

# Wrapping Up the Week..... (02.02.2026 - 07.02.2026)

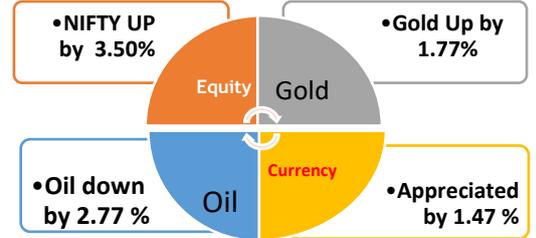
## Market Movers

Highs & Lows of Key Market Indicators			
Indicators	High*	Low*	Average
USD/INR	91.51	90.27	90.64
India 10 Yr G-Sec Yield	6.77	6.65	6.71
US 10Yr T Bill	4.28	4.17	4.24
Crude Brent) \$/BL	68.82	66.08	67.56
Canara Bank	148.29	146.47	147.38
Gold per Troy ounce (USD)	4967	4659	4863
Silver per Troy ounce (USD)	88.69	70.90	80.40

\*On the basis of closing figure

## Movement Over Previous Week

(On the basis of closing figure)



## News that Made News

### Global

- U.S. services activity remained steady in January, with the ISM non-manufacturing PMI holding at 53.8, while elevated input prices at 66.6 and slower new orders reflected concerns that rapid AI data-center expansion could create emerging supply constraints.
- The Bank of England kept its Bank Rate unchanged at 3.75% in February, with a narrow 5 to 4 vote, as policymakers balanced easing inflation pressures against risks from a weakening economy.
- ECB (European Central Bank) kept all key interest rates unchanged—holding the deposit rate at 2.0 percent, the main refinancing rate at 3.0 percent, and the marginal lending rate at 3.5 percent

### Domestic

- US and India have agreed to a trade deal, reducing the reciprocal tariff from 25% to 18%. India now has a clear advantage over competing export economies in the region, with lower tariff rates compared to Indonesia at 19% and Bangladesh and Vietnam with 20% each
- India's private sector manufacturing growth slightly recovered to 55.4 in January after slipping to a two-year low in December which was 55 as new orders, output, and hiring increased, according to data compiled by S&P Global.
- India and China's trade reached a record USD 155 billion in 2025, growing over 12 percent. This marks a significant improvement in bilateral ties following a military stand-off.

### Banking

- Unified Payments Interface transactions have hit a record Rs 230 lakh crore this financial year until December. UPI is now operational in eight countries, facilitating cross-border payments. International Monetary Fund recognizes UPI as the world's largest retail fast-payment system by volume.
- DFS launched the BAANKNET (Bank Assets Auction Network) mobile app and the Digital Balance Confirmation Platform (DBCP) at the PSB Alliance Annual Strategy Meet 2026.
- Housing ministry raises EWS housing target under PMAY 2.0 by 350%. Targeted housing under BLC component raised from 111,000 to 500,000 homes in FY27.

## Macro Scenario

SBI launches 'CHAKRA' to build institutional capability to finance sunrise industries still taking shape. India's largest Bank has placed capital requirements for the eight identified sunrise sectors at about ₹100 lakh crore over the next five years..

SBI has raised \$1 billion (₹9,100 crore) via a five-year loan from Japan's Mitsubishi UFG Financial Group in the first-of-its-kind social loan raised by a bank in India.

Axis Bank has launched Rooftop Solar Finance, a new program designed to help MSMEs transition to solar energy. The initiative offers collateral-free loans ranging from Rs 10 lakh to Rs 2 crore with flexible repayment options.

### Peer's Signals Sensed

## Policy Moves

### RBI

The RBI is introducing a risk-based premium framework for deposit insurance, set to take effect from April 1, 2026. This new system will reward banks with stronger financial health and better governance with premium discounts of up to 33.3%, while riskier institutions will face higher charges..

### GOVT

The central government has set up an inter-departmental committee to examine trends behind India's net FDI inflows, amid subdued numbers.

## Event /News of the Week:

India-US  
Interim Trade  
Deal: Tariffs  
Cut to 18%

- ✓ India and the United States have agreed on an interim trade framework that slashes US tariffs on most Indian goods to 18%, down from previous levels as high as 50%.
- ✓ India's tariff cuts - zero or sharply reduced tariffs on all US industrial goods plus key agricultural items (animal feed, nuts, fruits, soybean oil, wine/spirits, cosmetics, medical devices).
- ✓ Indian export gains- Preferential/zero-duty access for textiles, apparel, leather, chemicals, machinery, gems & jewellery, pharmaceuticals, and artisanal goods.
- ✓ India's import pledges – Major increase in US energy, aircraft, precious metals, and technology purchases, potential \$500 billion target over five years.
- ✓ As per Goldman Sachs estimates, tariff reduction will have incremental uplift of 20 bps (0.2%) to the Indian GDP, while Care, Barclays & Moody quote (20-30) bps addition to existing GDP.