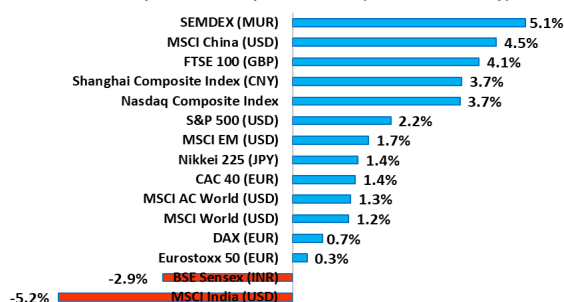


## MARKET SUMMARY

Equities: Jul 25 performance (in Index currency)



## Trade deals Overview:

- o US-EU Deal (effective Aug 1): US imposes a 15% tariff on EU goods. Europe agrees to invest \$600Bn in the US and to purchase \$750Bn of US energy.
- o South Korea: The US reduced tariffs on Korean imports from 25% to 15%. US exports remain untaxed.
- o Japan: The new deal includes a 15% tariff on Japanese imports and \$550Bn of Japanese investment in the US.
- o Global tariffs: On July 31, President Trump signed an executive order imposing tariffs ranging from 10% to 40% on imports from 92 countries, effective Aug 8. Country-specific rates: India: 25% (subsequently increased by an additional 25% due to imports of oil from Russia), Taiwan: 20%, Canada: 35% (up from 25%).

## Foreign

- Global : The IMF forecasts global growth of 3% in 2025 and 3.1% in 2026, slightly above April's estimates of 2.8% and 3%, but still below January's 3.3% projection and well under the pre-pandemic average of 3.7%. Global inflation is expected to decline to 4.2% in 2025 and 3.6% in 2026, though U.S. inflation is likely to stay above target as import tariffs raise consumer prices in the latter half of the year.

## Interest Rates:

Country	Interest Rate	Interest Rate Decision
US	4.25%-4.50%	Unchanged for the fifth consecutive time.
Europe	2.15%*	Unchanged. *Main Refinancing Rate.
Japan	0.5%	Unchanged.
China	3.0%	Unchanged - at record lows.

- US : Q2 GDP grew by 3.0%, rebounding from a 0.5% contraction in Q1, driven largely by a 30.3% drop in imports. Consumer spending accelerated to 1.4% (from 0.5% in Q1) but is still weak compared to 2.8% last year. Annual Consumer prices rose by 2.7% y-on-y in June (up from 2.4% in May), the fastest pace since February.

- Europe : Inflation stood at 2.0% y-on-y in June 2025, in line with the ECB's 2.0% target. The projections for inflation are at 2.0%, 1.6% and 2.0% in 2025, 2026 and 2027 respectively.

- UK : The annual inflation rate rose to 3.6% in June 2025, the highest since January 2024, up from 3.4% in May and above expectations that it would remain unchanged. The economy contracted by 0.1%, after also shrinking in April.

- Japan : The ruling coalition, the Liberal Democratic Party and its junior partner Komeito, lost its majority in the country's upper house. There is frustration at the coalition over rising prices and the threat of US tariffs.

- China : GDP grew by 5.2% in the April-June quarter from a year earlier, slowing from 5.4% in the first quarter.

## Local

- Y-o-y inflation stood at 5.2% in July 2025 (LY: 2.7%).
- For the month of July, the number of tourist arrivals rose by 10.2% to 129,206 compared to the same period in the previous year. For the period 01 Jan – 31 July, the figure rose by 3.3% to 788,115 compared to the same period in the previous year. Gross Tourism Earnings for the month of June stood at Rs 7.0Bn (LY: Rs 5.5Bn, +27%).
- The BoM intervened once on the domestic foreign exchange market during the month and sold a total amount of USD 20.0M at the rate of Rs45.70/USD on 18 Jul 2025.
- Tariffs : The rate for imports from Mauritius to US has been lowered to 15% from the 40% initially announced on *liberation day*.

## Local Corporate News:

ER Group: New ENL Rogers has been rebranded as ER Group.

Medine : Mr René Leclézio resigned as Chairman and will be replaced by Mr Yvan Legris.

11<sup>th</sup> August 2025

For more information about our services, please contact:

## André Chung Shui

Managing Director  
+230 52512216  
ac@peaqadvisors.com

## Ishrat Cheeroo

Senior Investment Manager  
+230 55012900  
ic@peaqadvisors.com

## Keshav Maghoo

Investment Analyst  
+230 4687900  
km@peaqadvisors.com



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

**Disclaimer:** The information and any opinion expressed therein do not constitute or form part of, and should not be construed as, an offer or an invitation to buy or sell or a solicitation of an offer or invitation to buy or sell or enter into any agreement with respect to any investment or service by PeaQ Advisors Ltd ("PeaQ"). The information is based on sources deemed to be reliable, but not verified independently, and is given in good faith by PeaQ. The recipient of the information should seek professional advice before considering any further action. PeaQ is not liable for any consequences resulting from the recipient's action or failure to act on the information. Investors are advised that future expectations may not be realised, and any past performance shown in the information should not be taken as a guide to future performance. The price and value of the investments as well as the associated income may be subject to fluctuations and are not guaranteed. Investors may not recover the full amount invested. This document may not be copied, distributed, reproduced, or transmitted for any purpose without PeaQ's prior consent in writing.