

DAILY NEWS DIGEST BY BFSI BOARD

11 June 2026



ECONOMY

Retail interest in government bonds grows as registrations cross 6.4 lakh: India's retail bond investing ecosystem has expanded rapidly over the past four years, with registrations on the RBI Retail Direct platform crossing 6.43 lakh by June 2026, up nearly nine-fold from just over 71,000 when the platform data was first reported in October 2022. The growth has been accompanied by a sharp increase in participation across both primary and secondary government securities markets. The number of retail accounts opened rose from 57,728 in October 2022 to 3.69 lakh by June 2026, reflecting growing investor interest in directly holding sovereign debt.

(Moneycontrol)

Gold ETFs break 13-month streak of positive inflow; record Rs.725 cr outflow in May: Gold ETFs witnessed an outflow of Rs.725 crore in May, breaking a 13-month streak of positive inflows, due to government appeals against purchasing the yellow metal and several asset management companies halting fresh inflows into these funds. This was the first outflow since April 2025, when the Gold ETF saw a withdrawal of Rs.5.82 crore. Overall, Gold ETFs have attracted more than Rs.70,000 crore since May 2025.

(Moneycontrol)

US inflation hits 4.2% in May, highest since April 2023; energy costs surge 23.5% on Iran conflict: The Bureau of Labor Statistics has released the US Consumer Price Index (CPI) data for May. The annual inflation rate in the US rose to 4.2% in May 2026, marking its highest level since April 2023, from 3.8% in April and in line with market expectations. This represents the third consecutive monthly acceleration in headline

inflation, with energy costs jumping 23.5% vs 17.9% in April, due to the energy shock triggered by the conflict with Iran.

(Financial Express)

BANKING & FINANCE



MF equity inflows fall 40% m-o-m to one year low amid uncertainty: Volatility in equity markets and concerns over economic growth dampened inflows into mutual fund schemes, including SIPs, in May. Equity inflows fell to a one-year low, dropping 40 per cent month-on-month (m-o-m) to Rs.22,908 crore in May from Rs.38,440 crore in April, as investor sentiment was hit by a market downturn driven by persistent foreign portfolio outflows and heightened volatility, according to AMFI data released on Wednesday.

(Business Line)

Banks kick-off rate hikes on FCNR (B) deposits: Banks have kicked off rate hikes on FCNR (B) US dollar deposits in the three-five years tenor in earnest, with interest rates being increased to 6-7 per cent thereabouts, from the earlier 3 per cent odd levels. The sharp rise in interest rates on foreign currency non-resident (bank) deposits denominated in US dollars follows RBI's measures to bolster dollar inflows, including by bearing the full hedging cost for raising fresh 3-5-year FCNR (B) deposits. On a FCNR (B) deposit of up to \$1 million and above \$1 million in the three years and above but less than four years tenor, State Bank of India (SBI) is now offering interest rate of 5.25 per cent and 5.50 per cent respectively. HDFC Bank and Central Bank of India are offering up to 6% on longer-tenor FCNR(B) deposits, while YES Bank and AU Small Finance Bank are offering as much as 7.1% on five-year deposits.

(Business Line)

Banks want RBI to relax liquidity buffer norm relating to institutional deposits: In the backdrop of the gradual structural shift in deposits, banks want the Reserve Bank of India to relax the so-called "run-off factor" on institutional deposits under the Liquidity

Coverage Ratio (LCR) framework so that they have more resources to lend. The structural shift in bank deposits refers to a phenomenon whereby savers, in pursuit of higher returns are gravitating towards investments such as mutual funds, which in turn place deposits with banks.

(Business Line)

ECLGS 5.0 guarantees cross 1 lakh mark with Rs.48,484 crore coverage in a month: The number of guarantees issued under the Emergency Credit Line Guarantee Scheme (ECLGS) 5.0 has crossed 1 lakh, with the total amount reaching Rs 48,484 crore in a month, the finance ministry said on Wednesday. The ECLGS 5.0 was approved by the Union Cabinet on May 5, 2026. The scheme aims to infuse additional credit of Rs 2.55 lakh crore to existing borrowers to tide over the liquidity challenges arising due to the West Asia crisis. "As on June 9, 2026, the total number of guarantees issued under the scheme has officially crossed the 1 lakh mark, reaching a total of 1,06,549 with a total amount of guarantees at Rs 48,484.26 crore, demonstrating the extensive scale of credit protection being extended to lenders," the ministry said in a statement.

(Business Line)

RBI allows banks to lend to REITs and InvITs; caps exposure at 49% of asset value: The Reserve Bank has issued final amendment directions permitting commercial banks to lend to Real Estate Investment Trusts and InvITs, while retaining key prudential safeguards on exposure limits, asset quality, and repayment structures. Among major changes, the RBI said overseas branches of Indian banks may participate in Real Estate Investment Trusts (REITs) financing under syndication arrangements, subject to a 20 percent cap on contribution and a 150 percent risk weight. RBI relaxed the earlier three-year operational requirement by linking it to the cash-flow performance of underlying assets. It mandated that at least 80 percent of underlying assets must generate positive cash flows for at least one year.

(Financial Express)

INDUSTRY OUTLOOK



Reliance Industries and Meta join hands to develop AI-enabled data centre in Gujarat: Reliance Industries Ltd (RIL) and Meta Platforms, Inc. (Meta) have partnered to set up a data centre in Jamnagar, Gujarat with 168 MW capacity to be delivered within two years and an option to scale. This will be the first built-to-suit data centre capacity in India for Meta, underlining India's emergence as a global hub for AI infrastructure.

(Business Line)

India's exports hit all-time high of \$863 bn in FY 25-26: A commerce ministry official on Tuesday said the India's total exports have risen from \$468 billion in FY 2014-15 to an all-time high of \$863 billion in FY 2025-26, increasing at a compound annual growth rate of 5.7 per cent. Additional secretary at the Union Ministry of Commerce, Nitin Kumar Yadav, revealed the numbers at a convention of exporters, industry bodies, and farmer producer organisations here. "During this period, merchandise exports grew from \$310 billion to \$442 billion, services exports surged from \$158 billion to \$421 billion at a CAGR of 9.3 per cent, and non-petroleum exports reached a new record of \$387.9 billion, underscoring the depth and diversity of India's export base," Yadav said.

(Business Line)

Anthropic unveils Claude Fable 5, limits access to advanced Mythos model: Anthropic launched Claude Fable 5 on Tuesday, its latest Mythos-class model, which the frontier artificial intelligence (AI) company says is superior across all tasks. Access to its Mythos 5 model, however, remains restricted to a handful of users because of its advanced capabilities in detecting software flaws. Fable 5 is state-of-the-art on nearly all tested benchmarks, the company said, with strong performance in software engineering, knowledge work, scientific research, and vision tasks. "Releasing a model this capable comes with risks. Without safeguards, Fable 5's capabilities in areas like cybersecurity could be misused to cause serious damage. Queries on a narrow range

of topics will instead receive a response from our next-most-capable model, Opus 4.8,” Anthropic posted on X.

(Business Standard)



REGULATION & DEVELOPMENT

SEBI set to ease salary disclosure norms for MF executives: SEBI has proposed to ease salary disclosure norms for mutual fund executives amid raising concern from the industry. In a consultation paper issued on Wednesday, SEBI said the industry had raised concerns that the public disclosure of individual remuneration will expose employees to risks relating to misuse of personal information. In addition, the mutual fund industry competes for talent with other segments such as Portfolio Management Services (PMS) and Alternative Investment Funds (AIF), where similar disclosure requirements are not applicable.

(Business Line)

Government Extends Validity of Credit Guarantee Scheme for Microfinance Institutions-2.0 (CGSMFI-2.0), Increases Loan Limits: The Government of India has approved extension in validity of the Credit Guarantee Scheme for Microfinance Institutions-2.0 (CGSMFI-2.0) upto 31.8.2026 or till guarantees for an amount of Rs.20,000 crore are issued, whichever is earlier. The Government of India has also approved increase in maximum loan amount capped to Large Sized NBFC-MFIs/MFIs from Rs.300 crores to Rs.1000 crores under the overall ceiling of 20% of Assets under Management (AUM). Central Government introduced CGSMFI-2.0 scheme on March 20, 2026. The scheme aims to provide guarantee cover to Banks/ FIs through NCGTC against expected losses on the financial assistance extended by them to NBFC-MFIs and MFIs for on lending to small borrowers. Guarantee coverage: 80% of amount in default for small, 75% for medium and 70% for large NBFC-MFIs/ MFIs.

(PiB)

Outward FDI commitments by Indian firms drop 49% in May: RBI data: India's total outward foreign direct investment commitments declined 49.02 per cent month-on-month to \$4.49 billion in May 2026 from \$8.84 billion, mainly due to lower equity investments, loans, and guarantees issued by Indian companies, according to RBI data. However, total financial commitments by Indian entities under overseas investment increased 34.6 per cent year-on-year in May 2026 from \$3.34 billion, data showed. Equity investments abroad dropped sharply to \$1,247.82 million in May from \$3,537.35 million in April, marking a decline of about 64.72 per cent. Overseas loans extended by Indian companies also declined to \$632.12 million in May from \$1,299.69 million in April.

(Business Standard)



FINANCIAL TERMINOLOGY

Qualified Longevity Annuity Contract (QLAC)

- A qualified longevity annuity contract (QLAC) is a deferred annuity funded with an investment from a qualified retirement plan or an individual retirement account (IRA). They are available for purchase through many insurance companies.
- A QLAC provides guaranteed monthly payments that begin after the specified annuity starting date. As long as the QLAC complies with Internal Revenue Service (IRS) requirements, it is exempt from required minimum distribution (RMD) rules until the owner reaches age 85.



RBI KEY RATES

Repo Rate: 5.25%
SDF: 5.00%
MSF & Bank Rate: 5.50%
CRR: 3.00%
SLR: 18.00%
Fixed Reverse Repo: 3.35%

FOREX (FBIL 1.30 PM)

INR / 1 USD : 95.1855
INR / 1 GBP : 127.4535
INR / 1 EUR : 109.9634
INR /100 JPY: 59.3500

EQUITY MARKET

Sensex: 73983.18 (+64.42)
NIFTY: 23214.95 (-27.15)
Bnk NIFTY: 55100.30 (-94.20)

Courses conducted by BFSI Board

- ❖ Certificate Course on Concurrent Audit of Banks
- ❖ Certificate Course on Credit Management of Banks
- ❖ Certificate Course on Investment Management
- ❖ Certificate Course on General Insurance
- ❖ Advance Certificate Course on FinTech
- ❖ Certificate Course on Project Financing
- ❖ Certificate Course on Cost Control Strategies in the Banking Sector
- ❖ Certificate Course on Treasury, Foreign Exchange and International Banking

For details please visit BFSIB portal of the ICMAI website.

Publications by BFSI Board

- ❖ Handbook on Aide Memoire on Infrastructure Financing (3rd enlarged revised edition).
- ❖ Aide Memoire on lending to MSME Sector (including restructuring of MSME Credit).
- ❖ Guidance Note on the Internal Audit of General Insurance Companies.
- ❖ BFSI Chronicle (quarterly issue of BFSIB)
- ❖ Handbook on Stock & Book Debts Audit (Revised and Enlarged 2nd Edition)
- ❖ Handbook on Central Bank Digital Currency (CBDC)
- ❖ Monograph on Climate Risk and Green Finance-Banking Sector-International Practices and Indian Perspective (2nd Series)
- ❖ Guidance Note on Cost Control Strategies in the Banking Sector

TEAM BFSIB

Banking, Financial Services & Insurance Board The Institute of Cost Accountants of India (ICMAI)

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