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ECONOMY

India will surpass Japan & Germany to emerge as 3rd largest economy in 5 years, says Amitabh Kant

Date: 21 March 2024



During a conference titled "The Deccan Conversations, Accelerating Our Growth Story," organized by the Confederation of Indian Industry (Southern Region), India's G20 Sherpa and former NITI Aayog CEO, Amitabh Kant, expressed confidence that India would surpass Japan and Germany to become the world's third-largest economy and stock market within the next five years. Kant highlighted India's consistent growth, averaging at 8.3 percent over the last three quarters, portraying the nation as a resilient powerhouse in the global economic landscape.

Source: The Economic Times

TRADE

India, UK aim to sign free-trade agreement by July; legal vetting on

Date: 21 March 2024

Following a prolonged delay, New Delhi and London are targeting the signing of a free-trade agreement (FTA) by July. This agreement is anticipated to provide Indian exporters of labor-intensive goods such as textiles, machinery, automobile parts, and marine products with enhanced market access. For India's National Democratic Alliance-led government, securing a trade deal with the United Kingdom (UK) stands as a primary objective, as it sets its sights on a third consecutive term.



Source: Business Standard

STEEL

Indian steel firms' profitability may see 25-30% impact after EU carbon tax

Date: 21 March 2024



Following the implementation of the carbon border adjustment mechanism in 2026, Indian steel companies exporting to the European Union could experience a reduction in profitability by an estimated 25–30%. The EU's introduction of a carbon tax, slated for 2026, is designed to safeguard domestic producers in six key sectors—iron and steel, aluminium, cement, fertiliser, electricity, and hydrogen—who have made substantial capital investments to adhere to European emission regulations, protecting them against the influx of inexpensive, non-compliant imports.

Source: NDTV

TELECOM

TRAI releases recommendations on embedded SIMs for IoT devices

Date: 21 March 2024

The telecom regulator has issued recommendations concerning embedded SIMs in IoT devices. Among other measures, these recommendations entail mandatory conversion to local service providers within a six-month timeframe. The Telecom Regulatory Authority of India (TRAI) has released these recommendations to tackle regulatory challenges within the burgeoning IoT landscape, which encompasses devices such as smart meters, agricultural sensors, and others, amidst the escalating digitization of the economy.



Source: The Economic Times

CYBERSECURITY

Ransomware attack top threat in India, human error leading cause of breaches

Date: 21 March 2024



According to a recent survey conducted by Thales, a cybersecurity company, ransomware is identified as the most rapidly growing threat in India. However, the survey also found that only 20% of respondents have a formal ransomware plan in place, with 10% admitting to resorting to paying the ransom demands. The report highlights ransomware and malware as the fastest-growing threats of 2024, with 42% of respondents ranking them as the top types of threats on the rise. Notably, cloud assets, including SaaS applications, cloud-based storage, and cloud infrastructure management, remain the primary targets for such attacks.

Source: Business Standard

HEALTHCARE

'CSR health initiatives by corporates strengthened healthcare framework'

Date: 13 March 2024

Recent research indicates that Corporate Social Responsibility (CSR) initiatives in health, led by Indian businesses, are making a considerable positive impact across varied landscapes, extending from urban hubs to remote rural areas of the nation. The research encompasses over 100 impact assessment studies conducted during FY 2022-23 that underscore the effectiveness of these interventions in alleviating pressure on public healthcare institutions and bolstering India's healthcare infrastructure.



Source: The Times of India

News from International Publications

U.S. retreats further on free trade

Date: 18 March 2024



Recent actions against two foreign companies signal a departure from Washington's previous stance on international openness towards a more nationalist and protectionist economic agenda. Firstly, the House, with bipartisan support, passed a measure to either ban or compel the sale of TikTok, a Chinese-owned video app. Secondly, President Biden issued a rare statement opposing Japanese company Nippon Steel's attempt to acquire United States Steel, emphasizing the importance of keeping the latter under American ownership.

Source: The Wall Street Journal

Investors rattled by India's regulatory surprises

Date: 18 March 2024

In recent years, foreign investors have been redirecting their investments from China to India, partly due to apprehensions regarding Beijing's unpredictable policy decisions and China's slowing economy. However, a recent crackdown on one of India's major financial technology firms has unsettled investors, highlighting that New Delhi is also capable of making abrupt decisions with significant ramifications for companies and market valuations.



Source: The Wall Street Journal

News from International Publications

Unemployment in China increases

Date: 19 March 2024



China's economy is facing a fresh challenge: a surge in unemployment. Newly released data indicates that joblessness in China has increased for the third consecutive month. Standing at 5.3%, the official unemployment rate has returned to its July levels, following upticks in December and January, which nullified nearly six months of consistent improvement. This rise in the unemployment rate is just one among several economic indicators recently released in Beijing.

Source: The Wall Street Journal

Netanyahu face crisis in US relations after picking public fight with Biden

Date: 19 March 2024

Shortly after engaging in a public dispute with Joe Biden, Benjamin Netanyahu sought support from one of the most influential backers of the Jewish state in Washington: the Israel lobby. During a direct address to the American Israel Public Affairs Committee last week, he refuted each criticism made by the US president: that the Israeli military had caused excessive civilian casualties in its efforts to defeat Hamas, and that Netanyahu's actions were detrimental to Israel by obstructing the Palestinian Authority from governing Gaza.



Source: Financial Times

News from International Publications

Red alert sounded after hottest year on record

Date: 20 March 2024



The World Meteorological Organization issued a "red alert" on climate change, citing record surface and ocean temperatures, glacial retreat, and rising sea levels during the warmest 10-year period on record. Additionally, the report highlighted a significant increase in global hunger since the onset of the pandemic, with twice as many people affected. Drawing data from member countries and partner agencies, the UN agency confirmed that 2023 stood as the hottest year on record. It noted that the average global surface temperature was 1.45°C above pre-industrial levels, with a margin of uncertainty of 0.12°C.

Source: Financial Times

Investors bet on Europe consumer stocks amid economic optimism

Date: 20 March 2024

Investors are actively acquiring European travel, retail, and luxury goods stocks, anticipating a resurgence in the region's economy that will entice consumers to increase spending on holidays and luxury items. Since the start of February, carmakers Renault and Stellantis have surged by over 25%. Similarly, German entertainment group Eventim has seen a 23% rise, while Danish jewelry maker Pandora has climbed by 15% in the same period. Fund managers are wagering that the prevailing pessimism regarding European economic growth is exaggerated.



Source: Financial Times

News from International Publications

US Fed officials expect to cut rates 75 basis points this year

Date: 21 March 2024



US Federal Reserve officials signaled their continued intention to reduce interest rates by 75 basis points this year, demonstrating confidence in the moderation of inflation to warrant a decrease in borrowing costs. The rate projections, released by the US central bank, coincided with the unanimous decision of the Federal Open Market Committee to maintain rates at a 23-year high of 5.25% to 5.5%.

Source: Financial Times

Bitcoin tumbles 16% from record high as Grayscale ETF outflows hit \$12bn

Date: 21 March 2024

Bitcoin has experienced a 16% decline from its recent all-time high, attributed to a reversal in investor flows from new stock market funds that had previously fueled a substantial rally this year. The world's largest cryptocurrency, reaching a peak of \$73,800, dipped to as low as \$60,760 before rebounding to just below \$64,000. This downturn coincides with outflows of nearly \$500 million from the 11 new bitcoin exchange-traded funds over the past two days, as reported by CoinShare, an asset management group.



Source: Financial Times