

## Top Story 1

### India, UK review FTA progress, pact may be signed by September

Two nations have reviewed progress on their ongoing free trade agreement (FTA) negotiations, aiming to finalize and sign the pact soon. The agreement, currently under legal review, is expected to become operational within 15 months of signing. Once in force, it will enhance collaboration in trade, technology, defense, and innovation. Both sides reaffirmed their commitment to a comprehensive and mutually beneficial agreement that aligns with their shared ambitions. The documentation and legal processes are underway, with final approval required by respective governing bodies. In addition to trade, discussions also focused on boosting cooperation in science, technology, and innovation, particularly in areas like digital public infrastructure, sustainable manufacturing, and green technologies. Stakeholders explored further collaboration in sectors such as artificial intelligence, financial technology, and creative industries. The agreement is also expected to support efforts in becoming a global manufacturing hub through targeted investment schemes and production-linked incentives. The overall outlook remains optimistic and forward-looking.

<https://www.financialexpress.com/policy/economy-india-uk-review-fta-progress-pact-may-be-signed-by-september-3886279/>

## Top Story 2

### FDI Inflows: India up at 15th spot in UNCTAD ranking

A recent global investment report shows that one major economy has climbed to the 15th position among the world's top destinations for foreign direct investment (FDI), despite a marginal year-on-year decline in inflows. The shift reflects the nation's continued appeal to global investors, maintaining a leading position in its region. While overall FDI figures saw a slight dip, the country remained dominant in attracting investment across key sectors such as services, manufacturing, and technology. This performance highlights the strength of its economic fundamentals, ongoing reforms, and efforts to enhance the ease of doing business. The improvement in global ranking, even amid minor fluctuations, signals sustained investor confidence. It also underscores the strategic importance of the economy in the global investment landscape. Policymakers and industry leaders view this as an encouraging indicator of long-term potential, with expectations for continued momentum as investment-friendly policies and infrastructure development gain traction.

<https://economictimes.indiatimes.com/news/economy/indicators/fdi-inflows-india-up-at-15th-spot-in-unctad-ranking/articleshow/121960528.cms?from=mdr>

## **Economy**

### **Despite Being Fastest Growing Economy, India Has Met Green Energy Targets**

India has emerged as a global leader in clean energy by completing its Paris climate commitments ahead of schedule. In a recent global dialogue on energy security, it was emphasized that the future depends on international cooperation over technology and sustainability, rather than competition for resources. India's inclusive development strategy is guided by the principles of availability, accessibility, affordability, and acceptability. Nearly all households across the country now have electricity access, and the cost per unit remains among the lowest globally. Major clean energy initiatives, including solar alliances, disaster-resilient infrastructure coalitions, and global biofuel collaborations, have been launched as part of this transition. With renewable energy now contributing to nearly 50% of total installed capacity, the nation is progressing steadily toward its net zero emissions target. Additionally, the call for international governance frameworks around artificial intelligence underscores a commitment to ensuring innovation goes hand-in-hand with ethical safeguards and risk mitigation.

<https://zeenews.india.com/economy/despite-being-fastest-growing-economy-india-has-met-green-energy-targets-hardeep-puri-2918557.html>

## **Market**

### **India Poised To Outpace G7 Economies In Growth**

A recent report highlights that one emerging economy is poised to play a significantly larger role in global GDP growth over the next five years. It is projected to contribute over 15% of the world's incremental GDP between 2025 and 2030, surpassing several advanced economies. This expected rise is driven by strong policy-led capital expenditure, shifting supply chains, stable macroeconomic conditions, and growing rural consumption. The analysis also points to structural advantages, suggesting that this economy is better positioned than many developed peers to withstand global volatility. While traditional investment strategies may be under pressure due to changing macroeconomic conditions, the report calls for more flexible asset allocation approaches. Investors are encouraged to align portfolios with evolving regional dynamics and economic cycles. Despite the optimism, the report notes risks such as geopolitical tensions and the need for consistent policy execution. Nonetheless, the outlook signals strong potential for sustained long-term growth and investment opportunities.

<https://www.businessworld.in/article/india-poised-to-outpace-g7-economies-in-growth-report-560591>

## Finance

### RBI relief for banks on project finance provisioning

In a significant policy shift aimed at supporting infrastructure and real estate lending, the central banking authority has eased provisioning norms for project finance during the construction phase. The required provision has been reduced from the earlier proposed 5% to 1%, offering notable relief to banks and financial institutions. The final guidelines also include revised norms for commercial real estate projects. Lenders must now maintain a 1.25% provision during the construction phase of such projects, and 1% during the operational phase, which begins once repayments of interest and principal start. For residential housing within commercial real estate, the requirement stands at 1% during construction and 0.75% during operations. For all other project finance, provisions are set at 1% during construction and 0.40% in the operational stage. These adjustments are designed to strike a balance between prudent risk management and encouraging credit flow into key sectors such as infrastructure and housing development.

<https://www.financialexpress.com/business/banking-finance-rbi-relief-for-banks-on-project-finance-provisioning-3886377/>

### Investment:

#### Expecting a flush of money in India; 6 sectors to invest in over next 4-5 years:

The economy is poised for substantial financial growth driven by strong economic indicators and an expected rise in private capital expenditure. Although not yet fully reflected in current data, this capex increase is anticipated to emerge soon, particularly across sectors such as water, chemicals, cement, banking, power, and related ancillary industries. Several macroeconomic factors are aligning positively. A recent rate cut and increased liquidity are boosting market sentiment. Additionally, a structural downturn in crude oil prices—due to increased discoveries and rising renewable energy adoption—is easing pressure on trade balances. Unlike past cycles of currency depreciation, current conditions suggest greater currency stability, supported by stronger GDP growth and more value addition in imports like electronics. Once these trends are recognized by global investors, a significant influx of foreign capital is expected. This creates a favorable environment for long-term investment and sustainable economic momentum across multiple high-potential growth sectors.

<https://economictimes.indiatimes.com/markets/expert-view/expecting-a-flush-of-money-in-india-6-sectors-to-invest-in-over-next-4-5-years-sandip-agarwal/articleshow/121953281.cms?from=mdr>

| Currency ▾ | 20-Jun-2025 Value ▾ | Change ▾ | Index ▾    | 20-Jun-2025 Value ▾ | Change3 ▾             |
|------------|---------------------|----------|------------|---------------------|-----------------------|
| USDINR     | 86.68               | 0.25     | NIFTY 50   | ~24,999.00          | +116.26 pts (~+0.47%) |
| EURINR     | 98.23               | 0.28     | BSE Sensex | ~82,072.80          | +421.32 pts (~+0.52%) |
| GBPINR     | 117.4               | 0.55     |            |                     |                       |
| JPYINR     | 59.61               | 0.19     |            |                     |                       |