

Top Story 1

India's outward FDI nearly doubles to \$6.8 bn in April 2025

India's outward foreign direct investment (FDI) commitments almost doubled to \$ 6.8 billion, up from \$ 3.58 billion the same month last year. Sequentially, they rose from \$ 5.9 billion, according to data from the Reserve Bank of India (RBI). Outbound FDI, expressed as a financial commitment, has three components. Commitments rose multi-fold to \$ 2.72 billion, compared to \$ 740 million and marginally from \$ 2.53 billion. Loan commitments increased more than three-fold to \$ 1.16 billion, up from \$ 687.33 million. They were lower than the \$ 2.12 billion committed. Guarantees for overseas units moved up to \$ 2.98 billion, from \$ 2.16 billion a year ago and from \$1.23 billion, RBI data showed. Loans, and guarantees led the surge in outward FDI commitments from India, which rose to \$6.8 billion, up from \$3.58 billion a year earlier.

https://www.business-standard.com/finance/news/india-outbound-fdi-commitments-april-2025-double-to-6-8-billion-125051401491_1.html

Top Story 2

India top choice in Asia for investors

India is the most preferred market to invest in now in Asia, a survey of global fund managers. A large number of these fund managers believe that India would be the biggest beneficiary of the tariff-related realignments. India replaced Japan, which is now at the second spot among the most favoured destinations for investing in Asia. China is at the third spot, the survey found. India emerges as the most favoured market, perceived as a likely beneficiary of the supply chain realignments following the effects of tariffs. Japan relinquishes the top spot, while China rises to the third spot from the lowest rank in the previous month. Thailand remains the least preferred market. On the sectoral front in India, infrastructure and consumption continue to be the primary themes that investors are keenly monitoring, it said. In the Asia ex-Japan portfolio, participants are overweight in telecom and software, while avoiding energy, materials, and consumer discretionary ex-retailing ecommerce, the survey noted.

<https://manufacturing.economictimes.indiatimes.com/amp/news/industry/india-top-choice-in-asia-for-investors-pips-japan/121175844>

Economy

India to drive APAC tech growth amid tariff-related headwinds

India is poised to lead technology spending in the Asia Pacific region in 2025 even as new US tariffs threaten to slow overall growth, according to the revised forecast. The country's tech expenditure is projected to reach \$59 billion this year, maintaining its position as APAC's strongest market despite global economic uncertainties. Forrester's initial projection of 6.5% growth in APAC tech spending for 2025 is now expected to be revised downward by 1-2 percentage points due to the impact of broad-based US tariffs. These measures are anticipated to increase technology costs, disrupt supply chains and dampen IT investments across the region. The revised forecast comes as the region's tech spending was expected to grow to \$722 billion in 2025 from \$678 billion in 2024. India's tech sector shows particular resilience with spending originally forecast to grow by 11% in 2025.

<https://techobserver.in/news/enterprise-it/india-to-drive-apac-tech-growth-amid-tariff-related-headwinds-says-forrester-313765/>

Investment

India's overseas investment surges

India's overseas investment activity picked up pace with outward foreign direct investment (OFDI) touching USD 6.81 billion—the highest in more than a year. The sharp rise signals renewed confidence among Indian companies in expanding their global footprint. According to data from the Reserve Bank of India's Foreign Exchange Department, India's OFDI rose strongly to USD 6.81 billion. OFDI refers to investments made by a resident or company of one country into business interests located in another country. In simple terms, it is when Indian companies invest money abroad to set up businesses, acquire foreign companies, or expand their operations outside India. The rise in OFDI was led by a sharp increase in equity investments and guarantees issued to overseas ventures. Equity commitments touched USD 2.72 billion, slightly up from USD 2.54 billion, and more than three times higher (USD 740 million). Guarantees issued also surged to USD 2.92 billion—more than double. This sharp rise in guarantees could indicate that Indian firms are supporting their foreign subsidiaries.

<https://www.fortuneindia.com/personal-finance/banking/indias-overseas-investment-surges-to-68-billion-in-april-highest-in-a-year/123108>

Finance

MSME Empowerment And Manufacturing Growth In Invest India

Union Commerce and Industry Minister Piyush Goyal recently conducted a comprehensive review meeting to assess the performance of Invest India, the country's national investment promotion agency. Minister Goyal emphasised that the focus of the meeting was on enhancing the organisation's effectiveness and efficiency to attract greater investments into the country. Key discussions during the review included strategies for strengthening investor engagement, empowering Micro, Small and Medium Enterprises (MSMEs), and accelerating growth in the manufacturing sector. These areas align with the government's broader economic objectives of positioning India as a manufacturing hub and fostering domestic industrial growth. Invest India, established in 2009 as a not-for-profit company under the Department for Promotion of Industry and Internal Trade (DPIIT), operates through a unique partnership between central and state governments and industry associations. The agency serves as the primary point of contact for both global and domestic investors interested in the Indian market.

<https://knnindia.co.in/news/newsdetails/msme/goyal-stresses-msme-empowerment-and-manufacturing-growth-in-invest-india-review>

Market

India's Inflation Hits Six-Year Low, Easing RBI Strategies

India's inflation rate hit a six-year low, with the consumer price index increasing by just 3.16% year-over-year. The dip in inflation places it comfortably within the Reserve Bank of India's target range of 4%, providing more freedom in crafting monetary policy. With food and beverage prices only climbing by 2.14%, the RBI has capitalized on this cooling trend by lowering policy rates this year. This marks a shift from the inflation high of 7.79% during the 2022 COVID-19 era, which prompted significant rate hikes. Currently, with the policy rate at 6%, analysts are closely eyeing the RBI's next policy meeting in early June for potential strategic changes. India's shift from pandemic-induced inflation spikes to present stability highlights a significant change in its economic narrative. As global markets observe these developments, the RBI's strategies might become a blueprint for tackling inflation pressures while aiding economic recovery. With the RBI adopting a more accommodating stance by trimming the policy rate to 6%, attention turns to the upcoming policy meeting. Investors are assessing the likelihood of further rate reductions, which could encourage investment and spending, potentially bolstering market dynamics.

<https://finimize.com/content/indias-inflation-hits-six-year-low-easing-rbi-strategies>

Currency	Rate(Rs)	Change		Index	Change
USDINR	85.5275	0.4672	NIFTY50	24,606.65	-60.25
EURINR	95.997	0.4112	BSE Sensex	81,305.79	-168.59
GBPINR	113.4455	-0.087			
JPYINR	0.5837	0.0024			