

Daily Economic News Summary: 12 April 2016

1. India, Australia could seal deal in services first, goods later

Source: **Financial Express** ([Link](#))

India and Australia could clinch a deal in services and investments earlier than one in goods under the proposed free trade agreement (FTA), potentially marking a departure from the past strategy of concluding goods negotiations first. Sources told FE that both parties could hammer out a consensus on less contentious issues such as services and investments first and a deal on goods will likely take some more time due to the difficult nature of such negotiations. Nevertheless, India would like to continue with talks on all the three pillars of the proposed India-Australia Comprehensive Economic Cooperation Agreement (CECA) until a broad-based outcome is achieved, a source said. India's final concessions on goods could hinge on Australia's offer on services and investments, the source added. The shift in strategy should be a positive development for the domestic industry, which has long complained of the government's move to first cede huge concessions in goods in the hope of getting a good deal, often in vain, in services and investments.

2. India top pick in Asia-Pacific, followed by Australia and China

Source: **Economic Times** ([Link](#))

Investors are most overweight on Indian markets in Asia-Pacific region, followed by Australia and China, according to a survey done by Credit Suisse at its 19th Asian Investment Conference, where more than 320 companies from 15 countries in the region participated, along with 1,200 institutional investors, hedge funds and high net worth individuals. About 42% of the participants expect the Asia-Pacific Index to rise over 10% this year, while 43% anticipate the index to be flat. China's growth concerns and currency risks are seen as biggest risks for global markets in 2016 by 54% of the participants, followed by concerns like geopolitical issues, and rising debt defaults. Among the sector preference, healthcare is seen as most liked sector followed by internet.

3. Vienna fast becoming a wedding destination for rich Indians

Source: **Economic Times** ([Link](#))

Austria's capital city, home of the legendary composer Mozart and the magnificent Schoenbrunn Palace, may soon be known as the go-to destination for the 'Big Fat Indian Wedding'. Leading industrialists are flocking to Vienna to host grand weddings for their children. Among them is Sajjan Jindal, who has planned grand three-day wedding festivities for his son Parth, who weds his school sweetheart Anushree Jasani. The wedding is on a scale rarely seen in Vienna. Around 1,000 guests are expected to arrive and almost all five star hotels in the city have been booked. *"Of the 1,000, 800 are guests and the rest are support staff like chefs. The main wedding ceremony is likely to take place at Belvedere Palace, which is one of the palaces of the former royal family of Austria. The palace has now been converted into a museum and also an event location,"* said a person aware of the development. Air India, which has launched a direct flight between Delhi and Vienna, said that it is witnessing a surge in bookings for May and June. The Austrian travel industry feel that these marriages will establish Vienna as a destination wedding option for India's rich.

4. Rs 71,000 crore loans cleared for green energy

Source: **Times of India** ([Link](#))

Banks and NBFCs (non-banking financial companies) have met 18% of their five-year lending commitment for renewable energy projects within 14 months of promising to fund more than 78 GW (giga watt) of green capacity, indicating improved bankability of such projects on the back of the Modi government's focus on ramping up green capacity to 175 GW by 2022.

According to government data, some 40 banks and NBFCs have sanctioned Rs 71,200 crore and disbursed Rs 29,500 crore since they made the commitment at RE-Invest 2015, the first global investor meet on renewable energy organised by the ministry of new and renewable energy in February last year. Achieving the 175 GW renewable energy target is estimated to require a capital outlay of \$160 billion, including equity of \$40 billion. The commitment made by major banks - both in public and private sectors - NBFCs and foreign banks operating in India to provide low-cost, long-term funding is, thus, expected to boost growth in the sector.

5. Home-grown Amul, Mother Dairy, Britannia giving MNCs like Nestle, Mondelez & PepsiCo a run for their money

Source: **Economic Times** ([Link](#))

Homegrown firms such as Amul, Mother Dairy, Britannia, Ruchi Soya and Parle Products dominated the country's packaged foods sector in 2015 even as Swiss giant Nestle slipped five places to seventh in overall ranking, says a new report. The data from market researcher Euromonitor shows only three multinationals — Mondelez, Nestle and PepsiCo — figured in the top 10 players by market share across packaged foods as domestic firms increased distribution, penetrated into rural India and launched smaller packs at lower price points.

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