



BIZ & BEYOND



Breaking News



The Campus Grapevine

Impact of the Federal Reserve's Rate Cut on India and U.S. Economic Outlook Article by kshitij Modak

Global Market Watch: A Snapshot in Time

Commodities like gold, silver, and WTI crude oil also saw negative changes, though natural gas bucked the trend with a substantial 14.72% increase. Currency markets showed mixed performance against the Indian Rupee, with the US dollar gaining slightly while the Japanese Yen, Euro, and British Pound weakened. The cryptocurrency market also experienced a downturn, with Bitcoin and Ethereum showing losses, while Tether remained stable and BNB declined.

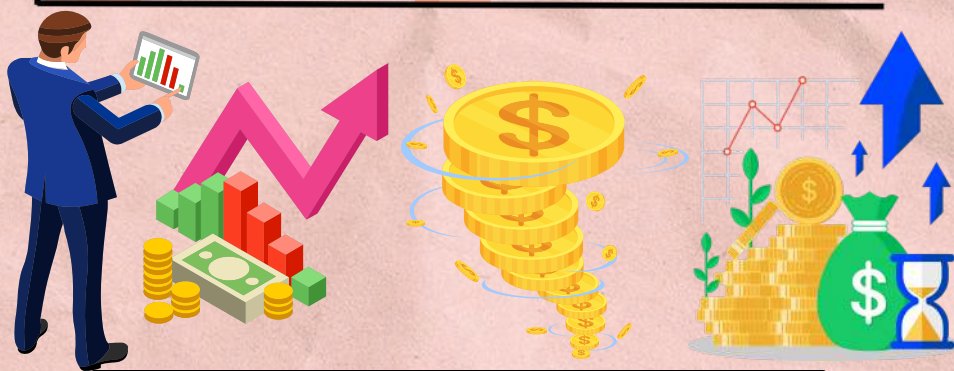
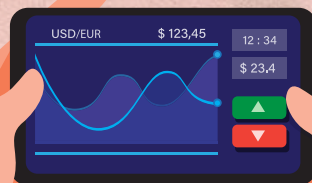
| Index | Change |
|---------|--------------------|
| Sensex | 78,041.59 ▼ -4.98% |
| Nifty50 | 23,587.50 ▼ -4.77% |
| S&P 500 | 5,930.85 ▼ -1.99% |
| NASDAQ | 19,572.60 ▼ -1.78% |

| Currency | Change |
|----------|-----------------|
| JPY/INR | 0.54 ▼ -1.82% |
| EUR/INR | 88.6 ▼ -0.45% |
| USD/INR | 84.95 ▲ 0.15% |
| GBP/INR | 106.77 ▼ -0.21% |



| Commodity | Change |
|-----------------|-------------------|
| Gold(US\$/OZ) | 2,621.39 ▼ -1.04% |
| Silver(US\$/OZ) | 29.53 ▼ -3.40% |
| WTI Crude Oil | 69.1 ▼ -1.94% |
| Natural Gas | 3.74 ▲ 14.72% |

| Crypto | Change |
|--------|-------------------|
| BTC | 97845.92 ▼ -2.15% |
| ETH | 3475.32 ▼ -11.24% |
| USDT | 1 ▲ 0.00% |
| BNB | 679 ▼ -4.04% |



- Market data reveals a predominantly downward trend across various asset classes. Stock indices, including the Sensex, Nifty50, S&P 500, and NASDAQ, all experienced declines, ranging from 1.78% to 4.98%.



India's import of Russian oil drops in November on shrinking discounts



India's November imports of Russian crude oil plummeted to their lowest point since June 2022, despite Russia remaining India's primary supplier. This 55% drop coincided with a widening discount on Russian Urals crude. While Russia's overall fossil fuel revenues from India declined, China emerged as the largest buyer of Russian coal and crude. "India's imports of Russian crude oil dropped by a massive 55 per cent in November - the lowest figure since June 2022," the Centre for Research on Energy and Clean Air (CREA) said in its latest report.



More
Specifically





Procter & Gamble to disclose more details about wood-pulp audits

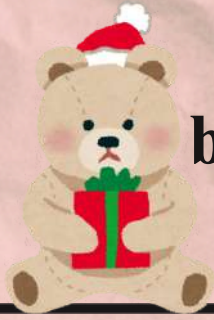


Procter & Gamble has agreed to disclose more about its wood-pulp auditing practices to investors following pressure over sustainable sourcing. The consumer goods giant will share more supply chain information by mid-2025, while also investing in alternative materials research. However, disagreement remains regarding P&G's continued reliance on Canadian pulp, which some investors consider environmentally risky. The next step is for P&G and the investors to discuss specifics of what the company will now disclose, said Andrew Shalit, a shareholder advocate at Green Century. Shalit sees such disclosures as important to helping environment-minded investors evaluate their holdings in P&G and other companies that buy pulp, particularly from Canada's ecologically sensitive forests. The maker of Bounty paper towels said this month it guards details of its global supply chain for competitive reasons.

**Merry
Christmas!**

More
Specifically





The \$80 million question: Can bond reward force Sri Lanka to improve governance?

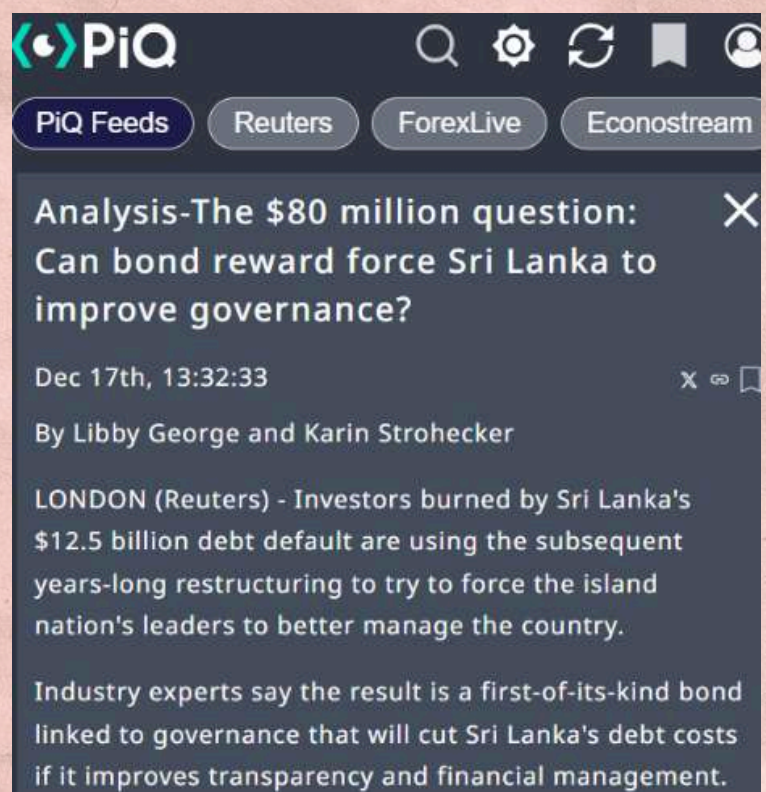


The \$80 million question: Can bond reward force Sri Lanka to improve governance?

Sri Lanka's debt restructuring introduces a novel governance-linked bond, incentivizing improved financial management. This innovative instrument offers reduced interest rates if Sri Lanka meets revenue and transparency targets, potentially saving millions. Investors view this as a precedent for future debt deals, linking governance to bond performance, but its success remains crucial for wider adoption.

"This crisis is first a governance crisis, and that's what becomes an economic crisis," said Nishan de Mel, executive director of Colombo-based Verité Research, the think tank that first proposed the governance bond.

More
Specifically



PiQ Search Settings Refresh Bookmarks Profile

PiQ Feeds Reuters ForexLive Econostream

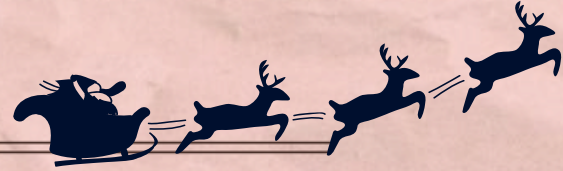
Analysis-The \$80 million question: Can bond reward force Sri Lanka to improve governance?

Dec 17th, 13:32:33

By Libby George and Karin Strohecker

LONDON (Reuters) - Investors burned by Sri Lanka's \$12.5 billion debt default are using the subsequent years-long restructuring to try to force the island nation's leaders to better manage the country.

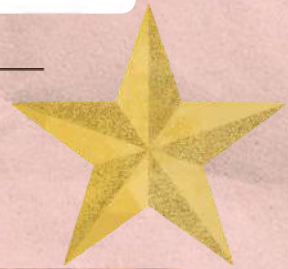
Industry experts say the result is a first-of-its-kind bond linked to governance that will cut Sri Lanka's debt costs if it improves transparency and financial management.



As bitcoin soars, luxury brands consider accepting crypto payments

As bitcoin soars, luxury brands consider accepting crypto payments

As bitcoin soars, luxury brands consider accepting crypto payments



In recent weeks, upscale French luxury department store Printemps announced it was teaming up with the world's largest crypto exchange, Binance, and French financial tech company Lyzi to accept cryptocurrencies including bitcoin and ethereum in its stores in France - becoming the first European department store to do so. The move, coming as bitcoin rises, has been noticed by other brands and retailers who are showing interest in joining in.



KEY POINTS

"There have been quite a few calls - it's generated interest," said David Princay, president of Binance France, who said the company is in talks with other luxury labels.

Luxury lighter and pen maker S.T. Dupont told Reuters it aims to accept cryptocurrency payments in two Paris stores before the holidays.

More
Specifically



Indian banking liquidity deficit hits highest in six months



Indian banking liquidity deficit hits highest in six months

India's banking system faced its highest liquidity deficit in nearly six months due to advance tax payments and likely central bank intervention to stabilize the rupee. The deficit reached ₹1.5 trillion (\$17.7 billion) as of Monday, pushing up borrowing costs. The RBI's dollar sales and festive season cash withdrawals further strained liquidity despite recent measures to boost it.



More
Specifically

₹12.3 lakh crore: Indian banks' loan write-off in past 10 years

Indian banks wrote off substantial loans totaling Rs 12.3 lakh crore over the past decade. Public sector banks led write-offs, particularly in recent years. However, write-offs declined to Rs 1.7 lakh crore in FY24. Banks are actively pursuing loan recovery through various measures. Despite write-offs, public sector banks reported record profits in FY24, reaching Rs 1.41 lakh crore.



Merry Christmas

More
Specifically





RBI lifts business restrictions on two Edelweiss Group entities



The Reserve Bank of India (RBI) lifted business restrictions on ECL Finance Ltd and Edelweiss Asset Reconstruction Company Limited. The RBI had imposed these curbs in May due to supervisory concerns, including restrictions on structured transactions and acquiring financial assets. The companies subsequently implemented remedial measures, satisfying the RBI and leading to the lifting of the restrictions.

ECL Finance Ltd was directed to cease and desist from undertaking structured transactions related to its wholesale exposures, barring regular repayment or closure of accounts.

More
Specifically



Regulatory Findings

ECL Finance allegedly engaged in structured transactions to evergreen its stressed loans using Edelweiss ARC and connected AIFs, circumventing regulations

ECL was found to have filed incorrect disclosures to CRILC, violated LTV norms for lending against shares and failed to meet KYC norms



ECL was effectively a 'conduit' for loans from non-lender entities of Edelweiss group for sale to ARC

Similarly, Edelweiss Asset Reconstruction Company Limited was restrained from acquiring financial assets, including security receipts (SRs), or reorganizing existing SRs into senior and subordinate tranches.



The Campus Grapevine



"Level up your writing! Get
expert feedback from
faculty on your articles."



Impact of the Federal Reserve's Rate Cut on India and U.S. Economic Outlook

Article by Kshitij Modak

MBA FinTech-DB 2023-25 Batch

The recent decision by the U.S. Federal Reserve to lower its main interest rate by 0.25% to a range of 4.25% to 4.50% has important effects on global markets, especially for emerging economies like India. This article examines how the Fed's rate cut affects the Indian financial scene, while also providing an outlook on the U.S. economy.

What Happened with the Fed's Rate Cut?

On December 18, 2024, the Federal Reserve announced its third rate cut of the year. While many expected this move, the Fed also indicated that it plans to be more cautious in the future, projecting only two more rate cuts in 2025 instead of four. This change has already started to impact global financial markets.

Key Points from the Fed's Decision

Previous Rate: 4.50% - 4.75%

New Rate: 4.25% - 4.50%

Projected Cuts for 2025: Reduced from four cuts to two



Impact of the Federal Reserve's Rate Cut on India and U.S. Economic Outlook

Effects on Indian Stock Markets

After the Fed's announcement, Indian stock indices like the Sensex and Nifty fell by about 1.5% on December 19. This decline mirrored losses in U.S. markets, where the Dow Jones dropped over 2.5% and the Nasdaq fell more than 3.5%. The drop in Indian markets can be linked to several reasons:

- **Foreign Investor Outflows:** Investors pulled out money due to rising U.S. bond yields and a stronger dollar.
- **Rupee Weakness:** The Indian rupee hit a record low of 85 against the dollar, adding pressure on the markets.

Stock Market Performance After the Fed's Announcement

| Index | Change (%) | Date |
|-----------|------------|--------------|
| Sensex | -1.5% | Dec 19, 2024 |
| Nifty | -1.5% | Dec 19, 2024 |
| Dow Jones | -2.5% | Dec 18, 2024 |
| Nasdaq | -3.5% | Dec 18, 2024 |

Merry Christmas

Impact of the Federal Reserve's Rate Cut on India and U.S. Economic Outlook

Currency Changes

The Fed's actions have also affected currency markets:

- **Rupee Performance:** The Indian rupee has weakened against the dollar due to investor concerns and capital outflows.
- **Possible RBI Response:** Analysts believe that the Reserve Bank of India (RBI) may postpone any rate cuts until April 2025 because of these pressures.

Currency Exchange Rates

| Currency Pair | Exchange Rate | Date |
|---------------|---------------|--------------|
| INR/USD | 85.06 | Dec 19, 2024 |
| Previous Low | 84.93 | Dec 18, 2024 |



Impact of the Federal Reserve's Rate Cut on India and U.S. Economic Outlook

U.S. Economic Outlook

The U.S. economy is showing strong signs of growth but faces uncertainties ahead:

- **Strong Growth:** The U.S. economy grew at an annual rate of 2.8% in Q3 2024, supported by strong consumer spending and government investment.
- **Low Unemployment:** The unemployment rate remains low at 4.2%, although some signs indicate a cooling labor market.
- **Inflation Trends:** Inflation has been gradually decreasing but ticked up slightly in October, with core inflation at 2.8% year-over-year.

Key Economic Projections for the U.S.

| Metric | Value | Date |
|-------------------|-------|----------|
| GDP Growth (Q3) | 2.8% | Dec 2024 |
| Unemployment Rate | 4.2% | Nov 2024 |
| Core Inflation | 2.8% | Oct 2024 |



Impact of the Federal Reserve's Rate Cut on India and U.S. Economic Outlook

Conclusion

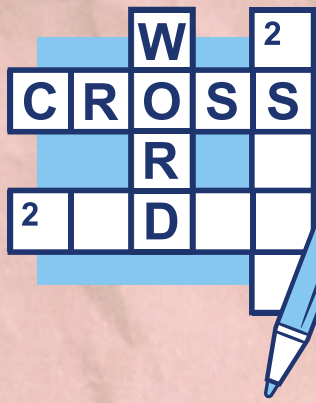
The recent rate cut by the Federal Reserve is expected to boost global economic activity; however, its implications for India are complex and multifaceted. While there may be opportunities for increased investment and lower borrowing costs in the future, immediate challenges like currency depreciation and stock market volatility must be addressed.

"Faculty Editor: Mr. Suresh Kadam,
Asst Professor, DYPIU

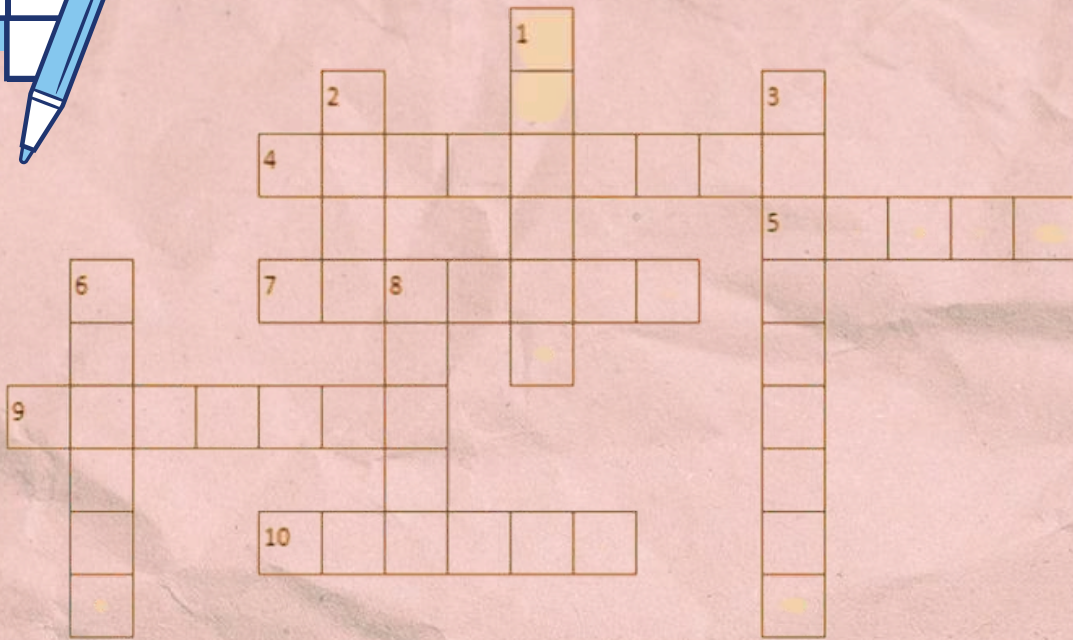


"Share your voice, win recognition! Submit
your article to our competition today."





BIZ & BEYOND



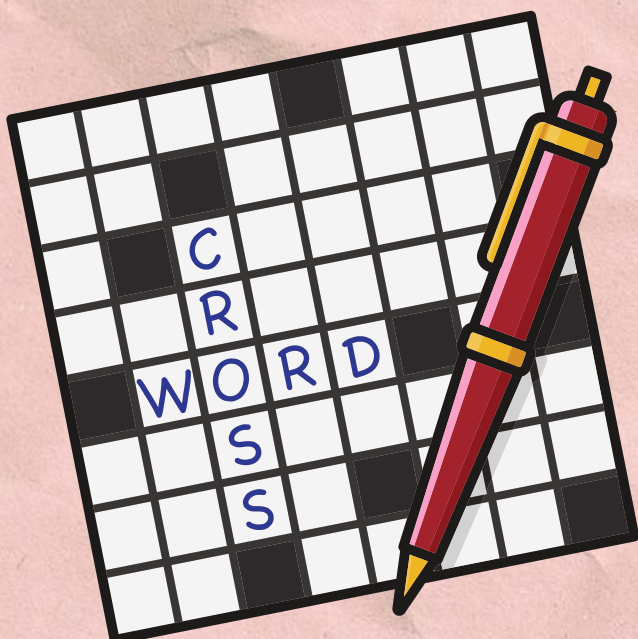
Across

4. Software giant known for Windows
5. Smartphone manufacturer based in Cupertino
7. Entertainment streaming service with a red "N" logo
9. German engineering and technology company specializing in industrial automation
10. Giant online retailer founded by Jeff Bezos

Down

1. Search engine giant, also a verb
2. Sportswear giant with a swoosh logo
3. Coffeehouse chain with a green mermaid logo
6. Pharmaceutical giant that developed Lipitor
8. Electric car manufacturer led by Elon Musk

Submit the solution



The Team

The WordSmiths



Shubham
Choudhari

Content
Management



Mohit Singh

Designer



Kshitij Modak

Market
Analyst



Riya Gandhi

PR and Outreach
Manger



Maya Tripathi

Social Media
Manger

BIZ & BEYOND

Instagram
[bizbeyond_dypiu](https://www.instagram.com/bizbeyond_dypiu)

To Join
Wordsmiths



Announcement
Group



The Wordsmiths aims to empower students with knowledge, foster critical thinking, and contribute to a more informed and engaged campus community.

Feedback

bizbeyond.reporting@gmail.com