

Daily Economic News Summary: 31 August 2018

1. Malaysia Takes India To WTO's Safeguard Committee On Solar Duty

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

Malaysia has sought consultations with India under the WTO's safeguard agreement against New Delhi's decision to impose import duty on solar cells, the World Trade Organisation (WTO) said on August 30. The consultations, however, don't fall under the WTO's dispute settlement system. Earlier this month, India had imposed safeguard duty of up to 25 per cent on solar cells imports from China and Malaysia for two years to protect domestic players from steep rise in inbound shipments. However, on August 13, the finance ministry stated that safeguard duty will not be insisted upon on import of solar cells for the "time being" in deference to interim directions passed by the High Court of Orissa.

2. India And Kenya Hold Trade Talks

Source: **Standard Media** ([Link](#))

Indian businesses in the country have been urged to identify areas for bilateral cooperation as Kenya readies for a a Sh22 billion power project funded by the Indian Government. This is after a high powered delegation from India led by Suresh Prabhu, Minister for Commerce & Industry and Civil Aviation met with Kenyan officials to discuss a raft of projects that also included the revival of the iconic Rivatex factory. Other items in the talks included India's contribution to the implementation of the Big Four agenda, SMEs development, agricultural mechanization and health.

3. Israel Sets Higher Target For Indian Tourist Arrivals This Year

Source: **The Hindu, Business Line** ([Link](#))

Israel sees India as one of the potential markets that could boost its inbound tourism efforts in the coming years. The signs of increased Indian tourist interest in visiting Israel is already visible, going by the latest numbers available with Israel's Ministry of Tourism. According to the Ministry, around 60,000 travellers from India visited Israel in 2017. This year, so far, around 44,000 tourists have visited the country. "We have set the target of 90,000 tourists for this year," Hassan Madah, Director, Israel Ministry of Tourism-India and the Philippines, told *BusinessLine* in New Delhi.

4. India Hottest E-Commerce Market Now, Thanks To Jeff Bezos, Warren Buffett

Source: Business Standard ([Link](#))

India's long-neglected retail market is turning into one of the world's hottest thanks to Warren Buffett, Jeff Bezos and a frenzy of billion-dollar dealmaking. Walmart Inc just wrapped up a \$16 billion agreement for control of the country's leading e-commerce player, Flipkart Online Services Pvt, while Bezos' Amazon.com Inc negotiates deals with a large supermarket chain and an investment in a prominent retail conglomerate, according to local media. This week, Buffett's Berkshire Hathaway Inc agreed to acquire a stake in the company behind digital payments leader Paytm. India's vast retail industry has no parallel other than, perhaps, China. But unlike the Chinese market, dominated by Alibaba Group Holding Ltd, India is relatively open and largely unconquered, offering global players vast opportunity to grow.

5. Ravi Shankar Prasad Calls On US Tech Firms To Invest In 'Improved' India

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

Electronics and information technology minister Ravi Shankar Prasad, on a four-day trip to the US, met leaders of Silicon Valley tech firms, calling them to forge deeper partnership with India and invest in an “improved” climate. Firms such as Apple, Amazon, Mastercard, Microsoft, Qualcomm, Walt Disney, and PayPal, among others, met the minister at a seminar organised by US-India Strategic Partnership Forum and the Consulate General of India. Prasad also met chiefs of Google, Wipro, Oracle, and GE.

6. Tough Time Ahead For India At Meet On Mega Free-Trade Agreement

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

With India's commerce minister Suresh Prabhu headed for Singapore on August 30, it's crunch time for India regarding its future status in the Regional Comprehensive Economic Partnership (RCEP), a mega free trade pact that would cover 16 nations, including the 10 member-countries of ASEAN. At the key trade ministers' meeting, Prabhu will convey India's position as conveyed by PM Narendra Modi who had set up a four-member ministerial group to tackle the issue. Despite India joining up for the negotiations, there is a strong lobby within the Modi government that wants New Delhi to pull out of the deal.

7. Government Starts Countervailing Duty Probe On A Chinese Synthetic Rubber

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

India has initiated a countervailing duty probe into increased imports of a Chinese synthetic rubber - Fluoroelastomers, following a complaint from Gujarat Fluorochemicals. The move is aimed at guarding domestic players from the increase in imports that are subsidised by the neighbouring nation. The investigation has been initiated by the Directorate General of Trade Remedies (DGTR), an arm of the commerce ministry. Gujarat Fluorochemicals has filed an application before the DGTR alleging subsidisation of the product from China and requested for initiation of an anti-subsidy investigation for levy of countervailing duties on the imports.

8. Rupee Fall Continues: Hits 71-Mark For First Time, Slides 26 Paise Against USD

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

The rupee opened at a fresh record low on Friday, breaching the 71-mark for the first time. The domestic currency slid 26 paise to a new record low of 71.0013 against the US dollar during early morning trade on Friday, Bloomberg data showed. At this level, the rupee has plunged 11.16% in 2018 from the previous year's closing mark. The rupee had closed at a fresh low of 70.74 against the greenback on August 30. According to forex dealers, month-end demand for the US currency from importers, along with a strong dollar overseas and rising crude oil prices weighed heavy on the domestic currency. During the day, the rupee plunged to as low as 70.90 to the US dollar.

9. India Committed To Work With BIMSTEC Member States To Enhance Regional Connectivity: PM Narendra Modi

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

India is committed to work with the BIMSTEC member states to enhance regional connectivity and combat the menace of terrorism and drug trafficking, Prime Minister Narendra Modi said on August 30. Addressing the inaugural session of the 4th BIMSTEC summit here, Prime Minister Modi also called for "cooperation and coordination" among member states in humanitarian assistance and disaster relief efforts. "There is no country in the region which has not suffered from terrorism and trans-national crimes such as drug trafficking linked to networks of terrorism," he told the summit which was inaugurated by Nepal Prime Minister K P Sharma Oli.