

veKLY NEWSWRAP

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ECONOMY

Indian economy to grow at 7.5% in 2024: World Bank

Date: 3 April 2024



The World Bank has revised its projections, stating that the Indian economy is anticipated to expand by 7.5% in 2024, marking an upward adjustment of 1.2% from its earlier forecasts for the same period. This growth trajectory is envisaged to be propelled by resilient activity in both the services and industry sectors. However, there is an anticipation of a moderation in growth to 6.6% over the medium term. Specifically, the World Bank foresees India's output growth to hit 7.5 percent in FY24, subsequently easing to 6.6 percent in FY25.

Source: Mint

TRADE

India had favorable trade performance with EU, China in 2023: govt

Date: 1 April 2024

The commerce and industry ministry reported a 3% decrease in India's imports from China in the calendar year 2023 compared to 2022. Concurrently, exports to both China and the EU witnessed growth, with increases of 7.1% and 2.1%, respectively, during the same period. This revelation comes subsequent to a recent United Nations Conference on Trade and Development (UNCTAD) report indicating a heightened trade reliance on China and the EU for India in 2023.



Source: The Economic Times

STEEL

The silver lining in slowing domestic demand for steel: higher exports

Date: 4 April 2024

During the ongoing first fiscal quarter, it is expected that India's steel exports will continue to rise, mainly due to softened domestic demand for the alloy amidst the election season. Analysts foresee a scenario where India will soon revert to being a net exporter of steel, attributed to a slowdown in domestic demand in the lead-up to the national election. Given regulations prohibiting governments from making significant announcements or decisions that could sway voting during election periods, there's a consequential reduction in government spending on infrastructure and other construction activities.



Source: Mint

AUTOMOTIVE

Indian carmakers post higher March sales; end fiscal 2024 at record levels

Date: 1 April 2024



Maruti Suzuki, Tata Motors, and Mahindra & Mahindra have announced increased car sales in March, culminating fiscal 2024 with record-breaking levels, as per monthly data provided by the automakers. Each month, Indian automobile manufacturers disclose wholesale figures, representing vehicle sales to dealers, which serve as a pivotal gauge of private consumption in India. Notably, the auto sector holds a significant weightage of over 50% in the computation of the country's economic growth.

Source: Reuters

TELECOM

Talks begin on pricing of new spectrum bands

Date: 5 April 2024

The Telecom Regulatory Authority of India (TRAI) is soliciting feedback on pricing and spectrum allocation for upcoming auctions of new bands intended for mobility and satellite communication services. The Department of Telecommunications has designated frequency bands, including 37-37.5 GHz for International Mobile Telecommunication (IMT), 37.5-40 GHz, and 42.5-43.5 GHz for both international mobile telecommunication (IMT) and satellite gateway links.



Source: The Economic Times

HEALTHCARE

India's TB Elimination Goal by 2025 is a Long Road Ahead But There are Promising Milestones

Date: 1 April 2024



India's most recent tuberculosis report has revealed a gradual decline in cases over an eight-year period. According to a recent India TB report, approximately 27.8 lakh TB cases were recorded in the country in 2023, marking a slight reduction from the estimated 28 lakh cases in 2015. The annual India TB Report is compiled and published as part of the National TB Elimination Programme (NTEP) by the Central TB Division of the Ministry of Health and Family Welfare.

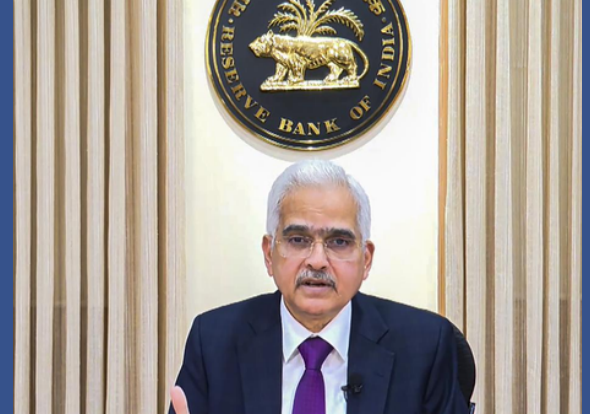
Source: News18

BANKING

RBI Monetary Policy 2024

Date: 5 April 2024

On April 5, the Monetary Policy Committee (MPC) opted to maintain the policy repo rate under the liquidity adjustment facility (LAF) at the unchanged rate of 6.50%. This decision marks the 7th consecutive instance where the rates have remained steady. Additionally, the MPC reaffirmed its commitment to gradually withdrawing accommodation to ensure that inflation moves in line with the target while also supporting economic growth. RBI Governor Shaktikanta Das highlighted the robust momentum of the domestic economy, citing the second advance estimates (SAE), which indicated a 7.6% expansion of real gross domestic product (GDP) in 2023-24, driven by strong domestic demand.



Source: The Hindu

News from International Publications

Last leg of inflation fight not won yet

Date: 1 April 2024



Inflation is persisting more stubbornly than initially anticipated in both the U.S. and Europe, posing a challenge for central bankers and raising concerns about whether investors might be overly optimistic about the global economy. The drop in inflation from its peak of approximately 9% to 10% across advanced economies in 2022 marked the low-hanging fruit, as supply chain disruptions alleviated and commodity prices, particularly for energy, returned to normal levels.

Source: The Wall Street Journal

China's manufacturing data reflect upturn, but host of hurdles remain

Date: 1 April 2024

China's extensive manufacturing sector bounced back into expansion mode in March following five consecutive months of decline, contributing to indications of an economy stabilizing as recent stimulus efforts begin to take effect. The official measure of China's factory activity increased to 50.8 from February's 49.1, as announced by the country's National Bureau of Statistics on Sunday, surpassing economists' expectations of 50 according to a survey by The Wall Street Journal. The threshold of 50 delineates expansion from contraction.



Source: The Wall Street Journal

News from International Publications

Sunak's allies eye election after US vote

Date: 1 April 2024



Rishi Sunak's prospects for triumphing in the upcoming general election could receive a boost if he chooses to delay until after the potentially tumultuous US presidential vote on November 5, according to his supporters. Advisers close to the prime minister suggest that he might gain from being perceived as a seasoned and dependable leader, especially if political unrest arises from the US election and the potential re-election of Donald Trump.

Source: The Financial Times

Inflation cools across Eurozone

Date: 4 April 2024

For the third consecutive month, the eurozone witnessed a decline in its annual inflation rate in March, a development that has surprised observers and raises the likelihood of the European Central Bank reducing its key interest rate in June. Consumer prices rose by 2.4% compared to the previous year, showing a moderation from February's inflation rate, as per data released by the European Union's statistics agency. Economists had anticipated inflation to remain stable. Core inflation, which excludes volatile energy and food prices, also fell short of expectations, hitting its lowest level in over two years.



Source: The Wall Street Journal