



MONTHLY ECONOMIC **REPORT ON INDIA**

OCT
2025

September data signals **improving economic activity** with FY2026 GDP forecasts revised higher. **Consumption strengthens** across digital payments, toll, fuel demand, and air travel with EV adoption surging, though 3-wheelers decline. **Supply indicators mixed**: robust ports, rail, e-way bills, capex rebound, and **steady goods exports** contrast with moderate industrial output and weak services trade. Inflation reaches eight-year low as food prices ease. **Monetary easing likely nears end** as RBI holds rates in October, **prioritizing deeper transmission**; private banks show swifter pass-through. **Rupee strengthens** against major currencies **during October** (as of 24th), supported by large forex reserves providing 9-month import buffer

Sep-Oct 2025

Growth

India's **economic momentum improves** in September **reflected in NICE Index**; Consensus and IMF raise FY2026 GDP forecast to 6.7% and 6.6% respectively. **Demand indicators strengthen**: Fastag collections (20.0%), UPI transactions (20.6%), steady fuel consumption - petrol (8.0%), diesel (6.6%) - and rebounding air traffic (1.7%). PV and 2W registrations pick up while 3W contracts (3.0%); **EV adoption surges** in PV and CV. Supply side shows mixed trends: **robust logistics** growth in port cargo (11.4%), e-way bills (21.0%), rail freight (8.5%) with resilient goods exports (6.7%), but **core industries moderate** (3.0%) and **services exports decline** (5.5%). **Government capex jumps** (113.1% in Aug) on low base with solid YTD performance despite **weak tax revenue** (0.8%). **Electricity generation stays moderate** (~3%) while renewable share sustains at 17.0%

Rates

RBI holds repo at 5.5% as **easing cycle nears end**; one 25 bps cut expected by consensus before prolonged pause through 2026. Banking liquidity surplus narrows to 0.2% of NDTL (Sep 19), while major private banks' MCLR lowers by 65-100 bps. **Credit growth edges up** (10.4%), **outpacing slowing deposits** (9.5%) for first time in four months. Yield curve flattens as 10-year corporate bond yields ease 20-30 bps across tenors since early September; 10-year G-sec steady at 6.55% (Oct 27) while 3-month T-bills anchored near repo at 5.46%. **Indian equities lag Asian peers** (-4.7% TTM) amid **continued FPI outflows** in Sep (INR 125.4 billion) vs Singapore (44.7%), Korea (32.1%). **Strong DII inflows** (INR 653 billion) provide stability. Net FDI turns negative (-USD 0.6 billion in Aug) as gross inflows moderate after July's three-year peak (USD 5.0 billion)

Inflation

Retail inflation hits 8-year low (1.5%) in September as food costs decline; core at 4.5% on elevated gold (USD 4,094/troy oz). Wholesale prices ease to 0.1%. **Above-normal monsoon** (108% of average) with north-west surplus lifts reservoirs to 91% (Oct 9), exceeding decadal average. Kharif sowing at 102% of normal supports rural outlook. Developed markets face rising price pressures: UK (3.8%), US (3.0%), Germany (2.4%), Japan (2.9%), France (1.2%); China deflationary (-0.3%). **Global commodities stay elevated**: copper above USD 10,000 per tonne, **silver 14-year peak** (USD 42.8 per troy oz), crude softens (USD 66 per bbl) as on Oct 24. Labour conditions improve - unemployment down, MNREGA wages stable per CMIE - but tractor, fertiliser demand turn subdued

Forex

REER depreciation continues - 97.7 (September) vs 104.8 (January) - though **rupee appreciates over last month** (as of October 24) vs euro (2.8%), pound (2.5%), yen (4.6%), dollar (1.2%) as USD edges up (DXY 99 from 97). **Forward premium** at 2.3% (October 24) signals **moderate expectations**, below 3-4% historical average. **Forex reserves robust** at USD 702 billion (as of October 17), provide 9-month import buffer. **Post 50% US tariffs** from August, **exports hold firm** (6.7% Sep) with **shipments toward China, UAE rising while to US declining**. **Electronics drive growth** (50.3%); labour-intensive exports (textiles, plastics, leather) weaken. Import surge (16.7%) led by jewellery (100.9%), chemicals (33.5%), agriculture (25.6%), engineering (9.9%)



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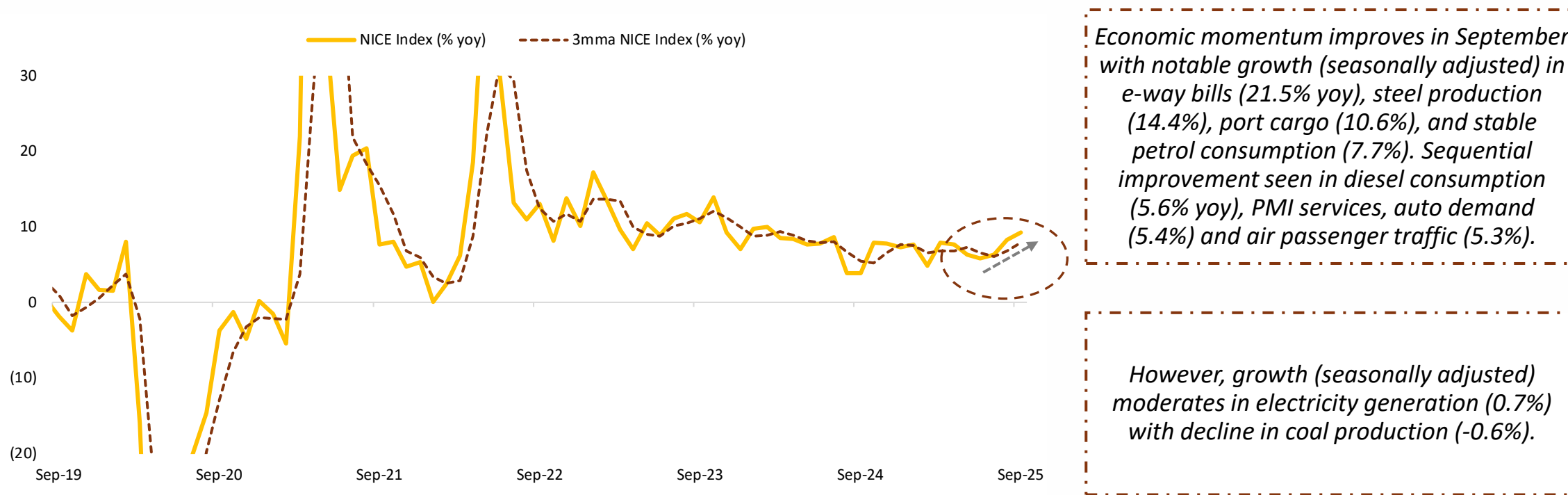
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Key chart: NIIF India Coincident Economic (NICE) Index (1/2)

Broad-based improvement in September as eight of ten seasonally adjusted indicators showing robust growth across demand and supply metrics

Monthly NIIF India Coincident Economic (NICE) Index (% yoy), FY2020-FY2026 (Sep '25)



Source: CEIC, Thurro, NIIF Research

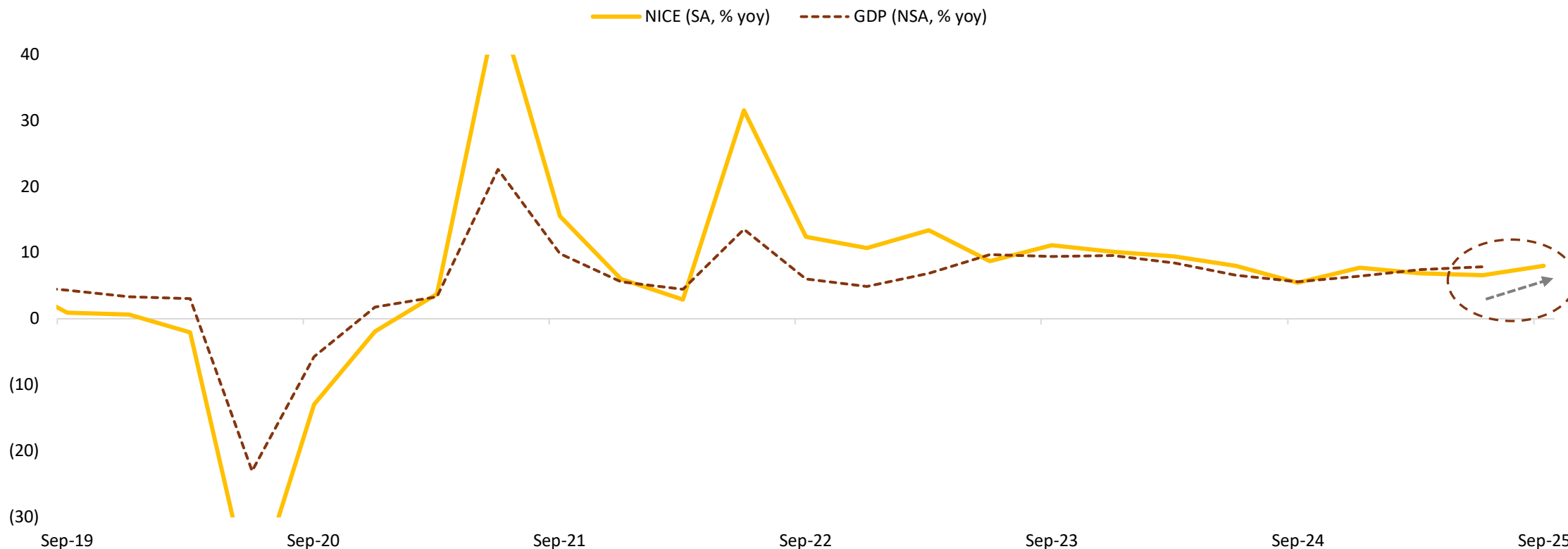
Note:

1. NICE is an index of 10 monthly high-frequency indicators: e-way bills, steel production, petrol consumption, diesel consumption, air passenger traffic, electricity generation, automobile registrations, major ports cargo, coal production and PMI services
2. Indicators are seasonally adjusted (unless already adjusted, such as in PMI services) and rebased to June 2018 = 100. A single factor is estimated by applying principal component analysis (PCA). Specifically, an index is created using the first two Principal Components (PCs), which account for 90% of the variations, and a weighted average of PC1 and PC2 is used to derive individual indicator weights. Turning point analysis was also carried out to ensure the index coincides with major economic events, such as the COVID-19 pandemic, election cycles, and festival demand spikes.
3. 3mma NICE refers to the 3-month moving average of the NICE Index (X)
4. Methodology subject to periodic review and refinement

Key chart: NIIF India Coincident Economic (NICE) Index (2/2)

NICE Index points to steady economic activity momentum in Q2FY26

Quarterly NIIF India Coincident Economic (NICE) Index and real GDP (% yoy), FY2020-FY2026 (Sep '25)



Source: CEIC, Thurro, NIIF Research

Note:

1. Quarterly index computed by averaging monthly NICE values within each quarter using identical methodology
2. SA: Seasonally adjusted; NSA: Not seasonally adjusted
3. GDP growth (% yoy) measured at constant prices
4. Methodology subject to periodic review and refinement

Key chart: Country-wise EXIM trade

US exports dip in September but H1FY26 remains strong year-on-year

Country-wise goods export by India, FY2026

Countries	USD billion		% yoy	
	Sep' 25	H1FY26	Sep '25	H1FY26
USA	5.5	45.8	(11.9)	13.4
UAE	3.6	18.8	24.3	9.4
Netherlands	1.6	10.6	(20.2)	(19.7)
China	1.5	8.4	34.2	22.0
UK	1.1	6.8	11.9	(6.1)
Germany	1.0	5.7	11.1	11.6
Bangladesh	1.1	5.5	23.1	6.5
Singapore	0.6	5.5	(25.0)	(14.9)
Saudi Arabia	0.9	5.0	14.2	(8.6)
Brazil	0.7	3.8	25.8	6.4
ROW	18.8	104.1	11.3	1.2
World	36.4	220.1	6.8	3.0

Source: MoCI, NIIF Research

Note:

1. September 2025 figures are provisional estimates
2. ROW: Rest of the World
3. Countries sorted by H1FY26 export value in descending order

Imports from UAE, China, Japan surge; Russia, Iraq imports fall in H1FY26

Country-wise goods import to India, FY2026

Countries	USD billion		% yoy	
	Sep '25	H1FY26	Sep '25	H1FY26
China	11.3	62.9	16.4	11.3
UAE	6.6	33.0	32.8	13.2
Russia	4.7	31.1	(16.7)	(7.4)
USA	4.0	25.6	11.8	9.0
Saudi Arabia	2.8	15.2	18.9	9.6
Iraq	1.9	13.1	(22.4)	(9.0)
Hong Kong	2.5	11.7	7.3	20.0
Singapore	2.0	11.7	10.6	10.0
Japan	2.0	10.9	21.3	16.6
Korea	1.7	10.9	(4.9)	1.9
ROW	28.9	148.9	29.2	1.1
World	68.5	375.1	16.7	4.5

Source: MoCI, NIIF Research

Note:

1. September 2025 figures are provisional estimates
2. ROW: Rest of the World
3. Countries sorted by H1FY26 import value in descending order

[Growth] Global

India's FY2026 growth forecast revised up to 6.6% from 6.4% earlier; Stable 6.5% p.a. growth from FY2028 to FY2031

IMF nominal GDP (USD trillion) and real GDP growth projections (%), CY2024 to CY2030

	Nominal GDP (USD trillion)		Real GDP growth (% yoy)		
	Actual	Projection	Actual	Projection	
	2024	2025	2024	2025	2030
World	111.1	117.2	3.3	3.2	3.1
Advanced Economies	64.9	68.6	1.8	1.6	1.5
United States	29.3	30.6	2.8	2.0	1.8
European Union	19.5	21.1	0.9	1.2	1.4
Germany	4.7	5.0	(0.5)	0.2	0.7
Japan	4.0	4.3	1.1	1.1	0.5
United Kingdom	3.6	4.0	1.3	1.3	1.4
Canada	2.2	2.3	1.6	1.2	1.6
Emerging markets and developing economies	46.2	48.6	4.3	4.2	4.0
China	18.7	19.4	5.0	4.8	3.4
India	3.9	4.1	6.5	6.6	6.5
Russia	2.2	2.5	4.3	0.6	1.1
Brazil	2.2	2.3	3.4	2.4	2.5
South Africa	0.4	0.4	0.5	1.1	1.8

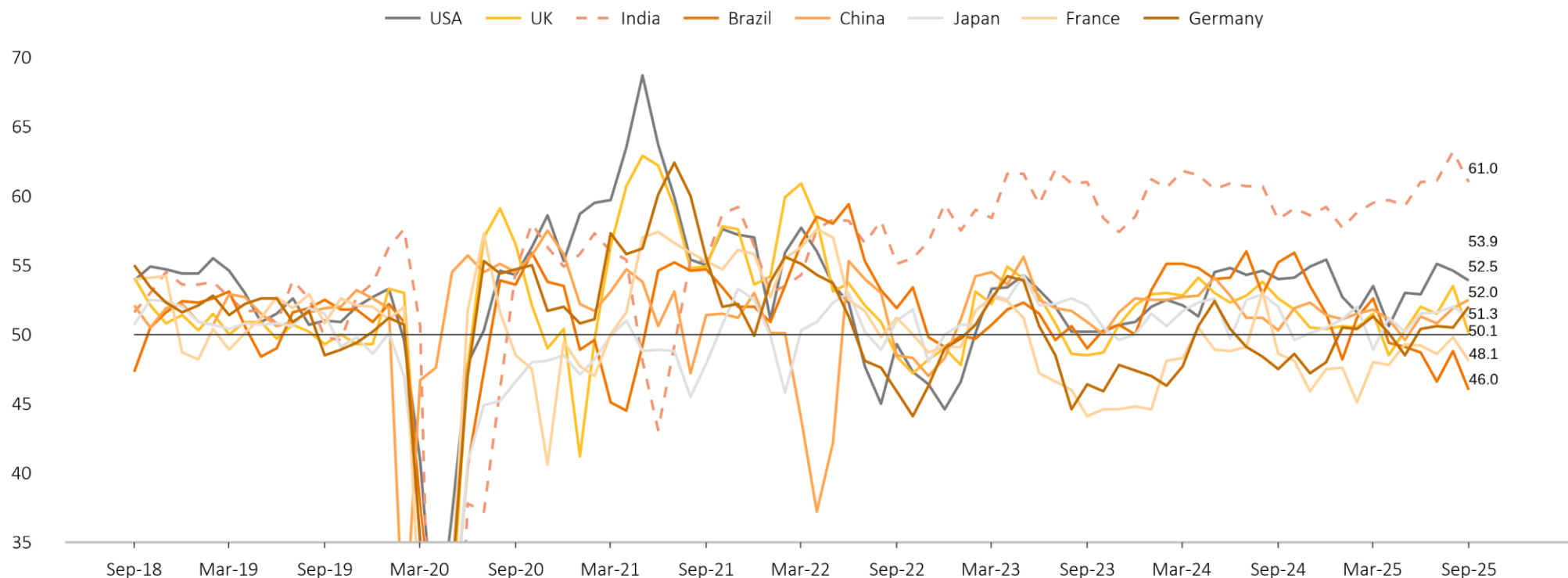
Source: IMF World Economic Outlook (October 2025), NIIF Research

Note:

1. For India, data and forecasts are presented on a fiscal year basis with period starting Apr 1 and ending on Mar 31
2. The 6.6% GDP growth for India under the 2025 column is estimated for FY2025-26. Similarly, 6.5% GDP growth for 2030
3. India's FY2027 growth forecast reduced by 30 bps to 6.2% from April projections due to weaker global demand, US tariff measures dampening exports and fiscal consolidation limiting stimulus

[Growth] Purchasing managers' index: Global

India maintains robust PMI expansion; US, Germany, China, and Japan hold steady, while UK moderates, Brazil and France contract
Monthly PMI composite indices across major economies, FY2019-FY2026 (Sep '25)



Source: Thurro, S&P, NIIF Research

Note:

1. Impact of Covid on economic activity seen across countries for months between Feb '20 and May '20 and hence not shown in the chart.
2. The headline PMI Composite (Output) Index is a weighted average of the headline PMI Services Index and the Manufacturing Output Index (not the headline PMI manufacturing). Hence, a simple average of PMI Services and Manufacturing indices may not reflect in the PMI Composite.

[Growth] High-frequency indicators: Supply

Change in major economic indicators (% yoy), Aug '24 - Sep '25

	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25
Fiscal														
Central government capex	(30.0)	(2.4)	(8.4)	21.3	95.3	51.4	(35.4)	67.2	61.0	38.7	43.7	(10.5)	113.1	
Central government revex	33.3	4.4	41.9	0.5	1.7	5.1	(12.8)	(5.5)	(5.7)	40.7	36.6	7.8	(25.5)	
Gross tax revenue	(15.8)	11.9	1.6	10.0	11.1	4.6	19.7	2.8	6.5	19.1	(4.7)	(11.7)	1.0	
GST collection	10.0	6.5	8.9	8.5	7.3	12.1	9.1	9.9	12.6	16.4	6.2	7.5	6.5	9.1
Industry														
Index of industrial production	0.0	3.2	3.7	5.0	3.7	5.2	2.7	3.9	2.6	1.9	1.5	4.3	4.1	4.0
Index of eight core industries	(1.5)	2.4	3.8	5.8	5.1	5.1	3.4	4.5	1.0	1.2	2.2	3.7	6.5	3.0
Electricity generation	(4.7)	0.2	0.8	3.8	5.2	2.3	3.0	6.4	1.6	(5.3)	(2.0)	1.6	4.0	3.0
Steel production	4.1	1.8	5.7	10.5	7.3	4.7	6.9	8.7	4.4	7.4	9.7	16.6	13.6	14.1
Cement production	(2.5)	7.6	3.1	13.1	10.3	14.3	10.7	12.2	6.3	9.7	8.2	11.6	5.4	5.3
Coal production	(7.5)	2.4	7.5	7.4	5.3	4.4	1.7	1.6	4.1	2.8	(6.8)	(12.4)	11.5	(1.1)
Wholesale price index	1.2	1.9	2.8	2.2	2.6	2.5	2.4	2.2	0.9	0.1	(0.2)	(0.6)	0.5	0.1
Logistics														
Rail freight	(2.4)	(0.6)	1.5	1.4	1.7	(1.6)	(3.0)	3.0	3.6	2.7	0.9	0.0	8.5	
Port cargo	6.5	6.1	(3.2)	(4.9)	3.3	6.1	7.9	12.5	7.0	4.4	5.6	3.9	2.6	11.4
Air cargo	12.5	18.0	14.5	8.2	8.1	9.0	(4.9)	3.9	11.5	5.1	0.3	4.2	5.3	2.9
E-way bills (volume)	12.9	18.5	16.9	16.3	17.6	24.0	14.7	20.2	23.4	18.9	19.3	25.8	22.4	21.0
Trade														
Merchandise exports	(14.1)	(1.0)	16.6	(5.3)	(1.5)	(2.6)	(10.9)	0.9	(3.8)	(1.2)	(1.3)	13.5	6.7	6.8
Merchandise imports	10.0	7.8	2.1	16.0	2.2	10.9	(15.7)	11.8	20.1	(1.3)	(3.4)	8.7	(10.1)	16.7
Non-oil merchandise exports	(0.2)	6.5	25.5	7.8	5.1	14.5	(6.0)	2.4	9.1	3.9	3.3	14.2	6.8	5.6
Non-oil merchandise imports	22.6	8.3	(2.9)	19.5	6.2	20.8	(10.4)	9.9	17.7	10.6	(1.6)	9.1	(14.3)	24.3
Services exports	5.7	14.7	22.7	14.2	16.9	12.1	11.7	18.7	8.9	9.6	12.0	10.3	2.8	(5.5)
Services imports	9.1	13.5	28.0	26.1	13.9	12.6	(4.7)	5.3	1.0	(1.0)	5.1	8.5	(5.3)	(7.6)

Capex, tax revenue recover; freight strengthens. Goods exports resilient, services trade weakens, industry slows

• Fiscal

Central government capex and tax revenue rebound on low base while revex contracts. GST collection remains robust

• Industry

Industrial production remains moderate while core industries slows in September. Steel output remains robust, electricity and cement production steady, coal contracts. Wholesale prices ease to near-zero levels

• Logistics

E-way bill generation stays robust with surging port cargo and rebounding rail freight, while air cargo growth moderates

• Trade

Goods export remain resilient despite high US tariffs; imports rebound, indicating strong demand. Services trade weakens with contracting exports and deepening import decline

Source: Thurro, CGA, Ministry of Finance, MoSPI, EAI, POSOCO, Indian Railways, Indian Ports Association, AAI, GSTN, RBI, NPCI, NIIF Research

Note:

1. Conditional formatting based on yoy growth values with respect to zero, with the largest negative values represented by dark red and largest positive values represented by dark green
2. Absolute values in Annexure

[Growth] High-frequency indicators: Demand

Change in major economic indicators (% yoy), Aug '24 - Sep '25

	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25
Energy														
Electricity demand	(5.3)	0.4	0.9	4.0	5.8	2.4	2.8	6.7	2.2	(5.0)	(1.7)	2.0	4.3	3.2
Petrol consumption	8.6	3.0	8.7	9.6	11.1	6.7	5.0	5.7	5.0	9.2	6.8	5.9	5.5	8.0
Diesel consumption	(2.5)	(1.9)	0.1	8.5	5.9	4.2	(1.3)	0.9	4.2	2.1	1.5	2.4	1.2	6.6
Automobile registrations														
Passenger vehicles	(0.9)	(17.0)	39.4	(11.8)	0.7	19.0	(7.0)	10.9	5.5	0.6	5.8	1.3	6.5	8.1
Three-wheeler	4.5	3.5	12.2	4.4	(4.6)	6.9	(0.8)	(5.6)	24.5	6.3	6.7	0.8	(2.2)	(7.2)
Two-wheeler	6.7	(8.3)	36.8	16.3	(17.3)	4.7	(5.8)	(1.0)	2.8	7.8	5.2	(6.1)	2.6	6.8
Commercial vehicles	(6.9)	(11.0)	3.7	(6.7)	(8.0)	5.9	(6.8)	0.7	(3.4)	(5.7)	6.0	(2.4)	5.5	2.2
Passenger vehicles-electric	(3.0)	(5.2)	63.3	22.5	24.3	54.3	28.3	63.1	71.1	70.4	104.0	109.1	192.3	177.3
Three-wheeler-electric	7.0	9.5	17.9	17.6	3.1	12.2	5.0	(2.1)	48.8	20.6	15.8	8.6	4.5	(3.0)
Two-wheeler-electric	41.9	41.4	86.7	30.4	(2.8)	19.9	(7.2)	(6.3)	41.2	30.7	32.6	(3.8)	17.9	15.3
Commercial vehicles-electric	46.9	49.3	32.5	33.8	91.1	39.4	(4.5)	(59.5)	114.9	104.8	63.3	141.9	171.1	172.1
Services														
Air passenger (domestic)	5.9	6.5	8.0	12.1	8.3	11.3	11.1	8.7	8.4	1.7	2.9	(3.0)	(1.5)	1.7
Air passenger (international)	10.7	11.6	10.3	13.0	9.4	11.6	7.3	5.6	21.1	10.7	12.1	11.6	12.4	15.1
FASTag collection (volume)	6.8	6.5	7.9	11.9	9.8	14.8	18.7	11.9	16.6	16.4	15.5	14.8	16.1	13.8
FASTag collection (value)	8.4	10.4	10.4	14.5	13.3	19.0	18.3	14.5	21.6	20.0	17.5	19.6	25.7	20.0
UPI transactions (volume)	41.3	42.5	45.4	37.8	39.2	39.3	33.1	36.2	34.5	33.1	32.5	34.9	33.7	30.5
UPI transactions (value)	30.7	30.7	37.0	23.9	27.5	27.5	20.2	25.2	21.9	23.0	19.8	21.5	20.6	20.6
Consumer price index	3.7	5.5	6.2	5.5	5.2	4.3	3.6	3.3	3.2	2.8	2.1	1.6	2.1	1.5
Banking														
Aggregate deposits	12.7	10.4	11.5	11.2	9.8	12.1	12.0	10.3	9.8	9.9	10.1	10.2	10.2	9.5
Outstanding credit	14.0	12.3	11.8	11.2	11.2	12.5	12.3	11.0	10.1	9.0	9.5	10.0	10.0	10.4

Auto demand, digital payments surge; diesel, credit rebound. Inflation at 8-year low, air travel recovers

• Energy

Petrol consumption stays steady, diesel picks up significantly on low base, while electricity demand moderates slightly in September

• Automobile registration

Passenger vehicle and two-wheeler demand picks up, three-wheelers decline, overall commercial vehicles moderate despite EV surge

• Services

Domestic air travel rebounds with robust international air traffic growth. Fastag and UPI transactions surge both in value and volume. Retail inflation eases to eight-year low, falling below RBI's target band

• Banking

Credit growth outpaces slowing deposits for first time in four months, widening credit-deposit ratio further

Source: Thurro, CGA, Ministry of Finance, MoSPI, EAI, POSOCO, Indian Railways, Indian Ports Association, AAI, GSTN, RBI, NPCI, NIIF Research

Note:

1. Conditional formatting based on yoy growth values with respect to zero, with the largest negative values represented by dark red and largest positive values represented by dark green
2. Absolute values in Annexure

[Growth] Fiscal position

Capex expands ~43% yoy in FYTD26 (till August) on a low base, while gross taxes remain tepid at 0.8% on direct tax decline

Monthly snapshot of central government fiscal health (INR trillion), FY2025-FY2026 (Aug '25)

	FY2025		FY2026		% of BE		% yoy
	August	YTD	August	YTD	YTD FY2025	YTD FY2026	Δ YTD
1 Revenue receipts	1.9	12.1	1.9	12.5	38.6	36.6	3.5
1.1 Gross tax revenue	2.5	13.3	2.5	13.4	34.7	31.5	0.8
1.1.1 Direct tax	1.0	6.8	1.2	6.7	30.7	26.6	(1.0)
1.1.2 Indirect tax	1.5	6.3	1.3	6.5	39.1	37.4	2.7
2 Capital receipts (non-debt)	0.0	0.1	0.0	0.3	11.4	42.1	260.6
2.1 Net recovery of loans and advances	0.0	0.1	0.0	0.1	28.7	29.5	6.3
2.2 Miscellaneous receipts	0.0	0.0	0.0	0.2	1.6	49.8	2754.4
3 Total (non-debt) receipts (1 + 2)	1.9	12.2	1.9	12.8	38.0	36.7	5.4
4 Revenue expenditure	3.1	13.5	2.3	14.5	36.4	36.7	7.2
4.1 Interest payment	0.7	4.0	0.8	5.3	34.4	41.4	32.1
5 Capital expenditure	0.4	3.0	0.8	4.3	27.1	38.5	43.4
6 Total expenditure (4 + 5)	3.5	16.5	3.2	18.8	34.3	37.1	13.8
7 Revenue deficit (4 - 1)	1.2	1.4	0.5	2.0	24.7	37.9	38.8
8 Fiscal deficit (6 - 3)	1.6	4.4	1.3	6.0	27.0	38.1	37.5
9 Annual Nominal Gross Domestic Product (GDP)	330.7		356.9				

Source: CEIC, Union Budget 2025-26, NIIF Research

Note:

1. FY2025 is the period between April 2024 and March 2025, similarly for other years
2. YTD refers to financial year to date, i.e., from April onwards; BE is the budget estimate for the stated financial year
3. FY2026 nominal GDP estimates provided in Union Budget 2025-26

[Rates] Forecast of policy rates

Consensus projects another 25bps cut in Q3FY26 to 5.25% terminal rate, up from 5.50% expected in May and 5.75% in March

Projections for RBI's benchmark repo rate (%), Q3FY26 to Q4FY27 (27 Oct '25)

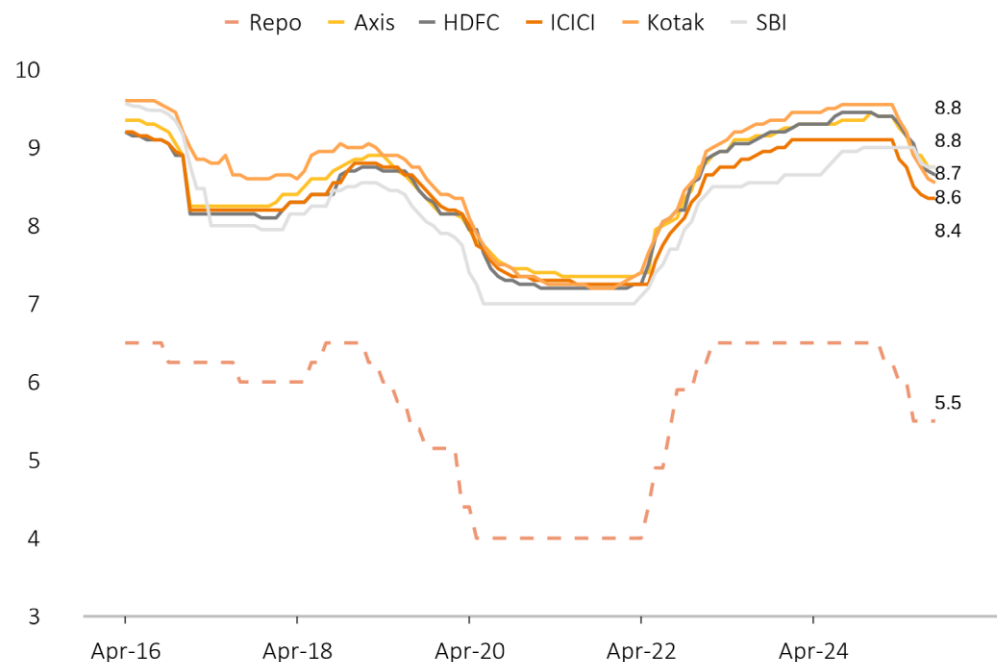
	Q3FY26	Q4FY26	Q1FY27	Q2FY27	Q3FY27	Q4FY27
<i>Number of analysts</i>	30	28	23	20	21	13
High forecast	5.50	5.50	5.50	5.50	5.50	5.50
Low forecast	5.25	5.00	5.00	5.00	5.00	4.75
Bloomberg average	5.30	5.26	5.26	5.28	5.26	5.21
Median forecast	5.25	5.25	5.25	5.25	5.25	5.25
Comparing previous survey median forecasts						
Bloomberg May '25 survey	5.50	5.50	5.50	5.50	5.50	5.50
Bloomberg Mar '25 survey	5.75	5.75	5.75	5.75	5.75	5.63

Source: Bloomberg, NIIF Research

[Rates] Policy rate and liquidity

Major private banks transmit 65 - 100bps repo rate cut since Feb

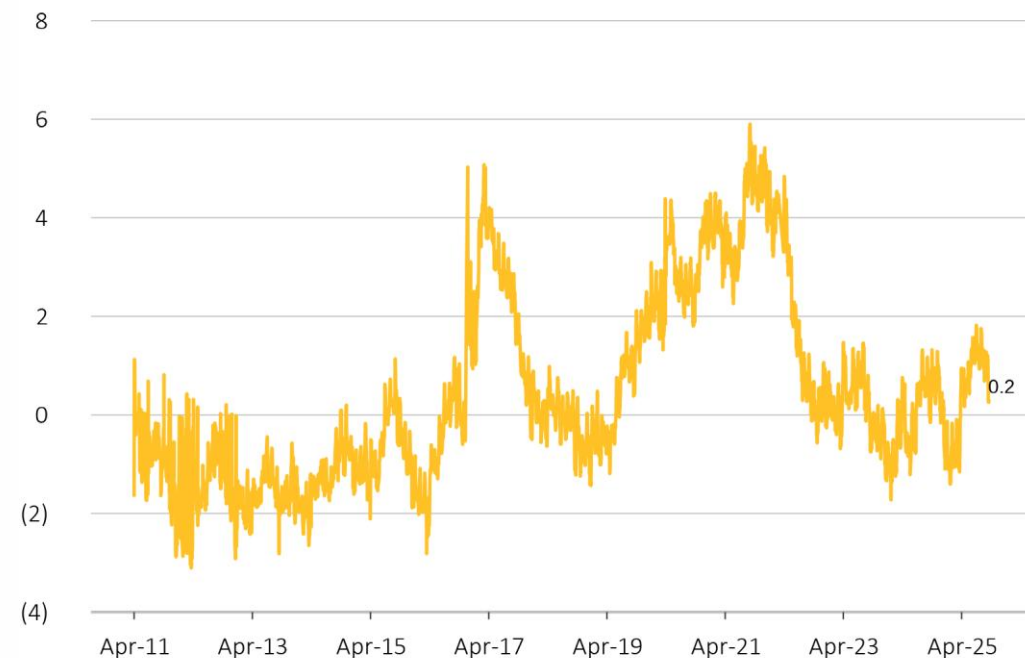
Monthly 1-year marginal cost of fund-based lending rate (%), FY2017-FY2026 (Sep '25)



Source: Thurro, RBI, NIIF Research

Banking system liquidity tightens in mid-September

Surplus liquidity (% of net demand and time liabilities), FY2012-FY2026 (19 Sep '25)



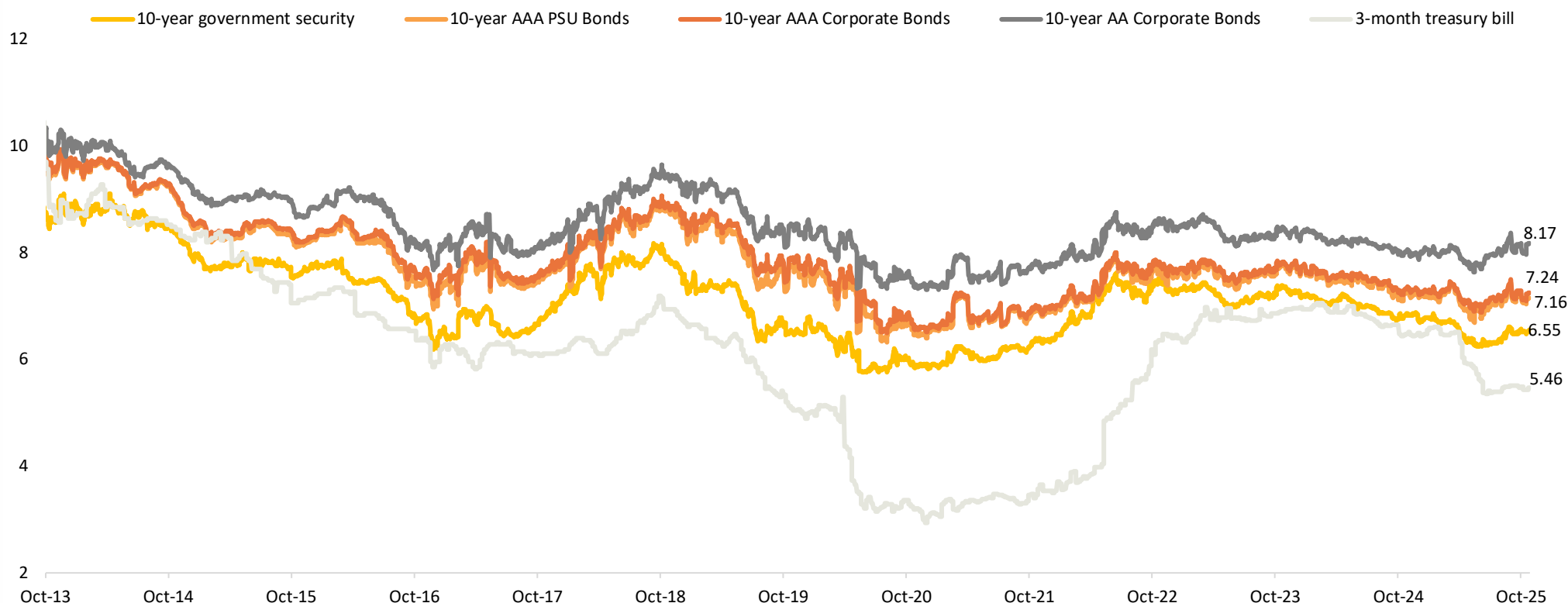
Source: Thurro, RBI, NIIF Research

Note:

1. Liquidity operations by RBI include repo, term-repo, long-term repo operations, open market operations, marginal standing facility, and standing liquidity facilities
2. A positive number indicates liquidity surplus

[Rates] Debt markets

Corporate bond yields ease 20-30 bps across tenors since early September while 10-year government security holds steady at 6.55% as on Oct 27
 Daily India G-sec and corporate bond yields (%), FY2014-FY2026 (27 Oct '25)

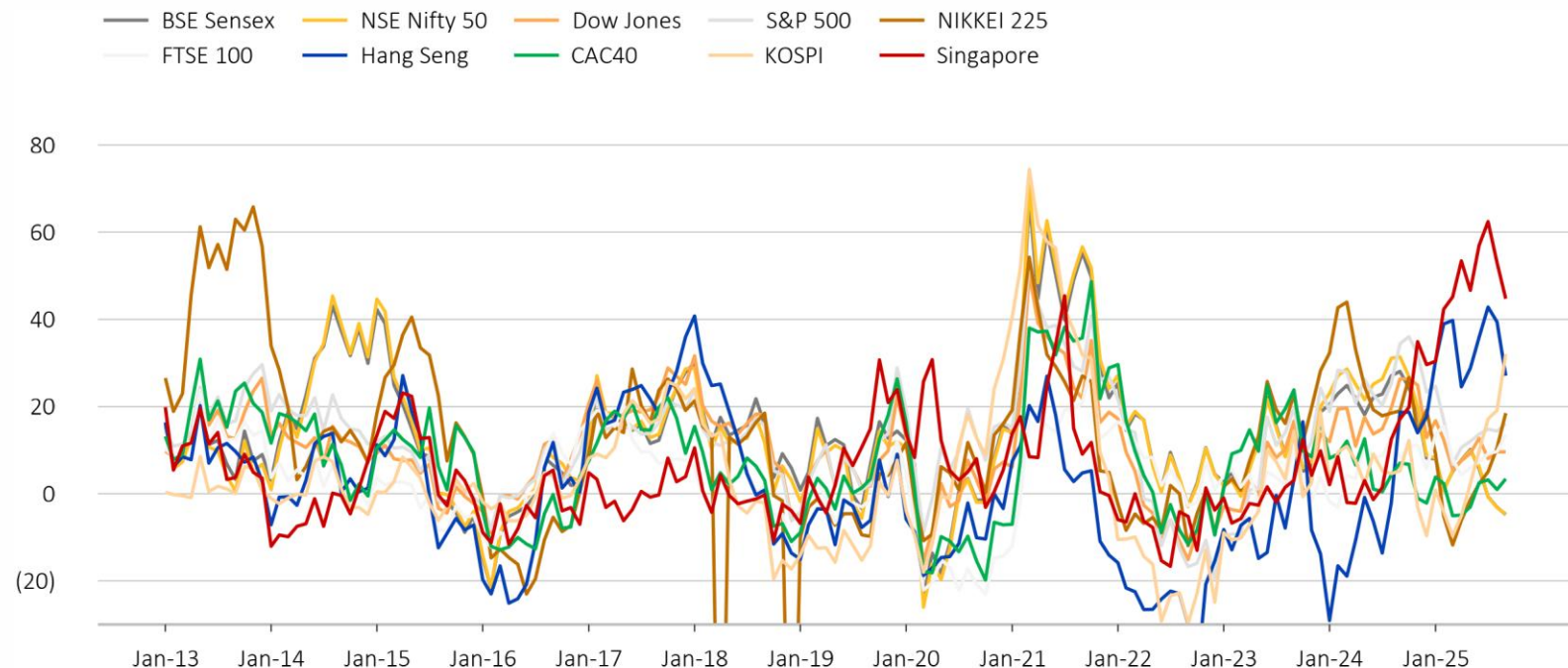


Source: Bloomberg, NIIF Research

[Rates] Equity markets: Global

India's equity returns slip to -4.7% TTM; Singapore leads at 44.7%, followed by Korea (32.1%) and Hong Kong (27.1%)

Monthly performance of Nifty-50, Sensex and other global indices, returns in local currency (% yoy), FY2013-FY2026 (Sep '25)



Returns as on September 30, 2025 (% yoy)

Singapore	44.7
KOSPI	32.1
Hang Seng	27.1
NIKKEI 225	18.5
S&P 500	16.1
FTSE 100	13.5
Dow Jones	9.6
CAC40	3.4
NSE Nifty 50	(4.6)
BSE Sensex	(4.8)

Source: Thurro, BSE, NIIF Research

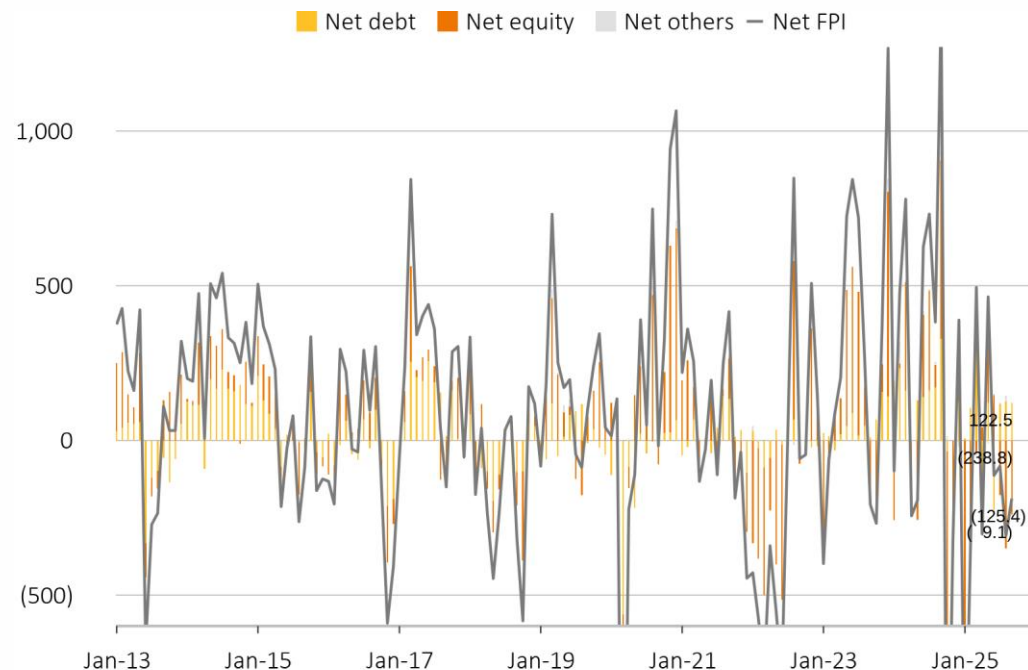
Note:

1. Return is calculated as on month end

[Rates] Flows: Portfolio

FPIs withdraw INR 125 billion in September, extending FYTD26 outflows

Monthly net FPI investments in India (INR billion), FY2013-FY2026 (Sep '25)



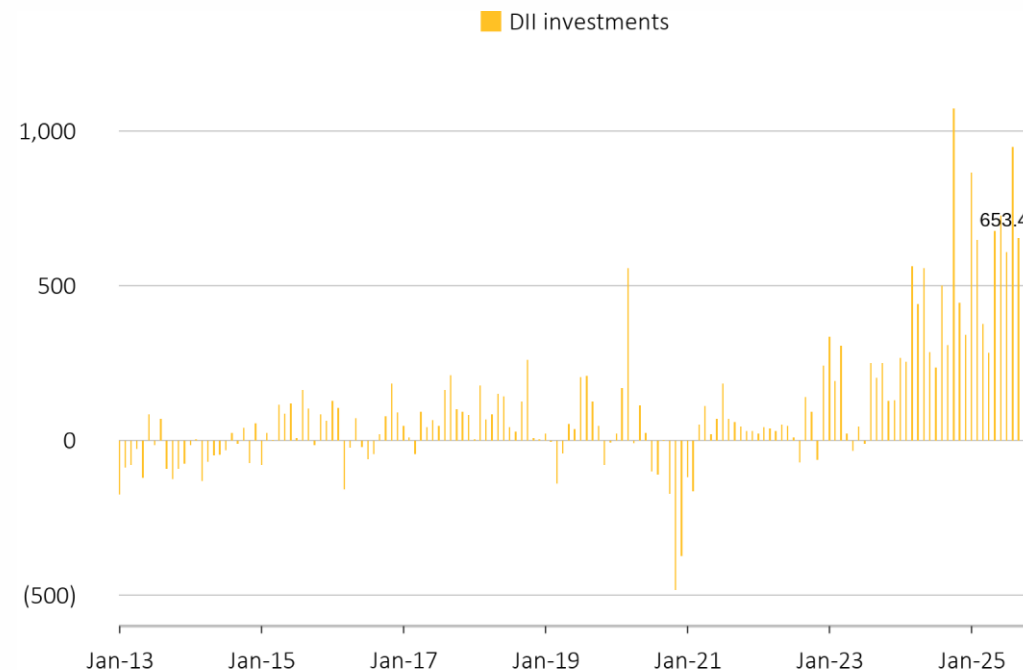
Source: Thurro, NSDL, NIIF Research

Note:

- Others comprise of hybrid, mutual funds and AIFs. Hybrid include investments in InvITs and REITs. Debt includes investments under Debt-VRR, Debt-FAR and Debt-General limit. Debt-VRR (voluntary retention route) allows FPIs to participate in repo transactions and also invest in exchange traded funds that invest in debt instruments.

DII add INR 653 billion in September, sustaining robust buying momentum

Monthly net DII investments in India (INR billion), FY2013-FY2026 (Sep '25)



Source: Thurro, NSE, BSE, NIIF Research

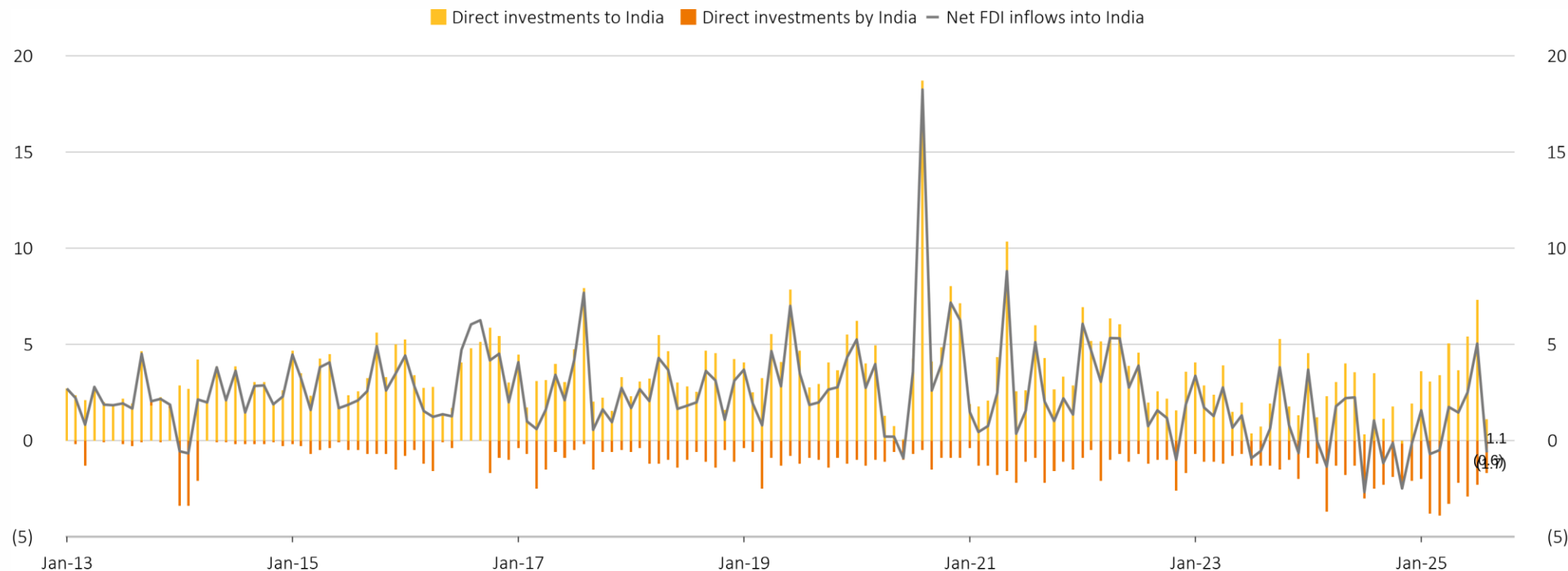
Note:

- Domestic institutional investors (DII) are those institutional investors who undertake investment in securities and other financial assets (debt, AIFs, etc.) within India. These include insurance companies, banks, DFIs, mutual funds, NPS, EPFO.

[Rates] Flows: FDI

Net FDI turns negative at USD -0.6 billion in August after July's three-year monthly high of USD 5.0 billion inflow

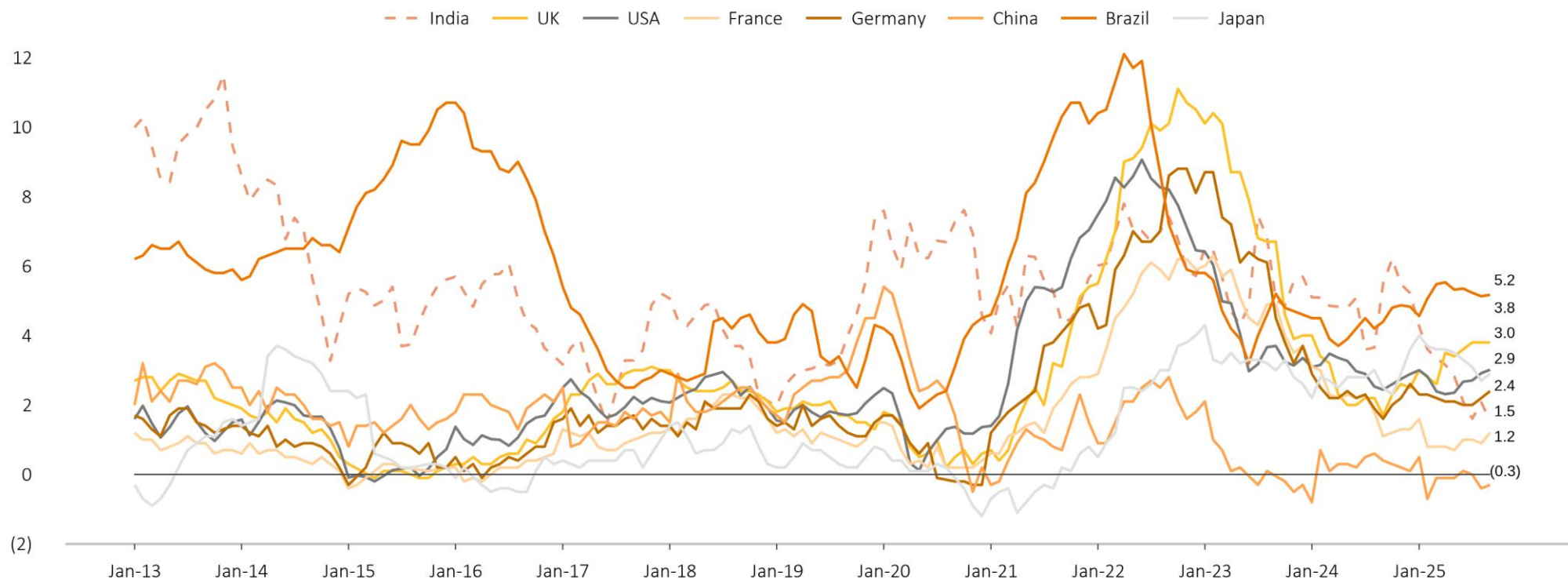
Monthly foreign direct investments (USD billion), FY2013-FY2026 (Aug '25)



Source: Thurro, RBI, NIIF Research

[Inflation] Global

Inflation rises in US (3.0%), UK (3.8%), Germany (2.4%), France (1.2%), Japan (2.9%); China stays deflationary (-0.3%), India eases to 1.5%
 Monthly consumer price inflation (% yoy), FY2013-FY2026 (Sep '25)

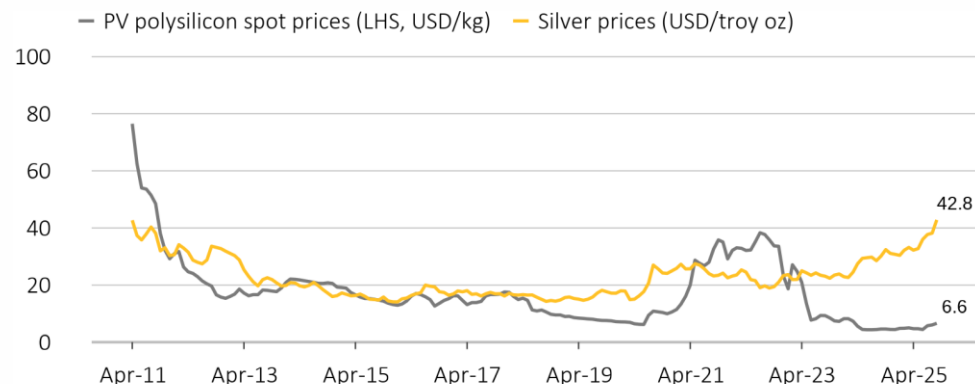


Source: Thurro, MOSPI, Bloomberg, Investing.com, NIIF Research

[Inflation] Commodity markets

Polysilicon stay low while silver surges to 14-year high in September

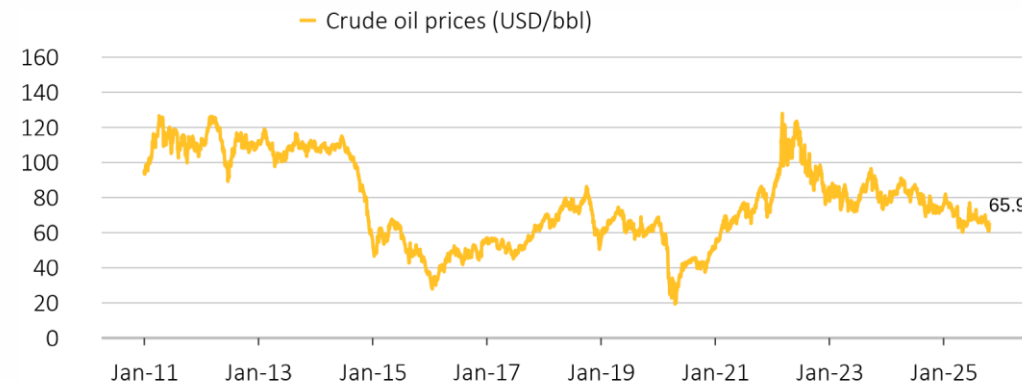
Monthly average silicon and silver prices, FY2012-FY2026 (Sep '25)



Source: Thurro, World Bank Commodity Price Data (The Pink Sheet), NIIF Research

Crude oil falls to ~USD 66 per bbl in October from ~USD 70 in September

Daily Brent crude oil prices, FY2011-FY2026 (24 Oct '25)



Source: Thurro, Investing.com, NIIF Research

Copper surges past USD 10K per tonne in October, first time in a year

Daily copper prices, FY2015-FY2026 (22 Oct '25)



Source: Thurro, Business Insider, NIIF Research

Gold stays elevated above USD 4,000 per troy oz as of October 22

Daily gold prices, FY2015-FY2026 (22 Oct '25)

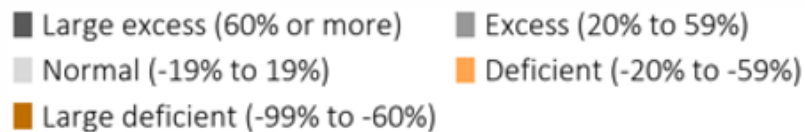
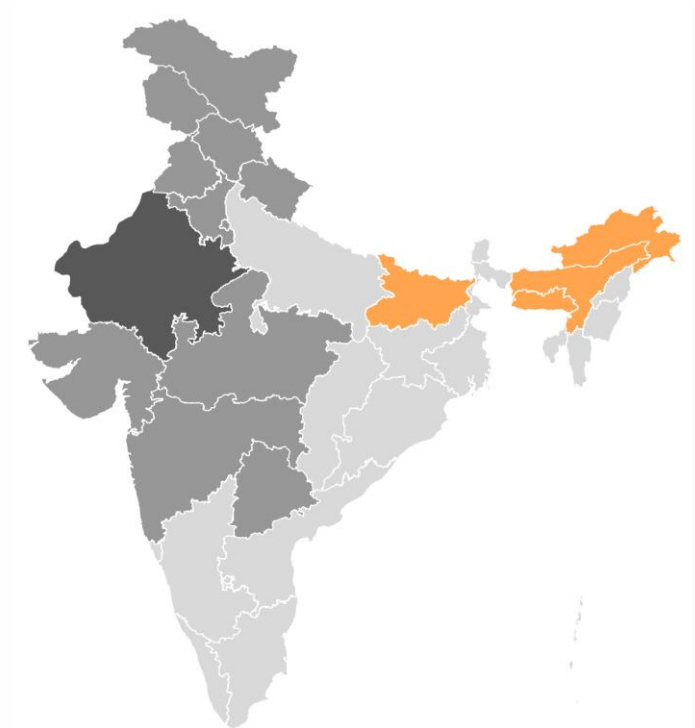


Source: Thurro, Business Insider, NIIF Research

[Inflation] Monsoon

North, west India see excess rainfall; eastern states record deficits

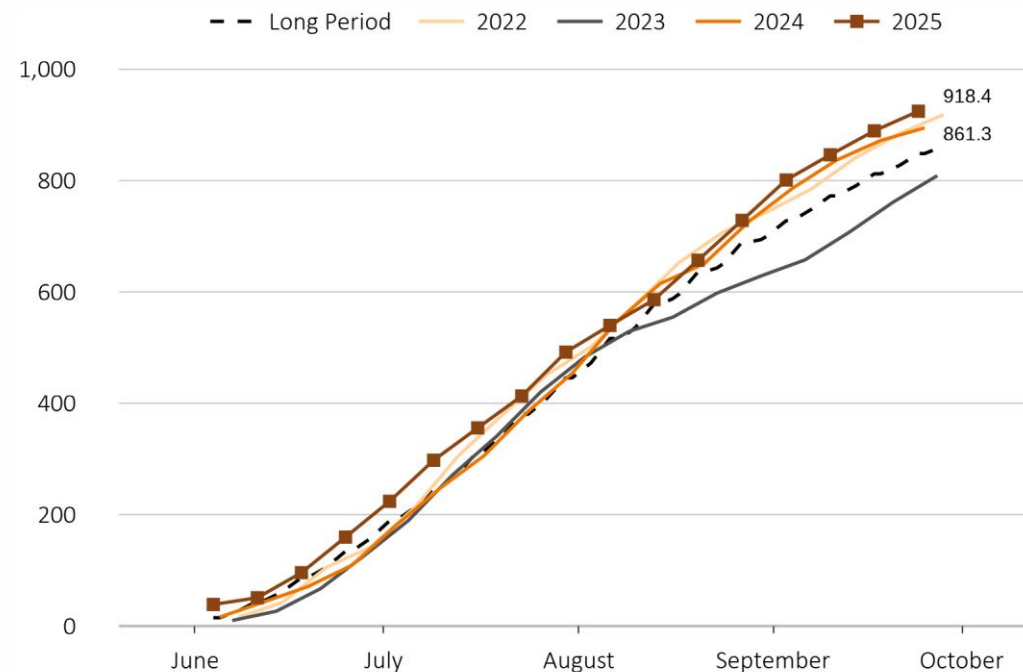
Cumulative rainfall in mm, Jun 01 to Sep 30, 2025



Source: Thurro, India Meteorological Department, NIIF Research

Cumulative rainfall remains above long-period average

Cumulative rainfall at the end of the week (in mm), CY2022-CY2025 (24 Sep '25)



Source: Thurro, India Meteorological Department, CEIC, NIIF Research

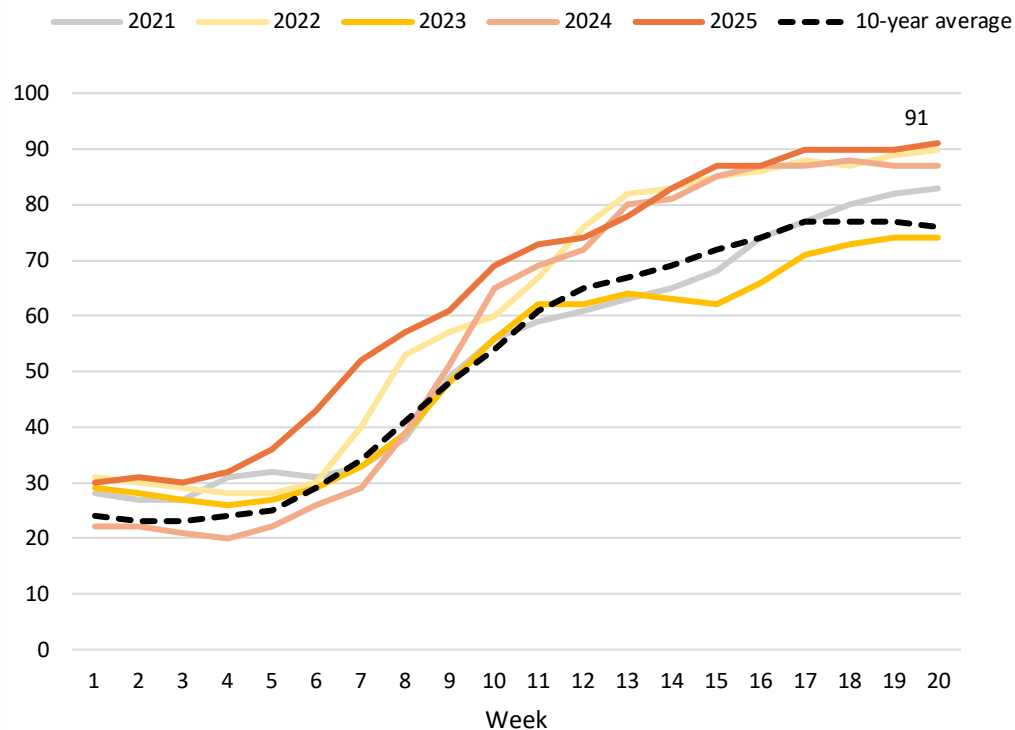
Note:

1. Long-period average (LPA) is for a period of 50 years between 1971 to 2020

[Inflation] Agriculture

Reservoir levels reach 91% capacity, above 10-year average in October

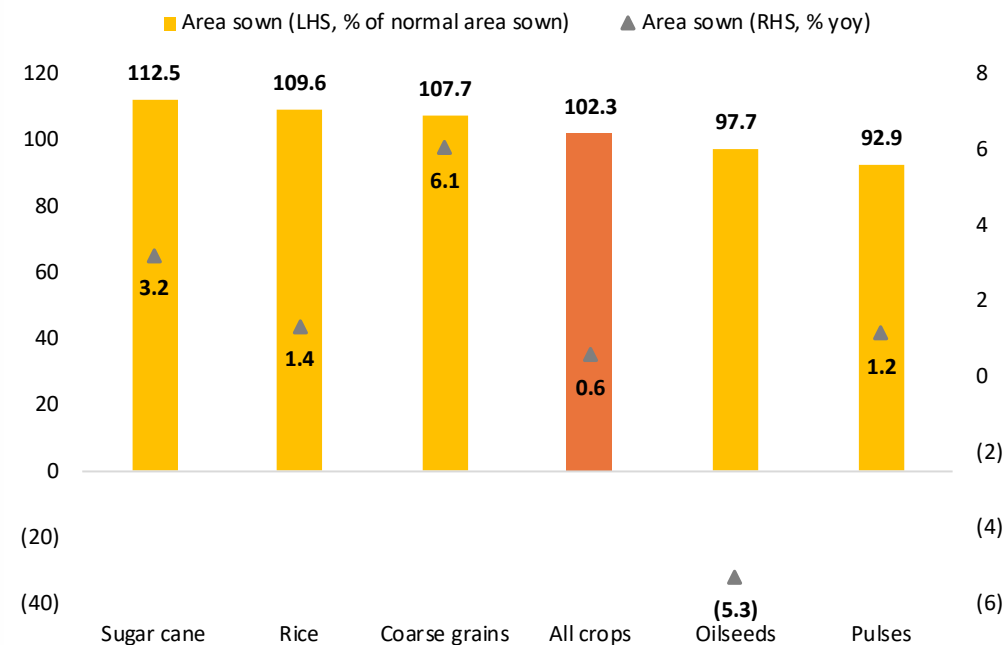
Weekly storage as % of live capacity at full reservoir level, CY2021-CY2025 (09 Oct)



Source: CEIC, NIIF Research

Kharif sowing up 0.6% yoy, at 102% of normal area sown, led by foodgrains

Progress of Kharif (summer) crop sowing, (03 Oct '25)



Source: CMIE, Ministry of Agriculture and Farmers Welfare, NIIF Research

[Forex] Foreign exchange markets (1/3)

INR depreciates further against major trading partners in September

Monthly real effective exchange rate of INR, base year 2015-16 (X) (Sep '25)



Source: Thurro, RBI, NIIF Research

Note:

1. Real effective exchange rate (REER) is the weighted average of a country's currency in relation to basket of currencies of its major trading partners.
2. A REER value greater than 100 implies that the currency is overvalued, and undervalued if under 100

DXY strengthens to ~99 on October 23, up from 97 last month

Daily dollar index (X), FY2013-FY2026 (23 Oct '25)



Source: Thurro, Yahoo Finance, NIIF Research

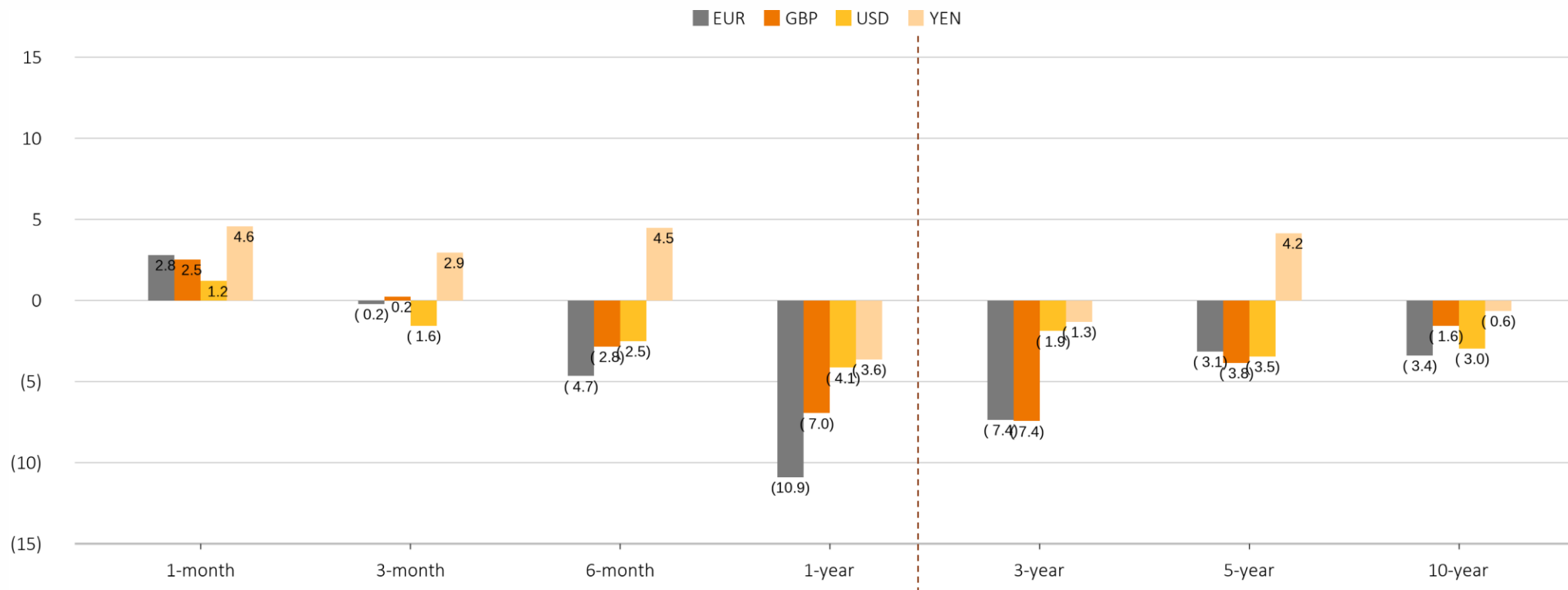
Note:

1. Dollar index measures the relative strength of USD compared to other major currencies (EUR, GBP, JPY, SEK, CAD, CHF). A higher number indicates a stronger USD.

[Forex] Foreign exchange markets (2/3)

Rupee strengthens last month (Oct 24) after flat 3-month performance versus EUR, GBP; steady 10-year depreciation trend

INR performance vis-a-vis major currencies (%), FY2015-FY2026 (24 Oct '25)



Source: Thurro, RBI, NIIF Research

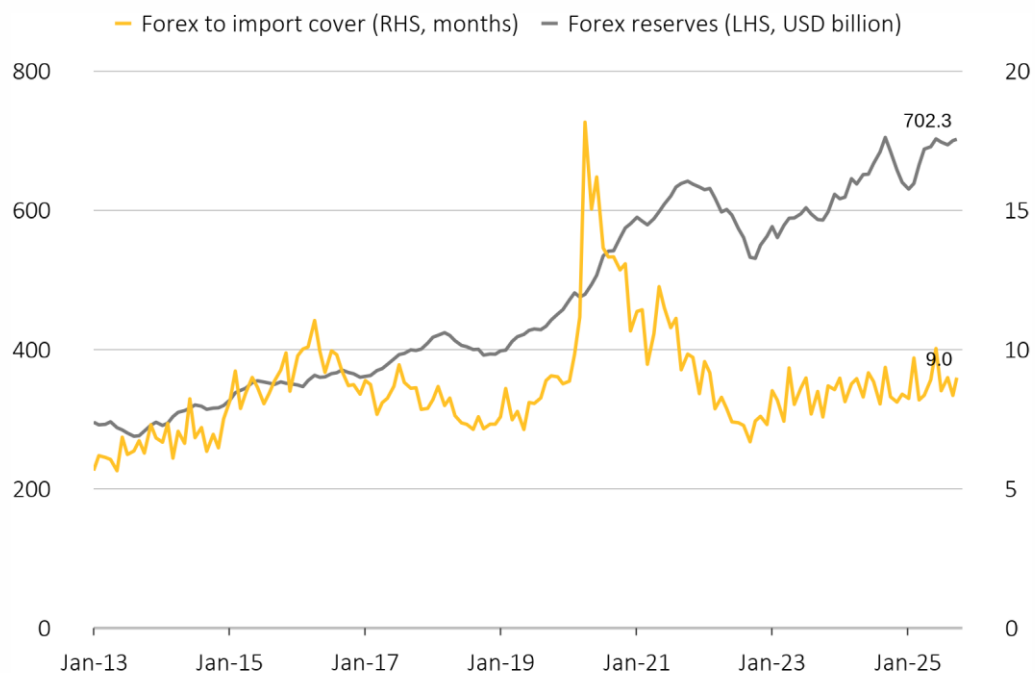
Note:

1. Numbers are annualized for periods above 1 year
2. Positive return indicates appreciation of INR and negative means depreciation of INR vis-a-vis respective currency

[Forex] Foreign exchange markets (3/3)

USD 702 billion forex reserves provide sufficient ~9 months import cover

Monthly foreign exchange reserves, FY2013-FY2026 (17 Oct '25)



Source: Thurro, RBI, NIIF Research

Note:

1. Import cover calculated on total imports (merchandise plus services)

1-year forward premium remains low at 2.3% in October

USD/INR implied 1-year forward risk premium (%), FY2008-FY2026 (24 Oct '25)



Source: Thurro, CCIL, Bloomberg, NIIF Research

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