

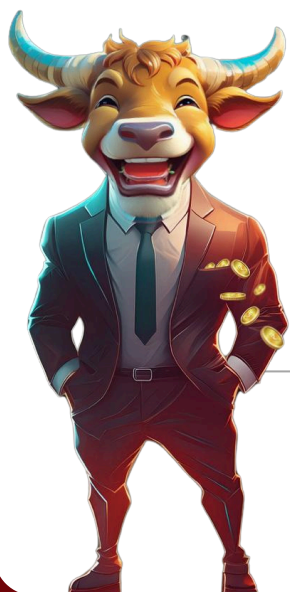
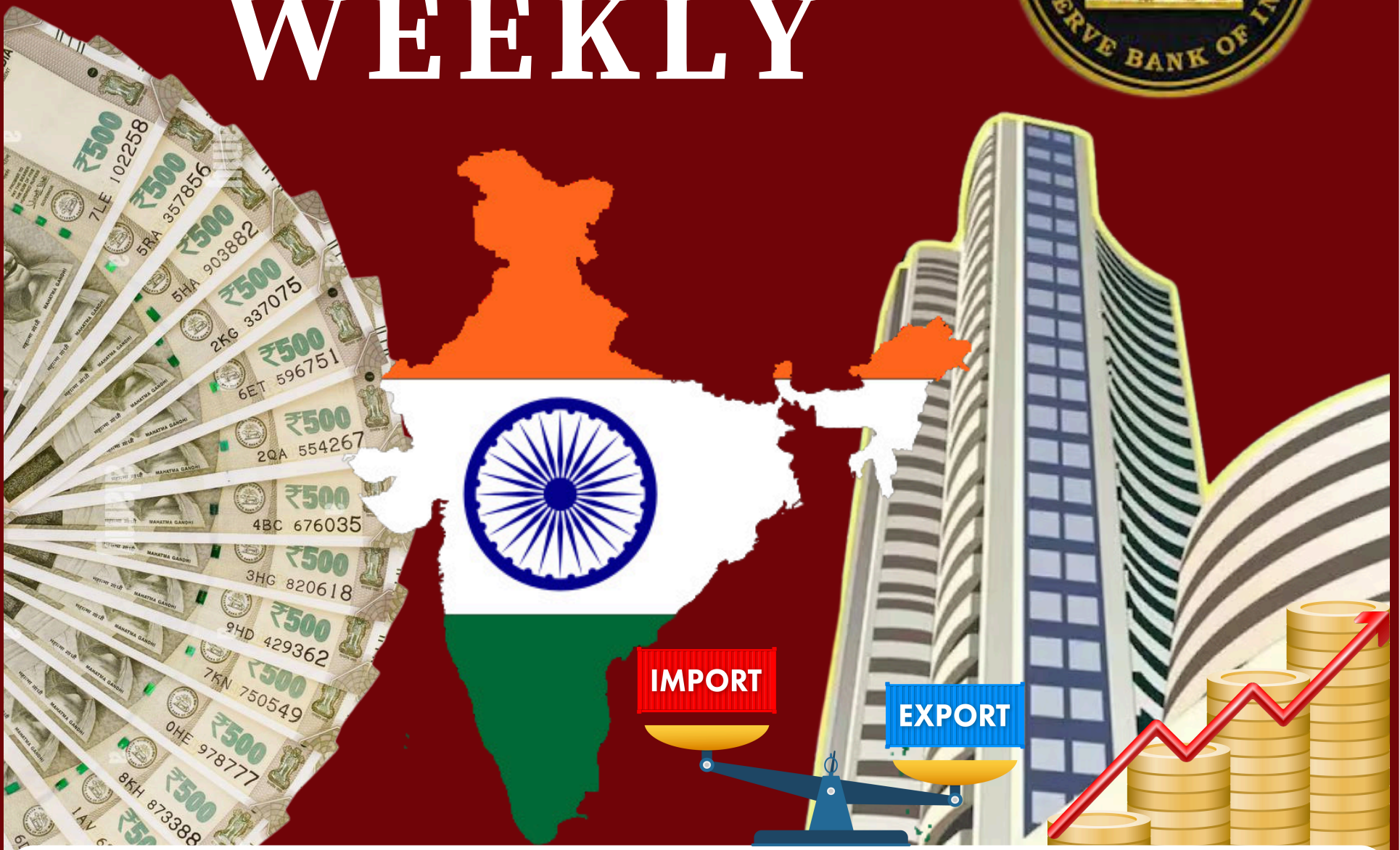
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# कॉलिंग UNWRAPPED WEEKLY



## NEWSFLASH

14th April- 20th April

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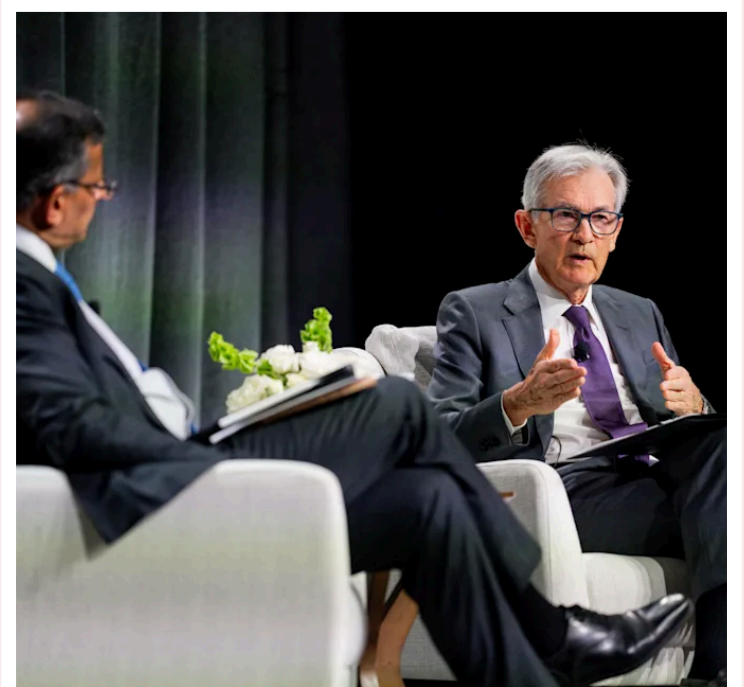
## **US TARIFFS WILL NOT SPARK GLOBAL RECESSION BUT WILL WEAKEN ECONOMY, IMF SAYS**



IMF chief Kristalina Georgieva warned that rising tariffs under the Trump administration are fueling global uncertainty and slowing economic growth, though not enough to trigger a global recession. She stressed that trade barriers disrupt complex supply chains and create costly market volatility, already visible in Wall Street's sharp swings. While acknowledging some of Trump's trade concerns, Georgieva urged countries to reduce tariffs and revive stalled progress on global trade cooperation. She said protectionist policies feed perceptions of unfairness in the global system and hurt long-term growth.

## **JAY POWELL MADE IT CLEAR FED IS NOT GOING TO RESCUE MARKETS**

Federal Reserve Chair Jerome Powell, speaking at the Economic Club of Chicago, ruled out immediate rate cuts or bond market interventions despite recent market volatility caused by Trump's tariffs. He dismissed the notion of a "Fed put," emphasizing that some volatility is expected during uncertain times. Powell warned that tariffs could lead to higher inflation and slower economic growth, complicating the Fed's task. For now, the central bank will prioritize inflation control and wait for clearer economic signals.





## **CHINA'S FISCAL REVENUE FALLS 1.1% IN JAN-MAR 2025 AMID ONGOING TARIFF WAR**



China's fiscal revenue fell 1.1% year-on-year in Q1 2025 amid U.S. tariff pressures and a broader trade war. Tax revenue declined 3.5%, while non-tax revenue rose 8.8%. Fiscal spending grew 4.2% as Beijing pushes stimulus to meet its 5% growth target. However, analysts are skeptical, citing deflation, weak demand, and tariff impacts. Fitch recently downgraded China's outlook, highlighting rising debt and fiscal risks, further straining policymakers grappling with a struggling property market and economic headwinds.

## **INDIA PLANS TO SET NEW NUCLEAR REGULATOR AMID THE ENTRY OF PRIVATE SECTOR**

India is set to establish a new nuclear regulatory body as it prepares to allow private sector participation in the nuclear energy sector. The proposed authority will ensure strict oversight of nuclear fuel import, usage, and waste disposal, preventing any potential misuse. Amendments to the Atomic Energy Act and Civil Liability for Nuclear Damage Act are underway to support this shift. The initiative aligns with India's clean energy goals, aiming to increase nuclear power capacity to 40 GW by 2035 through innovations like Small Modular Reactors.



## FITCH FORECASTS INDIA'S GDP GROWTH AT 6.4% FOR FY26 AS TRADE WAR ESCALATES



Fitch Ratings has revised India's GDP growth forecast for FY26 to 6.4% from 6.5% due to the intensifying global trade war, particularly between the US and China. The agency also downgraded global growth to 1.9% for 2025, with US and China now expected to grow at 1.2% and 3.9%, respectively. Despite a temporary pause in tariffs, Fitch warns that escalating tensions will continue to weigh on global and domestic economic prospects, affecting investor sentiment and international trade dynamics.

## SINKING OIL PRICES TO REDUCE INDIA'S IMPORT BILL, MODERATE INFLATIONARY PRESSURE

Falling global crude oil prices are expected to benefit India by lowering its energy import bill and easing inflationary pressures. Brent crude recently dipped below \$60 per barrel due to escalating US-China trade tensions. Despite this drop, Indian oil marketing companies like IOCL, BPCL, and HPCL have held retail fuel prices steady, citing high market volatility. Experts suggest that lower oil prices reduce costs in transportation and manufacturing, potentially allowing for price cuts and broader economic relief across multiple sectors.





## **PAPER INDUSTRY SEEKS BAN ON INFERIOR GRADE MATERIAL IMPORTS, POLICY ACTION AMID US TARIFF WAR**



The paper industry is urging the government to ban the import of inferior-grade materials, impose quality control orders, and closely monitor inbound paper shipments. These measures aim to protect local manufacturers from unfair competition posed by low-quality imports. By ensuring higher standards, the industry seeks to maintain product quality, support fair market conditions, and protect domestic production, ultimately benefiting both manufacturers and consumers.

## **DUTY IMPOSED ON STEEL, ALUMINIUM ON SECURITY GROUNDS, NOT SAFEGUARD MEASURES: US TO INDIA IN WTO**

The US has informed the World Trade Organization (WTO) that its decision to impose tariffs on steel and aluminium was based on national security concerns, not as safeguard measures. This response came after India requested consultations with the WTO on April 11 under the Safeguards Agreement, challenging the tariffs. The US argued that the tariffs should not be viewed as protective measures, but rather as actions related to national security interests.



## **INDIA LACKS INNOVATIONS IN AUTOMOBILE SECTOR, NEED TO HIKE SUBSTANTIAL INVESTMENTS IN R&D: NITI AAYOG**



According to a report by NITI Aayog, India's growth in the global automobile sector is hindered by a lack of innovation, largely due to insufficient Research and Development (R&D) infrastructure. The report highlights that without strong R&D capabilities, India struggles to develop advanced technologies and innovative solutions, limiting its competitiveness in the global automobile market. Strengthening R&D could help drive innovation and accelerate growth in the sector.

## **INDIA-MADE ELECTRONICS PRODUCTS BEING RECOGNISED GLOBALLY: UNION MINISTER ASHWINI VAISHNAW**

Union Minister Ashwini Vaishnaw highlighted significant growth in India's electronics manufacturing and exports over the last decade, driven by policies and incentives. Made-in-India products are now globally recognized for their reliability and respect for intellectual property (IP) rights. Speaking at the inauguration of VVDN Technologies' SMT (Surface Mount Technology) Line in Manesar, Vaishnaw noted that India's electronics manufacturing has increased five-fold, surpassing Rs 11 lakh crore in value.





## **GOLD IMPORTS RISE 192% TO \$4.47 BN IN MARCH**

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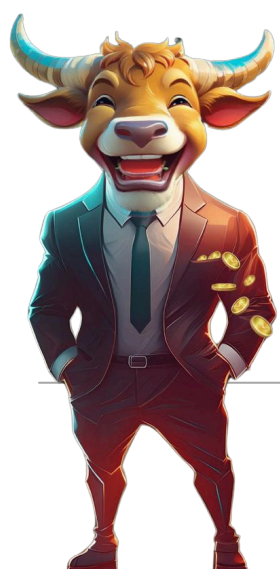
India's gold imports surged by 192.13% to USD 4.47 billion in March, following a period of negative growth. This significant increase was driven by a rise in gold prices, according to data from the commerce ministry. In comparison, gold imports were valued at USD 1.53 billion in January 2024. The rise in gold imports impacts the country's Current Account Deficit (CAD), adding pressure to India's external trade balance.

## **INDIA-US TRADE DELEGATIONS TO BEGIN DISCUSSIONS ON A BILATERAL TRADE AGREEMENT THIS WEEK**

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Indian and American trade delegations are set to begin discussions this week on a potential Bilateral Trade Agreement, according to sources. The talks aim to strengthen trade relations between the two countries, focusing on key sectors and addressing existing trade barriers. This agreement could pave the way for enhanced economic cooperation, benefiting both nations by boosting trade volumes and improving market access.





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