

Daily Economic News Summary: 15 November 2019

1. Govt mulling cutting stake in IOC to below 51%

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

The government may cut its stake to below 51 per cent in the Indian Oil Corporation, Economic Times NOW reported quoting agencies. Economic Times Now in a report said the government is looking to become a minority shareholder in the company. It currently hold 51.5 per cent in the oil major. The stock closed 2.32 per cent higher at Rs 136.95 on BSE. Cenntal government has been on a divestment spree and is considering to cut stake in a number of companies. Indian Oil is the third oil company in which it is thinking of cutting stakes. The plan for Hindustan Petroleum Corporation Ltd (HPCL) follows the government's go ahead to invite a strategic investor for Bharat Petroleum Corporation Ltd (BPCL) where the Centre owns 53 per cent stake.

2. India's RCEP call won't hit Act East Policy: Jaishankar

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

Foreign Minister S Jaishankar on 14 November assured ASEAN and RCEP members that its absence from the block in its present form in no way impacts India's Indo-Pacific vision or Act East Policy. "...the recent debate about the RCEP (Regional Comprehensive Economic Partnership) offers lessons in foreign policy as much as in the trade domain. On the one hand, we should not go back to the old dogmas of economic autarky and import substitution. But at the same time, embracing the new dogma of globalisation without a costbenefit analysis is equally dangerous.

3. India resumes buying Malaysian palm oil as Kuala Lumpur offers discount -traders

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

Indian refiners have resumed buying Malaysian palm oil after a gap of nearly a month and contracted around 70,000 tonnes of shipments in December as Kuala Lumpur has been offering a \$5 per tonne discount over supplies from rival Indonesia, five traders told Reuters on 14 November. The resumption in purchases by India, the biggest buyer of Malaysian palm oil this year, could support Malaysian palm oil prices, which are trading near their highest level in two years. Indian refiners stopped purchases from Malaysia last month fearing New Delhi could raise

import taxes or enforce other measures to curb imports after Kuala Lumpur criticised New Delhi for its actions in Kashmir.

4. Walmart logs \$290 million impairment for Jabong, sees strong growth from Flipkart, PhonePe

Source: Livemint ([Link](#))

Walmart took a non-cash impairment charge of \$290 million for the value of the 'Jabong' trade name in the third quarter, even as the US retail giant continues to bet on the "significant opportunity for growth" presented by the Indian market. The Bentonville-based company logged 2.5 per cent rise in revenue at \$128 billion for the third quarter, even as its operating income fell by 5.4 per cent to \$4.7 billion. Its net sales from international operations grew 1.3 per cent to \$29.2 billion in the said quarter. "Excluding the impairment charge related to Jabong, third quarter international operating income was better than plan, but declined 16 per cent year-over-year in constant currency and 21 per cent on a reported basis due primarily to the expected dilution from Flipkart as well as the overall gross margin..." Walmart Inc EVP and CFO Brett Biggs said in a statement.

5. BRICS Summit: PM Modi calls for early opening of New Development Bank's regional office in India

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

Prime Minister Narendra Modi on 14 November urged for the early opening of the New Development Bank's regional office in India and offered full backing to the multilateral finance institution in promoting global growth. Addressing the Dialogue with BRICS Business Council and New Development Bank, Prime Minister Modi urged the BRICS Business Council to create a roadmap to achieve the USD 500 billion intra-BRICS trade target by the next summit. "Identification of economic complementarities among us will be important in this effort," he said. "I request that the work of establishing the regional office of the NDB in India should be completed soon. This will give a boost to projects in our priority areas," Modi said as he offered full backing to the multilateral finance institution in promoting global growth.

6. India to host BRICS Digital Health Summit to boost digital healthcare

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

India will host a BRICS Digital Health Summit on innovative solutions to a healthy lifestyle that will seek to integrate digital technology with healthcare informatics and diagnostics. Divulging details on the recently concluded BRICS summit in Brazil, TS Tirumurti, Secretary, Economic

Relations (Ministry of External Affairs), said, "The Prime Minister has announced that India will host a BRICS Digital Health Summit on innovative solutions to healthy lifestyle which will seek to integrate digital technology with healthcare informatics and diagnostics," adding that the initiative will be in tandem with Modi's 'Fit India' movement. The Prime Minister was accompanied by an official delegation to the Brazilian capital on 13 November to address the 11th BRICS summit under the theme of 'Economic growth for an innovative future'.

7. US-China trade war is good news for India's this export business

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

The ongoing US-China trade war provides huge opportunities to leather exporters to increase their shipments to America, CLE said on 14 November. Council for Leather Exports (CLE) Chairman P R Aqeel Ahmed said the sector's exports grew about seven per cent to the US in the past four months." The trade war gives huge opportunities to the sector to further explore the US market," he said here at the National Export Excellence Awards in New Delhi. He said leather exports have recorded dip in growth in value terms but in volume terms, it is increasing. "This is the sector which provides the highest employment to women and we are taking several steps to promote exports," he said. According to him, this labour-intensive sector has huge potential to earn foreign exchange for the country and create jobs for the youth.