

# **Business Acutities**



**JUNE 2018**

**INTERNATIONAL BUSINESS**

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## INDIAN BUSINESS

1. **Goods and Services Tax (GST) Implementation:** In July 2017, India introduced the Goods and Services Tax (GST), which aimed to simplify the



indirect taxation system in the country. In June 2018, businesses were preparing for the first anniversary of GST implementation and making adjustments to comply with the new tax regime.

2. **Banking Sector Reforms:** The Indian banking sector was undergoing a series of reforms to address the issue of non-performing assets (NPAs) and

improve transparency. In June 2018, the Reserve Bank of India (RBI) introduced a new framework for the resolution of stressed assets, which aimed to speed up the resolution process and reduce the burden on banks.

3. **Insolvency and Bankruptcy Code (IBC):** The Insolvency and Bankruptcy Code, introduced in 2016, was gaining traction in resolving corporate insolvency cases. In June 2018, several high-profile cases were under the purview of the IBC,



including the insolvency proceedings of Essar Steel and Bhushan Steel.

#### 4. **E-commerce and Online**

**Retail:** The e-commerce sector in India was experiencing rapid growth in 2018. Major players like Flipkart and Amazon were competing for market dominance. In May 2018,



Walmart announced its acquisition of a 77% stake in Flipkart, marking one of the largest foreign direct investment (FDI) deals in the Indian e-commerce industry.

#### 5. **Startups and Funding:**

The Indian startup ecosystem continued to attract investments in June 2018. Startups operating in sectors such as technology, e-

commerce, fintech, and



healthcare received significant funding from venture capitalists and angel investors. The growth of startups was supported by various government initiatives and policies.

#### 6. **Infrastructure Development:**

The Indian government emphasized infrastructure development, with projects such as Bharatmala (road development program) and Sagarmala(port led development) gaining momentum. These initiatives

aimed to improve connectivity, logistics, and overall economic growth in the country.

#### 7. **Auto Sector Developments:**

The Indian automotive industry witnessed various developments in June 2018. Companies were focusing on electric vehicles (EVs) and alternative fuel technologies. Additionally, the implementation of new safety norms and emission standards affected the industry, leading to



changes in vehicle pricing and features.

## **GLOBAL MARKET**

1. **Trade tensions between the United States and China:** One of the major themes during that time was the escalating trade tensions between the United States and China. Both countries



imposed tariffs on each other's goods, leading to concerns about the potential impact on global trade and economic growth.

2. **Volatility in stock markets:** Stock markets experienced increased volatility in June 2018. Investors were cautious due to the uncertainty

surrounding trade tensions, rising interest rates, and



geopolitical factors. This volatility affected various markets worldwide.

- 3. Monetary policy normalization:** Central banks in advanced economies, such as the Federal Reserve in the United States and the European Central Bank, were in the process of normalizing their monetary policies. The Fed continued to raise interest rates, signaling confidence in the U.S. economy and gradually unwinding its stimulus

measures implemented after the global financial crisis.

- 4. Oil price fluctuations:** Oil prices experienced volatility during June 2018. Concerns over supply disruptions from geopolitical tensions in the Middle East and production cuts led by the Organization of the Petroleum Exporting Countries (OPEC) influenced oil prices. The market was closely monitoring developments in the oil industry.



- 5. Tech sector performance:** The technology sector remained a focal point for investors.

Companies such as Apple, Amazon, and Google (Alphabet) continued to drive market performance. However, there were concerns about regulatory scrutiny and potential privacy issues that could impact the sector's growth.

- 6. Emerging markets under pressure:** Some emerging market economies faced challenges during this period. Factors such as rising U.S. interest rates, a stronger dollar,



and concerns over capital outflows contributed to currency depreciation and

volatility in countries like Argentina, Turkey, and Brazil.

## **INDUSTRIES**

- 1. Technology Industry:** The technology sector continued to evolve rapidly in June 2018.



Companies like Apple, Google (Alphabet), Microsoft, and Amazon were at the forefront of innovation. The industry witnessed advancements in artificial intelligence, cloud computing, cybersecurity, and the growing prominence of



mobile devices and applications.

2. **Automotive Industry:** The automotive industry was undergoing significant transformations. Electric vehicles (EVs) gained traction, with companies like Tesla leading the way. Traditional



automakers were also investing in EV technology. Autonomous driving technology was another focus, with companies working on self-driving cars and exploring partnerships with tech firms.

3. **Financial Services Industry:** The financial services industry

was adapting to changing regulations and technological



advancements. Fintech companies were disrupting traditional banking and financial services by offering innovative solutions in areas such as digital payments, peer-to-peer lending, robo-advisors, and blockchain technology.

4. **Energy Industry:** The energy industry was experiencing shifts toward renewable energy sources. Solar and wind power saw increased adoption globally, driven by declining costs and environmental

concerns. Governments and businesses were investing in renewable energy infrastructure and exploring ways to reduce reliance on fossil fuels.

5. **Healthcare Industry:** The healthcare industry was undergoing transformations driven by technological advancements and changing demographics. Precision



medicine, digital health solutions, telemedicine, and wearables were gaining prominence. Additionally, the industry faced challenges related to rising healthcare costs

and the need for efficient healthcare delivery models.

6. **Retail and E-commerce Industry:** Retail and e-commerce were experiencing a shift in consumer behavior.



Online shopping continued to grow, with platforms like Amazon expanding their reach. Brick-and-mortar retailers were focusing on enhancing their online presence and providing omnichannel experiences to customers.

7. **Pharmaceutical Industry:** The pharmaceutical industry was witnessing advancements in

research and development. There were developments in personalized medicine, immunotherapy, and gene therapy. The industry also faced challenges such as patent expirations, increasing regulatory scrutiny, and pricing pressures.

raise interest rates as the economy showed signs of strength. This had implications for global financial markets, as investors closely monitored the pace of rate hikes and their impact on asset prices.

## 2. **Trade Tensions and Tariffs:**

Trade tensions between the United States and its trading partners, particularly China,

## **FINANCE**

### 1. **Monetary Policy**

**Normalization:** Central banks in major economies were in the process of normalizing their monetary policies. The U.S.



Federal Reserve continued to



intensified in June 2018. The U.S. imposed tariffs on certain imported goods, and retaliatory measures were taken by other countries. These trade disputes had implications for global markets and raised concerns

about potential disruptions to international trade and supply chains.

### 3. **Regulatory Changes:**

Regulatory reforms and changes continued to shape the finance industry. In Europe, the implementation of the revised



Markets in Financial Instruments Directive (MiFID II) in January 2018 impacted the way financial institutions operated and provided services. Additionally, regulators worldwide were focusing on strengthening oversight and increasing transparency in areas

such as anti-money laundering and data privacy.

### 4. **Cryptocurrency and Blockchain:**

The cryptocurrency market was highly active in June 2018.



While digital currencies experienced a significant price decline from their peak in late 2017, there was continued interest and investment in blockchain technology. Governments and financial institutions were exploring the potential applications of blockchain beyond cryptocurrencies.

5. **Fintech Innovation:** Financial technology (fintech) continued to disrupt traditional financial services. Fintech companies



were offering innovative solutions in areas such as digital payments, peer-to-peer lending, robo-advisory services, and blockchain-based platforms. Incumbent financial institutions were increasingly collaborating with or investing in fintech startups to stay competitive.

6. **Mergers and Acquisitions:**

The finance sector saw several mergers and acquisitions (M&A) during June 2018. Companies were looking to

expand their market presence, diversify their offerings, or gain strategic advantages. M&A activity was particularly active in sectors such as banking, insurance, and asset management.



7. **Sustainable Finance:**

Environmental, social, and governance (ESG) considerations gained prominence in the finance sector. Investors and financial institutions were increasingly incorporating ESG factors into their decision-making

processes. The issuance of green bonds and the development of sustainable investment products were on the rise.

## ONLINE BUSINESS

1. **E-commerce Growth:** Online retail and e-commerce continued to expand globally. Companies like Amazon, Alibaba, and Flipkart were driving the growth with their wide product offerings,



competitive pricing, and convenient shopping experiences. Mobile commerce

(m-commerce) also saw substantial growth as consumers increasingly made purchases through smartphones and tablets.

2. **Digital Advertising:** Online advertising and digital

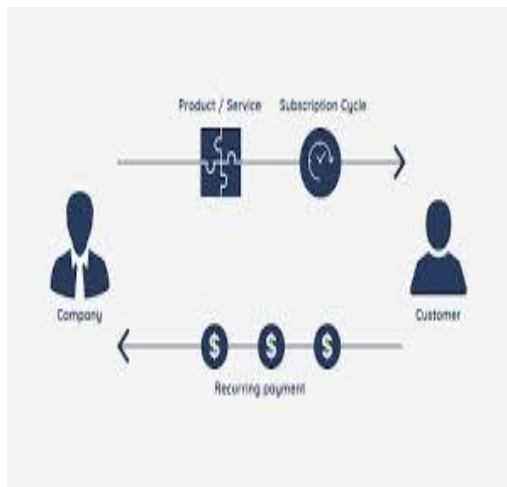


marketing were on the rise in June 2018. Companies were allocating a larger portion of their advertising budgets to digital channels, including search engine marketing, display ads, social media advertising, and influencer marketing. Programmatic

advertising, leveraging automated technologies for ad buying, gained popularity.

### 3. **Subscription-Based Services:**

Subscription-based business models gained traction across



various industries. Companies like Netflix, Spotify, and Amazon Prime offered content streaming, music streaming, and bundled benefits through monthly or annual subscription plans. This model provided recurring revenue streams and enhanced customer loyalty.

### 4. **Mobile Apps and App Economy:**

Mobile applications continued to be a dominant force in the online business landscape. App stores, such as Apple's App Store and Google Play, showcased a vast ecosystem of apps catering to various needs, including entertainment, productivity, social media, and e-commerce. The app economy provided opportunities for developers and entrepreneurs.

### 5. **Sharing Economy:**

The sharing economy witnessed growth in June 2018, with platforms like

#### SHARING ECONOMY



Airbnb and Uber leading the way. These platforms facilitated peer-to-peer transactions, allowing individuals to rent out their properties or provide transportation services. The sharing economy disrupted traditional industries and provided new income opportunities.

## 6. **Online Payments and**

**FinTech:** Digital payment solutions and financial technology (FinTech) continued to evolve. Companies like



PayPal, Stripe, and Square provided convenient and secure online payment options, while

mobile payment services like Apple Pay and Google Pay gained popularity. FinTech innovations included peer-to-peer payments, mobile wallets, and blockchain-based solutions.

## 7. **Online Education and Remote**

**Work:** The online education sector expanded as more individuals sought flexible learning opportunities. Online platforms offered courses, certifications, and degree programs, allowing learners to access education remotely. Additionally, remote work and freelancing gained momentum as technology enabled people to work from anywhere, driving the growth of online work platforms.