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February 03, 2024 / 66



ECONOMY

Indian economy set for 6.7% growth till 2031

Date: 03 February 2024



The Indian economy is anticipated to experience a consistent growth of 6.7% annually from 2024 to 2031, as per the latest report by CRISIL. CRISIL attributes this growth trend to capital, highlighting the government's investment-driven approach during a period when the private sector hesitated to make substantial investments. The government's notable increase in capital expenditure, supporting infrastructure projects and offering interest-free loans to states, is identified as a pivotal factor, it said.

Source: India Today

TRADE

Toy exports jump to USD 325.72 mn in 2022-23

Date: 02 February 2024

The country's toy exports have jumped to USD 325.72 million in 2022-23 from USD 96.17 million in 2014-15. Minister of State for Commerce and Industry Som Parkash said that the government is providing all-round support for creating a conducive manufacturing ecosystem for the toys industry. As a result of measures, the manufacturing ecosystem of the industry has witnessed "remarkable" growth, leading to a substantial decrease of 52 per cent in overall import of toys from USD 332.55 million in 2014-15 to USD 158.7 million in 2022-23.



Source: The Economic Times

ENERGY

Renewable energy takes center stage in Budget 2024

Date: 01 February 2024



In a move towards achieving the 'net-zero' goal by 2070, the Interim Budget 2024-25, has earmarked several key initiatives in the green energy sector. The budget outlines the government's plan to provide viability gap funding for the development of one gigawatt of offshore wind energy capacity. The budget also sets a target to establish a coal gasification and liquefaction capacity of 100 million tonne by 2030. This move is expected to reduce India's dependence on imports of natural gas, methanol, and ammonia, thereby bolstering energy self-sufficiency.

Source: ET Energyworld

AUTOMOBILE

Allocation Under Auto PLI Scheme Raised

Date: 01 February 2024

The central government has increased allocation for a scheme that incentivises automobile manufacturing in India, even as it sets aside less cash for subsidising electric vehicles. The interim budget for FY25 has allocated Rs 3,500 crore towards a production-linked incentive for automobiles and auto components. In FY24, the outlay stood revised to a mere Rs 484 crore. The Union Cabinet had approved the auto PLI scheme with a budgetary outlay of Rs 25,938 crore for five years—from FY23 to FY27.



Source: NDTV Profit

STEEL

India's April-December steel imports hit five-year high

Date: 30 January 2024



India's steel imports touched a five-year high in the first nine months of the fiscal year to the end of March, turning the country into a net importer of finished steel, according to provisional government data. A spurt in economic activity and a revamp of broader infrastructure have turned India into a bright spot for both Indian and global steel makers. Unlike India, steel demand is slowing down in Europe and the United States. India imported 5.6 million metric tons of finished steel between April and December, up 26.4% from a year earlier, the data showed.

Source: The Economic Times

CEMENT

DFC will improve logistics boost connectivity: Cement industry

Date: 02 February 2024

Cement manufacturers welcomed the Budget proposal to create a dedicated railway corridor for the cement sector. The Cement Manufacturers' Association (CMA) welcomes the announcement for Cement corridors under the railways that would help improve logistics efficiencies and boost multimodal connectivity, said CMA President Neeraj Akhoury. CMA Vice President Parth Jindal said, "The allocation to key sectors such as housing is a step in the right direction, as it will foster growth with employment."



Source: ET Infra

News from International Publications

BoE sets stage for rate cuts but insists on 'more evidence' of falling inflation

Date: 02 February 2024



The Bank of England has opened the door to interest rate cuts but said it first required "more evidence" that inflation would continue falling, as it held borrowing costs at 5.25%. After a meeting of the Monetary Policy Committee, the central bank signalled it was ready to consider lowering rates for the first time since inflation surged following the coronavirus pandemic. With headline inflation at 4% compared with its 2022 peak of more than 11%, the bank has ditched its warnings that "further tightening" might be necessary.

Source: Financial Times

E.U. set to send billions to Kyiv

Date: 02 February 2024



European Union leaders agreed to \$54 billion in aid for Ukraine, overcoming opposition from Hungary to secure critical funding as battlefield progress stalls and support from the United States looks uncertain. In emergency meetings in Brussels, Hungarian Prime Minister Viktor Orban, who has spent months railing against the aid, finally agreed to sign on. The agreement is a win for E.U. leaders who have increasingly struggled to work with Orban on key issues, particularly Russia's war in Ukraine.

Source: The Washington Post

News from International Publications

UN climate chief urges COP29 action to close financial gap

Date: 03 February 2024



The UN's climate chief has urged countries to intensify action to close the financing gap to tackle global warming at this year's COP29 summit in Azerbaijan, where the hosts of the annual talks are under growing scrutiny. Many western countries and global interest groups have questioned what progress can be achieved by the second petrostate in a row to host the world's most important discussions to address climate change, after the COP28 conference in the United Arab Emirates.

Source: Financial Times

U.S. recovery outpaces other nations

Date: 29 January 2024

The European economy, hobbled by unfamiliar weakness in Germany, is barely growing. China is struggling to recapture its sizzle. And Japan continues to disappoint. But in the United States, it's a different story. Here, despite lingering consumer angst over inflation, the surprisingly strong economy is outperforming all of its major trading partners. Since 2020, the United States has powered through a once-in-a-century pandemic, the highest inflation in 40 years and fallout from two foreign wars.



Source: The Washington Post

News from International Publications

Falling inflation boosts hope of early ECB rate cut

Date: 01 February 2024



Falling inflation in Germany and France added to investors' hopes that the European Central Bank will cut borrowing costs soon, even though rapid wage growth triggered a rise in services prices at the start of the year. Consumer prices in Germany rose 3.1% in the year to January, according to data from the Federal Statistical Agency. That was a slowdown from 3.8% in December and below the 5.2% forecast for January by economists in a Reuters poll.

Source: Financial Times

India tells tech giants to police deepfakes under 'explicit' rules

Date: 29 January 2024

A senior official in Narendra Modi's government has warned that social media companies will be held accountable for AI-generated "deepfakes" posted on their platforms in compliance with "very clear and explicit rules" as India prepares for a general election this year. Rajeev Chandrasekhar, minister of state for electronics and IT, said that India had "woken up earlier" to the danger posed by deepfakes than other countries because of the size of its online population.



Source: Financial Times

News from International Publications

Indians promised record spending ahead of polls

Date: 02 February 2024



Narendra Modi's government has pledged record spending on Indian railways, airports and other infrastructure and touted its economic achievements as it unveiled its final interim budget before parliamentary elections this year. Nirmala Sitharaman, finance minister, said in a budget address that New Delhi would spend Rs11.11th (\$134bn) in the coming fiscal year, up about 11%, which would "have a large multiplier impact on growth and investment". India was a "bright star", with growth this year estimated at 7%.

Source: Financial Times