

Top 1

The rupee rises by 3 paise to settle at 83.58 vs dollar

The rupee consolidated in a narrow range and settled for the day 3 paise higher at 83.58 against the US dollar recently, on firm domestic markets and sustained inflow of foreign capital. Forex traders said a decline in crude oil prices favored the rupee, while a strong US dollar capped sharp gains. At the interbank foreign exchange market, the local unit opened at 83.59, and touched an intraday high of 83.56 and a low of 83.60 against the dollar during the trading session. It finally settled at 83.58 against the American currency, registering a gain of 3 paise from its previous close. The rupee depreciated 10 paise to 83.61 against the US dollar. Meanwhile, the dollar index, which gauges the greenback's strength against a basket of six currencies, was trading marginally higher by 0.11 per cent at 104.29.

TOP 2

IMF raises India's GDP growth forecast for FY25 to 7%

The International Monetary Fund (IMF) recently raised India's FY25 growth projection to 7% from 6.8% forecast in April, retaining the country's fastest-growing economy tag. The latest upgrade reflects carryover from upward revisions in 2023 and takes into account improved prospects for private consumption, particularly in rural areas. It retained the country's growth forecast for FY26 at 6.5%. In its World Economic Outlook Update, the IMF said the growth forecast for emerging markets and developing economies is revised to 4.3% from 4.2% earlier. "The projected increase is powered by stronger activity in Asia, particularly China and India," it said. "Growth in India & China will account for almost half of global growth in 2024. Growth in major advanced economies is more aligned: euro area growth picks up as the US shows signs of cooling after a strong year," Gita Gopinath, deputy managing director of IMF,

Economy

India to be 3rd largest economy in next 3 to 4 years

Commerce and Industry Minister recently said India will be the 3rd largest economy in the next 3-4 years while the country's exports would scale the \$ 2 trillion export target by 2030. Addressing the FICCI national executive committee meeting here, Goyal said: "With the rapidly growing start-up India initiative, growing infrastructure, investments in manufacturing which are creating a lot of opportunities for trade, business, jobs and exports. We will be the 3rd largest economy in the next 3-4 years." He also observed that the direction in which India was moving forward deeply resonates with what the industry wanted. India has a lot of untapped potential as the country heads towards becoming a global manufacturing hub. He said that the government was working on getting India into global value chains, creating more and more global capacity centers working out of India so that services exports could be increased further. "The government along with industry remains deeply committed to achieving \$ 2 trillion export target by 2030.

Reforming India's tax culture for better tax to GDP ratio

For India to achieve its economic goal of becoming a developed country by 2047, it must mobilise massive resources to build the nation. This requires increasing tax revenue without overburdening existing taxpayers. Direct taxes play a crucial role in capitalising the exchequer while reducing the burden of indirect taxes. Lower indirect taxes accelerate small businesses and increase consumption, creating a virtuous economic cycle and thereby boosting Gross Domestic Product (GDP). However, India's approach has been to levy high indirect taxes through multiple Goods and Services Tax slabs while offering significant exemptions to individual taxpayers. This strategy, while well-intentioned, has unintended behavioural consequences, with a flattening effect on tax growth, that warrant closer examination.

DIGITALIZATION

UPI Payments Will Soon Be Available For Indian Travellers In Qatar

Traveling to Qatar will become easier for Indians as the Unified Payments Interface (UPI) will soon be introduced in the Gulf nation! You will be able to use UPI's smooth and hassle-free payment facilities in Qatar, eliminating the need to carry a Forex card or change currency. Indian travelers will no longer need to convert their Indian rupee to Qatari Riyal on their vacation as UPI will allow them to pay the service provider in Qatar through your bank account. NPCI International Payments (NIPL) has signed an agreement with Qatar National Bank (QNB) to enable UPI transactions in Qatar. This means that UPI apps and more will be functional in Qatar as well, and Indian travelers will be able to make payments at tourist attractions, malls, restaurants and airports. Qatar is not the first international destination to accept UPI payments, with Sri Lanka, the Netherlands, Switzerland, UAE, Thailand, and others having enabled this hassle-free transaction interface for Indians in the past. International UPI transactions deduct the payment amount in INR from your bank account and convert it to the receiver's currency.

INVESTMENT

Singapore's Investment company eyes \$10 billion investment in resilient India

As the Indian economy remains resilient on its way to become the world's third-largest one sooner than expected, Singapore's sovereign wealth fund investment company is aiming to invest an additional over Rs 83,000 crore (about \$10 billion) in the country in the next three years. The potential sectors Temasek is eyeing for investment in India are healthcare, consumption, financial services, digitization and sustainability, according to reports. The head of India and strategic initiatives said the new investment will take company total investment in India to a massive \$47 billion. The \$10 billion potential investment excludes what the company subsidiaries will invest in the country, according to the company executive. The investment company has been investing in the country for the last 20 years and its India exposure makes up 7 per cent of its global portfolio by underlying assets, up from 4 per cent in 2020.

Currency	Rate (Rs)	Change	Index	Change	
USDINR	83.552	0.013	NIFTY 50	24,613.00	26.30
EURINR	91.315	0.27	BSE Sensex	80,716.55	51.69
GBPINR	108.892	0.509			
JPYINR	53.35	0.6056			