

## Daily Economic News Summary: 23 May 2019

### **1. World's Top 10 Fastest Growing Cities Are All From India; Check Which Cities Made It To Oxford List**

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

The top 10 fastest growing economies in the world will be from India, a report published by Oxford Economics state. These are Surat, Agra, Bengaluru, Hyderabad, Nagpur, Tiruppur, Rajkot, Tiruchirapalli, Chennai and Vijayawada, in a descending growth rate order that they are expected to achieve by 2035. Taking the yearly growth into account, the report predicts that Bengaluru will top these cities in terms of GDP in 2035. Bengaluru will touch \$283 billion by that year. According to the Oxford Economics report, the fastest growing cities will be the growth drivers of the global economy and that Indian cities dominate the list, it is a sign of a shift in economic power from the West to the East, CNBC TV-18 said.

### **2. India Favours Rule-Based, Transparent Trading System, Says Sushma Swaraj**

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

India subscribes to a rule-based, transparent, open and inclusive multilateral trading system and firmly opposes unilateralism and protectionism, External Affairs Minister Sushma Swaraj said Wednesday as the China-US trade war threatens to crimp global growth. Addressing the meeting of Shanghai Cooperation Organisation Council (SCO) Foreign Ministers here in the Kyrgyz capital, Swaraj said despite a turbulent global scenario, SCO member states have been steadily expanding mutually beneficial cooperation in various spheres, including political, security and development.

### **3. India's Third Largest Startup Oyo Is Now China's Second Largest Hotel Chain In Just 18 Months Of Launch**

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

Hotels and homes chain OYO on 22 May announced that it has now become China's second-largest hotel chain in terms of room count within 18 months of its launch in the country. OYO claimed that with presence in 320 cities and having nearly 10,000 partner hotels with 450,000 rooms, it has become bigger than existing traditional chains including Home Inn, Hanting etc., in

terms of scale. OYO's China entity that operates under the brand name OYO Jiudian offers accommodation "in less than RMB 150 (Rs 1,514) also while over 200,000 heads are on OYO Jiudian pillows everyday," said Sam Shih, COO, OYO China.

#### **4. Airasia India To Double Its Fleet; Plans To Start International Services By October**

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

Budget carrier AirAsia India is looking to double its fleet in the next 12-15 months as well as launch international operations by October, a senior official said. The Bengaluru-headquartered airline a joint venture between Tatas and Malaysia's AirAsia Berhad -- is eligible to fly overseas. Currently, it has a fleet of 21 A 320 planes. "We are planning to double our capacity (fleet size) in the next 12-15 months, beginning May this year. We are planning to induct some fuel-efficient A320 neo planes as well in our fleet " the official told PTI. AirAsia India, which started operations on 12 June 2014, had a market share of 6.2% of the domestic traffic in April.

#### **5. Foodpanda Cooks Up Offline Strategy With Quick Service Restaurants**

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

Foodpanda is planning to launch quick service restaurants (QSRs) soon at technology parks, airports and railway stations. This comes amid reports that the Ola-backed company has pivoted away from being only an online food delivery platform. While Foodpanda (and Ola) transitions into running pop-up restaurants/QSRs, the company's immediate focus is on its cloud kitchen business. A detailed email sent to Ola went unanswered. The transition to QSRs has been in the making for a while.

#### **6. IndiGo's Market Share Touches 50% On Jet Closure, 737 Max Grounding**

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

IndiGo, the country's largest domestic airline, now commands nearly half of the market share. IndiGo market share rose three percentage points to 49.9 per cent while overall growth turned negative in April due to closure of Jet Airways. Domestic airlines flew 10.9 million passengers last month, which is 4.5 per cent lower than April last year. Last April, domestic airlines had carried 11.5 million passengers. The decline was due to suspension of operations by Jet, which had a market share of over 13 per cent at the start of the year. Domestic traffic growth, which was at double-digit for 50 plus months, has started slowing. In January, growth slowed down to single digit and turned flat in March amid increase in fares and decline in capacity.

## **7. Finance Ministry Begins Consultation With Industry Bodies In Run-Up To 2019-20 Budget**

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

The Finance Ministry has begun the pre-budget consultation exercise with industry bodies in the run-up to the full budget for the current financial year to be unveiled by the new government sometime in July. Finance ministry officials met the representatives of industry body Society of Indian Automobile Manufacturers (SIAM) on Wednesday and would hold similar consultation meetings with other key chambers, including CII, next week. Following the tradition, the government had on 1 February unveiled interim Budget for 2019-20 in view of the Lok Sabha elections. The final Budget for the fiscal is likely to be tabled in July after formation of the new government. The ministry has already met the representatives of other ministries and government departments as part of the Budget-making exercise.

## **8. H&M May Soon Take On Ikea, Others To Deck Up Your Home**

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

Hennes & Mauritz (H&M) is keen to enter India's home decor and furnishing products industry, a move that will pitch the global fashion retailer against local firms Bombay Dyeing and Fabindia, and its Swedish peer Ikea. An offshoot of the high-street fashion label, H&M Home sells products such as cushion covers, blankets, curtains and accessories. "We are looking at the home segment and it will be decoration products and not furniture. There are not many players in that category and the product range doesn't change for years. In the organised sector, our strength will be the latest assortment," said H&M's India chief executive Janne Einola. Ikea opened its first India-based store in Hyderabad last year, while the JSW group launched its brand Forma in the furniture and furnishings segment a month ago.