**MEDIA: Television**

**STATION: BBC**

**MARKET: National**

**DATE: 2023-08-22**

**TIME: 06:30 PM ET**

**PROGRAM: Asia Business Report**

**SUBJECT: Lupin Rahman - Markets**

**PAGE COUNT: 2**

**MONICA MILLER, BBC:**

Hello and welcome to Asia Business Report. I’m Monica Miller. Well, we start the program in South Africa’s capital, Johannesburg, where a group of leaders from major emerging economies have been meeting. That is the BRICS, which includes Brazil, Russia, India, China, and South Africa, along with at least 50 other heads of state government. President Putin attended the video link. Now he can’t attend in person because of an international arrest warrant for his alleged war crimes. Mr. Putin told the summit they’re on course to meet the aspiration of most of the world’s people. We also heard from South Africa’s leader, who reflected on his meeting with China’s President Xi Jinping. Let’s take a listen.

**CYRIL RAMAPHOSA, SOUTH AFRICAN PRESIDENT:**

President Xi Jinping and I discussed the ongoing conflict between Russia and Ukraine and its significant impact on developing economies in Africa and elsewhere. We both agreed on the importance of dialog and negotiations between the two sides. As South Africa, we are encouraged that President Xi Jinping has welcomed the peace mission to Russia and Ukraine initiated by African leaders.

**MILLER:**

That’s Cyril Ramaphosa there. Well, the bloc accounts for about 40 percent of the world's population and a quarter of the global economy. Let's go now to Lupin Rahman, who manages the emerging markets portfolio at investment firm PIMCO. Thank you very much for joining us on the program. What exactly are investors looking at for this conference?

**LUPIN RAHMAN, PIMCO:**

Well, for investors, the BRICS summit is really one of a more medium-term outlook issue, rather than having a real near-term market impact. But it is important for emerging market investors to recognize that this is the first time that the BRICS are really taking an international voice for themselves. And it's really reflective of some of the nervousness and anxiety that many BRICS countries have faced relative to the last couple of years with the COVID shock, the Russia-Ukraine war and the impact on food prices, and next to the large hike that we've seen on the Federal Reserve. So investors are really going to be seeing how this summit plays out, whether there will be an expansion in the membership, whether there is discussion of further lending by the new development bank, and whether there is any scope for a common currency, maybe not in the near future, but perhaps five to ten years down the line.

**MILLER:**

I think that currency is always an interesting topic, especially with the Chinese involved. But can they really compete against the G7 or even the G20 members?

**RAHMAN:**

I don't think this is about competing, but really finding a voice and finding commonalities in the global south, where there could be mutually beneficial outcomes. So for example, looking at bilateral trade agreements, which can settle in local currency, that would be a win-win for both sides of the equation. And really it has less to do with the west and more to do with how to reduce transaction costs and perhaps volatility in the currencies that these nations trade in. So I think it's less to do with the west and much more to do with the global south finding its own voice.

**MILLER:**

Lupin Rahman, thank you very much for joining us on the program.