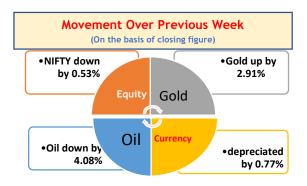
Wrapping Up the Week...... (08.12.2025 -12.12.2025)

Market Movers

Highs & Lows of Key Market Indicators			
Indicators	High*	Low*	Average
USD/INR	90.71	89.76	90.15
India 10 Yr G-Sec Yield	6.67	6.51	6.61
US 10Yr T Bill	4.21	4.10	4.17
Crude Brent) \$/BL	63.96	60.77	61.81
Canara Bank	148.9	141.1	145.6
*On the basis of closing figure		•	



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News that Made News

Global

- China exports rose 5.9% year-on-year to an 11-month high in November 2025 as firms accelerated shipments ahead of a tariff truce with the US.
- Japan Q3 GDP contracted an annualised 2.3% due to weak capital spending though economists still expect the Bank of Japan to proceed with a planned rate hike.
- US Federal Reserve says it cut the federal funds rate by 25 bps to 3.5%—3.75% in December 2025, marking a third
 consecutive cut despite a divided committee.

Domestic

- •According to Niti Ayog India's agriculture growth is expected at 4% in FY 2025–26 versus 4.6% in the previous year and achieving 5% is essential for the developed-nation target.
- •IMF in its report recognized India's UPI as the world's largest retail fast-payment system with 49% of global real-time transaction volume according to its June 2025 report.
- •Niti Aayog proposed sweeping tax, regulatory and market reforms are required to expand India's corporate bond market into a major long-term capital source by 2030.

Banking

- Moody's says Indian private banks maintain stronger capital positions than US and European peers due to high CET1 ratios and strong internal capital generation.
- •RBI is urging large business groups to consolidate their non-banking finance and investment companies. This move aims to simplify structures for better risk assessment and regulatory oversight.
- RBI governor met bank chief executives, emphasizing that rate cuts and technology adoption must reduce costs and raise efficiency while banks strengthen digital fraud safeguards and improve customer-service systems

Macro Scenario

SBI, BOB gets RBI nod to set up fraud detection platform. Indian Digital Payment Intelligence Corporation will be established as a Section 8 company (a special type of non-profit organization) under the Companies Act, 2013

Peer's Signals Sensed

Policy Moves

RBI

RBI has lifted all restrictions under new transaction account rules, on banks opening and maintaining cash credits accounts, offering greater flexibility for short-term working capital loans. Additionally, the Central bank eased norms for current and overdraft accounts, allowing banks to maintain them without restrictions for customer with exposures under 100 million runees.

GOVT

The Indian govt will launch a Micro Credit card by January with a Rs Talkh limit with a standard interest free period of 15-30 days similar to conventional cards but with significantly lower rollover interest thereafter. This aims to reduce the high borrowing costs for micro – enterprises by linking it to credit guarantee schemes.

Event / News of the Week:

China's Trade
Surplus: A
depressant for
Import Dependent
Economies

- ✓ China's trade surplus crossed 1 trillion dollars for the first time ever, marking an unprecedented peak in export strength as shipments to the United States fell 29% and shifted toward Southeast Asia Europe Africa and Latin America.
- China's exports to India undercut domestic manufacturing by supplying low-cost inputs and reinforcing dependence on Chinese electronics components APIs and solar modules.
- ✓ India's 2.5-3× import-export gap with China deepens a dependency paradox where Chinese inputs support short-term production but weaken long-term industrial self-reliance
- China's surplus acts as an economic steroid for India today yet it is a structural depressant that crowds out manufacturing widens deficits and elevates strategic risk.

ECONOMIC RESEARCH VERTICAL, HO
