

## Daily Economic News Summary: 3 June 2015

### 1. RBI Rate cut to spur housing demand: Realty firms

Source: NDTV ([Link](#))

The Reserve Bank's decision to cut key interest rates is likely to reduce borrowing cost for both home buyers as well as developers leading to increase in housing demand, said the realty firms and consultants.

They sought further cut in interest rates as well as policy reforms for the growth of realty sector, which is facing a huge demand slowdown in last few years.

### 2. IT services market to grow 10.8% annually during 2014-2019: IDC

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

Riding on Digital India, the National Democratic Alliance (NDA) government's flagship programme to increase technology adoption, the information technology (IT) services market is expected to post a compound annual growth rate of 10.8% in rupee terms between 2014 and 2019, says a report released on Tuesday by research firm International Data Corp. (IDC).

Digital India envisages electronic and mobile-based delivery of citizen services, financial inclusion through online platforms and spending on smart cities, among other things.

### 3. Auto makers to launch more utility vehicles than small cars over the next two years

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

In a first for India, auto makers will introduce more utility vehicles in the market than small cars. The reason—they expect consumers to graduate to bigger vehicles.

According to data gathered by *Mint*, as many as 13 new models are being launched in the utility vehicle segment over two fiscal years—the current and the next—while only eight new products will be introduced in the small-car segment in the same period, suggesting Indian consumers with increasing aspirations and rising incomes will opt for bigger vehicles in the future. Manufacturers will also introduce three sedans during the period.

#### **4. India's oil imports from Iran in May hit highest since March 2014**

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

India's imports of Iranian crude oil rose last month to their highest level since March 2014 as refiners boosted purchases ahead of a final push by international negotiators to reach a deal on Tehran's disputed nuclear programme by end-June.

The jump to a 14-month high comes just two months after India dropped its crude imports from Iran to zero under US pressure to limit its purchases of the Islamic republic's oil. In March this year India did not take any Iranian oil for the first time in at least a decade.

#### **5. Railways invite bids for Rs 2500 crore "train set" project**

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

The Railways has invited global players for a Rs 2,500-crore project it has lined up under Prime Minister Narendra Modi's ambitious 'Make in India' programme for the procurement and manufacture of 15 train sets which will be used for faster inter-city travel.

While the successful bidder will be importing two train sets, the rest would have to be manufactured in the country, said a senior Railway Ministry official.

#### **6. India gets a pat on the back for trade policies**

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

Several members of the World Trade Organization (WTO) on Tuesday praised India for pursuing open and liberal trade and macroeconomic policies while increasing its global presence as a roaring economy. With an eye on the rapidly expanding size of the Indian market, industrialized and leading developing countries want New Delhi to do more by liberalizing trade and investment policies as well as reducing anti-dumping and other trade-restrictive measures.

At India's sixth trade policy review (TPR) meeting at WTO, trade envoys from both industrialized and developing countries welcomed government's pro-industry and pro-trade policies, including the impressive economic growth performance over the past four years.

## 7. US hepatitis C patients travel to India for cheaper Sovaldi versions

Source: **Live Mint** (Link)

Patients in the US and Europe have struggled to get access to the drug after insurers and governments limited its use to the sickest patients to control costs, leaving the rest waiting while the virus attacks and scars their liver. Employers have warned that the cost of covering the drug could be a financial catastrophe.

Greg Jefferys, a 61-year-old historian from Australia, is one of those who has already made the trip to India. Since writing about his experience on his blog, he said he has been getting inundated with e-mails from patients around the world asking how they can do the same after being denied the drug in their home country.

*“What are your choices? One is to wait for the liver to get cirrhosis and get real sick or go to India and get the medication,”* he said. *“The whole thing for me was \$3,000. You’d spend that on an old car — that isn’t a lot of money to pay to get your health back.”*

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