



**On this auspicious festival of lights, may the glow of joy & prosperity illuminate your days in the year ahead. Happy Diwali 🪔**

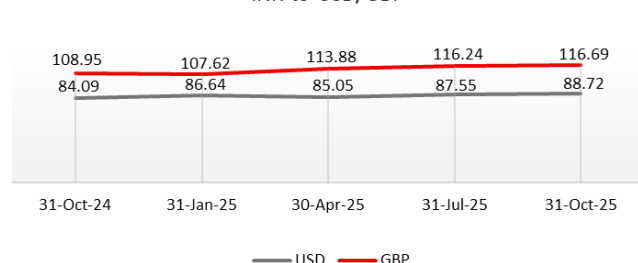
### Global Economy

- The US Federal Reserve cut the federal funds rate by 25 basis points in October 2025, bringing the target range down to 3.75%–4.00%.
- The Bank of Japan maintained its key interest rate at 0.50% in October, keeping borrowing costs at their highest since 2008.
- Bank of England maintained key short-term rate at 0.50% in October 2025.
- The IMF cautioned the Bank of England on future rate cuts, anticipating the UK to have the highest inflation among G7 countries in 2025 and 2026.
- The World Bank raised China's 2025 GDP growth forecast to 4.80%, but cut 2026 growth forecast to 4.20%, anticipating a slowdown in exports and decline in fiscal stimulus.

### Indian Economy

- The World Bank raised India's FY 2026 growth forecast to 6.50% but cut FY 2027 forecast to 6.30%, citing higher US tariffs.
- India launched a foreign currency settlement system through GIFT City, its tax-neutral zone, to accelerate foreign currency transactions.
- The RBI revised FEMA regulations to permit exporters to retain their foreign exchange earnings in Gujarat's GIFT City for up to three months.
- India's crude oil import bill declined 14.70% YoY to USD 60.70 billion during the first half of FY 2026, owing to lower international prices.
- India's gold reserves crossed USD 100 billion for the first time, reaching USD 102.36 billion in the week ending on 10 October.
- India's core industry growth slowed to 3.00% in September 2025, down from 6.50% in August 2025, primarily due to a decline in the production of coal, crude oil, refinery products, and natural gas.
- India's industrial production increased by 4% YoY in September 2025, driven by robust growth in the manufacturing sector.

INR to USD/GBP



### Indian Startups

- 113 Indian start-ups raised total funding of around USD 1,850 million in the month of October 2025, while the details of 13 other remained undisclosed. There is 45% increase in funding as compared to September 2025.
- Fintech, Quick Commerce & D2C brands are major segment that secured USD 545 million, USD 450 million and USD 138 million funding respectively.

### Indian Debt Market

- RBI's Monetary Policy Committee (MPC) kept the repo rate unchanged at 5.50%, with a 'neutral' stance.
- The RBI has allowed Indian banks and their overseas branches to lend to residents of Bhutan, Nepal, and Sri Lanka in Indian Rupees to boost cross-border trade.
- Indian state governments and union territories are projected to raise INR 2.80 trillion through market borrowings in the current quarter, according to RBI.
- India's fiscal deficit for April–August, 2025 was nearly INR 6 trillion, or 38.10% of the FY 2026 target, mainly due to increased capital spending despite a drop in net tax receipts.
- India's external debt rose to USD 747.2 billion by June 2025, up USD 11.20 billion from March 2025, while the debt-to-GDP ratio eased to 18.90%.
- Digital payments accounted for 99.8% of the total transaction volume in H1 2025, according to the RBI.
- India experienced net FDI outflows of USD 616 million in August 2025, driven by a decline in gross FDI inflows to USD 6.00 billion and an increase in repatriation by foreign companies, which reached USD 4.90 billion.

10-Year Bond Yield

