

Monthly Market Round-Up

News at Glance

July 2025

Global News

- US Federal Reserve kept interest rates unchanged for the 5th consecutive time amidst an uptick in inflation and strong economic data while citing no hints regarding a possible Sept rate cut.
- US Inflation rose for the second consecutive month to 2.7% in June 2025 suggesting gradual build-up of inflation pressures. A hawkish FED policy and better than expected US economic growth led to surge in Treasury Yields and strengthening of US Dollar.
- Brent Crude surged from \$67 per barrel to \$72 per barrel by the end of the month amidst US tariff war and trade sanctions.
- US Equity markets continued to rally and achieved record highs propelled by a combination of favorable trade developments, earnings resilience and improved investor sentiment. Potential headwinds like ongoing trade tensions, interest rate uncertainty and persistent inflation continue to linger.
- US imposed sweeping tariffs on 15 countries including a 25% tariff on Indian imports along with an unspecified penalty for buying Russian weapons and oil effective from August 1, 2025. In addition, sanctions on global companies including 6 Indian entities was imposed for engaging in Iranian petroleum, petroleum products, or petrochemical trade.
- A historic Free Trade Agreement was signed between India and UK, it is expected to strengthen strategic partnership and boost bilateral trade between the two nations.

Domestic News

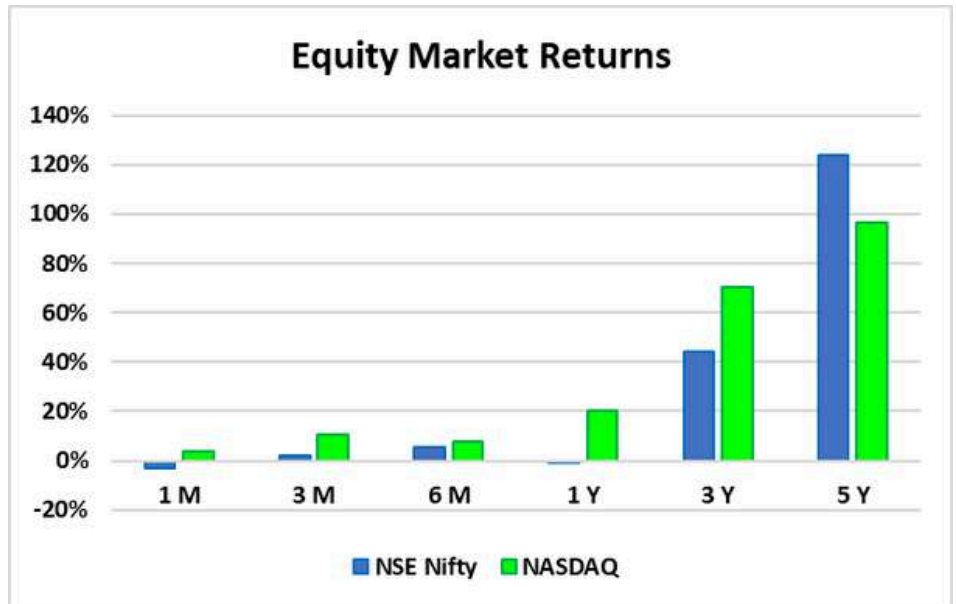
- India's retail Inflation continued to ease hitting over a 6-year low of 2.10% in June 2025, a significant drop from 2.8% in May.
- Bank Credit Growth made a comeback with 9.5% y-o-y increase to Rs.184.8 lakh crores in June after hitting a 3-year low in May. Deposit growth in the system at 10.1% y-o-y has outpaced credit growth by over 50 basis points.
- GOI has initiated preliminary consultations to set up the 8th Central Pay Commission (CPC), anticipated to revise salaries, allowances and pensions for central government employees and pensioners, potentially effective from January 1, 2026.
- Indian Equity Markets remained volatile and witnessed downturn amidst ambiguity over potential India-US trade deal, weak quarterly earnings of Indian corporates and persistent FII (Foreign Institutional Investor) sell offs.
- FIIs have withdrawn \$9.2 billion from Indian equities in 2025, mainly from IT and FMCG sector, while investing ₹41,000 crore in Financials and Telecom—signaling a shift toward long-term growth sectors over defensives, as per NSDL FPI data.
- Gross GST Collections in July 2025 rose 7.5% year-on-year to ₹1,95,735 crore.

Monthly Market Round-Up



India & USA: Equity Markets

Period	Nifty 50	NASDAQ
1 month	-3%	4%
3 month	2%	11%
6 month	5%	8%
1 Year	-1%	20%
3 Year	44%	71%
5 Year	124%	97%



Source: www1.nseindia.com, www.bseindia.com, Data as on 31-July-2025

Indian Equities



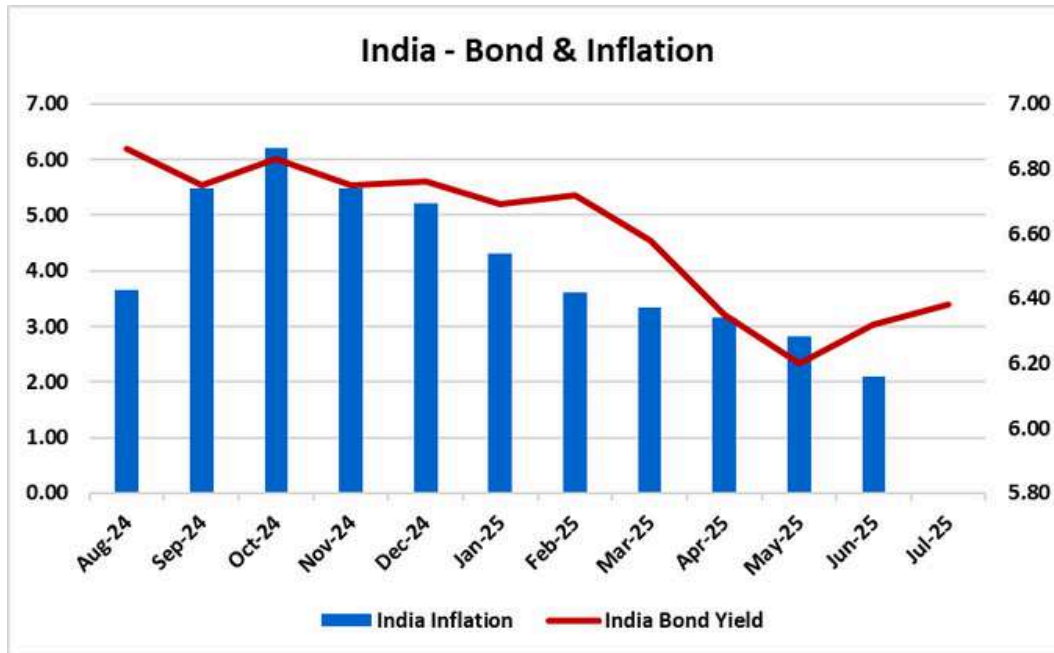
Performance of major indices over last month:

- Nifty 50: -3.03%
- Nifty Midcap: -3.93%
- Nifty Small Cap: -5.71%

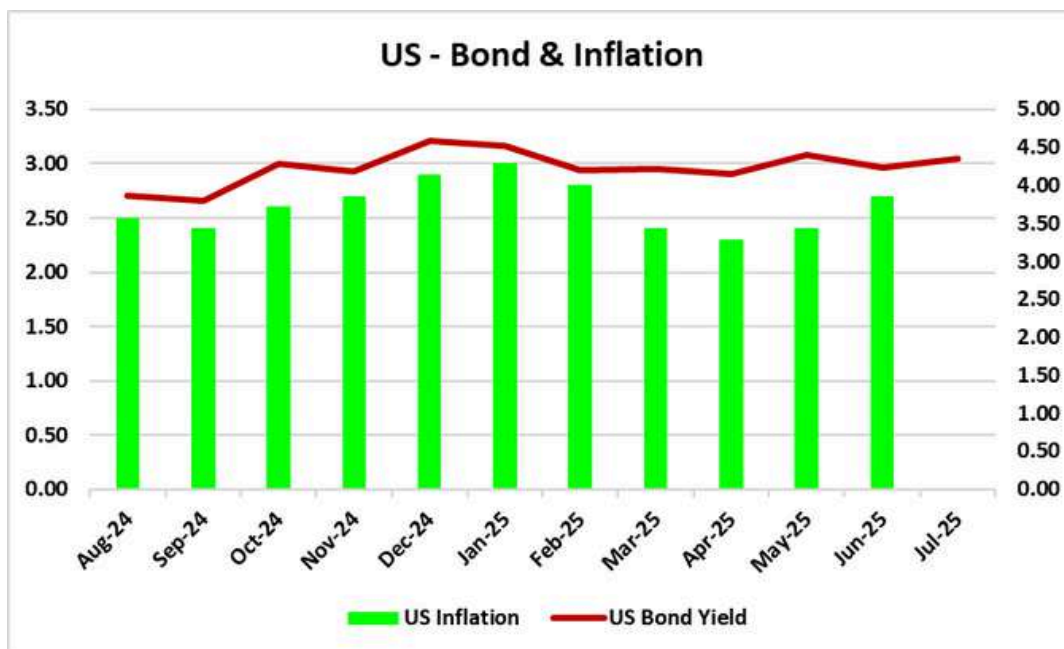
Post a strong rebound between March to June 2025, Equity markets took a breather and witnessed a broad-based correction in July 2025.

Source: www1.nseindia.com, www.bseindia.com, Data as on 31-July-2025

India & USA: Debt Markets & Inflation



- Inflation in India witnessed a significant drop hitting a 6-year low of 2.10% in June.
- Despite fall in inflation and monetary easing by RBI, G -Sec yields are on an upward trajectory due to hawkish stance by Federal Reserve and a weakening rupee.



- US Inflation shot up to 2.7% from 2.4% last month pushing further the rate cut expectations by Federal Reserve.
- US Treasury yields surged in anticipation of a pause in interest rates and closed at 4.36 by end of the month. The possibility of deferred rate cut also lead to a spike in yields.

Mutual Fund Scheme Performance

Category - Equity

Performance by Mutual Fund Category (%) as on 31-July-2025

3 Months	6 Months	1 Year	3 Years	5 Years	10 Years
Small Cap 11.4	Mid Cap 8.1	Multi Cap (0.4)	Small Cap 22.6	Small Cap 31.7	Small Cap 16.7
Mid Cap 8.6	Small Cap 7.3	Large & MidCap (0.6)	Mid Cap 22.2	Mid Cap 27.4	Mid Cap 15.3
Multi Cap 7.1	Large & MidCap 7.3	Large Cap (1.3)	Multi Cap 20.4	Multi Cap 24.7	Multi Cap 14.4
Large & MidCap 6.0	Multi Cap 7.2	Mid Cap (1.3)	Large & MidCap 19.3	Large & MidCap 23.3	Large & MidCap 13.9
Flexi Cap 5.4	ELSS 6.6	Flexi Cap (1.5)	ELSS 17.9	ELSS 21.5	Flexi Cap 13.1
ELSS 5.3	Flexi Cap 6.3	Small Cap (1.7)	Flexi Cap 17.1	Flexi Cap 20.9	ELSS 13.1
Large Cap 3.2	Large Cap 6.0	ELSS (1.7)	Large Cap 15.4	Large Cap 18.6	Large Cap 11.6

Mutual Fund Scheme Performance

Category - Debt

Performance by Mutual Fund Category (%) as on 31-July-2025

1 Month	3 Months	6 Months	1 Year	3 Years
Medium Duration 0.70	Low Duration 1.85	Medium Duration 5.04	Medium Duration 9.25	Medium Duration 7.61
Corporate Bond 0.59	Money Market 1.83	Corporate Bond 4.98	Corporate Bond 9.00	Corporate Bond 7.56
Short Duration 0.58	Short Duration 1.78	Short Duration 4.76	Short Duration 8.70	Short Duration 7.42
Low Duration 0.57	Corporate Bond 1.71	Low Duration 4.23	Low Duration 7.88	Money Market 7.23
Money Market 0.55	Medium Duration 1.73	Money Market 4.10	Money Market 7.76	Low Duration 7.13
Ultra Short Duration 0.52	Ultra Short Duration 1.70	Ultra Short Duration 3.71	Ultra Short Duration 7.22	Liquid 6.89
Liquid 0.48	Liquid 1.54	Liquid 3.34	Liquid 6.96	Ultra Short Duration 6.79