THE COMMERCIO

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PG DEPARTMENT OF COMMERCE AND RESEARCH

EDITORIAL

JINS C G

ASSISTANT PROFESSOR

Greetings and welcome to the first volume of our departmental newsletter, The Commercio, for the year 2025.Let us spread our wings in the sky of commerce together, enriching our knowledge and awareness.

In recent years, the convergence of sustainable development and financial markets has emerged not as a trend but as a transformative shift in global economic governance. With the climate crisis intensifying, social inequality widening, and natural resources diminishing, the traditional view of capital markets as separate from environmental and social realities is no longer tenable. The stock exchange once a barometer of short-term profitability is increasingly being called upon to serve as a lever for long-term, sustainable growth.

The concept of Sustainable Finance is at the core of this evolution. Investors are no longer content with financial returns alone. Environmental, Social, and Governance (ESG) metrics have become indispensable tools in evaluating corporate resilience and integrity. As a result, stock exchanges around the world are adapting. They are integrating sustainability disclosure frameworks, encouraging green bonds, and even requiring listed companies to report on ESG performance.

Yet, despite progress, the integration of sustainable development into capital markets faces significant obstacles. ESG ratings remain inconsistent and unstandardized. Green washing the practice of making misleading claims about sustainability threatens market credibility. Moreover, short-termism in stock valuation continues to undermine long-term environmental and social objectives.

To address these challenges, collaborative action is imperative. Regulators, institutional investors, exchanges, and companies must co-create robust, transparent sustainability reporting standards. Exchanges can play a pivotal role by incentivizing sustainable business practices through listing requirements and sustainability indexes. Financial instruments such as sustainability-linked bonds and climate risk-adjusted portfolios should become the norm rather than the exception.

Importantly, stock exchanges must expand their role as platforms not only for capital formation but also for value alignment. They have the power to democratize access to sustainable investments and guide capital flows toward sectors aligned with the United Nations Sustainable Development Goals (SDGs). By doing so, they become active agents in shaping an economy that values people, planet, and profit in equal measure.

As the global community navigates the dual imperatives of economic recovery and planetary sustainability, the stock exchange must evolve from being a mirror of economic performance to becoming an architect of sustainable progress. The editorial board of this journal encourages scholars, practitioners, and policymakers to continue exploring and innovating at this vital intersection of finance and sustainability.

Together, we can help build capital markets that do not merely reflect the world as it is but help finance the world as it should be.

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SUSTAINABLE DEVELOPMENT GOALS

-ANET ROSE JOSEPH and ANAGHA T

India has shown a strong commitment to the Sustainable Development Goals (SDGs), integrating them into its national development agenda. While progress has been made in areas like poverty reduction, education, and healthcare, significant challenges remain in areas like climate change, inequality, and sustainable resource management. India has embraced the SDGs as a roadmap for inclusive and sustainable development, aligning its national development goals with the global agenda.

The country has made significant strides in poverty reduction, improving access to education, and enhancing maternal and child health indicators. Besides, as the interdependence of the world's countries, regions, and peoples increases, it has become difficult to think of not only the conservation of the global environment and energy resources but also the movement of people, transnational economic activities, and conflicts in terms of the dichotomy between developed and developing countries.

Therefore, the SDGs aim to address domestic and global issues, regardless of whether they occur in developed or developing countries. While the public sector, such as governments of developing and developed countries and international organizations, has traditionally been at the centre of the implementation of the international goals, the SDGs are also unique in that they explicitly include a partnership with a variety of actors, such as companies and civil society, as one of the goals. More than two-thirds of the tropics' population, or around 2.7 billion people, rely directly on nature and biodiversity for at least one of their fundamental requirements. Today, over 1.6 billion people rely on forests for a living, including 70 million Indigenous people, and 80 % of people living in developing countries and rural areas rely on traditional plant-based remedies for basic health care.

The Sustainable Development Goals (SDGs), adopted by the United Nations General Assembly in September 2015, consist of 17 goals to be achieved by 2030 to make the world a more sustainable and equitable society for all. The international goals are set every 15 years to promote the international community’s development, and the SDGs were preceded by the Millennium Development Goals (MDGs), which were agreed upon in 2000. The MDGs’ central proposition was to reduce poverty in developing countries, and developed countries were expected to provide large amounts of development assistance to achieve these goals. However, in the early 2010s, when the debate on the formulation of the SDGs started, some of the least developed countries and emerging economies began to show significant economic growth. In order to achieve these ambitious international goals, enormous global costs are expected to be incurred. At the same time, corporations have expanded globally, and the amount of private funds flowing to developing countries has exceeded official aid. Under these circumstances, there is a growing awareness of the need to rethink the conventional approach to international cooperation, which is led by developed countries and international organizations.

STOCK EXCHANGE FLUCTUATIONS AND THEIR RELATIONSHIP TO SUSTAINABLE DEVELOPMENT GOALS

-AMRITA GOKUL and PRAJITHA H

Stock exchange fluctuations play a complex role in shaping progress toward the United Nations' Sustainable Development Goals (SDGs). While volatile markets can undermine economic stability and disrupt funding for key development initiatives particularly in vulnerable regions they also offer signals that increasingly reflect environmental, social, and governance (ESG) considerations. As investors grow more attuned to climate risk, social equity, and corporate transparency, companies aligning with SDG principles often enjoy greater investor confidence and long-term stability. Conversely, firms ignoring sustainability concerns may see declining valuations and reputational risk. Stock exchanges themselves are becoming more proactive, with many requiring ESG disclosures and supporting sustainable finance frameworks. Thus, while short-term market shifts may pose challenges, the broader trend toward integrating SDG-related criteria into investment decisions is turning financial markets into a potential force for inclusive, responsible, and resilient development. Stock exchange fluctuations, often driven by market sentiment, economic indicators, and geopolitical events, significantly impact global efforts toward achieving the Sustainable Development Goals (SDGs).

While robust markets can attract investment and fuel economic growth (SDG 8: Decent Work and Economic Growth), sharp downturns may lead to reduced funding for sustainable projects, increased unemployment, and growing inequality (SDG 10: Reduced Inequalities). Moreover, short-term profit motives in volatile markets may divert attention from long-term sustainability initiatives such as clean energy (SDG 7) and climate action (SDG 13). Therefore, stabilizing financial systems and promoting responsible investment practices are crucial to aligning market behaviour with the broader vision of inclusive, resilient, and sustainable development. Stock exchange fluctuations not only reflect the health of global economies but also influence how resources are allocated across sectors, including those critical to the Sustainable Development Goals (SDGs). Volatile markets can disrupt funding for infrastructure, education, and healthcare (SDGs 4, 9, and 3), especially in developing nations where investor confidence plays a key role in attracting capital. When markets prioritize short-term gains, companies may sideline environmental, social, and governance (ESG) standards, delaying progress on goals such as responsible consumption (SDG 12) and climate action (SDG 13). However, these fluctuations also offer an opportunity: with the rise of green finance and impact investing, stock exchanges can serve as platforms to promote sustainable business models. By integrating SDG-aligned metrics into investment evaluations and encouraging corporate transparency, financial markets can play a pivotal role in shaping a more equitable and sustainable global future.

CARTOON

By
Almariya, Jisny,
Nandhana

DID YOU KNOW?

- DIVYA K and SIYA SUNNY

Question 1

Which SDG is considered the greatest global challenge?

a) Global energy system transformation
b) Eradicate Poverty Worldwide
c) Education for all

Answer: Option b

Question 2

Which is pure gold?

a) 26 carats
b) 18 carats
c) 24 carats

Answer: Option c

Question 3

Which country is the world's largest consumer of gold?

a) India
b) Brazil
c) Russia

Answer: Option a

Question 4

The UN wants to move towards a peaceful world. But what important aspect of the SDG’s remains untouched?

a) Arms exports
b) Economic growth
c) Global Financial Transaction Tax

Answer: Option a

Question 5

Agenda 2030 is regarded as the global treaty of the future because the 17 goals ensure that

a) The world is becoming suitable for grandchildren
b) The climate change is stopped
c) People are living in peace

Answer: Option a

Question 6

The chemical symbol for gold is

a) GU
b) AU
c) GD

Answer: Option b

Question 7

Gold mines produce gold commercially on every continent except

a) Africa
b) Antarctica
c) Asia

Answer: Option b

Question 8

The most popular gold billion coin in the world is

a) American Gold Eagle
b) Chinese Dragon
c) Indian Tiger

Answer: Option a

Question 9

Which is the most commonly used base metal, yielding a redder color?

a) Copper
b) Brass
c) Aluminum

Answer: Option a

Question 10

Most gold contains -------- which is also obtained as by-product?

a) Copper
b) Aluminum
c) Silver

Answer: Option c

Question 11

Which is the world's biggest producer of gold?

a) South Africa
b) India
c) United Kingdom

Answer: Option a

Question 12

World's largest stockpile of gold (25% of the world's gold reserve) is in which bank?

a) Reserve Bank of India
b) Bank of England
c) Federal Reserve Bank of New York

Answer: Option c

Question 13

The UN wants to move towards a peaceful world. But what important aspect of the SDG's remains untouched?

a) Arms exports
b) Economic Growth
c) Global Financial Transaction Tax

Answer: Option a

Question 14

The Agenda 2030 emphasizes the goal of sustainable economic growth. What goal does not conflict with this?

a) Gender equality
b) Nature and resource conservation
c) Eliminate inequality

Answer: All the above

Question 15

NITI Aayog signed an MoU in August, 2023 with which institution on fast tracking SDG's?

a) UNDP
b) WHO
c) UNEP

Answer: Option a

THE BRIDAL BANGLE

-LIDIA LAWRENCE and NEHA P R

In the bustling city of Ahmedabad, wedding preparations were in full swing at the Desai household. Their daughter Kavya, a bright, hardworking software engineer, was getting married. The house buzzed with laughter, music, and the scent of sandalwood. Amidst all this was Mrs Desai, sitting quietly with a red cloth bundle in her lap. It contained two pairs of gold bangles, wrapped carefully in tissue paper. They had been hers once simple, elegant, and old-fashioned. Kavya noticed and said gently, “Ma, you don’t need to give me your bangles. You can just buy new ones”. Mrs Desai smiled but didn’t respond. Her mind was far away in another time, another crisis. Twenty-five years ago, Mr Desai, then a small textile shop owner, suffered massive losses during a local flood. Business collapsed. Bills piled up. They feared they might have to sell their house. That night, as Mr Desai sat staring at their accounts, his wife quietly took out her wedding bangles. “These will help” she said. Back then, gold was around ₹400 per gram. The bangles fetched just enough to clear their debts and keep their shop from shutting down. “I’ll buy them back one day,” Mr Desai promised. Mrs Desai just smiled. “If not for me, then for our daughter’s wedding”. Now, two decades later, gold was priced at ₹6,300 per gram. Mr Desai had rebuilt his business, stronger than ever. And without telling anyone, he had saved every month toward re-buying the bangles the exact weight, the exact design. On the morning of the wedding, he placed a small velvet box in his wife’s hands. Inside were those same bangles, newly crafted, but carrying all the weight of memory and love. “I told you I’d get them back,” he said. Tears welled in her eyes. She looked at Kavya and placed them in her palms. “These bangles have been tested by time and life, just like you. Wear them with pride not for their price, but for their story”.

🌟 Moral of the Story:

Gold may be bought with money, but its real worth lies in sacrifice, memory, and commitment. In times of crisis, gold is a silent support system.

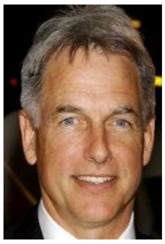
QUOTES

-AKHILA TV, ROSHINI RAMAKUMAR and LALY L

"The greatest threat to our planet

is the belief that someone else will save it."

- Robert Swan



"Earth provides enough to satisfy every man's needs, but not every man's greed."

-Mahatma Gandhi

"There is no 'Plan B' because we do not have a 'Planet B'."

- Ban Ki-moon

“Sustainable development is the development that meets the needs of the present without compromising the ability of future generations to meet their own needs.”

-Brundtland Report (Our Common Future, 1987)

“Sustainability, ensuring the future of life on earth, is an infinite game, the endless expression of generosity on behalf of all.”

-Paul Hawken

“Sustainable development requires human ingenuity. People are the most important resource.”

-Dan Shechtman

NEWSPAPER REPORTS

-JASMINE C J and MEENU M D

Financial

Stock markets slide amid warnings of a catastrophe for the global economy

Larry Elliott
Julia Kollewe

The London stock market has suffered its biggest weekly losses since the start of the global pandemic in March 2020 as investors took fright at the escalation of the conflict in Ukraine.

... chances ahead of what they expect to be another tough week when markets reopen on Monday.

Liam Peach, emerging markets analyst at Capital Economics, said: "Russia has fallen into chaos and we'll get a clearer sense next week of the impact that sanctions are having on the economy. A dollar bond repayment by Gazprom on Monday will be ...

... prices that saw Brent crude hitting $120 a barrel at one stage. After a jump of $25 a barrel in the past month, crude oil ended the week at $115 a barrel. Wheat prices rose to a 14-year high, while corn prices reached their highest level in eight years.

Stephen Brennock at the oil broker PVM said: "Russia's invasion of Ukraine means that fears over supply will remain front and centre." There ...

NIFTY'S 1-YEAR FORWARD VALUATION AT 15-YEAR HIGH

Indian Equity Markets Most Expensive After US and Japan

Ashutosh.Shyam
@timesgroup.com

Source: Bloomberg, compiled by ETIG

ET Intelligence Group: The Nifty 50's price-earnings (P/E) multiple based on FY21 earnings has hit a 15-year high of 20.6, according to data from Bloomberg. It is 34% higher than the long-term average of 15.2 even though Nifty earnings are expected to fall by 10% for the year.

A major reason for the upbeat valuation is that analysts are now taking into account the FY22 estimated earnings, which may grow in double digits. Nifty's recent rally reflects this optimism. On FY22 estimates, Nifty's current P/E works out to be around 17, which is 21% higher than the long-term average of 14 for the two-year forward P/E. Based on the two-year forward earnings, Indian equities are the most expensive after the US and Japan.

A major reason for the upbeat valuation is that analysts now taking into account the FY22 estimated earnings

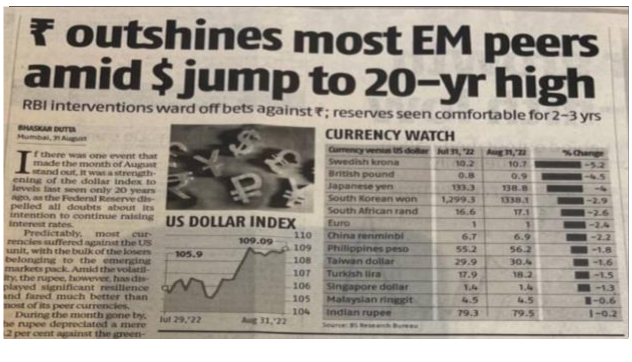
Given the strong expectations over a two-year horizon, the one-year forward P/E is now two standard deviations away from its mean, a rare phenomenon. The last time when it occurred, the index was at the peak in December 2007. Standard deviation is a measure of risk, farther it is from the mean, higher the probability for the data to revert to the mean. Historically, whenever the Nifty peaked at a one-year forward P/E of 18.5-19.5, it failed to generate returns in the next 12 months.

The Nifty 50 earnings are expected to shrink 10% in 2020, and are estimated to see a sharp recovery of 33% in 2021 according to the Bloomberg consensus. Several quality stocks are re-rated due to the expectation of an early recovery despite earnings downgrades. For instance, the stock of Eicher Motors, a maker of marque bike Royal Enfield, trades at 27 times FY22 projected earnings compared with the P/E of 19 in the pre-Covid period even though its earnings are downgraded by 20% for the next fiscal year.

Rupee's weakness may persist

It has been one of the weakest currencies globally this year, with suspicions of capital flight and slowing capital inflows

TESSELLATUM
NEELKANTH MISHRA



₹ outshines most EM peers amid $ jump to 20-yr high

RBI interventions ward off bets against ₹; reserves seen comfortable for 2-3 yrs

BHASKAR DUTTA
Mumbai, 31 August

If there was one event that made the month of August stand out, it was a strengthening of the dollar index to levels last seen only 20 years ago, as the Federal Reserve dispelled all doubts about its intention to continue raising interest rates.

Predictably, most currencies suffered against the US unit, with the bulk of the losers belonging to the emerging markets pack. Amid the volatility, the rupee, however, has displayed significant resilience and fared much better than most of its peer currencies.

During the month gone by, the rupee depreciated a mere 0.2 per cent against the green- ...

CURRENCY WATCH

Currency versus US dollar	Jul 31, '22	Aug 31, '22	% Change
Swedish krona	10.2	10.7	-5.2
British pound	0.8	0.9	-4.5
Japanese yen	133.3	138.8	-4
South Korean won	1,299.3	1338.1	-2.9
South African rand	16.6	17.1	-2.6
Euro	1	1	-2.4
China renminbi	6.7	6.9	-2.2
Philippines peso	55.2	56.2	-1.8
Taiwan dollar	29.9	30.4	-1.6
Turkish lira	17.9	18.2	-1.5
Singapore dollar	1.4	1.4	-1.3
Malaysian ringgit	4.5	4.5	-0.6
Indian rupee	79.3	79.5	-0.2

Source: BS Research Bureau

STOCK EXCHANGE FLUCTUATIONS

-ANILA K VARGHESE and SANDRA THERESA JELSON

What is Stock Exchange Fluctuations?

The stock exchange plays a vital role in the economic development of a country by enabling companies to raise capital and providing investors with opportunities to earn returns. However, one of the most characteristic features of the stock market is that stock prices never remain constant; they keep rising and falling on a daily basis. This continuous movement in prices, known as stock exchange fluctuations, reflects the dynamic nature of the market and is influenced by a variety of factors. Fluctuations are not merely random they often mirror changes in the economic environment, investor psychology, and global developments. For many, these ups and downs can be unsettling, but they are a natural part of how markets function and grow over time.

REASONS:-

The reasons behind stock exchange fluctuations are numerous and interconnected. Economic indicators such as inflation, unemployment, and GDP growth strongly influence investor confidence. A robust economy usually leads to higher corporate profits, which can drive stock prices upward, while signs of a slowdown tend to have the opposite effect. Company-specific developments, like earnings reports, management changes, mergers, or new product launches, also impact the value of their stocks directly. On a broader scale, global events including political instability, trade wars, natural disasters, or pandemics can trigger uncertainty and large swings in the market. In addition to these concrete factors, market sentiment and speculation play a significant role: fear, greed, and herd behaviour often lead to exaggerated movements that may not always align with a company's actual fundamentals.

IMPACT:-

Stock exchange fluctuations have a profound impact on different stakeholders. For individual investors, they create both risks and opportunities while some may suffer losses during downturns, others may profit by buying undervalued stocks and selling at higher prices later. Companies also feel the effects of volatile markets, as sharp declines in their stock prices can make it harder to raise funds or harm their reputation, while rising stock values can boost confidence and investment. For the economy as a whole, moderate fluctuations are healthy, as they reflect active trading and price discovery, but extreme volatility can lead to instability and loss of confidence. Therefore, investors are often advised to adopt a long-term perspective, diversify their portfolios, and avoid emotional reactions to short-term market swings. By understanding the causes and implications of stock exchange fluctuations, market participants can make more informed decisions and navigate the financial markets more effectively.

THANK

YOU