ITM Business School
ITM SKILLS UNIVERSITY

"Be fearful when others are greedy and greedy only when others are fearful."

~ Warren Buffett

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Your Weekly Window to Key Financial Headlines

Nifty 50	23,146.15	+625.70
Sensex	74,729.27	+2,256.94
Dow Jones	52,002.41	+347.46
Dollar	94.96	-1.77
Gold	1,48,000	-3,503

As on 16/10/2026 on Money Control

Corporate Chronicles

- **Goodluck India Shares Surge After Merger Plan Expands**

Goodluck India shares rose 17% to a 52-week high after its board approved a proposed merger of Goodluck Defence and Aerospace with Goodluck Green Energy. The restructuring is intended to simplify operations, improve market liquidity and support long-term shareholder value.

- **Swan Defence Positioned for ₹1,897 Crore Tanker Order**

Swan Defence and Heavy Industries was reported to be in line for an order worth ₹1,897 crore to build four dual-fuel-ready medium-range product tankers. Its competitive bid against Cochin Shipyard highlights renewed opportunities in India's shipbuilding sector.

- **Companies Turn to Bank Loans as Bond Costs Rise**

Jefferies said banks accounted for 81% of fresh credit between November 2025 and August 2026 as corporate bond borrowing became costlier. Bank credit growth reached 18% in August, while non-bank credit growth slowed to 10%, showing a shift in funding choices.

- **Cabinet Clears Fairfax Deal for Majority Stake in IDBI Bank**

The Union Cabinet cleared Fairfax Financial Holdings' ₹52,878-crore acquisition of a 60.72% stake in IDBI Bank. The transaction marks a major step in the lender's privatisation and could help the government advance its disinvestment plans, subject to remaining processes and approvals.

- **SEBI Signals Further Reforms in IPOs and Market Rules**

SEBI Chairman Tuhin Kanta Pandey outlined proposed reforms covering IPO disclosures, SME listings, corporate-bond trading and short-selling. Initiatives also include tokenised-bond infrastructure through Demat 2.0, an AI sandbox and simpler onboarding for foreign portfolio investors.

- **Jio's Mega IPO Attracts Interest from Global Funds**

Jio Platforms' proposed ₹30,213-crore public issue drew interest from major global investors, including Singapore's GIC, Fidelity and Norway's Government Pension Fund Global. The IPO is expected to include a fresh issue of shares, with proceeds partly intended to reduce borrowings.

- **Canara Bank and Indian Bank Report Strong Corporate Loan Pipeline**

Canara Bank and Indian Bank together reported a corporate loan pipeline of ₹1.10 lakh crore amid steady business borrowing demand. Canara Bank is targeting credit growth of about 19%, while Indian Bank expects 14–15%, with both lenders focused on deposit growth.

- **Panasonic Changes Leadership Approach in India**

Panasonic has appointed Japanese executives to senior positions in its Indian operations, shifting back towards an expatriate-led leadership model. The move follows a period focused on Indian leadership and comes as the company streamlines operations and concentrates its product portfolio on air-conditioners.

Alternative Assets Move Front-and-Center: Why Wealth Portfolios Are Expanding Beyond Stocks



Insights shared at the ET Alpha Wealth Summit this week spotlighted a structural evolution in Indian wealth management. Financial advisors emphasized that relying exclusively on listed equities and vanilla debt no longer delivers sufficient diversification in an era of persistent global rate uncertainty. Affluent retail investors and family offices are increasingly allocating capital toward alternative investment funds (AIFs), private credit, special situation funds,and infrastructure trusts (InvITs). Experts advise that these alternative vehicles grant individual portfolios access to high-yielding private market cycles that operate independently of public equity swings. However, wealth managers caution that because alternatives feature longer lock-in periods, investors must balance their allocations against near-term liquid contingency requirements.

Global Bond Yield Drop vs. Domestic Tightening: The Balancing Act for Indian Savers



The benchmark US 10-year Treasury yield recorded its steepest weekly drop in over a year this week, falling back near 5.08% as global bond markets unwound crowded short trades and priced in a potential pause in aggressive rate trajectories. However, the domestic picture remains decoupled: with the Reserve Bank of India shifting its policy stance to calibrated tightening and hiking the repo rate to 5.50%, domestic fixed-income yields continue to sit at elevated levels. Financial planners advise retail investors that this yield gap creates an ideal moment to lock into high-quality domestic corporate bond funds and senior fixed deposits, securing attractive fixed cash flows before global deflationary tailwinds eventually filter into emerging market debt curves.

Government Updates

IDBI Bank stake sale approved: "Cabinet approves ₹52,878-crore sale of 60.72% stake in IDBI Bank to Fairfax"

The Union Cabinet approved the sale of a 60.72% stake in IDBI Bank to a subsidiary of Canada's Fairfax Financial Holdings for approximately ₹52,878 crore. The stake comprises 30.48% held by the Central Government and 30.24% held by LIC. Following the transaction, the government will retain a 15% stake, while LIC will retain 19%. The deal is part of the government's strategic disinvestment policy, which involves selling its ownership in selected public-sector enterprises. It is expected to attract significant foreign investment into India's financial sector, subject to regulatory approvals.

Repo rate hike: Government banks raise lending reference rates, making home loans costlier

The Reserve Bank of India (RBI) reportedly increased the repo rate by 25 basis points, from 5.25% to 5.50%. The repo rate is the interest rate at which the RBI lends short-term funds to banks. An increase can raise banks' borrowing costs and may lead to higher lending rates for home loans and other loans. This can increase monthly EMI payments for borrowers and reduce spending by households and businesses. From an economic perspective, higher interest rates can help control inflation by reducing demand, but they can also slow borrowing and investment.

Cabinet approves continuation of National Social Assistance Programme for five more years

The Union Cabinet approved the continuation of the National Social Assistance Programme (NSAP) from 2026–27 to 2030–31. The programme provides financial assistance to eligible elderly people, widows, persons with disabilities and families facing certain hardships. The government also announced changes to the scheme's names, including renaming it the Pradhan Mantri Samajik Sahayata Yojana. For persons with disabilities, the eligibility threshold was reduced from 80% disability to 40%, widening access to support. This policy aims to strengthen social security and provide financial assistance to vulnerable sections of society.



Market Lens

Indian Markets Record Strongest Weekly Gains in Six Months

Indian benchmark indices staged a strong recovery in the week ended October 16. The Sensex rose 3.11% to 74,729.27, while the Nifty 50 gained 2.78% to 23,146.15. The rebound was supported by technology stocks, corporate earnings and improved investor sentiment.

IT Stocks Lead the Market Rally

The Nifty IT index surged approximately 11.7% during the week, its strongest weekly performance since 2008. TCS, Tech Mahindra, Infosys and other technology stocks advanced as investors reacted to quarterly earnings and business outlooks, helping large-cap indices outperform broader market segments.

Rupee Recovers After RBI Announces Dollar Support for Oil Companies

The Reserve Bank of India announced a special dollar supply arrangement for state-run oil marketing companies, helping reduce their demand for dollars in the broader foreign-exchange market. The measure supported the rupee after recent weakness, while investors continued monitoring oil prices and foreign capital flows.

Crude Oil and Inflation Remain Key Risks

Brent crude remained elevated amid geopolitical uncertainty and concerns about global supply. High oil prices pose risks for India by raising import costs, inflation and pressure on the current-account balance. Investors also monitored domestic inflation data and its potential implications for monetary policy.

Foreign Investors Continue Equity Selling

Foreign portfolio investors continued to sell Indian equities despite the market rebound. Domestic institutional investors provided support through purchases, helping absorb some of the foreign outflows. The contrast highlighted the importance of domestic liquidity in stabilising markets during periods of global uncertainty.

Corporate Earnings Support Investor Confidence

September-quarter earnings announcements became a major driver of stock-specific activity. Strong results and positive outlooks supported selected technology and large-cap shares, while investors assessed revenue growth, margins and demand conditions. Banking-sector earnings and management guidance remained important indicators for the coming weeks.

Bond Yields and Global Trade Developments Remain in Focus

Investors monitored government bond yields, global interest-rate expectations and progress on India–US trade discussions. Moderating yields can support equity valuations, while improved trade prospects may benefit exporters. However, geopolitical tensions, high energy costs and uncertainty over global demand continued to pose risks.

GLOBAL SNAPSHOTS

US Secretary of State Visits Central Asia to Strengthen Trade Relations Appoints Rachel Jupp as Head of News

US Secretary of State Marco Rubio visited Uzbekistan on October 18 to strengthen America's ties with Central Asian countries. During the visit, he was expected to meet leaders from the C5+1 group, which includes the US and 5 Central Asian nations. More than 200 business executives were also expected to join the visit to explore trade and investment opportunities. One of the key areas of interest was rare earth minerals which are used in products such as smartphones, electric vehicles and other modern technologies. Central Asia has become increasingly important because of its location between major powers such as Russia and China. The visit showed that the US is looking to build stronger business and diplomatic relations in the region.

Iran Offers to Reopen the Strait of Hormuz Amid Tensions with the US

Iran renewed its offer on October 18 to reopen the Strait of Hormuz within seven days, if the United States agreed to its conditions. The strait is an important route through which a large amount of the world's oil is transported. Iran's proposal included demands related to economic sanctions, restrictions on its ports and the wider conflict in the region. However, differences between the two countries continued to make an agreement difficult. The situation has raised concerns in global markets because any disruption to the route could push oil prices higher and increase transportation costs. Countries that depend on imported oil are particularly concerned, as higher fuel prices can also affect businesses and ordinary households.

IMF and World Bank Meetings Highlight Global Economic Challenges



The IMF and the World Bank held their annual meetings during the week ending October 18 to discuss the major economic problems facing countries around the world. Rising prices, high borrowing costs, ongoing conflicts and the growing use of AI were among the main topics. Many developing countries are struggling to repay their debts while also spending on important services such as healthcare and education. The meetings also highlighted the difficulties poorer nations face in dealing with economic problems compared with wealthier countries. The discussions focused on improving financial stability, attracting investment and supporting countries facing an uncertain economic future.