

Global Trade Weekly Bulletin

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International Trade



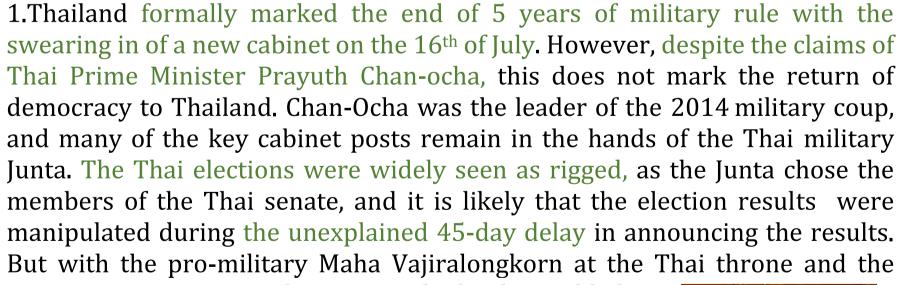
1. The Chinese economy has started to slow down, with the growth rate dropping to 6.2% in the second quarter of 2019, the lowest since 1992. While some observers have claimed that this slowdown is caused by the trade war with the United States, the root causes of it are a slowing global economy and decreasing financial liquidity in the Chinese domestic economy. However, the slowdown is not a surprise and falls into the predicted range set by the Chinese government between 6% and 6.5%. Analysts expect that the

government will respond with greater fiscal support, though economists are sceptical about how successful such efforts will be without confronting the underlying structural issues.

Foreign Investment

- 1. Foreign Portfolio Investors (FPIs) in India are currently rattled by the proposed increase of tax rates for those earning over INR 2 crore a year. The new tax is also applied to trusts, through
 - which many FPIs invest in India. FPIs are now threatening to pull out of the country unless the rules are amended suitably to exclude trusts used by FPIs.
- 2. The Indian government has provided a \$100 million loan to Nigeria for the universal Internet coverage and increasing broadband access. Nigeria is India's largest trading partner in Africa and has a prominent Indian business diaspora. Additionally, the loan is strategic for Indian industry, with Airtel already having operations in Nigeria and with Jio likely to follow suit.





increasing repression of activists, Thailand is unlikely to see democratic change anytime soon.

2.Boris Johnson is set to become the Prime Minister of the UK, all but making a no-deal Brexit a certainty. Johnson is a highly controversial politician who propagated several falsehoods during the Brexit campaign. He believes that the threat of a no-deal Brexit will bring the EU back to the negotiating table, however the EU has already indicated that negotiations are closed and have started their preparations for a no-deal Brexit.