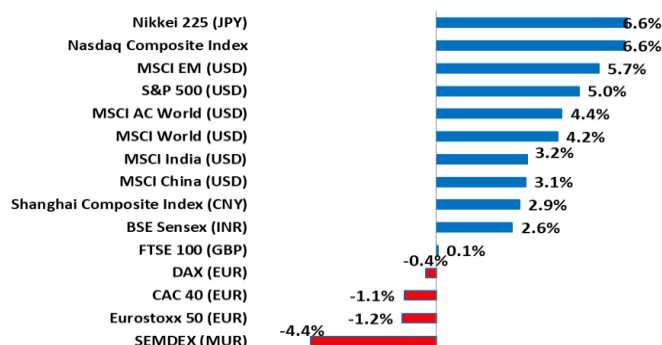


MARKET SUMMARY

Equities: Jun 25 performance (in Index currency)

**Foreign**

- **Global :** The World Bank's latest report predicts the slowest decade of global economic growth since the 1960s, driven by the impact of tariffs. Global growth is forecasted at 2.3% for 2025, 2.4% for 2026 and 2.6% for 2027. The OECD downgraded its outlook, projecting global growth to slow to a modest 2.9% in 2025, down from a previous forecast of 3.1%.

Interest Rates:

Country	Interest Rate	Interest Rate Decision
US	4.25%-4.50%	Unchanged for the fourth consecutive time.
Europe	2.15%	Main Refinancing Rate cut by 25 bps.
Japan	0.5%	Unchanged - the highest level since 2008.
India	5.5%	Cut by 50 bps.
China	3.0%	Unchanged - at record lows.

- **US :** The core CPI rose by 2.8% y-on-y in May. The U.S. economy shrank at a 0.5% annual pace from January through March.
- **Europe :** Consumer price inflation eased to 1.9% y-on-y in May 2025. It is the first time inflation has fallen below the ECB's 2.0% target since September 2024. ECB projections showed inflation at 2.0%, 1.6% and 2.0% in 2025, 2026 and 2027 respectively.
- **UK :** The economy contracted by 0.3% m-o-m in April 2025, marking the first decline in six months and the sharpest drop since October 2023. Inflation held at 3.4% y-o-y in May 2025, unchanged from April. The UK and the USA signed a trade deal covering car tariffs and aerospace.
- **Japan:** GDP shrank by an annualised 0.2% in Q1 2025,

while the annual inflation rate fell to 3.5% in May 2025, the lowest level since November.

- **India:** GDP growth was 7.4% in Q1 2025 (January–March). Growth for 2024-25 fiscal (April–March) is pegged at 6.5% - the slowest in four years.
- **China:** Consumer prices dropped by 0.1% y-on-y in May 2025, holding steady for the third month, and marking the fourth straight month of consumer deflation.
- **Geopolitics:** The 12-day war between Israel and Iran led to oil prices rising by more than 5% over the month. NATO leaders agreed to increase defence spending to 5% of GDP.

Local

- Y-o-y inflation was 5.4% in June 2025 (LY: 2.2%).
- For the period 01 Jan - 15 June, the number of tourist arrivals fell by 0.8% to 392,697 compared to the same period in the previous year. Gross Tourism Earnings for the month of May stood at Rs 8.2Bn (LY: Rs 7.1Bn, +15%).
- GDP growth rate at market prices for 2024 was 4.9%, higher than the 4.7% growth estimated in March 2025. GDP at market prices is forecasted to grow by 3.1% in 2025.
- Various budget announcements were made aiming to reduce the budget deficit and improve fiscal sustainability. Some major measures include a Fair Share Contribution for corporates with annual chargeable income exceeding Rs 24m and banks being required to pay an additional 2.5% contribution on chargeable income from domestic operations.

Local Corporate News:

- **MCBG :** The price of the Scrip share was announced at Rs 420.77.
- **PBL :** It entered into a Share Purchase Agreement for the acquisition of 54.4% stake in Seychelles Breweries Limited.
- **Medine :** It obtained the approval for the development of the Pierrefonds morcellement project.

10th July 2025

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Source: FED, ECB, BOE, BoM, Bloomberg, SEMDEX, Statistics Mauritius, MSCI.

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