

US Business Newsletter, December 2023

India Better Positioned to Navigate Global Headwinds Than Other Major Emerging Economies: World Bank Report

India's economy has demonstrated resilience despite a challenging external environment, says the World Bank in its latest India Development Update, a World Bank flagship publication. The report titled "*Navigating the Storm*", finds that while the deteriorating external environment will weigh on India's growth prospects the economy is relatively well positioned to weather global spillovers compared to most other emerging markets. Impact of a tightening global monetary policy cycle, slowing global growth and elevated commodity prices will mean that the Indian economy will experience lower growth in 2022-23 financial year compared to 2021-22. Despite these challenges, the update expects India to register a strong GDP growth and remain one of the fastest growing major economies in the world, due to robust domestic demand.

The World Bank has revised its 2022-23 GDP forecast upward to 6.9 percent from 6.5 percent (in October 2022), considering a strong outturn in India in the second quarter (July-September) of the 2022-23 financial year.



Source : *India Better Positioned to Navigate Global Headwinds Than Other Major Emerging Economies: New World Bank Report*

S&P 500 Rises to Highest Level Since January 2022

Fresh inflation data buoyed investor hopes of a soft landing, lifting U.S. stocks to new highs. Despite concerns about the Fed's rate cuts and economic growth, the November consumer-price report, showing a slight pullback in inflation, reinforced the optimistic outlook, with indexes marking their third consecutive session of fresh 52-week highs.



Source: <https://www.wsj.com/finance/stocks/global-stocks-markets-dow-news-12-12-2023-6d3773c8>

Future of Fossil Fuels at Stake in Homestretch of Climate Talks

The final phase of the UN climate conference sees a conflict between nations advocating for a fossil fuel phaseout and fossil fuel producers. Europe and frontline climate change nations push for a phaseout, while oil-rich nations resist, with the draft agreement suggesting a phaseout aligned with climate science. This battle over the future of fossil fuels underscores the complex economic and political challenges in shifting to renewable energy sources and scaling up climate action.



Source: <https://www.wsj.com/business/energy-oil/future-of-fossil-fuels-at-stake-in-homestretch-of-climate-talks-7f9bdb27>

Apple Appeals U.S. ban that halted Watch Sales

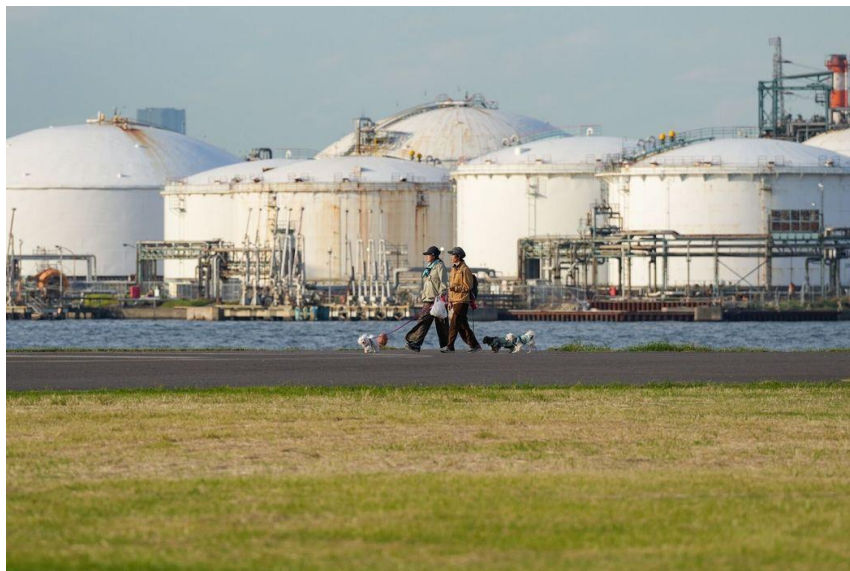
Apple faces a federal trade agency's import ban on its newest smartwatch models, accused of patent violations by a competitor, Masimo. The company is appealing the decision, citing potential "irreparable harm" due to the ban affecting its two most popular models, while seeking approval for redesigned versions to resume sales in the U.S.



Source: <https://www.wsj.com/tech/apple-appeals-u-s-ban-on-watch-sales-b7ab19c3>

U.S. Crude Oil, Gasoline Stocks Rise as Refineries Ramp Up Runs

U.S. crude oil and gasoline inventories surged, with crude rising by 2.9 million barrels and gasoline by 2.7 million barrels, surpassing analyst expectations. Despite increased production and refining capacity utilization hitting 92.4%, concerns over Houthi rebel threats to shipping in the Red Sea pushed crude futures slightly higher.



Source: <https://www.wsj.com/business/energy-oil/u-s-crude-oil-gasoline-stocks-rise-as-refineries-ramp-up-runs-f67eae01>

Tesla Recalls Millions of Vehicles Amid Probe of Autopilot Crashes

Tesla is recalling over two million vehicles due to concerns about the misuse of its Autopilot system, potentially affecting the company's reputation. Despite being relatively inexpensive to implement, the recall aims to reinforce driver attention while using the advanced driver-assistance features, addressing government scrutiny about driver misuse and safety concerns.



Source: <https://www.wsj.com/business/autos/tesla-recalls-more-than-two-million-vehicles-over-autopilot-safety-concerns-274eb6e6>