

Global Economy

- The UK GDP shrank by 1.30% y-o-y in the Jan-Mar 2025 quarter, compared to a growth of 1.50% in the previous quarter.
- The US GDP shrank by 0.50% y-o-y in the Jan-Mar 2025 quarter, compared to a growth of 2.40% in the previous quarter.
- Japan's GDP contracted 0.20% y-o-y in the Jan-Mar 2025 quarter, compared to growth of 2.20% in the previous quarter.
- The US Fed has kept its interest rates unchanged at 4.25% to 4.50%.
- The Bank of England kept interest rates steady at 4.25%.
- The World Bank forecasts global economic growth to slow down to 2.30% in 2025 from 2.80% in 2024, primarily due to rising trade barriers.
- Crude oil prices surged in mid-June 2025, peaking at around \$78.50 for Brent amid Israel-Iran tensions. By late June, prices eased to about \$70 following a ceasefire. Despite the drop, monthly averages remained elevated, the highest since January 2025.

Indian Economy

- India's GDP growth for the Q4 FY25 came in at 7.40%, significantly exceeding expectations and signalling healthy economic momentum. This brings full year FY25 growth to 6.50%.
- The Government of India has eased the contiguous land area norms for Special Economic Zones (SEZ) dedicated to semiconductor and electronic components manufacturing from minimum 50 hectares of contiguous land to 10 hectares of land.
- The Cabinet Committee on Economic Affairs (CCEA) has approved two major railway multi-tracking projects aimed at boosting freight capacity, decongesting key routes, and improving connectivity across 7 districts of Jharkhand, Karnataka, and Andhra Pradesh, costing INR 6,405 crore.
- SEBI has approved new expiry days for weekly equity derivative contracts. Starting from 1 September 2025, NSE will shift its expiry day to Tuesdays and BSE to Thursdays.
- The NSE received SEBI's approval to launch monthly electricity futures contracts.
- The Indian government reduced the basic custom duty on major imported crude oils from 20% to 10%.

Indian Startups

- 75 Indian start-ups raised total funding of around USD 1,351 million in the month of June 2025, while the details of 4 other remained undisclosed. There is 13% increase in funding as compared to May 2025.
- Fintech, Enterprise Tech, D2C brands and Defence Tech are major segment that secured USD 252 million, USD 246 million, USD 158 million & USD 106 million funding respectively.

Indian Debt Market

- The RBI cut its key interest rate by 0.50% to 5.50% in June 2025, following earlier reductions of 0.25% in Apr 2025.
- The RBI has announced a 100-basis point cut in the Cash Reserve Ratio (CRR), lowering it from 4% to 3%, which injects INR 2.50 lakh crore into the banking system, boosting liquidity and supporting credit flow.
- RBI reduced the mandatory priority sector lending (PSL) requirement for small finance banks from 75% to 60%.
- RBI has extended the trading hours of the call money market by 2 hours. Banks can borrow and lend money in the market from 9 am to 7 pm from 1 July 2025. This move aims to improve liquidity management of banks.
- RBI's holding of government bonds rose to a record high in Mar 2025. RBI now holds 12.78% of all outstanding government bonds (it held 10.55% in Dec 2024).
- India's external debt rose by USD 67.50 billion year-on-year to USD 736.30 billion at the end of March 2025. The external debt-to-GDP ratio increased to 19.10%, up from 18.50% a year earlier.

10-Year Bond Yield

