

Top Story 1

Investment remains an important growth driver in India

Indian economy will likely expand 6.8% in the current fiscal as public investment remains the primary growth driver, the International Monetary Fund said Tuesday in its Regional Economic Outlook for Asia and Pacific. Krishna Srinivasan, Director of the Asia and Pacific Department at the IMF, stated, "In China and India, we expect investment to contribute disproportionately to growth much of it public, especially in India." Additionally, the IMF has raised its outlook for India's FY24 growth to 7.8%, surpassing the government's estimate of 7.6%. Growth in Asia and the Pacific surprised on the upside in the second half of 2023, reaching 5.0 percent for the year as whole significantly stronger than the outcome in 2022 (3.9 percent), and 0.4 percentage point higher than projected in the October 2023 Regional Economic Outlook: Asia and Pacific. Emerging Asia accounted for the bulk of positive growth surprises, including in Malaysia, the Philippines, Vietnam, and, most notably, India, the Fund noted.

Top Story 2

IMF raises India's FY24 GDP growth forecast to 7.8%, higher than the government's projection

The International Monetary Fund (IMF) has projected that India's economy will grow by 6.8% in the current fiscal year, driven primarily by public investment. Krishna Srinivasan, Director of the Asia and Pacific Department at the IMF, stated, "In China and India, we expect investment to contribute disproportionately to growth—much of it public, especially in India." The IMF has revised its growth forecast for India upward from its January projection of 6.5% to 6.8%. Additionally, the IMF has raised its outlook for India's FY24 growth to 7.8%, surpassing the government's estimate of 7.6%. The IMF report highlighted that "India and the Philippines have been the source of repeated positive growth surprises, supported by resilient domestic demand." Regarding inflation, the IMF anticipates a more favorable situation for emerging markets, where inflation is already at or near the target. The report stated, "Core inflation is largely expected to remain contained."

Finance: -

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Digitalization: -

UPI Like Digital Payment System In Namibia: NPCI International

NPCI International Payments Limited (NIPL), the international arm of the National Payments Corporation of India (NPCI), has signed an agreement with the Bank of Namibia (BoN) to support them in developing an instant payment system like Unified Payment Interface (UPI) for Namibia. This collaboration marks a strategic leap towards strengthening Namibia's financial infrastructure and fostering inclusive economic growth. By leveraging technology and experiences from India's UPI, the partnership seeks to help Namibia modernize its financial ecosystem. This includes improving accessibility, affordability, connectivity with both domestic and international payment networks, and interoperability. The Hon'ble Governor of the Bank of Namibia, said, "Our objective is to enhance accessibility and affordability for underserved populations, achieve full interoperability of payment instruments by 2025, modernize the financial sector, and ensure a secure and efficient National Payment System. This endeavor, aligned with the Bank's Strategic Plan and NPS Vision and Strategy 2025, deliberately employs a central bank-led approach to minimize infrastructure costs for financial institutions, thereby ensuring the sustainability and affordability of instant payment solutions for end users."

<https://www.freepressjournal.in/business/upi-like-digital-payment-system-in-namibia-npci-international>

Investment: -

India, New Zealand to focus on collaboration in pharma, agriculture, food processing

India and New Zealand are likely to set up working groups in sectors such as agriculture, food processing, storage & transportation, forestry and pharmaceuticals to facilitate ongoing collaboration on key trade and economic issues, per an official statement. In a series of bilateral meetings in New Zealand on April 2024, the two countries also sought to collaborate in area of pharmaceuticals and medical devices sector including adoption of fast tracking of regulatory process and quality assessment of manufacturing facilities using, as appropriate, the inspection reports of comparable overseas regulators. “Greater sourcing of medicines from India and cooperation in medical device sector was also discussed,” a statement issued by the Commerce Department on Thursday noted. Commerce Secretary Sunil Barthwal, who headed the Indian delegation, met Minister for Trade of New Zealand Todd McClay and Acting Chief Executive and Secretary of Foreign Affairs and Trade of New Zealand Brook Barrington. He participated in the India-New Zealand Business Council (INZBC) and the 11th India-New Zealand Joint Trade Committee (JTC) meeting.

<https://www.thehindubusinessline.com/economy/india-new-zealand-to-focus-on-collaboration-in-pharma-agriculture-food-processing/article68132378.ece>

Market: -

Rupee jumps 9 paise to 83.37 against US dollar in early trade

The rupee climbed 9 paise to 83.37 against the US dollar in early trade recently, tracking strong sentiment in the domestic equity markets and a weak American currency against major rivals overseas. Forex traders said the outflow of foreign funds and elevated level of crude oil prices, however, weighed on the Indian currency. At the interbank foreign exchange, the domestic unit opened strong at 83.40 and touched the intra-day peak of 83.36 against the greenback. The local unit later traded at 83.37 against the dollar in the morning deals, registering a gain of 9 paise from its previous closing level. The rupee had settled 3 paise lower at 83.46 against the dollar on Thursday. According to Gaurang Somaiya, Forex and bullion analyst, Motilal Oswal Financial Services Ltd, the dollar was weighed down against major crosses after the US Federal Reserve kept the key interest rate unchanged for the sixth consecutive time.

<https://www.telegraphindia.com/business/rupee-jumps-9-paise-to-83-37-against-us-dollar-in-early-trade/cid/2017375>

Currency	Rate (Rs)	Change	Index	Change	
USDINR	83.379	-0.016	NIFTY 50	22,477.30	-170.90
EURINR	89.509	0.067	BSE Sensex	73,933.06	-678.05
GBPINR	104.626	0.096			
JPYINR	54.44	0.1388			