

Tariff war may hit India: Assocham

New Delhi, March 25

Indian economy, particularly exports, may be impacted if the global trade war escalates further, industry body Assocham said on Sunday. "If the tariff war escalates into a full-scale global trade war, it would have a collateral damage for the Indian economy as well, with the country's exports taking a hit, current account deficit facing pressure and the GDP taking a setback," the chamber said. PTI

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Trade war would hit India

■ Assocham warns erosion of market confidence would lead to outflow

AGE CORRESPONDENT
NEW DELHI, MARCH 25

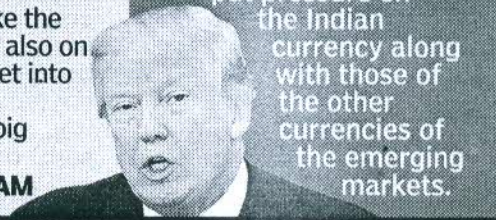
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"Instead of de-escalating, the trade tensions between the US and China with the fall out impact on other trading majors, have only escalated; spooking the global financial markets. The tensions in the market look quite justified, as the Mr Trump move to levy tariff on trading partners could lead to a further retaliation against the US. Though India may not get much of a direct

It is no more a scenario where it was considered only a threat. The US administration has started signing the orders on tariff revision and other protective measures. In the process, the influence of multilateral organisations like the World Trade Organisation is also on the wane. When countries get into this kind of a slugfest, the multilateral regime takes a big knock.

— ASSOCHAM

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Assocham secretary general D.S. Rawat said, even if India chooses to take a responsive action on its imports, the impact on "our exports could be

more even as the volatility in the foreign exchange rates would also rise". He said "we must have a backup plan which should include opening bilateral trade with key trading partners, taking precaution that we remain WTO compliant."

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ket confidence is further eroded, there would be outflow of portfolio investment taking a toll on the dollar rates.

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Last week WTO DG Roberto Azevedo had said that there are concerns that US decision to hike tariffs has real potential for escalation due to possible of responses from other trading partners with trade restrictive measures as well.

Global trade war may impact India: Assocham

New Delhi (PTI): Indian economy particularly exports may be impacted if the global trade war escalates further, industry body Assocham said on Sunday. "If the tariff war escalates into a full-scale global trade war, it would have a collateral damage for the Indian economy as well, with the country's exports taking a hit, current account deficit facing pressure and the GDP taking a setback," the chamber said in a statement. It said that the measures taken by the US may not have a direct impact on India but the collateral damage could be in the form of adverse impact on the overall sentiment. "Even if India chooses to take a responsive action on its imports, the impact on our exports could be more even as the volatility in the foreign exchange rates would also rise," it added. The chamber asked the government to formulate a backup plan which should include opening bilateral trade with key trading partners, to insulate the country from the impacts of protectionist measures.

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Further it said that if the market confidence is eroded, there would be an outflow of portfolio investment taking a toll on the dollar rates.

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world's largest economy

Trade war can lead to collateral damage for India: Assocham

NEW DELHI: Trade association Assocham on Sunday said that if the tariff war between the US and China escalates into a full-scale global trade war, it would have a collateral damage for the Indian economy as well. The country's exports will take a hit, the current account deficit will face pressure, and the gross domestic product (GDP) will take a setback.

"Though India may not get much of a direct impact, the collateral damage could be in the form of adverse impact on the overall sentiment," the chamber said.

