

Daily Economic News Summary: 21 May 2019

1. Sensex Jumps Over 200 Points To Hit Record Intra-Day High In Early Traders

Source: Firstpost ([Link](#))

The benchmark BSE Sensex jumped over 200 points to hit a record intra-day high of 39,565.82 as investors' euphoria over exit poll outcome continued in early session on 21 May. The 30-share index was trading 205.24 points, or 0.52 percent, higher at 39,557.91. In similar movement, the broader NSE Nifty rose 48.90 points, or 0.41 percent, to 11,877.15. In the previous session, the Sensex ended 1,421.90 points, or 3.75 per cent, higher at 39,352.67, and the Nifty soared 421.10 points, or 3.69 percent, to 11,828.25. Top gainers in the Sensex pack in morning trade include HDFC twins, Bajaj Finance, Coal India, RIL, Bajaj Auto, HUL, IndusInd Bank, Sun Pharma, Vedanta, Axis Bank and Asian Paints, rising up to 2.21

2. Netflix, Hotstar, Amazon Prime Video Might Soon Be Regulated By TRAI

Source: Livemint ([Link](#))

The Telecom Regulatory Authority of India (Trai) is looking at the possibility of bringing over-the-top (OTT) digital communication services that provide same or similar services as telecom service providers (TSPs) under the same licensing or regulatory norms that are applicable to the latter. This comes against the background of critics continuing to bat for the freedom of the Internet and the unique nature of OTT services such as digital media, including WhatsApp, Facebook, Twitter, Hike and others that perform the same functions of voice and messaging as telcos. The most important argument, during an open house discussion held on 20 May on the regulatory framework for OTT communication services, was the threat to national security and data privacy.

3. Incumbency Wave In India, Australia Boosts Stocks Of Adani Group

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

Shares in various Adani Group companies, including those of flagship Adani Enterprises Ltd, surged on 20 May after exit polls predicted Indian Prime Minister Narendra Modi would return to power, even as Australian poll results also spelled good news for the Indian conglomerate. Adani Enterprises rose as much as 29 per cent in afternoon trade, its sharpest intraday gain in

over two years. Other Adani Group stocks such as Adani Power, Adani Gas and Adani Green Energy Ltd were all up more than 15 per cent in afternoon trading. The rally in Adani stocks outshone a broader market rally, which saw the NSE index close 3.7 per cent higher at 11,828.25 points, while the benchmark BSE index was 3.8 per cent higher at 39,352.67 points.

4. Air Asia India to Fly to Bangkok and Kuala Lumpur From September-end

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

Air Asia India is all set to launch international flights from September end. The airline had sought permission from the government this January. The airline is a joint venture between the Tatas, who have a 51 per cent stake, and Tony Fernandes-controlled Air Asia, which holds the rest of the stake. Sanjay Kumar, chief operating officer of the airline, said: “Our plan is to first fly to the Southeast Asian market and start with flights to Bangkok and Kuala Lumpur. Our target is that we will fly about 7-8 per cent of our total available seat kilometres to international locations in the first year of operations.”

5. RCEP: Aluminium, Copper Associations Caution Govt On China’s Presence

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

Ahead of a key meeting of senior trade officials of 16 Asia-Pacific countries, including India, later this week, aluminium and copper industry associations have raised concerns especially the likely rise in trade deficit with China due to “alarming” spike in imports and a potential threat to Make in India. Negotiators of the Regional Comprehensive Economic Partnership (RCEP) bloc will meet on May 24 in an inter-sessional meeting in a bid to conclude the mega trade agreement this year. China through its “National Sword Policy” is curtailing import of scrap into their country. This policy once implemented may lead to dumping of copper scrap in Indian market and therefore is a potential threat to Copper Industry in India.

6. RBI to Soon Issue Rs 10 Banknotes Bearing Sign of Governor Shaktikanta Das

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

Reserve Bank of India 20 May said it will issue Rs 10 denomination banknotes bearing signature of Governor Shaktikanta Das. The Reserve Bank will shortly issue Rs 10 denomination banknotes in Mahatma Gandhi (new) series bearing the signature of Shaktikanta Das, Governor, RBI said in a release. All banknotes in the denomination of Rs 10 issued by the Reserve Bank in the past will continue to be legal tender, it said.

7. India Looks To Fight Alone at WTO On Global E-Commerce Rules

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

India is looking to fight a lonely battle on global rules for e-commerce trade at the World Trade Organization (WTO) with close to 70 countries siding with the US to have a multilateral mechanism. India along with South Africa and Saudi Arabia have, so far, been the naysayers. Government sources, however, said that at a recent G-20 meeting, even South Africa indicated that there is little support for blocking an international framework on e-commerce or digital trade, with a large bloc from the African continent “beginning to see the gains” that may accrue to them. Government officials said India is going to hold firm as very little benefit accrues to consumers and domestic players. “Even if it is 160 countries in favour of global e-commerce rules, India will seek to stop it,” said a source.

8. Chinese Taipei Seeks To Join WTO Consultations Over India’s ICT Products Tariff

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

Chinese Taipei on 20 May expressed interest in joining consultations in a case filed by Japan in the WTO’s dispute settlement body against India’s import duties on certain ICT products, including mobile phones. According to a communication of the WTO, Chinese Taipei said that the separate customs territory of Taiwan, Penghu, Kinmen and Matsu has a substantial trade interest in information communications technology (ICT) goods. On May 14, Japan has dragged India to the World Trade Organisation (WTO) over the import duties imposed on certain electronic goods including telephones for cellular networks; machines for reception, conversion and transmission or regeneration of voice, images or other data; and parts of telephone sets.

9. FSSAI Allows Small Organic Growers To Sell Produce Without Certification Till 2020

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

Food safety regulator FSSAI has permitted small organic producers, having an annual turnover of over Rs 12 lakh, to sell their produce directly to end consumers without certification till April 2020, but will not be able to use ‘Jaivik Bharat logo’ on their products, the latest report says. The Jaivik Bharat logo is an identity mark to distinguish organic products from non-organic ones. A similar relaxation has been given to ‘aggregators’ having an annual turnover of Rs 50 lakh. However, organic food retail firms have to comply with the certification norm. Under the 2017 organic regulation, sale of organic produce directly to end consumer has been allowed only with the certification of the National Program for Organic Production (NPOP) and Participatory

Guarantee System (PGS) India.

10. India Registers Trade Deficit With 11 RCEP Members In FY19; Check Out Countries With Which Gap Increased, Narrowed

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

India has registered trade deficit in 2018-19 with as many as 11 RCEP member countries – including China, South Korea and Australia out of the grouping of 16 nations that are negotiating a mega trade pact since November 2012. According to the provisional trade data, India's trade deficit – the difference between imports and exports – with three countries (Brunei, Japan, and Malaysia) has in fact increased marginally in 2018-19 as compared to the previous fiscal. The trade gap with Brunei, Japan, and Malaysia has increased to USD 0.5 billion, USD 7.1 billion and USD 3.8 billion, respectively in the last fiscal. It was USD 0.4 billion, USD 6.2 billion and USD 3.3 billion in 2017-18. However, deficit with Australia, China, Indonesia, Korea, New Zealand and Thailand has narrowed in 2018-19 as compared to the preceding fiscal.

11. McDonald's Reopens 13 Restaurants In Delhi

Source: The Statesman ([Link](#))

Connaught Plaza Restaurants Private Ltd (CRPL), now wholly-owned by food service retailer McDonald's, has re-opened 13 of its restaurants in Delhi starting 11 am on 19 May, a statement by McDonald's said. These are the first McDonald's restaurants to be reopened after the ownership of CRPL changed hands on May 9. McDonald's acquired Connaught Plaza Restaurants as the US-based major completed a settlement reached with former joint venture partner Vikram Bakshi. The acquisition ended a dispute between McDonald's and its joint venture partner with whom the former had formed CPRL, which managed the 165 McDonald's outlets in north and east India. McDonald's and Vikram Bakshi had signed a partnership agreement in 1995 to open outlets of the US food service retailer in northern and eastern India for a 25-year period and formed the joint venture CRPL, with both having 50 per cent stake.