

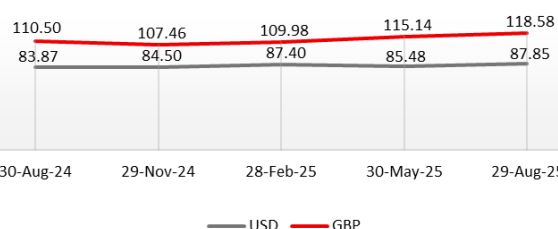
Global Economy

- US economy grew at an annualized 3.00% in Q2 2025, rebounding from a 0.50% contraction in Q1 2025.
- The U.S. trade deficit narrowed to USD 60.20 Bn in June 2025, marking a sharp improvement from USD 71.70 Bn in May 2025.
- The Euro area recorded a sharp slowdown in GDP growth in Q2 2025, expanding only 0.10% quarter-on-quarter, the weakest pace since late 2023, down from 0.60% in Q1 2025.
- The Bank of England lowered its interest rate to 4.00% from 4.25%, the lowest since March 2023.

Indian Economy

- India's GDP grew 7.80% year-on-year in the April-June quarter 2025 as compared to 7.40% in the Jan-March quarter 2025.
- Inflation expectations for the next three months and one year ahead fell by 60 & 50 bsp points, respectively, to 8.30% & 9.00%, as per RBI's survey.
- The U.S. has raised tariff on Indian goods to 50%, citing India's ongoing oil trade with Russia. India now faces the highest tariff rates among U.S. trade partners, alongside Brazil.
- MoSPI has proposed to update the base years for key economic indicators, shifting the Index of Industrial Production (IIP) and GDP to 2022-23, and rebasing the Consumer Price Index (CPI) to 2024.
- The Cabinet approved INR 30,000 Cr as budgetary support to 3 public sector Oil Marketing Companies (IOCL, BPCL, and HPCL) to manage the losses from selling domestic LPG at subsidized rates.
- The government has approved 4 semiconductor manufacturing units worth INR 4,600 Cr to be set up in Odisha, Punjab, and Andhra Pradesh.
- India's crude oil imports fell 4.30% y-o-y to 18.56 Mn MT in July 2025. This is the lowest level of crude imports of India since Feb 2024.

INR to USD/GBP



Indian Startups

- 73 Indian start-ups raised total funding of around USD 1,571 Mn in the month of August 2025, while the details of 4 other remained undisclosed. There is 53% increase in funding as compared to July 2025.
- Fintech, Cleantech, Entertainment and Health Tech are major segment that secured USD 430 Mn, USD 408 Mn, USD 178 Mn and USD 156 Mn funding respectively.

Indian Debt Market

- RBI held its key repo rate steady at 5.50% in August 2025, maintaining a neutral monetary policy stance.
- India's long term sovereign credit rating was upgraded to BBB from the earlier BBB- by credit ratings agency S&P Global. This is India's first upgrade in ratings in 18 years.
- RBI has eased norms for opening Special Rupee Vostro Accounts (SRVAs), permitting banks to set up such accounts for correspondent banks without prior RBI approval.
- India's forex reserves fell by USD 4.38 Bn to USD 690.72 Bn in the week that ended on 22 Aug 2025.
- H1 2025 recorded 79 private credit deals above USD 10 Mn, totaling ~USD 9.00 Bn, up by 53% from USD 5.90 Bn in H1 2024 and significantly higher than USD 3.30 Bn in H2 2024.
- The "EY private credit pulse survey" indicates that 41% of fund managers expect private credit investments to surpass USD 10 billion in the coming year, reflecting bullish sentiment.

10-Year Bond Yield

