

Global Economy

- IMF has projected global growth at 3.3% both in 2025 and 2026, below the historical (2000–19) average of 3.7%.
- IMF expects global headline inflation to decline to 4.2% in 2025 and to 3.5% in 2026, converging back to target earlier in advanced economies than in emerging market and developing economies.
- ECB lowered its key interest rate by 25 bps in January 2025 to 2.75%, in line with the expectations.
- Russia, the US, Venezuela, and Brazil lost 17% of their share in India's crude imports in December due to higher demand from their own refineries.
- On February 1, U.S. President Donald Trump imposed 25% tariffs on goods from Mexico and Canada, and an additional 10% on Chinese goods.

Indian Economy

- The Centre has established a Working Group, headed by Professor Ramesh Chand of NITI Aayog, to revise the base year of Wholesale Price Index (WPI) from 2011-12 to 2022-23.
- To align labour market demand with supply and improve employment outcomes, the Ministry of Labour and Employment has launched the Occupational Shortage Index (OSI).
- India introduced the Diamond Imprest Authorization (DIA) Scheme that allows duty free import of natural cut and polished diamonds, in order to promote value addition and boost exports
- Revenue Secretary Tuhin Kanta Pandey stated that budget focuses on a balanced approach, with a 17% increase in capex along with tax relief for the middle class. Budget also introduces customs reforms and a new income tax law to support economic growth.

Indian Startups

- 118 Indian start-ups raised total funding of around USD 1166 million in the month of January 2025.
- Healthcare, Fintech, B2B Ecommerce & Logistics are major segment that secured USD 321 million, 189 million, 132 million & 103 million funding respectively followed by Enterprise Tech, Agri Tech, Electric Vehicles and others.

Indian Debt Market

- Credit card usage in India has surged in the past five years, with active cards doubling to 108 million and transaction value tripling to Rs 20.37 lakh crore, as per RBI's report.
- The government plans to repurchase Rs 20,000 crore worth of government bonds through a buyback auction to be conducted by the RBI.
- RBI has started the daily Variable Repo Rate (VRR) auction from Jan 16, 2025 and will continue until further notice.
- On Jan 23, 2025, the RBI received bids worth INR 1.72 lakh crore for the daily VRR auction, which was 38% higher than the notified amount of ₹1.25 lakh crore.
- RBI announced an Open Market Operation (OMO) purchase auction of Government of India Securities for an aggregate amount of INR 60,000 crore in three tranches of INR 20,000 crores each to be held on Jan 30, 2025, Feb 13, 2025 & Feb 20, 2025.

INDIA 10-YEAR BOND YIELD

