

India urges G20 to focus on vulnerable citizens

US accuses Russian finance officials of complicity in war



G20 Finance Ministers, Central Bank Governors, and head of delegates attend the G20 Finance Ministers and Central Bank Governors meeting on the outskirts of Bengaluru, India, on February 24, 2023.

● REUTERS

Indian Prime Minister Narendra Modi urged the financial leaders attending a G20 meeting to focus on the world's "most vulnerable citizens", making no direct reference to the Ukraine war, although the conflict and its effect on the global economy are likely to dominate the two-day meeting. Meanwhile, US Treasury Secretary Janet Yellen accused Russian officials attending the meeting of being "complicit" in atrocities in the Ukraine war, Reuters reported.

Modi said the COVID-19 pandemic and "rising geo-political tensions in different parts of the world" had led to unsustainable debt levels in several countries, disruptions to global supply chains, and threats to food and energy security. "I would urge that your discussions should focus on the most vulnerable citizens of the world," he said, adding that stability, confidence, and growth had to be brought back to the world economy. In remarks on the first

anniversary of the Ukraine conflict, Yellen called on G20 counterparts to "redouble their efforts to support Ukraine and restrict Russia's capacity to wage war." Leaders of the wealthy G7 democracies are expected to announce new sanctions against those aiding Russia's war effort, following a virtual meeting with Ukrainian President Volodymyr Zelenskyy later on Friday. And ahead of that meeting, Britain issued more

sanctions against Russia, including export bans on every item it has used on the battlefield and import bans of iron and steel goods. The G20 bloc includes the G7 countries, as well as Russia, China, India, Brazil, and Saudi Arabia, among others. Russian Finance Minister Anton Siluanov and central bank governor Elvira Nabiullina did not attend the G20 meeting in India, and Moscow was represented by deputies. India, which holds the

current G20 presidency, does not want the bloc to discuss additional sanctions on Russia and is also pressing to avoid using the word "war" in G20 communique language to describe the conflict, G20 officials told Reuters. New Delhi has maintained a neutral stance on the conflict, vastly increasing its purchases of cheaper Russian oil. Tough negotiations continued on Friday over the language of the communique, several delegates said.

NEWS IN BRIEF

China's economy to rebound in 2023



REUTERS - China's economy is expected to generally rebound in 2023 and monetary policy will be precise and forceful, the central bank said in its quarterly policy implementation report released on Friday. The People's Bank of China (PBOC) said it will focus on supporting domestic demand expansion and stabilising economic growth and prices while avoiding "flood-like" stimulus, according to the report.

Child labor revelations force Hyundai's hands



REUTERS - South Korean automaker Hyundai Motor Co (005380.KS) on Friday told shareholders that it would divest its controlling stake in a major Alabama auto parts plant where Reuters last year documented children as young as 12 were working. In a February 24 letter to shareholders from Hyundai Chief Executive Jaehoon Chang, the company said recent audits at 29 of its direct suppliers across Alabama made it confident they are "now in full compliance with underage labor laws."

Tesla's competition is closing the gap

Elon Musk will confront a critical challenge during Tesla's Investor Day on March 1: Convincing investors that even though rivals are catching up, the electric-vehicle pioneer can make another leap forward to widen its lead. Tesla Inc (TSLA.O) was the No. 1 EV maker worldwide in 2022, but China's BYD (002594.SZ) and others are closing the gap fast, according to a Reuters analysis of global and regional EV sales data provided by EV-volumes.com. In fact, BYD passed Tesla in EV sales last year in the Asia-Pacific region,

while the Volkswagen Group (VOWG_p.DE) has been the EV leader in Europe since 2020. While Tesla narrowed VW's lead in Europe, the US automaker surrendered ground in Asia-Pacific as well as its home market as the competition heats up. The most significant challenges to Tesla are coming from established automakers and a group of Chinese EV manufacturers. Several US EV startups that hoped to ride Tesla's coattails are struggling, including luxury EV maker Lucid (LCID.O), whose

shares plunged 16% on Thursday after disappointing sales and financial results. Over the next two years, rivals including General Motors Co (GM.N), Ford Motor Co (F.N), Mercedes-Benz (MBGn.DE), Hyundai Motor (005380.KS), and VW will unleash scores of new electric vehicles, from a Chevrolet priced below \$30,000 to luxury sedans and SUVs that top \$100,000. On Wednesday, Mercedes used Silicon Valley as the backdrop for a lengthy presentation on how Mercedes models of the near future will immerse

their owners in rich streams of entertainment and productivity content, delivered through "hype-screens" that stretch across the dashboard and make the rectangular screens in Teslas look quaint. Executives also emphasized that only Mercedes has an advanced, Level 3 partially automated driving system approved for use in Germany, with approval pending in California. In China, Tesla has had to cut prices on its best-selling models under growing pressure from domestic Chinese



manufacturers including BYD, Geely Automobile's (0175.HK) Zeekr brand, and Nio (9866.HK). China's EV makers could get another boost if Chinese battery maker CATL (300750.SZ) follows through on plans to heavily discount batteries used in their vehicles.



A Tesla electric vehicle is seen through a charging point displayed during the Auto Shanghai show in Shanghai, China, on April 20, 2021.

● ALY SONG/REUTERS

South Africa, Nigeria go on FATF's dirty-money gray list



The logo of the Financial Action Task Force (FATF) is seen during a news conference after a plenary session at the OECD Headquarters in Paris, France, on October 18, 2019.

● CHARLES PLATIAU/REUTERS

South Africa has been placed on a global financial watchdog's so-called gray list denoting nations with shortcomings in tackling illicit financial flows, a move that scars the country's international reputation and may raise costs for banks and asset managers. The decision was announced by the Financial Action Task Force (FATF) on Friday, Bloomberg wrote. Nigeria, Africa's largest economy, was also added to the list, it said. A 2019 evaluation concluded that Africa's most-industrialized economy fell short of meeting all 11 of the FATF's effectiveness measures to combat money laundering and the financing of terrorism.

Those findings followed an era of endemic graft during former president Jacob Zuma's nine-year rule. While President Cyril Ramaphosa's administration, which took over after the ruling party forced Zuma to quit in early 2018, has sought to address the deficiencies, it failed to do enough to avoid censure. The central bank has previously warned that gray-listing could have wide-reaching consequences for South Africa's financial system including triggering capital and currency outflows and increasing transactional, administrative, and funding costs for the bank. Finance Minister Enoch Godongwana last month said the country

was "hopeful" that the regulatory amendments to address the country's shortcomings in tackling illicit financial flows would help it avert being classified as a jurisdiction subject to increased monitoring. In December, Ramaphosa signed two key pieces of legislation into law that addressed some of the concerns of the watchdog. South Africa's inclusion on the gray list puts South Africa on par with the likes of Syria, the Democratic Republic of Congo, and South Sudan. The National Treasury has said it is studying how Mauritius and other nations managed to get themselves removed from the gray list.

US nominates Ajay Banga for World Bank president

AP - The United States is nominating former Mastercard CEO Ajay Banga to lead the World Bank, President Joe Biden announced on Thursday, crediting him with critical experience on global challenges including climate change. The news comes days after Trump appointee David Malpass announced plans to step down in June from his role leading the 189-nation poverty reduction agency. His five-year term was due to expire in April 2024.