

veKLY NEWSWRAP

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ECONOMY

India's GDP shines in Q3, grows at 8.4%; FY24 estimate pegged at 7.6%

Date: 01 March 2024



Surpassing the expectations of analysts, India's Gross Domestic Product (GDP) registered a robust growth of 8.4 per cent on an annual basis in the third quarter (October-December), as against a 8.1 per cent in the previous quarter, data released by the National Statistical Office (NSO) showed Thursday. The number for Q1, Q2 FY24 has also been revised upwards to 8.2 per cent (against 7.8 per cent) and 8.1 per cent (against 7.6 per cent) respectively.

Source: The Economic Times

TRADE

Trade diplomacy: Govt depts red-flag high duties to curb China imports, seek nuance in strategy

Date: 27 February 2024

Various branches within the government are expressing concerns about the Centre's recent inclinations toward progressively increasing customs duties, particularly targeting imports of Chinese components and inputs. A faction within the government advocates for a more balanced approach to utilizing tariffs for diplomatic purposes. Failure to adopt such an approach could jeopardize the advancements made in India's manufacturing sector, including initiatives like the Production-Linked Incentive (PLI) scheme.



Source: The Indian Express

ENERGY

Companies to see more gains as India's power demand surge continues

Date: 29 February 2024



With a double-digit surge in India's power demand, capital goods to ports have reported early gains, a trend that is likely to continue, according to industry executives and analysts. The power demand for the quarterly period of October-December 2023 was 10 per cent higher than the previous year. It grew 9 per cent year-on-year (Y-o-Y) during the nine months of the current financial year. A significant portion of this demand was met through thermal power generation.

Source: Business Standard

AUTOMOBILE

Auto industry to invest \$7 bn in 5 years to deepen parts localisation

Date: 01 March 2024

Indian auto industry is set to invest up to \$7 billion, or about Rs 58,000 crore, by FY28 to deepen localisation of advanced components from electric motors to automatic transmissions to reduce imports and capitalise on multinationals' 'China Plus One' sourcing strategy. Automakers and their suppliers are likely to make this investment between FY24 and FY28, industry body Automotive Component Manufacturers Association (ACMA) said.



Source: The Economic Times

STEEL

Steel trade deficit widens to over ₹11,500 crore as India continues to be net importer for April - Jan period

Date: 26 February 2024



India's steel trade deficit widened to over ₹11,500 crore for April - January period, up 30 per cent in a one-month-period and 15 per cent on a y-o-y basis, as imports from China continued to surge, up 80 per cent-odd on a y-o-y basis a Steel Ministry report reviewed by businessline, said. The country was a net importer of steel for the period under review with 6.8 mt (up 35 per cent) coming in, as against export which stood at 5.5 mt (up 3.6 per cent).

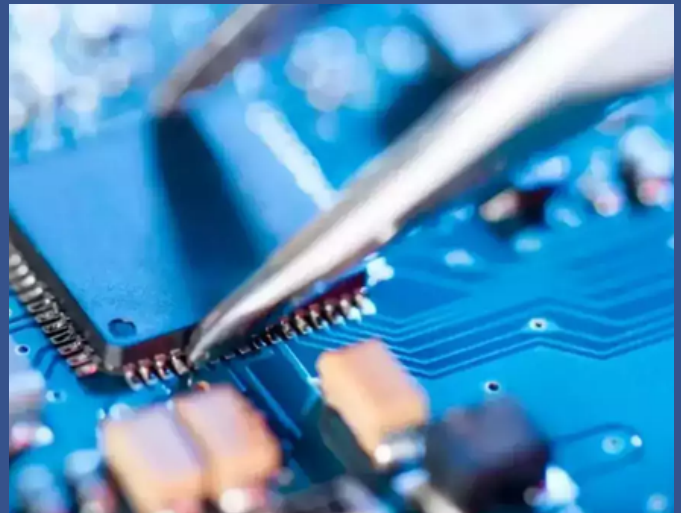
Source: The Hindu BusinessLine

TELECOM

Semiconductor units to support India's vision of self-reliance in manufacturing ecosystem: Associations

Date: 01 March 2024

The Union Cabinet's nod for establishing three semiconductor units in India, with a combined investment of Rs 1.26 lakh crore, is lauded by telecom industry associations for bolstering the nation's manufacturing self-sufficiency. Tata Electronics, in collaboration with Taiwanese Powerchip Semiconductor Manufacturing Corporation (PSMC), will construct a semiconductor fab unit in Dholera, Gujarat. This facility, with a capacity of 50,000 wafers per month, requires an investment of Rs 91,000 crore.



Source: The Economic Times

ELECTRONICS

Smartphone ownership among 44+ drops in urban India, rises in villages

Date: 01 March 2024



According to the Kantar-TGI (Target Group Index) study, over five years, the gender gap in smartphone ownership has narrowed despite consistently higher male ownership. Female adoption surged, indicating tech access parity. However, urban India's declining smartphone adoption among 'silver' users kept overall ownership at 14% (2019-2023). Meanwhile, feature phone ownership rose to 32% (2019: 29%) among users over 44.

Source: The Economic Times

News from International Publications

Food inflation at near 2-year low, industry data reveals

Date: 27 February 2024



UK food inflation eased to its lowest rate for almost two years in February as meat, fish and fruit prices fell, according to industry data, adding to evidence of downward cost pressure in the economy. Annual food inflation slowed to 5 per cent this month, down from 6.1 per cent in January and the lowest rate since May 2022, the British Retail Consortium data showed. The slowdown was driven by “easing input costs for energy and fertiliser while retailers competed fiercely to keep prices down”, said BRC’s chief executive Helen Dickinson.

Source: Financial Times

Eurozone inflation falling but no start on rate cuts yet

Date: 26 February 2024

Further relief on eurozone inflation is expected with data expected to show the underlying rate of consumer price growth, which strips out more volatile energy and food prices, dropping below 3 per cent for the first time in two years. That would be a key milestone for policymakers at the European Central Bank in the run-up to their next meeting on March 7 as they debate when to start cutting interest rates. The headline rate of eurozone inflation has fallen steadily from its record high of 10.6 per cent in October 2022.



Source: Financial Times

News from International Publications

Qatar to raise LNG capacity in gamble on Asia demand

Date: 26 February 2024



Qatar plans to further increase its liquefied natural gas (LNG) production capacity following the discovery of vast new gas reserves, as it looks to tap surging demand from China and other Asian nations. The move, which comes on top of planned increases to output announced in recent years, will mean that its overall production capacity will rise almost 85 per cent from current levels before the end of the decade. The plans mark a bet by the Gulf state that strong demand for the fuel will continue, with Asian economies switching from coal as part of efforts to cut carbon dioxide emissions.

Source: Financial Times

Adjusted natural-gas prices fall to lowest level in decades

Date: 27 February 2024

Adjusted for inflation, natural-gas futures prices recently hit their lowest level since trading began on the New York Mercantile Exchange in 1990. This is good news for U.S. consumers, who can look forward to lower utility bills, as well as for businesses that use a lot of natural gas making basic materials like steel, concrete, cardboard and fertilizer. U.S. Consumer's gas costs in January were about 18% lower than a year earlier, according to the Labor Department.



Source: The Wall Street Journal

News from International Publications

U.S. GDP expands 3.2% in fourth quarter

Date: 29 February 2024



The U.S. economy grew at a robust 3.2% annual pace from October through December, propelled by healthy consumer spending, the Commerce Department reported in a slight downgrade from its initial estimate. The expansion in the nation's gross domestic product — the economy's total output of goods and services — slipped from a red-hot 4.9% from July through September. The fourth-quarter GDP numbers were revised down from the 3.3% pace Commerce initially reported last month.

Source: The Washington Post

Companies Say Own Boards Push For Decarbonization

Date: 27 February 2024

A recent report indicates that the impetus for companies to reduce their carbon footprint originates primarily from within the organizations, rather than from customers and regulators. The survey, conducted by law firm Ashurst, reveals that three-quarters of business leaders from G20 nations attribute the drive to invest in renewable energy mainly to their corporate boards. In the U.S., 77% of business leaders perceive this internal pressure as extreme or significant.

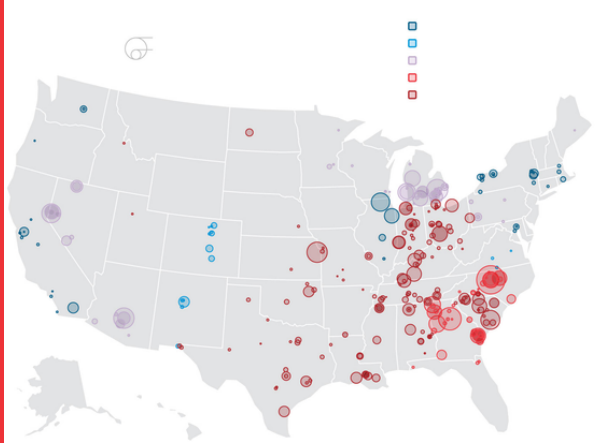


Source: The Wall Street Journal

News from International Publications

Biden's Green Push Boosts GOP States

Date: 28 February 2024



The surge in U.S. manufacturing and mining, initiated during President Biden's tenure, is in its early stages, with a significant portion directed towards Republican-leaning regions. Despite the passage of two crucial climate laws by Democratic lawmakers over two years ago, which garnered minimal Republican support, companies have unveiled plans for approximately \$170 billion in new or expanded factories and mining ventures in the United States. These projects are anticipated to generate around 200,000 new industrial jobs, as reported by data from Atlas Public Policy and Utah State University.

Source: The Wall Street Journal