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ECONOMY

India's GDP grows 7.8 per cent in Q4, FY24 growth pegged at 8.2 per cent

Date: 31 May 2024



Defying analysts' expectations, India's GDP grew by 7.8 percent year-on-year in the last quarter (Q4) of FY24. Additionally, the Centre now projects an overall growth rate of 8.2 percent for FY24, according to data from the Ministry of Statistics and Programme Implementation (MOSPI). The Q3 data, which had previously surprised experts, has also been revised upward to 8.6 percent from 8.4 percent. As a result, the annual growth rates for the previous three quarters are now recorded at 8.2 percent in Q1, 8.1 percent in Q2, and 8.6 percent in Q3.

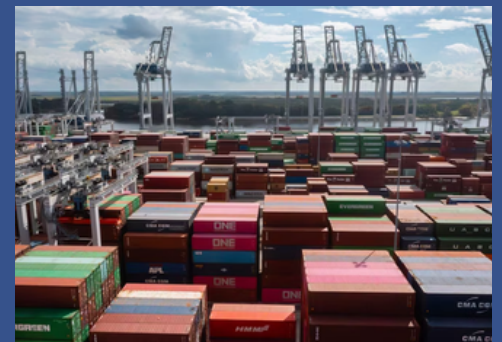
Source: The Economic Times

TRADE

Adopting global standards to help India improve quality of goods: GTRI

Date: 31 May 2024

Adopting international standards, implementing risk-based regulations, and developing modern infrastructure will enhance the quality of goods manufactured and exported from India, according to the economic think tank GTRI. The Global Trade Research Initiative (GTRI) also recommended supporting small and medium enterprises, ensuring quality control orders do not become non-tariff barriers, conducting regulatory impact assessments, developing globally accepted standards, and establishing mutual recognition agreements with trading partners to strengthen India's quality systems.



Source: Business Standard

STEEL/ CEMENT

India's core sector output sees 6.2% growth in April, shows govt data

Date: 31 May 2024



India's eight core infrastructure industries saw a 6.2 percent year-on-year (Y-o-Y) increase in output in April, driven by strong growth in sectors like steel, electricity, and natural gas. This compares to a 4.6 percent growth rate in April 2023. Additionally, the growth rate for these industries in March was revised upwards to 6 percent from the government's initial estimate of 5.2 percent, according to data released by the Department for Promotion of Industry and Internal Trade (DPIIT).

Source: Business Standard

TECHNOLOGY

Indian firms outpace global giants in R&D growth: Report

Date: 31 May 2024

The Foundation for Advancing Science and Technology (FAST India), in collaboration with IIFL Securities, has published an in-depth report on the state of industry R&D in India. The "State of Industry R&D in India" report contrasts Indian firms with global companies, identifying both strengths and areas for improvement. It examines R&D activities across six key sectors: Pharmaceuticals and Biotechnology, Automobiles and Components, Chemicals, Energy, Aerospace and Defence, and Software and Technology.



Source: Business Today

PHARMACEUTICAL

India's Pharma Exports Hit \$27.8B in 2024, Projected to Surpass \$31B Next Year

Date: 31 May 2024



India's pharmaceutical exports reached \$27.8 billion in FY24, marking a 9.6% growth despite global challenges, according to Ravi Uday Bhaskar, director general of the Pharmaceuticals Export Promotion Council of India. He projected exports to exceed \$31 billion next year, with about 50% going to highly regulated markets, including 55% to North America and Europe. The US saw over \$8 billion in exports with a 15% growth rate, and the UK saw a 21% increase. Bhaskar highlighted the strong growth of India's pharmaceutical industry, emphasizing its competitiveness in producing quality drugs at affordable prices.

Source: Deccan Chronicle

CLIMATE CHANGE

Heatwaves and cyclones: India's tryst with climate change

Date: 31 May 2024

On May 25, climate scientist Roxy Mathew Koll shared a compelling satellite image of the Indian subcontinent online, capturing Cyclone Remal approaching the Sunderbans delta, the monsoon nearing the Kerala coast, and scattered red dots across north and central India. This indicates regions experiencing an intense heatwave. The country faces a range of climate challenges, from deadly heatwaves and glacier loss to sea level rise, erratic monsoons, and more intense cyclones—all occurring simultaneously due to its geographical location.



Source: Mint

News from International Publications

Biden's climate policies fall flat with young voters he needs to win election

Date: 28 May 2024

Anderson Clayton, the 26-year-old chair of North Carolina's Democratic Party, is a rising star in center-left politics and serves as a crucial bridge between Joe Biden and the young voters essential for his reelection in November. She worries that Biden is not receiving sufficient recognition on climate change from Generation Z voters in the southern battleground state. Since taking office in 2021, Biden has rejoined the Paris climate agreement, enacted comprehensive clean energy legislation through the Inflation Reduction Act, and proposed new regulations to combat pollution. Notably, U.S. emissions decreased last year.



Source: Financial Times

Sunak leans on 'grey vote' with £2.4bn tax cut for pensioners

Date: 28 May 2024



Rishi Sunak is set to announce a £2.4bn tax cut for pensioners today, aiming to secure the Conservative "grey vote" and stabilize the party's turbulent start to the election campaign. The prime minister will reveal plans to unfreeze the personal allowance for pensioners, preventing millions of basic state pension recipients from entering the tax system. Sunak stated that the move would benefit 8 million pensioners, providing them with an extra £100 next year, increasing to around £300 annually by the end of the next parliament. "This bold action demonstrates we are on the side of pensioners," he said.

Source: Financial Times

News from International Publications

Irish group bets on batteries for big vehicles

Date: 27 May 2024

In western Ireland, workers are putting the final touches on an enormous battery pack that requires a step ladder to reach the top. Weighing about 1.5 tonnes, this pack, according to the company, is the largest individual unit available in the electric vehicle market today, capable of delivering almost 300 kilowatt hours of power. Once encased in its white metal housing, this €150,000 pack—and six other identical units, each containing 16,128 cells slightly larger than AA batteries—will be headed to an Australian mining truck. This is just one of the many vehicles being supplied by Irish company Xerotech, as mining, construction, and other industries seek to lower their carbon emissions.



Source: Financial Times

Chinese manufacturing profits return to growth as exports rise

Date: 28 May 2024



Profits at China's industrial companies grew in April, reflecting Beijing's efforts to revitalize the manufacturing sector while other parts of the world's second-largest economy face challenges. According to the National Bureau of Statistics, businesses with over Rmb20mn (\$2.8mn) in turnover saw a 4% year-on-year increase in industrial profits in April, rebounding from a 3.5% decline in March. Year-to-date, their profits have risen by 4.3%, maintaining the same growth rate as in the first quarter following a significant increase at the year's start.

Source: Financial Times

News from International Publications

Trump voters both experience and expect higher inflation

Date: 28 May 2024

Currently, Republicans view inflation as a more severe issue than Democrats do, and much of this perspective is politically driven. However, there's another factor to consider: many Republican-dominated areas have actually experienced higher inflation compared to Democratic regions. In a recent study, economists Carola Binder, Rupal Kamdar, and Jane Ryngaert analyzed Labor Department inflation data for U.S. metropolitan areas and compared it with voting patterns. Their conclusion: metro areas with a higher concentration of Republicans and independent voters had greater inflation in 2022 compared to those with more Democratic residents.



Source: The Wall Street Journal

Mexico is poised to elect its first female president

Date: 30 May 2024



Claudia Sheinbaum, a Jewish woman with a Ph.D. in energy engineering, is poised to become Mexico's first female president, a groundbreaking achievement in a predominantly Catholic nation. Her significant lead in the polls ahead of Sunday's election is largely due to the backing of Mexico's popular nationalist leader, President Andres Manuel Lopez Obrador, who has been a mentor to Sheinbaum for the past two decades. She has demonstrated unwavering loyalty to him throughout this period.

Source: The Wall Street Journal

News from International Publications

IMF raises forecast for Chinese growth

Date: 30 May 2024

The IMF has revised its forecast for China's economic growth this year upward but cautioned Beijing to "scale back" industrial policies that could impact trading partners and to bolster domestic demand. After completing their regular evaluation of China's economic health, IMF staff announced an increase in their 2024 GDP growth projection to 5%, up from 4.6%. The forecast for 2025 was also raised to 4.5%, from 4.1%. The IMF attributed the adjustments to stronger growth in the first quarter and recent policy measures, noting that Beijing has eased monetary policy and implemented steps to address a severe property slump.



Source: Financial Times

Sterling rises to 210month high against euro as rate cut bets fade

Date: 30 May 2024



Sterling has climbed to a 21-month high against the euro due to ongoing price pressures in the UK, leading investors to believe that the Bank of England will delay interest rate cuts longer than its Eurozone counterpart. The pound edged up by 0.03 percent yesterday, reaching £0.8482 per euro, a level last seen in August 2022. Since the beginning of the year, sterling has gained 2 percent against the common currency, as investors adjust their expectations for BoE rate cuts, while the European Central Bank is still expected to lower borrowing costs next month.

Source: Financial Times