



Merchants' Chamber of Commerce & Industry

MCCI ECONOMY WATCH

Message from President

August | 2025

India's macroeconomic landscape in August 2025 reflects a blend of resilience and caution. The domestic economy shows strong growth supported by robust PMI and investment trends, strong capital expenditure, easing inflation, and improving employment. However, global trade tensions, especially U.S. tariffs, pose a critical risk to export-driven sectors and corporate earnings. The RBI maintains a cautious policy, balancing growth with inflation risks; fiscal prudence and strategic reforms continue to shore up economic fundamentals.

Amit Saraogi
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President, MCCI

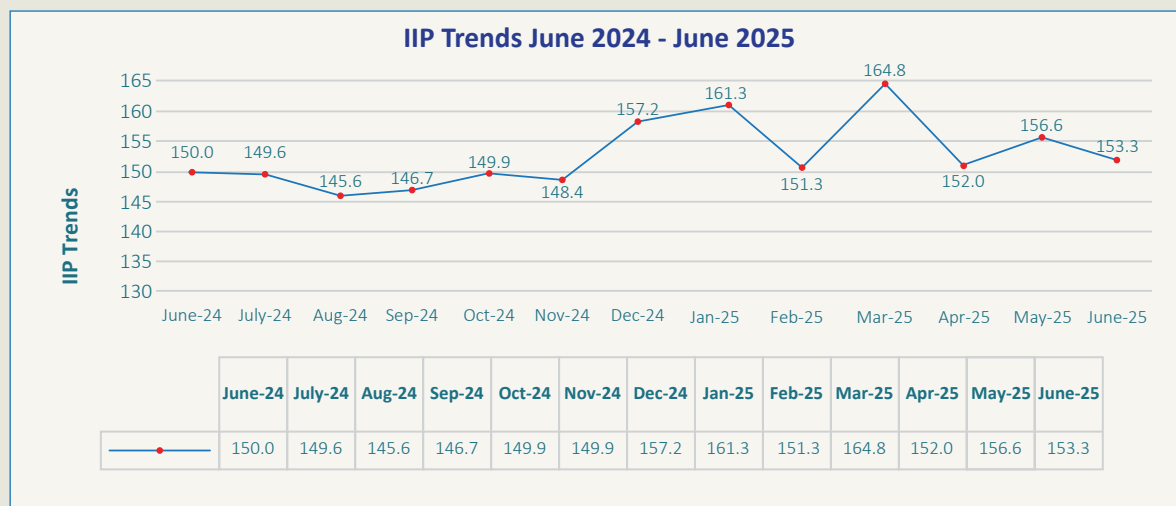
- Purchasing Managers' Index (PMI) in Manufacturing registered at 59.1 in July 2025 highlighting expansion from 58.4 in June 2025
- Purchasing Manager's Index (PMI) in Services registered at 60.50 in July 2025 highlighting expansion from 60.4 in June 2025
- As of August 08, 2025, reserve money stood at INR 49,15,209 crores
- As of August 08, 2025, currency in circulation (CiC) registered at INR 38,17,167 crores
- India's overall export increased by 4.53% to USD 68.27 billion in July 2025 as against USD 65.31 billion in the same month of last year
- CPI for all consumers decreased by 0.55% in July 2025 from previous month



● Index of Industrial Production

1. The Index of Industrial Production (IIP) witnessed a y-o-y growth of 1.5% in June 2025. The IIP growth rate in June 2024 was 4.9%.
2. The growth rate in Manufacturing grew to 3.9% in June 2025 compared to the previous year. However, Electricity and Mining witnessed negative growth at -2.6 % and -8.7% respectively compared to the previous year.

IIP trends from June 2024 to June 2025 are given in the following figure:



Source: MOSPI

● Inflation

1. India's retail inflation (CPI) decreased to 1.55% in July 2025 as compared to 2.10% in June 2025
2. Wholesale Price Index (WPI) decreased to (-) 0.58 in July as compared -0.13 in June 2025

● Foreign Trade:

1. India's merchandise exports registered at USD 37.24 billion in July 2025 whereas it was USD 34.71 billion in July 2024, registering a positive growth rate of 7.29%
2. India's Service Export registered at USD 31.03 billion in July 2025, an increase of 1.40% over USD 30.60 billion in July 2024
3. Non-petroleum and non-gems & jewellery exports were USD 30.51 billion in July 2025 as compared to USD 27.06 billion in July 2024, registering a positive growth rate of 12.75%
4. India's merchandise import stood at USD 64.59 billion in July 2025 with a negative growth rate of 8.59% over USD 59.48 billion in July 2024
5. India's service import stood at USD 15.40 billion in July 2025, a decrease of -3.39% over USD 15.94 billion in July 2024

Overall Trade (Merchandise & Service) in July 2025

	Value in USD Billion		Growth %
	July 2025	July 2024	
Export	68.27	65.31	4.53%
Import	79.99	75.41	6.07%
Deficit	-11.72	-10.10	

• Banking & Financial Indicators

a. Banking:

Indicators	Outstanding (in Cr.) as on July 25, 2025	% Variation over Fortnight	% Variation over Year
Total Bank Credit	185,01,872	0.2	13.7
Food Credit	56,674		
Non- Food Credit	184,45,197		
Aggregate Deposit	233,49,278	0.1	10.6
Broad Money (M3)	281,38,916	-0.6	9.7

Source: RBI

b. Banking Rates:

Indicators	Actual Rates as of August 20, 2025
Cash Reserve Ratio	4.00
Statutory Liquidity Ratio	18.00
Policy Repo Rate	5.50
Fixed Reverse Repo Rate	3.35
Bank Rate	5.75

Source: RBI

• Equity Market

a. Global Stock Indices:

Global Stock Indices witnessed mixed trends over the last week.

Global Stock Indices	Closing Value (in \$) as of August 20, 2025	Change (%) from last closing value
NYSE: DJIA	44,922.27	0.02
FTSE 100	9,189.22	0.34
Nikkei 225	42,868.13	-1.55
S & P/ ASX 200	8,906.40	0.11
KOSPI	3,119.19	-1.04
Nasdaq 100	21,314.95	-1.46
S & P 500	6,411.37	-0.59
Hang Seng Index	24,985.64	-0.55

Source: Yahoo Finance



b. Indian Stock Indices:

Indian Stock Market Indices witnessed negative trends over the past week.

Indian Stock Indices	Closing Value (in Rs.) as of August 20, 2025	Change (%) from the last closing value
BSE Sensex	81,743.19	0.12
BSE Sensex 50	26,107.93	0.13
NIFTY 50	25,010.32	0.12
NIFTY100	25,655.30	0.16

Source: BSE, NSE

c. BSE Sectoral Indices:

BSE Sectoral Indices witnessed mixed trends over the last week.

BSE Indices	Closing Value (in Rs.) as of August 20, 2025	Change (%) from the last closing value
Auto Index	56,960.80	-0.16
Bankex	62,039.79	-0.36
Capital Goods	67,364.65	0.50
Consumer Durables	61,206.96	0.16
Energy	11,361.03	0.07
Finance	12,558.20	-0.38
FMCG	20,766.33	0.97
Health Care	44,519.28	-0.16
Metal Index	31,696.86	0.58
Oil & Gas Index	26,420.17	-0.04
Power Index	6,653.19	0.50
Teck Index	17,190.46	1.57

Source: BSE

d. Global Stock Exchange Future:

Global Future Indices witnessed negative trends over the last week.

Future Indices	Closing Value (in \$) as of August 20, 2025	Change (%) from the last closing value
Russell 2000 Futures	2,274.50	-0.40
Nasdaq Futures	23,351.75	-0.50
S & P Futures	6,411.75	-0.32
Dow Futures	44,889.00	-0.24

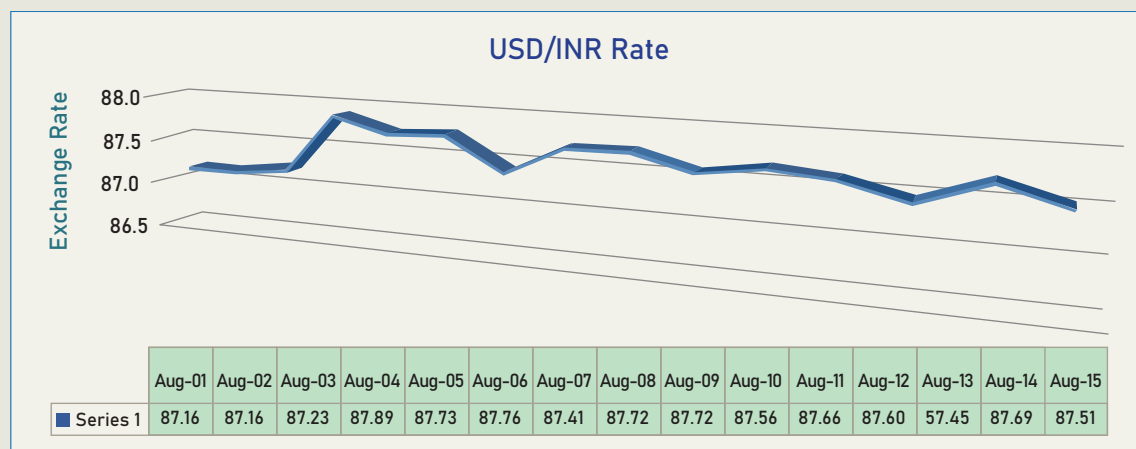
Source: Yahoo Finance



● Currency Market

a. INR Exchange Rate:

1. In the period of the first 15 days of August 2025 INR depreciated against the US dollar by 0.40% to stand at INR 87.51 from INR 87.16 on August 1, 2025



Source: RBI

b. Foreign Exchange Reserve:

1. India's foreign exchange reserve decreased by USD 4747 million from USD 688.871 billion to stand at USD 693.618 billion as of August 8, 2025
2. Gold reserve increased by USD 2162 million while SDR increased marginally as of August 8, 2025, and stands at USD 18.741 billion
3. Reserve Position with IMF was USD 4.739 billion on August 8, 2025

USD Billion	Value as on Aug 8, 2025	Variation over	
		Week	Fiscal
Total Reserves	693.618	4.747	23.499
Foreign Currency Assets	583.979	2.372	-3.981
Gold	86.160	2.162	26.921
SDRs	18.741	0.169	0.459
Reserve Position in the IMF	4.739	0.045	0.101

Source: RBI

● Commodity Future Indices

1. MCX commodity composite index contracted by 0.29% and the base metal index contracted by 0.12% from the last closing value

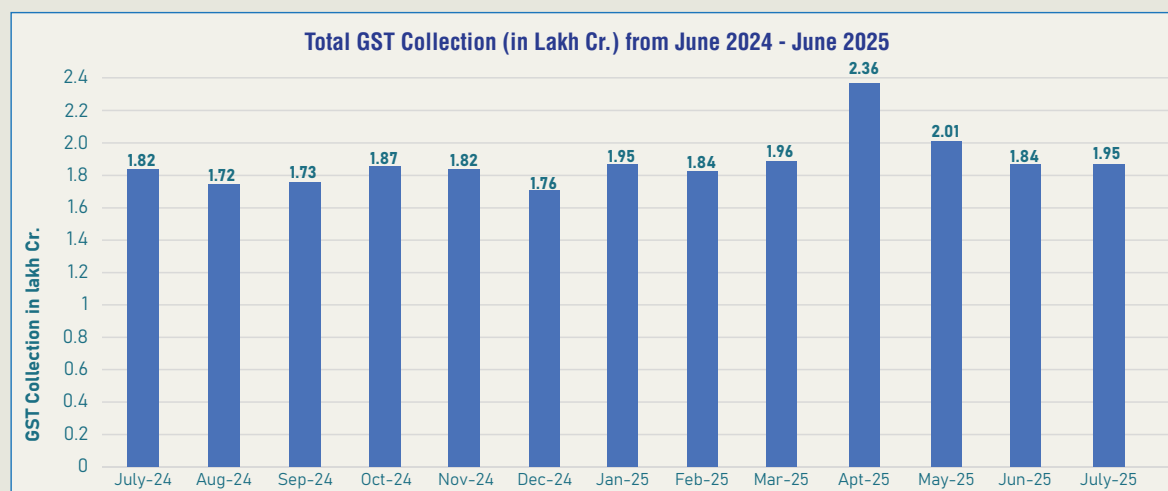
Commodity Future Indices (MCX ICOMDEX)	Closing Value as on August 20, 2025	Change from the last closing value (%)
Brent Crude	7,493.60	1.15
Gold	27,795.09	0.11
iCOMDEX Composite	15,786.54	-0.08
iCOMDEX Base Metals	15,805.13	0.03
Natural Gas	838.88	-0.72

Source: MCX



● Goods and Services Tax (GST)

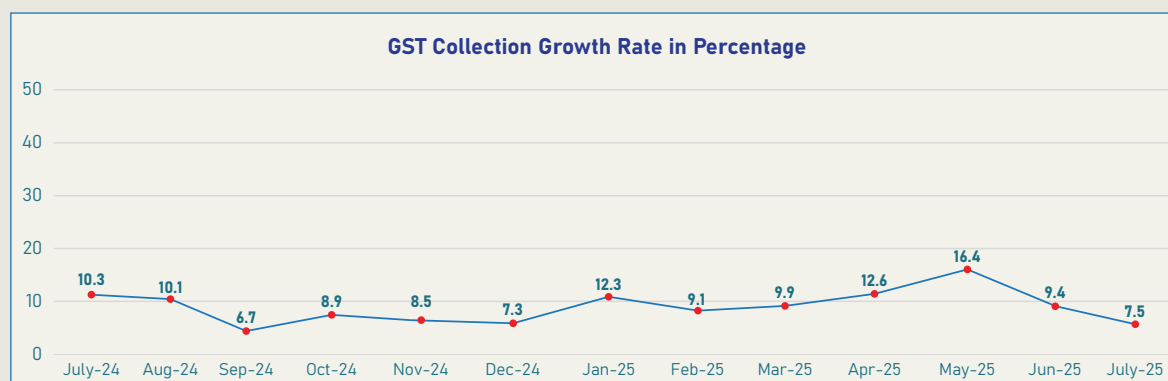
1. The gross GST revenue collected in July 2025 was INR Rs. 1,95,735 crores



Source: CGA, Govt. of India)

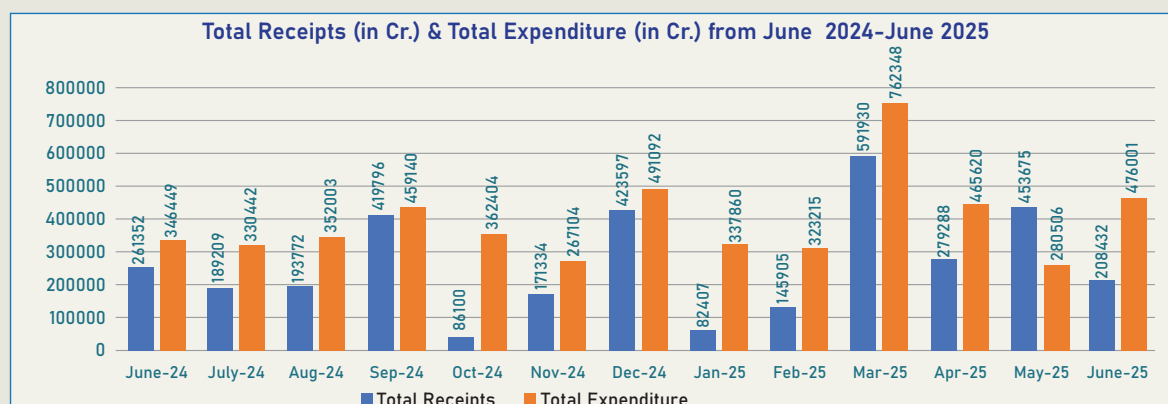
2. The GST revenues for July 2025 are 7.5% higher than the GST revenues in the same month last year of INR 1.82 lakh crore

GST Collection Growth Rate in Percentage (Y-O-Y) with respect to corresponding months of 2024 and 2025.



Source: GST Council, Govt. of India

● Total Revenue Receipt and Total Expenditure



ABOUT MCCI

MCCI is a 124 years old non-government, not-for-profit, industry-led and industry-managed organization, with 700 direct members and 15,000 indirect members covering a wide cross-section of small, medium & large industries, trade and services besides, 10 Associations of Industry & Trade are also affiliated to MCCI.

MCCI addresses various aspects of the industry, trade and service sectors, their issues & Challenges and through several learning and best practices forums, guide them to the future. MCCI also helps members to explore international business opportunities through its international connect initiatives.

MCCI has been working on the development of an indigenous vibrant industrial base in the country, especially in Eastern India. The indomitable spirit and quest to build an institution to safeguard the interests of the indigenous business community led to the birth of Vaishya Sabha and with the changing times, now it stands as MCCI. MCCI has evolved to reinvent itself to address the challenges in this era of new normal.

MCCI works as a bridge between businesses and the policy makers to create a conducive economic environment for the industry to prosper and flourish while benefitting all the stakeholders in the economy. The Executive Committee, which has 30 Councils reporting to it, is the principal facilitating structure of the Chamber.

We are one of the leading Chambers of Eastern India relentlessly working for the betterment of MSMEs through several initiatives. MSME Helpdesk, IP facilitation, connecting with Banking and Financial institutions, technology for MSMEs, besides taking up members' issues at the appropriate level. Several Business meets are organized for the benefit of the members.



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