

veKLY NEWSWRAP

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ECONOMY

Indian economy likely to register 8-8.3% growth in FY25, says PHDCCI

Date: 18 April 2024

According to the PHDCCI, India's economy is projected to grow between 8-8.3% in the current fiscal year. Additionally, they anticipate that India's GDP will experience an average growth rate of 6.7% over the next 23 years, leading to a \$34.7 trillion economy by 2047, accompanied by a per capita income of \$21,000. The industry body predicts that India will achieve this economic milestone by 2047, highlighting the need for 10 key enablers outlined in their report to propel the country towards becoming a developed economy.



Source: Business Standard

TRADE

India fails to make substantial export gains in the US and Europe in FY24

Date: 19 April 2024

In the fiscal year 2024, India's exports to its major markets, Europe and the US, showed limited growth, remaining steady as global shipments faced a downturn due to decreased demand and geopolitical tensions. Official data from the commerce ministry indicates that while India's overall exports experienced a decline of approximately 2.4% annually in value, exports to the US decreased by 1%, and those to Europe saw a modest increase of only 1.47%. Key sectors of Indian exports, including gems and jewellery, ready-made garments, chemicals, cotton yarn, and handloom products, witnessed a decline in shipments to Europe (including the UK).



Source: Mint

TELECOM

India's telecom market structure looks good; satcom could become very significant, says Telecom Secy

Date: 19 April 2024

The Department of Telecommunications (DoT) has expressed confidence in the structure of India's telecom market, noting that both Vodafone Idea and state-owned Bharat Sanchar Nigam Ltd. are solidifying plans to expand their 4G and 5G networks. Neeraj Mittal, Secretary in the Department of Telecommunications under the Ministry of Communications, has asserted that India has the potential to lead in 6G deployment, akin to its rapid advancement in 5G rollout, which is currently in progress. Mittal emphasized that telecom tariffs, presently subject to forbearance, should be determined by market forces.



Source: MoneyControl

CRYPTOCURRENCY

Binance to restart operations in India as compliant FIU-registered entity

Date: 4 April 2024



Binance, the world's largest cryptocurrency exchange, previously banned by the government in January, is set to re-enter the Indian market by paying a fine of approximately \$2 million. According to sources, the crypto exchange will resume operations as an entity registered with the Financial Intelligence Unit (FIU) of the finance ministry. The FIU oversees trade in virtual digital assets (VDA). It's reported that Binance intends to adhere to all relevant regulations, including the Prevention of Money Laundering Act (PMLA) and the VDA taxation framework, which it had previously been neglecting.

Source: The Economic Times

RENEWABLE ENERGY

NTPC Green Energy inks pact with Indus Towers to develop renewable energy projects

Date: 19 April 2024

NTPC Green Energy Ltd (NGEL), a subsidiary of the state-owned power giant NTPC, announced that it has entered into an initial agreement with Indus Towers Ltd to advance green energy objectives and support the Government of India's initiatives for a carbon-neutral economy. According to a company statement, the Memorandum of Understanding (MoU) will explore collaborative efforts for the development of grid-connected renewable energy projects, including solar, wind, energy storage, and related solutions. Indus Towers Ltd (ITL) aims to progressively expand its renewable energy portfolio to a scale of Gigawatts (GW) as part of its commitment to achieving net-zero emissions, aligning with its business operations nationwide.



Source: The Economic Times

HEALTHCARE

CDSCO issues distribution guidelines for pharma products in market to curb substandard medicines

Date: 18 April 2024



The nation's drug regulator has issued draft guidelines on good distribution practices aimed at preventing the circulation of 'spurious,' 'adulterated,' and 'sub-standard' pharmaceutical products in the market. Released by the Central Drugs Standard Control Organisation (CDSCO), the draft guidance document is in line with the WHO Technical Report Series (TRS) on good storage and distribution practices for pharmaceutical products.

Source: The Economic Times

News from International Publications

Economic forecasters see good times ahead

Date: 15 April 2024

For the first time in two years, economic forecasters are expressing considerable optimism about the future. According to the most recent quarterly survey conducted by The Wall Street Journal, both business and academic economists have significantly reduced the likelihood of a recession within the next year, bringing it down from 39% in the January survey to just 29%. This marks the lowest probability recorded since April 2022, when the chance of a recession was pegged at 28%. Remarkably, economists now believe that the economy is unlikely to come anywhere near a recessionary period.



Source: The Wall Street Journal

Metal prices rise after sanctions on Russian exports

Date: 16 April 2024



In London, aluminum and nickel prices experienced an uptick following the imposition of bans by the U.S. and the U.K. on new trading activities involving metals sourced from Russia. Aluminum saw a rise of 2.4% to reach \$2,555 per ton, while nickel edged up by 0.3% to \$17,846 per ton. Earlier in the session, both metals had reached highs of \$2,728 per ton and \$19,355 per ton respectively. The U.S. and U.K. governments jointly announced fresh restrictions specifically targeting Russian aluminum, copper, and nickel, focusing on transactions within Western exchanges.

Source: The Wall Street Journal

News from International Publications

US and India resilience lifts hope of faster global growth

Date: 15 April 2024

Recent research conducted for the Financial Times indicates that momentum in economies such as the US and India has gained traction in recent months, sparking optimism that global growth in 2024 will slightly exceed that of the previous year. A comprehensive assessment of the US economy, encompassing factors like confidence indices, financial market performance, and real economic activity, has rebounded to its highest levels since mid-2022. This resurgence offers a glimmer of hope amid an otherwise subdued global economic landscape.



Source: The Financial Times

IMF downgrades UK growth forecast

Date: 17 April 2024



The IMF has indicated that Britain might fall short of the modest growth forecasted by the government's official economic forecaster this year. According to the IMF's latest World Economic Outlook, UK gross domestic product is expected to expand by a mere 0.5% in the current year, a slight downgrade of 0.1 percentage point from its January projection. This forecast places the UK's growth rate as the second slowest among G7 nations, trailing only behind Germany. It also falls below the 0.8% growth predicted by the Office for Budget Responsibility in March.

Source: The Financial Times

News from International Publications

Renewable energy targets at risk from supply chain strains

Date: 17 April 2024

A report commissioned by the government has cautioned that supply chain constraints pose a threat to the UK's pursuit of its renewable energy objectives. According to the report by consultancy Baringa, intense global competition for the labor and equipment essential for constructing wind turbines, electricity cables, and solar panels could impede UK projects. Ministers have set ambitious targets, aiming to triple the country's offshore wind capacity to 50 gigawatts by 2030 and quadruple solar capacity to 75 gigawatts by 2035.



Source: The Financial Times

IMF warns US deficit poses global risk

Date: 18 April 2024

The IMF has cautioned the US about the inflationary impact of its substantial fiscal deficits, highlighting "significant risks" for the global economy. The fund projected a fiscal deficit of 7.1% for the US next year, surpassing more than three times the 2% average seen in other advanced economies. Additionally, the IMF expressed concerns regarding Chinese government debt, anticipating a deficit of 7.6% in 2025, which is more than double the 3.7% average observed in other emerging markets. These concerns arise amidst weak demand and a housing crisis in China.



Source: The Financial Times