



### FOREIGN INVESTORS FLOCK TO INDIAN BONDS

Foreign holdings of Indian government bonds reached their highest level in months, with inflows crossing ₹130 billion in October. Global investors are betting on an upcoming rate cut and India's inclusion in global bond indices.

This surge not only reflects confidence in India's fiscal stability but also strengthens the rupee and lowers long-term borrowing costs. With easing inflation and a dovish outlook from the RBI, the bond market appears set for continued optimism.

### INDIA TO RESUME CHINESE IMPORTS AFTER 5 YEARS

The government announced plans to fast-track pending import proposals from China, including those for electronics, steel, and consumer goods. The move marks a pragmatic shift in trade policy aimed at easing supply-chain bottlenecks and supporting domestic production.

While this could reduce input costs for several industries, it also reignites debates on balancing economic efficiency with geopolitical strategy — a dynamic that will continue to shape India-China trade relations.



### MID-WEEK MARKET PAUSE: GURU NANAK JAYANTI HOLIDAY

Stock exchanges remained closed mid-week, giving traders a brief respite amid a month of heavy market activity. Historically, short trading weeks often lead to concentrated volatility post-holiday, as investors adjust portfolios to global cues and domestic data releases.

Markets are now eyeing the upcoming CPI data and Q2 corporate earnings as key drivers for sentiment.





## REGULATORY EASING BOOSTS NBFC VALUATIONS

The Non-Banking Financial Companies (NBFC) sector has witnessed renewed investor optimism this week as regulatory relaxation measures by the Reserve Bank of India (RBI) lifted market sentiment. The easing of certain capital adequacy and provisioning norms is being seen as a strong signal of confidence in the sector's stability and resilience.

With liquidity pressures subsiding and borrowing costs easing, NBFCs are expected to regain growth momentum, especially in retail lending and MSME financing. Market experts note that the reforms will allow more operational flexibility and enhance credit penetration in semi-urban and rural markets — segments that continue to drive financial inclusion across India.

## INDIA EYES CREATION OF 'WORLD-CLASS' BANKS

Finance Minister Nirmala Sitharaman revealed that discussions are underway with the RBI to consolidate public-sector banks into larger, globally competitive institutions.

The rationale is clear — scale brings stability, stronger capital bases, and the ability to fund large infrastructure and industrial projects. However, experts also caution that integration challenges, workforce rationalisation, and cultural alignment will determine whether this vision truly delivers “world-class” results.



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### KEY TAKEAWAY

From surging foreign bond inflows to progressive regulatory reforms, the week highlights India's growing maturity as a financial powerhouse. The combination of external confidence, internal restructuring, and pragmatic trade decisions suggests a more globally integrated, investment-friendly environment positioning India for a strong close to FY 2025.

## FINANCE MAZE:

**I ATTRACT BILLIONS WHEN RATES FALL,  
I MAKE GOVERNMENTS SMILE AND INVESTORS CALL.  
WHAT AM I?**

**(HINT: INDIA SAW RECORD INFLOWS IN ME THIS WEEK!)**