

Daily Economic News Summary: 23 June 2015

1. SoftBank may invest at least USD 20 billion in India's solar energy projects

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

In late 2014, SoftBank Corp.'s Masayoshi Son pledged to invest at least \$10 billion in India over the following decade. On Monday, the Japanese firm said it was partnering Bharti Enterprises Ltd and China's Foxconn Technology to invest at least \$20 billion in solar energy projects in the country.

Since SoftBank has the majority in the solar venture, this will take the proposed investments by the storied Japanese company in India, across sectors to at least \$20 billion. The actual number could be between \$25 billion and \$35 billion, Son said.

The solar energy joint venture, SBG Cleantech Ltd, plans to develop at least 20 gigawatts (GW) of solar energy generating capacity. Foxconn, which accounts for 5% of all Chinese exports, will help in manufacturing of solar equipment for the project, while Bharti will provide on-ground support in India, Sunil Mittal, Bharti Enterprises' chairman, said on Monday.

2. Investments surge in India's telecom industry

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

With the explosive growth in data consumption taking India's telecom sector to its next stage of growth, foreign investments have seen a surge. After India permitted 100% foreign direct investment (FDI) in the sector in July 2013, the first 10 months of the last fiscal (till 31 January) saw the highest ever FDI inflows into telecom firms.

3. Moody's retains SBI deposit ratings at Baa3

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

Global rating agency Moody's has affirmed State Bank of India's (SBI) local and foreign currency deposit ratings at Baa3/P-3. In an official statement, the agency said that the outlook of SBI and its branches is positive.

It also affirmed the (P)Baa3 ratings on the bank's and its branches' senior unsecured medium-term note (MTN) programme, and the Baa3 rating on the senior unsecured debt issued from its London branch.

4. IIP growth likely to be 3.5-4% in May: Dun and Bradstreet

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

Growth rate of India's industrial output for May is likely to be in the same range as the previous month, although with a downward bias owing to the base effect, says a Dun & Bradstreet report. According to the research firm, although some incipient signs of revival in domestic demand are visible, overall demand, including external, continues to remain subdued.

D&B expects IIP to have grown by 3.5-4.0 per cent during May-15. Industrial production grew at a two-month high of 4.1 per cent in April, primarily driven by the manufacturing sector, but capital goods growth slowed.

5. Greek tragedy may see RBI selling \$15Billion to defend Re at 65

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

The embattled Greek government is set to present a compromise deal with the European Union and other global creditors to avoid a sovereign default later tonight. In anticipation of a Greek deal, the markets have rallied today by 414 points, while the rupee ended barely unchanged at 63.51, down 0.06 per cent.

After weeks of falling, the market had last week gained over 4 per cent. In last seven days, the index has gained 1,359.23 points, its longest winning run since February. The report expects RBI to sell \$15 billion to defend the rupee at 65 levels in case the Greek talks fail today.

By Harsha Hazarika