

BUSINESS NEWS UPDATE

**“Allow your dreams to lead you
rather than allowing your problems to push you.”**

Inflation to be keenly eyed

Rupee fell to fresh record low, in December, ahead of the important RBI policy statement that was released at the start of the month. The RBI in its policy statement held rates unchanged and maintained the policy stance of ‘withdrawal of accommodation’ by majority of 5 out of 6 members. In line with market estimates, the RBI MPC kept policy unchanged keeping the evolving macroeconomic situation in mind. On the growth front, the RBI raised GDP forecast for FY24 to 7% from 6.5% estimates earlier. But broadly the rupee continued to consolidate in a narrow range and volatility remained low primarily as the RBI actively intervened. Latest data released from the RBI showed forex reserves rose to the highest level in 22-months to \$623 billion.

Source: [Financial Express, January 09, 2024](#)

Indices dive 1 per cent, FMCG, financial stocks weigh

The equity benchmarks slumped by nearly 1% on Monday, mirroring the trend in other Asian markets, as investors adopted a cautious stance ahead of the upcoming earnings season. The BSE benchmark Sensex tumbled 670.93 points, or 0.93%, closing the day at 71,355.22. This decline was primarily fuelled by drops in FMCG, commodities, banks, and metal shares. The NSE Nifty 50 fell 197.80 points, or 0.91%, settling at 21,513. In intraday trades, the Sensex and Nifty saw declines of 725 points (1.01%) and 217.90 points (1%), respectively. “Indian equities start 2024 amid an extreme bullish sentiment, with top-decile valuations and a record discount to debt yields.

Source: [Financial Express, January 09, 2024](#)

Riding on equity schemes, mutual fund assets cross Rs 50 lakh crore in December

Mutual fund industry’s assets under management (AUM) crossed Rs 50 lakh crore for the first time ever in December 2023, reflecting the growing popularity of mutual funds, especially equity-oriented schemes, as an investment avenue among investors. The industry’s net AUM rose to Rs 50.77 lakh crore in December 2023 from Rs 49.05 lakh crore in November 2023, the data from the Association of Mutual Funds in India (AMFI) showed. In 2023, the mutual fund industry’s AUM rose by around Rs 11 lakh crore. The amount collected through systematic investment plan (SIP) route reached an all-time high of Rs 17,610.16 crore in December 2023. Number of new SIPs registered in December 2023 were 40,32,643 and the number of SIP matured or discontinued were 20,80,622.

Source: [Indian Express, January 09, 2024](#)

Switzerland’s decision to eliminate import duties limits FTA utility for India’

Switzerland’s policy to allow tariff-free entry for all industrial goods from all countries significantly limits India’s prospects of gains from India and the European Free Trade Association (EFTA) free trade agreement (FTA) that is currently being negotiated, a report by think tank Global Trade Research Initiative (GTRI) said on Monday. Switzerland’s decision that took effect on January 1, 2024 has resulted in abolition of tariffs on products, including chemicals, consumer goods, vehicles, clothing. Switzerland is India’s top export destination in EFTA and the import duty abolition means that Indian products would face a higher degree of competition in Switzerland despite a FTA with EFTA.

Source: [Financial Express, January 09, 2024](#)