



SPECTRUM

**Tracking Strategic Shifts Worldwide
and Their Impact on India**

16th to 30th September 2026





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1. Europe moves towards greater strategic autonomy

The EU proposed a European Security Council and a “counter-hybrid playbook” on 16 Sep to coordinate responses to sabotage, arson and drone incursions, reflecting growing concern about Russian hybrid activity and uncertainty over U.S. security commitments.

Implication for India: A more strategically autonomous Europe could create greater space for India–EU cooperation on maritime security, critical infrastructure and Indo-Pacific security.

2. Russia–Ukraine war increasingly spills towards NATO territory

A Russian-made Gerbera drone was shot down on 16 Sep by a NATO fighter over Lithuania, while another Russian-made drone carrying a warhead was found in Poland; both countries linked the incidents to the wider Ukraine war.

Implication for India: The growing risk of inadvertent NATO–Russia escalation reinforces India’s interest in an eventual negotiated settlement and strategic stability in Europe.

3. U.S. Federal Reserve resumes monetary tightening

The U.S. Federal Reserve raised its benchmark interest rate by 25 basis points on 17 Sep, while signalling that another increase could follow as inflation remains above target.

Implication for India: Higher U.S. yields can accelerate capital outflows, weaken the rupee and increase India’s imported inflation and external financing pressures.

4. Sudan’s war becomes increasingly internationalised

UN Secretary-General António Guterres called for accountability for countries supplying weapons to Sudan’s warring parties on 16 Sep, as foreign weapons, technology and fighters continue to sustain the conflict.

Implication for India: Continued instability in Sudan threatens Red Sea security and could affect India’s trade routes, energy flows and the safety of Indian nationals in the region.

5. UN General Assembly exposes deepening multilateral dissatisfaction

The 81st UN General Assembly (22–28 Sep) saw renewed demands from developing countries for Security Council reform and greater representation, while major conflicts produced little diplomatic breakthrough.

Implication for India: The debate strengthens India’s longstanding case for permanent representation in a reformed UN Security Council.



6. U.S.–Iran diplomacy resumes but remains fragile

During UNGA week (22–30 Sep), indirect U.S.–Iran talks resumed through mediators, including discussions over the U.S. naval blockade and reopening the Strait of Hormuz, but no agreement has yet emerged.

Implication for India: Any prolonged disruption around Hormuz directly affects India's energy security, shipping costs, diaspora safety and relations with both Iran and Gulf states.

7. Ukraine sees limited opening for an energy and grain ceasefire

U.S. diplomacy at the UN produced tentative indications between 24 and 26 Sep that Russia and Ukraine might consider a limited ceasefire covering energy infrastructure and grain-related targets, although Moscow showed little willingness to engage substantively.

Implication for India: Even a limited ceasefire could reduce global food and energy volatility and support India's broader preference for negotiated conflict management.

8. Trump–Xi summit produces a temporary trade détente

The Trump–Xi meeting produced a two-month extension of the U.S.–China trade truce between 23 and 28 Sep, but major disputes over Taiwan, technology, critical minerals and the wider trade relationship remained unresolved.

Implication for India: Continued U.S.–China competition creates opportunities for India to attract supply-chain diversification, while simultaneously requiring careful balancing between Washington and Beijing.

9. AI becomes a major geopolitical and security issue at the UN

AI leaders warned the UN Security Council on 25 Sep that increasingly capable AI systems could create major security risks, while developing countries demanded a greater role in shaping global AI rules.

Implication for India: India has an opportunity to position itself as a bridge between advanced AI powers and the Global South in emerging debates on AI governance.

10. Venezuela begins a major financial and geopolitical realignment

The U.S. and Venezuela discussed restructuring Venezuela's huge sovereign debt, signalling a rapid thaw in relations following the removal of Nicolás Maduro and Washington's renewed engagement with Caracas.

Implication for India: Venezuela's reintegration into Western financial and energy markets could eventually reshape global oil flows and create both opportunities and competitive pressures for Indian refiners.

11. India faces renewed pressure over Russian oil purchases

U.S. Secretary of State Marco Rubio and External Affairs Minister S. Jaishankar discussed on 24 Sep the new U.S. sanctions legislation that could impose tariffs of up to 100% on major purchasers of Russian energy.

Implication for India: The issue could become a significant test of India's strategic autonomy, requiring New Delhi to balance affordable energy imports, Russia ties and its expanding U.S. partnership.

12. India's economic outlook comes under pressure from geopolitics

India's Chief Economic Adviser identified unsettled U.S. relations and high global energy prices as near-term economic headwinds on 24 Sep, while the rupee remained around ₹96 per dollar amid foreign portfolio outflows.

Implication for India: Geopolitical shocks are increasingly translating directly into currency, inflation and growth pressures, making external economic resilience a strategic priority.

13. Palestinian politics enters a new and uncertain phase

Hamas and Islamic Jihad on 29 Sep to form an electoral coalition with former Fatah official Mohammed Dahlan ahead of proposed Palestinian parliamentary elections, although the elections themselves remain uncertain.

Implication for India: Any restructuring of Palestinian politics could affect India's diplomatic engagement with Israel, the Palestinian Authority and the wider Arab world.

14. China-Taiwan tensions acquire a stronger historical dimension

Beijing accused Taiwan on 30 Sep of distorting the history of China's resistance against Japan, while Taipei challenged Beijing's narrative concerning which Chinese government led the wartime struggle.

Implication for India: Intensifying identity and historical contestation across the Taiwan Strait adds another layer to Indo-Pacific instability and strengthens the importance of India's engagement with Taiwan-related economic and technological networks.

15. Global financial conditions deteriorate amid prolonged geopolitical shocks

September ended with global bond markets facing one of their worst months in years, with the U.S. 10-year Treasury yield reaching 5.23% and Brent crude moving above \$100 a barrel amid the Middle East conflict.

Implication for India: Higher oil prices and global yields simultaneously pressure India's current account, rupee, inflation and borrowing costs, making geopolitical risk an increasingly important economic variable.



CHAKRA

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