

Daily Economic News Summary: 26 April 2019

1. India, China Step On The Gas On Oil Sourcing Plan

Source: Livemint ([Link](#))

China and India, the world's second and third largest oil importers, respectively, are nearing an arrangement to form a buyers' bloc to bargain collectively for oil supplies and reduce the influence of the Saudi Arabia-led cartel on oil prices, according to three officials aware of the development. The two strategic rivals have made progress on joint sourcing of crude oil, with Li Fanrong, deputy administrator of China's National Energy Administration, visiting New Delhi last month. India and China are attempting to form a buyers' club that may also persuade the Organization of Petroleum Exporting Countries (Opec) oil cartel to pare the premiums placed on oil sold to Asian nations.

2. Saudi Aramco Sells First Lng, Looks To Expand Gas Business Through Joint Ventures

Source: Livemint ([Link](#))

Saudi Aramco, the world's biggest oil exporter, dipped a toe into the natural gas business by selling its first cargo of the fuel. Aramco sold the shipment of liquefied natural gas from Singapore, Chief Executive Officer Amin Nasser told reporters, without giving additional details. Aramco's trading subsidiary sold the cargo last month to an Indian buyer, according to a person with knowledge of the matter. State-run Aramco seeks to become a "major player" in the gas industry and is looking for potential joint ventures and partnerships, Nasser said in Riyadh.

3. Rupee Edges Higher Against US Dollar

Source: Livemint ([Link](#))

The Indian rupee on 26 April strengthened marginally against US dollar tracking gains in Asian peers. At 9.03 am, the rupee traded at 70.11 a dollar compared with its previous close of 70.26. The Indian currency had opened at 70.14 a dollar. The 10-year bond yield traded at 7.451% compared with Thursday's close of 7.446%. Meanwhile, according to a Reserve Bank of India circular foreign portfolio investors are now permitted to invest in municipal bonds to boost

access of non-resident investors to debt instruments in India. India's benchmark Sensex Index rose 0.24% to 38822.16 points in pre-open trade. Year to date, it is up 7.38%.

4. Triumph Motorcycles To Launch Used Bike Program In India Soon

source: Livemint ([Link](#))

In order to make its motorcycles more affordable, British premium bikemaker Triumph Motorcycles is planning to foray into the used bike space in the next two-three months, the company confirmed on the sidelines of the launch of its 1200cc Speed Twin model in Mumbai on 24 April. The company is also planning to offer financing options on its refurbished models, Shoeb Farooq, general manager, Triumph Motorcycles India told Mint. Harley-Davidson and Ducati are the other two major premium bike brands that are active in the used superbike space in India.

5. US Decision To End Iran Oil Waivers Gives Ammo To PM Modi's Opposition

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

US President Donald Trump's move to pressure Iranian oil importers is turning into a headache for India's government in the midst of a re-election battle. Indian Prime Minister Narendra Modi, whose government is one of the world's biggest importers of Iranian crude, is now facing opposition attacks over his inability to win concessions from Washington. Criticism that his diplomacy has failed to guarantee continued access to cheaper Iranian oil comes in the middle of India's weeks-long general election, which began on April 11.

6. US Black List For IP Theft: China Leads, India Takes Second Spot

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

China continues to head the "black list" prepared by the US government on intellectual property theft and patent violations worldwide, a list including 11 countries and which also includes Argentina, Chile and Venezuela. In its "Special 301" annual report for 2018, the Office of the US Trade Representative Office (USTR) identifies "trading partners that do not adequately or effectively protect and enforce intellectual property (IP) rights or otherwise deny market access to US innovators and creators that rely on protection of their IP rights."

7. Nestle India Gets Shareholders' Nod For Continuation Of Royalty Payments To Swiss Parent Firm

Source: Firstpost ([Link](#))

FMCG major Nestle India said on 25 April its shareholders have cleared a proposal for the continuation of royalty payments to its Swiss parent firm Societe des Produits Nestle SA. Shareholders also approved the proposal to seek their mandatory approval every five years for the fixation of royalty payment. All resolutions, including the "one for continuity of royalty payments" were approved with an overwhelming majority at the 60th Annual General Meeting (AGM) in New Delhi, a company statement said. Commenting on the outcome of the AGM, Suresh Narayanan, Chairman and Managing Director, Nestle India said: "I am humbled by the strong show of support from the shareholders. They have appreciated the Company's performance and shown faith in management's ability to deliver long term shareholder value.

8. RBI Allows Foreign Investors To Buy Municipal Bonds

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

The Reserve Bank of India (RBI) on 25 April further eased norms for foreign portfolio investors (FPIs) by allowing them to invest in municipal bonds under prescribed limits to broaden access of non-resident investors to debt instruments in India, the central bank said in a statement. The limits for investing in these municipal bonds are to be set within the limits for FPI investment in state development loans (SDLs). The limits set for SDLs amount to 2% of outstanding securities. "Investing in municipal bonds in India is not a popular opinion as majority municipalities are not cash rich, but if FPIs start investing in these bonds, the domestic players also might find interest and also could prove to be a good income source for municipalities," said Ashutosh Khajuria, V-P, Federal Bank.

9. It's Raining Deals: Pe/Vc Investments In March At All-Time High Of \$7 Billion

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

Private Equity/Venture Capital (PE/VC) investments in March 2019 recorded an all-time high of \$7 billion, which is more than twice the value recorded in March 2018, EY's Private Equity Monthly Deal Tracker said. The report pointed out that March was the best month ever for PE/VC investments, being 30% higher compared with the previous high of \$5.4 billion recorded in August 2017. There were 13 large deals (deals of value greater than \$100 million) aggregating \$6 billion in March 2019 compared with four large deals worth \$3 billion in March 2018, with

Brookfield's \$1.9 billion buyout of RIL's east-west pipeline being the largest deal during the month.

10. Japan Seeks To Join WTO Dispute Consultations Over India's Import Duties On ICT Goods

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

Japan has expressed interest to join consultations in a dispute case filed by the EU in the WTO against India's import duties on some information and communications technology products, including mobile phones, according to a communication of the World Trade Organization. Japan is the sixth country which wants to join the consultations sought by the European Union (EU) against India under the aegis of the WTO's dispute settlement mechanism. The other countries which have requested are Canada, Thailand, the US, Singapore and Chinese Taipei.