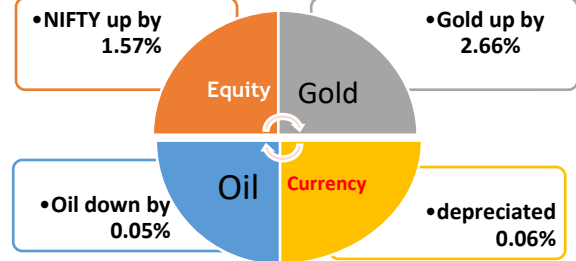


# Wrapping Up the Week..... (06.10.2025 -10.10.2025)

## Market Movers

Highs & Lows of Key Market Indicators			
Indicators	High	Low	Average
USD/INR	88.88	88.48	88.76
India 10 Yr G-Sec Yield	6.53	6.49	6.52
US 10Yr T Bill	4.18	4.10	4.14
Crude Brent (\$/BL)	66.58	64.36	65.38
Canara Bank	128.5	124.7	126.9

## Movement Over Previous Week



## News that Made News

### Global

- US consumer inflation expectations rose to 3.4% (Sept 2025), highest in five months, with households expecting higher prices for food, medical care and rent.
- The World Bank raised China's 2025 GDP forecast to 4.8% (from 4.0%) but warned momentum could slow in 2026 on weak consumer and export sentiment.
- Japan's wholesale inflation held steady at 2.7% YoY in Sept 2025, as slower import-price declines and a weaker yen risk renewed cost pressures.

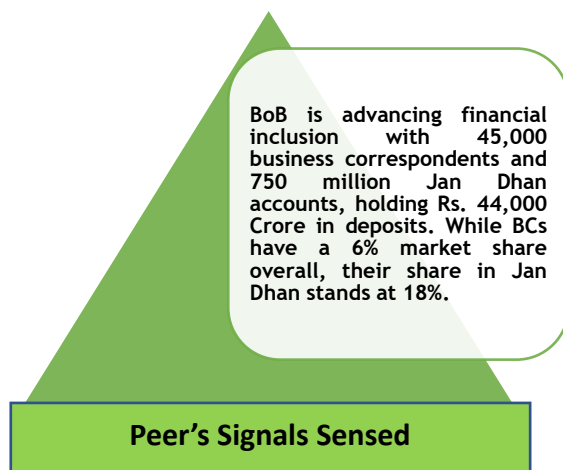
### Domestic

- RBI proposed overhauling the ECB framework, scrapping cost caps and tying corporate borrowing limits to financial strength (up to \$1 bn or 300% of net worth).
- FM launched foreign-currency settlement system at GIFT City, placing it alongside Hong Kong, Tokyo, and Manila in same-day FX clearing capability.
- ICRA projects gold-loan market at ₹ 15 trn in FY26 (30-35% NBFC growth), up from earlier forecasts, reaching ₹ 18 trn by FY27.

### Banking

- NPCI, Razorpay and OpenAI launched a pilot for AI-driven UPI payments via ChatGPT, enabling secure autonomous transactions with Axis and Airtel banks.
- RBI stepped up NDF interventions to curb rupee weakness after US tariff shocks, as short positions rose sharply in Aug 2025.
- RBI to launch deposit tokenization pilot on Oct 8 2025, enabling blockchain-based digital assets for faster and safer wholesale transactions

## Macro Scenario



## Policy Moves

### RBI

- \*RBI unveiled four digital payment innovations – IoT-UPI, interoperable net-banking, UPI Reserve Pay, AI-based UPI Help powered by NPCI's SLM.
- \*RBI Proposed new risk-weights: CRE-housing 100% (vs 75%), unrated MSMEs 85% (vs 100%), to better balance credit risk capital.

### GOVT

Govt mandated Aadhaar authentication for all new centrally-sponsored schemes with payments routed via AePS for transparency in DBT.

## Event /News of the Week:

Respite to Indian Textile Industry Post US Tariff escalation

- India-UK Comprehensive Economic and Trade Agreement (CETA) provides a Critical Counterbalance by eliminating tariffs on nearly all Indian textile and apparel exports to the UK (previously 8-12%) after US tariff escalation (50%).
- The Indian textile and apparel sector, valued at approximately \$160-170 billion and employing over 45 million people, has faced significant challenges from escalated US tariffs, as US has 28% share in India's Textile export.
- India-UK FTA offers timely respite, potentially turning a US tariff setback into an opportunity, as projected Textile export to UK is expected to grow by 30-35% by 2030 (doubling of share of Textile export by 12% to UK from 6%)