

Daily Economic News Summary: 10 November 2017

1. Proposed India-EU FTA can create jobs in India; India-Europe can share best practices to fight terror: Belgian Deputy PM

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

Belgium is smaller compared to some of its bigger neighbours in size. But this Western European country stands out for multiculturalism besides housing several EU institutions including EU headquarters in capital Brussels. Accompanying the Belgian Royal Couple who is here on a week-long State Visit the country's Deputy PM-cum-Foreign Minister Didier Reynders in an exclusive interaction with ET's Dipanjan Roy Chaudhury explained how proposed Indo-EU FTA can create jobs in India, suggested that India and EU can share best practices to combat terrorism at micro level and noted that proposed diamond bourse in Mumbai could be win-win for both India & Belgium.

2. Exports to China surge 39 per cent but trade deficit widens too

The Economic Times ([Link](#))

India and China may have been engaged in a verbal duel over border disputes for the past few months, but the country's exports to the neighbouring nation have surged 39 percent during the first half of the current fiscal, amid indications that Beijing is more accommodating in addressing New Delhi's long pending trade concerns. Latest data available with the commerce department showed that exports have grown faster than the pace of import expansion with India's largest trading partner, although the trade deficit has widened given the massive shipments of electronics and pharmaceuticals from across the border.

3. Small savings to help meet government fiscal targets: SBI Research

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

A likely adverse impact of rising crude oil prices on the fiscal parameters could be offset by meeting small savings scheme mobilisation target, a report by State Bank of India's research department said. "We believe the Government is walking a very delicate balance between managing fiscal deficit amidst slowing revenue." Said the report authored by SK Ghosh, SBI's group chief economic advisor. "The only silver lining is the Government has mobilised small savings worth Rs 54,404 crores during the first six months of this fiscal."

4. Government agency to import onions to moderate prices

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

The Consumer Affairs Ministry-led Price Stabilisation Fund Management Committee (PSFMC) on 09.11.2017 decided that onions will be imported through a government agency to augment their availability in the market to moderate prices. The committee, which is headed by the Consumer Affairs Secretary, also decided that the National Agricultural Cooperative Marketing Federation (NAFED) and the Small Farmers' Agribusiness Consortium (SFAC) would procure 10,000 tonnes and 2,000 tonnes of onion respectively, from the producing areas including Delhi, said a statement.

5. Part-time jobs could fix India's farming crisis: Analysts

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

As farmers in India struggle with dwindling incomes and soaring costs, with huge debts triggering a wave of suicides, experts said one solution may be to only work part-time on the land. About 60 percent of people in India make their living from the land, but earnings from agriculture have plunged to one-third of a farm family's income from two-thirds in the 1980s.

6. ‘Growth of middle-class income will be key for India’

Source: The Hindu Businessline ([Link](#))

India continues to be the fastest growing major economy in the world, growing at about 7 per cent, and is on course to become the third-largest economy in the world by 2027, outpacing Japan. The growth is driven by a number of factors, with the middle-class set to see a big expansion in India, according to a report by The Economist Intelligence Unit. Sharing details of the report on the sidelines of the NEC C&C User Forum & iExpo here, Simon Baptist, global Chief Economist of The Economic Intelligence Unit, said the global economy is projected to grow at about 2.9 per cent in 2017 against 2.3 per cent in 2016. The projections are based on the report ‘Safe Cities Index 2017’.

7. Post noteban, savings took the equity/MF route: paper by RBI staff

Source: The Hindu Businessline ([Link](#))

The demonetisation exercise of November 8 last year has induced households to shift toward formal channels of savings. There has also been a noticeable downward shift in the currency demand of public, concluded an article, ‘Impact of Demonetisation in the Financial Sector’, published in the Reserve Bank of India’s latest bulletin. Also, during demonetisation, there was a distinct increase in saving flows into equity/debt oriented mutual funds and life insurance policies. Apart from this, non-banking financial companies seem to have recorded improvement in collections and disbursements.

8. India to see 10% salary hike in 2018, highest in Asia Pacific: Report

Source: The Live Mint ([Link](#))

Salaries are projected to increase by 10% in India in 2018, the highest in the Asia Pacific region, according to a report. The highest projected salary rise is seen in the energy, FMCG and retail sectors. “Salaries in India are projected to rise 10% in 2018, same as the actual increase in 2017,” according to the ‘Q3 2017 Salary Budget Planning Report’ released by global advisory, broking and solutions company Willis Towers Watson. The report covered a range of industries, including BPO, chemicals, construction & engineering, consumer products & retail, financial services, high tech, manufacturing, media, pharmaceutical & health sciences, business and technical consulting and transportation and logistics.

9. India plans 20GW solar tender, eyes domestic manufacturing boost

Source: The Live Mint ([Link](#))

India plans to invite bids for setting up 20 gigawatts (GW) of solar power capacity—the world’s largest solar tender—at one go, in an attempt to spur domestic manufacturing of solar power equipment. The effort will help further lower the country’s solar power tariffs and provide a boost to the National Democratic Alliance (NDA) government’s Make in India plans. Most solar power developers in India have been sourcing solar modules and equipment from countries such as China, where they are cheaper. This has resulted in domestic manufacturers accounting for only around 10% of the market despite India having an ambitious 175GW clean energy target by 2022, of which 100GW is to come from solar projects.

