

## Top Story 1

### India open to revive US trade deal talks during PM Modi's upcoming visit

India is open to resuming discussions on a limited trade agreement with the US during Prime Minister Narendra Modi's upcoming visit to Washington, a government official stated. Modi is scheduled to meet American President Donald Trump, marking their first official interaction since Trump took office. A government official mentioned that while the agenda is still being finalized, India is willing to explore a "mini-trade deal" if the US is also open to it. This potential agreement could address key trade concerns and strengthen economic ties between the two nations. The discussions are expected to focus on reducing trade barriers, enhancing market access, and resolving tariff disputes. Strengthening Indo-US trade relations remains a priority, especially in sectors like technology, defense, and manufacturing. Modi's visit to Washington in February will be a crucial step in shaping the future of bilateral trade and economic collaboration between the two countries.

## Top Story 2

### India-Indonesia trade and investment ties

The year 2025 marks a critical juncture in the trade relationship between India and Indonesia. In 2019, both nations ambitiously set a target of achieving \$ 50 billion in bilateral trade by this year. While the current trade volume has reached \$ 29.4 billion, the gap underscores the need for enhanced economic cooperation. Both nations share aspirations of becoming global economic powerhouses—Indonesia aims to become the fifth-largest economy by 2045, while India targets the third spot by 2027. President Droupadi Murmu (L) with guest of honour, Indonesian President Prabowo Subianto (R) leave after the 76th Republic Day parade in New Delhi.(AFP) The foundation of India-Indonesia trade relations in contemporary times dates back to 1978, followed by the signing of a double taxation avoidance agreement in 1986, later revised in 2012. Bilateral trade has shown remarkable growth, climbing from \$ 50 million in the 1980s to \$ 29 billion in 2023. Notably, Indonesia has surpassed Singapore as India's largest trading partner in the Association of South East Asian Nations (ASEAN).

## **Banking: -**

# **India's Small Finance Bank Seeks Universal Banking Licence**

A leading small finance bank has taken a major step toward becoming a full-fledged commercial bank by applying for a universal banking license. This marks a significant milestone in its growth journey, aligning with its vision of expanding financial services and enhancing regulatory flexibility. Gaining a universal banking license will allow the bank to offer a wider range of products, strengthening its position in the industry. This move follows a growing trend where small finance banks transition to universal banks for broader operational capabilities and increased market competitiveness. With this transformation, the bank aims to deepen its financial inclusion efforts, tap into new growth opportunities, and provide enhanced banking solutions to a larger customer base. If approved, this transition will enable the institution to play a more significant role in shaping the country's financial landscape, reinforcing its commitment to innovation and growth.

**Finance: -**

## **All eyes on RBI Governor Sanjay Malhotra as MPC meeting**

The Reserve Bank of India (RBI) is expected to cut interest rates for the first time in nearly five years in Governor Sanjay Malhotra's first monetary policy committee (MPC) meeting on Friday. The meeting of the six-member MPC, which will culminate on Friday, aims to boost sluggish economic growth, which is seen falling to a four-year low. Malhotra took charge as the 26th RBI governor in December. The government is yet to announce an economist deputy governor in the RBI after Michael Patra's term ended in mid-January. An economist deputy governor takes charge of the monetary policy department and hence a member of the monetary policy committee. Following Patra's exit, the monetary policy department is now under M Rajeshwar Rao who looks after regulation, among others.

## **Market: -**

### **India Manufacturing Tracker 2025**

Various national flagship schemes, like the Production-Linked Incentives (PLI) program targeting 14 sectors, alongside state-specific industrial policies, intend to raise the sector-wise contribution of manufacturing to the GDP. As per recent estimates, the manufacturing sector's contribution to the GDP is estimated to be around 13-14 percent in 2025. While India's manufacturing sector has experienced steady growth in the past decade, it has been somewhat underwhelming relative to the country's large population. Recently, however, the sector has gained momentum, driven by new investments and a strategic move by several foreign manufacturing firms to diversify their operations across multiple markets. Nevertheless, in FY 2023-24, India's manufacturing sector production growth rate stood at 1.4 percent, as against a growth rate of 4.7 percent in FY 2022-23. According to the Economic Survey 2024-25, the slowdown in the manufacturing sector could be attributed to similar dynamics in global merchandise trade.

## Digitization: -

### UPI integration to give more reach for Singapore transactions to India

State Bank of India Singapore recently said the planned Yono-UPI integration through PayNow will provide a bigger reach for India-bound transactions from Singapore. The SBI Yono-UPI-PayNow linkage comes amidst the Monetary Authority of Singapore (MAS) and the Association of Banks in Singapore (ABS) announcing a plan to launch two new payments solutions in the middle of this year to support the transition to e-payments for both corporate and retail cheque users. "For future enhancements, SBI Singapore is looking at having linkage to the UPI, a Government of India initiative system that powers multiple bank accounts through a single interface," SBI Singapore CEO M P Siva told PTI on Wednesday.

Currency	Rate (Rs)	Change	Index	Change	
USDINR	85.609	0.131	NIFTY 50	23,598.50	-46.4
EURINR	89	0.119	BSE Sensex	78,039.81	-208.32
GBPINR	107.459	0.168			
JPYINR	0.5481	0.0032			