

### Caselet 3 – Strategic Management

Global GDP has increased steadily since the 1990's mainly attributed to Global Value Chains<sup>1</sup>. The world Bank in June 2020 in the early periods of COVID-19 forecasted a significant downward trend in GDP<sup>2</sup>. However, the Equity markets worldwide are showing a rather optimistic trend much earlier than expected<sup>3</sup>. The stock exchange indices in New York (NASDAQ, NYSE), London (LSE), Shanghai – Hong Kong, Bombay (BSE) have nearly reached their preCOVID levels. However, some sectors as a whole (ex: ONG, Travel & Tourism) are far from recovery. Bharat Biotech<sup>4</sup>, Hyderabad, a Biopharmaceutical company in India is one among the few developing a COVID vaccine.

(In addition to standard academic resources in equity trade, Investopedia and You Tube videos by Aswath Damodaran are good introductory sources to this area of markets)

Q1. Observe the global GDP trends in the last 30 years and comment on periods of significant decline in growth (external environment assessment)

Q2. What are your observations about equity trade performance from studying the key trading indices from Stock Exchanges mentioned in the caselette above, in relation to GDP in the last 3 decades. Consider a SWOT analysis by trading sector in the current COVID period<sup>5</sup>.

Q3. Review Biopharmaceuticals as a subgroup in sector classification by MSCI or GICS (reference 4) and describe strategic vision and Leadership of Bharat Biotech company. Note their media news and comment on recent share price changes.

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<sup>1</sup> [World Development Report 2020: Trading for Development in the Age of Global Value Chains \(worldbank.org\)](https://www.worldbank.org/en/publications/world-development-report/2020)

<sup>2</sup> [The Global Economic Outlook During the COVID-19 Pandemic: A Changed World \(worldbank.org\)](https://www.worldbank.org/en/publications/global-economic-outlook/2020)

<sup>3</sup> [Global stock markets by country 2020 | Statista](https://www.statista.com/chart/10916/global-stock-markets-by-country-2020/)

<sup>4</sup> [Bharat Biotech-Vaccines & Bio-Therapeutics Manufacturer in India](https://www.bharatbiotech.com/)

<sup>5</sup> [Global Industry Classification Standard \(GICS\) Definition \(investopedia.com\)](https://www.investopedia.com/terms/g/gics.asp)

**Note: This caselet has been originally developed based upon extensive research pertaining global market chains by Dr Sarangapani Nivarthi, Assistant Professor - Management for CMS Business School (Jain Deemed-to-be-University) and has not been published in any outlets.**