

Macro Economic Release

Indicators	Actual	Consensus	Previous
India Manufacturing PMI (Dec 2025)	55.0	NA	56.6
Infra Growth %YoY (Nov 2025)	1.80	NA	-0.10
Fiscal Deficit FYTD (Rs. tn) (Nov 2025)	9.77	NA	8.25
Fiscal Deficit % of BE (Nov 2025)	62.30	NA	52.60

Source: Refinitiv

FII and DII Investment vs Nifty 50



Source: NSDL, SEBI & NSE

Indian Equity Market Performance

Broad Indices	02-Jan-26	% Change (WoW)	% Change (YoY)	% Change (YTD)
BSE Sensex	85,762	0.85	7.28	0.64
Nifty 50	26,329	1.10	8.85	0.76
BSE 100	27,577	1.25	7.67	0.85
Nifty 500	24,099	1.34	5.61	0.95
Nifty Mid cap 50	17,506	1.88	7.78	1.46
Nifty Small cap 100	17,832	0.77	-6.54	0.67

Sector Indices	02-Jan-26	% Change (WoW)	% Change (YoY)	% Change (YTD)
BSE AUTO	63,809	3.57	17.70	2.00
BSE Bankex	67,483	2.26	15.25	1.08
BSE CD	60,482	0.92	-8.34	0.80
BSE CG	67,873	1.09	-1.55	1.13
BSE FMCG	19,521	-3.48	-7.43	-4.05
BSE HC	44,058	0.43	-3.48	0.58
BSE IT	37,137	-0.76	-16.09	1.09
BSE METAL	37,656	5.60	29.19	2.29
BSE Oil & Gas	28,910	3.49	9.40	0.70
BSE Power	6,726	3.67	-4.77	3.42
BSE PSU	21,074	3.99	9.94	2.46
BSE Realty	6,964	1.64	-15.37	2.31
BSE Teck	18,705	-0.35	-6.27	1.06

Source: BSE & NSE

Macro Economic Update

- The Index of Industrial Production (IIP) rose 6.7% YoY in Nov 2025, accelerating from the upwardly revised 0.5% increase in Oct 2025. The growth was primarily driven by the manufacture of basic metals, fabricated metal products, pharmaceuticals, and motor vehicles. Among the key sectors, Mining grew by 5.4%, Manufacturing by 8.0%, while Electricity contracted by 1.5% during the month.
- Government data showed that India's fiscal deficit for the period from Apr to Nov of FY26 stood at Rs. 9.77 lakh crore or 62.3% of the Budget Estimates (BE) of the current fiscal. India's fiscal deficit was at 52.5% of the BE in the corresponding period of the previous fiscal year. Total expenditure stood at Rs. 29.26 lakh crore or 57.8% of the BE as compared to 56.9% of the BE in the corresponding period of the previous fiscal year.
- The total gross Goods and Services Tax (GST) revenue grew by 6.1% YoY and stood at Rs. 1.75 lakh crore in Dec 2025, compared to Rs. 1.65 lakh crore in Dec 2024.
- The Manufacturing Purchasing Managers' Index (PMI) eased to 55.0 in Dec 2025, down from 56.6 in Nov 2025. Manufacturing activity grew at its slowest pace in 24 months in Dec 2025, dragged down by slower output and new orders.

Domestic Equity Market Update

- Domestic equity markets rose for the second consecutive week, with key benchmark indices BSE Sensex and Nifty 50 gaining 0.85% and 1.10%, respectively. The rally was broad-based, as both the midcap and small-cap segments closed the week in the green.
- Domestic equity markets rose during the week, supported by broad-based buying across sectors amid optimism for a robust Q3FY26 earnings season. Strong automobile sales data for Dec 2025 acted as an immediate catalyst, boosting investor sentiment. Gains were extended following a mild decline in crude oil prices, which helped ease inflation concerns. Attention is now centered on geopolitical developments and updates from ongoing India-U.S. trade discussions.
- On the BSE sectoral front, BSE Metal surged 5.60% after China's factory activity unexpectedly returned to expansion in Dec 2025 following eight months of contraction. The official manufacturing purchasing managers' index of China rose to 50.1 in Dec 2025 from 49.2 in Nov 2025. Gains were further supported by a rise in aluminium prices on the London Metal Exchange, which touched \$3,000 a tonne for the first time since 2022. Domestic metal stocks also advanced after the government imposed tariffs on certain steel products to curb cheap imports.
- BSE Auto rallied 3.57% on strong Dec 2025 sales. Mahindra & Mahindra reported a 25% YoY increase to 86,090 units, driven by utility vehicle sales rising 23% to 50,946 units and commercial vehicle sales up 34% to 24,786 units. Maruti Suzuki's total sales climbed 22% to 217,854 units, with domestic sales up 36%, passenger vehicles gaining 37%, small cars surging 50% to 92,929 units, and utility vehicles rising 33%. Tractor maker Escorts Kubota also posted robust growth, with total sales up 38.5%, domestic tractor sales increasing 36.1%, and exports jumping 64.3%.

Indian Debt Market Indicators

Broad Indices	02-Jan-26	Week Ago	Month Ago	6 Months Ago	Year Ago
Call Rate	5.39%	5.46%	5.34%	5.27%	6.47%
T-Repo	5.22%	5.25%	5.18%	5.14%	6.22%
Repo	5.25%	5.25%	5.50%	5.50%	6.50%
Reverse Repo	3.35%	3.35%	3.35%	3.35%	3.35%
3 Month CP	6.33%	6.10%	6.00%	5.84%	7.48%
1 Year CP	6.73%	6.73%	6.47%	6.29%	7.70%
3 Month CD	5.97%	6.05%	6.10%	5.70%	7.15%
1 Year CD	6.67%	6.60%	6.62%	6.24%	7.56%

Source: CCIL, Refinitiv * As on Dec 26, 2025; ** As on Dec 19, 2025; @ As on Nov 28, 2025; @@ As on Jun 27, 2025;

@@@ As on Dec 27, 2024

10 - Year benchmark G-Sec Movement



Source: Refinitiv

Domestic Debt Market Update

- Bond yields rose as sentiment weakened following the RBI's open market purchase of Rs. 50,000 crore on Dec 29, 2025, primarily in shorter tenor securities, with over Rs. 24,000 crore concentrated in 2029 and 2030 maturities. Sentiment deteriorated further as participants anticipated a heavier-than-expected state debt supply scheduled for Dec 30, 2025. However, losses were contained after states raised Rs. 35,450 crore on Dec 30, the largest issuance in more than three months, at expected yields, easing concerns about a potential supply overhang. Market participants remain cautious ahead of the release of the Jan-Mar 2026 state borrowing calendar.
- Yield on the 10-year benchmark paper (6.48% GS 2035) rose by 5 bps to close at 6.61% from the previous week's close of 6.56%.
- Data from Reserve Bank of India showed that money supply grew 9.3% on a yearly basis for the fortnight ended Dec 15, 2025, compared to an increase of 10.4% in the same period of the previous year. Bank Credit to Commercial Sector grew 11.8% on a yearly basis for the fortnight ended Dec 15, 2025, compared to an increase of 11.0% in the same period of the previous year.

Global Commodity Update

Commodities	02-Jan-26	% Change (WoW)	% Change (YoY)	% Change (YTD)
NYMEX Crude Oil (\$/barrel)	57.28	0.69	-21.65	-0.19
Brent Crude Oil (\$/barrel)	60.81	0.16	-19.89	-0.15
Gold (\$/ounce)	4,329.89	-4.47	62.95	0.37
Silver (\$/ounce)	72.62	-8.25	145.58	1.91

Source: Refinitiv

Global Equity Market Performance

Country/Region	Indices	02-Jan-26	% Change (WoW)	% Change (YoY)	% Change (YTD)
U.S.	Russell 1000	3,743	-1.01	16.39	0.26
U.K.	FTSE	9,951	0.82	20.47	0.20
France	CAC 40	8,195	1.13	10.84	0.56
Germany	DAX	24,539	0.82	22.55	0.20
Japan ^[2]	Nikkei 225	50,339	-0.81	26.18	0.00
China ^[1]	Shanghai Composite	3,969	0.13	21.65	0.00
Hong Kong	Hang Seng	26,338	2.01	34.22	2.76
Singapore	Straits Times	4,656	0.43	22.50	0.21
Brazil	Sao Paulo Se Bovespa	160,539	-0.22	33.64	-0.36

Source: Refinitiv

Currencies Update

Currency	02-Jan-26	Week Ago	Month ago	6 Months Ago	Year Ago
U.S. Dollar	89.99	89.77	89.89	85.62	85.76
GBP	121.10	121.14	118.76	116.75	106.17
Euro	105.46	105.66	104.48	101.01	88.02
100 Yen	57.37	57.33	57.66	59.58	54.44

Source: Refinitiv

Global Bond Yield Update

Indicators	02-Jan-26	Week ago	Month ago	6 Months Ago	Year ago
U.S. 10 Year Bond yield (%)	4.19	4.13	4.09	4.29	4.58
U.K. 10 Year Bond yield (%)	4.54	4.51	4.47	4.61	4.60
German 10 Year Bond yield (%)	2.90	2.86	2.75	2.62	2.37
Japan 10 Year Bond yield (%)	2.07	2.05	1.87	1.44	1.08

Source: Refinitiv

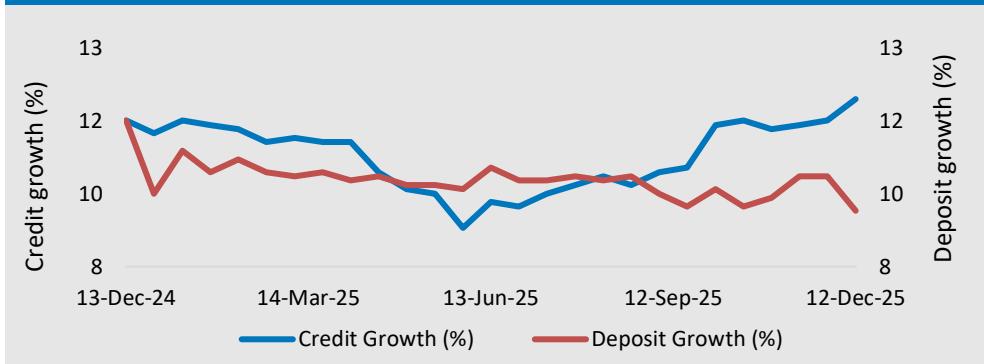
Global Economic Calendar

Economic Events	Release date	Actual	Consensus	Previous
China Caixin Mfg PMI Final Dec 2025	31-Dec	50.10	49.80	49.90
U.K. Nationwide house price yy Dec 2025	2-Jan	0.60%	1.20%	1.80%
Euro Zone Markit Mfg Final PMI Dec 2025	2-Jan	48.80	49.20	49.20
U.S. Markit Mfg PMI Final Dec 2025	2-Jan	51.80	NA	51.80

Source: Refinitiv

Macro Economic Performance of India

Credit growth vs Deposit growth



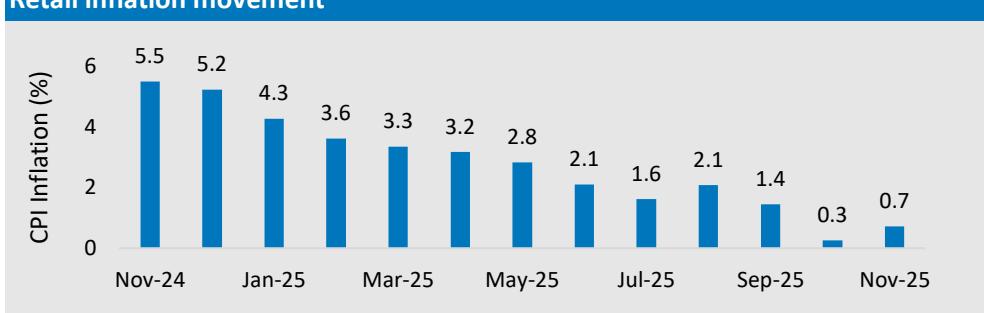
Source: Refinitiv

IIP Growth (%)



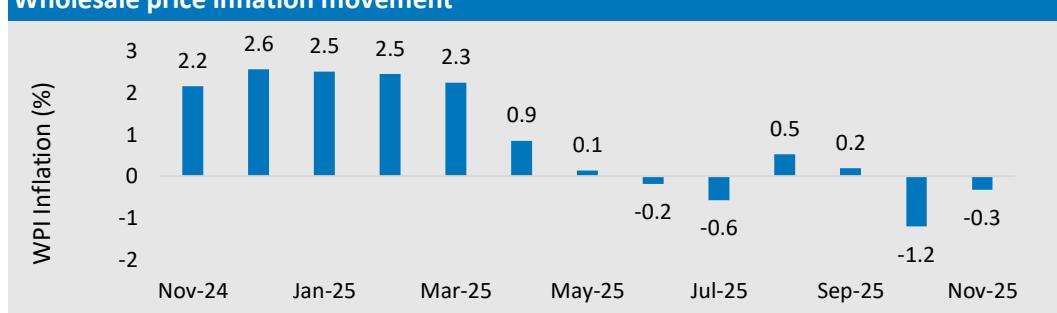
Source: Refinitiv

Retail inflation movement



Source: Refinitiv

Wholesale price inflation movement



Source: Refinitiv

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