

Weekly Capsule (Jun 30 – Jul 04) and Impact Analysis

News Announcement	Impact Analysis
➤ Indian IIP growth for May 2025 came in sharply lower at 1.23% vs 2.57% in April	<ul style="list-style-type: none"> ➤ The sharp fall in the IIP was on account of deep cuts in Power output and manufacturing; even as mining output was flat ➤ The slowdown in the IIP is being attributed to lower capex as well as to constraints to the global export trade
➤ India fiscal deficit as of end-May 2025 was at just about 0.8% of Nominal GDP	<ul style="list-style-type: none"> ➤ This figure can be misleading as the RBI mega dividend of ₹2.69 trillion was booked entirely in May 2025 itself ➤ This also led to a surplus in the revenue account and in the primary account; but these will normalize in coming months
➤ US jobless rate in June; 10 bps better at 4.1%, fairly close to full employment	<ul style="list-style-type: none"> ➤ The total non-farm payroll additions for the month of June was 1,47,000 jobs, which is better than expected ➤ The US needs to add about 1,00,000 jobs a month to maintain its target GDP growth, so it is well above the target
➤ FPIs were net buyers of \$1.71 billion in Indian equities in June 2025 overall	<ul style="list-style-type: none"> ➤ This is the third consecutive month of positive FPI flows into equity, although the FPIs continue to be sellers in Indian debt ➤ In terms of sectors, BFSI, Oil & Gas, Auto, and Telecom saw FPI net buying; while Power, FMCG, Consumer Goods sold off
➤ Meesho has filed confidentially with SEBI for its proposed ₹4,250 crore IPO	<ul style="list-style-type: none"> ➤ In a confidential filing, the issuer can get SEBI comments without divulging too many details to the general public ➤ Meesho is backed by Prosus, Elevation Capital, Westbridge, Softbank, and Peak XV; who will be part of the OFS selling
➤ Godrej Consumer expects strong Q1 with double-digit revenue growth	<ul style="list-style-type: none"> ➤ The estimates are based on high single-digit volume growth in the first quarter; with traction from the home care segment ➤ However, the personal care category is likely to post low-single digit growth due to pricing and demand rebalancing
➤ SEBI barred Jane Street from Indian stock markets; for index manipulation	<ul style="list-style-type: none"> ➤ SEBI ruling is that Jane Street hurt small investors by putting big trades that manipulated the indexes in a meaningful way ➤ Apart from barring Jane Street from the securities market, SEBI has also seized \$567 million of funds as security
➤ Piyush Goyal underlines; India ready for trade deal, but will not compromise	<ul style="list-style-type: none"> ➤ India has been racing against time to meet the July 09, 2025 deadline imposed by Trump; when reciprocal tariffs kick in ➤ However, India is unwilling to grant access to the US with regard to all services, agri products and access to GM crops
➤ Amidst copper shortage, India invites bids from international copper majors	<ul style="list-style-type: none"> ➤ India imports nearly 80% of its copper needs (which are rising) and this is likely to go up to above 90% as demand expands ➤ India has sounded global majors like Codelco of Chile and BHP of Australia to set up copper refining plants in India

➤ After Operation Sindoor, India plans \$230 million drone incentive plan	<ul style="list-style-type: none"> ➤ In the aftermath of the operation, India realized that Pakistan had got deep support on drones from China and Turkey ➤ Like in the Russia-Ukraine war, it is expected that wars in India's borders would also be fought through targeted drones
➤ India hints at retaliatory tariffs against US 25% tariffs on Indian auto exports	<ul style="list-style-type: none"> ➤ The 25% tariff has impacted Indian auto exports to the tune of \$2.89 billion, and India has already red-flagged it at the WTO ➤ India had tried to avoid retaliatory tariffs all along; but now India is not too pleased with Trump's proximity to Pakistan
➤ Reliance Retail will spin off consumer goods business into a separate entity	<ul style="list-style-type: none"> ➤ Reliance Consumer currently competes with the likes of Coca Cola, Pepsi, and FMCG names like Nestle and Mondelez ➤ The separation of the consumer business will allow better capital allocation and also help attract a new class of investors
➤ HDFC Bank posts robust growth in deposits and advances in Q1FY26	<ul style="list-style-type: none"> ➤ In Q1, HDFC Bank recorded 16.4% growth in total deposits and 6.7% yoy growth in its total gross advances credit book ➤ However, the growth has been skewed in deposits with time deposits growing 22.1% and CASA deposits by just 6.1%
➤ India targeting chemicals output of \$1 trillion by year 2024; as per NITI Aayog	<ul style="list-style-type: none"> ➤ Niti Aayog has suggested a mix of subsidies, R&D incentives, and FTAs to give India 12% share of global value chain by 2040 ➤ Chemicals industry is undergoing a big shift towards specialty and green chemicals; focused on innovation and sustainability
➤ PVR Inox will invest a total of ₹400 crore to add 200 screens in India	<ul style="list-style-type: none"> ➤ The focus will be largely in South India, with growth planned across major metropolises and Tier-2 and Tier-3 cities ➤ In FY26; PVR Inox plans to open a total 100 new screens with 40% of these screens located in the Southern part of India
➤ Temasek and Manipal Hospitals win the race to acquire Sahyadri Hospitals	<ul style="list-style-type: none"> ➤ The Pune based Sahyadri Hospital will boost Manipal Hospital presence in Maharashtra; having made 4 big buys since 2021 ➤ Sahyadri Hospitals has over 1,200 beds across Pune, Nashik, and Ahmednagar and the stake is valued at ₹6,150 crore
➤ Trump's One Big Beautiful Bill Act (OBBBA) finally becomes a reality	<ul style="list-style-type: none"> ➤ The rather controversial bill will cut taxes in a big way, but it will also ensure most of the healthcare benefits will go away ➤ The overall cost runs into trillions of dollars and is likely to spiral US budget deficit as well as its debt to GDP ratio
➤ CCI pulls up Ultratech Cements for alleged violation of competition norms	<ul style="list-style-type: none"> ➤ The CCI probe came after ONGC had filed a complaint with the CCI alleging cartelization by cement majors in its tenders ➤ The initial report has found anti-competition practices used by India Cements, Digvijay Cements, and Dalmia Cements
➤ Travel Food Services raises ₹599 crore from anchors, one day ahead of its IPO	<ul style="list-style-type: none"> ➤ The anchor portion was raised from 33 anchor investors at a price of ₹1,100 per share with a mix of MFs and FIIs ➤ The ₹2,000 crore IPO of Travel Food Services will entirely be an offer for sale (OFS), with the Kapoor family paring stake

➤ India and Japan likely to cooperate to prospect for rare earth magnets	➤ Both countries have a strong auto industry and are heavily dependent on China to supply the rare earth magnets ➤ With China restricting exports, India and Japan are looking at alternate channels to meet demand for this key auto input
➤ Dollar delivers its worst performance in 50 years in first half of year 2025	➤ Dollar index plummeted from 110 levels to below 97 levels, a fall of more than 10.8% in just the first six months of 2025 ➤ Dollar weakness has been induced by geopolitical risk, but also by a flawed tariff policy and an extravagant OBBBA

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