

**ve**KLY NEWSWRAP

May 26, 2024 / 81



# ECONOMY

## Growth momentum likely to stay in Q1FY25: FinMin

**Date: 25 May 2024**



April marks a strong start to economic activity in FY25, with growth expected to continue through the first quarter, the finance ministry stated on Friday. However, it cautioned about risks from volatile global oil and commodity prices. The ministry's monthly economic report highlighted rising industrial activity and strengthening fixed investment, driven by increased government capital spending, which is also attracting private investment. It also warned that ongoing geopolitical tensions and commodity price volatility, particularly in petroleum products, pose significant challenges.

**Source: The Economic Times**

# TRADE

## Commerce ministry holds discussions on formulating SOPs to negotiate FTAs

**Date: 19 May 2024**

The commerce ministry has conducted detailed discussions with senior officials from various departments and trade experts to develop standard operating procedures (SOPs) for negotiating free trade agreements (FTAs), an official reported. To explore different aspects of these agreements, the ministry organized a two-day 'Chintan Shivir' on FTA strategy and SOPs for trade negotiations on May 16-17. Among the suggestions from these discussions were thorough consultations with public and private sector stakeholders and sharing details of proposed FTAs with relevant ministries, the official added.



**Source: Business Standard**

# STEEL

## India's steel mills wary of Chinese import surge

Date: 25 May 2024



India's steel-makers have raised concerns about the increasing shipments of metal from China and other ASEAN nations. These rising imports have disrupted the domestic market, with larger players identifying it as a "risk." Leading steel manufacturers like JSW Steel, SAIL, and JSPL have highlighted the issue of surging Chinese imports during their earnings calls. In Q4 (January - March), India's steel imports reached 2.61 million tonnes, marking a 30 percent year-on-year increase, and for the full year, imports exceeded 8 million tonnes, growing by 38 percent. Last fiscal year, one out of every three imported steel products came from China.

Source: The Hindu BusinessLine

# GREEN ENERGY

## Green energy will help fight pollution and create jobs in India

Date: 24 May 2024

India, dedicated to its climate mitigation program, ranks 4th globally in renewable energy installed capacity, 4th in wind power capacity, and 5th in solar power capacity, according to the International Renewable Energy Agency's Renewable Capacity Statistics 2023. Recent government initiatives have significantly contributed to this achievement. As of November 2023, the Ministry of New and Renewable Energy has approved 50 solar parks with a total capacity of approximately 37,490 MW across 12 states. Additionally, the domestic industry is exploring ways to aggressively advance this progress.



Source: ANI

# AUTOMOTIVE

## JLR set to assemble flagship Range Rover SUVs in India

**Date: 24 May 2024**



For the first time in over fifty years, Jaguar Land Rover Automotive Plc (JLR), the British division of Tata Motors, will assemble its premier luxury SUVs, the Range Rover and Range Rover Sport, outside the UK, selecting India for this endeavor. This move highlights JLR's dedication to local manufacturing and its intent to capitalize on India's expanding luxury car market, a senior company executive revealed to Mint during an interview at the inauguration of the Range Rover House in Alibuag, Maharashtra, the brand's first experiential center in India.

**Source: Mint**

# HEALTHCARE

## Hospital firms prep big-bang expansion

**Date: 25 May 2024**

India's aging healthcare infrastructure is set to receive a significant boost from private hospitals. In their first major expansion since the pandemic, leading hospital chains plan to invest over ₹14,600 crore collectively over the next three to five years, adding approximately 17,800 beds nationwide. Manipal Hospitals, Aster DM Healthcare, Apollo Hospitals, and Max Healthcare, among others, are gearing up to increase bed capacity to meet the growing demand for healthcare. Analysts attribute this surge in hospital expansions to rising insurance penetration following the pandemic, particularly due to the government's PM Jan Arogya Yojana, which aims to provide free health insurance to 550 million citizens.



**Source: Mint**

# News from International Publications

## Scott enters field to lead Republicans in the Senate

**Date: 23 May 2024**

Senator Rick Scott (R-Fla.) has announced his candidacy for Senate Republican leader, potentially altering the race to succeed Mitch McConnell (R-Ky.). Initially, Senator John Barrasso (R-Wyo.) planned to run but opted to pursue the GOP whip role instead. The leadership election, held shortly after the November elections, is conducted by secret ballot. Scott is favored to win re-election for his Florida seat this fall. With Republicans likely to reclaim the Senate majority, currently controlled by Democrats 51-49, the next party leader could significantly influence the chamber's agenda.



**Source: The Wall Street Journal**

## Trump's planned import levies to hit poor hardest, study finds

**Date: 21 May 2024**



Donald Trump's economic policies would disproportionately impact America's poorest households, which would bear the largest share of a \$500 billion annual burden if the Republican nominee were to win and implement tariffs on all U.S. imports, according to economists at the Peterson Institute. Trump's plan includes a 10% levy on all U.S. imports and a 60% tax on goods from China. These tariffs would fund his proposal to extend the series of tax cuts introduced during his presidency in 2017 beyond 2025. The Washington-based think tank's research indicated that both policies represent "sharply regressive tax policy changes," shifting the tax burden from the wealthy to lower-income individuals.

**Source: Financial Times**

# News from International Publications

## Biden's pollution rules raise bar for LNG projects

**Date: 21 May 2024**

Environmental groups intend to leverage new air pollution rules introduced by the Biden administration to intensify their campaign against the development of multibillion-dollar natural gas export terminals in the U.S. The updated air quality standards will require the Federal Energy Regulatory Commission to scrutinize the impact of liquefied natural gas projects on local air quality more closely, raising the standards for project approval. This pollution crackdown adds to the challenges faced by LNG developers, following the Department of Energy's indefinite pause in January on granting new export licenses for terminals while reviewing the project approval process.



**Source: Financial Times**

## G7 allies warm to US plan of rushing funds to Ukraine as Trump threat rises

**Date: 20 May 2024**



Washington's G7 allies are increasingly supportive of a U.S. plan to expedite tens of billions of dollars in funding to Ukraine ahead of Donald Trump's potential return to the White House. The plan, to be discussed at a June summit, involves Kyiv receiving upfront funds from a G7 loan, backed by future profits from approximately \$350 billion of Russian assets frozen in the West following Russia's full-scale invasion of Ukraine. Initially, some G7 members were hesitant to endorse the plan, but their stance has shifted following a diplomatic push by the U.S., according to eight Western officials.

**Source: Financial Times**

# News from International Publications

## UK inflation set to drop below US and Eurozone

**Date: 20 May 2024**

For the first time in over two years, the UK is set to experience slower inflation than both the Eurozone and the US, thanks to falling energy prices for consumers. Forecasts predict that annual growth in consumer prices for April will drop to 2.1 percent when official figures are released on Wednesday, nearing the Bank of England's 2 percent target. This would be a significant decrease from March's 3.2 percent figure. Economists attribute the decline primarily to a 12 percent reduction in the regulatory cap on household energy bills last month, following a drop in wholesale gas prices.



**Source: Financial Times**

## New Covid variants stoke fears of summer wave of infections

**Date: 20 May 2024**



New Covid-19 variants are spreading globally, raising concerns about a summer surge in cases in the U.S. and highlighting the virus's ability to mutate and potentially challenge collective immunity. KP.2, one of the FLiRT variants (named for specific mutations in their genetic code), has become the dominant strain in the U.S. since emerging in March. According to the latest data from the U.S. Centers for Disease Control and Prevention, KP.2 accounted for 28.2 percent of cases in the two weeks leading up to May 11, up from just 3.8 percent at the end of March. Another variant, KP1.1, has also spread rapidly, now comprising 7.6 percent of infections.

**Source: Financial Times**

# News from International Publications

## UK inflation expected to dive as energy costs fall

**Date: 20 May 2024**

UK inflation is anticipated to drop close to the Bank of England's 2% target when April's consumer price data is released this week, driven by a significant reduction in household energy bills. However, investors will be particularly attentive to the services component of inflation, which the BoE closely monitors for domestic price pressures. Economists polled by Reuters expect a 2.1% annual rise in headline consumer prices, down from 3.2% the previous month and significantly lower than the 42-year high of 11.1% in October 2022.



**Source: Financial Times**

## In India, a leap across the aisle startles no one

**Date: 21 May 2024**



For decades, Tapas Roy's influence has permeated his local district in West Bengal like the summer heat. He has secured jobs for the unemployed, managed college scholarships for the poor, and provided stipends for widows. In March, the longtime politician left the centrist, secular Trinamool Congress party to run for Parliament with the right-wing, Hindu nationalist BJP in the ongoing national elections. In America, it would be akin to Florida Gov. Ron DeSantis running for president as a Democrat after failing to secure the 2024 Republican nomination. But in northern Kolkata, longtime Trinamool voters have accepted Roy's switch, indicating their support for Prime Minister Narendra Modi's Bharatiya Janata Party as well.

**Source: The Washington Post**



# News from International Publications

## A weak Yen is a gift for visitors to Japan

**Date: 20 May 2024**

A historically weak yen is bolstering Japanese manufacturers but damaging the nation's self-image and widening the perceived prosperity gap with the U.S. In early 2022, a dollar bought around 115 yen. Today, despite apparent market interventions by Japan's government to support its currency, the dollar buys about 155 yen, the highest rate since 1990. Japan is increasingly divided: in a few enclaves, foreigners with dollars and euros live luxuriously, while most locals, relying solely on the weak domestic currency, have to make do with less.



**Source: The Wall Street Journal**