



NATIONAL APEX CHAMBER

FOREX & FEMA Newsletter

January 2019

PHD Research Bureau

PHD Chamber of Commerce and Industry

PHD House, 4/2 Siri Institutional Area, August Kranti Marg, New Delhi - 110016

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FOREX & FEMA NEWSLETTER

The daily average monthly turnover in India's foreign exchange market including merchant and interbank transactions in the category of purchases stands at USD 2612 million in October 2018 as against USD 2373 million in September 2018 (as on 21st Sep 2018). In the category of sales, the average daily turnover stands at USD 2654 million in October 2018 as compared to USD 2396 million in September 2018 (as on 21st Sep 2018).

In the month of January 2019, the average exchange rate of rupee against USD stands at 71. The average exchange rate of rupee against Japanese yen stands at 65. The exchange rate of rupee against Euro has remained at an average of 81 in the month of January 2019. While, the average exchange rate of rupee against pound sterling is at 91 during January 2019.

India's foreign exchange reserves stands at about USD 400 billion as on February 1, 2019 of which Foreign Currency Assets consists of USD 373 billion, Gold reserves at USD 23 billion, SDRs at USD 1.5 billion and reserve position in the IMF at USD 2.6 billion.

At commodity front, the average price of Gold has increased from Rs 31232 per 10 grams in December 2018 to Rs 32212 per 10 grams in January 2019. The average price of silver has increased from Rs. 37051 per 1 kg in December 2018 to Rs 39101 in January 2019. Similarly, the average price of copper has increased from Rs. 426 per 1 kg in December 2018 to Rs. 429 per 1 kg in January 2019. Zinc has witnessed a decline in its average price from Rs. 186 per 1 kg in December 2018 to Rs 181 in January 2019. The average price of crude oil has increased to Rs 3888 per barrel in January 2019 from around to Rs. 3499 per barrel in December 2018.

At regulatory front, RBI constituted Expert Committee. Considering the importance of the MSMEs in the Indian economy, it is essential to understand the structural bottlenecks and factors affecting the performance of the MSMEs. It has, therefore, been considered necessary that a comprehensive review is undertaken to identify causes and propose long term solutions, for the economic and financial sustainability of the MSME sector. Accordingly, RBI has formed the Expert Committee on Micro, Small and Medium Enterprises under the Chairmanship of Shri U.K. Sinha, Former Chairman, Securities and Exchange Board of India.

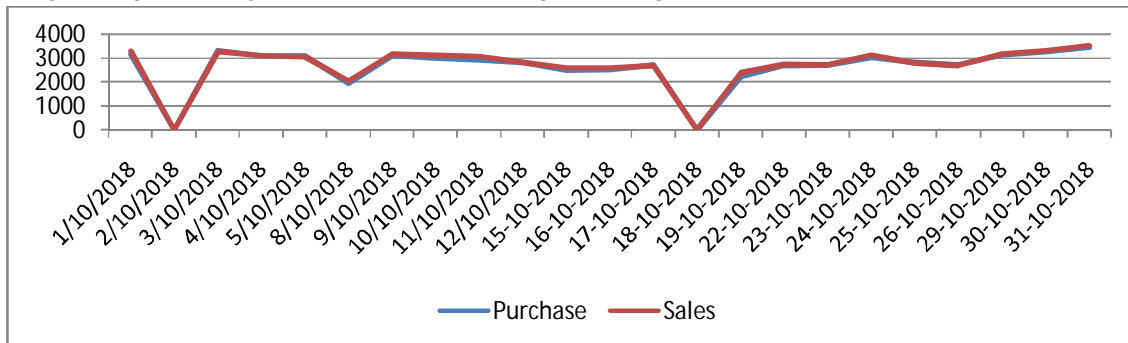
On the basis of an assessment of the current and evolving macroeconomic situation, the Monetary Policy Committee (MPC) recently decided to reduce the policy repo rate under the liquidity adjustment facility (LAF) by 25 basis points from 6.5% to 6.25% with immediate effect. Consequently, the reverse repo rate under the LAF stands adjusted to 6% and the marginal standing facility (MSF) rate and the Bank Rate to 6.5%.

India's foreign exchange market turnover (daily average)



The daily average monthly turnover in India's foreign exchange market including merchant and interbank transactions in the category of purchases stands at USD 2612 million in October 2018 as against USD 2373 million in September 2018 (as on 21st Sep 2018). In the category of sales, the average daily turnover stands at USD 2654 million in October 2018 as compared to USD 2396 million in September 2018 (as on 21st Sep 2018).

Daily average monthly turnover in India's foreign exchange market (USD million)

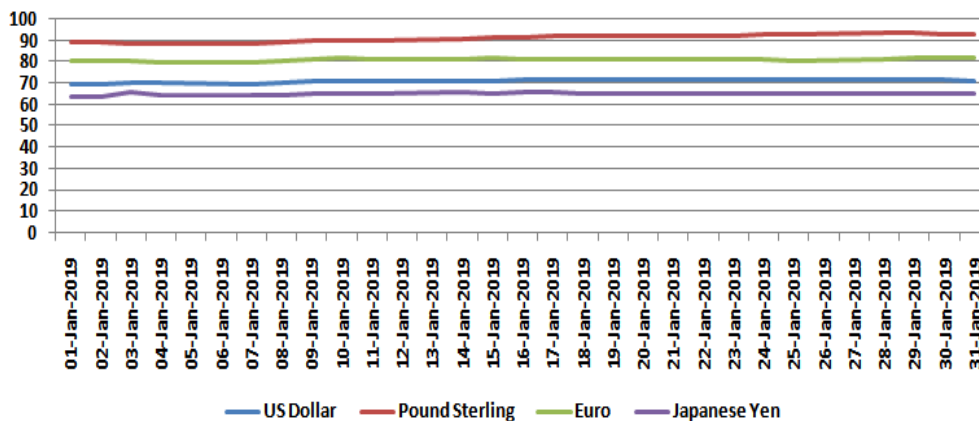


Source: PHD Research Bureau compiled from RBI

Overview of Indian rupee

In the month of January 2019, the average exchange rate of rupee against USD stands at 71. The average exchange rate of rupee against Japanese yen stands at 65. The exchange rate of rupee against Euro has remained at an average of 81 in the month of January 2019. While, the average exchange rate of rupee against pound sterling is at 91 during January 2019.

Trend of rupee against various currencies (January 2019)



Source: PHD Research Bureau compiled from RBI

Indian rupee overview

Average Exchange rate of rupee against USD stands at 71 in January 2019, against pound sterling at 91, against Euro at 81 and against Japanese Yen at 65.



Trade & Investment Facilitation Services



SINGLE WINDOW INFORMATION AND PROCEDURAL FACILITATION

Trade and Investment Facilitation Services (TIFS) is a vital component for international trade and investment community. It is envisioned to facilitate firms across the globe for trade and investments in India while simultaneously meeting India's rapidly growing appetite for new markets to enhance trade and investments.

Considering the thirst of the Nation to place India at the forefront of Global Economic Architecture, PHD Chamber of Commerce and Industry launched a specialized desk on Trade and Investment Facilitation Services (TIFS) on 31st March 2017. TIFS is an information and advisory hub to provide requisite and detailed information to facilitate national and international business firms to invest in India; advising them on prospective business opportunities in India in general and in States and promising sectors in particular.

Vision of TIFS

We aim to make India a US\$ 100 billion (per annum) investment destination in the next five years and to enhance India's trade trajectory to the higher level. We envisage US\$ 1000 billion merchandise trade (exports and imports) and US\$ 500 billion services trade (exports and imports) per annum in the next five years.

Geographical Area

TIFS covers pan India from Jammu Kashmir in the North to Tamil Nadu in the South and from Gujarat in the West to Arunachal Pradesh in the East.

Three role dimensions

1. Information role:

Serving as a key link to all information centres on all national and regional/local regulations and clearances. This includes maintaining or having direct and easy access to such information. This also means constant updating of such information.

2. Catalyst role:

Providing facilitative advisory services to help overcome key obstacles and strengthen key positive enablers for enhanced trade and investments. This includes providing information or "leads" on opportunities that would benefit international business community to invest in India.

3. Networking role:

Effective networking with relevant Indian and overseas agencies and leveraging of such networks in the direction of risk mitigation and enhancing trade and investments.

Strategic Collaborators of TIFS

TIFS work in close coordination with Trade Consulars' of different countries as well as international trade and business community and international chambers of commerce. Further, for facilitating and providing information on procedural requirements, TIFS also work in close coordination with the government both at the central and the state level as well as industry associations in India.

Trade Consular's of different countries

Government including Central and State

Industry Associations

International Trade and Business Community

International Chambers of Commerce

International Consulting Firms

How TIFS work in assisting investors?

It is envisaged to be the first-point-one-stop reference for potential investors from around the world. Our team of domain and functional experts provides sector-and state-specific inputs, and hand- holding support to investors. We assist with location identification, expediting regulatory approvals, facilitating meetings with relevant government and corporate officials among others. For instance, if an investor A from Germany wants to invest USD 100 million in a textile business in India.

- A team of trained staff will be associated with the task for maintaining a physical helpdesk and provide the investor with all the help required regarding the relevant approvals to set up a business and information related to investment areas across India.
- Facility to set up meetings of the investors with Government officials for specific investor queries, both at the state government and central government level.
- Regular updates on various economic developments in India in general and sector specific in particular.
- Updates on state level developments related to policy amendments, sectoral developments, taxation mechanism, infrastructural, etc.
- Updates on Foreign Direct Investment norms, Foreign Trade Policy, etc.

TIFS undertakes the following activities

- i. Through regular research and networking with Government bodies, Entrepreneurs, Industry associations, Embassies/Consulates, Investment delegations, etc., the TIFS gather information on possible trade and investment opportunities in various sectors of the Indian economy.
- ii. TIFS advises prospective traders and investors, national and international, in their process of filing applications and helping them meet other procedural and regulatory requirements. For this purpose, information on specific trade and investment guidelines at the state and central level is provided by TIFS.
- iii. TIFS provides information at a broad level to international investors about possible potential joint venture partners in India. If TIFS is aware of any Indian parties interested in formation of Joint Ventures (JVs) with some global partners, such information is made available to interested investors.
- iv. In case of requests made by individual investors to undertake specific research assignments, financial analysis or due diligence of any specific joint venture partner or Mergers & Acquisitions (M&A) targets, TIFS provides adequate resources to carry out such requests on an agreed cost.
- v. In a nutshell, TIFS increases understanding amongst national and international investors on the promising investment areas and requirements and regulations for making investments. Facilitates in dealing with the Government in application procedures amongst the national and international Investors. Reduce lead time in investment processes and procedural transactions.

Registration

Registration is open to both Indian and foreign entities.

Registration fee is for your registration with TIFS program to receive updates on trade and investment scenario regularly for 1 year from the date of registration. However, for your specific queries consultancy charges would vary from case to case basis for facilitation services on detailed projects and exhaustive research studies.

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Monthly trend of rupee exchange rate (high and low) against currencies

In the month of January 2019, the exchange rate of rupee against USD recorded highest at 71.37, while it registered lowest at 69.48. The exchange rate of rupee against pound registered highest at 93.82 and lowest at 88.25. In case of Euro currency, exchange rate of rupee recorded highest at 81.68 and lowest at 79.38. The exchange rate of rupee against Japanese yen recorded highest at 65.62 and lowest at 63.57.

Indian rupee overview

(January 2019)

INR against foreign currency	Open	High	Low	Close
USD	69.71	71.37	69.48	71.03
Pound Sterling	88.97	93.82	88.25	93.23
Euro	79.93	81.68	79.38	81.68
Japanese Yen	63.57	65.62	63.57	65.30

Exchange rate of rupee against USD stood highest at 71.37 and lowest at 69.48 in January 2019.

Source: PHD Research Bureau compiled from RBI

Foreign exchange reserves

India's foreign exchange reserves stands at about USD 400 billion as on February 1, 2019 of which Foreign Currency Assets consists of USD 373 billion, Gold reserves at USD 23 billion, SDRs at USD 1.5 billion and reserve position in the IMF at USD 2.6 billion.

Foreign exchange reserves as on February 1, 2019 (USD Billion)



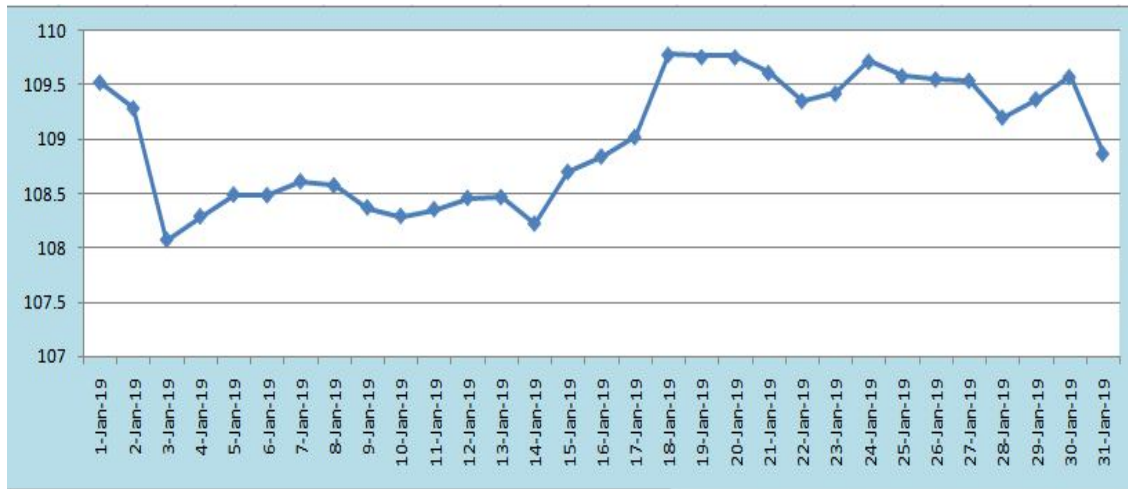
India's foreign exchange reserves are at about USD 400 billion as on February 1, 2019

Source: PHD Research Bureau compiled from RBI

Trend of USD against Japanese Yen, British Pound and Euro in January 2019

Trend of USD against Japanese Yen

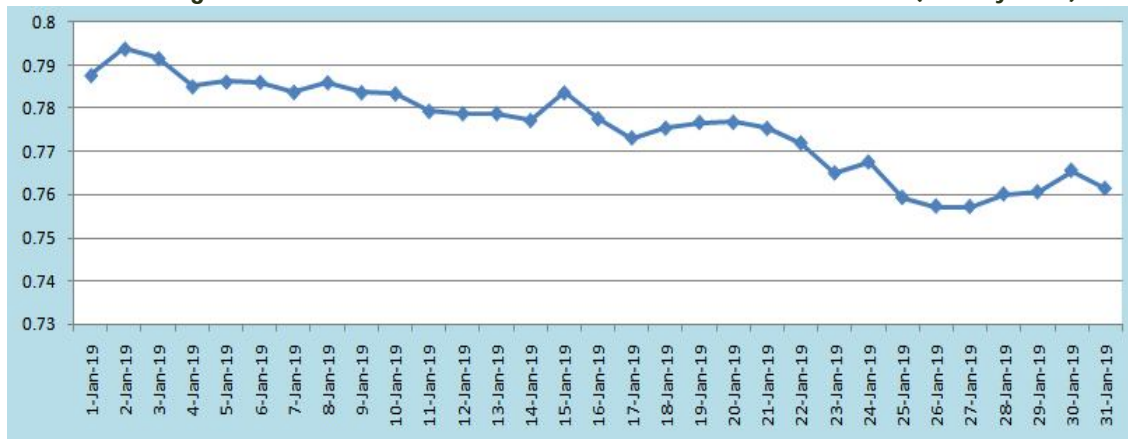
(January 2019)



Source: PHD Research Bureau compiled from x-rates.

Trend of USD against British Pound

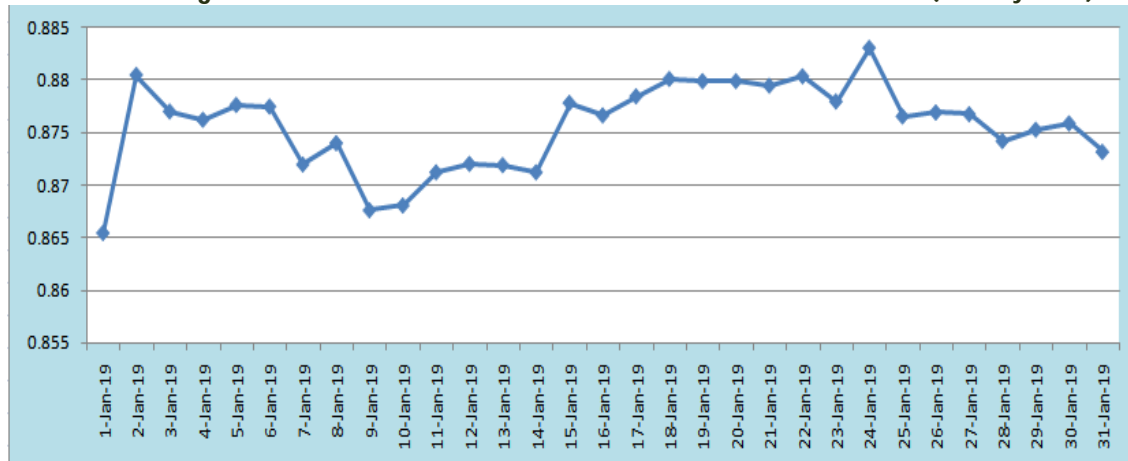
(January 2019)



Source: PHD Research Bureau compiled from x-rates.

Trend of USD against Euro

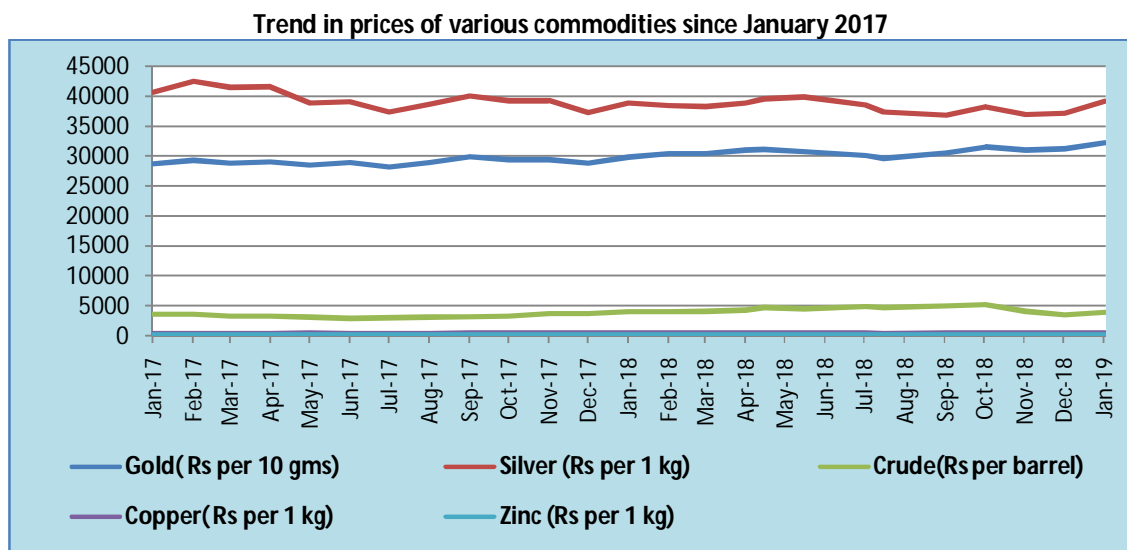
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Source: PHD Research Bureau compiled from x-rates.

Commodity Markets

At commodity front, the average price of Gold has increased from Rs 31232 per 10 grams in December 2018 to Rs 32212 per 10 grams in January 2019. The average price of silver has increased from Rs. 37051 per 1 kg in December 2018 to Rs 39101 in January 2019. Similarly, the average price of copper has increased from Rs. 426 per 1 kg in December 2018 to Rs. 429 per 1 kg in January 2019. Zinc has witnessed a decline in its average price from Rs. 186 per 1 kg in December 2018 to Rs 181 in January 2019. The average price of crude oil has increased to Rs 3888 per barrel in January 2019 from around to Rs. 3499 per barrel in December 2018.



Source: PHD Research Bureau, compiled from MCX.

Financial Markets

Select international indices such as DAX, NIKKEI, SHSZ, DJIA and SENSEX have exhibited positive growth trend in January 2019 over December 2018. DAX, DJIA, NIKKEI, SENSEX and SHSZ registered growth rate 5.8%, 7.2%, 3.7%, 0.5% and 7.8% respectively in January 2019 over December 2018.

Global Indices			
Index	Index	Index	Monthly Change
	(as on 31-Dec 2018)	(as on 31-Jan 2019)	(in %)
DAX¹	10558	11173	5.8%
DJIA²	23327	24999	7.2%
NIKKEI³	20014	20773	3.7%
SENSEX⁴	36068	36257	0.5%
SHSZ⁵	3010	3247	7.8%

Source: PHD Research Bureau, compiled from various sources. Note: ¹ Deutscher Aktien Index (Germany) data, ² Dow Jones Industrial Average (US) Data, ³ NIKKEI (Japan), ⁴ BSE SENSEX (India), ⁵ Shanghai Shenzhen CSI 300 Index (China).

Recent regulatory developments

RBI constitutes Expert Committee on MSMEs

Considering the importance of the MSMEs in the Indian economy, it is essential to understand the structural bottlenecks and factors affecting the performance of the MSMEs. It has, therefore, been considered necessary that a comprehensive review is undertaken to identify causes and propose long term solutions, for the economic and financial sustainability of the MSME sector. It was announced in the Fifth Bi-Monthly Monetary Policy Statement for 2018-19, dated December 5, 2018 by RBI, that they will constitute an Expert Committee on Micro, Small and Medium Enterprises. Accordingly, RBI has formed the said Committee under the Chairmanship of Shri U.K. Sinha, Former Chairman, Securities and Exchange Board of India.

The terms of reference of the committee are as under:

- To review the current institutional framework in place to support the MSME sector
- To study the impact of the recent economic reforms on the sector and identify the structural problems affecting its growth
- To examine the factors affecting the timely and adequate availability of finance to the sector
- To study the global best practices with respect to MSMEs and recommend its adoption in India, wherever appropriate
- To review the existing MSME focused policies and its impact on the sector
- To propose measures for leveraging technology in accelerating growth of the sector
- To suggest long-term solutions for the economic and financial sustainability of the MSME sector

RBI reduces repo rate in Sixth Bi-monthly Monetary Policy Statement 2018-19

On the basis of an assessment of the current and evolving macroeconomic situation, the Monetary Policy Committee (MPC) decided to reduce the policy repo rate under the liquidity adjustment facility (LAF) by 25 basis points from 6.5% to 6.25% with immediate effect. Consequently, the reverse repo rate under the LAF stands adjusted to 6% and the marginal standing facility (MSF) rate and the Bank Rate to 6.5%. The MPC also decided to change the monetary policy stance from calibrated tightening to neutral. These decisions are in consonance with the objective of achieving the medium-term target for consumer price index (CPI) inflation of 4 per cent within a band of +/- 2 per cent, while supporting growth.

RBI announces the New External Commercial Borrowings (ECB) Framework

RBI has decided in consultation with the Government of India, to rationalise the extant framework for ECB and Rupee Denominated Bonds in light of the experience gained to improve the ease of doing business. The new framework is instrument neutral and would further strengthen the Anti-Money Laundering/Combating the Financing of Terrorism (AML/CFT) framework. The salient features of the new framework are as under:

Merging of Tracks: Merging of Tracks I and II as “Foreign Currency denominated ECB” and merging of Track III and Rupee Denominated Bonds framework as “Rupee Denominated ECB”.

Eligible Borrowers: This has been expanded to include all entities eligible to receive FDI. Additionally, Port Trusts, Units in SEZ, SIDBI, EXIM Bank, registered entities engaged in micro-finance activities, viz., registered not for profit companies, registered societies/trusts/cooperatives and non-government organisations can also borrow under this framework.

Recognised Lender: The lender should be resident of Financial Action Task Force (FATF) or International Organisation of Securities Commissions (IOSCO) compliant country. Multilateral and Regional Financial Institutions, Individuals and Foreign branches / subsidiaries of Indian banks can also be lenders

Minimum Average Maturity Period (MAMP): MAMP will be 3 years for all ECBs. However, for ECB raised from foreign equity holder and utilised for specific purposes, the MAMP would be 5 years. Similarly, for ECB up to USD 50 million per financial year raised by manufacturing sector, which has been given a special dispensation, the MAMP would be 1 year.

Late Submission Fee (LSF) for delay in Reporting: Any borrower, who is otherwise in compliance of ECB guidelines, except for delay in reporting drawdown of ECB proceeds before obtaining Loan Registration Number (LRN) or Form ECB 2 returns, can regularize the delay by payment of LSF as per the laid down procedure

ECB up to USD 750 million or equivalent per financial year, which otherwise are in compliance with the parameters and other terms and conditions set out in the new ECB framework, will be permitted under the automatic route not requiring prior approval of the Reserve Bank. The designated AD Category I bank while considering the ECB proposal is expected to ensure compliance with applicable ECB guidelines by their constituents.

Lending and borrowing under the ECB framework by Indian banks and their branches/subsidiaries outside India will be subject to prudential guidelines issued by the Department of Banking Regulation of the Reserve Bank. Further, other entities raising ECB are required to follow the guidelines issued, if any, by the concerned sectoral or prudential regulator.

Exchange rate of foreign currency relating to imported and export goods notified

In exercise of the powers conferred by section 14 of the Customs Act, 1962 (52 of 1962), and in supersession of the notification of the Central Board of Indirect Taxes and Customs No.99/2018-CUSTOMS (N.T.), dated 20th December, 2018 except as respects things done or omitted to be done before such supersession, the Central Board of Indirect Taxes and Customs hereby determines that the rate of exchange of conversion of each of the foreign currencies specified in column (2) of each of Schedule I and Schedule II annexed hereto, into Indian currency or vice versa, shall, with effect from 4th January, 2019 be the rate mentioned against it in the corresponding entry in column (3) thereof, for the purpose of the said section, relating to imported and export goods.

SCHEDULE-I

Sl.No.	Foreign Currency	Rate of exchange of one unit of foreign currency equivalent to Indian rupees	
(1)	(2)	(3)	
		(a)	(b)
		(For Imported Goods)	(For Exported Goods)
1.	Australian Dollar	50.05	47.80
2.	Bahraini Dinar	192.85	180.85
3.	Canadian Dollar	52.60	50.65
4.	Chinese Yuan	10.40	10.10
5.	Danish Kroner	10.90	10.50
6.	EURO	81.55	78.60
7.	Hong Kong Dollar	9.15	8.80
8.	Kuwaiti Dinar	239.75	224.45
9.	New Zealand Dollar	47.90	45.75
10.	Norwegian Kroner	8.20	7.90
11.	Pound Sterling	89.95	86.75
12.	Qatari Riyal	19.95	18.70
13.	Saudi Arabian Riyal	19.40	18.15
14.	Singapore Dollar	52.50	50.60

15.	South African Rand	5.00	4.70
16.	Swedish Kroner	7.95	7.65
17.	Swiss Franc	72.70	69.90
18.	Turkish Lira	13.35	12.55
19.	UAE Dirham	19.80	18.55
20.	US Dollar	71.25	69.55

Source: Ministry of Finance, Government of India

SCHEDULE-II

Sl.No.	Foreign Currency	Rate of exchange of 100 units of foreign currency equivalent to Indian rupees	
(1)	(2)	(3)	
		(a)	(b)
		(For Imported Goods)	(For Exported Goods)
1.	Japanese Yen	66.90	64.45
2.	Korean Won	6.45	6.05

Source: Ministry of Finance, Government of India

RBI releases Financial Stability Report- December 2018

The Reserve Bank of India has released the eighteenth issue of the Financial Stability Report (FSR). The FSR reflects the collective assessment of the Sub-Committee of the Financial Stability and Development Council (FSDC) on risks to financial stability, as also the resilience of the financial system. The Report also discusses issues relating to development and regulation of the financial sector. India's financial system remains stable, and the banking sector shows signs of improvement, even though the global economic environment and the emerging trends in financial sector pose challenges.

Global and domestic macro-financial risks

- The global growth outlook for 2018 and 2019 remains steady although the underlying downside risks have risen.
- Spill-over risk to emerging economies engendered by tightening of financial conditions in Advanced Economies, protectionist trade policies and global geopolitical tension has significantly increased.
- The gradual monetary policy normalisation in advanced economies (AEs) as also the uncertainty in global trade regime may adversely affect capital flows to emerging markets (EMs) and exert upward pressure on EM interest rates and corporate spreads.
- On the domestic front, growth of gross domestic product (GDP) showed slight moderation in Q2:2018-19 while inflation remains contained.

- In domestic financial markets, structural shifts in credit intermediation and the evolving interconnectivity between banks and the non-banks call for greater vigilance.

Financial Institutions: Performance and risks

- Credit growth of scheduled commercial banks (SCBs) has improved between March 2018 and September 2018, driven largely by private sector banks (PVBs).
- The asset quality of banks showed an improvement with the gross non-performing assets (GNPA) ratio of SCBs declining from 11.5 per cent in March 2018 to 10.8 per cent in September 2018.
- Under the baseline scenario, GNPA ratio may decline from 10.8 per cent in September 2018 to 10.3 per cent in March 2019.
- Analysis of the financial network structure for the period September 2017 - September 2018 reveals a shrinking inter-bank market and increasing bank linkages with asset management companies-mutual funds (AMC-MFs) for raising funds and with NBFCs/Housing Finance Companies (HFCs) for lending.

Macro-economic indicators

November 2018 IIP declines to 0.5%

Growth in industry output, as measured in terms of IIP, for the month of November 2018 declined to at 0.5% as compared to 8.4% in October 2018. The growth in the three sectors mining, manufacturing and electricity in November 2018 stands at 2.7%, (-)0.4% and 5.1% respectively over November 2017. Primary goods growth stands at 3.2%, capital goods growth stands at (-)3.4%, intermediate goods growth stands at (-)4.5%, infrastructure/construction goods growth stands at 5.0%, consumer durables stands at (-)0.9% and consumer non-durables growth stands at (-)0.6% during November 2018 as compared to the previous year.

December 2018 CPI inflation falls to 2.19%

The all India general CPI inflation (Combined) for December 2018 (Prov.) falls to 2.19% from 2.33% in November 2018. The inflation rates for rural and urban areas for December 2018 (Prov.) are 1.65% and 2.91%, respectively, as compared to 1.71% and 3.12% respectively, for November 2018. Rate of inflation during December 2018 (Prov.) for fuel and light (4.54%), housing (5.32%), transport and communication (4.30%), education (8.38%) and health (9.02%) etc.

December 2018 WPI inflation falls to 3.8%

The WPI inflation falls to 3.8% in December 2018 as compared to 4.64% in November 2018, 5.54% in October 2018, 5.22% in September 2018, 4.62% in August 2018 and 5.27%

in July 2018. The fall in WPI inflation in the month of December 2018 is attributed to fall in the prices of Potato (48.68%), Petrol (1.57%) and LPG (6.87%).

ECBs stand at around USD 4 billion during December 2018

Indian firms have raised about USD 4 billion through external commercial borrowings (ECBs) by automatic and approval route in December 2018 as against about USD 2 billion in November 2018. India has received gross ECBs worth around USD 363 billion between FY2001 and FY2019 (till December 2018). A closer look at the ECBs pattern reveals that the lion's share in ECBs during the month of December 2018 is held for working capital purpose by about 55% of the total borrowings followed by on-lending/sub-lending purpose by around 22% and power purpose at about 13% .

Merchandise exports grew by 0.34% and imports declined by 2.44%

India's exports during December 2018 were valued at USD 27.93 Billion as compared to USD 27.83 Billion during December 2017 exhibiting a positive growth of 0.34%. In Rupee terms, exports were valued at Rs. 1,97,535.86 crore in December 2018 as compared to Rs. 1,78,802.77 crore during December 2017, registering a positive growth of 10.48%.

India's trade statistics at a glance

Merchandise	June-18	July-18	Aug-18	Sept-18	Oct-18	Nov-18	Dec-18
Exports (USD billion)	27.7	25.77	27.84	27.95	26.98	26.50	27.93
Growth (%)	17.57	14.32	19.21	-2.15	17.86	0.8	0.34
Imports (USD billion)	44.3	43.79	45.24	41.93	44.11	43.17	41.01
Growth (%)	21.31	28.81	25.41	10.45	17.62	4.31	2.44
Trade Balance (USD billion)	-16.6	-18.02	-17.39	-13.98	-17.13	-16.67	-13.08

Source: PHD Research Bureau, compiled from Ministry of Commerce and Industry, Govt of India

Gross Bank Credit grows at around 13% in December 2018

Gross bank credit grows at around 13% in December 2018 as against 14% in November 2018. The gross bank credit growth stands at 9% in December 2017. On a year-on-year (y-o-y) basis, non-food bank credit increased by 13% in December 2018 as against 14% in November 2018. Credit to agriculture and allied activities increased by around 8% in December 2018 and November 2018 each.

FDI equity inflows in India declined by 11% during April to September 2018-19

During April to September 2018-19, FDI equity inflows stands at about USD 23 billion as against USD 25 billion during the same corresponding period of last year, registering a growth rate of (-)11% year on year. Total Foreign Direct Investment (FDI) flows in India (Equity inflows + Re-invested earnings + Other capital) stands at USD 31 billion during April to September 2018-19. Mauritius stands at first rank amongst the top 10 investing countries in India with USD 130 billion FDI equity inflows followed by Singapore with USD 75 billion and Japan with USD 29 billion during April 2000 to September 2018. Countries such as U.K,

Netherlands, U.S.A, Germany, Cyprus, France and UAE are amongst the other top investing countries.

The Services sector ranks amongst the highest in the top sectors attracting highest FDI inflows in India with USD 70 billion inflows, followed by the Computer Software & Hardware sector with USD 33 billion and the telecommunications sector with USD 32 billion during April 2000 to September 2018. Sectors such as Construction Development, Trading, Automobile Industry, Chemicals, Drugs & Pharmaceuticals, Power and Construction are amongst the sectors attracting highest FDI equity inflows

India's key statistics so far...

S. NO.	Indicators	January -19
1	Daily average monthly turnover in foreign exchange market	
	Purchase (USD billion) *	26
	Sales (USD billion) *	26
2	Exchange rate of rupee against USD (monthly average)	71
3	Exchange rate of rupee against Pound Sterling (monthly average)	91
4	Exchange rate of rupee against Euro (monthly average)	81
5	Exchange rate of rupee against Japanese Yen (monthly average)	65
6	Foreign exchange reserves (USD billion)^	400
7	IIP (growth in %)-Nov 2018	0.5
8	CPI inflation (%) –Dec 2018	2.2
9	WPI inflation (%) - Dec 2018	3.8
10	FDI equity inflow (USD billion)***	23
11	FDI equity inflow (% growth)****	-11%
12	External Debt (USD billion)@	510
13	ECBs (USD billion) –Dec 2018	4
14	Current account deficit as a % of GDP Q2 of FY2019	2.9
15	India's exports (USD billion) –Dec 2018	27.93
16	Growth of exports (%)–Dec 2018	0.34
17	India's imports (USD billion)- Dec 2018	41.01
18	Growth of imports (%)–Dec 2018	2.44
19	Trade balance (USD billion) –Dec 2018	(-)13.08
20	Repo rate ^^	6.25%
21	Reverse repo rate^^	6.0%
22	Cash reserve ratio^^	4%
23	Statutory liquidity ratio^^	19.25%

Source: PHD Research Bureau compiled from various sources. *Data for the month of Oct 2018. ^ Foreign exchange reserves on Feb 1, 2019, @Data for the end-Sep 2018, ^^Key policy rates such as repo, CRR, reverse repo and SLR pertains to as on 7th Feb 2019, *** 2018-2019 (April to Sep 2018-19), ****Growth (YOY) over previous period.

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PHD Research Bureau

PHD Research Bureau; the research arm of the PHD Chamber of Commerce and Industry was constituted in 2010 with the objective to review the economic situation and policy developments at sub-national, national and international levels and comment on them in order to update the members from time to time, to present suitable memoranda to the government as and when required, to prepare State Profiles and to conduct thematic research studies on various socio-economic and business developments.

The Research Bureau has been instrumental in forecasting various lead economic indicators national and sub-national. Many of its research reports have been widely covered by media and leading newspapers. Recently, the Research Bureau has undertaken various policy projects of Government of India including Framework of University-Industry Linkages in Research assigned by DSIR, Ministry of Science & Technology, Study on SEZ for C&AG of India, Study on Impact of Project Imports under CTH 9801 for C&AG of India, among others.

Research Activities	Comments on Economic Developments	Newsletters	Consultancy
<ul style="list-style-type: none"> Research Studies 	<ul style="list-style-type: none"> Macro Economy 	<ul style="list-style-type: none"> Economic Affairs Newsletter (EAC) 	<ul style="list-style-type: none"> Trade & Investment Facilitation Services (TIFS)
<ul style="list-style-type: none"> State Profiles 	<ul style="list-style-type: none"> States Development 	<ul style="list-style-type: none"> Forex and FEMA Newsletter 	
<ul style="list-style-type: none"> Impact Assessments 	<ul style="list-style-type: none"> Infrastructure 	<ul style="list-style-type: none"> Global Economic Monitor (GEM) 	
<ul style="list-style-type: none"> Thematic Research Reports 	<ul style="list-style-type: none"> Foreign exchange market 	<ul style="list-style-type: none"> Trade & Investment Facilitation Services (TIFS) newsletter 	
<ul style="list-style-type: none"> Releases on Economic Developments 	<ul style="list-style-type: none"> International Trade Global Economy 	<ul style="list-style-type: none"> State Development Monitor (SDM) Industry Development Monitor (IDM) 	

Studies undertaken by the PHD Research Bureau

A: Thematic research reports

1. Comparative study on power situation in Northern and Central states of India (September 2011)
2. Economic Analysis of State (October 2011)
3. Growth Prospects of the Indian Economy, Vision 2021 (December 2011)
4. Budget 2012-13: Move Towards Consolidation (March 2012)
5. Emerging Trends in Exchange Rate Volatility (Apr 2012)
6. The Indian Direct Selling Industry Annual Survey 2010-11 (May 2012)
7. Global Economic Challenges: Implications for India (May 2012)
8. India Agronomics: An Agriculture Economy Update (August 2012)
9. Reforms to Push Growth on High Road (September 2012)
10. The Indian Direct Selling Industry Annual Survey 2011-12: Beating Slowdown (March 2013)
11. Budget 2013-14: Moving on reforms (March 2013)
12. India- Africa Promise Diverse Opportunities (November 2013)
13. India- Africa Promise Diverse Opportunities: Suggestions Report (November 2013)
14. Annual survey of Indian Direct Selling Industry-2012-13 (December 2013)
15. Imperatives for Double Digit Growth (December 2013)
16. Women Safety in Delhi: Issues and Challenges to Employment (March 2014)
17. Emerging Contours in the MSME sector of Uttarakhand (April 2014)
18. Roadmap for New Government (May 2014)
19. Youth Economics (May 2014)
20. Economy on the Eve of Union Budget 2014-15 (July 2014)
21. Budget 2014-15: Promise of Progress (July 2014)
22. Agronomics 2014: Impact on economic growth and inflation (August 2014)
23. 100 Days of new Government (September 2014)
24. Make in India: Bolstering Manufacturing Sector (October 2014)
25. The Indian Direct Selling Industry Annual Survey 2013-14 (November 2014) Participated in a survey to audit SEZs in India with CAG Office of India (November 2014)
26. Role of MSMEs in Make in India with reference to Ease of Doing Business in Ghaziabad (Nov 2014)
27. Exploring Prospects for Make in India and Made in India: A Study (January 2015)
28. SEZs in India: Criss-Cross Concerns (February 2015)
29. Socio-Economic Impact of Check Dams in Sikar District of Rajasthan (February 2015)
30. India - USA Economic Relations (February 2015)
31. Economy on the Eve of Union Budget 2015-16 (February 2015)
32. Budget Analysis (2015-16)
33. Druzhba-Dosti: India's Trade Opportunities with Russia (April 2015)
34. Impact of Labour Reforms on Industry in Rajasthan: A survey study (July 2015)
35. Progress of Make in India (September 2015)
36. Grown Diamonds, A Sunrise Industry in India: Prospects for Economic Growth (November 2015)
37. Annual survey of Indian Direct Selling Industry 2014-15 (December 2015)
38. India's Foreign Trade Policy Environment Past, Present and Future (December 2015)
39. Revisiting the emerging economic powers as drivers in promoting global economic growth (February 2016)
40. Bolstering MSMEs for Make in India with special focus on CSR (March 2016)
41. BREXIT impact on Indian Economy (July 2016)
42. India's Exports Outlook (August 2016)
43. Ease of Doing Business : Suggestive Measures for States (October 2016)
44. Transforming India through Make in India, Skill India and Digital India (November 2016)

45. Impact of Demonetization on Economy, Businesses and People (January 2017)
46. Economy on the eve of Budget 2017-18 (January 2017)
47. Union Budget 2017-18: A budget for all-inclusive development (January 2017)
48. Annual Survey of Indian Direct Selling Industry 2015-16 (February 2017)
49. Worklife Balance and Health Concerns of Women: A Survey (March 2017)
50. Special Economic Zones: Performance, Problems and Opportunities (April 2017)
51. Feasibility Study (socio-Economic Survey) of Ambala and Rohtak Districts in Haryana (March 2017)
52. Goods and Services (GST): So far (July 2017)
53. Reshaping India-Africa Trade: Dynamics and Export Potentiality of Indian Products in Africa (July 2017)
54. Industry Perspective on Bitcoins (July 2017)
55. Senior Housing: A sunrise sector in India (August 2017)
56. Current state of the economy (October 2017)
57. Equitable finance to fulfill funding requirements of Indian Economy (October 2017)
58. The Wall of Protectionism: : Rise and Rise of Protectionist Policies in the Global Arena, (November 2017)
59. India-Israel Relations: Building Bridges of Dynamic Trade (October 2017)
60. Role of Trade Infrastructure for Export Scheme (TIES) in Improving Export Competitiveness (November 2017)
61. India - China Trade Relationship: The Trade Giants of Past, Present and Future (January 2018)
62. Analysis of Trade Pattern between India and ASEAN (January 2018)
63. Union Budget 2018-19 – (February 2018)
64. Ease of Doing Work for Women: A survey of Delhi NCR (February 2018)
65. Restraining Wilful Defaults: Need of the hour for Indian Banking System (March 2018)
66. Impact of GST on Business, Industry and Exporters (April 2018)
67. India – Sri Lanka Bilateral Relations: Reinforcing trade and investment prospects (May 2018)
68. Growth Prospects of the Indian Economy: Road to US \$5 Trillion Economy (May 2018)
69. India's Free Trade Agreements Dynamics and Diagnostics of Trade Prospects (May 2018)
70. Growth Prospects of the India Economy: Road to US \$5 Trillion Economy (May 2018)
71. India – UK Trade Relations and Societal Links: Way Forward (June 2018)
72. Indian economy on the eve of Union Budget 2019-20 (January 2019)
73. Growth Prospects of the India Economy: Road to US \$5 Trillion Economy (Sep 2018)

B: State profiles

74. Rajasthan: The State Profile (April 2011)
75. Uttarakhand: The State Profile (June 2011)
76. Punjab: The State Profile (November 2011)
77. J&K: The State Profile (December 2011)
78. Uttar Pradesh: The State Profile (December 2011)
79. Bihar: The State Profile (June 2012)
80. Himachal Pradesh: The State Profile (June 2012)
81. Madhya Pradesh: The State Profile (August 2012)
82. Resurgent Bihar (April 2013)
83. Life ahead for Uttarakhand (August 2013)
84. Punjab: The State Profile (February 2014)
85. Haryana: Bolstering Industrialization (May 2015)
86. Progressive Uttar Pradesh: Building Uttar Pradesh of Tomorrow (August 2015),
87. Suggestions for Progressive Uttar Pradesh (August 2015)
88. State profile of Telangana- The dynamic state of India (April 2016)

89. Smart Infrastructure Summit 2016- Transforming Uttar Pradesh (August 2016)
90. Smart Infrastructure Summit 2016-Transforming Uttar Pradesh : Suggestions for the State Government (August 2016)
91. Rising Jharkhand: An Emerging Investment Hub (February 2017)
92. Punjab: Roadmap for the New Government Suggestions for the Industrial and Socio-Economic Development – Focus MSMEs ease of doing business (May 2017)
93. Prospering Himachal Pradesh: A Mountain of Opportunities (August 2017)
94. Kashmir: The way forward (February 2018)
95. Analysis of State Budgets for 2018-19: Select States (March 2018)
96. Rising Uttar Pradesh : One District One Product Summit (August 2018)
97. Rajasthan Steady Strides into the Future: Emerging Growth Dynamics and the Way Forward (August 2018)
98. RISING JHARKHAND: Skill Development to Spur Socio-Economic Growth
99. RISING JHARKHAND: Economic Profile (January 2019)



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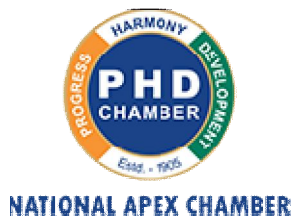
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About Us

PHD Chamber of Commerce & Industry, a leading Industry Chamber of India, ever since its inception in 1905, has been an active participant in the India Growth Story through its Advocacy Role for the Policy Makers and Regulators of the country. Regular interactions, Seminars, Conference and Conclaves allow healthy and constructive discussions between the Government, Industry and International Agencies bringing out the Vitals for Growth. As a true representative of the industry with a large membership base of 1,30,000 direct and indirect members, PHD Chamber has forged ahead leveraging its legacy with the Industry knowledge across sectors (58 Industry verticals being covered through Expert Committees), a deep understanding of the economy at large and the populace at the micro level.

At the National Level, the PHD Chamber is well represented in 16 states with its own offices and MOUs with eleven Partner Chambers in different states.

At the Global level, we have been working with the Concerned Ministries, Embassies and High Commissions to bring in the International Best Practices and Business Opportunity.

PHD Chamber has special focus on seven thrust areas:

- Infrastructure
- Housing
- Health
- Education & Skill Development
- Agriculture & Agri-Business
- Industrial Development
- Digital India