

Indian economy not immune to global headwinds, says RBI report

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The Indian economy is not immune to global headwinds even if it has shown resilience so far, according to the Reserve Bank of India's (RBI's) monthly report, "State of the Economy", released on Monday. The report observed that net foreign direct investment (FDI) had turned negative in August due to moderation in inflows and increase in repatriation.

"While the Indian economy is not immune to global headwinds, it has so far exhibited resilience, driven by a focus on strong and durable macro-economic fundamentals," the report said while emphasising the need for economic resilience, which had become a key priority. It said economic fundamentals were strong because of low inflation, the robust balance sheets of banks and companies, adequate foreign-exchange reserves, and a credible monetary and fiscal framework.

The report has been authored by RBI staffers with the guidance of Deputy Governor Poonam Gupta. The views in the report are those of the authors and not of RBI, it was clarified. "In the context of rising protectionism in the US, and rising fiscal risks in AEs (advanced economies), IMF's October World Economic Outlook talks about 'a new global economic landscape slowly takes shape'."

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Gold, silver outshine equities in Samvat 2081

While investing in gold and silver has become the most sought-after trade, analysts warn returns could moderate after two years of stellar returns.

“Since gold and silver are on everyone’s mind, a note of caution for new investors: These metals can be volatile. Sharp upswings are often followed by quick corrections. Instead of a large, one-time investment, this Diwali, you can consider using our Stock SIP feature to invest in gold or silver ETFs,” wrote Harsh Jain, cofounder and COO of Groww, in a social media post.

Equity valuations, though

off their peaks, are yet to turn compelling, said experts. The Nifty trades at 20.8x FY26 earnings, more than 10 per cent above its 10-year average, with mid and smallcaps commanding even richer multiples.

“If you are good at picking the right stocks and have patience, you can still make good money. Those who bought between February and April this year have done well. But it was a year that reminded new investors that market corrections can be long and test one’s patience,” said Ambareesh Baliga, independent equity analyst.

Banks may not require RBI nod for floating arms

“We believe that the banks will take a conscious, considered, balanced view, depending on their needs as to how they wish to conduct their own business that is why we have just left it to them,” Malhotra said during the post-policy press conference.

While the proposed bar on overlap in the businesses undertaken by a bank and its group entity is being removed, the regulator will now propose that banks focus on segmentation within similar lines of business.

The final norms on this matter envisage streamlining the activities of banks and their group entities while providing more operational freedom to them and

non-operative financial holding companies (NOFHCs) for equity investment and setting up group entities, respectively.

Banks do not need approval for setting up NOFHCs.

Some large private banks are proposing listing their subsidiaries after the RBI proposes removing the ban on overlap in businesses undertaken by a bank and its group entity.

Axis Finance, the wholly owned non-banking finance subsidiary of Axis Bank, is set to become an upper-layer non-banking financial company soon, looking to list it on the bourses, said the lender’s senior management last week during the post-earnings media call.

Economy not immune to global headwinds: RBI report

“The state of flux of the global economy and policies present considerable uncertainties to

the macroeconomic outlook,” the RBI report said.

The report observed that

the high-frequency indicators pointed to resilient domestic economic activities, with signs of revival in urban demand and robust rural demand. The agricultural sector sustained its growth momentum, supported by above-normal rain and higher kharif sowing.

“Although manufacturing momentum moderated slightly, business confidence in manufacturing and services reached a six-month peak, reflecting higher optimism,” it said.

While noting that the retail-inflation rate, which is the headline rate, in September fell to its lowest level since June 2017 and remained below the target for the eighth consecutive month, driven by deflation in food, the core inflation rate (consumer price inflation excluding food and fuel inflation) edged up, reflecting the combined effect of increase in gold prices as

well as a significant pickup in housing inflation.

Quoting the Monetary Policy Committee resolution of October, the report said the growth outlook remained resilient, supported by domestic drivers, despite uncertainties on the external front. Domestic structural reforms are helping to somewhat offset the drag on growth from the weakening external demand conditions.

“The current macroeconomic conditions and the outlook, as noted by the MPC, has opened up policy space for further supporting growth,” it said.

Outward FDI too declined in August. These investments were mainly in the financial, insurance and business services, and manufacturing sectors, with Singapore, the United Arab Emirates, and the United States being the major destinations.

Realty developers see a cracker of sales in key cities this festival season

Sudeep Bhatt, director (strategy) of Whiteland Corporation, said bookings increased by 10-15 per cent across major cities.

In Pune, Krisala Developers MD Aakash Agarwal called this Diwali an “inflection point” for the city’s housing market. “We expect a 15-20 per cent rise in festival-season bookings compared to 2024,” he said.

Anarock’s Puri said listed realty developers outperformed smaller players, with strong sales and collections despite a broader market slowdown. “This marks a structural shift toward consolidation, with large, organised developers benefiting from diversified portfolios, robust cash flows, and stronger brand equity,” he said.

Industry leaders said consistent monetary policy and steady loan rates had strengthened buyer sentiment this festival season. Amit Jain, chairman and MD, Arkade Developers, said: “The festival-

season surge isn’t just a short-term boost — it reflects deeper structural confidence in Mumbai’s housing market.”

Jain said site visits, enquiries, and conversions had risen. “Buyers today are driven by lifestyle aspirations — comfort, security, and community are central. The optimism underscores real estate’s enduring role as a source of stability and long-term value,” he said.

In southern markets, sales momentum remained steady despite global headwinds. “The expansion of global capability centres in India has supported housing demand, especially in Bengaluru. GST rationalisation has further improved sentiment. Even after three record years, the momentum holds firm,” said Sunil Pareek, executive director, Assetz Property Group.

“There is definitely positive sentiment around the festival season,” said Praveer Srivas-

