



DAILY NEWS DIGEST BY BFSI BOARD

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ECONOMY

India's WPI slips to 0.32% in November: India's wholesale prices fell 0.32 per cent year-on-year in November after a 1.21 per cent drop in the previous month, as food prices declined at a slower pace, government data showed on Monday. Economists polled by Reuters had projected the wholesale prices to fall 0.6 per cent year-on-year in November. Wholesale food prices fell 2.6% in November, compared with a 5.04% decline in the prior month. Vegetable prices in November declined 20.23% after a 34.97% drop in October.

(Business Line)

Strong 19.4% export growth in November 'evens out' dip in October: India's goods exports surged 19.4 per cent (year-on-year) in November to \$38.13 billion, after contracting the previous month, powered by sectors such as engineering goods, gems & jewellery, pharmaceuticals, petroleum products and chemicals, along with a favourable low base effect. Simultaneously, the trade deficit narrowed to \$24.53 billion in November (from \$31.92 billion in November 2024), driven by a 1.88 per cent dip in overall imports to \$62.66 billion. This was largely due to reduced inbound shipments of gold, petroleum, coal & coke and vegetable oil. "It (goods exports) is the highest in the last 10 years in the November month.

(Business Line)

India emerges as most optimistic consumer market for 2026 : BCG: India's consumers are more optimistic than global peers with strong spending intent and an enthusiastic embrace of AI technologies. India emerged as the most optimistic consumer market in the latest Global Consumer Radar Report from BCG with

households expecting to increase spending across categories, led by automobiles and mobile devices“ While India sees a relatively higher share of discretionary-led spend increases compared with other markets, the primary driver of higher outlays remains inflation, 69 per cent of consumers who expect to spend more say this rise is largely due to increasing prices of both essentials and non-essentials,” the report noted.

(Business Line)

India's marine exports rise 16% in Apr-Nov despite US tariff: Despite being hit by the US' tariff, India' marine products exports increased by over 16% to \$ 5.75 billion in April – November, 2025-26 on year because of a surge in shipment across several new markets, according to official data released on Monday. In November, 2025, India exported marine products valued at \$ 0.87 billion, an increase of 15% compared to a year ago. Official sources earlier stated that the exports of marine products declined to \$ 1.06 billion, a decline of over 7% during April- October of FY26 to the United States, the country's biggest export destination because of high tariffs. This loss in shipment was 'more than compensated' by a rise in shipment to China, Vietnam, Belgium, Japan, Russia, Canada and the United Kingdom, sources said.

(Financial Express)

Unemployment rate at 8-month low of 4.7% in November, shows PLFS: Buoyed by the robustness in rural job market on account of rabi sowing, India's monthly unemployment rate fell to an eight-month low of 4.7 per cent in November, latest periodic labour force survey (PLFS) monthly bulletin released by the National Statistics Office (NSO) on Monday showed. Data by the NSO pegged the unemployment rate in November for the 15 years and above category in current weekly status (CWS) terms in rural areas at 3.9 per cent. It was down from 4.4 per cent in the preceding month. For urban areas, the jobless rate fell to 6.5 per cent from 7 per cent during the same period.

(Business Standard)

BANKING & FINANCE



SBI launches Yono 2.0, to hire 10,000 staff to shift customers to digital channels:

SBI, has embarked on a focused project to help its customers visiting branches migrate to cost-efficient digital banking channels, a top official said on Monday. The bank chairman C S Setty said the bank has begun an initiative in which dedicated executives or floor managers help customers migrate to the digital channel, which is also very convenient for them. "We already have 3,500 executives in branches to help the customers and will take it to 10,000 by March 31, 2026," Setty told reporters here. Setty said a subsidiary company is taking care of the project and undertaking the fresh hiring of staff for the purpose, he said. The bank's chairman said the bank aims to take on payment biggies like Google Pay and PhonePe with the new version of Yono 2.0 and added that the version working across mobile, tablets and also desktops can be used by other banks' customers as well.

(Business Line)

Gold loans outshine personal loans: Retail borrowers are increasingly preferring gold loans as against personal loans, said bankers. This is primarily because of the sharp rise in gold prices that is helping them raise higher amounts at lower interest rates. According to sectoral deployment data from the Reserve Bank of India in October, the growth rate of bank credit to loans against gold jewellery has doubled from 65% last to 128.5% on year to Rs 3.37 lakh crore. At the same time, the 'other personal loans' segment slowed to 9.9% from 10.4% a year ago and for credit card outstanding fell to 7.7% from nearly 17% a year ago.

(Financial Express)

Gross NPAs in Outstanding Education Loans of PSBs Fall from 7% to 2%, Reflecting Improved Asset Quality: As informed by RBI, in terms of outstanding education loans, the Gross NPA of Public Sector Banks (PSBs) reduced from 7% in FY 2020-21 to 2% in FY 2024-25, thereby showing the significant improvement in asset quality of education loans over the years.

(PiB)

SBI appoints Ravi Ranjan as managing director: State Bank of India has appointed Ravi Ranjan as its new managing director, effective December 15, 2025. Ranjan, previously a deputy managing director, will serve until his superannuation on September 30, 2028. The Central government made the appointment, and Ranjan is not disqualified from holding the position.

(Economic Times)

RBI doubles 10-day VRR amount to ₹1.5 trn due to expected tax outflows: The Reserve Bank of India has doubled the notified amount of the 10-day variable rate repo (VRR) auction, scheduled for Tuesday, to Rs 1.5 trillion from Rs 75,000 crore, the central bank said on Monday. “On a review of current and evolving liquidity conditions, it has been decided to increase the notified amount for the 10-day VRR auction,” RBI said in a release. Market participants said the decision to double the VRR amount was due to outflows due to advance tax and goods and services tax (GST) collections, expected to be Rs 2 trillion.

(Business Standard)

INDUSTRY OUTLOOK



Nasdaq plans round-the-clock stock trading, targets global investors: Nasdaq, one of the world's largest exchanges that is home to tech companies Nvidia, Apple and Amazon, is planning to submit paperwork with the U.S. Securities and Exchange Commission on Monday to roll out round-the-clock trading of stocks, as it looks to capitalize on a global demand for U.S. equities. Investor demand for nonstop trading in

U.S. stocks has surged in recent years, prompting regulators to introduce new rules and green-light proposals from major exchanges to enable trading beyond normal market hours.

(Business Line)

B Sairam appointed Coal India CMD: The Ministry of Coal on Monday appointed B. Sairam as the Chairman-cum-Managing Director of state-run coal behemoth Coal India. Prior to this appointment, Sairam was CMD, Northern Coalfields, a wholly owned subsidiary of Coal India (CIL). Government headhunter PESB had earlier recommended him as the next Chairman of the world's largest coal miner.

(Business Line)

Flipkart gets NCLT nod to shift domicile from Singapore to India: The National Company Law Tribunal (NCLT) has approved Flipkart's long-pending proposal to shift its domicile from Singapore to India, clearing a critical regulatory hurdle as the Walmart-owned e-commerce major readies itself for a domestic public listing. The order, passed by the tribunal's principal bench on December 12, has approved a two-step restructuring that will see Flipkart's Singapore-based holding entities merged into its Indian arm, Flipkart Internet.

(Financial Express)



REGULATION & DEVELOPMENT

India, ADB sign loans worth over \$2.2 billion for development projects: The Government of India and the Asian Development Bank today signed agreements for five loans totaling over \$2.2 billion with to support various development projects. The financing will advance initiatives under India's national flagship programmes in skilling and rooftop solar deployment along with projects supporting healthcare, metro development and ecotourism promotion across three states. Signed projects comprise of supporting Pradhan Mantri Skilling and Employability Transformation through Upgraded Industrial Training Institutes Programme; Accelerating Affordable and

Inclusive Rooftop Solar Systems Development Programme in support of Pradhan Mantri Surya Ghar: Muft Bijli Yojana (PMSGMBY); Assam State Tertiary Health Care Augmentation Project; Chennai Metro Rail Investment Project ; and Integrated Ecotourism and Sustainable Agri-based Livelihood Development in Meghalaya Project
(PiB)

Deduction on foreign bank's 'head office expenditure' capped at 5% of income: Supreme Court: The Supreme Court on Monday held that head office expenditure incurred by non-resident banks in connection with their Indian branch operations is subject to restrictions contained in Section 44C of the Income Tax Act. If any foreign company operating in India incurs any expenses outside India but that is also related to Indian business, Section 44C allows the deduction for that expense, but it is subject to the restriction provided in the provision. The restriction limits the expense to the tune of 5% of adjusted total income of the Indian business, it said.

(Economic Times)

NCAER appoints Suresh Goyal as director general, to take charge on Jan 5: The New Delhi-based think tank National Council of Applied Economic Research (NCAER) appointed Suresh Goyal as its 11th director general. Goyal will assume charge on January 5, 2026, succeeding Poonam Gupta, who vacated the position after being appointed deputy governor of the Reserve Bank of India. Gupta headed the economic policy research think tank from July 2021 to April 2025.

(Economic Times)



FINANCIAL TERMINOLOGY

INTER-BANK PARTICIPATION CERTIFICATE (IBPC)

- Inter-Bank Participation Certificates (IBPCs) are short-term money market instruments in India, allowing banks to buy a share of another bank's loans (assets) to manage liquidity, provide funding, or meet priority sector lending targets, involving risk-sharing or no risk, acting as a form of securitization for interbank fund flow.
- Introduced by the Vaghul Committee in 1988, they help balance funds within the banking system, with options for risk sharing or non-risk, and are subject to RBI guidelines, often for short durations like 91-180 days.
- With Risk Sharing: The purchasing bank shares in the risk of the underlying loan; minimum tenure 91 days, max 180 days.
- Without Risk Sharing: The purchaser gets a fixed return, not linked to the loan's performance; max tenure 90 days.
- Aggregate Limit: The total participation in an IBPC issue cannot exceed 40% of the outstanding amount in the borrower's loan account.
- Priority Sector Eligibility: IBPCs on a risk-sharing basis are eligible for Priority Sector Lending (PSL) targets if the underlying assets qualify, provided the participating bank meets RBI norms. Regional Rural Banks (RRBs) can issue 180-day IBPCs to scheduled commercial banks against priority sector advances.



RBI KEY RATES

Repo Rate: 5.25%
SDF: 5.00%
MSF & Bank Rate: 5.50%
CRR: 3.00%
SLR: 18.00%
Fixed Reverse Repo: 3.35%

FOREX (FBIL 1.30 PM)

INR / 1 USD : 90.7228
INR / 1 GBP : 121.2117
INR / 1 EUR : 106.4414
INR /100 JPY: 58.5000

EQUITY MARKET

Sensex: 85213.36 (-54.30)
NIFTY: 26027.30 (-19.65)
Bnk NIFTY: 59461.80 (+71.85)

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TEAM BFSIB

**Banking, Financial Services & Insurance Board
The Institute of Cost Accountants of India (ICMAI)**

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