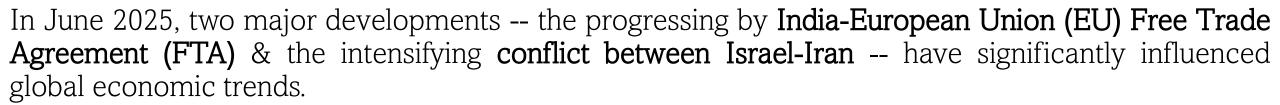
# ECONSCIENCE

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#### Economic Forum, Department of Economics



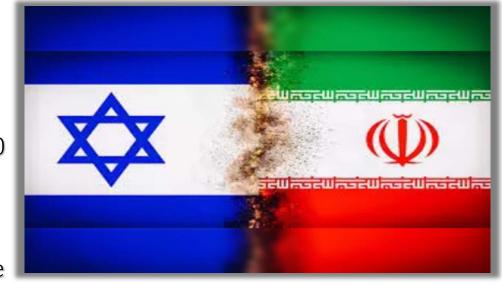
### INDIA-EUROPEAN UNION (EU) FREE TRADE AGREEEMENT:

Negotiations for the India-EU FTA have gained momentum. Five key chapters, including trade facilitation, customs and intellectual property, were finalized during the latest negotiation round in New Delhi. Both India and the EU reaffirmed their commitment to concluding the agreement by the end of 2025. This deal is poised to significantly boost bilateral trade, which in 2023 was valued at over 180 euros billion across goods and services. By reducing tariffs and regulatory barriers, the agreement is expected to open new opportunities for sectors such as digital services, pharmaceuticals and automobiles, strengthening India's global trade footprint and offering EU businesses deeper access to a fast- growing market. Strategically, it reflects a pivot toward regional trade alliances as global multilateral frameworks face increasing strain.



## ISRAEL-IRAN CONFLICT & IMPACT ON GLOBAL ECONOMY:

The Israel-Iran conflict has heightened geopolitical and economic instability. Although a temporary ceasefire has been reached, the mid June escalation raised fears of a blockade in the Strait of Hormuz, a key global oil route. Brent crude oil prices surged by 12%, peaking above \$80 per barrel, before stabilizing near \$67. The conflict also threatened global fertiliser supplies and energy security with European natural gas prices rising from amid concerns of LNG shortages. Economists estimate



that prolonged disruption could subtract up to 0.3% points from global GDP growth and add around 0.7 points to inflation, increasing recession risks- especially in energy- dependent regions. Despite markets treating the event as a contained flare-up, the underlying risk of further escalation remains.

Together, these developments highlight a world balancing between strategic economic integration and volatile geopolitical shocks. While the India-EU FTA signals a push for resilience through deeper trade ties, the Israel-Iran tensions expose global vulnerabilities to energy supply disruptions, underlining the importance of diversified energy sources and cautious monetary policy.

# →India's petroleum product demand to grow at 5.37% CAGR till 2030: PHDCCI



The demand for refined petroleum products in India — the world's fourth largest refiner — is expected to grow at a compound annual growth rate (CAGR) of more than 5 per cent over the next five years.

### →India's electronic production set to reach ₹27.7 lakh crore by FY28: Report



India's electronic manufacturing is expected to grow significantly and reach ₹27.7 lakh crore by the financial year 2027-28 (FY28), according to a recent report by Antique Stock Broking. This would mean a strong compound annual growth rate (CAGR) of 27 per cent over the next five-year period from FY23 to FY28

# Focus on Sustainable Mining in Resource-Rich Northeast Highlighted at Conclave

Assam Chief Minister Himanta Biswa Sarma, who was present at the event, emphasized the state's commitment to developing the mining sector with a strong focus on sustainability and the principles of a circular economy.



Coal and Mines Minister G. Kishan Reddy on Friday stressed the need for better coordination between the Centre and states to attract more investment and encourage innovation in the mining sector, while making sure it remains sustainable.

Speaking at the second North East Mining Ministers' Conclave held in Sonapur, near Guwahati, Reddy said, "This conclave is an important step towards promoting sustainable mining, making it easier to do business, and building stronger Centre-state cooperation." He added that such efforts will help bring in new investments, drive innovation, and ensure inclusive growth across the North East.

Assam Chief Minister Himanta Biswa Sarma, who also attended the event, highlighted the state's commitment to developing the mining sector with a strong focus on sustainability and the principles of a circular economy.

## TEA INDUSTRY SEES EXPORT GROWTH

Assam's tea industry experienced a significant boost in June 2025 as exports surged by 8% compared to the previous month. This rise was largely driven by increased demand from the European Union, supported by improved trade ties and reduced tariffs under the India-European Union (EU) Free Trade Agreement. Major tea estates in Upper Assam reported higher output due to favorable weather and modernized processing facilities. The Tea Board of India also launched digital traceability tools to ensure quality and transparency, enhancing Assam's global tea production.





### CONTRIBUTERS NAME:

Sakhshi Mitra
Umi Agarwalla
Annesha Das
(BA 2<sup>nd</sup> semester)