

veKLY NEWSWRAP

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ECONOMY

India to become 3rd largest economy by 2027

Date: 27 July 2023



India is likely to get the 3rd largest economy tag in 2027 (2027-28) if it maintains the current rate of growth, and in the process, will surpass both Japan and Germany, said SBI Research in its 'Ecowrap' report. Earlier, SBI Research had expected India to become the third-largest economy in the world by 2029. Interestingly, the incremental increase by India between 2022-2027, is expected to be more than the current size of Australia's economy at USD 1.8 trillion, the report said.

Source: ANI

SPACE

Space industry can grow up to \$100 bn

Date: 26 July 2023

India has the potential to develop a \$40-\$100 billion space industry by 2040 on the back of rising space budget, increased number of launch services from the country, entry of private players and startups, and boom in India's satellite internet market, consultancy firm Arthur D. Little said in its latest report. Currently, India's space industry is valued at \$8 billion with a 2% share in the global space economy. India has launched 381 foreign satellites since 1999 for 34 countries clocking \$279 million in revenues.



Source: Mint

TRADE

India exported telecom gear worth Rs 6,911 crore

Date: 20 July 2023



Telecom equipment worth Rs 6,911 crore has been exported by companies selected under the production-linked incentive (PLI) scheme till May 31, 2023, the government said. The scheme was launched on February 24, 2021, to promote domestic manufacturing of specified telecom and networking products including 4G, 5G products, and also design-led manufacturing in the country. Regarding 5G services, Chauhan said so far, 2,81,948 5G sites have been set up by telecom operators.

Source: The Economic Times

Revoke ban on rice exports or food price inflation will exacerbate: IMF

Date: 25 July 2023

India's move to restrict exports of certain types of rice could help exacerbate food price inflation and should be reversed, International Monetary Fund chief economist Pierre-Olivier Gourinchas said. He told a news conference that India's restriction would have a similar effect of the suspension of the Ukraine Black Sea grain export deal, helping to drive up prices in other countries. He added that global grain prices could rise 10-15% this year.

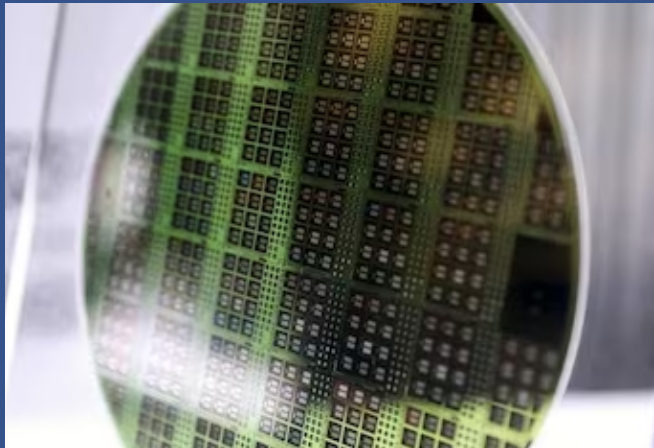


Source: Hindustan Times

TECHNOLOGY

Semiconductor PLI to help India do in 10 yrs what China did in 30

Date: 27 July 2023



India is on track to becoming a key player in the global semiconductor supply chain in the next decade with \$10 billion of incentives and assistance provided to encourage local chip manufacturing, Union minister Rajeev Chandrasekhar said. The production-linked incentive scheme last year attracted firms like Vedanta and Taiwan's Foxconn, who promised multi-billion dollar investment in setting up units to manufacture chips, which are used in products ranging from mobile phones to cars.

Source: Business Standard

REAL ESTATE

Luxury housing sale reaches record high

Date: 27 July 2023

Delhi-NCR has emerged as the favoured destination for luxury home buyers, witnessing the highest sales of apartments priced above Rs 4 crore in the first half of calendar 2023, as per an analysis by property consultants CBRE. The region recorded a significant Y-o-Y increase of 205%, with 2,900 units sold. Mumbai followed with 1,900 units sold, showing an 18% Y-o-Y growth, while Kolkata reported sales of 200 units, marking a 100% Y-o-Y increase.



Source: The Economic Times

News from International Publications

Fed takes interest rates to 22-year-high

Date: 27 July 2023



The Federal Reserve raised its benchmark interest rate by a quarter of a percentage point yesterday to the highest level in 22 years as it wrestles with how much more to squeeze the US economy to bring inflation under control. The Federal Open Market Committee lifted the federal funds rate to a new target range of 5.25-5.5% with unanimous support, resuming its most aggressive monetary tightening campaign in decades.

Source: Financial Times

China pressured expert firms In '22 Covid policy leak probe

Date: 27 July 2023

China's heightened scrutiny of the expert-network firms that investors and international businesses rely on for information about the country began much earlier than is commonly believed. Last autumn, in a previously unreported investigation, national-security agents showed up at some of those firms looking to track down leaks around China's highly sensitive Covid policies and vaccine strategy. The investigators asked people at one consulting firm in Shanghai if they had arranged meetings or calls with experts who had inside knowledge of the country's healthcare policy, according to a person familiar with the matter.



Source: The Washington Post

News from International Publications

Eurozone economic downturn deepens

Date: 25 July 2023



The eurozone’s downturn deepened at the start of the third quarter, according to a business survey that suggested the region’s economy was shrinking. The HCOB flash eurozone composite purchasing managers’ index, a measure of activity at companies across the 20-country bloc, fell to an eight-month low after a sharper than expected slowdown in services and a steeper decline in manufacturing in July. The result is expected to add to calls for the European Central Bank to stop raising interest rates after a quarter percentage point rise expected.

Source: The Financial Times

India ‘open’ to Chinese backing despite tension

Date: 27 July 2023

India is “open” to investments from China, according to a senior government official, despite New Delhi’s crackdown on Chinese companies and reports that some investment proposals have stalled. The claim by Rajeev Chandrasekhar, minister of state for electronics and information technology, comes as India seeks to capitalise on global supply chains in a pivot away from China, wooing suppliers to multinational companies such as Apple. India has banned more than 100 Chinese social media, lending and other apps, including TikTok, over the past 3 years, citing data protection and privacy concerns.



Source: Financial Times

News from International Publications

China admits economic recovery proving 'tortuous'

Date: 25 July 2023



China's leaders have vowed to spur consumer spending, tackle unemployment and give more support to the ailing property sector as the world's second largest economy makes a "tortuous" recovery from the pandemic. But the promises of more stimulus in the second half of the year from the Communist party's ruling politburo were light on details and unlikely to reassure investors worried by disappointing growth in the second quarter.

Source: Financial Times