

Asian stocks mostly fall back despite latest earnings-driven rally on Wall Street



MUMBAI, OCT 07: Shares mostly retreated in Asia on Wednesday after US stocks hit all-time highs, lifted by expectations of fat corporate earnings.

US futures were little changed and oil prices advanced.

In Tokyo, the Nikkei 225 lost 0.9 per cent to 70,284.81, while the Kospi in South Korea also shed 0.9 per cent, to 6,876.76.

Hong Kong's Hang Seng fell 0.6 per cent to 24,129.96 and Taiwan's Taixex edged 0.2 per cent lower.

Markets in Shanghai were closed for a national holiday.

In Australia, the S&P/ASX 200 edged 0.1 per cent higher to 8,740.10.

On Tuesday, US stocks forayed into new heights despite an array of challenges.

The S&P 500 climbed 0.6 per cent to a record of 7,818.93, topping its all-time high set in August. Despite worries over the Iran war, high inflation and pressures from the bond market, the index at the

heart of many 401(k) accounts has soared 23 per cent since hitting a trough in late March.

The Dow Jones Industrial Average added 0.5 per cent to 51,521.28, while the Nasdaq composite tacked 0.4 per cent onto its own all-time high set the day before, closing at 27,599.79.

"The rally reflected confidence that corporate earnings, particularly across technology and AI-related sectors, can withstand elevated energy costs and restrictive interest rates," Ng Jing Wen of Mizuho Bank said in a commentary. "The resilience suggests investors continue to prioritise earnings momentum over near-term inflation risks," she said.

Record-high stock prices are helping investors feel better about their finances, or at least less bad, while Americans are generally feeling discouraged about keeping up with the fast-rising cost of living.

Many of the fears that sent the US stock market to its bottom in March have indeed come true. Oil

prices are high because of the war with Iran, which has made inflation worse. Yields have cranked higher in the bond market, which threatens to slow the economy by making it more expensive for everyone to borrow money. And Americans broadly say they're feeling more pessimistic about the economy and where it's heading.

But one vital source of support has persisted: strong corporate earnings. Lamb Weston, which sells frozen fries and other potato products, said on Tuesday that its profit and revenue during its latest quarter topped its projections, for example. The results also beat analysts' expectations, and its stock rallied 7.5 per cent.

All kinds of companies are expected to report robust profits for the July through September quarter. Delta Air Lines will report its third-quarter results on Friday, with several of the country's biggest banks headlining next week.

Analysts expect compa-

nies in the S&P 500 to deliver overall growth of nearly 30 per cent in earnings per share from a year earlier, according to data provider FactSet. If they're correct, it would be the third straight quarter of growth better than 25 per cent.

If companies fail to deliver such performances, stock prices could easily fall back from their records. Some critics also point to a possible bubble in stocks in the artificial-intelligence industry given how much they have soared in the frenzy around the technology.

AI stocks have been a huge force driving the US market to records, including Nvidia's 28.3 per cent surge so far this year. That's roughly double the broad market's gain.

Bond yields offered some slack on Tuesday after falling back from their highest levels in years or even decades.

The yield on the 10-year Treasury, which is the focal point of the US bond market, eased to 5.28 per cent from 5.31 per cent late Monday. It fell after oil prices steadied somewhat.

But crude prices rebounded early Wednesday. The price for a barrel of Brent crude oil, the international standard, was up 0.9 per cent at USD 101.49. That's still below the nearly USD 110 it was at a few weeks ago.

US benchmark crude rose 0.9 per cent to USD 90.21 per barrel.

Also early Wednesday, the US dollar rose to 158.44 Japanese yen from 158.10 yen. The euro slipped to USD 1.1238 from USD 1.1260.

Rupee Falls 22 Paise To 96.57 Against US Dollar Post RBI Rate Increase

MUMBAI, OCT 07: The rupee depreciated 22 paise to 96.57 against the US dollar in early trade on Wednesday, after the Reserve Bank of India raised the key benchmark policy rate by 25 basis points to 5.5 per cent.

Market analysts said the RBI's rate hike reflects rising cyclical inflation risks, while the shift in stance to 'calibrated tightening' alongside higher growth and inflation projections highlights the MPC's hawkish approach.

At the interbank foreign exchange market, the rupee opened at 96.37, then lost ground and fell to 96.57, down 22 paise from its previous close.

On Tuesday, the rupee settled at 96.35 against the US dollar.

"The RBI's October hike acknowledges that cyclical inflation risks are no longer



benign. The change in stance also underscores the RBI MPC's hawkish intent and is reinforced by upward revisions to growth and inflation forecasts," said Radhika Rao, Senior Economist and Executive Director, DBS Bank.

"The combination of higher inflation forecasts and calibrated tightening should keep front-end rates biased higher. The policy shift is modestly constructive for the INR, as wider rate differentials and a

tightening bias bolster the currency's resilience to external shocks, even as a stronger US dollar remains a headwind," Rao added.

The Reserve Bank of India on Wednesday raised key benchmark policy rate by 25 basis points to 5.5 per cent in a bid to tame rising inflation amid continuing West Asia crisis.

A hike in the short-term lending rate (repo) by the RBI marks a reversal from its previous policy action.

The RBI last hiked the

repo rate in February 2023, raising it by 0.25 per cent to 6.50 per cent. It kept the rate unchanged through 2023-24 before beginning its rate-cut cycle in 2025.

Meanwhile, the dollar index, which gauges the strength of the greenback against a basket of six currencies, was trading at 102.09, higher by 0.25 per cent.

Brent crude, the global oil benchmark, was trading higher by 0.97 per cent at USD 101.56 per barrel in futures trade.

On the domestic equity market front, Sensex was trading 149.14 points lower at 72,918.67, while the Nifty declined 93.45 points to 22,682.65.

Foreign Institutional Investors (FIIs) offloaded equities worth Rs 2,961.30 crore on a net basis on Tuesday, according to exchange data.

IMF chief urges countries to do more to curb debt, regulate AI

MUMBAI, OCT 07: Countries both rich and poor must take faster action to cut debt and counter growing inequality as their economies weather a triple whammy from the artificial intelligence boom, heavy borrowing and shocks from wars in the Middle East and Ukraine, the head of the IMF said Wednesday.



"Some very tough political choices stare us in the face," IMF Managing Director Kristalina Georgieva said in a speech in Singapore ahead of autumn IMF-World Bank meetings to be held in Bangkok next week.

"My message to the world's economic policymakers next week will be this: we cannot keep delaying necessary policy action -- you have the tools, now have the wisdom to use them," she said.

At the meetings in Bangkok, finance ministers and central bank governors of 191 IMF-World Bank member countries will assess the state of the world economy and discuss strategies to support financial stability and sustained

growth.

So far, the hardest recent hits to global well-being have come from conflicts in the Middle East, Ukraine and elsewhere, Georgieva noted.

But excessive debt is a growing burden for wealthy countries such as the US, Japan and Germany, as well as low-income countries that must choose between spending on public welfare or repaying onerous loans at a time of high interest rates, she noted.

Georgieva pointed to risks associated with the rapid buildup of data centre capacity to deliver artificial intelligence, which has helped push stock prices in many places to record highs, supporting strong economic growth despite

high energy costs due to the Iran war.

Investments in AI are likely to exceed the relative scale of spending on building railroads, electricity grids and telecommunications networks.

"Love it, hate it or fear it, AI is here, rapidly becoming a key driver of countries' relative fortunes in the world economy," she said.

The AI building boom is underpinning robust corporate earnings as well as higher inflation. But there is a lag between the heavy investments involved and the arrival of AI's benefits, Georgieva said.

"Should earnings fall short," she said, "hyper-scaler leverage and large and growing global holdings of US equities could

turn a disappointment into a far-reaching shock."

Seven of the top 10 countries for AI-related trade are in the Asia-Pacific region, where the share of global economic activity has risen to 43 per cent from 25 per cent in 1991, the last time the meetings were held in Bangkok.

While China, India, Japan, South Korea, Taiwan and other countries with strong tech sectors are benefiting from the AI boom, it is bypassing most others, Georgieva said, adding to economic inequality. AI also is raising energy demand, pushing prices for fuel, fertiliser, food and other key commodities still higher.

She urged countries to rein in public spending and to raise the cost of borrowing as needed to control inflation, while protecting the most vulnerable members of their societies.

Policies are needed to ensure AI is well regulated and to train workers, make labour markets more flexible, facilitate entrepreneurship and improve energy security, Georgieva said.

JioHotstar enters Middle East, North Africa in partnership with STARZPLAY

MUMBAI, OCT 07: JioHotstar has said it will enter the Middle East and North Africa (MENA) region in partnership with STARZPLAY, expanding its international footprint.

The streaming platform, which has over 500 million active users, had last month said it would enter the UK, Canada and Singapore markets, targeting the South Asian diaspora, as part of its global expansion plans.

JioHotstar will be available as a dedicated streaming destination within the STARZPLAY app and website, said a joint statement.

"Audiences across MENA will now gain access to new JioHotstar Originals alongside their release in India, with the content offering audio tracks in up to 10 languages, popular television content from JioStar TV



channels, blockbuster films and some of the country's biggest reality franchises," it said.

The content spans Hindi, Malayalam, Tamil, Telugu, Bangla and other languages, with a substantial Malayalam catalogue reflecting the importance of the Malayali audience in the region, the statement said.

"The strong early response to JioHotstar across the UK, Canada and Singapore has reinforced our be-

lief in the global opportunity for Indian entertainment. As we build JioHotstar into a truly global streaming platform, MENA is a crucial next market, with one of the world's largest South Asian diaspora communities and a deep appetite for entertainment across languages," said Amit Malhotra, Head of International Business, JioStar.

Maaz Sheikh, CEO of STARZPLAY, said the next phase of streaming growth

in MENA will be shaped by platforms that bring the right brands together and make the viewing experience more valuable.

"Cricket has given STARZPLAY a strong and lasting relationship with South Asian audiences across the region. JioHotstar allows us to extend that relationship beyond the match and into the entertainment households return to every day. Our ambition is to make STARZPLAY the destination where every member of the family finds something they value," he added.

JioHotstar is operated by JioStar, a joint venture created after the merger of the media business of Reliance and the India business of global media giant Walt Disney.

India economy can double to \$8 trillion over next decade as reforms lift growth ceiling: KKR

MUMBAI, OCT 07: India's economy can double in size to more than \$8 trillion over the next decade as structural reforms, infrastructure investment and formalisation continue to raise the country's growth potential, global investment firm KKR has said.

India has already crossed the \$4-trillion mark and remains on track to double again over the next 10 years, KKR said in its Thoughts From the Road — Europe and Asia report for October 2026.

"India remains one of the clearest examples of how patient, structural reform can pay off over a decade rather than a quarter," the report said.

KKR said reforms undertaken since 2014, including the Goods and Services Tax, Insolvency and Bank-

ruptcy Code, labour-market formalisation, digitalisation and sustained infrastructure spending, have "quietly reset the country's growth ceiling".

The investment firm sees these changes supporting a durable 10-11 percent nominal GDP growth path, with further gains possible even from reforms that have already been implemented.

KKR argued that India's growth story is far from mature, with significant economic benefits from earlier reforms yet to fully play out.

"We do not see this as a story that has run its course," the report said. "There is still meaningful upside to be unlocked from reforms already on the books, not just from new ones yet to come."

KKR said increased for-

malisation has also lowered the risk premium attached to Indian cash flows, improving the durability of the growth outlook.

Rising incomes and consumption remain among KKR's strongest structural investment themes in India, although elevated crude oil prices could temporarily slow the consumer story.

The report said the consumer upgrade thesis remains intact despite a near-term pause with oil prices around \$100 a barrel.

Unlike several other emerging economies, however, government policy in India has helped prevent the full impact of higher energy prices from flowing into household budgets, limiting the impact on discretionary consumption

compared with previous oil shocks, KKR said.

Services exports are emerging as another major pillar of growth.

KKR said Global Capability Centres are increasingly taking over from traditional IT services as an important growth engine. Services already account for more than half of the contribution to India's real GDP growth, according to its analysis.

The firm also pushed back against concerns that artificial intelligence could undermine India's technology-services industry.

Instead, KKR expects Indian IT companies to embed AI into their service-delivery systems, potentially making the technology "the next leg of growth" rather than merely a disruptive threat.

Airtel Hikes Postpaid Plans By Rs 50, Bundles One Free Annual International Roaming

MUMBAI, OCT 07: Bharti Airtel has raised its postpaid tariffs by Rs 50 with a revamped set of plans that bundle one free international roaming trip every year.

The new plans come into effect on October 8, 2026, and existing postpaid subscribers will be moved to the nearest higher plan within a month, company sources told PTI on Wednesday.

A company official said the free international roaming offer is worth Rs 2,000. In effect, the revamped plans mean a Rs 50 hike over current tariffs for postpaid.



In a release, Airtel announced "the launch of new postpaid plans, with even more benefits built in."

"From October 8, 2026, customers can enjoy one international trip with free roaming every year with these new postpaid plans, along with all existing benefits," the release said.

The complimentary roaming pack includes 5GB of data, 60 minutes of calls, 25 outgoing SMS and free incoming SMS, valid for five days.

Customers can activate the pack whenever they choose. On family plans,

erating business and AI growth across the market. As we continue to build our next phase of growth, I want to personally thank Sashikumar Sreedharan, who is moving on from Google to an external opportunity," Bajwa wrote.

He noted that Sreedharan has served in multiple roles during his tenure with Google Cloud, initially as the Chief Operating Officer (COO) for the Asia Pacific (APAC) region

every member is eligible for the free roaming benefit.

"Free international roaming is the latest addition to Airtel Postpaid plans, which come with a superior experience through fast lane technology, unlimited data, and network-level protection against spam and fraudulent links.

"Customers can also enjoy a range of entertainment subscriptions and access to exclusive experiences through the Airtel Postpaid Advantage Club, including comedy shows, movie premieres and concerts," the release said.

Amit Kumar appointed interim leader for Google Cloud India as Sashikumar Sreedharan steps down

MUMBAI, OCT 07: Google Cloud India Managing Director Sashikumar Sreedharan has stepped down from his role to pursue an external opportunity, with Amit Kumar named as the interim head of the company's India operations, a senior company official said on Wednesday.

The leadership transition was announced by Karan Bajwa, President of Google Cloud Asia Pacific, in a post on LinkedIn.

"Our momentum in India has never been stronger, fuelled by accel-



erating business and AI growth across the market. As we continue to build our next phase of growth, I want to personally thank Sashikumar Sreedharan, who is moving on from Google to an external opportunity," Bajwa wrote.

He noted that Sreedharan has served in multiple roles during his tenure with Google Cloud, initially as the Chief Operating Officer (COO) for the Asia Pacific (APAC) region

and later as the Managing Director for India.

Amit Kumar, who was serving as Managing Director for Digital Natives at Google Cloud India, will step in to lead the India operations.

"As Amit Kumar steps in as interim leader for Google Cloud India, our focus remains clear: building on our incredible momentum. The opportunity ahead for our customers and partners in India has never been bigger, and I'm energised for what our team will deliver next," Bajwa said.