

veKLY NEWSWRAP

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ECONOMY

Indian economy expected to surpass 6.5% growth in FY24

Date: 29 December 2023



India's economy is expected to comfortably surpass the government's growth estimate of 6.5% in FY24, the Finance Ministry said. It added, that the momentum the Indian economy gained in the second quarter of FY24 is likely to be sustained in the following December quarter of the fiscal year. The ministry also said that the growth in consumption demand is also expected to be sustained. In the half-yearly economic review 2023-24 report, the ministry had mentioned that the real GDP grew by a 7.7% in H1 of FY24, following a 7.6% growth in Q2.

Source: Mint

TRADE

India's exports to Australia increases by 14% after trade agreement

Date: 30 December 2023

India's exports to Australia saw a 14% year-on-year jump to \$5.87 billion in the first eight months of the current financial year (April-November) on the back of a favourable trade agreement that came into force a year ago on December 29 and opened a new market for Indian gold jewellery, garments, and bodies for tractors, among other products. India's imports from Australia, however, fell 19% on an annualised basis during April-November 2023 at \$11.15 billion, mainly due to a fall in the demand for coal, coke and briquettes in India.



Source: Hindustan Times

ENERGY

Renewable energy investments in India to jump 83% to \$16.5 bn in 2024

Date: 26 December 2023



India will witness a more than 83% increase in investments in renewable energy projects to around \$16.5 billion in 2024 as the country focuses on energy transition to reduce carbon emissions, according to power ministry estimates. This is in line with India's ambitious target of having 500 GW of renewable energy by 2030 and its resolve to reduce overall power generation capacity from fossil fuels to less than 50 per cent. India has committed a net zero emission target by 2070.

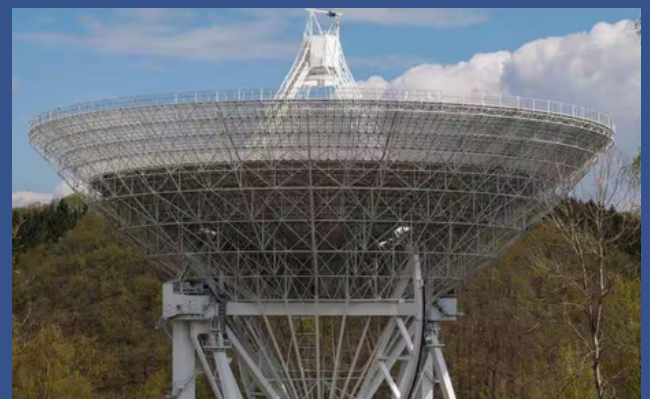
Source: Business Standard

TELECOM

Govt extends testing norms deadline for 12 telecom gears

Date: 30 December 2023

Even as the rules for mandatory testing and certification of telecommunication equipment (MTCTE) will largely come into effect from January 1, the government in a relief to telcos has again extended the deadline for complying with the rules for 12 out of 44 key telecom gears, according to a notification by the Telecommunication Engineering Centre (TEC). The MTCTE guidelines provide that every telecom equipment must undergo mandatory testing and certification before it is put into sale and used for network rollouts.



Source: The Financial Express

STEEL

Steel trade deficit widens to ₹2,400cr as Chinese imports flood markets

Date: 28 December 2023



India saw a surge in steel shipments from China, up nearly 50% on a year-on-year basis to 1.34 million tonnes (mt), and a 500% rise in offerings from Vietnam to 0.5 mt – supposedly a country through which more Chinese imports were being routed - led to a sectoral trade deficit for the April – November period. Apart from becoming a net importer of steel, reversing a three-year-trend, India’s steel trade deficit widened to Rs 2400 crore (approx) for the period under review as imports continued to exceed exports.

Source: The Hindu Business Line

AUTOMOBILE

Why India’s auto PLI is yet to pick up after two years

Date: 29 December 2023

The production-linked incentives (PLI) scheme for the automotive sector has hit another speedbreaker due to lack of clarity about the process to apply for subsidies, multiple industry executives said. The government is still working on the standard operating procedures (SoPs) for claiming incentives, nearly two years after the scheme became operational, the people said on the condition of anonymity. The SoPs are expected to outline the process for verifying sales and investments made as part of the scheme and the format of various certificates, undertakings and documents that applicants need to produce.



Source: Mint

News from International Publications

Economists expect weak eurozone growth next year

Date: 28 December 2023



The eurozone economy is set for only modest growth next year despite wages rising faster than inflation for the first time in three years, according to a Financial Times poll of economists. Almost two-thirds of the 48 economists surveyed believed the single currency bloc was already in a recession usually defined as two consecutive quarters of gross domestic product shrinking from the previous quarter.

Source: Financial Times

Banned Apple Watches Are Back On Sale

Date: 28 December 2023

Apple won approval to restart most sales in its \$18 billion smart-watch business after a U.S. appeals court paused a federal agency's import ban on some models of the device. The Apple Watch Series 9 and Ultra 2 models, for which sales were once again available in stores and are slated to return online. In October, the U.S. International Trade Commission banned the import into the U.S. of some versions of the Apple Watch after finding that Apple violated the patents of Masimo, an Irvine, Calif.-based medical technology company.



Source: The Wall Street Journal

News from International Publications

Brazil's environment minister calls for cap on oil production

Date: 28 December 2023



Brazil must consider capping oil production and exploration, the environment minister has said, in the face of government plans to turn into a top crude producer by 2029. "One issue that will have to be faced is the issue of limits, a ceiling for oil exploration. It is a debate that is not easy but oil-producing countries will have to face," said Marina Silva. Her comments reflect tension in President Luiz Inácio Lula da Silva's efforts to play both sides of the climate debate-burnishing Brazil's environmental credentials in protecting the crucial ecology of Amazon while supporting oil drilling for its economic benefits.

Source: Financial Times

U.S. Faces a Long Road to Clean Energy

Date: 28 December 2023

The U.S. is racing to overhaul how it powers its cars, trucks, buildings and industries. It has a long way to go. The Biden administration is investing hundreds of billions of dollars to cut the country's reliance on fossil fuels and transition to cleaner energy. Getting there is going to take huge infrastructure projects and the development of technologies that once seemed like science fiction. Much of the work is just getting started.



Source: The Wall Street Journal

News from International Publications

Automobiles Washington's subsidies hit Europe's plans for battery supply chain

Date: 28 December 2023



European plans to create a battery supply chain for electric cars independent of China face big delays as companies focus on the US market because of clean energy subsidies, a top manufacturer has warned. Chris Burns, a former Tesla engineer who heads Australian battery materials producer Novonix, told the Financial Times that the US Inflation Reduction Act was drawing producers away from Europe. Novonix, which manufactures the battery component graphite, plans to focus on the US market because of incentives in the \$369bn act.

Source: Financial Times

Banking Turmoil Is Playing Out At Smallest Lenders Across U.S.

Date: 28 December 2023

The failure to anticipate how quickly the Fed would raise interest rates has upended banks big and small this year. Three bigger ones collapsed this spring, but it is community banks such as Industry that have been in a full-blown crisis. The losses on long-term bonds have unnerved depositors, investors and regulators who have questioned how bankers failed to properly protect themselves from interest-rate risks. Community banks typically focus on plain-vanilla lending, making a lot of small-dollar loans to businesses and households that fuel local economies.



Source: The Wall Street Journal

News from International Publications

Electric Vehicles Lose Momentum in the U.S.

Date: 28 December 2023



Electric-vehicle sales growth hit a speed bump in the U.S. this year, and the impact is being felt through the industry. Carmakers around the world have invested billions of dollars in EV technology, spurred on by tailpipe emissions regulations designed to boost sales of battery-powered models. But as customers in the U.S. hesitate to make the switch from traditional gas-engine vehicles, some auto companies are delaying plans for electric-vehicle spending.

Source: The Wall Street Journal