



**BUSINESS ACUTIES**

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## TRADE TENSIONS AND TARIFFS:



### 1. U.S.-China Trade Relations:

The trade relationship between the United States and China continued to be a focal point. In July 2020, tensions escalated as the U.S. government took various actions against Chinese technology companies, including imposing sanctions and restrictions. The U.S. also expressed concerns over China's national security laws in Hong Kong. Trade negotiations between the two countries remained strained, and there were discussions about the potential decoupling of their economies.

### 2. U.S.-EU Trade Relations:



The United States and the European Union (EU) were engaged in trade discussions in July 2020. There were ongoing negotiations to address trade barriers, including issues related to tariffs, market access, and

subsidies. However, tensions persisted over a range of issues, such as agricultural trade, digital taxation, and the dispute settlement mechanism.

### 3. Brexit and EU-UK Trade Relations:



July 2020 marked a crucial period in the Brexit process, as the deadline for the transition period approached. Negotiations between the EU and the UK continued to determine their future trade relationship. Key points of contention included issues related to fisheries, regulatory alignment, and the level playing field. Concerns about a potential no-deal Brexit and its impact on trade persisted.

### 4. Other Trade Disputes:

In addition to the major trade tensions mentioned above, there were other trade disputes and tariff actions around the world. For example, the U.S. imposed tariffs on various goods from countries like India and Brazil, while retaliatory measures were taken by these countries. There were also ongoing disputes between Japan and South Korea related to trade and export controls.

### 5. COVID-19 and Trade Impact:



The COVID-19 pandemic had a significant impact on global trade flows. Many countries implemented export restrictions on critical medical supplies and personal protective equipment (PPE) to meet domestic demands. This led to concerns about supply chain disruptions, trade barriers, and the need for international cooperation to ensure the availability of essential goods.

It's important to note that trade tensions and tariff actions are dynamic, and the situation may have evolved since July 2020. For the most up-to-date information on trade tensions and tariffs, it is recommended to refer to recent business news sources and official statements from relevant government authorities.

## GLOBAL STOCK MARKET PERFORMANCE:



### 1. Mixed Performance:

Global stock markets showed a mixed performance in July 2020. Some markets experienced gains, while others faced volatility and periodic pullbacks. The overall sentiment was influenced by a combination of economic indicators, corporate earnings reports, and news related to the pandemic.

### 2. Technology Sector Strength:



The technology sector continued to be a standout performer during this period. Companies in areas such as e-commerce, cloud computing, and digital services benefited from the increased demand for online solutions due to remote work and social distancing measures. Tech-heavy indices, such as the Nasdaq Composite in the United States, reached new highs during this time.

### 3. Recovery in Some Markets:

Certain stock markets showed signs of recovery as economies gradually reopened and investors reacted positively to government stimulus measures. This was particularly evident in markets that were hit hard during the initial stages of the pandemic. Central bank support, fiscal stimulus, and optimism surrounding vaccine development contributed to market optimism in some regions.

#### 4. Sector-Specific Performance:



Sector performance varied during this period. As the pandemic continued to impact various industries differently, sectors such as technology, healthcare, and consumer staples generally fared relatively well. In contrast, sectors highly affected by the pandemic, such as travel, tourism, and energy, faced ongoing challenges.

#### 5. Geopolitical Factors:



Geopolitical factors, including trade tensions and geopolitical tensions, influenced investor sentiment and stock market performance. Developments in U.S.-China relations, Brexit negotiations, and other international conflicts had the potential to impact global markets.

#### 6. Continued Volatility:



Despite signs of recovery and positive market movements, volatility remained a feature of the global stock markets in July 2020. Uncertainties surrounding the pandemic, economic data, and the potential for subsequent waves of infections contributed to cautious investor sentiment and periodic market swings.

It's important to note that the specific performance and trends in global stock markets during July 2020 may have varied across regions and individual stock exchanges. Moreover, the stock market landscape is subject to continuous changes and developments. For the most up-to-date and accurate information on global stock market performance, it is recommended to refer to recent market analyses, financial news, and reports from reliable sources.

#### MERGES AND ACQUISITIONS:



##### 1. LVMH-Tiffany & Co:



French luxury goods conglomerate LVMH (Moët Hennessy Louis Vuitton) agreed to acquire American luxury jewelry retailer Tiffany & Co. in a deal valued at approximately \$16.2 billion. The acquisition aimed to strengthen LVMH's position in the high-end jewelry market.

## 2. Uber-Postmates:



Ride-hailing company Uber Technologies announced its plans to acquire food delivery service Postmates for \$2.65 billion. This move was seen as a strategic expansion of Uber's food delivery operations to compete with other major players in the industry.

## 3. Analog Devices-Maxim Integrated:



Analog Devices, a semiconductor company, announced its acquisition of Maxim Integrated, another semiconductor company, in an all-stock deal valued at around \$21 billion. The merger aimed to create a global leader in the analog semiconductor industry.

## 4. Nvidia-Mellanox Technologies:



Semiconductor company Nvidia completed its acquisition of Mellanox Technologies, a leading supplier of high-performance networking and interconnect solutions, for approximately \$7 billion. The acquisition aimed to enhance Nvidia's capabilities in data center and artificial intelligence technologies.

## 5. Teladoc-Livongo:



Telehealth company Teladoc Health announced its acquisition of Livongo Health, a leading provider of remote healthcare services, in a deal valued at around \$18.5 billion. The merger aimed to

create a comprehensive virtual healthcare platform.

These are just a few examples of mergers and acquisitions that were reported during July 2020. It's important to note that the M&A landscape is dynamic and subject to change. For the most up-to-date and comprehensive information on mergers and acquisitions, it's advisable to refer to recent business news sources, financial reports, and official company announcements

## **INTERNATIONAL TRADE AGREEMENTS:**



### **1. USMCA Ratification:**

In July 2020, the USMCA was in the implementation phase after being ratified by all three member countries. The agreement replaced the North American Free Trade Agreement (NAFTA) and aimed to modernize and update trade relations between the United States, Mexico, and Canada.

### **2. Benefits and Changes:**

The USMCA included provisions related to various sectors, including agriculture, automotive manufacturing, intellectual property, digital trade, and labor and environmental standards. It introduced new rules on automotive content and labor conditions, increased market access for certain agricultural products, and added

provisions on digital trade that reflected the modern digital economy.

### **3. Implications for North American Trade:**



The USMCA was expected to have implications for North American trade flows, supply chains, and economic integration. It aimed to provide greater certainty and predictability for businesses operating within the region and potentially increase trade and investment opportunities.

### **4. Trade Disputes and Compliance:**



The USMCA included mechanisms to address trade disputes and ensure compliance with the agreement's provisions. It established procedures for dispute resolution, including a panel system to resolve disputes between member countries.



It's important to note that while the USMCA was a significant trade agreement in July 2020, there may have been other international trade agreements or ongoing negotiations at that time. The international trade landscape is dynamic, and the specifics of trade agreements can evolve. For the most up-to-date information on international trade agreements, it is recommended to refer to recent news sources, official statements, and relevant government websites.

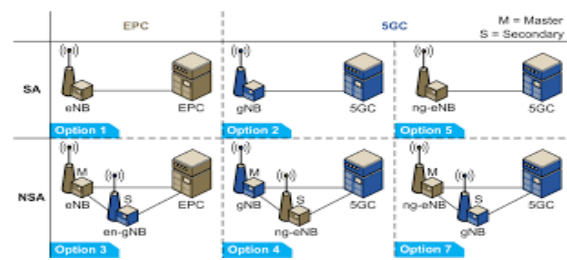
## TECHNOLOGY AND INNOVATION:



### 1. Digital Transformation:

The COVID-19 pandemic accelerated the adoption of digital technologies across various sectors. Companies and organizations rapidly embraced remote work solutions, online collaboration tools, e-commerce platforms, and digital communication channels to adapt to the new normal. There was a heightened focus on leveraging technology to enable business continuity, enhance customer experiences, and streamline operations.

### 2. 5G Deployment:



The rollout of 5G networks gained momentum in various parts of the world. Telecommunication companies and technology providers continued to invest in the infrastructure needed to support 5G connectivity. This next-generation wireless technology promised faster speeds, lower latency, and increased capacity, opening up opportunities for advanced applications such as Internet of Things (IoT), autonomous vehicles, and smart cities.

### 3. Artificial Intelligence (AI):



AI applications expanded across industries, with advancements in machine learning algorithms, natural language processing, and computer vision. AI-powered solutions were used for tasks such as predictive analytics, virtual assistants, fraud detection, and autonomous systems. The growing adoption of AI-driven technologies aimed to improve efficiency, productivity, and decision-making processes.

#### 4. Cloud Computing:



Cloud computing continued to play a crucial role in supporting digital transformation efforts. Organizations increasingly relied on cloud infrastructure, platforms, and software-as-a-service (SaaS) solutions to host applications, store and analyze data, and enable remote work. Cloud providers offered enhanced capabilities and security measures to meet the rising demand.

#### 5. Cybersecurity:



As digital activities expanded, the importance of cybersecurity grew. Cyber threats and attacks were a persistent concern for businesses, governments, and individuals. Investments in cybersecurity measures, including advanced threat detection systems, encryption technologies, and employee training, aimed to safeguard data and protect against cyber risks.

#### 6. E-commerce and Delivery Services:



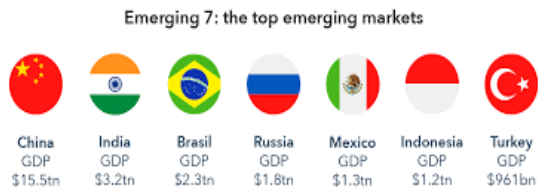
The pandemic propelled the growth of e-commerce as consumers shifted their shopping habits online. Retailers and delivery service providers saw increased demand, leading to innovations in last-mile delivery, contactless payments, and supply chain management. The focus on customer convenience and safety drove efforts to enhance digital shopping experiences.

#### 7. Sustainability and Clean Technologies:

There was a growing emphasis on sustainable technologies and clean energy solutions. Companies developed innovative approaches to reduce carbon emissions, improve energy efficiency, and promote renewable energy sources. Electric vehicles, renewable power generation, and circular economy initiatives gained attention as part of the broader sustainability agenda.

These are just a few examples of the technology and innovation developments that were prominent in July 2020. The technology landscape evolves rapidly, so it is advisable to refer to recent news sources, industry reports, and official announcements for the most up-to-date information on technology and innovation advancements.

#### **EMERGING MARKETS:**



### 1. Economic Impact of COVID-19:

Like many other regions, emerging markets were significantly affected by the economic disruptions caused by the COVID-19 pandemic. Lockdown measures, travel restrictions, and reduced global demand had adverse effects on these economies. Many countries experienced contractions in GDP growth, disruptions in supply chains, and declines in trade and investment flows.

### 2. Government Response and Stimulus Measures:

Governments of emerging markets implemented various fiscal and monetary measures to mitigate the impact of the pandemic. These measures included financial aid programs, stimulus packages, interest rate cuts, and liquidity support to affected industries. The aim was to provide relief to businesses, support job preservation, and stimulate economic recovery.

### 3. Capital Flows and Investor Sentiment:

Emerging markets faced challenges in terms of capital outflows and investor sentiment. Global risk aversion led investors to retreat from riskier assets, impacting currencies, stock markets, and bond markets in these economies. However, some emerging markets with sound economic fundamentals and effective policy responses attracted investor interest as opportunities for long-term growth.

### 4. Digital Transformation Opportunities:

The pandemic accelerated the adoption of digital technologies in emerging markets. This shift created opportunities for digital platforms, e-commerce, and technology-enabled services to meet evolving consumer needs. Companies and startups in areas such as fintech, e-commerce, and telemedicine saw increased demand and investment.

### 5. Challenges in Healthcare Systems:

Emerging markets faced challenges in their healthcare systems, including limited healthcare infrastructure and resources. Governments worked to strengthen healthcare capacities, improve access to medical facilities, and enhance testing and treatment capabilities to address the pandemic's impact.

### 6. Economic Reopening and Recovery:



As countries gradually reopened their economies, emerging markets focused on balancing public health concerns with the need for economic recovery. Efforts were made to restore business activities, revive tourism sectors, and attract investments. The pace and trajectory of recovery varied across countries, depending on factors such as the severity of the outbreak, government policies, and economic diversification.

It's important to note that the specific situations and developments in emerging markets during July 2020 may have varied across regions and countries. Economic conditions and policy responses can change rapidly. For the most up-to-date information on emerging markets, it is advisable to refer to recent news sources, economic reports, and official statements from relevant government authorities and international organizations.