July 9, 2025 deadline for increased US export tariffs.
- China's Shanghai Composite Index closed the week higher, mainly owing to gains in banking and steel sector stocks, as market sentiments were boosted by fresh signs of de-escalation in US-China trade tensions.



DOMESTIC DEBT

Indicators	July 04, 2025	Previous Week	Trend
Call Rate	4.75%	5.05%	↓
3 M CP	6.20%	6.30%	↓
1 Yr CP	6.60%	6.78%	↓
3 M CD	5.78%	5.92%	↓
1 Yr CD	6.20%	6.33%	↓
5 Yr AAA	6.67%	6.72%	↓
1 Yr G-Sec*	5.57%	5.62%	↓
5 Yr G-Sec*	6.06%	6.03%	↑
10 Yr G-Sec*	6.30%	6.31%	↓
USD/INR*	85.39	85.56	↑

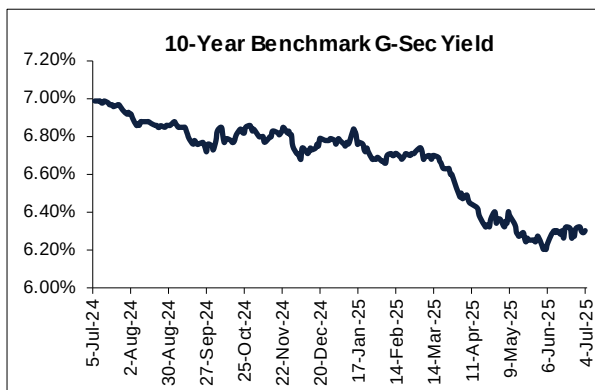
Source: CRISIL Fixed Income Database, RESERVE BANK OF INDIA
*Weighted Average Yield

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- Government bond prices ended higher in the week ended July 4, 2025. The yield of the 10-year benchmark 6.33% 2035 paper closed at 6.29% compared with 6.31% in the week ended June 27, 2025.
- Bond prices rose owing to a fall in the US Treasury yield amid lower crude oil prices and buoyed by sustained liquidity in the domestic banking system. Foreign fund inflows also kept bond prices elevated in the week.
- However, further gains in bond prices were capped by higher supply in the weekly debt auction result released by the RBI.
- Meanwhile, in the weekly debt sale held on July 4, 2025, the RBI auctioned New GS (Government Security) 2040 and 6.90% GS 2065 for a total notified amount of Rs 32,000 crore.



Source: CRISIL Fixed Income Database

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GLOBAL DEBT

- US Treasury prices ended lower buoyed by strong labour market data for June.
- Bond prices declined after June 2025's nonfarm payroll report was better than anticipated. The data could empower the US Federal Reserve (Fed) to hold interest rates steady at the July 2025 gathering given the lack of clear disruption in the job market.

- Earlier in the week, bond prices fell following remarks made by Federal Reserve Chair Jerome Powell addressing the impact of US tariffs on the monetary policy.
- The yield on the 10-year benchmark Treasury bond ended at 4.35% on July 3, 2025, compared with 4.29% on June 27, 2025.



DOMESTIC NEWS

- India's industrial production growth as measured by the Index of Industrial Production (IIP) slowed to 1.2% in May 2025 compared with a downwardly revised 2.6% increase in April 2025.
- The India HSBC Manufacturing Purchasing Managers Index (PMI) stood at 58.4 in June 2025 compared with 57.6 in May 2025 while Services PMI rose to 60.4 from 58.8 and composite PMI edged up to 61.0 from 59.3.
- Gross Goods and Services Tax (GST) collection rose 6.2% on-year in June 2025 to Rs 1.85 lakh crore.
- Crisil has revised India's Gross Domestic Product (GDP) growth forecast to 6.5% for fiscal 2026 (FY26), buoyed by expectations of a strong monsoon, rate cuts and Government support for rural areas.
- The Union Government reported fiscal deficit of Rs 13,163 crore for April-May 2025 fiscal year FY26, amounting to 0.8% of the target for the whole of FY26.
- India's current account balance had a surplus of \$13.5 billion or 1.3% of GDP in the fourth quarter of fiscal 2025 as against a deficit of \$11.3 billion or 1.1% of GDP in the third quarter of fiscal 2025.
- The Central Board of Direct Taxes has notified the Cost Inflation Index for fiscal 2026 at 376, up from 363 in fiscal 2025. The new index will be used to calculate long-term capital gains for assessment year 2027 and subsequent years. The notification will come into effect from April 1, 2026.

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- Union Finance Minister Nirmala Sitharaman said India's sovereign rating does not fully reflect its macroeconomic stability, even with a sustained high growth trajectory and sound fiscal management, while stressing the need for international credit rating methodologies to evolve.
- The Union Cabinet approved the construction of the four-lane Paramakudi-Ramanathapuram Section of NH-87 in Tamil Nadu at a cost of Rs 1,853 crore.
- The Reserve Bank of India (RBI) issued final guidelines for the due diligence of operators managing Aadhaar-Enabled Payment System touchpoints to streamline their onboarding process and strengthen fraud risk management.
- The Securities and Exchange Board of India (SEBI) proposed a dedicated electronic book provider platform for fundraising by not-for-profit organisations through the Social Stock Exchange.
- SEBI revised the minimum information that companies must provide to their audit committees and shareholders for the approval of related party transactions. The new standards will come into effect from September 1, 2025.



GLOBAL NEWS

- US headline annual Personal Consumption Expenditures (PCE) inflation accelerated to 2.3% in May 2025 from an upwardly revised 2.2% in April 2025 while core PCE inflation rose by 2.7% from 2.6%.
- US S&P Global Manufacturing PMI rose to 52.9 in June of 2025 compared to 52 in May 2025.
- US Institute for Supply Management (ISM) Manufacturing PMI rose to 69.7 in June of 2025 compared to 69.4 in May 2025.
- US ADP Employment Change declined by 33,000 jobs in June 2025, compared to a downwardly revised 29,000 in May 2025.
- US Non-Farm Payrolls rose by 147,000 in June 2025, compared to 144,000 in May 2025 while unemployment rate edged down to 4.1% compared to 4.2%.
- US S&P Global Services PMI eased to 52.9 in June 2025 compared to 53.7 in May 2025.
- The British economy expanded 1.3% year-on-year in the first quarter of 2025, compared to 1.5% in Q4 of 2024.
- Eurozone HCOB Services PMI rose to 50.5 in June 2025 compared to 49.7 in May 2025 while the Composite PMI rose to 50.6 from 50.2.
- Eurozone Consumer Inflation Expectations eased to 2.8% in May 2025 compared to 3.1% in April 2025.
- Eurozone HCOB Manufacturing PMI inched higher to 40.5 in June of 2025 compared to 49.4 in May 2025.
- Eurozone Flash Inflation Rate rose slightly to 2.0% on-year in June 2025 compared to 1.9% in May 2025 while the annual flash core inflation rate steady at 2.3% in June 2025.
- UK S&P Global Manufacturing PMI rose to 47.7 in June 2025 compared to 46.4 in May 2025.
- UK Nationwide House Price Index rose 2.1% on-year in June 2025 compared to a 3.5% increase in May 2025.
- UK S&P Global Services PMI edged up to 52.8 in June 2025 compared to 50.9 in May 2025 while the Composite PMI rose to 52.0 in June 2025 from 50.3.
- China Caixin General Manufacturing PMI unexpectedly rose to 50.4 in June 2025, compared to 48.3 in May 2025.
- China Caixin China General Services PMI declined to 50.6 in June 2025, compared to 51.1 in May 2025 while the Caixin China General Composite PMI rose to 51.3 from 49.6.
- Japan Jibun Bank Composite PMI rose to 51.5 in June 2025 compared to 50.2 in May 2025 while the Jibun Bank Services PMI edged up to 51.7 from 51.0.

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- Japan Industrial Production decreased 1.80% in May 2025 compared to a rise of 0.50% in April 2025.

DAY	EVENTS
Monday, July 07, 2025	- Eurozone Retail Sales, May - UK Halifax House Price Index, June
Tuesday, July 08, 2025	US Consumer Inflation Expectations, June
Wednesday, July 09, 2025	- US FOMC Minutes - China Inflation Rate, June
Thursday, July 10, 2025	- US Initial Jobless Claims Jul/05 2025 - Japan PPI, June
Friday, July 11, 2025	- UK GDP, May - UK Industrial Production, May - UK Manufacturing Production, May - India Foreign Exchange Reserves Jul/04 2025

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Source: CRISIL

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