



## Current Affairs of the Day

### GS Paper - II

- U.S. to support India's defence of territory

### GS Paper - III

- 'Negative or zero growth, but firm recovery on'



## U.S. to support India's defence of territory

**GS II: Bilateral, Regional and Global Groupings and Agreements involving India and/or affecting India's interests.**

The United States will support India to defend its territorial sovereignty and liberty, U.S. Secretary of State Michael Pompeo said on Tuesday.



### Highlights:

1. The observations about the threats to Indian sovereignty came as New Delhi announced the signing of the Basic Exchange and Cooperation Agreement on geospatial cooperation (BECA) with the U.S.
2. BECA enables the exchange of geospatial data and information between the two countries and will improve the accuracy of India's missiles in future during precision strikes. It will help share geospatial maps and charts between the U.S. and India, which may have been acquired from multiple sources like satellites, UAVs, reconnaissance aircraft, aerostats, among others.
3. Explaining the '2+2' dialogue, External Affairs Minister S. Jaishankar said the discussions had political-military content. "Our national security convergences have obviously grown in a more multipolar world. We meet today to not only advance our own interests but to ensure that our bilateral cooperation makes a positive contribution in the world arena," he said.
4. As part of measures to enhance military to military cooperation, Mr Rajnath Singh said now Liaison Officers at each other's establishments could be leveraged to enhance "information sharing architecture" while in the joint statement both sides "reiterated their intent to assign additional Liaison Officers".



## 'Negative or zero growth, but firm recovery on'

### GS III: Indian Economy and issues relating to Planning, Mobilization of Resources, Growth, Development and Employment.

FM says overall GDP growth in FY21 could be close to IMF's -10.3% estimate; expects the festive season to spur, sustain demand. The IMF, in its World Economic Outlook, released earlier this month, forecast India's GDP would shrink 10.3% in 2020-21,

and likely rebound to grow at 8.8% in the next financial year.



#### Highlights:

1. The Minister, however, exuded confidence that a steady and sustainable recovery was already underway, adding India would emerge as one of the fastest-growing economies next year.
2. The indicators show that the primary sector and related sectors of agriculture and rural India are doing very well.
3. Citing the Purchasing Managers' Index (PMI) for the manufacturing sector in September, which stood at 56.8, Ms Sitharaman said that this was the highest since 2012 and indicated that the revival was going to be steady and sustainable.
4. To revive the economy, the government is eyeing sectors that can help build assets and generate employment. Public spending on infrastructure and boosting agriculture and easing farm produce exports were part of that plan.

#### Prelims: Purchasing Managers' Index (PMI)

PMI or a Purchasing Managers' Index (PMI) is an indicator of business activity -- both in the manufacturing and services sectors. It is a survey-based measure that asks the respondents about changes in their perception of some key business variables from the month before. It is calculated separately for the manufacturing and services sectors and then a composite index is constructed.



A figure above 50 denotes expansion in business activity. Anything below 50 denotes contraction. Higher the difference from this mid-point greater the expansion or contraction. The rate of expansion can also be judged by comparing the PMI with that of the previous month data. If the figure is higher than the previous month's then the economy is expanding at a faster rate. If it is lower than the previous month then it is growing at a lower rate.