Wrapping Up the Week.......... (11.05.2026 - 16.05.2026)

Market Movers

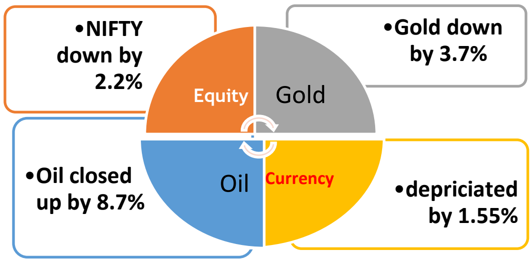
Highs & Lows of Key Market Indicators

Indicators	High*	Low*	Average
USD/INR	95.97	95.31	95.67
India 10 Yr G-Sec Yield	7.06	7.02	7.04
US 10Yr Govt Bond	4.60	4.42	4.49
Crude Brent) $/BL	109.1	105.6	106.7
Canara Bank	130.8	128.1	129.5
Gold per Troy ounce (USD)	4735.5	4539.4	4665.3
Silver per Troy ounce (USD)	87.46	75.89	83.86

* Domestic indicators are based on closing figures.

Movement Over Previous Week

(On the basis of closing figure)



News that Made News

Global

.U.S. markets sold off sharply Friday (15.5.2026) as global oil prices topped $109 a barrel, inflation fears gripped Wall Street and President Donald Trump's China trip ended without a breakthrough to reopen the Strait of Hormuz.

- UK government bond yields surged by 8 bps to 5.85% amid political uncertainty and rising inflation concerns linked to the Middle East oil shock.
- China announced fresh liquidity support measures to stabilize financial markets and support economic growth amid rising global uncertainties. (The Central Bank Of China will intensify macroeconomic regulation with 10 coordinated monetary policy tools)

Domestic

- India raised the effective import duty on gold from 6% to 15% to curb imports, protect forex reserves, and manage the current account deficit.
- India's retail inflation (CPI) rose to 3.48% in April 2026 due to higher food and fuel prices.
- India's wholesale inflation (WPI) surged to 8.3%, the highest in over three years, driven mainly by fuel and energy costs.

Banking

.RBI and the European Central Bank signed a revised MoU to strengthen cooperation and information exchange in central banking

- The government considered establishing a centralized back-office system for Regional Rural Banks to improve digital efficiency and cybersecurity.
- **India's SBI shed over $11 billion in two sessions on margin squeeze, disappointing earnings**

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Macro Scenario

Emirates NBD received government approval to acquire up to 74% stake in RBL Bank in one of the largest foreign investments in India's banking sector.

A centralized back office structure for RRBs to improve cyber security,operational efficiency and digital banking infrastructure.

Peer's Signals Sensed

Policy Moves

RBI

RBI proposed a draft norm for banks to acquire immovable properties in loan recovery cases under a regulated framework.

GOVT

Union Home Minister announced that India will use AI systems to curb money mule banking fraud and strengthen cybersecurity

Event /News of the Week:

Economic Tightening Begins:

(Gold Imports Taxed Higher, Fuel Prices Jumped)

- ✓ In a significant double blow aimed at curbing imports and managing rising global oil prices, the Indian government has sharply increased the import duty on gold and silver to 15% (from 6%) effective May 13, 2026, while oil marketing companies hiked petrol and diesel prices by ₹3 per litre from May 15, 2026.
- ✓ **The higher gold duty, which includes 10% Basic Customs Duty and 5% AIDC, is intended to reduce non-essential imports, ease pressure on foreign exchange reserves, and support the rupee amid geopolitical tensions in West Asia.**
- ✓ The combined effect of a 15% gold import duty and a ₹3/litre fuel price hike would likely push India's inflation upward by around 0.25%-0.40% (25-40 bps) over the next 2-3 quarters.