

WEEKLY WEALTH WRAP-UP

Your Guide to India's Markets and Economy

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Markets Struggle as Inflation Fears Build on Oil Price Spike

Indian equities closed lower in a volatile session, weighed down by weak global cues and rising geopolitical tensions. The Nifty 50 index declined 106.5 points (-0.47%) to 22,713.1, while the Bank Nifty index fell sharply by 725.85 points (-1.39%) to 51,548.75. The BSE Sensex also slipped 263.67 points (-0.36%) to settle at 73,319.55, reflecting broad-based selling pressure across sectors.



THE WEEK'S BIG STORIES

- US Tariff Threat on Medicines Raises Concerns
- IEA Warns Of Historic Energy Disruption Amid Iran War
- Trump Signals Endgame in Iran War, Warns of Fresh Strikes
- RBI Tightens Forex & Derivative Rules to Stabilize Rupee
- RBI Tightens Broker Funding Norms
- India Restricts Jewellery Imports To Curb FTA Misuse
- UPI Transactions Hit Record ₹29.5 Lakh Crore in March
- NSE To Launch Dated Brent Crude Futures From April 13
- Commercial LPG Prices Surge Amid Global Tensions
- GST Collections Show Steady Growth in FY26
- GST Relief for IT & Service Exporters
- India's Fiscal Deficit Trend: Stability with Better Control
- Government Eases Fuel Taxes to Manage Rising Oil Prices

Global sentiment remained fragile amid escalating tensions in the Middle East, raising concerns over energy supply disruptions. Brent Crude Oil rose 1.88% on the day to \$109 per barrel and has surged by 1% over the past week in a volatile session, 40.6% over the last month, and nearly 80% over the past quarter, significantly elevating inflation concerns worldwide. Safe-haven demand supported precious metals, with gold and silver gaining 1.08% and 0.48%, respectively. Meanwhile, the rupee showed some strength, with USD/INR easing to 93.11 from 94.78.

On the macro front, domestic data presented a mixed picture. India's GST collections rose 7% year-on-year to ₹19.34 lakh crore in FY26, while industrial output expanded 5.2% YoY in February, indicating steady economic activity. Growth expectations remain slightly cautious, with projections suggesting GDP may moderate to around 6.5% in FY27.

From a technical perspective, the Nifty 50 still looks weak. The index has been forming lower highs and lower lows, which is a typical sign of a downtrend. Technically, it may face near-term support around the 22,000–21,500 levels. On the upside, the 23,300–23,800 levels would act as resistance for the index. Currently, valuations are becoming more comfortable, as the index is trading at 19.7x earnings and 17.5x forward earnings as per our estimates. Levels between 17x and 15x would be very attractive for accumulating quality companies from a long-term perspective.

Going forward, the market is expected to remain volatile and largely driven by both global and domestic factors. Crude oil prices, developments in the Middle East, foreign investor activity, and the movement of the rupee will be key factors to watch. Additionally, the RBI policy outcome and its view on the economy will also play an important role. Unless there is some easing in geopolitical tensions or a correction in oil prices, it may be difficult for the market to sustain any strong upward move.

GLOBAL AFFAIRS & STRATEGIC PARTNERSHIPS

US Tariff Threat on Medicines Raises Concerns

Donald Trump may impose tariffs of up to 100% on certain imported medicines, raising concerns over global pharmaceutical trade. The potential move has created uncertainty around pricing and market access in the US, a key destination for drug exports. The development could impact supply chains and increase costs, keeping the healthcare sector sentiment cautious in the near term.



Trump Offers US Oil Supply Amid Hormuz Blockade Crisis

Donald Trump has offered US oil supplies to countries impacted by the Strait of Hormuz blockade, positioning America as an alternative energy source. The proposal comes amid severe disruption in global oil flows due to the ongoing conflict with Iran. Trump indicated affected nations should shift sourcing to the US, highlighting energy security concerns as the blockade continues to strain global supply chains.

IEA Warns Of Historic Energy Disruption Amid Iran War

International Energy Agency chief Fatih Birol has warned that the ongoing Iran conflict is heading towards the "biggest disruption in history," driven by severe oil supply shocks following the Strait of Hormuz blockade. Global supplies have already declined sharply, with further deterioration expected. The crisis is disrupting fuel availability, particularly diesel and jet fuel, raising risks of a prolonged global energy and economic shock.



Trump Signals Endgame in Iran War, Warns of Fresh Strikes

Donald Trump stated that the ongoing Iran conflict is nearing completion, indicating US military objectives are close to being achieved. However, he warned that the US will continue to hit Iran "extremely hard" over the next two to three weeks if no agreement is reached. Trump also signalled potential escalation, including targeting Iran's energy infrastructure, while maintaining that operations could conclude soon amid ongoing diplomatic efforts.

INDIAN ECONOMY & MARKET

India Restricts Jewellery Imports To Curb FTA Misuse

India has imposed immediate restrictions on imports of gold, silver and platinum jewellery, shifting their status from "free" to "restricted" to curb misuse of free trade agreements. Importers will now require DGFT approval, with the rules applicable regardless of existing contracts or shipments. However, exemptions remain for SEZs and export-oriented units, ensuring genuine export-linked activity continues.



UPI Transactions Hit Record ₹29.5 Lakh Crore in March

India's UPI transactions surged to a record ₹29.53 lakh crore in March, driven by festive spending and financial year-end activity. Volumes also hit an all-time high of 22.64 billion transactions, reflecting strong digital adoption. On a YoY basis, transaction value rose 19%, while volumes grew 24%, with average daily transactions reaching 730 million, highlighting continued momentum in the real-time payments ecosystem.



NSE To Launch Dated Brent Crude Futures From April 13

The National Stock Exchange of India will introduce Dated Brent Crude Oil (Platts) futures from April 13 after regulatory approval, expanding its commodity derivatives segment. The contract, based on global oil benchmark assessments, will be cash-settled and traded monthly under the symbol BCRUDEOIL. The move aims to provide domestic participants with a more effective hedging tool linked to international crude price movements.

GST Collections Show Steady Growth in FY26

India's net GST collections rose 7% YoY to ₹19.34 lakh crore in FY26, reflecting stable economic activity and improved compliance. Gross collections increased 8.3% to ₹22.27 lakh crore. In March, collections remained strong, with net GST at ₹1.78 lakh crore, marking an 8.2% rise. The trend indicates consistent tax buoyancy, supported by domestic demand and higher import-related revenues.

Commercial LPG Prices Surge Amid Global Tensions

Commercial LPG prices have been increased by ₹195.50 per cylinder, driven by rising global crude oil prices amid the ongoing US-Iran conflict. A 19-kg cylinder now costs ₹2,078.50 in Delhi. However, domestic LPG prices remain unchanged at ₹913. The hike reflects supply disruptions and higher energy costs, impacting businesses like hotels and restaurants more than households.



GST Relief for IT & Service Exporters

The Finance Act 2026 removes the "intermediary" clause under GST, a long-standing issue for IT firms and service exporters. Earlier, many services were taxed as domestic, denying export benefits. Now, the place of supply shifts to the client's location overseas, allowing such services to qualify as exports, enabling zero-rating and refunds, improving cash flows and reducing litigation.

ICRA GDP Outlook

ICRA estimates India's GDP growth will moderate to 6.5% in FY27 from around 7.5–7.6% in FY26, mainly due to elevated global energy prices and supply concerns amid the West Asia conflict. Higher crude (assumed ~\$85/bbl) may widen the current account deficit and raise inflation. While domestic demand and capex remain supportive, external risks could impact consumption and overall economic momentum.

India's IIP Growth Improves

India's industrial output, IIP, grew 5.2% YoY in February, up from 4.8–5.1% in January, indicating a gradual recovery in industrial activity. The growth was primarily driven by manufacturing, which expanded around 6%, while mining and electricity saw modest gains. Strong performance in capital goods and infrastructure segments reflects steady investment demand, highlighting resilient economic momentum despite external uncertainties.

India's Fiscal Deficit Trend: Stability with Better Control

India's fiscal deficit stood at ₹12.53 lakh crore during April–February FY26, accounting for 80.4% of the annual estimate, showing improvement from last year's higher levels. The moderation is supported by stronger tax collections and controlled revenue spending, while capital expenditure continued to grow. Overall, the data reflects better fiscal discipline, indicating the government is managing finances efficiently despite external economic challenges.

Government Eases Fuel Taxes to Manage Rising Oil Prices

India has reduced the special additional excise duty on petrol to ₹3 per litre from ₹13 and eliminated it on diesel to ease inflation amid rising global oil prices. The move aims to protect consumers and support oil companies facing losses. However, the government has imposed export taxes on diesel and aviation fuel to offset revenue loss and ensure adequate domestic fuel supply.

India Grants Customs Duty Exemption on Petrochemicals

The Government of India has announced a full customs duty exemption on critical petrochemical products until June 30, 2026 to counter supply disruptions from the ongoing West Asia conflict. The relief, covering key feedstocks and polymers used across plastics, textiles, pharmaceuticals and chemicals, aims to ensure steady availability, reduce cost pressures and support downstream industries amid volatile global conditions.



REGULATORY & POLICY UPDATES



RBI Tightens Forex & Derivative Rules to Stabilize Rupee

The Reserve Bank of India has tightened forex regulations by capping banks' dollar exposure at \$100 million and restricting participation in offshore NDF markets. Banks are also barred from rebooking cancelled forex contracts. These measures aim to curb speculative activity and support the rupee amid global volatility. While genuine hedging remains allowed, banks may face near-term pressure on treasury income and operational flexibility.

