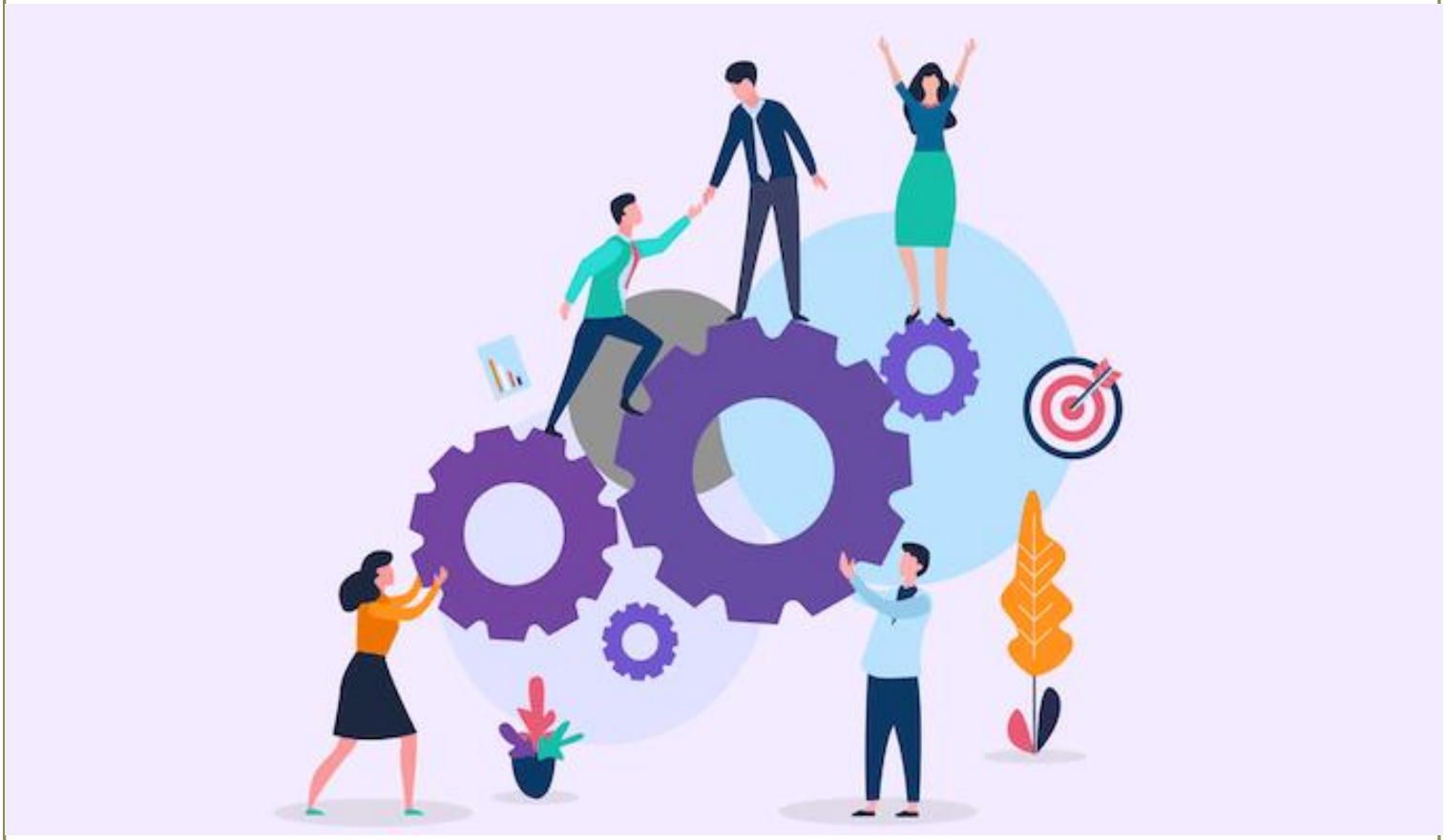

EMERGING THOUGHTS

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Foreword

At SURESH & CO., we are delighted to present the latest edition of "EMERGING THOUGHTS." This publication brings together global perspectives and contemporary ideas, thoughtfully contributed by our dedicated articled assistants, aspiring Chartered Accountants, and esteemed team members.

The *Emerging Thoughts* initiative is a small but meaningful step towards staying connected with this larger landscape. Each day, one of us pauses to observe, reflect, and share something noteworthy - be it a development in the business world, an insightful article, a regulatory update, or an idea that sparked curiosity. Individually, these thoughts may seem simple; collectively, they offer perspective. Every issue reflects our collective pursuit of learning, where each perspective adds value to our shared growth. With your continued support, we aim to curate content that informs, provokes thoughtful reflection, and fosters meaningful conversations.

Great ideas rarely emerge in isolation - they are shaped by observation, dialogue, and an openness to what is happening beyond our immediate responsibilities. The *Emerging Thoughts* initiative reflects this belief by encouraging each of us to engage with the world outside our desks and bring back something worth sharing. At SURESH & CO., we are committed to nurturing an environment that supports both intellectual curiosity and personal development. We believe in the power of ideas and the richness that diverse perspectives bring. Our culture encourages individuals to question conventions, broaden their outlook, and engage with knowledge in a way that drives both personal and collective progress.

This edition highlights the viewpoints and reflections of our young contributors. Each contribution in this issue represents a brief pause to reflect on what is shaping the business and economic landscape today. Compiled over the month, these insights serve as a reminder that consistent curiosity, when shared, can lead to sharper thinking, better conversations, and more informed decision-making. We encourage readers to engage thoughtfully, reflect critically, and further explore the subjects that spark interest.

We appreciate your continued association with us on this enriching journey. It is our hope that this edition of "EMERGING THOUGHTS" inspires curiosity, thoughtful dialogue, and a deeper engagement with the ideas that influence our times.

"*Curiosity today prevents obsolescence tomorrow.*"

As we step into a new month, let us welcome the possibilities it offers. Each day presents an opportunity to grow, to make intentional choices, and to positively influence our environment. Through conscious effort, renewed focus, and moments of reflection, let us move forward with clarity, purpose, and optimism.

Update for the Day #2735 | The Summer That Changes Everything: Dispatches from the Great Transition of 2026

The thermometer on the wall of Ramesh Kumar's apple orchard in Shimla read 34°C on a Tuesday morning in late March. He had farmed this hillside for twenty-two years and had never seen a number like that in March. "This is May heat," he said quietly. "But the calendar says March. The trees are confused. I am confused." Across India, across continents, across oceans, an entire planet was staring at its thermometers and asking the same bewildered question: what is happening to our summer? The answer is that what we call "summer" no longer means what it used to. The atmospheric machinery that governed seasons for millennia distributing heat, moisture, and wind in patterns that civilizations were built around is being rewired. The summer of 2026 is not merely a hot summer. It is the opening act of the Great Transition: the moment the world moved from talking about climate change to living inside it.

Wait hasn't the earth always had hot summers? Yes. But not like this. What's different in 2026 is not just the temperature it's the timing, the geography, and the refusal to stop. Heat that once arrived in June is showing up in March. Towns that were cool are now scorching. And the heat isn't leaving at night the way it used to. That's new. That's the shift.

The engine behind this is a Pacific Ocean that has spent years storing heat and is now releasing it all at once. After a prolonged La Niña cooling cycle kept global temperatures in a fragile holding pattern, the ocean is warming rapidly and the emerging El Niño is no ordinary one. Scientists are calling it a "Super El Niño" an event of unusual intensity layered on top of an ocean already running hotter than at any point in recorded history. Think of it this way: La Niña kept a near-boiling pot on a low flame. The Super El Niño has turned the burner to maximum. The heat now flooding the atmosphere is the accumulated warmth of years, and it has nowhere to go but into the air we breathe, the soil beneath our feet, and the bodies of the most vulnerable people on earth.

So is El Niño the villain here? Partly but it's more complicated. El Niño is a natural cycle. The villain is that it's now operating inside a world that humans have pre-heated by over 1.2°C. El Niño is the spark. Climate change is the dry forest it's landing in.

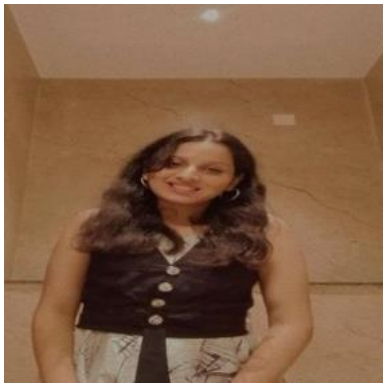
Nowhere is this felt more brutally than under a heat dome. When a high-pressure system stalls over a landscape as has happened repeatedly this summer across Western North America and Southern Europe it acts like a lid pressed down over an entire region. Air descends, compresses, and heats. Clouds cannot form. Rain cannot fall. The system simply sits, day after relentless day, baking everything below it. This summer has produced temperature anomalies of 11 to 17 degrees Celsius above historical averages numbers that a decade ago would have been dismissed as physically implausible. A town that expected 32°C recorded 49°C. A forest that survived three centuries burned in an afternoon. And at night, when bodies historically recovered in cooler air, the mercury barely dipped. It is that relentless persistence the heat that never truly lets go that kills.

Why can't people just stay indoors and use AC? Because millions can't afford to. And even those who can are straining a power grid that is already buckling under demand. When the grid fails and this summer it has, repeatedly the AC becomes a useless box on the wall. For the elderly, the sick, outdoor workers, and the urban poor, there is no "just stay indoors." There is only endurance.

The summer of 2026 is ultimately asking something harder than a policy response. It is asking for an honest reckoning with who bears the cost of a crisis they did not create. The Shimla farmer, the Nagpur slum dweller, the Bundelkhand wheat grower none of them warmed the Pacific Ocean. The tools for protecting them are not mysteries: shaded urban infrastructure, drought-resistant crops, cooling centers, water harvesting, reliable power grids. The barrier has never been knowledge. It has always been will. What this season has made undeniable is that the climate is no longer changing somewhere in the future it has already shifted, and it is falling hardest on those least responsible for the shift.

So what actually needs to happen right now, not in 2050? Three things, immediately. Cool the cities trees, reflective surfaces, public cooling centres that are actually open and accessible. Protect the farmers heat-tolerant seed varieties, crop insurance that pays fast, not in two years. And fix the grid because every other solution depends on reliable power. None of this is radical. All of it is overdue. The question was never can we. It has always been will we.

By Aditi Gadiya



Update for the Day #2736 | Fast Breeder Reactor (FBR) and India's Achievement

As part of today's knowledge update, I would like to share a brief note on the Fast Breeder Reactor (FBR) and India's achievement in this advanced nuclear energy technology.

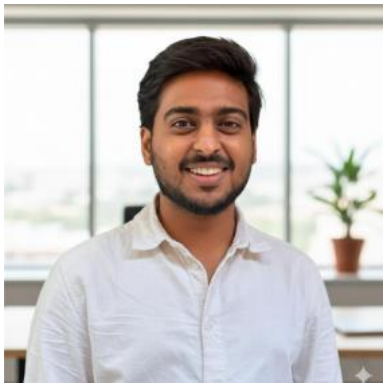
A Fast Breeder Reactor is a special type of nuclear reactor designed to generate more fissile fuel than it consumes. Unlike conventional nuclear reactors that use slow (thermal) neutrons, FBRs use fast neutrons to convert uranium-238 into plutonium-239, which can be reused as fuel. This significantly improves fuel efficiency and helps in optimal utilization of nuclear resources.

India has made a significant milestone in this field through the development of the Prototype Fast Breeder Reactor (PFBR) at Kalpakkam, Tamil Nadu. This reactor, developed by Bharatiya Nabhikiya Vidyut Nigam Limited (BHAVINI), is part of India's three-stage nuclear power programme and plays a key role in strengthening long-term energy security. The PFBR supports India's strategy of utilizing its vast thorium reserves in future stages of nuclear power generation, making the country one of the few nations with advanced Fast Breeder Reactor technology.

In addition to improving fuel utilization, FBR technology helps reduce nuclear waste by enabling recycling of unused fuel materials. Although the technology involves complex systems, including the use of liquid sodium as coolant, it represents a major step toward efficient and sustainable energy generation.

Overall, India's progress in Fast Breeder Reactor technology marks an important achievement in the country's journey toward self-reliance in advanced nuclear energy and future-ready power generation.

By Manjunath A S



Update for the Day #2737 | The Insider Trading Scandal ($580 Million Bet Placed Minutes Before Trump's Iran Announcement)

Setting the Scene — A War, a Tweet, and a Trade

To understand this scandal, you need to understand the context. Since February 28, 2026, when the United States and Israel launched coordinated airstrikes on Iran, global oil markets have been in a state of near-constant panic. The Strait of Hormuz — through which 20% of the world's oil passes — was effectively closed by Iran in retaliation, triggering the largest oil supply disruption in history. Brent crude, which traded at around $70 per barrel before the war, surged past $119 at its peak.

In this environment, any credible signal of de-escalation had the power to move oil markets dramatically. A pause in strikes, a ceasefire hint, even a softened tone from Washington could send oil prices tumbling by 10 to 15% within minutes. That kind of information, in the right hands at the right time, is worth an enormous amount of money — and on March 23, 2026, somebody appears to have had exactly that information.

The Trade — $580 Million in 15 Minutes

At approximately 15 minutes before President Trump published a statement on social media announcing a pause in US military strikes on Iran — citing an openness to diplomatic talks — a series of large short positions on oil futures were placed in financial markets. The total value of these bets: **$580 million.** The direction of the bet: that oil prices would fall. The timing: almost impossibly precise.

When Trump's post went live, oil prices fell sharply, exactly as the trade anticipated. The positions were closed quickly, generating what analysts estimate could be hundreds of millions of dollars in profit — all within a matter of hours. A Financial Times investigation, which first reported the trades, described the timing as extraordinary and said the positions were placed with a confidence that is very difficult to explain through normal market analysis or coincidence.

To put the scale in perspective: $580 million is not the kind of trade placed by an individual investor watching the news. It requires institutional infrastructure — prime brokerage access, large derivatives clearing, and the kind of counterparty relationships that only major financial institutions or well-capitalized hedge funds possess. This was a sophisticated, deliberate, and massive wager placed with apparent foreknowledge of a non-public event.

How Does Insider Trading Work in Commodity Markets?

Most people associate insider trading with equities — someone buying a company's shares before a merger announcement, for example. But commodity futures markets are equally, if not more, vulnerable to information-based manipulation. Oil futures are traded globally, around the clock,

with massive leverage. A well-timed short position placed just before a price-moving announcement can generate extraordinary returns in a very short window.

In this case, the relevant piece of non-public information would have been knowledge of Trump's decision to pause strikes on Iran before that decision was made public. Anyone with access to that information — even indirectly — would have known that oil prices were about to fall. The trade essentially converted a diplomatic decision into a financial weapon.

What makes this particularly troubling is that Trump's pause announcement was unscheduled, unexpected, and came just before a self-imposed deadline he had set for Iran to comply with his demands. Markets had been bracing for an escalation, not a pause. The trade therefore went directly against prevailing market sentiment — a sign that whoever placed it knew something the rest of the market did not.

The Regulatory Response — Calls for a Full Probe

In the United States, two agencies have jurisdiction over this kind of activity. The Securities and Exchange Commission (SEC) oversees securities markets, while the Commodity Futures Trading Commission (CFTC) regulates derivatives and futures — the exact instruments used in this trade. Both are under pressure to launch formal investigations.

Members of Congress from both the Democratic and Republican parties have publicly demanded answers. Some have called for a special investigator, arguing that the overlap between government decision-making and financial markets creates a conflict of interest that the standard regulatory process cannot adequately address. There are also calls for a review of White House communication protocols — specifically, who is notified of sensitive diplomatic decisions and how far in advance.

Internationally, the Financial Conduct Authority in the UK and equivalent bodies in the EU have also been alerted, given that some of the trades may have been routed through London and European exchanges. Cross-border financial investigations of this scale are notoriously slow and complex, but the political pressure to move quickly is significant.

The Bigger Picture — When War Meets Wall Street

Beyond the legal dimensions, this scandal raises a profound question about the relationship between political power and financial markets in the modern era. The Iran war has already generated unprecedented market volatility — Brent crude swinging nearly $50 per barrel, global stocks losing $3.2 trillion in value in 96 hours, bond markets lurching. In that environment, anyone with a direct line to decision-makers in Washington effectively holds a licence to print money.

Critics have pointed out that Trump's public communications on Iran have been unusually erratic — alternating between threats of obliteration and offers of talks, often via social media posts with no prior warning. Each swing created a trading opportunity. If insiders have been capitalising on these swings repeatedly, the $580 million trade on March 23 may be the tip of the iceberg.

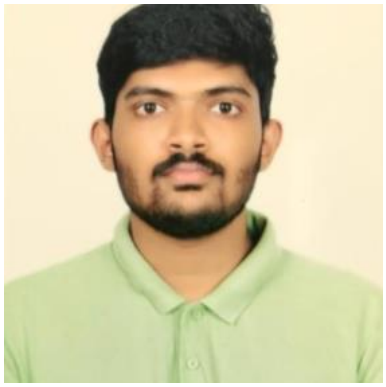
For ordinary investors, pension funds, and businesses trying to hedge their energy costs, this is deeply corrosive. Markets function on the assumption that all participants operate with the same

publicly available information. When that assumption is violated at the highest levels of government, confidence in the system itself is damaged — and that damage is not easily repaired.

Bottom Line

The $580 million trade placed 15 minutes before Trump's Iran announcement is one of the most striking cases of potential insider trading in recent financial history. It sits at the intersection of war, diplomacy, political access and financial markets — a combination that makes it extraordinarily difficult to investigate and politically explosive to pursue. Whether it leads to criminal charges, congressional hearings, or regulatory reform, this scandal is far from over. Watch this space — the story is only beginning to unravel.

By Darshan Y C



Update for the Day #2738 | Navigating the LPG Crisis: The Urgent Shift to Piped Natural Gas (PNG)

The Current LPG Crunch Normally, India sees about 50 lakh daily LPG cylinder bookings. However, recent geopolitical tensions in the Middle East have disrupted the Strait of Hormuz—a critical supply route. With liquefaction facilities in the Gulf taking a hit, daily bookings have surged to 90 lakh due to panic buying and early refill requests.

Why the Push for PNG? To ease the pressure, the government is aggressively pushing for Piped Natural Gas (PNG). Here is why:

- Lower Import Dependency: India imports roughly 66% of its LPG, mostly via the Strait of Hormuz. In contrast, 40–50% of the methane used for PNG is sourced domestically, making it far more resilient to global shocks.

- Zero Logistics Bottlenecks: PNG flows directly through pipelines, eliminating the need for bookings, delivery trucks, and last-minute panic.

What Has Held PNG Back? Despite being introduced over 25 years ago, only about 12–13% of households currently use PNG. The slow rollout boils down to three main hurdles:

1. Red Tape & Approvals: Laying pipelines requires "Right of Way" permissions from multiple municipal, state, and private entities, leading to severe delays.

2. Tax Disparities & Upfront Costs: LPG enjoys a standard 5% GST. PNG, however, is subject to state-level VAT (often between 5% and 14%), which can make it more expensive. Additionally, upfront connection charges deter many households.

3. Poor ROI in Smaller Towns: Expanding the pipeline network into less dense, semi-rural areas costs companies a lot upfront, but lower gas consumption in these areas makes the return on investment quite weak.

The Government's Action Plan Using the current LPG crunch as a catalyst, the government is making major policy moves to hit a target of 12 crore PNG connections by 2034:

- Overriding Local Roadblocks: The new Natural Gas and Petroleum Products Distribution Order, 2026 strips local bodies, housing societies, and RWAs of the power to block or unnecessarily delay pipeline work.

- Fast-Tracking Commercial Hubs: City Gas Distribution (CGD) companies are now mandated to provide connections to mass-cooking facilities (hospitals, colleges, restaurants) within five days if the infrastructure exists.

- Tax Rationalization: The regulatory board is urging states to cut VAT on PNG down to 5% to compete with LPG pricing.

- Single-Window Clearances: States like Assam and Karnataka have already set up fast-track, 30-day clearance policies for pipeline infrastructure, serving as a model for the rest of the country.

The intent is clear, but executing this massive 8x scale-up over the next eight years will be the real test for "Mission PNG."

By Akshay A

Update for the Day #2739 | Why the world can't agree on taxing the internet

Back in 1998, global trade began encountering a completely new situation. For decades, the system was simple goods crossed borders physically, went through customs, and were taxed. But with the rise of the internet, value itself started moving without any physical shipment. Software, music, and data could now travel across countries instantly, without passing through ports or checkpoints. This created a fundamental question: if nothing physically crosses a border, what exactly should be taxed?

At the time, this didn't seem very urgent. The internet was still in its early stages, and digital trade was relatively small. Most economies were still driven by physical goods, and the rules of global trade were designed accordingly.

To address this emerging issue, the World Trade Organization introduced the e-commerce moratorium in May 1998. Under this, countries agreed not to impose customs duties on electronic transmissions while they worked on developing proper rules. A work programme was also launched to study whether digital trade should be classified as goods, services, or something entirely new.

However, those rules were never finalized. Instead, the moratorium was repeatedly extended at every WTO ministerial conference. Over time, what was meant to be a temporary solution became the foundation of global digital trade. Meanwhile, the digital economy expanded rapidly streaming platforms, cloud computing, software services, and online gaming became a major part of everyday life, all operating without import duties.

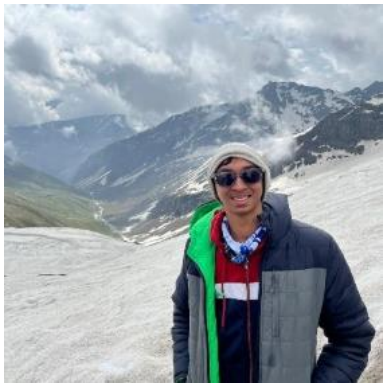
Today, this issue has become far more significant. Developing countries like Brazil and India argue that as more trade shifts online, governments are losing out on substantial tariff revenue. They also believe that the absence of tariffs makes it harder for domestic digital companies to compete with large global tech firms, which benefit from scale, advanced technology, and strong financial resources.

On the other hand, many countries and global businesses support continuing the moratorium. They argue that introducing tariffs on digital transmissions could increase costs for consumers, reduce access to affordable online services, and potentially fragment the global internet. There are also concerns that higher costs could push users back toward piracy or unofficial alternatives.
The WTO has struggled to resolve this issue for nearly three decades because member countries have very different interests, and its decisions require consensus. As a result, the moratorium continued not because there was agreement, but because there was no agreement on what should replace it.

This long-standing arrangement changed on March 30, 2026, when the moratorium expired for the first time at a WTO ministerial conference after members failed to agree on an extension. Although countries will still need to pass domestic laws before imposing any digital tariffs, the legal certainty that existed for nearly 28 years has now disappeared.

The larger question now is what this means for the future of global trade. With no clear framework in place and ongoing disagreements among countries, the regulation of digital trade remains uncertain. What began as a temporary pause in 1998 has now become one of the most complex and unresolved issues in international trade.

By Anjan Talanki



Update for the day #2740 | Has India cracked its nuclear endgame?

Back in the early years after independence, India had an ambitious vision for its energy future. The country did not have large reserves of uranium, which is typically used in nuclear reactors, but it did have one of the world's largest reserves of thorium. This led Indian scientists to design a long term three stage nuclear program that could eventually rely on thorium and make India energy independent.

The plan was structured carefully. In the first stage, India would use limited uranium in conventional reactors to generate electricity and produce plutonium as a by-product. In the second stage, this plutonium would be used in fast breeder reactors to create even more fuel. Finally, in the third stage, the system would transition to thorium based reactors, unlocking a virtually self sustaining energy cycle.

At the time, this strategy seemed both practical and visionary. It allowed India to work around its resource constraints while building a long term solution. However, progress over the decades has been much slower than expected. While the first stage saw some success, the second and third stages have faced delays, technological challenges, and limited scaling.

One major reason for this slow progress has been the structure of the nuclear sector itself. Unlike many other industries, nuclear energy in India has remained tightly controlled by the government. While this ensured high levels of oversight and security, it also meant limited participation from private players, slower decision making, and less access to global innovation and capital.

As a result, India's nuclear power capacity today remains relatively small compared to its overall energy needs. At the same time, the demand for electricity has grown rapidly, driven by economic growth, urbanization, and increasing digital consumption.

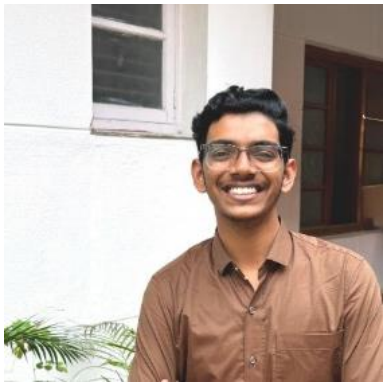
This is where the situation begins to change. India is now setting ambitious targets to significantly expand its nuclear capacity in the coming decades, especially as it looks to reduce carbon emissions and transition away from fossil fuels. Nuclear energy is seen as a reliable source of continuous power, something that renewable sources like solar and wind cannot always guarantee due to their intermittent nature.

To accelerate this growth, the government is exploring ways to open up the sector. This includes allowing greater participation from private companies, enabling foreign investment, and reconsidering regulatory frameworks that have historically restricted expansion. The idea is to bring in capital, technology, and efficiency that can help scale nuclear energy much faster than before.

However, this shift also introduces new challenges. Nuclear energy comes with significant safety concerns, and any expansion requires strict oversight and robust regulatory systems. There are also strategic considerations, especially when involving foreign players in a sector that has national security implications.

So, has India cracked its nuclear endgame? Not quite yet. But after decades of slow progress, the country appears to be at an inflection point. With policy changes, increased investment, and a renewed focus on scaling nuclear power, India may finally be moving closer to realizing its long standing vision of a self sufficient and sustainable nuclear energy system.

By Naveen Kumar



Update for the Day #2741 | The Insolvency and Bankruptcy Code 2.0

Before 2016, India's insolvency system was a bit of a nightmare. There were multiple laws dealing with bankruptcy. Personal insolvency was governed by two old laws: the Presidency Towns Insolvency Act, 1909 for cities like Mumbai, Chennai, and Kolkata and the Provincial Insolvency Act, 1920 for the rest of India. These explained how individuals could be declared insolvent and how their assets would be handled. But they didn't apply to companies.

For companies, there was SARFAESI (Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest), which allowed banks to seize assets without court involvement, or the Companies Act and the Sick Industrial Companies Act (SICA), which dealt with corporate insolvency.

But the problem was that firstly, these laws were all over the place and often misused to delay repayments. There were no strict timelines, and recoveries were low. Secondly, they didn't solve the broader problem of resolving stressed companies.

To give you a quick example, let's talk about Jaypee Group. You might know it for housing developments, cement, the Yamuna Expressway, and even the Buddh International Circuit that hosted India's first Formula 1 Grand prix. But over time, the group became known just as much for its debt problem as for its projects, especially in Jaypee Infratech and the wider group. And the IBC 2016 dealt with this fairly well. Earlier, company owners stayed in charge even after defaulting. But now, creditors or lenders had control over the process. There were strict timelines to resolve cases, and fewer delays from endless litigation. The proof is in the pudding. Over the last decade, over 3.5 lakh crore. of distressed debt has been resolved under the IBC. Bank NPAs (Non - Performing Assets) have dropped from double digits to below 3%. And a recent IIM study also suggests that companies coming out of the IBC process had better operating profit margins and created more jobs than similar struggling companies.

But there were a few things that weren't so great about the IBC 2016.For instance, some parts of the Code weren't clear, so courts had to step in, adding delays to what was meant to be a straightforward, rule-based process. At the same time, new buyers who had fairly acquired stressed companies were being held responsible for the past wrongdoings of the old promoters they had replaced. And one of the biggest issues was that resolution timelines, which were meant to cap at a maximum of 330 days, were often stretching beyond 600. Obviously, the government had to do something about it. And after a decade of observing how the IBC 2016 worked and where it fell short, it has now introduced IBC 2.0, or the Amendment Act of 2026, which received the President's assent just last week.

Let's say a creditor files a strong petition against a company in January. Months later, the company itself files another petition in April. With multiple petitions like this, everyone could start arguing over which is the real date of initiation, especially when looking back at suspect transactions. Say, dubious deals done in February or March, which could get ignored if April is treated as the initiation date instead of January. This also made room for confusion or delay on when the moratorium and other consequences truly began, creating uncertainty and possibly weakening

creditor rights.

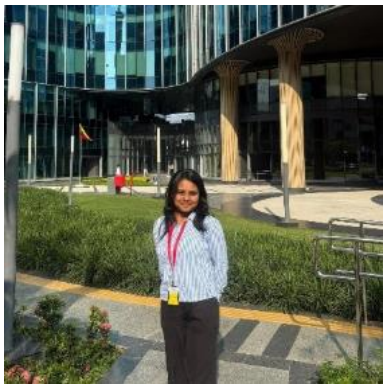
But the new Code makes it clear that if multiple applications are filed against a company, the start date will be the one filed first, not whichever one is ultimately admitted or convenient to rely on later. So no one, especially those trying to delay the insolvency resolution process, can "reset the clock" by filing fresh petitions after the first one goes in.

Next, the look-back period has been extended to two years before the insolvency filing. Earlier, this wasn't clearly defined, though many interpretations assumed it was about one year. A look-back period is simply the time window where the insolvency process can go back and check past deals to see if anything unfair happened. It's like reviewing what the company did just before things went wrong. For instance, if a company sold a valuable asset cheaply to a related party, paid one lender ahead of others, or entered into a strange deal just before insolvency, those transactions can be examined if they fall within this period. The idea is to stop owners or insiders from emptying the company before creditors get to it. Without a look-back period, questionable transfers made just before insolvency could be hard to challenge. While extending it helps creditors recover more value from such transactions. It also makes it harder for promoters to "clean up" the company just before filing and leave lenders and suppliers holding the bag.

So yeah, while it's true that the IBC has become more usable in the real world, it may also be less forgiving and perhaps even a bit brutal for companies that still had a real chance to recover with a slower, more flexible approach.

And we'll have to wait and see whether this trade-off works in favour of most, even if a few get sacrificed along the way; and whether it ultimately does better than its predecessor.

By Manya D



Update for the Day #2742 | Bernie Madoff Ponzi Scheme

The scheme run by Bernie Madoff is often described as the largest Ponzi scheme in history, with estimated losses of $65 billion (including fake profits). What made it so powerful was not sophistication, but credibility and consistency. Madoff claimed to use a "split-strike conversion strategy" involving blue-chip stocks and options, but in reality, no such large-scale trading was taking place. Instead, investor money was deposited into a single account and recycled—new inflows were used to pay older investors, creating a false sense of steady growth.

One of the most striking aspects of this fraud was how it bypassed scrutiny for decades. Madoff's firm acted as both investment advisor and custodian, meaning he controlled the money and the reporting—an obvious red flag in hindsight. He also used a small, obscure auditing firm instead of a reputed one, yet this didn't raise immediate concern among investors. Statements provided to clients were fabricated, showing consistent positive returns even during market downturns—something that should have triggered suspicion. In fact, a few analysts had raised concerns years earlier, but regulatory follow-up was weak and fragmented.

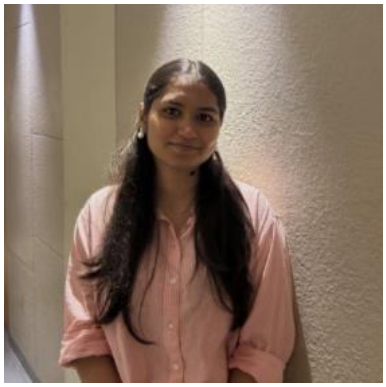
The collapse came during the 2008 financial crisis, when a large number of investors simultaneously requested withdrawals of around $7 billion. Since the funds didn't actually exist, Madoff could no longer sustain the illusion and confessed to his sons, who reported him to authorities. The aftermath was devastating—thousands of individuals, pension funds, and charities lost their savings, some completely wiped out. Madoff was later sentenced to 150 years in prison, symbolizing the scale of the fraud.

From an audit and risk perspective, this case is a textbook example of what can go wrong when basic controls are ignored. Key lessons include:

- Never rely solely on reputation or past performance
- Ensure segregation of duties (investment, custody, reporting should not be with one entity)
- Question unusually consistent returns, especially in volatile markets
- Verify information through independent third parties
- Pay attention to audit quality and transparency

At its core, the Madoff scandal wasn't just about one individual—it exposed how trust, when not backed by verification, can become the biggest vulnerability in finance.

By Riyaa Manoj



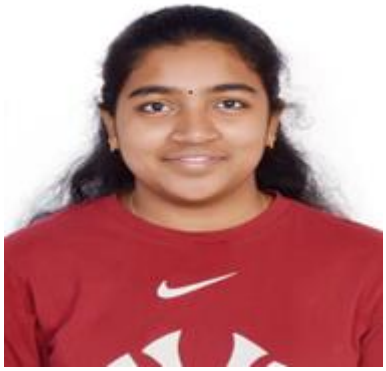
Update for the Day #2743 | The impact of the ongoing war on the worldwide economy.

The ongoing geopolitical conflicts , particularly escalating tensions in the Middle East along with the prolonged effects of the Russia–Ukraine War are continuing to cast a shadow over the global economic outlook. Major institutions such as the International Monetary Fund and the World Bank have revised global growth projections downward, indicating that while the world economy is still expanding, it is doing so at a much slower and more fragile pace. The uncertainty created by war conditions has disrupted international trade flows, weakened business confidence, and led to cautious decision-making by corporations and investors. Financial markets have become increasingly volatile, reacting sharply to geopolitical developments, supply risks, and policy responses, while global trade routes and logistics networks continue to face intermittent disruptions.

A key transmission channel of this economic impact has been the sharp rise in energy prices. Strategic chokepoints such as the Strait of Hormuz have come under heightened risk, creating fears of supply disruptions in oil and natural gas markets. As a result, global fuel prices have surged, significantly increasing the cost of transportation, electricity generation, and industrial production. This has reversed the earlier trend of cooling inflation and pushed price levels upward across both developed and developing economies. Many countries are now facing a difficult macroeconomic environment where inflation remains persistently high even as growth slows—a classic stagflation risk. Central banks are caught in a policy dilemma , raising interest rates to control inflation could further dampen growth, while easing policies could worsen price instability.

The economic consequences are unevenly distributed across regions and sectors. Energy-exporting nations are experiencing short-term gains due to elevated prices, whereas energy-importing countries such as India are facing increased import bills, pressure on fiscal balances, and potential currency depreciation. Rising fuel costs are also feeding into higher food prices, as agriculture and supply chains depend heavily on energy inputs, thereby increasing the cost of living worldwide. This has intensified inequality and pushed vulnerable populations in developing regions closer to poverty. Governments are responding with subsidies, welfare measures, and market interventions, but these actions are increasing public debt levels and limiting fiscal flexibility. In summary, while the global economy remains resilient for now, it is highly exposed to geopolitical risks, and any further escalation or prolonged conflict could deepen inflationary pressures, slow growth more sharply, and potentially push parts of the world toward recession.

By Bhavna Desikan



Update for the Day #2744| Can Israel's economy sustain conflicts on multiple fronts?

Israel's ability to sustain prolonged and simultaneous conflicts across multiple fronts has become an increasingly significant economic concern. Preliminary estimates by the Bank of Israel suggest that the country's military engagement with Iran alone has resulted in budgetary expenditures of approximately 35 billion shekels ($11.52 billion). In parallel, its ongoing operations in Gaza up to 2025 have imposed a substantial economic burden, amounting to nearly 8.6% of its annual gross domestic product (GDP). These figures highlight the scale at which defence spending is beginning to weigh on the nation's fiscal framework.

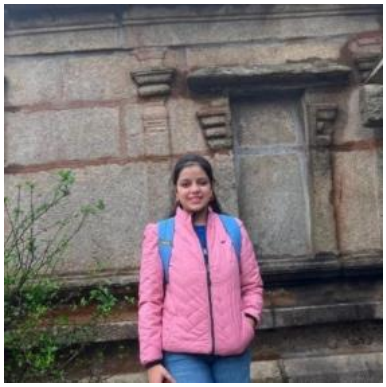
The aftermath of the October 7 attack by Hamas marked a decisive turning point in Israel's policy priorities, shifting the focus strongly toward national security. What initially began as a concentrated military response in Gaza gradually expanded into a broader regional conflict involving multiple fronts, including Lebanon, Syria, Yemen, Iraq, and Iran. This widening scope of engagement has not only intensified military commitments but has also significantly increased the financial and logistical demands on the state.

At the macroeconomic level, the impact of sustained military operations is becoming increasingly visible. Growth forecasts have been revised downward, reflecting disruptions to key sectors such as tourism, construction, and foreign investment. The diversion of public resources toward defence expenditure has constrained government spending in other critical areas, including infrastructure, social welfare, and long-term development projects. Furthermore, the mobilisation of reservists and workforce disruptions have affected productivity, placing additional strain on economic output.

Rising defence expenditure has also raised concerns regarding fiscal sustainability. Increased borrowing to finance military operations may lead to higher public debt levels, while persistent deficits could exert pressure on inflation and interest rates. Domestic concerns are mounting over the long-term implications of such spending patterns, particularly if conflicts remain prolonged or escalate further.

Despite these challenges, Israel's economy has historically demonstrated resilience, supported by a strong technology sector, robust financial institutions, and external support mechanisms. However, the scale and duration of current multi-front engagements present a more complex and uncertain scenario. The key question remains whether this resilience can be sustained in the face of prolonged geopolitical instability, or whether the cumulative economic pressures will begin to significantly constrain the country's fiscal and growth prospects in the years ahead.

By Dhwani Goyal



Update for the Day #2745 | The India - South Korea Partnership Explained

When heads of state visit another country, headlines usually focus on ceremonial handshakes and diplomatic symbolism. But when South Korean President Lee Jae-myung's visit to India concluded yesterday, we can say that it was far more consequential than that.

Because both nations announced an ambitious plan to raise bilateral trade from roughly $27 billion today to $50 billion by 2030. But trade targets, by themselves, rarely tell the full story.

What matters more is where that trade comes from and what kind of economic relationship sits underneath it. And in this case, the partnership is being expanded across 15 industries, such as technology & semiconductors, shipbuilding & maritime trade, cross-border payments, energy security, and even cultural industries.

For India, this is a push toward becoming a serious manufacturing power moving beyond assembly into high-value production. South Korea's strength in building globally competitive companies (think Samsung, Hyundai, POSCO, SK Group) makes it a valuable partner for technology transfer, supply chain development, and industrial expertise.

For South Korea, India solves multiple strategic challenges at once:

• Access to one of the fastest-growing large markets

• A way to diversify beyond China and other uncertain export destinations

• Stronger energy and raw material partnerships

• Easier expansion through dedicated investment frameworks

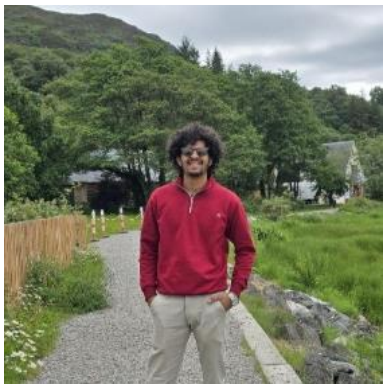
India has labour, demand, digital infrastructure, and geopolitical relevance. South Korea has capital, advanced technology, and globally competitive industrial firms. Each side has what the other increasingly needs. That is why this relationship matters.

For India, the larger prize is not trade alone. It is the chance to use Korean partnerships to build domestic strength in semiconductors, batteries, shipbuilding, steel, electronics, and advanced manufacturing.

For South Korea, the prize is securing a long-term position inside the next major growth market while reducing strategic dependence elsewhere.

If executed well, this could become one of Asia's most important economic alignments outside the China-centric model.

By Vishal R Deshpande



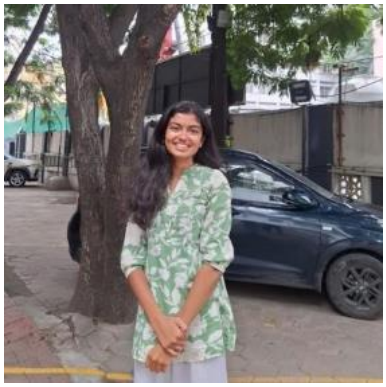
Update for the Day #2746 | India – Election Monitoring & Governance Focus

With Assembly elections underway in states such as Tamil Nadu and West Bengal, the focus across India has shifted to ensuring a transparent and fair electoral process. The Election Commission of India has intensified its monitoring mechanisms, with stricter surveillance and enforcement measures being implemented across constituencies. This reflects the growing emphasis on maintaining the integrity of democratic processes.

A key highlight during this period has been the large-scale seizure of inducements, reportedly exceeding ₹1000 crore. These include cash, liquor, and other items allegedly intended to influence voter behavior. Such actions underline the authoritie's commitment to curbing electoral malpractices and reinforcing public confidence in the system. It also signals a broader push toward accountability and cleaner political practices.

Alongside domestic developments, India is also witnessing progress on the international front. The resumption of connectivity between Beijing and Delhi reflects improving diplomatic and economic engagement. While governance and law enforcement remain key priorities internally, such developments indicate a parallel focus on strengthening global ties and economic cooperation.

By Dhanyasri Balaji



Update for the Day #2747 | Do PSU stocks really rally because of elections?

Every election season, a familiar theory makes the rounds in Indian markets: buy PSU (Public Sector Undertaking) stocks because governments spend more, announce bigger projects, and prefer visible economic momentum when votes are around the corner.

And the logic feels almost too neat to question, right?

After all, public sector undertakings sit at the centre of infrastructure, defence, railways, banking, oil, power, insurance, utilities, and more. So, if the government wants to push growth, many of these entities are natural vehicles through which that push is delivered. That is why PSU stocks are often perceived as a direct play on the political climate. When elections approach, investors begin assuming that roads will be built faster, railway budgets will rise, defence orders will increase, and disinvestment stories may return. And since these companies are tied so closely to state policy, many believe they must naturally outperform during election cycles. But history tells a more nuanced story. Sure, PSU stocks do react to elections. Sometimes painfully, and sometimes euphorically. However, they do not move simply because a government wins. To understand this better, let us take a step back and look at how Indian markets usually behave around elections.

First things first- Markets dislike uncertainty more than almost anything else and elections are a perfect recipe for that. They create uncertainty by forcing you and me to think about multiple outcomes at once: Will the incumbent return? Will a coalition emerge? Will welfare spending rise? Will fiscal discipline weaken? Will privatisation accelerate or slow down?

All these questions matter because stock prices reflect future expectations, and not present headlines and historically, Indian markets have often performed well in the run-up to elections. In fact, they've shown average gains of roughly29% in the twelve months leading up to general elections, with positive momentum often building even in the weeks just before polling. But averages can be misleading because the path is rarely smooth. Election periods often produce some of the sharpest bouts of volatility in the market. And this is where PSU stocks become particularly interesting. Unlike export-heavy IT firms or pharma companies, PSUs are deeply tied to domestic policy decisions. So when the government changes anything, these companies often feel it first. For instance, if the government prioritises railway capex, railway-linked PSUs can benefit. If defence indigenisation accelerates, defence PSUs may see stronger order books. If PSU banks receive recapitalisation support or benefit from state-led lending cycles, their earnings outlook changes.

So yes, elections do matter in this context. But because they can reshape the policy environment in which these businesses operate.

Take 2004, one of the most dramatic examples in Indian market history. Markets had largely expected continuity. Instead, the Congress-led UPA coalition came to power with support from the Left. Investors feared slower reforms, resistance to privatization, and a less market-friendly policy direction. The reaction was immediate and brutal, with the Sensex plunging more than 14% in a single day. Many investors still cite this as proof that coalition governments are bad for

markets. However, that misses what happened next. Once fears eased and it became clear that the new government would still pursue growth and maintain economic stability, markets recovered strongly in the months that followed. And two years later, in 2006, the same index returned over 120%.In this case, what changed was not just the election result. It was confidence around the policies the Left-aligned coalition would introduce.

Now let's consider 2014,which became especially important for PSU stocks & investors. The BJP under Narendra Modi won a full majority. And the markets interpreted this as the start of a more 'decisive' policy era focused on infrastructure, manufacturing, state capacity, and, most importantly, execution. That optimism did not emerge in a vacuum. BJP's campaign itself was heavily built around economic revival after years of stalled projects, slowing growth, and corruption scandals. Investors heard repeated themes such as better roads and ports, cleaner governance, more manufacturing, more jobs, reliable electricity, financial inclusion, and a government that would move projects from announcement to completion. In simple terms, markets believed India was moving from an era of drift to an era of delivery. And if that were to happen, PSUs were naturally positioned to benefit first. So, defence PSUs such as HAL and BEL began benefiting from indigenisation narratives, domestic procurement pipelines, and later export ambitions. Railway-linked companies benefited from a multi-year capex cycle focused on electrification, track upgrades, station redevelopment, and freight efficiency. PSU banks eventually benefited from balance sheet cleanups, recapitalization, and credit growth.

But it would be incorrect to say that all of this happened because of the election alone. The election may have changed sentiment. But the real gains came later through budgets, reforms, healthier earnings, and investors assigning higher valuations to businesses they had long ignored.

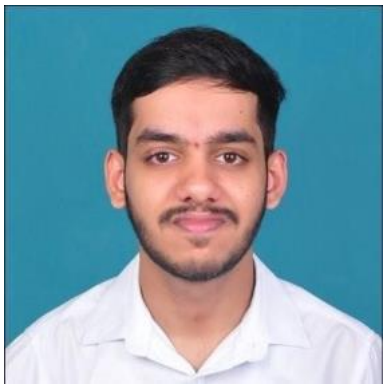
Then came 2024, perhaps the clearest example of why PSU-election folklore can be dangerous. Exit polls had encouraged expectations of an overwhelming mandate. Instead, the ruling party fell short of a solo majority and required coalition support. As a result, markets sold off sharply, while several popular defence and railway PSU names corrected hard as investors suddenly questioned whether capital expenditure would slow. Yet once markets understood that major policies were still broadly intact, panic eased, and prices stabilized. Again, the lesson was clear. PSU stocks were not reacting to the dance of democracy itself. They were reacting to what investors believed the result meant for future spending and reforms. This also explains why PSU performance around elections is never homogeneous. Some PSU sectors are driven by budgetary support. Others by commodity cycles. Others by interest rates.

So how can one make sense of all this, you ask? Well, there's another factor investors often overlook: Valuations.

For years, PSU stocks traded at steep discounts because markets saw them as inefficient, over-regulated, politically influenced, and poor allocators of capital. But in recent years, many of these names have recovered significantly. Some now trade on expectations of continued earnings growth, strong dividends, strategic relevance, or sustained capex support. That means future returns may become harder to earn if expectations are already high. A good election outcome may help sentiment. But if valuations are stretched and earnings disappoint, the stock can still underperform. Likewise, a temporary post-election selloff may create opportunities in fundamentally strong businesses with long growth runways.

And for most long-term investors, the bigger lesson is not about timing the result-day moves. It is that wealth that is usually built through a focus on the fair value of a stock as well as disciplined asset allocation rather than getting carried away by political speculation. Either way, what has consistently proven to win over the long term is owning a diversified portfolio bought at reasonable prices, aligned with your risk appetite, time horizon, and financial goals. Because portfolios built on diversification, quality, patience, and sensible risk management tend to outlast all of them.

By Shridhara H U



Update for the Day #2748 | Good rules, wrong method: the EU's bet on tech regulation

Back in 2011–12, a startup pitched a radical idea to Google: a modular smartphone where individual components — camera, battery, ports — could be swapped out like Lego bricks. That idea eventually became Project Ara. It never took off. Instead, the industry moved in the opposite direction, making phones harder to repair, with glued-in batteries and tightly packed components.

Years later, the European Union is attempting to reverse that trend. From February 18 next year, EU regulations will require smartphones and tablets to have user-removable and replaceable batteries — designed so that replacement is simple and doesn't damage the device. The EU's USB-C mandate is already in effect (December 2024), covering most portable electronics, with laptops following in 2026. The stated goals: reduce the ~11,000 tonnes of e-waste from discarded chargers and save consumers an estimated €250 million annually.

By those narrow measures, the rules are working. Apple, which long defended its proprietary Lightning connector, redesigned the iPhone to comply. But here's the paradox — Apple is now exploring a fully portless iPhone, relying entirely on wireless charging. The EU itself confirmed such a device would still be compliant, since the USB-C directive only applies to devices with wired charging. So the tighter the rule, the easier it becomes to design around it.

This points to a deeper problem with tech regulation: by the time a rule moves through consultation, drafting, lobbying, and enforcement, the industry has already moved on. You end up with a law that perfectly describes 2022 but is enforced in 2026. History backs this up — spectrum rules written for analogue broadcasting slowed digital networks; early internet regulations modelled on telephone systems nearly choked broadband.

Global e-waste hit a record 62 million tonnes in 2022, up 82% from 2010, and is on track to reach 82 million tonnes by 2030. Less than a quarter is properly recycled. This is a genuine market failure — companies are incentivised to design products for replacement, not repair. So the intent behind these regulations is right.

The problem is the approach. There's a crucial difference between regulating the outcome and regulating the technology used to achieve it. "Devices must support open, interoperable charging" ages far better than "devices must have USB-C." "Users must be able to replace a battery without professional assistance" survives whatever battery technology comes next. "Devices must be repairable" outlasts any specific component mandate.

When you regulate the method, you freeze a moment in time. When you regulate the outcome, you leave room for innovation.

The real lesson of Project Ara isn't just that modular phones were ahead of their time. It's that the tech industry is always moving — and any rule meant to govern it must move with it too. Otherwise, the risk isn't just outdated regulation. It's better technology that never gets built.

By Krish Golechha D

Update for the Day #2749 | Can Metros Fund Themselves? A Model Worth Looking At!

In cities like Bengaluru and Chennai, metro systems are expensive to build and operate. They rely heavily on public funding, and every few years there's a discussion around fare hikes or subsidies.

But there's an interesting model from Hong Kong that is still very relevant today.

MTR Corporation, which operates the metro there, doesn't just run trains — it also earns significant revenue from real estate. This comes from its "Rail + Property" model.

Here's how it works: the government gives MTR development rights for land around upcoming metro stations before prices increase. MTR then partners with developers to build residential and commercial spaces. Once the metro becomes operational, property values rise, and MTR captures a share of that increase.

So instead of relying only on ticket fares, the metro is also funded by rental and property income.

This becomes especially important because fares are politically sensitive. A second revenue stream reduces dependence on subsidies and allows better financial stability.

Another advantage is better urban design. Stations are integrated with malls, offices, and residential spaces, making commuting more seamless and increasing ridership.

With Indian cities continuing to expand metro networks, this raises an important question — are we capturing the value that infrastructure creates, or letting it flow entirely to private players?

The model may not be fully replicable due to differences in density and planning, but the core idea is highly relevant.

It's not just about building metros, but about designing systems that can sustain themselves.

By Shreeraksha M S

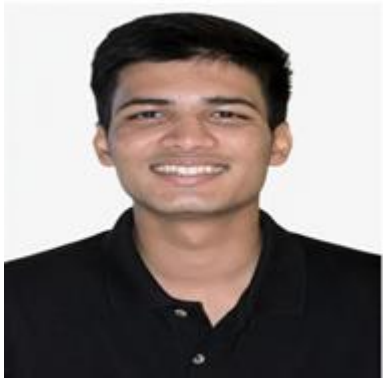
Update for the Day #2750 | Why the Middle East is cooler than India

While we often associate the Middle East with relentless heat, April 2026 has flipped the script. India is currently seeing temperatures soar as high as 46.9°C in places like Akola, while cities like Abu Dhabi and Cairo remain in the much milder high-20s or low-30s. This atmospheric reversal is primarily driven by "waviness" in the jet stream—high-altitude winds that usually move in a straight line but are currently bending into deep U-shapes. This pattern recently steered a Western Disturbance into northern India, but its departure left behind a stagnant high-pressure system known as a heat dome. This dome traps warm air and suppresses cloud formation, allowing the Indian landscape to bake under direct sunlight with no relief.

The situation is further complicated by the fact that we are no longer starting from a "normal" baseline. Decades of global warming mean that modern heat domes operate on a much warmer foundation, causing temperature records to shatter more frequently. In coastal cities like Mumbai and Chennai, the heat is amplified by high humidity, which prevents sweat from evaporating and stops the body from cooling itself. This makes a 35°C day in India feel significantly more punishing than a 40°C day in the dry deserts of the Middle East.

Ultimately, this "strange April" highlights that while climate defines a region's long-term personality, weather is its temporary mood—and India's current mood is extreme. As our cities turn into concrete jungles that trap heat long into the night, the focus must shift from simply watching thermometers to active urban redesign. Building heat resilience through "cool roofs," increased green cover, and better ventilation is no longer just a luxury; it's a necessity for adapting to a future where these atmospheric anomalies become the new standard.

By Mayank Bothra



Update for the Day #2751 | India's economy is growing. So why is its GDP rank slipping?

It is remarkable how quickly human minds jump from certainty to alarm. A single headline about India slipping in global GDP rankings was enough for many on Twitter and Reddit to assume the country's growth story had suddenly weakened. But that instinct says as much about human psychology as it does about economics. Because humans are wired to treat changing numbers as warning signs and rankings as hard truths, even when they reflect changes in methods, currency, or temporary factors not real decline.But the truth is that economies, much like people, can look weaker on paper while becoming stronger beneath the surface. Take India's Composite PMI, for instance.

PMI, or Purchasing Managers' Index, is one of the quickest ways to gauge economic momentum. Every month, businesses are surveyed on whether new orders, production, hiring, and overall activity are improving or worsening. A reading above 50 signals expansion; below 50 points to contraction. It's an early pulse check for the economy, often offering clues before official GDP data arrives.And India's pulse has looked healthy. Just this month, the country's Composite PMI rose from 57 to 58.3, indicating robust growth across manufacturing and services stronger demand, rising output, and increased hiring. In other words, businesses on the ground were behaving as if the economy were accelerating, not sliding into distress.

Which is why the recent IMF rankings showing India's GDP falling from fourth to sixth place confused many people.The answer lies in understanding what those rankings actually measure.When headlines say one country has overtaken another in GDP, they are usually referring to nominal GDP measured in US dollars. Nominal GDP is the value of all goods and services at that year's prevailing prices. Economists first calculate it in local currency, then convert it into dollars for global comparison and that second step changes the story significantly.India may be producing more cars, software, housing, and consumer goods than before. But if the rupee weakens against the dollar simultaneously, that larger output appears smaller when converted. An economy can grow in real life while looking weaker on an international leaderboard much like a salary that rises in rupee terms but looks flat in dollars after currency depreciation.This is why nominal GDP rankings can be misleading in isolation. They are influenced not just by real growth, but by exchange rates, domestic inflation, and global commodity prices. A country with modest real growth but a strengthening currency can climb rankings quickly, while one with stronger real growth but a weakening currency can slip despite doing better economically.

There is also a technical reason for this shift. India recently revised its GDP base year from 2011-12 to 2022–23, updating methodology, sector weights, and data sources in the process. The revised series suggested earlier estimates had somewhat overstated the economy's nominal size. For FY26, the estimated size was revised from roughly ₹357 lakh crore to about ₹345 lakh crore. Combined with rupee depreciation, the impact on global rankings became even more visible.The rupee has also faced pressure from a stronger dollar environment. Geopolitical tensions in the US and Middle East have pushed investors toward dollar assets, and for India a large crude oil importer rising oil prices widen the import bill while a stronger dollar further pressures the rupee.There is one more

layer often ignored. Some economies post higher nominal GDP growth not because they are fundamentally stronger, but because inflation lifted prices or their currency appreciated temporarily. High inflation without productivity growth does little for long-term prosperity.That is why obsessing over GDP rankings distracts from what actually matters per-capita income, productivity, job quality, and wage growth. These tell us whether households are truly participating in economic progress.

India's challenge is to keep compounding real growth while improving its quality: stronger manufacturing, productive jobs, better logistics, stronger education, and more globally competitive firms. If those fundamentals improve consistently, nominal rankings will usually follow. India still benefits from a favourable demographic dividend, expanding infrastructure, and a large domestic market. But translating this potential into durable prosperity requires patience, execution, and adequate government support. India's economy can grow while its GDP ranking slips. There is no contradiction. One reflects what is happening inside the economy; the other reflects how that output looks after being filtered through currencies and global market conditions.

The real story is not whether India is fourth, fifth, or sixth on the GDP leaderboard this year. It is whether the average Indian becomes materially better off over the next decade. That is the ranking that matters most

By Dinesh S L

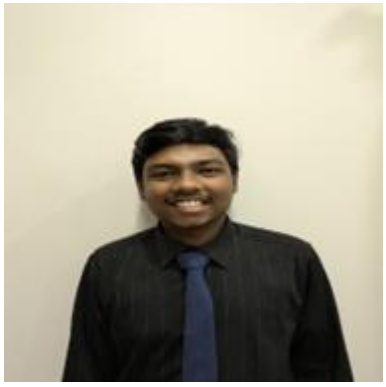
Update for the Day #2752 | Inside India's response to the global helium shortage

The partial disruption of the Strait of Hormuz due to geopolitical tensions has not only pushed global oil prices above $100 per barrel—impacting import-heavy economies like India—but has also triggered a lesser-known crisis: a shortage of helium. This inert, non-renewable gas is critical across industries, from semiconductor manufacturing and fibre optics to airbags and barcode scanners. A major source of global helium is Qatar, which produces it as a by-product of natural gas processing at facilities like Ras Laffan Industrial City. Recent attacks on gas infrastructure there have disrupted production, removing a significant portion of global supply and worsening availability, especially in Asia.

Helium is inherently difficult to manage—it must be stored at extremely low temperatures (around -269°C), and even then, it gradually evaporates, making transport and storage highly time-sensitive. Shipping delays through Hormuz further increase losses, tightening supply. While the United States is the largest helium producer, its supply is decentralized and more domestically consumed, and the closure of its federal helium reserve in 2024 has reduced global buffer capacity. This means sudden disruptions, like those in Qatar, can disproportionately impact global markets, pushing up prices and limiting access to those who can afford it.

For India, which imports 100% of its helium (with over half historically coming from Qatar), the implications are significant. Rising helium costs are increasing semiconductor manufacturing expenses by 35–50%, delaying chip production and affecting India's ambitions to become a global electronics hub. In healthcare, helium is essential for MRI machines, though newer zero boil-off systems reduce frequent refill needs. However, expansion of such infrastructure may become costlier. With limited inventory buffers (7–10 days) and no viable domestic reserves, India must rely on diversifying imports from countries like the US and Russia in the long run, as domestic production remains economically unfeasible for now.

By Mucherla Kunal



Update for the Day #2753 | If OPEC still matters, why is the UAE leaving?

The UAE, OPEC's third-largest producer, has decided to exit the group—marking a significant shift in the global oil landscape.

Historically, OPEC has played a key role in controlling oil prices by coordinating supply among member countries. However, its influence has been gradually weakening. A major reason is the rise of U.S. shale production, which can quickly adjust output based on price changes, reducing OPEC's control over global supply.

At the same time, internal differences within OPEC have increased. While some members depend on higher oil prices to support their economies, others like the UAE prefer higher production volumes even at moderate prices. This has led to frequent disagreements over production limits.

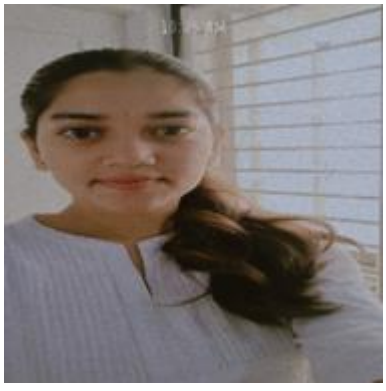
The UAE's exit reflects its strategy to expand production capacity to 5 million barrels per day by 2027 and gain more flexibility, especially as long-term oil demand faces uncertainty due to the shift toward renewable energy.

This move could weaken OPEC's ability to coordinate supply cuts, potentially leading to relatively lower oil prices, benefiting consumers and easing inflation. It may also encourage other members facing similar constraints to reconsider their position within the group.

That said, OPEC still remains relevant, as it controls a significant share of global oil supply, and countries like Saudi Arabia continue to influence market movements. However, maintaining unity and market control is becoming increasingly challenging.

In summary, the UAE's exit highlights structural changes in the oil market, where OPEC is shifting from a position of control to one of adaptation.

By Spurthi G



Update for the Day #2754 | More Than a Holiday: The Real Meaning of May 1

May 1, widely known as May Day or International Workers' Day, is observed across the world as a tribute to the contribution, dignity, and rights of workers. Over time, the day has evolved into more than just a public holiday—it represents recognition of the workforce as the backbone of every economy and society. It is a moment to pause and acknowledge the efforts of individuals across all sectors, from daily wage earners and industrial workers to professionals and service providers, whose work sustains growth and development. In today's fast-paced and technology-driven world, May Day also highlights the need to ensure that progress does not come at the cost of fairness, well-being, and humane working conditions.

The historical roots of May Day trace back to the late 19th century labour movement, when workers demanded better working conditions, including the establishment of an eight-hour workday. A defining moment was the Haymarket Affair in Chicago in 1886, where protests turned violent and drew global attention to workers' struggles. In 1889, labour groups declared May 1 as a day to commemorate these efforts, and it gradually became a global symbol of workers' unity and rights.

In the present day, the significance of May Day extends far beyond its historical origins. It serves as a reminder of the importance of fair wages, safe working environments, job security, and equal opportunities. While substantial progress has been made, new challenges continue to emerge. The rise of the gig economy, contract-based employment, and automation has transformed the nature of work, often creating uncertainty for workers. May Day provides an opportunity to reflect on these changes and advocate for policies that protect workers in evolving industries.

Important aspect of May Day is its focus on dignity in labour. Every form of work, regardless of its nature, deserves respect and recognition. Societies function effectively only when all roles—big or small—are valued equally.

This day encourages a shift in mindset, reminding us that no job is insignificant and that collective effort drives progress. It also emphasizes inclusivity, ensuring that marginalized and vulnerable workers receive equal protection and opportunities.

May Day also plays a crucial role in promoting awareness about workers' rights. Many individuals are still unaware of the legal protections and benefits available to them. Observances such as awareness campaigns and discussions help bridge this gap by educating workers and empowering them to raise their voices when necessary.

At the same time, it encourages employers to adopt ethical practices, maintain transparency, and foster a healthy work environment.

In essence, May Day stands as a powerful symbol of solidarity, resilience, and progress. While its history reflects the struggles that secured essential labour rights, its present relevance lies in addressing ongoing challenges and building a fairer future. It reminds us that the rights enjoyed

today are the result of collective effort and that continuous commitment is required to ensure dignity, equality, and justice for workers everywhere.

By Logeesh N

Update for the Day #2755 |What happens when India runs out of urea

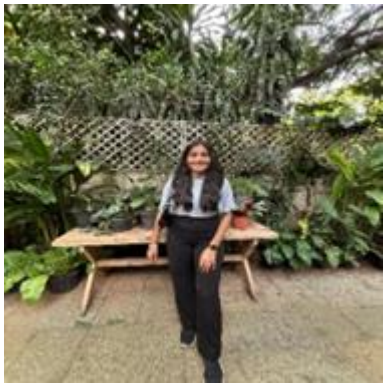
The current US–Iran conflict highlights how dependent the world is on West Asia, especially for fertilisers. The Gulf accounts for nearly half of global urea trade, and disruptions have already cut production sharply. Since urea is essential for crops like rice and wheat, shortages quickly translate into higher food prices.

India is particularly vulnerable. It consumes about 400 lakh tonnes of urea annually but imports around 25%, largely from the Gulf. Even domestic production depends heavily on imported natural gas—about 86% of it—much of which passes through the Strait of Hormuz. So, India remains exposed to global shocks both directly and indirectly.
At the same time, India's fertiliser system has structural issues. Urea is heavily subsidised, costing farmers ₹266 per bag versus a real cost of ₹1,200–₹1,700. This has led to overuse of nitrogen and imbalance in nutrients, harming soil health. Fertiliser efficiency has also declined significantly over time.

Efforts like nano-urea haven't consistently worked, while rising global prices are increasing the government's subsidy burden. To address supply risks, India is pushing for more domestic production through policy incentives, but this will take time and still depends on imported gas.
Alternatives like coal gasification and green urea offer potential but come with trade-offs or scalability challenges.

Ultimately, the issue isn't just supply—it's overdependence. While boosting production may help in the short term, long-term resilience requires better nutrient balance, smarter subsidies, and more efficient fertiliser use

By Kushi Jain



Update for the Day #2756 | Spirit Airlines Collapse Shocks Travelers

Spirit Airlines has abruptly shut down operations from 2nd May 2026, bringing an end to its decades-long presence in the aviation industry. The airline immediately cancelled all flights, disrupting travel plans for thousands of passengers.

The sudden closure left many travellers stranded across the United States and nearby regions, as services were halted with little to no prior notice. Efforts were quickly made by other airlines to accommodate affected passengers.

Spirit had been facing financial difficulties for some time, including mounting losses and an inability to return to consistent profitability. Its struggles worsened in recent months, putting pressure on its operations.

A major factor behind the collapse was the sharp rise in fuel costs, along with failed attempts to secure emergency funding and finalize merger deals. These challenges made it increasingly difficult for the airline to sustain its low-cost model.

The shutdown is considered one of the most significant airline failures in recent years. It is expected to reduce competition in the budget travel market, which may lead to higher ticket prices and fewer affordable options for passengers.

By Khushi Gowda

Update for the Day #2757 |Why Finding Lithium Isn't Enough: The Real Race Is in Processing and Power

Deep in the Appalachian Mountains, stretching across the Carolinas, lies a lithium deposit that could help power millions of electric vehicles. The United States Geological Survey estimates about 2.3 million tonnes of recoverable lithium in this region. Similar discoveries have been reported worldwide. India, for example, identified roughly 5.9 million tonnes in Jammu and Kashmir, briefly placing it on the global lithium map. Meanwhile, countries like Bolivia and Argentina dominate the so-called Lithium Triangle, which holds over half of the world's known reserves.

On the surface, these discoveries suggest a shift in global power. Lithium is essential for lithium-ion batteries that run EVs and store renewable energy. More domestic reserves should mean greater energy independence. But in reality, that shift has not yet materialized.

The reason lies in the complexity of the supply chain. Finding lithium is only the first and often easiest step. Lithium occurs in different forms, and not all are easy to extract. Brine deposits—salt-rich water pumped and evaporated—are the simplest and cheapest. However, many countries rely on hard-rock sources like spodumene, which require intensive mining and energy. Even more challenging are clay-based deposits, still largely experimental.

Extraction alone is not enough. Raw lithium must be refined into battery-grade chemicals such as lithium carbonate or hydroxide. This stage is expensive, technically demanding, and sensitive to impurities. Only a few countries dominate this process, creating a major bottleneck.

This is where China holds a decisive advantage. Despite not having the largest reserves, it has built extensive refining and manufacturing capacity over decades. By 2035, it is expected to process 60–70% of the world's lithium. Even lithium mined in countries like Australia or Chile is often sent to China for processing before re-entering the global supply chain. As a result, many nations remain dependent on Chinese infrastructure.

Time is another constraint. Mining projects can take years to develop due to environmental approvals, land disputes, and regulatory hurdles. For instance, the Thacker Pass project in the United States, proposed in 2018, is still not fully operational. Meanwhile, demand continues to surge, with global EV sales exceeding 17 million in 2024. This creates a gap between supply growth and demand.

Governments are attempting to respond. The United States has introduced the Inflation Reduction Act to boost domestic battery production and secure mineral supply chains. The European Union has passed the Critical Raw Materials Act with similar goals. However, these initiatives are still in early stages.

An overlooked opportunity lies in recycling. Millions of EV batteries sold over the past decade will soon reach the end of their lifespan. Advanced recycling techniques can recover up to 95% of lithium from used batteries. By 2050, recycling could reduce global demand for newly mined lithium by 25%, according to the International Energy Agency. Unlike mining, recycling

infrastructure can be built faster and faces fewer regulatory barriers.

China is already leading in this space as well, but other countries still have time to invest and catch up. In the long run, recycling could provide a steady, domestic source of lithium.

Ultimately, the global lithium race is not just about discovering deposits. It is about building the capability to refine, manufacture, and recycle at scale. New discoveries may generate excitement, but they do not immediately shift power. What matters is turning raw resources into usable technology.

By Shruti vernekar

Update for the Day #2758 | India's Coal Dilemma | Cleaner or Just Different?

India's energy transition has always carried a built-in contradiction.

On one side, the country is making aggressive moves toward clean energy—expanding solar, wind, and even nuclear capacity while attracting global investors into its decarbonization story. On the other, coal still remains the backbone of the system, powering nearly three-fourths of electricity and supporting core industries like steel, cement, and fertilizers.

This creates a difficult trade-off.

India needs reliable and affordable energy to sustain growth. But reducing emissions while doing so isn't easy—especially when renewable energy still struggles with consistency and scale. Unlike coal, which is predictable and abundant, renewables are not yet fully capable of meeting round-the-clock industrial demand.

This is where coal gasification enters the picture.

Instead of burning coal directly, gasification converts it into a synthetic gas (syngas), which can then be used to produce fuels and chemicals like methanol and ammonia. With a ₹37,500 crore push from the government, the idea is to make coal more versatile and reduce dependence on imported natural gas.

At first glance, this looks like progress.

The process is more controlled, which means certain pollutants can be captured before they enter the atmosphere. It also allows industries to shift from imported fuels to domestically produced alternatives, improving energy security.

But the reality is more complicated.

Coal gasification does not eliminate carbon emissions—it only changes how they are released. The process itself is energy-intensive, and unless combined with carbon capture (which is expensive and not widely adopted), the overall environmental benefit remains limited.

China's experience highlights this clearly.

It has built a massive coal-to-chemicals ecosystem using gasification, reducing import dependence and supporting industrial growth. But this has come at the cost of high emissions, heavy water usage, and economic challenges when global fuel prices fluctuate.

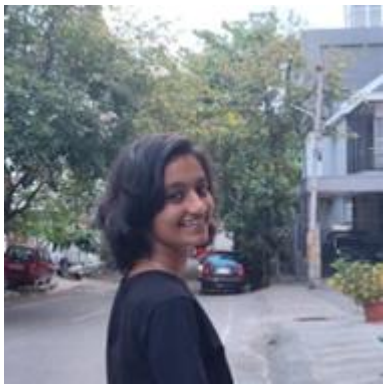
India now stands at a similar crossroads.

Using coal more efficiently may be a practical short-term solution. But if gasification becomes a long-term substitute rather than a transition tool, it risks locking the country into deeper fossil fuel dependence.

Ultimately, the question is not whether coal gasification is better than burning coal.

It is whether it is being used as a bridge to cleaner energy—or quietly delaying that transition.

By Deepika Hegde



Update for the Day #2759 | India's FDI Policy Reset: Easing Press Note 3 While Raising New Risks

India has relaxed its FDI policy that was tightened under Press Note 3 (2020), which mandated government approval for any investment linked—directly or indirectly—to land-border-sharing countries like China. This rule was introduced during the COVID-19 period to prevent opportunistic takeovers of Indian companies at depressed valuations and against the backdrop of geopolitical tensions such as the Galwan Valley clash. It effectively shut the automatic route even for global investors with minimal Chinese shareholding, as any beneficial ownership—no matter how small—triggered approval requirements.

While well-intentioned, the policy led to several unintended consequences. Global private equity and venture capital funds from the US and Europe, which often had Chinese limited partners with no controlling rights, were forced into lengthy approval processes. This significantly slowed capital inflows, with proposals worth ₹75,690 crore filed in FY21–FY22 but less than 20% receiving approval. Startups were disproportionately affected as funding pipelines dried up, while sectors like manufacturing struggled due to reduced access to Chinese capital, technology, and supply chain linkages. As a result, India also missed out on the China+1 opportunity, with countries like Vietnam, Thailand, and Malaysia attracting investments that could have come to India.

Another major issue was the loophole in the policy. Press Note 3 only covered FDI and did not extend to Foreign Portfolio Investment (FPI). This allowed Chinese-linked investors to continue investing in Indian listed companies (up to 10% stake) without government approval, often routing investments through jurisdictions like Singapore or Mauritius. Consequently, while startups were cut off from such funds, listed companies still saw inflows, and Chinese portfolio investments surged during the same period. At the same time, India's trade deficit with China widened sharply—from $44 billion in FY21 to $112 billion in FY26—highlighting increased dependence on Chinese imports despite restricting capital inflows that could have supported domestic manufacturing.

To address these challenges, the government has now eased the rules: non Chinese entities with less than 10% Chinese ownership and no controlling influence can invest via the automatic route without prior approval, though entities directly based in China or other land-border countries still require clearance. This move is expected to improve ease of doing business, revive startup funding, and support manufacturing growth by enabling access to global capital. However, it also introduces new risks. Increased Chinese-linked participation could deepen reliance on Chinese components and supply chains, potentially worsening the trade deficit. Moreover, with countries like the US tightening scrutiny on China-linked investments under policies such as "America First," Indian firms with even minority Chinese stakes may face regulatory challenges in global partnerships, acquisitions, or technology collaborations.

Overall, the policy shift reflects a balancing act between economic efficiency and strategic caution. While it corrects earlier rigidities and unlocks much-needed investment flows, it may complicate India's positioning as a "trusted alternative" to China in global supply chains. The long-term impact will depend on how effectively India manages these trade-offs while aligning its investment policy with broader geopolitical and economic objectives.

By Prakash R

Update for the Day #2760 | From TV Screens to Streaming Apps: The Changing Economics of the IPL

Recent reports suggest that IPL television viewership growth is slowing, even though digital streaming numbers remain strong. One major reason is the shift in audience behaviour, especially among younger viewers who now prefer OTT platforms, highlights, reels, and short-form content over watching full matches on television. Many fans also follow matches through social media updates rather than sitting through entire broadcasts.

Another reason is the long duration of the IPL season. With matches happening almost every day for nearly two months, viewer excitement can gradually decline. Experts also point to ad fatigue, as repeated commercials during matches often reduce engagement. In addition, restrictions on gaming and betting-related advertisements removed one of the IPL's biggest advertising categories, affecting broadcaster revenues.

Competition from other entertainment platforms has also increased. Streaming services, YouTube creators, esports, and social media apps are now competing for the same audience attention that television once dominated. Economic uncertainty and cautious consumer spending have further pushed brands to become more selective about expensive TV advertising campaigns.

This slowdown matters because the IPL is India's largest sports advertising platform. Broadcasters and brands invest thousands of crores every season expecting massive nationwide reach. If television ratings continue to decline, advertisers may reduce spending on TV commercials, negotiate lower ad prices, or shift more budgets toward digital platforms where ads are cheaper, more targeted, and easier to measure.

The impact extends beyond media companies. The IPL supports a large economic ecosystem that benefits tourism, hotels, restaurants, transportation, merchandising, event management, and temporary employment in host cities. A long-term decline in advertising or sponsorship revenues could affect businesses connected to the tournament and reduce seasonal economic activity.

However, this does not necessarily mean cricket is becoming less popular in India. Instead, it reflects changing viewing habits. While traditional TV audiences may be slowing, digital engagement around the IPL continues to grow rapidly. The bigger shift is that India's sports and advertising economy is gradually moving away from traditional television toward a more digital, streaming-driven, and data-focused entertainment model

By Karthik C S

Update for the Day #2761 | Broke at Death, Billionaire After - The Michael Jackson Economics Story

Michael Jackson was the most famous entertainer on the planet, yet at the time of his death in 2009 he had over $400 million in debt. Today his estate is worth over $2 billion. This dramatic turnaround holds some of the most powerful economics lessons we can learn from a single story. The first lesson is that debt can destroy even the biggest empires, but need not be the end. MJ's debt crisis was real and severe, but the underlying assets — his music catalogue, brand, and IP — were extraordinary. Economics teaches us that debt is only fatal when the core asset has no value. If the foundation is strong, recovery is always possible.

The second lesson is that asset value and cash flow are two completely different things. MJ was cash-poor but asset-rich. He owned the Beatles catalogue and his own masters, yet could not pay his bills. This is why valuation matters more than accounting alone. A company can show losses on paper while sitting on immensely valuable intangible assets underneath.

The third lesson is that the right management changes everything. After his death, smart executors monetised his assets through Cirque du Soleil partnerships, streaming deals, and catalogue sales. The same assets that were buried under debt generated billions under better management. This is proof that execution quality is itself an economic variable.

The fourth lesson is that intellectual property is the ultimate compounding asset. MJ stopped releasing albums years before he died. Yet his music kept earning through streaming royalties, sync licensing, and tribute shows long after. Unlike human effort which has limits, well-structured IP appreciates silently and indefinitely — which is precisely why transfer pricing rules around IP valuation are so fiercely contested globally.

The fifth lesson is that reputation is a quantifiable economic asset. Controversies during his lifetime destroyed sponsorships, cancelled tours, and damaged revenues measurably. Reputation risk is not soft or intangible — it has a direct and calculable impact on the balance sheet.

The sixth and final lesson is about scarcity and value. Once MJ passed, no new original content could ever be created. Fixed supply combined with growing global demand made his catalogue more valuable every single year. This is one of the most fundamental dynamics in economics — and it explains why irreplaceable assets, whether land, original IP, or unique expertise, appreciate structurally over time.

The Michael Jackson story is not just about music or fame. It is a masterclass in debt, asset valuation, IP economics, management quality, and the compounding power of intangible assets. The empire nearly collapsed — and then became worth more than ever.

By Yashwant K

Update for the Day #2762 | Asia heat waves spell double trouble for economies hit by oil

Asia is facing renewed inflation risks as extreme heat waves linked to El Niño threaten food production while higher oil prices continue to raise energy and transportation costs across the region.

Economists warn that hotter and drier weather conditions could reduce crop yields, increase electricity demand, and disrupt supply chains, adding further pressure on already fragile economies. Food inflation remains a major concern, particularly in emerging Asian markets where household spending is heavily concentrated on essential goods.

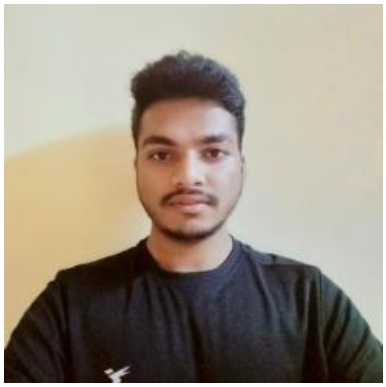
Countries such as the Philippines, India, Pakistan, and Indonesia are expected to be among the most vulnerable due to weaker monsoons, dependence on food imports, and higher irrigation and fuel costs. Rising fertilizer and logistics expenses may also push food prices higher in the coming months.

Market analysts believe the impact may become more visible in the second half of 2026 as weather-related disruptions affect harvest cycles. Bond markets across Asia have already started pricing in inflation risks, while central banks may be forced to maintain tighter monetary policies for longer than expected.

Although developed Asian economies like Japan and South Korea are better positioned to absorb the shock, they could still experience persistent inflationary pressure, especially in energy-intensive sectors.

Overall, the combination of climate-related disruptions and elevated oil prices is creating a difficult environment for Asian policymakers, with growing concerns over inflation, consumer spending, and economic growth.

By Akash R



Update for the Day #2763 |Russia–Ukraine Ceasefire: A Major Step Toward Peace?

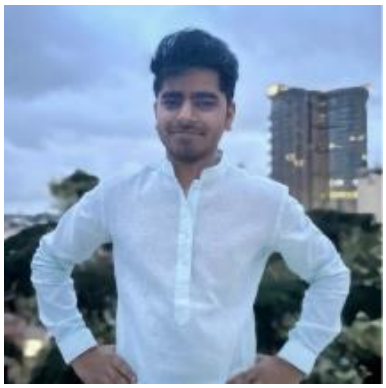
In what could be one of the most significant diplomatic developments of 2026, US President Donald Trump announced on Friday that Russia and Ukraine have agreed to a three-day ceasefire, effective May 9–11. The announcement was made via Trump's Truth Social platform, where he expressed optimism that a lasting resolution may be within reach, stating the two sides are "getting closer every day."

The ceasefire includes a complete suspension of all military activity on both fronts, along with a large-scale reciprocal prisoner exchange — 1,000 soldiers from each side. This marks one of the most substantial humanitarian gestures since the war began, offering relief to thousands of families on both sides.

Adding to the backdrop, Russia held its annual Victory Day parade in Moscow yesterday (May 9) a scaled-down event due to security concerns — where President Putin invoked the Soviet victory in World War II to rally domestic support for the ongoing conflict. Despite the ceasefire, rhetoric on both sides remains cautious, with Ukraine's President Zelenskyy maintaining a watchful stance.

Peace negotiations are reportedly continuing behind the scenes, and the world is watching closely to see whether this temporary pause leads to a more permanent settlement to a war that has now stretched into its fifth year.

By Inder Kumar



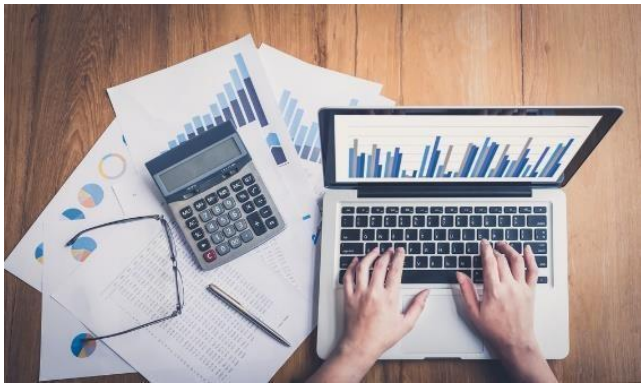
Update for the Day #2764 | Meta's 8,000-Job Cut: Efficiency Drive or AI Power Grab?

Meta CEO Mark Zuckerberg's announcement to cut another 8,000 jobs is the latest and most telling chapter in Big Tech's relentless pivot toward artificial intelligence. Framed under the banner of "efficiency," the decision signals a fundamental reshaping of how one of the world's most powerful companies views its workforce — not as a cornerstone of innovation, but increasingly as a cost to be optimized away. This is not a routine downsizing; it is a declaration of strategic intent, one that prioritizes AI infrastructure and machine-driven productivity over the human talent that built Meta into what it is today. The ripple effects of this choice will be felt far beyond Menlo Park, touching workers, competitors, and the broader economy in ways that demand careful examination.

The human toll of these layoffs is real and immediate. Behind each eliminated role is an engineer, a designer, or a content specialist whose livelihood has been upended — often someone who turned down competing offers or relocated their life to work at Meta. At the same time, the competitive logic driving Zuckerberg's decision is difficult to dismiss. Google, Microsoft, and a wave of AI-native startups are all racing to dominate the same frontier, and Meta cannot afford to fall behind in AI-powered advertising, content generation, or next-generation hardware. By shedding roles deemed misaligned with its AI ambitions, Meta is making a concentrated bet that a leaner, AI-first organization will outperform a larger, more traditionally structured one — a gamble that may pay off financially even as it inflicts genuine harm on thousands of families and communities.

Ultimately, Meta's mass layoffs force a broader reckoning with the social contract between technology giants and the societies that empowered them. The familiar promise that automation creates as many jobs as it destroys is being tested at a speed and scale that few anticipated, and the results are far from reassuring. Policymakers, educators, and business leaders must respond with urgency — investing in retraining programs, updating labor protections, and ensuring that the productivity gains of AI are distributed more equitably rather than captured entirely by shareholders. Mark Zuckerberg may be building the future he envisions, but society must decide what kind of future it is willing to accept.

By Bhoomika Shetty



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