

Top Story 1

India's GDP Propels with Fastest-Ever 7.8% Growth Pace, Economy Soars with Strong Public Spending

India's GDP grew by 7.8% in the April-June quarter, marking the fastest pace in recent years and surpassing earlier growth projections. This sharp rise reflects strong public spending, improved rural demand, and the resilience of the services sector, even amid global challenges. Government-led capital expenditure, which surged significantly, played a pivotal role in driving this momentum. Analysts note that reforms such as rationalising GST, potential policy rate cuts, and favorable monsoon conditions could further boost consumption and overall growth in the coming quarters. The performance of all three core sectors has been encouraging, with the primary, secondary, and tertiary sectors showing balanced and steady expansion. This comprehensive growth pattern indicates a healthy trajectory for the economy. Looking ahead, sectors like construction and agriculture are expected to continue their upward momentum, reinforcing India's strong economic footing and supporting long-term sustainability.

<https://www.freepressjournal.in/business/indias-gdp-propels-with-fastest-ever-78-growth-pace-economy-soars-with-strong-public-spending>

Top Story 2

India set to become third largest economy': PM Modi says after Donald Trump's 'dead economy' jibe

India is currently the fastest-growing major economy in the world and is poised to soon become the third-largest economy globally. Expert assessments indicate that the nation's contribution to global growth is expected to reach nearly 20 percent in the near future. This progress is attributed to the macro-economic stability achieved over the past decade, even amidst global challenges. The fiscal deficit is on a declining path, supported by strong performance in capital markets, healthier banking systems, and controlled inflation with favorable interest rates. Domestic investors are playing a key role by channeling significant funds into markets through systematic investment plans, reflecting growing financial participation at the grassroots level. Additionally, the current account deficit remains under control, while foreign exchange reserves have reached record highs. Together, these factors highlight India's resilience, stability, and strong positioning as it moves closer to becoming one of the world's leading economies.

['India set to become third largest economy': PM Modi says after Donald Trump's 'dead economy' jibe](#)

Economy

India may emerge as second-largest economy by 2038 with \$34.2 trillion GDP (PPP): EY report

India is emerging as one of the most dynamic economies globally, supported by strong fundamentals such as high savings and investment rates, favorable demographics, and a sustainable fiscal outlook. Despite global challenges, India's resilience is anchored in robust domestic demand and growing technological capabilities. With a young population and declining debt-to-GDP ratio, India is well-positioned for sustained growth. Projections suggest that the economy could reach \$20.7 trillion (PPP) by 2030 and may become the world's second-largest in PPP terms by 2038, with an estimated GDP of \$34.2 trillion. Structural reforms, fiscal consolidation, and rising capital formation are enhancing competitiveness and long-term stability. Investments in infrastructure, renewable energy, and advanced technologies are further strengthening growth prospects. India is also expected to become the third-largest economy in market exchange rate terms within the next few years. Even with external pressures, strategic measures like export diversification and domestic demand expansion ensure resilience.

https://www.ey.com/en_in/newsroom/2025/08/india-may-emerge-as-second-largest-economy-by-2038-with-34-2-trillion-gdp

Market

RBI sees private capex rising to ₹2.67L crore in FY26

Private sector capital investment in India is projected to rise significantly in the coming years, supported by strong macroeconomic fundamentals and favorable policy conditions. According to an assessment in a recent bulletin, investment is expected to see over 20 percent growth, driven by healthier balance sheets, stronger cash reserves, improved profitability, and wider access to funding. The supportive policy environment, marked by sustained disinflation, lower interest rates, ample liquidity, and rising capacity utilization, is creating favorable conditions for businesses to expand. A large portion of the envisaged investment is directed towards infrastructure-related developments, with energy and related areas continuing to play a central role. Much of the spending is anticipated in new greenfield projects, reflecting both a cyclical recovery and longer-term structural capacity building. This upward trend underscores India's growing resilience, as private sector participation aligns with broader economic momentum to fuel growth and long-term sustainability.

<https://timesofindia.indiatimes.com/business/india-business/private-capex-outlook-rbi-article-pegs-21-5-jump-to-rs-2-67-lakh-crore-in-fy26-infra-power-sector-to-lead/articleshow/123614529.cms>

Finance

RBI likely to meet bond market this week to discuss H2FY26 borrowing

India’s central bank is set to meet bond market participants this week to gather suggestions on borrowing for the second half of the fiscal year. The discussions come amid rising treasury losses due to a recent spike in bond yields. According to market participants, the meeting will focus on assessing current conditions and exploring possible measures the central bank could adopt, while also reviewing the borrowing program for the upcoming months. Typically, borrowing schedules for the second half are announced around the fiscal midpoint, with large issuances already planned earlier in the year. One of the key concerns raised by investors is the heavy supply of ultra-long bonds, which have seen yields rise more sharply than shorter tenures, adding pressure on market stability. The consultation reflects an effort to balance borrowing needs with market sentiment and ensure smooth debt management while supporting overall economic stability.

https://www.business-standard.com/finance/news/rbi-likely-to-meet-bond-market-this-week-to-discuss-h2fy26-borrowing-125090100434_1.html

Investment

India’s Maritime Sector Offers \$1 Trillion Investment Potential:

India has unveiled a transformative \$1 trillion maritime investment roadmap, positioning itself as a hub for sustainability, innovation, and global collaboration. The vision focuses on modernizing ports, shipping, and logistics infrastructure to create a resilient and future-ready ecosystem. This initiative is set to unlock vast opportunities for joint ventures and strategic partnerships across multiple areas, including port and cargo terminal development, multimodal logistics, maritime services, shipbuilding, ship repairs, and ship recycling. Additionally, the roadmap emphasizes green hydrogen hubs and sustainable shipping solutions, reinforcing India’s commitment to clean energy and environmental responsibility. Key projects include the development of world-class ports, transshipment hubs, terminals, maritime industrial parks, LNG bunkering facilities, and shipbuilding clusters. By creating these growth engines, India aims to integrate advanced technology, sustainability practices, and international cooperation, driving global trade efficiency. This ambitious blueprint offers investors immense potential while strengthening India’s position as a strategic player in global maritime trade.

<https://www.constructionworld.in/transport-infrastructure/ports-and-shipping/india---s-maritime-sector-offers--1-trillion-investment-potential--sonowal/78165>

Metric	31-Aug-2025 Value (Previous Close)	01-Sep-2025 Value	Change	Metric	31-Aug-2025 Value (Previous Close)	01-Sep-2025 Value	Change
USDINR	~₹87.59	₹88.33 (record low)	+₹0.74 (rupee weakened) Reuters+1wise.com+15Reuter s+15Reuters+15	NIFTY 50	24,426.85 (approx)	24,527.55	+100.70 pts (+0.42%) Reuters
EURINR	—	—	—	BSE Sensex	~80,000-80,024	80,124.78	+120 pts (~+0.39%) Reuters
GBPINR	—	—	—				
JPYINR	—	—	—				