

Global Economy

- US GDP grew 2.40% YoY in Q4 2024 (vs 3.20% in Q4 2023) and Japan's GDP grew 2.20% (vs 0.10% in Q4 2023).
- ECB cut rates to 2.65% from 2.90%, while US Fed & Bank of England kept rates unchanged at 4.25% & 4.50% respectively.
- In Feb 2025, inflation rates declined across major economies. Euro Area's inflation dropped to 2.30% in Feb 2025 (vs 2.50% in Jan 2025), Japan's inflation fell to 3.70% in Feb 2025 (vs 4.00% in Jan 2025) while UK's inflation fell to 2.80% in Feb 2025 (vs 3.00% in Jan 2025) and USA's inflation fell to 2.80% in Feb 2025 (vs 3.00% in Jan 2025).
- US to impose 25% tax on auto imports from April 2, 2025, on all countries.
- China imposed 15% tariffs on US agricultural goods in response to US tariff hikes.

Indian Economy

- Retail inflation fell to 3.60% in Feb 2025, a 7-month low, while industrial production grew 5.00%, and wholesale inflation rose to 2.38%.
- India to commission the world's longest LPG pipeline by June, a \$1.3 billion, 2,800 km project from Kandla to Gorakhpur built by IOC, BPCL, and HPCL.
- NSE launched the 'Nifty Chemical Index' for top 20 chemical stocks.
- Govt approved INR 22,919 crore Electronics Component Manufacturing Scheme to incentivize manufacturing of key components over 6 years.
- Defence Ministry signed INR 6,900 crore contracts for artillery systems & towing vehicles.
- Defence Ministry signed contract of INR 2,500 crore for 5,000 light vehicles from Force Motors and Mahindra & Mahindra & anti-tank missile systems from Armoured Vehicle Nigam Ltd.

Indian Startups

- 71 Indian start-ups raised total funding of around USD 988 million in the month of Mar 2025.
- Fintech, Enterprise Tech, Financial Services & Chemical are major segment that secured USD 325 million, USD 191 million, USD 180 million & USD 166 million funding respectively.
- The funding grew by 70% in Mar 2025 compared to Feb 2025 month, with Fintech leading both month.

Indian Debt Market

- The RBI conducted auction of INR 50,000 crore in the market by purchasing government securities on 25 Mar 2025 but accepted bids worth INR 44,541 crore, slightly below the target.
- The RBI has announced INR 1.00 lakh crore liquidity infusion and a USD 10.00 billion dollar/rupee swap auction to address liquidity constraints and ensure effective transmission of lower policy rates amid anticipated tax outflows.
- Bank lending growth up to Feb 2025 moderated to 10.90% (vs 20.60% the previous year), primarily due to a slowdown in retail and NBFC loans.
- The Indian government has sought parliamentary approval for an extra net expenditure of INR 51,463 crore for the current fiscal year, surpassing the previous approval of INR 44,143 crore. Despite this, the fiscal deficit is projected to stay at 4.80% of GDP, supported by higher nominal GDP estimates.

INDIA 10-YEAR BOND YIELD