

# 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

## Movement Over Previous Week

(On the basis of closing figure)

•NIFTY down by 0.53%

•Gold up by 2.91%

Equity

Gold

•Oil down by 4.08%

Oil

Currency

•depreciated by 0.77%

## 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 rupees.

### GOVT

The Indian govt will launch a Micro Credit card by January with a Rs 5 lakh 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.