

# ECONOMICS BULLITEN

By Eco Marvels (The Economics Club)



**THE WORLDWIDE ECONOMY IS SET TO DEVELOP AT GENERALLY 3% THROUGHOUT THE FOLLOWING FIVE YEARS - THE SLOWEST PACE SINCE 1990.**

Kristalina Georgieva said that the road ahead was "rough and foggy" and that it was getting harder to work together to solve the problems. She gave a speech in Washington prior to the annual meeting of the IMF. She demanded more assistance for countries with low incomes in her remarks.

She stated, "For the weakest members of our global family, additional support from wealthier countries is essential," urging nations to raise funds for the International Monetary Fund (IMF), which provides low-interest loans to disadvantaged nations. As the shocks from the Covid-19 crisis, the war in Ukraine, and the skyrocketing cost of living continue to reverberate; the organization is anticipating a flurry of requests for assistance or debt restructuring.

Source: IMF

Source: <https://www.bbc.com/news/>

**Development has to be achieved collectively and it has to be quick paced and inclusive..**

**Hon. PM. Shri Narendra Modi**

**US COMPANIES ARE "MORE PESSIMISTIC" ABOUT DOING BUSINESS IN CHINA**

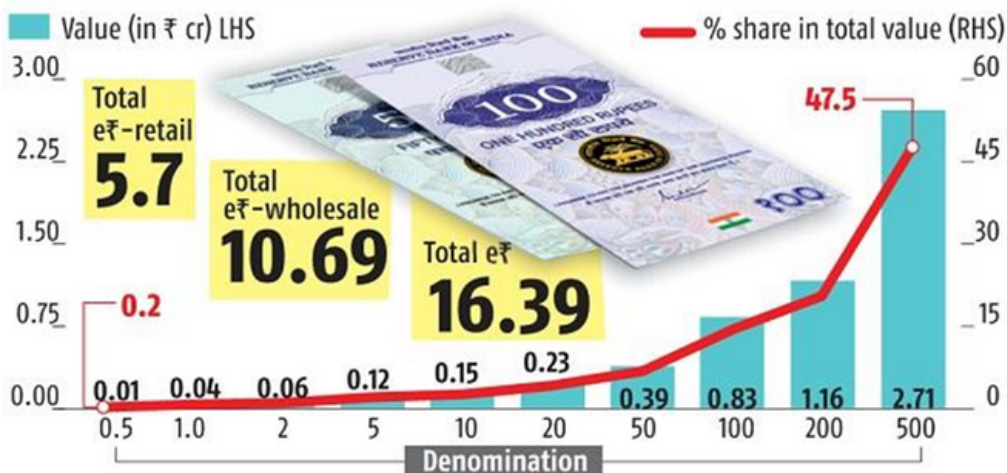
Michael Hart claims that the rivalry has "made business very challenging" as tensions between the two largest economies in the world continue to rise. The governments of Presidents Xi and Biden have been at odds over what seems to be a growing number of issues, including Taiwan, TikTok, the coronavirus, Ukraine, and semiconductors. The recent annual poll by AmCham, China shows that more than 900 members no longer like China as one of their top three investment priorities, or as a location where they should invest money to expand their business.

## 50% OF RS 2,000 NOTES IN CIRCULATION HAVE COME BACK TO BANKS, REVEALS RBI

In about two weeks, almost half of the ₹2,000 currency notes in circulation, worth around ₹1.8 lakh crore, have been received back to the banking system. Of this, 85% of ₹2,000 notes, which is ₹1.53 lakh crore has been deposited in bank accounts while the remaining were exchanged.

Either one can deposit the ₹2,000 currency note or exchange it with lower denomination currency but the exchange is allowed up to ₹20,000 at a time.

### DIGITAL RUPEE MOVEMENT



### RBI PLANS TO MAKE CBDC QR CODE INTERPRETABLE WITH UPI



The Reserve Bank is planning to make the Central Bank Digital Currency (CBDC) QR codes interoperable with popular Unified Payment Interface (UPI), Deputy Governor T Rabi Sankar said on Thursday.

The central bank is also planning to have 1 million customers active on CBDC or e-rupee by the end of this month, he told reporters.

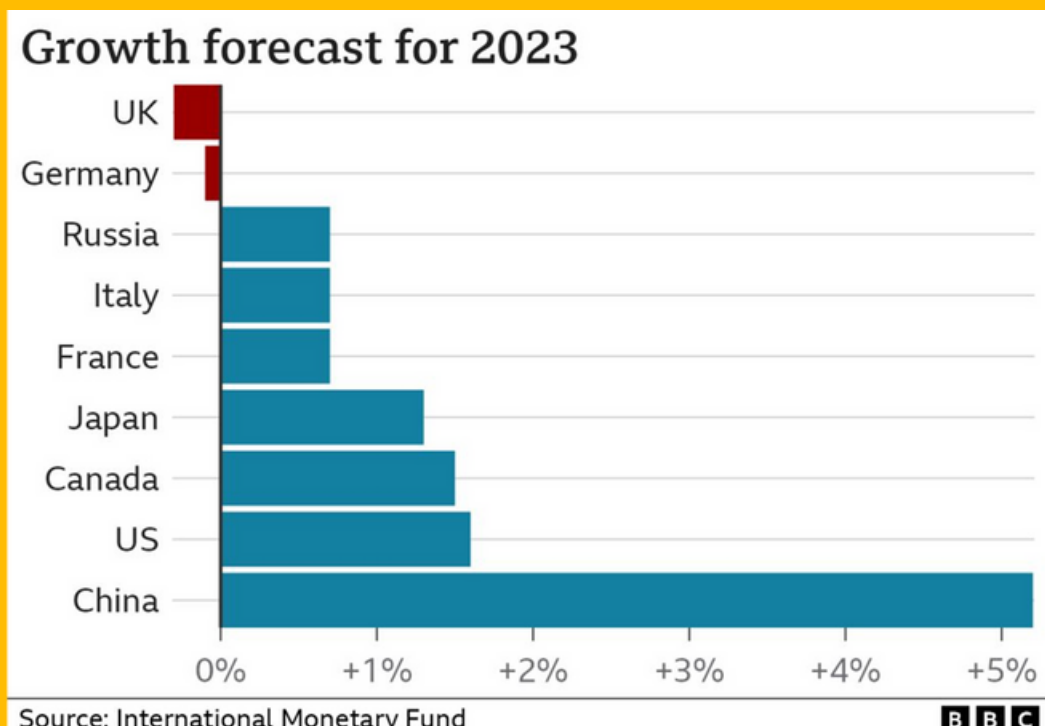
In CBDC, a beneficiary can draw the digital currency and keep it in their wallet on mobile. When you make a payment at a shop or to another individual, it will move from one wallet to another. There is no routing or intermediation of the bank. Unlike in the case of UPI, money moves between two private entities, individuals or businesses, similar to physical cash, in the case of CBDC.

RBI had launched CBDC in November 2022, with the first pilot for digital rupee in the wholesale segment or CBDC (W). The pilot has been initiated with nine banks--State Bank of India, Bank of Baroda, Union Bank of India, HDFC Bank, ICICI Bank, Kotak Mahindra Bank, YES Bank, IDFC First Bank and HSBC.

## THE UK IS SET TO BE ONE OF THE WORST PERFORMING MAJOR ECONOMIES IN THE WORLD THIS YEAR, ACCORDING TO THE INTERNATIONAL MONETARY FUND (IMF).

The UK's economic performance in 2023 will be the worst of the G20's 20 largest economies, which also include Russia, which has been hit hard by sanctions.

The IMF predicts that the UK economy will shrink this year, which is a slight improvement from its previous prediction. A "rocky road" for the global financial system was also mentioned. It comes after the collapse of two US banks last month and UBS's hasty acquisition of Credit Suisse, a Swiss banking giant, which raised concerns about a new financial crisis. It now expects the UK economy to shrink by 0.3% in 2023 and then grow by 1% next year.



## EUROPE HAS STARTED GETTING IN RECESSION.

The Eurozone has been confirmed of getting into a 'technical recession' after the European economy shrank by 0.1% in Q1 2023, marking two consecutive quarters of contracting GDP. The reason for the same is slowdown in consumption spending, sticky inflation and higher energy prices. The European economies faced surging energy prices sparked by Russia's war on Ukraine sent inflation spiraling. The growth engine of Europe - Germany is all ready facing pressures of high inflation since early 2023.



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