

## **Top Story 1**

### **Indian economy growing steadily, budget and Trump 2.0 hold key to market returns**

With food inflation having peaked and the government trying to accelerate capex spending, the Indian economy is growing steadily and the upcoming Union Budget and Donald Trump 2.0 hold key to market returns, according to a report recently. Rural demand is showing a sustained recovery. The festival and wedding season has provided a boost to demand for travel, jewellery, watches, quick service restaurant (QSR), footwear, apparel and durables, according to the report by PL Capital Group - Prabhudas Lilladher. We are already witnessing uptick in ordering momentum in Railways, Defense, Power, Data centres etc. the execution of which will accelerate growth in FY26 and beyond," said Anmish Aggarwal, Director, Institutional Research "We expect a growth-oriented budget with an attempt to pump prime the economy and incentivise the middle class to increase spending," he added.

## **Top Story 2**

### **Growth of small finance banks in India projected to reach 20-23% in FY26**

The growth of small finance banks (SFBs) in the country is set to reach 20-23 per cent in FY26 from 18-20 per cent in FY25, a report showed recently. From a funding perspective, the SFBs have been gradually increasing the share of current account and savings accounts (CASA) deposits over the years and the same stood at around 28 per cent as of the end of September 2024, according to credit rating agency ICRA. The credit-deposit (CD) ratio stood at 89 per cent as of September 2024, which at present is comparable to the private sector bank average. In line with the trend seen in universal banks, there has been a move towards term deposits offering higher interests and the trend is likely to continue over the near term, said the report.

## **Banking: -**

### **Tech-Enabled Lending Solutions Reshaping India's Non-Banking Finance Landscape**

The Non-Banking Financial Companies (NBFCs) sector in India has rapidly grown, becoming a key player in serving underserved populations, including SMEs and economically disadvantaged groups. Segments like housing, microfinance, and consumer finance have driven this growth, supported by a rising middle class, financial inclusion, and favourable policies. Companies like Credila, Unico Housing Finance, and Muthoot FinCorp are leveraging digitization—especially super apps—to efficiently reach and serve diverse borrowers across vast geographies. By harnessing AI, machine learning, and cloud computing, they are streamlining processes, speeding up lending cycles, and helping more citizens achieve their financial goals.

## **Finance: -**

### **India's fintech funding dips to \$1.9 billion in 2024, yet retains global standing**

India's fintech sector raised funding of \$1.9 billion in 2024, a 33 per cent decline from the \$2.8 billion secured in 2023 and a significant 66 per cent drop from the \$5.6 billion raised in 2022. Despite the decline, India remained the third-largest fintech funding hub globally, trailing only the US and the UK. The third quarter of 2024 emerged as a bright spot, with \$805 million raised, accounting for 42 per cent of the year's total. August was the most robust month, contributing \$434 million to the annual total. However, only three funding rounds exceeded \$100 million, half of the six recorded in 2023.

## **Digitalization: -**

### **India's Fintech Revolution: Innovation, Inclusion, and the Road Ahead**

The Digital Fifth, a prominent banking and fintech consulting firm in the country, will host the third edition of the Bharat Fintech Summit in February. This year's theme, "Navigating the Next Wave of Digital Finance," will focus on important regulatory updates, including the Digital Personal Data Protection Act (DPDPA) and the Reserve Bank of India's (RBI) guidelines on IT governance. The summit will also emphasize innovations in embedded finance, blockchain, artificial intelligence (AI), and wealth management, showcasing advancements such as UPI Lite for offline payments and AI-based fraud detection.

## Economy: -

### India poised to lead G20 in insurance growth with 7.3% annual premium surge in 2025-29

India's [insurance](#) market is poised for rapid growth, with the country projected to lead the G20 nations in premium expansion at an average rate of 7.3 percent annually between 2025 and 2029, according to Swiss Re's latest insurance market outlook report. Released on Tuesday, the report underscores India's emergence as a global economic powerhouse, supported by robust domestic consumption, private investment, and progressive reforms. Swiss Re also forecasts that India will surpass Germany and Japan to become the world's third-largest economy by the end of this decade. This trajectory is expected to benefit from steady global economic growth, projected at 2.8 percent in 2025 and 2.7 percent in 2026.

Currency	Rate (Rs)	Change	Index	Change	
USDINR	86.601	-0.045	NIFTY 50	23,207.60	121.65
EURINR	89	0.133	BSE Sensex	76,499.63	169.62
GBPINR	105.459	-0.271			
JPYINR	0.5484	-0.0016			