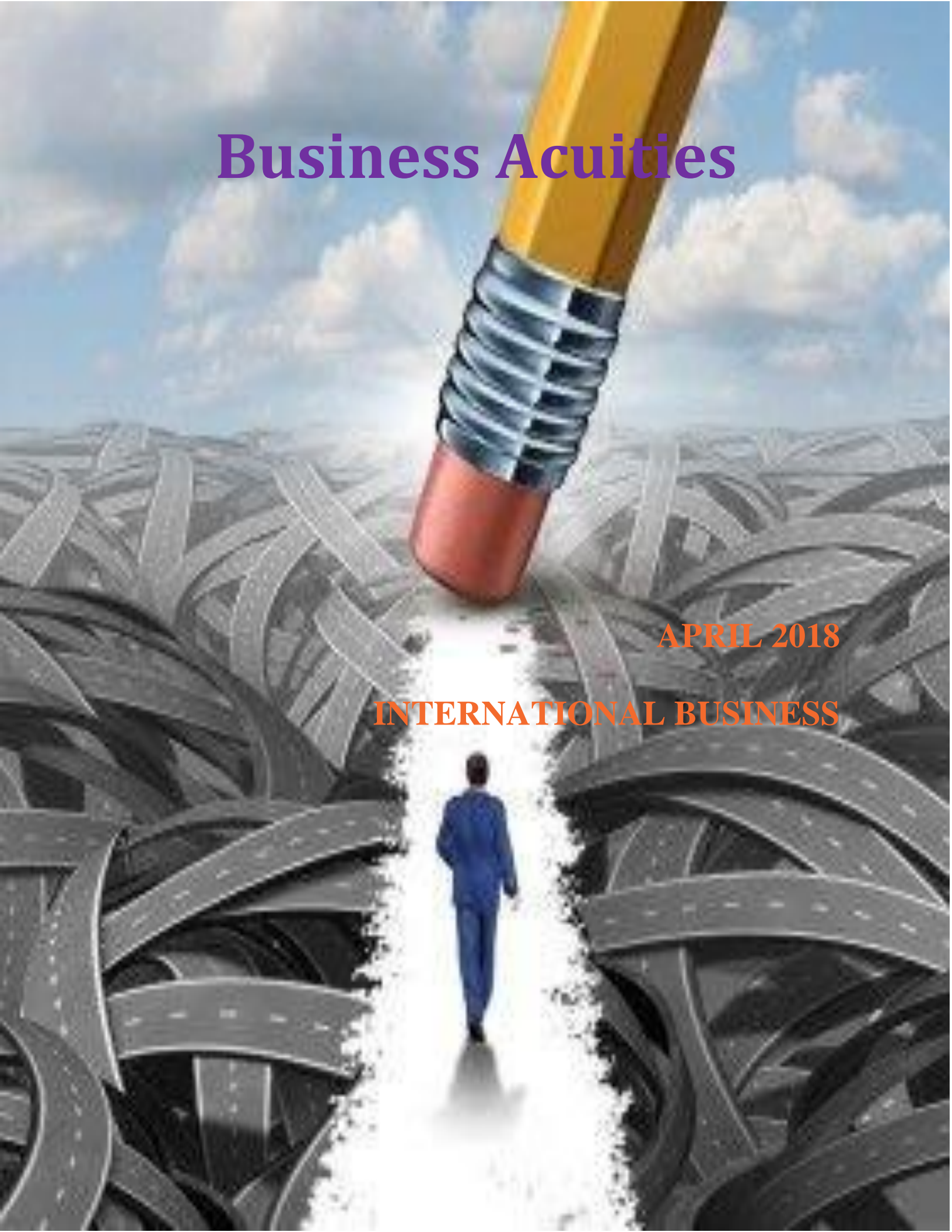


Business Acutities

APRIL 2018

INTERNATIONAL BUSINESS



CONTENTS

S.NO	TITLE	PAGE NO:
1.	FINANCE	4
2.	BANKING	6
3.	NIFTY	8
4.	DIGITAL ECONOMY	10
5.	MUTUAL FUND	12

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FINANCE

1. **Trade tensions between the United States and China:** In April 2018, the U.S. and China engaged in a series of trade disputes, imposing tariffs on each other's goods. The escalating trade tensions raised concerns about potential negative impacts on global markets and economic growth.



2. **Facebook's data privacy scandal:** In March 2018, news broke that Cambridge Analytica, a political consulting firm, had improperly obtained and used personal data from

millions of Facebook users. In April, the scandal deepened as Mark Zuckerberg, CEO of Facebook, testified before the U.S. Congress regarding the company's data privacy practices. The incident raised significant concerns about data protection and privacy regulations, affecting Facebook's stock price and reputation.



3. **Volatility in stock markets:** April 2018 witnessed increased volatility in global stock markets. Investors became more

cautious due to rising interest rates in the United States, geopolitical tensions, and concerns over global economic growth. Stock indices experienced significant fluctuations, and market participants closely monitored these developments.

4. **Cryptocurrency market**

correction: In early 2018, the cryptocurrency market experienced a significant boom, with the price of Bitcoin and other cryptocurrencies reaching all-time highs. However, in April 2018, the market went through a notable correction, with cryptocurrency prices declining sharply. This correction raised questions about the stability and long-term viability of cryptocurrencies.

5. **U.S. Federal Reserve raises**

interest rates: In March 2018, the U.S. Federal Reserve increased interest rates by a quarter of a percentage point, signaling confidence in the strength of the U.S. economy. The decision had global implications, affecting currency exchange rates and potentially influencing other central banks' monetary policies.



6. **European Central Bank**

maintains stimulus measures:

In April 2018, the European Central Bank (ECB) announced that it would continue its monetary stimulus program,

which included asset purchases and low-interest rates. The decision aimed to support economic growth and boost inflation in the eurozone.

7. **General Electric faces financial challenges:** General Electric (GE), a multinational conglomerate, faced financial difficulties in April 2018. The company announced significant losses and revealed accounting issues in its insurance business. The news led to a decline in GE's stock price and raised concerns about the company's financial stability.

BANKING

1. **Wells Fargo fined for misconduct:** In April 2018, Wells Fargo, one of the largest banks in the United States, was

fined \$1 billion by regulators for misconduct related to its mortgage and auto lending practices. The bank was accused of charging customers for unnecessary auto insurance and imposing excessive mortgage fees. This fine was one of the largest penalties imposed on a bank at that time.



2. **Deutsche Bank CEO change:** In April 2018, Deutsche Bank, a major German bank, announced a change in its leadership. After less than three years as CEO, John Cryan was replaced by Christian Sewing. The leadership change was seen as

an effort to improve the bank's performance and profitability amid ongoing challenges.



3. **Barclays and Deutsche Bank**

face scrutiny: Barclays and Deutsche Bank were among several major banks that faced scrutiny in April 2018 for their business practices. Barclays faced allegations of misconduct regarding its CEO's attempts to identify a whistleblower, while Deutsche Bank faced allegations of money laundering and involvement in the Panama Papers scandal.

4. **Bank of America reports**

strong earnings: Bank of

America announced its first-quarter earnings in April 2018, reporting a profit of \$6.9 billion, up 30% from the previous year.



The bank benefited from higher interest rates and improved performance in its consumer banking and wealth management divisions.

5. **Citigroup's CEO steps down:**

In April 2018, Citigroup's CEO, Michael Corbat, announced that he would step down from his role. Corbat had served as CEO since 2012 and was credited with leading the bank's recovery

after the financial crisis. His departure sparked speculation about the future direction of the bank.

6. **Standard Chartered fined for sanctions violations:** Standard Chartered, a British multinational bank, was fined \$1.1 billion by U.S. and UK regulators in April 2018 for violating sanctions against certain countries, including Iran and Myanmar. The bank was accused of processing thousands of transactions that violated these sanctions.

7. **Indian banking fraud at Punjab National Bank:** In April 2018, one of the largest banking frauds in Indian history came to light. Punjab National Bank (PNB) announced that it had uncovered fraudulent

transactions totaling over \$2 billion. The fraud involved unauthorized guarantees issued to companies by bank officials in collusion with a jeweler. This incident highlighted issues of corporate governance and risk management in the Indian banking sector.

NIFTY

1. **Opening and Closing Levels:**

The Nifty 50 opened the month of April 2018 at around 10,173 points and closed at approximately 10,618 points, representing a gain of around 4.4% over the course of the month.



2. **Volatility and Market Trends:**

The Nifty 50 witnessed significant volatility during April 2018. The index experienced several ups and downs throughout the month, driven by a variety of factors, including global market cues, corporate earnings releases, and geopolitical events.



3. **Sector Performance:** In terms of sectoral performance, some sectors outperformed while others underperformed during April 2018. Notable gainers included IT (Information Technology), Pharma, and FMCG (Fast Moving Consumer

Goods) sectors, while the Banking and PSU (Public Sector Undertaking) sectors faced some challenges.

4. **Corporate Earnings Season:**

April 2018 marked the corporate earnings season in India, with many companies announcing their financial results for the quarter ended March 2018. The market's reaction to these earnings releases played a significant role in shaping the Nifty 50's performance during the month.

5. **Global Factors:** The Nifty 50, like many other global indices, was influenced by global market trends and geopolitical events during April 2018. Trade tensions between the United States and China, rising oil prices, and geopolitical

developments in various parts of the world had an impact on investor sentiment and market movements.



DIGITAL ECONOMY

1. **E-commerce growth:** The e-commerce sector continued to thrive in April 2018, with increasing numbers of consumers embracing online shopping. Companies like Amazon and Alibaba reported strong sales and revenue growth, emphasizing the growing importance of digital

channels in retail.



2. **Digital payments and fintech:**

Digital payment platforms and fintech companies experienced significant advancements and adoption. Mobile payment solutions, such as digital wallets and peer-to-peer payment apps, gained popularity,



with companies like PayPal and Square expanding their services. Fintech startups continued to

disrupt traditional financial services, offering innovative solutions in areas like lending, wealth management, and insurance.

3. **Blockchain technology:** The blockchain ecosystem continued to expand and attract attention in April 2018. Various industries, including finance, supply chain, and healthcare, explored the potential applications of blockchain for improving transparency, security, and efficiency.



Cryptocurrencies, which rely on blockchain technology, faced

volatility but remained a topic of interest and discussion.

4. **Artificial Intelligence (AI) advancements:** AI continued to drive innovation across industries, with companies integrating AI technologies into their products and services. Chatbots and virtual assistants became more prevalent, enhancing customer service experiences. AI-powered analytics and data processing tools gained traction in sectors like marketing, finance, and healthcare.
5. **Data privacy concerns:** Data privacy and security concerns remained a significant topic in the digital economy. The Facebook-Cambridge Analytica scandal, which emerged in March 2018, raised public

awareness about the handling of personal data and led to increased scrutiny of data privacy practices by both regulators and consumers.

6. **Digital transformation**

initiatives: Many companies and organizations continued to invest in digital transformation efforts to stay competitive. Traditional businesses across sectors embraced digital technologies to optimize operations, improve customer experiences, and enhance their overall agility and efficiency.

7. **Internet of Things (IoT)**

expansion: The IoT ecosystem continued to grow, with more devices and objects connected to the internet. Smart home devices, wearables, and industrial IoT applications

gained momentum, offering new opportunities for businesses and consumers.

MUTUAL FUND

1. **Market Volatility:** The month of April 2018 experienced heightened market volatility, with fluctuations in stock prices and uncertainty surrounding global events. Mutual funds, like other investment vehicles, were impacted by these market movements.



2. **Inflows and Outflows:** Mutual funds experienced mixed flows

during April 2018. While some funds saw net inflows from investors, others faced net outflows. Market conditions, investor sentiment, and specific fund performance were among the factors influencing these flows.



3. **Equity Funds:** Equity mutual funds, which invest primarily in stocks, faced challenges during April 2018 due to the increased volatility in stock markets. Investors closely monitored the performance of equity funds and adjusted their investment strategies accordingly.

4. **Debt Funds:** Debt mutual funds, which invest in fixed-income securities such as bonds, saw varying performance based on the prevailing interest rate environment. Rising interest rates can impact the returns of debt funds, and investors evaluated their fixed-income holdings accordingly.



5. **Regulatory Changes:** In April 2018, the Securities and Exchange Board of India (SEBI) implemented various regulatory changes aimed at enhancing investor protection and improving transparency in the mutual fund industry. These

changes included categorization and rationalization of mutual fund schemes, disclosure norms, and the introduction of risk-o-meter for funds.



6. **Systematic Investment Plans (SIPs):** SIPs, a popular investment method in mutual funds, continued to gain traction among investors. SIPs allow investors to invest a fixed amount at regular intervals, regardless of market conditions. Many investors utilized SIPs as a disciplined approach to long-

term investing.



7. **Investor Education and Awareness:** Investor education and awareness initiatives continued to be emphasized by mutual fund companies and regulators. Efforts were made to educate investors about the risks and rewards of mutual fund investments, asset allocation strategies, and the importance of long-term investing.