

Global Economy

- The Fed cut the federal funds rate by 25 bps in September 2025, bringing it to the 4.00% to 4.25% range.
- The US economy expanded at an annualized rate of 3.80% in Q2 2025, after contracting by 0.60% in Q1.
- The Bank of England kept its bank rate unchanged at 4.00% in September 2025.
- The British economy grew by 1.40% (YoY) in July 2025, maintaining the same pace as in June.
- Bank of Japan kept its short-term policy rate at 0.50% in September 2025.
- Japan's economy grew by 2.20% (YoY) in Q2 2025 as compared to 0.30% in Q1.
- China kept its key lending rates unchanged in September 2025 for the fourth month in a row, keeping one-year and five-year loan prime rates unchanged at 3.00% and 3.50% respectively.

Indian Economy

- The OECD has raised India's growth forecast for FY2025-26 to 6.70%, up from its previous estimate of 6.30%.
- India's GDP grew by 7.80% in Q2 in comparison to 7.40% in Q1 of 2025 (YoY), marking the sharpest growth rate in five quarters.
- The central government has approved INR 69,725 crore to boost India's shipbuilding and maritime sector through 2036, aiming to enhance domestic capacity.
- India exempts customs duty on 18 defence imports including aircraft, missiles, drone batteries.
- India's imports from China reached a record high of USD 12.50 billion in August 2025 from USD 10.90 billion in July.
- India's core infrastructure industries output grew by 6.30% (YoY) in August 2025, the highest in 13 months, compared to 3.70% in July.
- The US President Trump announced 100% tariffs on branded and patented pharmaceutical imports to the US, effective from 1 Oct 2025.



Indian Startups

- 94 Indian start-ups raised total funding of around USD 1,279 million in the month of September 2025, while the details of 10 other remained undisclosed. There is 19% decrease in funding as compared to August 2025.
- Health Tech, Consumer Tech & Fintech are major segment that secured USD 233 million, USD 224 million and USD 116 million funding respectively.

Indian Debt Market

- India's foreign-currency sovereign rating was upgraded by Japan's Rating and Investment Information (R&I) from BBB to BBB+ (stable).
- India's external debt rose at its fastest pace in seven years in FY 2025, registering a 10% increase (YoY). While the debt-to-GDP ratio edged up from 18.50% in the previous year to 19.10%.
- India recorded a merchandise trade deficit of USD 26.50 billion in August 2025 as compared to USD 29.70 billion a year earlier.
- RBI has begun phased CRR cuts from September 6, starting with 25 bps. Full 100-bps reduction by December to inject nearly INR 2.50 trillion liquidity into the banking system.
- The central government has announced a plan to borrow INR 6.80 lakh crore in H2 FY 2026 through dated securities, including INR 10 thousand crore via sovereign green bonds.
- Rupee's real effective exchange rate (REER) declined to 98.79, the lowest level since February 2019.
- SBI to raise USD 500 Million to 1 billion via five-year dollar bonds.

