

Top Story 1

India's economy projected to grow 6.6% in FY26, says IMF

The International Monetary Fund has revised India's GDP growth forecast upward to 6.6% from 6.4%, citing stronger-than-expected performance in the first quarter that offset the effects of recent global tariff measures. The latest World Economic Outlook report indicates continued resilience in India's economic activity, supported by strong domestic demand and steady investment momentum. While the forecast for the following year has been slightly lowered to 6.2%, this reflects a natural moderation after a period of robust expansion. Despite global trade uncertainties and slowing worldwide growth, India remains among the fastest-growing major economies, benefiting from a strong services sector and resilient consumption trends. The overall outlook underscores India's capacity to sustain high growth levels even amid external headwinds. Continued reforms, stable investment flows, and policy-driven support are expected to further strengthen the country's economic foundation in the coming years.

<https://www.peoplesmatters.in/news/economy-policy/indias-economy-projected-to-grow-66percent-in-fy26-says-imf-46840>

Top Story 2

India's Economy, Markets Show Resilience

India's economy is positioned for a strong demand revival supported by normal monsoons, interest rate cuts, GST rationalization, and recent tax measures. Implementation of GST 2.0 is expected to cushion the impact of global tariffs, while an upcoming pay commission will boost household spending. Consumption indicators, particularly in autos and consumer goods, show renewed momentum. Public investment has expanded significantly in recent years, and the focus may now shift toward private sector capex as capacity utilization rises. The current account position is improving structurally, excluding gold imports, while gold accumulation in reserves continues steadily. India's GDP grew 7.8% in the first quarter, driven by manufacturing, services, and stable consumption, confirming economic resilience. Strong services exports, led by digitally delivered, high-value offerings, are expected to sustain growth despite trade headwinds. Overall, India's domestic strength, fiscal support, and resilient external sector indicate sustained economic momentum amid global uncertainties.

<https://www.thehansindia.com/amp/business/indias-economy-markets-show-resilience-demand-revival-likely-in-2h26-pl-capital-1015037>

Economy

India willing to spend \$15 billion on US oil amid trade talks

India's GDP growth for the current fiscal year is now projected at 6.6%, up from an earlier estimate of 6.4%, although slightly below the central bank's forecast of 6.8%. The upward revision reflects strong momentum from the first quarter, which has more than offset the impact of increased tariffs on exports. For the next fiscal year, growth is expected to moderate to 6.2%, reflecting the potential effect of external trade challenges. This marks a downward revision from earlier projections but still indicates a resilient economy compared with global peers. The strong performance in the current year is supported by robust domestic consumption and investment activity. Despite external headwinds, including higher tariffs on exports, the underlying economic momentum remains positive. Continued policy support, stable monsoon conditions, and domestic demand recovery are expected to sustain growth, while challenges in the external environment may weigh on expansion in the following fiscal year.

<https://indianexpress.com/article/business/after-world-bank-imf-also-cuts-indias-fy27-gdp-growth-forecast-by-20-bps-10306731/>

Market

India central bank minutes show room for rate cuts as inflation outlook softens

India's interest-rate panel has indicated potential room for future rate cuts as inflation remains subdued, according to the minutes of its latest meeting. The central bank kept the key repo rate steady at 5.50%, maintaining a "neutral" stance, though two members favored a shift to "accommodative" to support growth. Headline inflation fell to an eight-year low of 1.54%, driven mainly by a sharp decline in food prices. The central bank revised its inflation forecast for 2025–26 down to 2.6% from earlier projections, while raising the GDP growth forecast for the current fiscal year to 6.8%, supported by strong private consumption, investment, and resilient services activity. Panel members highlighted that external risks, including global tariffs and geopolitical tensions, could weigh on growth in the second half of the year. They also noted that private investment remains sluggish amid trade policy uncertainties, but emphasized that the benign inflation outlook provides scope for easing monetary policy to further support economic expansion.

<https://www.reuters.com/world/india/india-central-bank-minutes-show-room-rate-cuts-inflation-outlook-softens-2025-10-15/>

Finance

Indian Regulators Set Guardrails For AI In Financial Sector

India’s financial sector is entering a new phase of structured AI adoption, guided by regulatory frameworks designed to ensure safe and ethical use. A recent report highlights initiatives from key regulators that establish AI as a board-level governance priority, focusing on trust, transparency, and people-first principles. The central bank’s framework outlines six pillars, covering infrastructure, policy, capacity building, governance, risk management, and assurance, while promoting shared data infrastructure and explainable, fair, and resilient AI systems. Similarly, the market regulator emphasizes transparency and investor protection, requiring intermediaries to document AI models and disclose their use to clients. AI-driven advice must remain suitable and non-discriminatory, aligning with existing rules. Adoption has been uneven, with early uptake in capital markets but slower progress among banks, insurers, and smaller entities due to data gaps, talent shortages, and costs. Insurance oversight encourages innovation through regulatory sandboxes and integration with national digital initiatives.

<https://www.businessworld.in/article/indian-regulators-set-guardrails-for-ai-in-financial-sector-575651>

Digitalization

RBI Governor showcases Indias Digital Public Platforms at IMF-World Bank meetings in Washington

The Reserve Bank highlighted India’s Digital Public Platform (DPP) ecosystem at a high-level dialogue during the Annual Meetings of the World Bank and IMF. The session focused on sharing India’s experiences in building resilient and inclusive digital systems, exploring opportunities for international collaboration. The Governor provided an overview of the evolution and functioning of India’s DPPs, emphasizing their role in advancing digitalization and promoting financial inclusion. Key platforms such as Aadhaar for digital identity and the Unified Payments Interface (UPI) for real-time payments were highlighted for enabling fast, secure, and transparent financial transactions while streamlining government transfer payments. These systems have become central to India’s digital transformation, improving access to public services and ensuring benefits reach citizens efficiently. The event saw participation from central banks of 38 countries, reflecting global interest in India’s digital approach. India’s strategy emphasizes collaboration and knowledge sharing to support inclusive growth and global digital transformation.

<https://www.tribuneindia.com/news/business/rbi-governor-showcases-indias-digital-public-platforms-at-imf-world-bank-meetings-in-washington/>

Metric	13-Oct-2025 Rate	14-Oct-2025 Rate	Change
USDINR	₹88.7573	₹88.7810	+0.0237 ₹
EURINR	₹103.0360	₹103.0285	-0.0075 ₹
GBPINR	Data NA	Data NA	—
JPYINR	Data NA	Data NA	—
NIFTY 50	25,227.35	25,145.50	-81.85 pts
BSE Sensex	82,426.05	82,029.98	-396.07 pts