

## Daily Economic News Summary: 12 June 2015

### 1. Foxconn in talks to manufacture Apple iPhones in India

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

Foxconn Technology is in talks to manufacture Apple Inc.'s iPhone in India, government officials said, in a move that could lower prices in the world's No.3 smartphone market where the US firm trails Samsung Electronics and local players.

India could help Foxconn mitigate accelerating wage inflation in China, where it makes the majority of iPhones, and base production sites closer to markets where its key clients want to grow.

Lower production costs could also help Foxconn keep hold of Apple orders amid intensifying competition with nimble manufacturing rivals such as Quanta Computer Inc.

### 2. OECD says India sees “strongest growth” in Q1 ‘15

Source: **Pioneer** ([Link](#))

Indian economy saw the ‘strongest growth’ in the first quarter of 2015 among large economies, including China, the US, Germany and Canada, according to Paris-based think tank OECD.

Data compiled by the Organisation for Economic Cooperation and Development (OECD) showed that overall GDP growth in the G-20 area was slightly lower at 0.7 per cent during the January-March period. In the 2014 December quarter, the region had seen an overall expansion of 0.8 per cent.

*“India recorded the strongest growth in the first quarter of 2015 (2.1 per cent, up from 1.4 per cent in the previous quarter),”* it said in a statement.

### **3. India leads emerging economies in growth chart: WB**

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

India may officially surpass China in its growth rate as it is now leading major emerging economies in growth chart, according to latest World Bank figures.

*"With an expected growth of 7.5 per cent this year, India is, for the first time, leading the World Bank's growth chart of major economies,"* said Kaushik Basu, World Bank chief economist and senior vice president after the release of the latest Global Economic Prospects (GEP) report.

China is projected to grow at 7.1 per cent. Developing countries are now projected to grow by 4.4 per cent this year, with a likely rise to 5.2 per cent in 2016, and 5.4 per cent in 2017, the report said.

### **4. India secures top-most rating for financial market regulations**

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

India's financial market regulatory framework today got the top-most ratings from the global bodies of banking and capital market regulators, with RBI and Sebi being rated better than their peers in China and the US.

In the latest global 'assessment study' of the regulatory framework for financial market infrastructures across the world, only six countries, including India, have got the highest score of '4' for all eight parameters on a scale of one to four. The other five countries are Australia, Brazil, Hong Kong, Japan and Singapore.

### **5. Citigroup report pegs India's GDP growth at 7.9% this fiscal**

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

India's GDP growth is likely to revive to 7.9 per cent in the current financial year and then further up to 8.1 per cent in 2016-17, driven by structural reforms and cyclical easing of the monetary policy, says a Citigroup report.

According to the global financial services major, investment and consumption uptick is likely to result in a growth pick-up from 7.3 per cent in 2014-15.

## 6. Mercedes Benz to make SUV in India

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

Mercedes Benz has decided to manufacture the GLA entry SUV in India, the first market after Germany. The company has doubled its India assembly capacity to 20,000 units per annum.

Merc has been expanding its local assembly capacity as volumes are rising fast on the back of new model launches and expansion of sales network. It witnessed 40% growth in sales this year. "India is one of the focus markets for Mercedes Benz globally, and with addition of a new plant, we are getting future ready," company India MD & CEO Eberhard Kern told TOI here. The plant was inaugurated by Maharashtra CM Devendra Fadnavis and Union environment minister Prakash Javadekar.

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