

Top Story 1

Indian Economy Set For Strong Growth In FY26, Q1 Indicates Positive Signs

India's economic outlook remains positive as it enters the first quarter of the new fiscal year, with growth projections indicating continued resilience. The economy recorded a growth rate of 6.5% in the previous fiscal year, surpassing the performance of several advanced economies. Looking ahead, projections for the current year suggest growth in the range of 6.3% to 6.8%, driven by robust domestic consumption, rural recovery, and strong performance in services exports. An encouraging rise in urban demand—supported by better employment prospects, rising incomes, and sustained capital formation—is expected to push growth toward the upper end of this range. The large domestic market presents ample opportunities for increased private sector investment, which could further enhance economic momentum. With a favorable macroeconomic environment and policy stability, the economy is positioned to maintain its growth trajectory despite global uncertainties. This reflects strong fundamentals and growing confidence in the broader development agenda.

<https://www.msn.com/en-in/news/other/indian-economy-set-for-strong-growth-in-fy26-q1-indicates-positive-signs-cea/ar-AA1FOVgP>

Top Story 2

India-EU full FTA might be completed before year-end

India's Free Trade Agreement (FTA) negotiations with a key global economic bloc are nearing conclusion, with hopes to finalize the deal before the year-end. Officials noted that only a few areas of divergence remain, with both sides recognizing their economies as largely complementary. Areas of mutual interest include trade in goods and services, rules of origin, customs cooperation, technical barriers, and dispute resolution mechanisms. Discussions are also progressing on broader themes such as government procurement, intellectual property, and regulatory practices. The potential for an interim agreement is also under consideration to ensure progress continues even if a comprehensive pact takes more time. Both parties appear committed to sustainability and inclusive trade practices, with particular attention to issues like gender equality and sustainable food systems. The final agreement, whether phased or comprehensive, is expected to boost bilateral trade, support domestic economic growth, and enhance India's integration into global value chains.

<https://www.financialexpress.com/policy/economy/india-eu-full-fta-might-be-completed-before-year-end/3864939/>

Market

RBI MPC likely to go for 25 bps rate cut on June 6 as inflation cools

The Central Bank's Monetary Policy Committee is widely expected to announce a third consecutive 25 basis point rate cut during its upcoming meeting, as inflation remains below the median target of 4%. Analysts believe this move would support growth momentum amid improving domestic consumption. Healthy agricultural output, easing price pressures, and anticipated income tax relief are likely to boost discretionary spending, thereby strengthening consumer demand. This, in turn, is expected to fuel industrial activity and sustain the economy's upward trajectory. The Central Bank may also provide a detailed assessment of the global economic landscape and its implications for the domestic economy. Recent developments in global trade dynamics are likely to influence export competitiveness and import costs, and the monetary policy may reflect these considerations. Overall, a supportive policy stance is anticipated to balance growth needs with inflation stability while addressing external headwinds that could impact the domestic economic outlook.

https://www.deshsewak.org/english/news/200080?utm_source

Investment

FPIs invest Rs 19,860 cr in May

Foreign investors have shown renewed confidence in the equity market, with a net infusion of ₹19,860 crore in May, following ₹4,223 crore in April. This marks a significant turnaround after consistent outflows in the earlier months of the year. The strong inflow trend reflects improving global economic conditions and robust domestic fundamentals, including healthy GDP growth, policy reforms, and corporate earnings. Lower inflation levels and the potential for interest rate cuts in developed markets have also made emerging markets more attractive, contributing to the inflow momentum. Although this surge in foreign investment signals growing investor optimism, experts caution that high market valuations may lead to profit-booking at elevated levels. Despite this, the cumulative foreign investment outflow for the year has narrowed considerably, with May's inflow playing a key role. The consistent buying seen from mid-April through May highlights strengthened sentiment and optimism around long-term growth prospects and macroeconomic stability.

<https://www.thehansindia.com/business/fpis-invest-rs-19860-cr-in-may-976245>

Finance

Govt has fast-tracked FDI approvals from neighboring countries

The government has taken significant steps to streamline the approval process for foreign direct investment (FDI) proposals from neighboring countries that require prior clearance under specific regulatory provisions. According to an official source, the number of pending applications has reduced considerably due to quicker decision-making and regular meetings of the designated inter-ministerial committee. These reforms ensure that FDI proposals are evaluated and cleared within defined timelines, improving the overall efficiency of the approval process. Earlier, investments from certain countries needed mandatory government approval before entering any sector of the economy. The updated process now involves enhanced coordination among departments, reducing delays and providing a more transparent and predictable investment environment. The emphasis on faster approvals aligns with the broader objective of making the country more investor-friendly while ensuring that strategic interests are protected. This move is expected to further encourage legitimate foreign investments and strengthen economic engagement with neighboring regions.

https://www.business-standard.com/economy/news/govt-has-fast-tracked-fdi-approvals-from-neighbouring-countries-official-125060100516_1.html

Economy

India sustains growth in a challenging global economy

<https://assamtribune.com/opinion/india-sustains-growth-in-a-challenging-global-economy-1579610>

India has demonstrated resilient economic growth and stability in a challenging global environment. It continues to stand out as one of the fastest-growing major economies, with growth projections remaining strong over the next two years. The nation's Gross Domestic Product (GDP) has nearly doubled over the last decade, indicating robust economic performance. However, this growth raises important questions about inclusivity. Despite its impressive nominal GDP, the country's per capita GDP remains low compared to other leading economies, highlighting the gap between overall economic expansion and equitable wealth distribution. A significant portion of the nation's wealth is concentrated within a small segment of the population, leaving large sections behind. This disparity reflects the need for more inclusive policies to ensure that economic gains benefit all citizens, not just a few. While the economic outlook remains positive, addressing inequality will be critical to sustaining long-term growth and transitioning from a developing to a more advanced economic status.

[Landslides: Grim reality of urbanisation & loss of urban green cover](#)

Currenc	Rate (₹)	Change from May 30	Index	Value	Change
USDINR	85.477	0.1157	NIFTY 50	24,702.90	-47.8
EURINR	97.465	0.368	BSE Sensex	81,282.43	-168.58
GBPINR	115.251	0.0226			
JPYINR	0.5968	0.0033			