# ECONSCIENCE

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## The India-New Zealand FTA:

**India and New Zealand officially entered into a comprehensive Free**


**Trade Agreement (FTA) on Monday (April 27, 2026).**
**This landmark pact, finalized in New Delhi, represents the culmination of an accelerated negotiation process that spanned approximately nine months.The ceremony, attended by Trade Minister Piyush Goyal and his New Zealand counterpart Todd McClay, alongside prominent figures from the international business community, marks a strategic pivot for India as it seeks to diversify its export destinations amidst a volatile global climate. With near-total tariff elimination, sectoral safeguards, andexpanded visa access, the deal aims to boost bilateral trade, strengthen supply chains, and open new opportunities for Indian exporters and professionals**

# UAE quits OPEC

**After decades of membership, the United Arab Emirates has decided to quit the oil producers' group, OPEC, in order to focus on "national interests" and forge its own path, it has said. The move is seen as a major blow to the Vienna-based oil cartel – but will not spell the end of it altogether.**


**UAE's decision to quit comes after years of open dissatisfaction with the oil cartel's policy of capping members' production as a way to control prices and stabilise the market. The country has invested billions of dollars in increasing its oil production capacity from 3 to 5 million barrels per day (bpd) by 2027. As it has grown its ability to produce more oil, it has demanded a larger quota than has been assigned to it.The moves also come at a particularly tricky moment as the region, and the rest of the world, grapples with an energy crisis triggered by the US-Israel war on Iran, which began on February 28. Tehran responded by hitting back at Israel, US military assets and other infrastructure in Gulf countries.**

**Before the start of the war, the UAE's production capacity had grown to 4.8 million bpd, but under its OPEC agreement, it was only allowed to produce 3.2 million bpd.Experts say its departure from the cartel is unlikely to have an immediate impact on the market because the UAE's exports, like those of all its neighbouring countries, are currently constrained by Iran's control of the Strait of Hormuz.The UAE has been able to sell some of its oil via the Fujairah terminal, which sits on the Gulf of Oman, allowing it to circumvent the waterway. Last year, it exported 1.7 million bpd of crude oil and refined fuels this way not enough to meet its ambitions This could all change, however, if the conflict ends with an agreement between Iran and the US that allows for the resumption of free navigation through the strait.**

# Demand compression in Indian economy a serious concern: Finance Ministry


In its economic review released on Wednesday, the Finance Ministry warned that demand compression—on top of current supply shocks—has become a “serious concern”.

The report pointed out that a supply shock in the Indian economy is “apparent”, and that high prices, rising inflation and a slowing pace of economic activity could exert pressure on demand. The ministry also noted that inflation may turn “cost-push” as businesses and producers pass on surging input costs to protect margins.

From an economic perspective, the report noted that oil and gas importers in most of Asia are “worse off”. It also emphasised that building “buffers” of essential commodities (beyond energy) is no longer optional.

While domestic pass-through of global oil price shocks remains “contained”, evolving global energy market conditions pose “significant upside risks” to inflation. India’s crude basket averaged $114.46 per barrel as of April 24, up from $113.5 per barrel in March. The rise in oil prices is feeding into headline inflation through both direct and indirect channels.

# Assam's Bhaskar Jyoti Sonowal elected President of BRICS Entrepreneurs Alliance Global Forum


**Dr. Bhaskar Jyoti Sonowal from Assam will lead the BRICS Entrepreneurs Alliance Global Forum for the 2026-27 term. This appointment highlights India's growing role in global trade. Dr. Sonowal will focus on strengthening partnerships and creating opportunities for Indian entrepreneurs. India will host the BEA Global Summit in November 2026.**

## In April 2026, Assam's economy is characterized by high growth projections alongside fiscal strain, with the 2025-26 budget outlay rising to ₹2 lakh crore

**Fiscal Position & Budget: The government reported a record total public expenditure of ₹1.7 lakh crore, with ~₹26,500 crore allocated for capital expenditure in infrastructure. Loan Procurement: Despite high spending, the state is raising ₹1,000 crore via long-term bonds on April 28, 2026, following a reported ₹10,800 crore borrowed between January and March, raising concerns over financial strain**

**Growth Projections: Assam's nominal GSDP is projected to reach ₹7.42 lakh crore in 2025-26, representing a 12.74% growth, exceeding the national average.**

**Infrastructure & Development: The state is heavily investing in road, healthcare, and digital systems. However, some infrastructure works, such as drainage cleaning in Guwahati, faced interruptions due to funding bottlenecks.**

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