

Top Story 1

India's Q1 FY25 GDP Grows At 6.7%

India's gross domestic product (GDP) grew 6.7 per cent y-o-y during the April-June 2024 quarter (Q1 FY25) as compared with the 8.2 per cent growth recorded a year ago, according to the latest official data released recently, August 2024. The slower GDP growth comes amid lower government spending during parliamentary elections in the April-June 2024 quarter. "Real GDP or GDP at constant prices in Q1 of 2024-25 is estimated at Rs 43.64 lakh crore, against Rs 40.91 lakh crore in Q1 of 2023-24, showing a growth rate of 6.7 per cent," the finance ministry said in a statement. In the corresponding quarter last year (Q1 FY24), India's real GDP had grown at 8.2 per cent. In the previous quarter ended March 2024, the economic growth stood at 7.8 per cent. According to the latest data released by the National Statistical Office (NSO), India's gross value added or GVA, which is GDP minus net product taxes and reflects growth in supply, also grew 6.8 per cent during April-June 2024. GDP in nominal terms, which factors in inflation, grows 9.7 per cent during Q1 2024-25, against 8.5 per cent a year ago.

Top Story 2

Rupee rises 7 paise to 83.82 against US dollar during early trade

Rupee appreciated 7 paise to 83.82 against the US dollar in morning trade recently, supported by significant foreign fund inflows and a positive trend in domestic equities. Forex traders said a rise in global risk sentiments supported the rupee, while recovery in the US dollar and month-end dollar demand from importers and oil marketing companies (OMCs) weighed on investor sentiments. At the interbank foreign exchange market, the local unit opened at 83.83, then gained ground to touch 83.82, registering a rise of 7 paise from its previous close. The rupee appreciated 8 paise to close at 83.89 against the American currency. According to forex traders, MSCI rebalancing flows could take the rupee higher. "Some appreciation in the rupee appears likely, with anticipated MSCI inflows of around USD 3 billion. The rupee is likely to trade within a range of 83.75 to 83.90, while in the medium-term, a range of 83.60 to 84.05 is anticipated, with a bias towards the upside," .

Economy: -

India's bio-economy to reach \$300 billion by 2030

Union Minister Jitendra Singh announced that the Modi Government's recently unveiled BioE3 (Biotechnology for Economy, Employment, and Environment) Policy is poised to position India as a global leader in the bioeconomy. Speaking on the transformative policy, Singh emphasised that as India emerges as a global biotech powerhouse, Prime Minister Narendra Modi will be recognized worldwide as a champion of the biotech boom, driving economic growth, innovation, and environmental sustainability. India's economy has seen explosive growth, surging from \$10 billion in 2014 to over \$130 billion in 2024, with projections to reach \$300 billion by 2030. The BioE3 Policy is expected to accelerate this momentum, significantly contributing to the 'Make in India' initiative by promoting bio-based products with minimal carbon footprints. Singh highlighted that the BioE3 Policy aims to address critical global challenges like climate change and the depletion of non-renewable resources by shifting from chemical-based industries to sustainable bio-based models. The policy also supports the creation of biomanufacturing hubs, which will play a central role in developing and commercialising bio-based products and fostering innovation through Bio-AI hubs.

Banking: -

Reserve Bank of India to Launch Lending Platform

The Reserve Bank of India (RBI) plans to launch a technology platform designed to enable frictionless credit, especially for small- to medium-sized businesses (SMBs). The RBI began piloting the platform — which it plans to name the “Unified Lending Interface (ULI)” — in 2023 and plans to launch it nationwide “in due course,” said RBI Governor Shaktikanta Das, per recent (Aug. 2024) press release. “This platform facilitates seamless and consent-based flow of digital information, including even land records of various states, from multiple data service providers to lenders,” Das said in an inaugural address at the RBI@90 Global Conference, per the release. “This cuts down the time taken for credit appraisal, especially for smaller and rural borrowers.” Das added that the ULI architecture has common and standardized APIs, is designed for a “plug-and-play” approach to provide access to information from diverse sources, and enables borrowers to get credit quicker and without providing extensive documentation, per the release.

Market: -

Forex reserves rise by \$7 billion to hit record high of \$681.69 billion

India's forex reserves jumped by \$7.023 billion to touch a new high of \$681.688 billion in the week ended August 23, the RBI said on Recently .The overall reserves had jumped by \$4.546 billion to \$674.664 billion in the previous reporting week. he previous all-time high for the overall reserves was recorded at \$674.919 billion as on August 2. For the week ended August 23, foreign currency assets, a major component of the reserves, increased by \$5.983 billion to \$597.552 billion, the data released on Friday showed. Expressed in dollar terms, the foreign currency assets include the effect of appreciation or depreciation of non-US units like the euro, pound and yen held in the foreign exchange reserves. Gold reserves increased by \$893 million to \$60.997 billion during the week, the RBI said.

Digitalization: -

Digital payments to grow by 3X in FY29, UPI retains strong growth trajectory

UPI continues to have a strong growth trajectory with a YoY growth of 57% in transaction volume, a PwC India report stated. While the total transaction volume for UPI was slightly over 131 billion in FY24, it is expected to grow to 439 billion by FY29. “UPI now accounts for over 80% of the overall retail digital payments in India and is expected to contribute to 91% of overall digital payments’ industry volumes by 2028-29,” the report said. Reflecting on the digital payments surge, it stated that a year-on-year (YoY) transactional volume growth of 42% was seen in FY24, which is poised to grow by three times in FY29. Multiple factors such as innovations by ecosystem participants, new business models and opportunities, changing technologies and increasing customer awareness were attributed to such growth. It further revealed that credit cards have witnessed a formidable growth in FY24 with the industry adding more than 16 million new credit cards, crossing the milestone of 100 million cards. With the addition of new cards, the industry has also seen 22% and 28% surge in transactional volume and value, respectively.

Currency	Rate (Rs)	Change	Index	Change	
USDINR	83.851	-0.036	NIFTY 50	25,235.90	83.95
EURINR	93	-0.101	BSE Sensex	82,365.77	231.16
GBPINR	110.522	0.058			
JPYINR	57.6254	-0.227			

