WEEKLY YIELD

Update of Equity & Debt Market

August 14, 2025

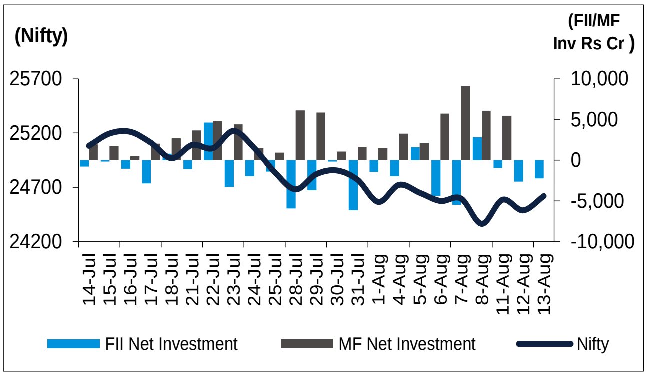
DOMESTIC EQUITY

- Indian equities ended higher in the Independence Day-shortened week, as a better-than-expected inflation print raised hopes of a rate cut by the Reserve Bank of India's (RBI's) Monetary Policy Committee. Markets also gained after the US inflation data buoyed expectations of a rate cut by the US Federal Reserve (Fed). The BSE Sensex and Nifty 50 rose 0.93% and 1.10%, respectively.
- Almost all sectors ended higher, with healthcare and auto gaining the most. BSE Healthcare, BSE Auto and BSE IT rose 2.99%, 2.79% and 1.06%, respectively, over the week.

Broad Indices	Week change%	3 month change%	1 year change%
BSE Sensex	0.93	-0.90	1.89
Nifty 50	1.10	-0.14	2.02
BSE Midcap	0.92	1.47	-3.38
BSE Smallcap	0.37	3.62	-2.20
BSE Bankex	0.81	-1.20	8.64
BSE CG	0.02	-0.26	-6.68
BSE FMCG	-0.29	-1.97	-9.44
BSE IT	1.06	-8.13	-15.51
BSE Healthcare	2.99	5.18	9.00

Source: BSE, NSE

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



Source: SEBI, NSE

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

GLOBAL EQUITY

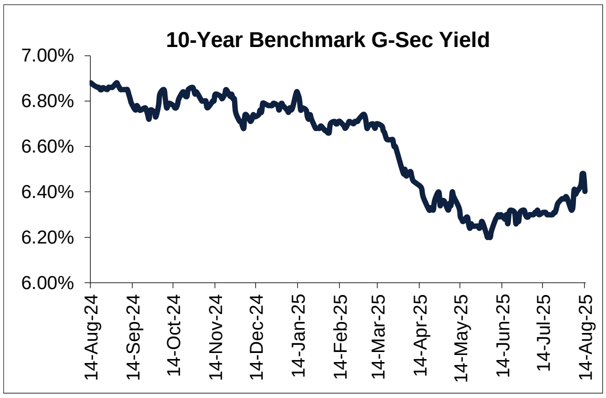
- US stocks ended higher on August 13 2025, as inflation reading for July boosted expectations that the Fed may start its monetary easing cycle in September 2025. A rise in technology stocks led to further gains.
- Britain's FTSE index ended higher on August 13 2025, buoyed by upbeat earnings of major companies and easing global trade tension, after the US extended its pause on higher tariffs for Chinese goods until November 10 2025. And stock-specific buying led to further gains.
- Asian equities closed higher on August 14 2025.
- Hong Kong's Hang Seng Index ended higher, as the US and China extended the trade truce by another 90 days and on optimism of fresh Chinese government support to the mainland property market.
- China's Shanghai Composite Index closed higher on account of the extension of the tariff truce between the US and China. Also, prospects of a Fed interest rate cut next month lifted investor sentiment.

DOMESTIC DEBT

Indicators	Aug 14, 2025	Previous Week	Trend
Call Rate	5.10%	5.00%	↑
3 M CP	6.28%	6.18%	↑
1 Yr CP	6.80%	6.70%	↑
3 M CD	5.81%	5.78%	↑
1 Yr CD	6.29%	6.30%	↓
5 Yr AAA	6.79%	6.73%	↑
1 Yr G-Sec*	5.59%	5.62%	↓
5 Yr G-Sec*	6.25%	6.15%	↑
10 Yr G-Sec*	6.40%	6.40%	⇔
USD/INR*	87.49	87.62	↑

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

- Government bond prices ended lower in the week-ended August 14, 2025. The yield of the 10-year benchmark 6.33% 2035 paper closed at 6.48% vs 6.40% on August 8, 2025.
- Bond prices fell, as weaker direct tax receipts and previously announced oil subsidies triggered fiscal concerns.
- However, further rise in the yield was arrested after S&P Global Ratings upgraded the country's long-term sovereign credit rating to 'BBB' from 'BBB-', reviving sentiment in an otherwise subdued market.
- In the weekly debt sale held on August 14 2025, the RBI auctioned 6.01% Government Security (GS) 2030 and New GS 2055 for a total notified amount of Rs 28,000 crore.



Source: CRISIL Fixed Income Database
Past performance may or may not be sustained in the future.

GLOBAL DEBT

- US Treasury prices are higher this week amid rising hopes of a September 2025 Fed rate cut.
- Fed rate cut hopes rose post weak nonfarm payroll and inflation numbers for July 2025, which also intensified the US President's call for the Fed to lower borrowing costs. Treasury Secretary Scott Bessent added to that, suggesting that a 50 bps cut in December could be appropriate. He added that rates "should probably be 150, 175 basis points lower".
- The yield on the 10-year benchmark Treasury bond traded at 4.24% on August 13, 2025 vs 4.27% on August 8, 2025.

DOMESTIC NEWS

- India's retail inflation eased to an over 8-year low of 1.55% in July 2025 from 2.1% in June 2025.
- India's Wholesale Price Index was -0.58% in July 2025 vs -0.13% in June 2025.
- Merchandise trade deficit widened sharply to $27.35 billion in July 2025 from $18.78 billion in June 2025.
- Also, Moody's said that India's gross domestic product (GDP) growth is likely to slow down by ~30 basis points to 6% in the current fiscal if the US implements 50% tariffs from August 27 2025.
- The Chief Economic Advisor, V Anantha Nageswaran, said that the momentum of the Indian economy has not slowed despite the possibility of the US imposing a 50% tariff on India. He also said that it was too early to assess the impact of US tariffs on the GDP.
- The government reopened the portal for inviting fresh applications under the Performance Linked Incentive scheme for the textiles sector
- The central government will release the installment of Rs 3,200 crore towards the Pradhan Mantri Fasal Bima Yojana on August 18, 2025.
- The Lok Sabha approved the Taxation Laws (Amendment) Bill, 2025, extending tax exemptions to subscribers of the Unified Pension Scheme.
- The Parliament approved the Merchant Shipping Bill, 2025, which broadens the criteria for owning merchant shipping vessels.
- Finance Minister Nirmala Sitharaman said that there is no proposal under consideration for the restoration of the Old Pension Scheme with respect

to central government employees covered under the National Pension System.

- The finance minister also said that the proposed raising of the foreign direct investment limit in Indian insurance companies to 100% will attract more players into the space and generate employment.
- The finance ministry notified a corrigendum to the Income Tax Bill with regard to interest to be charged on short payment of advance tax.
- The Reserve Bank of India (RBI) plans to standardise forms to process claims with regard to deceased customers' bank accounts and lockers within a 15-day timeframe and provide compensation to nominees for any delays in settlement.
- Reserve Bank of India Governor Sanjay Malhotra said that banks are free to decide the minimum balance for savings accounts and that it does not fall under the regulatory domain of the central bank.
- The Securities and Exchange Board of India (SEBI) proposed to include new market practices such as algorithmic trading and proprietary trading in its master regulations.

GLOBAL NEWS

- US annual inflation rate remained at 2.7% in in July 2025, the same as in June 2025.
- The US budget deficit in July 2025 climbed 20% this fiscal year compared to the last despite the US taking in record income from President Donald Trump's tariffs.
- US Producer Price Index (PPI) surged by 3.3% from a year ago in July 2025, after an upwardly revised 2.4% rise in June 2025 while core PPI increased 3.7% from 2.6%.
- Eurozone Industrial Production increased 0.20% on year in June 2025 from revised 3.1% in May 2025.
- The Eurozone economy grew 0.1% quarter-on-quarter in Q2 2025, its weakest performance since Q4 2023, slowing from 0.6% in Q1.
- Eurozone ZEW Indicator of Economic Sentiment fell by 11 points from the prior month to 25.1 in August 2025.
- UK unemployment rate stood at 4.7% in the three months to June 2025, unchanged from the previous period as the market expected.
- The UK Residential Market Survey from RICS showed the house price balance declined to -13% in July 2025, down from -7% in each of the previous two months.
- UK GDP grew 1.2% on year in Q2 2025 easing slightly from 1.3% in Q1 2025 while it grew 0.3% on quarter from 0.7% in earlier quarter.
- UK industrial production increased 0.2% on year in June 2025 compared to 0.2% drop in the previous month.
- UK manufacturing production came in flat on year in June 2025 compared to 1% gain in the previous month.
- China’s consumer price inflation came in flat at 0.0% in July 2025 following 0.1% growth in the previous month.
- China’s producer prices fell 3.6% year-on-year in July 2025 unchanged from the June 2025 month.
- Japan Economy Watchers Survey edged up to 45.2 in July 2025 compared to 45.0 in June 2025 while the Economy Watchers Survey Outlook increased to 47.30 from 45.90.
- Japan PPI rose 2.6% on year in July 2025, slowing from a 2.9% growth in the prior month.

WEEKLY YIELD

Update of Equity & Debt Market

Union Mutual Fund

August 14, 2025

DAY	EVENTS
Monday, August 18, 2025	• US NAHB Housing Market Index, August 2025 • Eurozone Balance of Trade, Jun 2025 • India Unemployment Rate, Jul 2025
Tuesday, August 19, 2025	• US Building Permits Prel, Jul 2025 • US Housing Starts, July 2025
Wednesday, August 20, 2025	• US FOMC Minutes • Eurozone Inflation Rate Final, Jul 2025 • UK Inflation Rate, Jul 2025 • UK PPI Input, Jul 2025 • Japan Balance of Trade, Jul 2025 • China Loan Prime Rate 1Y/5Y Aug 2025
Thursday, August 21, 2025	• US Initial Jobless Claims, Aug/16 2025 • US S&P Global Composite/Manufacturing/services PMI Flash, Aug 2025 • UK S&P Global Manufacturing/Services/Composite PMI Flash, Aug 2025 • Eurozone HCOB Composite PMI/Manufacturing Flash/Services PMI Flash, Aug 2025 • Japan Foreign Bond Investment, Aug/16 2025 • Japan Jibun Bank Manufacturing /Services /Composite PMI Flash, Aug 2025 • India HSBC Composite /Manufacturing /Services PMI Flash, Aug 2025
Friday, August 22, 2025	• UK Gfk Consumer Confidence, Aug 2025 • UK Retail sales, July 2025 • Japan Inflation Rate, Jul 2025 • India Foreign Exchange Reserves, Aug/15 2025

Source: CRISIL

Statutory Details: Constitution: Union Mutual Fund has been set up as a Trust under the Indian Trusts Act,1882; Sponsors: Union Bank of India and Dai-ichi Life Holdings, Inc.; Trustee: Union Trustee Company Private Limited, [Corporate Identity Number (CIN): U65923MH2009PTC198198], a company incorporated under the Companies Act, 1956 with a limited liability; Investment Manager: Union Asset Management Company Private Limited, [Corporate Identity Number (CIN): U65923MH2009PTC198201], a company incorporated under the Companies Act, 1956 with a limited liability. Registered Office: Unit 503, 5th Floor, Leela Business Park, Andheri Kurla Road, Andheri (East), Mumbai - 400059.Toll Free No. 18002002268 · Non Toll Free. 022-67483333 · Fax No: 022-67483401 · Website: www.unionmf.com · Email: investorcare@unionmf.com