

# Business Acutities

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**AUGUST 2021**

**INTERNATIONAL BUSINESS**

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# AMAZON

1. **Jeff Bezos Steps Down as Amazon CEO:** On July 5, 2021, Jeff Bezos officially stepped down as the CEO of Amazon. However, this transition was announced



earlier, and Andy Jassy, who previously led Amazon Web Services (AWS), took over as the new CEO on July 5.

2. **Unionization Efforts and Labor Issues:** In August 2021, there were ongoing discussions and controversies surrounding labor practices and unionization efforts at Amazon. Several

warehouse workers and advocacy groups raised concerns about working conditions, pay, and employee rights.

3. **Acquisition of MGM Studios:** In late May 2021, it was announced that Amazon would acquire MGM Studios for \$8.45 billion. The deal aimed to bolster Amazon's content library for its streaming platform, Amazon Prime Video, by



gaining access to MGM's vast catalog of movies and TV shows.

4. **Expansion in India:** Amazon continued to expand its presence

in India in August 2021. The company announced plans to open new fulfillment centers, sortation centers, and delivery stations across various cities in the country. This expansion



aimed to strengthen Amazon's e-commerce operations and enhance its delivery network in India.

5. **Lawsuits Against Counterfeit Sellers:** In August 2021, Amazon faced lawsuits from several luxury brands, including Valentino, accusing the company of facilitating the sale of counterfeit goods on its platform. The brands alleged

that Amazon had not taken sufficient action to prevent the sale of counterfeit products by third-party sellers.

## **DELTA VARIANT IMPACT ON BUSINESS**

1. **Renewed Restrictions:** As the Delta variant spread rapidly, many countries and regions reinstated or tightened restrictions to curb the spread of the virus. These measures included lockdowns, capacity



limits, travel restrictions, and the closure of non-essential

businesses. Such restrictions directly impacted industries like hospitality, travel, entertainment, and retail.

## 2. **Decreased Consumer**

**Confidence:** The rise of the Delta variant resulted in increased uncertainty and fear among consumers, leading to decreased consumer confidence. As a result, people were more hesitant to engage in in-person



activities such as shopping, dining out, and attending events. This decline in consumer spending had a negative impact on businesses, particularly those

relying on in-person customer interactions.

## 3. **Supply Chain Disruptions:**

The Delta variant disrupted global supply chains, causing



delays and shortages of essential goods and materials. Lockdowns, labor shortages, and transportation disruptions hindered the movement of goods, impacting manufacturing and distribution operations. Businesses faced challenges in sourcing raw materials, meeting production demands, and fulfilling customer orders.

4. **Workforce Challenges:** The Delta variant resulted in an increase in COVID-19 cases and subsequent quarantine measures. Many businesses faced workforce challenges due to employees falling ill or being



required to isolate. This led to staffing shortages and reduced productivity, particularly in industries like healthcare, hospitality, and manufacturing.

5. **Shift to Remote Work:** In response to the Delta variant's surge, many companies reintroduced work-from-home policies or extended existing remote work arrangements. This

shift to remote work had varying effects on businesses. While some organizations were able to adapt and maintain operations effectively, industries reliant on in-person interactions, such as hospitality and retail, faced significant challenges.

## **TESLA'S EXPANSION PLANS**

1. **Gigafactory in Texas, USA:**

Tesla announced plans to build a new Gigafactory in Austin, Texas. This factory, known as Gigafactory Texas, is intended



to produce various Tesla vehicles, including the Model Y

and Cybertruck. The factory's construction began in 2020, and in August 2021, it was still under development. Tesla aimed to start production at the Texas Gigafactory in late 2021 or early 2022.

2. **Gigafactory in Berlin, Germany:** Tesla also planned to establish a Gigafactory in Berlin, Germany, called Gigafactory Berlin. This factory



was expected to manufacture vehicles for the European market, including the Model 3 and Model Y. Similar to the Texas Gigafactory, construction work was underway in August

2021, with Tesla aiming to start production at the Berlin Gigafactory in late 2021 or early 2022.

3. **Expansion of Supercharger Network:** Tesla continued to expand its Supercharger



network worldwide in August 2021. The Supercharger network consists of fast-charging stations for Tesla vehicles, enabling convenient long-distance travel and reducing charging times. Tesla aimed to increase the number of Supercharger stations globally



to support the growing adoption of its EVs.

#### 4. **Introduction of New Models:**

Although not directly related to expansion plans, Tesla made significant progress in developing and launching new vehicle models. In August 2021, Tesla was working on the



production of the Cybertruck, an all-electric pickup truck, and the Tesla Semi, an electric semi-truck. These models represented Tesla's expansion into new vehicle segments beyond passenger cars.

## **SHARE MARKET**

1. **United States:** In August 2021, the major U.S. stock indices, such as the S&P 500, Dow Jones Industrial Average (DJIA), and Nasdaq Composite, experienced mixed results. The S&P 500 and Nasdaq Composite achieved modest gains during the month, while the DJIA ended the month relatively flat. Factors influencing the market included economic data, corporate earnings reports, and concerns about the Delta variant's impact on the economic recovery.

2. **Europe:** European stock markets had a mixed



performance in August 2021. The STOXX Europe 600 index, which represents large, mid, and small-cap companies across European countries, recorded a slight decline during the month. Concerns about the spread of the



Delta variant, supply chain disruptions, and inflationary pressures impacted market sentiment.

3. **Asia-Pacific:** Stock markets in the Asia-Pacific region also exhibited mixed performance in August 2021. Some markets, such as Japan's Nikkei 225 and South Korea's KOSPI, experienced gains, while others,

like China's Shanghai Composite and Hong Kong's Hang Seng Index, faced declines. Factors such as regulatory actions by the Chinese government, COVID-19 concerns, and geopolitical tensions influenced market movements in the region.

4. **Emerging Markets:** Emerging market stocks faced challenges in August 2021. Concerns about the Delta variant's impact on economic growth, rising inflation, and geopolitical tensions affected investor



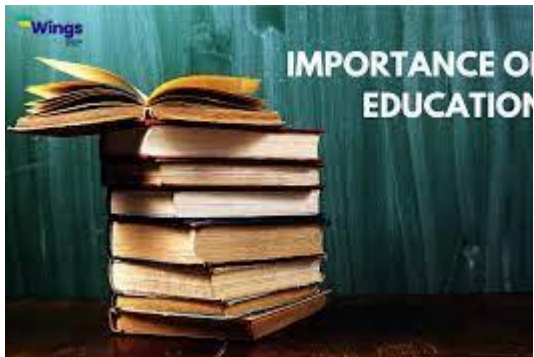
sentiment. However, the performance varied across

different emerging market regions and individual countries.

## **EDUCATION**

### **1. Back-to-School Preparations:**

August marked the beginning of the new academic year in many countries, and educational institutions were preparing for the return of students. However, the reopening plans varied based



on local COVID-19 conditions, with some schools opting for in-person classes, while others implemented hybrid or fully remote learning models.

### **2. Vaccine Rollout for Students**

**and Educators:** As vaccination efforts continued, many countries prioritized vaccinating students and educators to create safer learning environments. Some regions initiated



vaccination campaigns specifically targeting school-aged children, while educators were offered early access to vaccines to protect themselves and minimize disruptions in education.

### **3. Continued Hybrid and**

**Remote Learning:** With the persistence of the pandemic,

hybrid and remote learning remained prevalent in many regions. Educational institutions



employed various strategies, such as online classes, video conferencing, and digital learning platforms, to ensure continuity in education while minimizing the risk of COVID-19 transmission.

4. **Learning Loss and Remedial Programs:** The prolonged disruption caused by the pandemic resulted in concerns



about learning loss among students. Many schools and governments implemented remedial programs and initiatives to address the gaps in education and provide additional support to students who may have fallen behind during remote learning periods.