

# **ve**KL Y NEWSWRAP

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# ECONOMY

## Economy on right path, fastest-growing in the world

**Date: 13 December 2023**



Union Finance Minister Nirmala Sitharaman said in the Lok Sabha the economy was moving in the right direction and India has become the fastest-growing major economy in the world. Replying to a debate on Supplementary Demands for Grants, Sitharaman said fiscal prudence is the top priority without compromising on social welfare. "Our economy is moving in the right direction... Macroeconomic fundamentals are fine. We have become the fastest-growing economy. Q2 growth of 7.6% is the highest in the world," she said.

**Source: The Indian Express**

## Wholesale price inflation hits an 8-month high of 0.26% in November

**Date: 14 December 2023**

India's wholesale inflation stepped out of the deflationary zone for the first time since March 2023 as it rose to 0.26% in November. Wholesale Price Index (WPI) inflation was at -0.52% in October 2023 and 6.12% in November 2022. At 0.26%, the latest wholesale inflation print is the highest in eight months. The WPI data comes two days after the statistics ministry said the headline retail inflation rose to a three-month high of 5.55% in November, still down 189 basis points from the 15-month high of 7.44% in July.



**Source: Moneycontrol**

# ECONOMY

## Rupee posts best day in over 8 months aided by dollar inflows

**Date: 15 December 2023**



The Indian rupee posted its biggest single-day gain in more than eight months amid heavy dollar inflows and a sharp rally in domestic equity markets to fresh record highs. The rupee ended at 83 against the U.S. dollar, up 0.4% on the day, its best single-day performance since April 5. The local unit logged its biggest weekly gain since Aug. 25, rising 0.4%. Dollar sales from large foreign banks, likely on behalf of custodian clients, helped the rupee gain on Friday, traders said.

**Source: The Economic Times**

# TRADE

## Phone orders drive electronics exports

**Date: 14 December 2023**

Growing smartphone shipments have led to a surge in electronics exports from the country. India's electronic exports reached \$15.5 billion in the April-October 2023 period compared to \$23.6 billion for the entire fiscal 2023. Industry sources note that during this seven-month period ended October, phone exports grew the fastest at around 60% owing to a surge in output from Apple and Samsung. At 30%, Tamil Nadu accounted for the largest share of India's electronics exports, followed by UP (16% share), and Karnataka (14% share).



**Source: The Times of India**

# ENERGY

## Global coal demand expected to decline in coming years

**Date: 15 December 2023**



After reaching an all-time high this year, global coal demand is expected to decline by 2026 due to a major expansion of renewables, according to the latest edition of the International Energy Agency's (IEA) annual coal market report. Around 40% of global carbon dioxide emissions stem from coal, while oil and gas contribute to the remaining percentage. The report says global demand for coal rose by 1.4% in 2023, mainly due to rising energy demand in emerging and developing economies, including India (8%) and China (5%).

**Source: CNBC TV18**

# STEEL

## India's steel imports at all-time high

**Date: 14 December 2023**

India's November steel imports were at an all-time high of 1.2 million tonnes for the data series available since CY06, Elara Securities said in a report. CY23 YTD volume has reached a six-year high of 7.0mn tonnes. India has been a net steel importer for the third consecutive month in November. Thus, higher imports remain cause for concern for domestic steel prices, the report said. However, steel prices in China have shown a positive trend in recent times, which should trim the price gap between India and imported steel products.



**Source: Zee Business**

# CRYPTOCURRENCY

**Crypto adoption high in India, says IMF chief Kristalina Georgieva**

**Date: 15 December 2023**



The International Monetary Fund (IMF) Managing Director Kristalina Georgieva said on that cryptocurrency (crypto) asset adoption is high in countries like India, and the challenge is that high crypto asset adoption could undermine macro-financial stability. Speaking at an international conference in Seoul, Georgieva mentioned that crypto assets can undermine monetary policy transmission of changing interest rates. They could also circumvent capital flow management measures, such as limits on foreign currency holdings, and undermine fiscal sustainability if tax collection becomes volatile or more difficult to enforce.

**Source: Business Standard**

# AUTOMOBILE

**Auto sales hit new high, fuelled by two-wheelers, passenger vehicles**

**Date: 10 December 2023**

November auto retail sales hit a record high of 28.54 lakh vehicles across categories, surpassing the previous high of 25.69 lakh vehicles achieved in March 2020, during the auto industry's transition from BS-4 to BS-6 emission norms, the Federation of Automobile Dealers' Associations (FADA) said. Two-wheeler and passenger vehicle (PV) sales hit new all-time highs, with two-wheeler (2W) sales at 22.47 lakh units, against the previous high of 20.7 lakh units in March 2020, and PV sales at 3.6 lakh vehicles, surpassing October 2022 sales of 3.57 lakh.



**Source: The Hindu Business Line**

# PHARMACEUTICAL

## Gujarat flag bearer of India's pharma industry

**Date: 15 December 2023**



Gujarat has been the flag bearer of India's pharma industry and a hub for manufacturing and exports for years, the state government has said. Gujarat provides employment to about 50,000 persons in over 4,000 manufacturing units producing allopathic, homoeopathic, ayurvedic and cosmetic drugs, according to a release by the state government. As per official numbers, the state accounts for 53% of India's medical devices manufacturing and 78% of the country's cardiac stents manufacturing. About 40% of the nation's contract research organisations are based in Gujarat.

**Source: Moneycontrol**

# News from International Publications

## Countries reach 'historic' COP28 deal to transition from fossil fuels

**Date: 14 December 2023**



Countries at the COP28 climate summit have for the first time reached a deal to transition away from fossil fuels in an attempt to reach global net zero emissions by 2050. But despite COP28 president Sultan al-Jaber hailing the agreement as “historic”, the deal was criticised by 39 small-island nations that complained it was pushed through without their support. The text asks all countries to set “ambitious” emissions targets over the two years that take into account their fossil fuel use, to limit global warming to 1.5C above pre-industrial levels.

**Source: Financial Times**

## China backs G20 goal to triple global renewable energy by 2030

**Date: 11 December 2023**

China supports the initiative by G20 countries to triple global renewable energy capacity by 2030, said Xie Zhenhua, China's special envoy for climate change. He also said during a news conference on the sidelines of COP28, that the world cannot forge ahead with energy transition without considering countries' differing conditions. The largest contribution of the landmark 2015 Paris Agreement on climate change is that it mapped out the route toward the world's green, low-carbon transition, for which energy transition is of great importance, Xie said.



**Source: China Daily**

# News from International Publications

## EU and US at odds over carbon credit market reforms

Date: 14 December 2023



Plans to launch a market that incentivises countries to reduce their carbon emissions have hit a serious roadblock after the US and the EU failed to resolve a disagreement over how closely the UN should police it. Climate negotiators at the COP28 summit in Dubai had been expected to endorse standards for the carbon credit market including those proposed by a UN supervisory body. It was widely anticipated that this could kick-start a mechanism for countries to pay compensation for their own emissions by investing in decarbonisation projects abroad.

Source: Financial Times

## US Fed expected to pause again as inflation edges closer to target

Date: 11 December 2023

The US Federal Reserve is widely expected to hold interest rates at a 22-year high for a third consecutive meeting as it continues to fight elevated inflation. With the financial markets all but certain that another pause is coming, traders and analysts are now debating how soon the US central bank will start cutting interest rates, and how rapidly it will then do so. The Fed, which has a dual mandate to lower inflation to its long-term target of 2% while also tackling unemployment, has continued to keep the threat of another rate hike alive.



Source: Khaleej Times



# News from International Publications

## UK economy shrinks unexpectedly in October

Date: 14 December 2023



The UK economy unexpectedly contracted in October, with all 3 main sectors reporting declines in output, according to figures that point to a weakening economy just ahead of the Bank of England's final rate-setting meeting of the year. GDP fell 0.3% between September and October, driven by declining services activity, as well as contracting manufacturing and construction output, according to data published by the Office for National Statistics. Economists polled by Reuters had expected no change in GDP after a 0.2% expansion the previous month.

Source: Financial Times

## Climate Deal Puts Pressure on Renewables

Date: 14 December 2023

The climate deal at the COP28 conference in Dubai amounts to a promise to revolutionize the global energy system. More than 190 governments at the U.N. summit reached an agreement that called for a transition away from fossil fuels and a massive expansion of renewable energy. The text agreed to by governments didn't call for the fossil fuel "phaseout" sought by many countries. It approaches the problem from another direction by calling for a ramping up of renewables.



Source: The Wall Street Journal

*VEKLY NEWSWRAP, a RV-VeKommunicate LLP property, is a round up of important national and international news from different sector, during the last 1 week. The information is compiled basis the 'sources' mentioned.*