



# **MONTHLY ECONOMIC** JUL **REPORT ON INDIA** 2024

Robust growth across key sectors underpins strong momentum in the Indian economy. **Core infrastructure** demonstrates resilience, led by steel production. **Power generation and demand** grew 9% year-on-year, contributing to **increased coal production** in June. **E-way bills and rail freight** recorded **double-digit growth**, while **ports cargo** growth remained **subdued** due to elevated shipping freight rates. The auto sector exhibited mixed performance. The **current account moved into surplus** in Q4FY24, contributing to an overall rise in the balance of payments surplus. The **credit to deposit ratio remains high**, even as growth in both moderates due to a high base. **Bond yields** have **eased**, with 10-year G-sec yields falling below 7%. Consumer **inflation**, while within RBI's targeted range, increased sequentially, primarily **driven by food prices**. Repo rate remains unchanged, with consensus projecting **potential rate cuts in the latter half of FY2025**

## May – June 2024

### Growth

**Strong growth in core infrastructure** of 6% led by **steel** (11%) and **coal** (15%) production in May and June, respectively. **Electricity generation growth** remains robust at 9% yoy in June. India's **composite PMI** of 60.9 in June continues to **outperform** major economies. **Real GDP growth of 8.2% yoy** in FY2024 driven by increased **capex**. Industry and services sectors drive real GVA growth of 7.2% in FY2024

### Trade

**Current account in surplus** at 0.6% of GDP as **goods trade deficit narrows** in Q4FY24. **Balance of payment surplus rises** to 3.3% from 0.6% in Q4FY23. Goods trade deficit narrows in June; stable services surplus. **Ports cargo grows slowly** in June at 4% yoy as **shipping costs** remain **elevated**. **Robust growth in rail freight** traffic of ~10% yoy in June. Monthly FasTag transactions and road toll collection stabilizes at INR 58 billion and INR 48 billion in June

### Demand

**Robust power demand** growth of ~9% yoy in June. Higher peak power demand deficit of 0.9% leading to a rise in traded power tariffs. PV and CV demand drops in June. **Deposit and credit growth moderates** in June to ~11% and ~17%, respectively, due to high base. Banks **gross NPAs at a decadal low** of 2.8% in FY2024. **UPI transactions of INR 20 trillion** in June. **Import volume surge** of 11% in Q4FY24 signals **strong domestic demand**

### Foreign Exchange

**Limited 1.1% depreciation of INR against USD** over the last year, lower than the 10-year average of ~3%. Rupee maintains an appreciation bias against Japanese Yen. **Markets continue to price in a lower INR depreciation** with 1-year USD/INR forward premium at 1.67% (as of 08 July). **RBI a net seller of USD** in April. **Large forex reserves** with RBI of ~USD 652 billion (as on 28 June), provides sufficient ~9 months of import cover

### Inflation

**Consumer inflation** at 5.1% yoy in June led by persistently **high food inflation**. Core inflation remains soft. Wholesale inflation at a 16-month high of 3.4% in June. **Repo rate unchanged** at 6.50%. Transmission of rates on outstanding loans slower than deposits. June-end consensus **project a cumulative 50-bps rate cut** in H2FY25. Partial monsoon improvement in the Gangetic belt, deficiency in Northern states

### Investments

**Strong foreign portfolio inflows** of INR 418 billion, while **domestic institutional investors** invest INR 286 billion in June. **Gross FDI flows into India stable at USD 71 billion in FY2024**. Lower net FDI due to higher repatriation. **Sectors receiving the most FDI** in FY2024 were **computer software and hardware, services, and infrastructure**. **Top investors** in FY2024 were **Singapore and Mauritius**. **Category II and III** drive overall AIF activity in FY2024

### Markets

**Moderation in bond yields** - 10-year G-sec remains below 7% and 3-month T-bill at 6.78% (as on 08 July). Stable market conditions in – **fair valuations and low volatility** in June. **Indian equity** markets generate strong returns of an average ~24% in June. **Surge in commodity prices** – gold close to USD 2,400 per troy oz and crude oil at USD 89 per bbl as of 8 July. **Polysilicon prices** at a **14+ year low** of ~USD 4 per kg

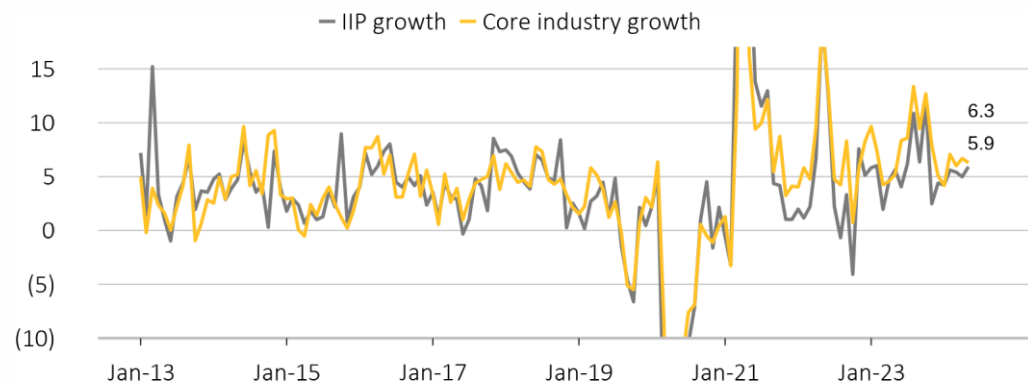
### Fiscal

**Robust growth in direct tax** collection of ~23% yoy in FYTD2025 (till May). Growth in overall revenue receipts of ~38% yoy primarily driven by government's dividends, i.e., **RBI's surplus transfer** of INR 2.1 trillion in May. Capital expenditure undertaken at a slower pace in FYTD2025 compared to last year. **E-way bills record strong ~16% growth** generating ~100 million bills in June

## Key charts

### Strong growth in overall industrial production and core industries in May

IIP and output of eight core industries (% yoy), FY2013-FY2025 (May '24)

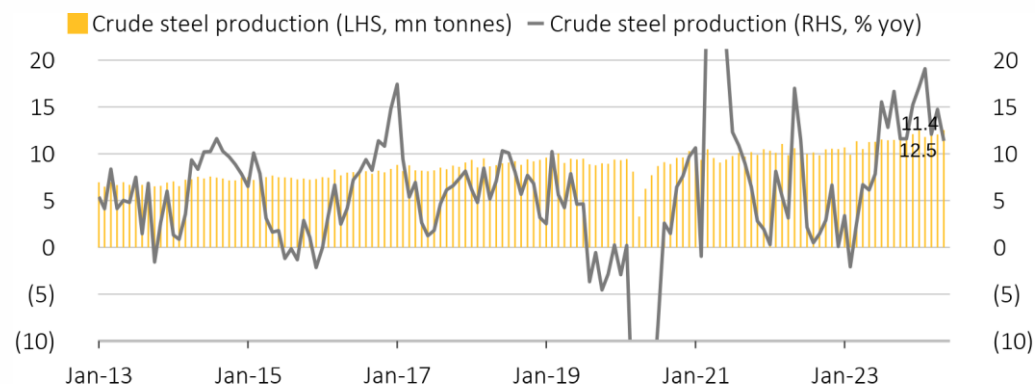


Source: Thurro, Office of the Economic Advisor, NIIF Research

Note: IIP growth for May '20 and Apr '21 not shown due to low base effect

### Crude steel output growth remains robust, up 11.4% yoy in May

Monthly crude steel production, FY2013-FY2025 (May '24)

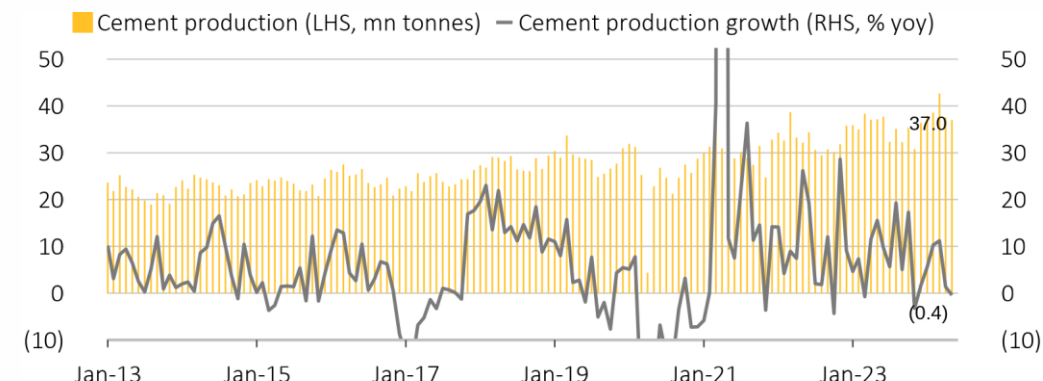


Source: Thurro, Ministry of Steel, JPC, NIIF Research

Note: Growth in steel production in Apr '21 not shown in the chart due to low base effect

### Cement production down 0.4% yoy in May, on a high base

Monthly cement production, FY2013-FY2025 (May '24)

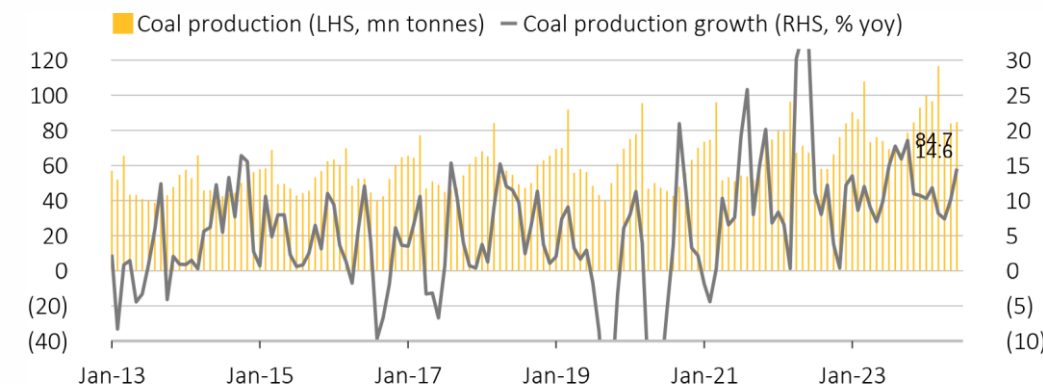


Source: Thurro, EAI, NIIF Research

Note: Growth in cement production in Apr '21 not shown in the chart due to low base effect

### Coal production up ~15% yoy in June

Monthly coal production, FY2013-FY2025 (Jun '24)

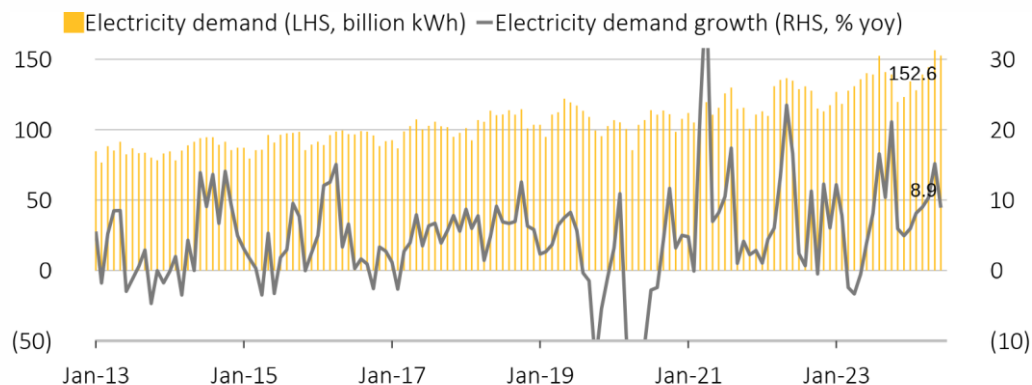


Source: Thurro, Ministry of Coal, NIIF Research

## Key charts

### Strong growth in electricity demand in June, up ~9% yoy

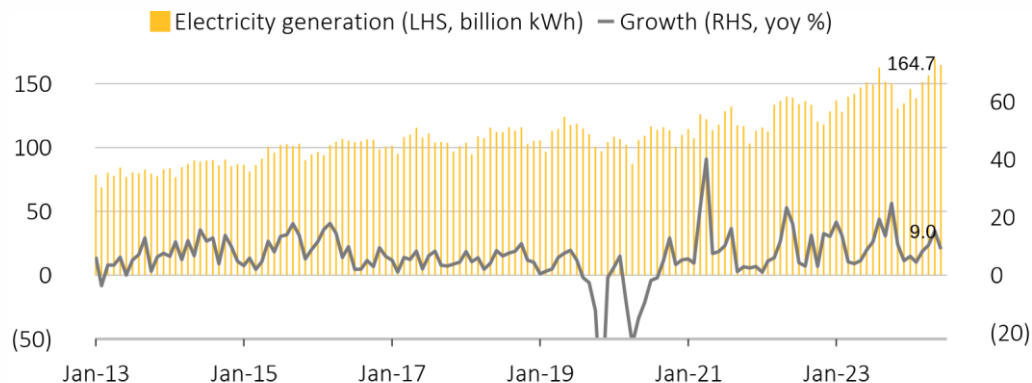
Monthly electricity demand in India, FY2013-FY2025 (Jun '24)



Source: Thurro, POSOCO, NIIF Research

### Electricity generation maintains strong growth of 9% yoy in June

Monthly electricity generation, FY2013-FY2025 (Jun '24)

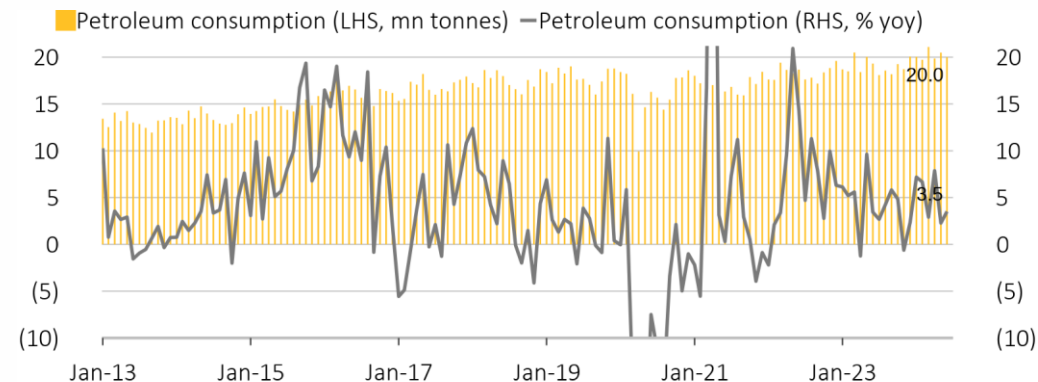


Source: Thurro, POSOCO, NIIF Research

Note: The residual difference between units of electricity generated and demanded is auxiliary consumption to run the power plants

### Moderate growth in petroleum consumption in June due to a high base

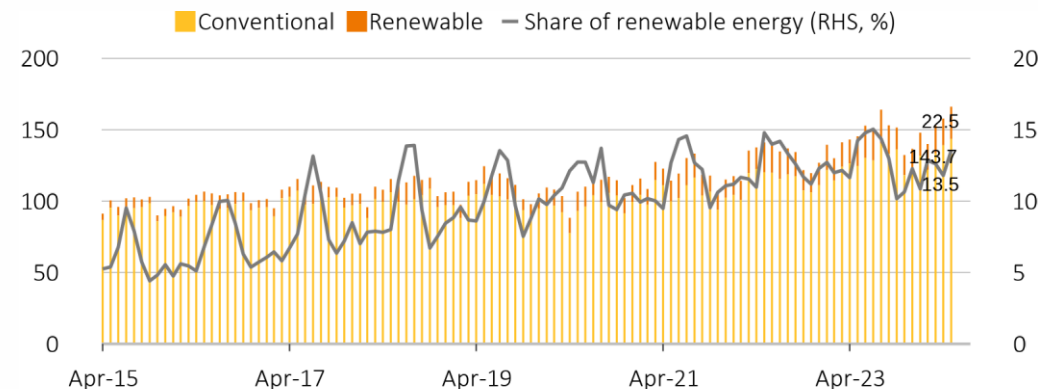
Monthly petroleum consumption in India, FY2013-FY2025 (Jun '24)



Source: Thurro, PPAC, NIIF Research

### Renewable's share in power generation picks up to ~14% in May

Monthly generation from energy sources (billion kWh), FY2016-FY2025 (May '24)



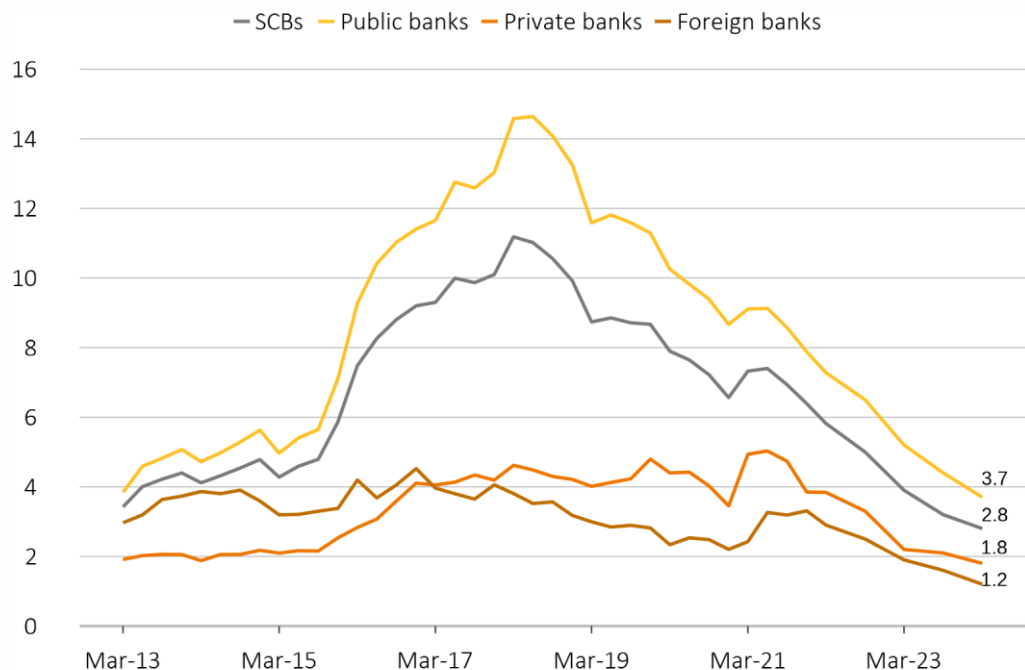
Source: Thurro, POSOCO, CEA, NIIF Research



## Key charts

### Gross NPAs of banks at a decadal low of 2.8% in FY2024

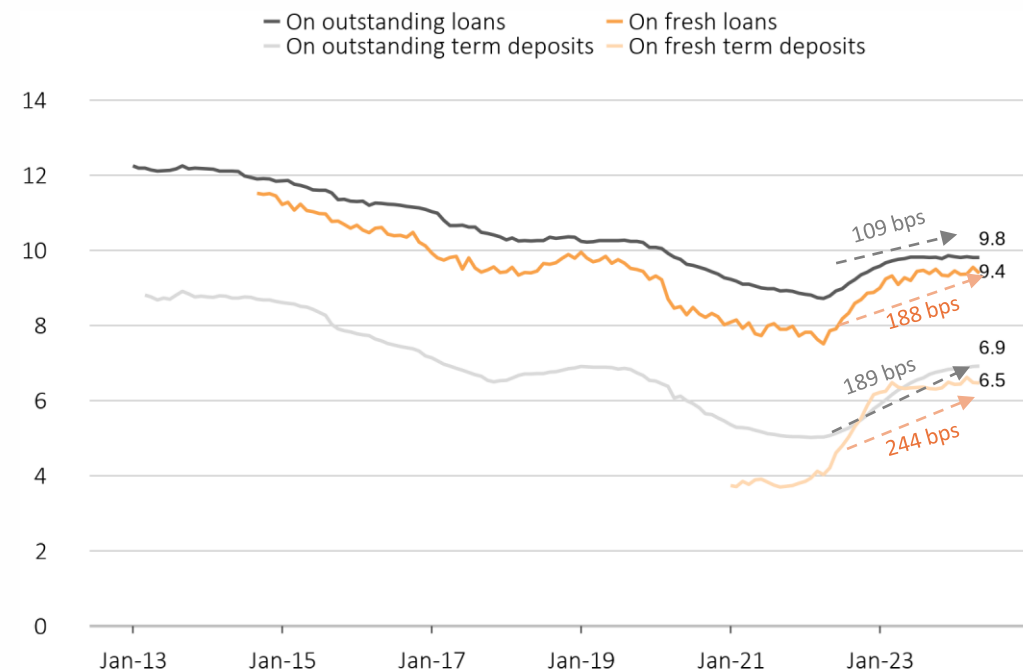
Quarterly gross non-performing assets (% of gross advances), FY2013-FY2024 (Mar '24)



Source: Thurro, RBI, NIIF Research

### Banks pass on less than half of the rate hikes on outstanding loans

Monthly weighted average lending and deposit rates (%), FY2014-FY2025 (May '24)

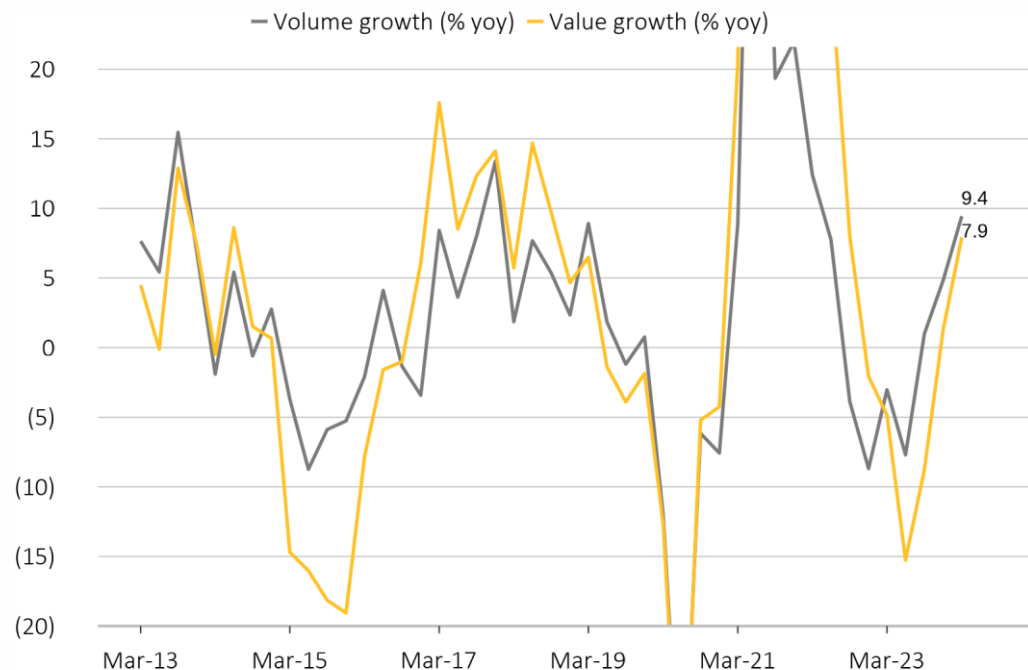


Source: Thurro, RBI, NIIF Research

## Key charts

### Strong growth in exports volume and value in Q4FY24

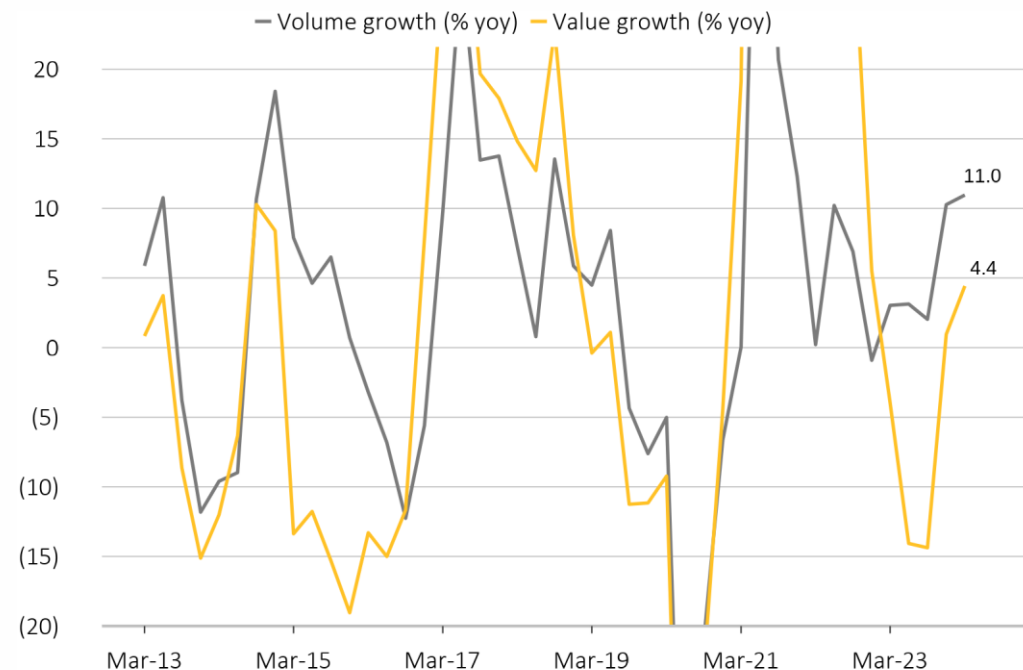
Quarterly growth in merchandize exports (% yoy), FY2013-FY2024 (Mar '24)



Source: Thurro, MOCI, UNCTAD, NIIF Research

### Imports by volume grows faster than value in Q4FY24

Quarterly growth in merchandize imports (% yoy), FY2013-FY2024 (Mar '24)

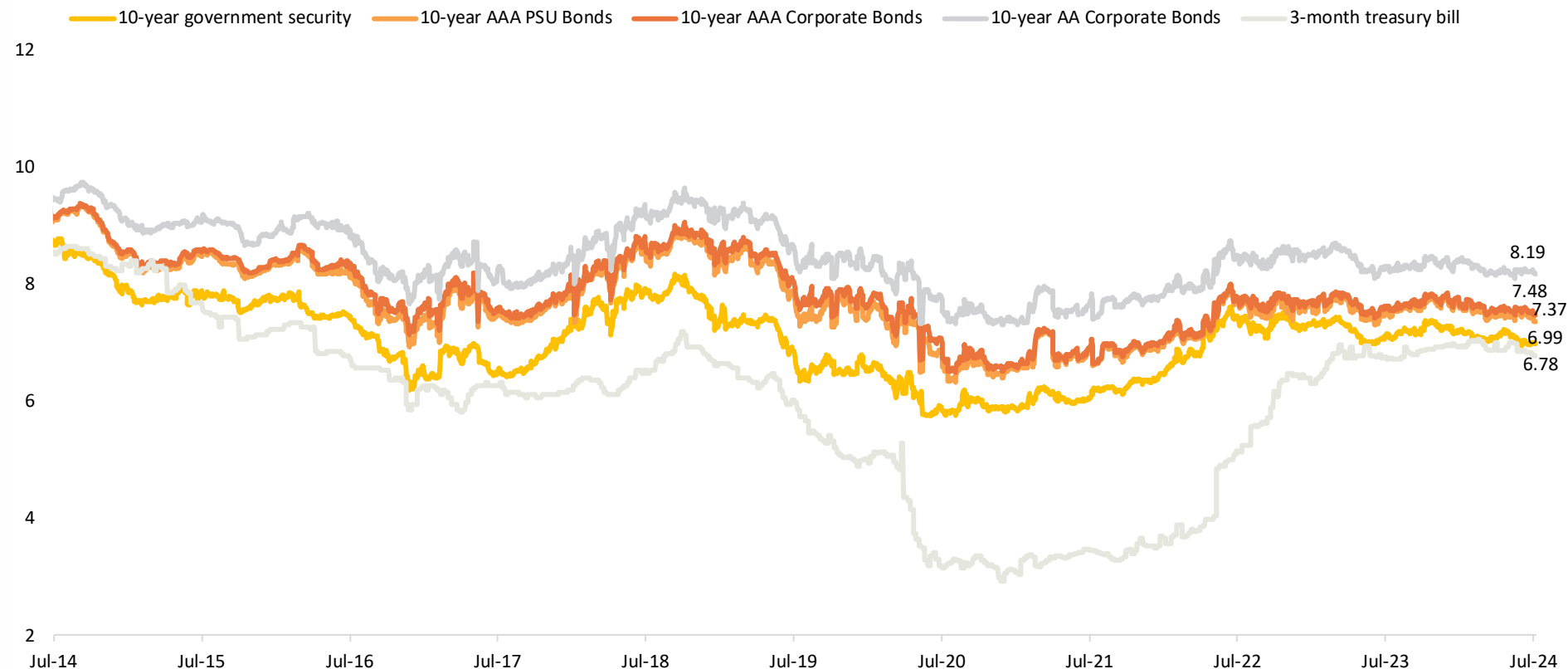


Source: Thurro, MOCI, UNCTAD, NIIF Research

## Key charts

### 10-year G-Sec yields remains below 7%; 3-month treasury yield moderates to 6.78% in early July

Daily India G-sec and corporate bond yields (%), FY2014-FY2025 (08 Jul 2024)

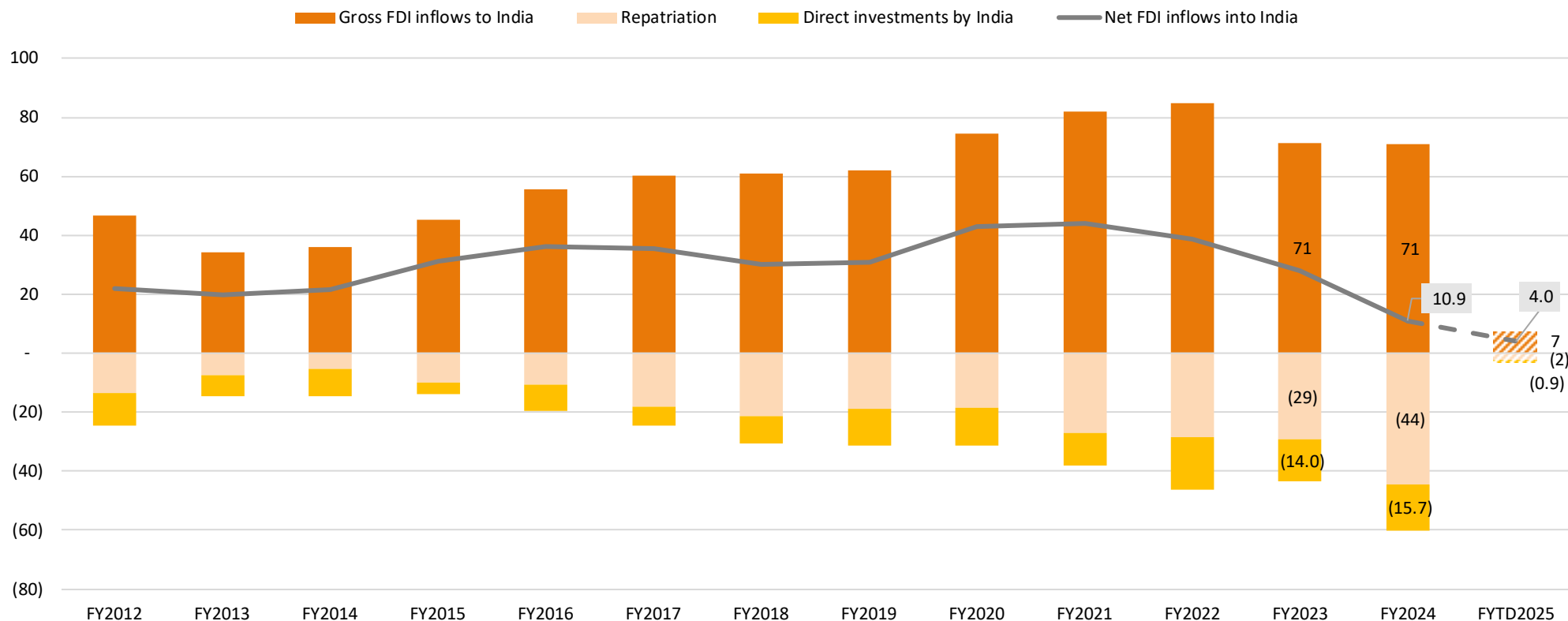


Source: Bloomberg, NIIF Research

## Key charts

**Gross FDI inflows of USD 71 billion in FY2024, same as FY2023; gross inflows of USD 7 billion in April 2024**

Annual foreign direct investments (USD billion), FY2012-FY2025 (Apr '24)



Source: CEIC, NIIF Research





# MONTHLY ECONOMIC REPORT ON INDIA JUL 2024

## Table of contents

10	<b>Macroeconomic indicators</b> Economy and demand Inflation and employment Fiscal position
28	<b>Markets</b> Liquidity Balance of payments and foreign exchange markets Debt, equity and commodity market
47	<b>Investments</b> Institutional investments - FPI and DII Foreign Direct Investments
56	<b>Infrastructure</b> Ports, roads, railways and aviation Power and renewables
64	<b>Global</b> Growth and inflation Markets
71	<b>Annexure</b>



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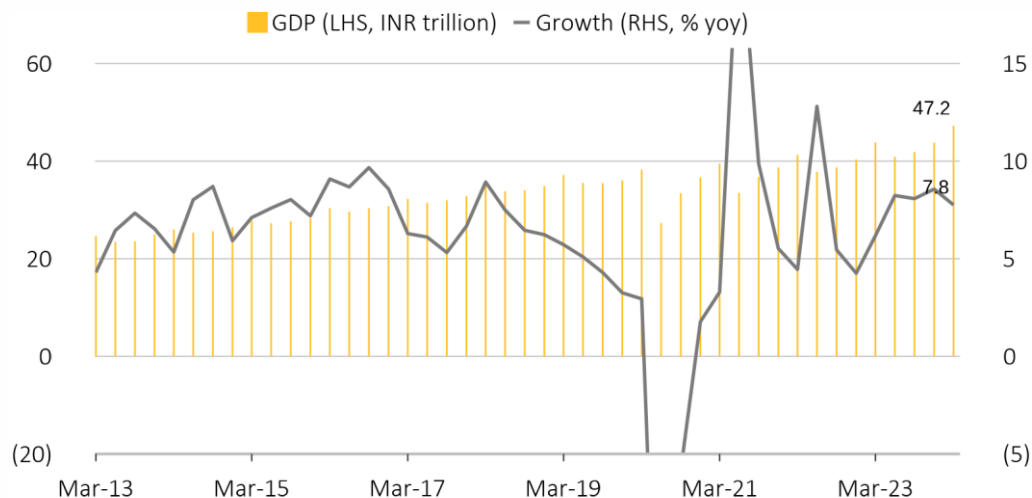
## Macroeconomic indicators

- Real GDP growth of 8.2% yoy in FY2024; Q4FY24 growth at 7.8% driven by capex. Industry and services sectors remain key drivers of real GVA growth of 7.2% in FY2024. Core infrastructure growth (6%) led by steel (11%) and coal (15%) production in May and June, respectively. Power demand maintains strong pace in June, up 9% yoy to 152.6 BU
- E-way bills (16%) and PMI indicate continued economic momentum in June. Passenger and commercial vehicle registrations see a drop in June. Stable growth in demand for three-wheelers and two-wheelers
- Early signs of moderation in credit and deposit growth in June due to base effects. Digital payments continue unabated – monthly UPI transactions of INR 20 trillion in June. Monsoon improves partially in the Gangetic belt by early July; deficit in the Northern states persist
- Consumer inflation picks up sequentially to 5.1% in June, remaining within RBI's target range. Wholesale inflation picks up to a 16-month high of 3.4% yoy in June. Robust government revenue receipts growth of ~38% yoy in FYTD2025 (till May) primarily due to RBI's surplus transfer of INR 2.1 trillion to the Centre

## Growth

### Real GDP growth rises sharply in Q4FY24 by 7.8% yoy

Quarterly real GDP growth for India, FY2013-FY2024 (Mar '24)

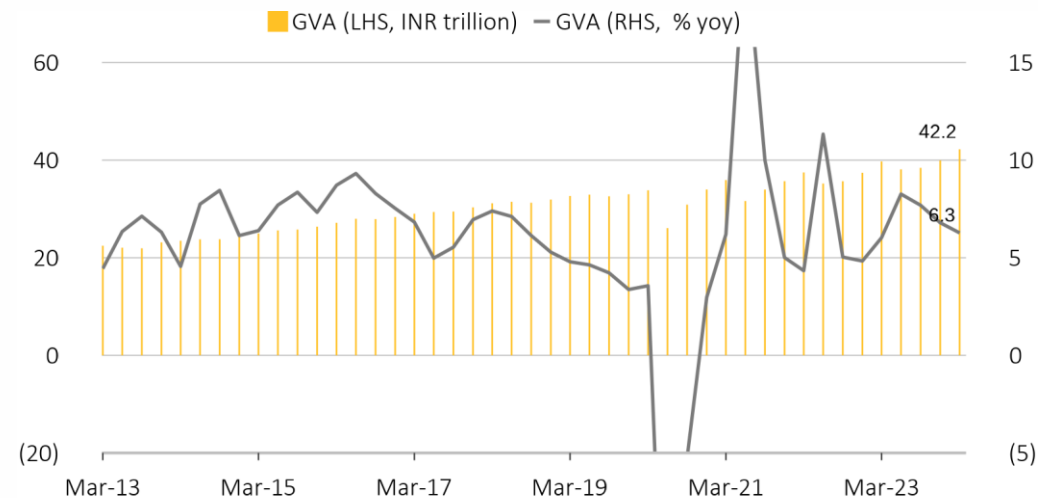


Source: Thurro, MOSPI, NIIF Research

Note: Real GDP growth is based on 2012 prices

### Real GVA growth of 6.3% in Q4FY24

Quarterly real GVA growth (% yoy), FY2013-FY2024 (Mar '24)



Source: Thurro, MOSPI, NIIF Research

### Real Gross Domestic Product (GDP) growth at 7.8% yoy in Q4FY24 (Jan-Mar)

- This is compared to the 8.6% yoy GDP growth in Q3FY24, which was revised upwards from 8.4%, and 6.2% in Q4FY23
- Nominal GDP grew by 9.9% yoy in Q4FY24 as compared to 10.4% in Q3FY24 and 9.2% in Q4FY23

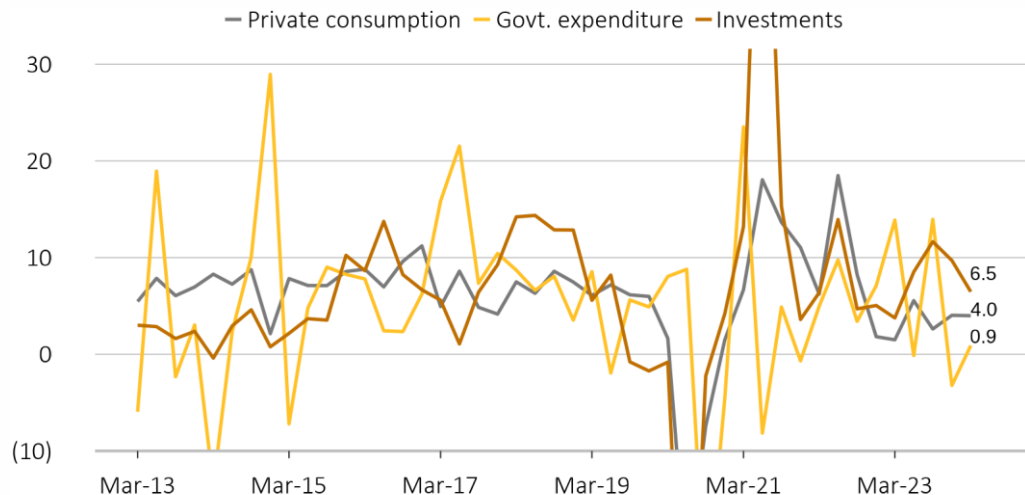
### Supply side growth maintains pace with real Gross Value Added (GVA) growth of 6.3% in Q4FY24

- This is compared to 6.8% in Q3FY24 and 6.0% growth in Q4FY23
- **Real GDP growth rose to 8.2% yoy in FY2024** from 7.0% in FY2023, while GVA growth rose to 7.2% compared with 6.7% in FY2023

## Growth

### Capex remains a key driver of GDP growth in Q4FY24

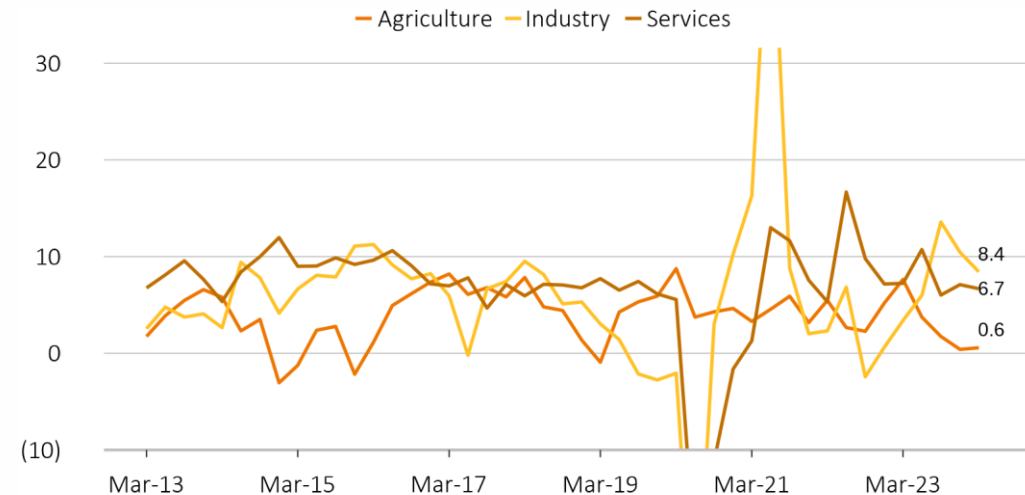
Quarterly real GDP growth by components (% yoy), FY2013-FY2024 (Mar '24)



Source: Thurro, MOSPI, NIIF Research

### Industrial and services sectors continue to drive GVA growth

Quarterly real GVA growth by components (% yoy), FY2013-FY2024 (Mar '24)



Source: Thurro, MOSPI, NIIF Research

### Continued momentum in capex drives real GDP growth

- Growth in fixed investments or capex of 6.5% yoy in Q4FY24, compared to 9.7% in Q3FY24, supporting strong GDP growth
- Government consumption expenditure growth muted at 0.9% from a negative 3.2% in Q3FY24. Growth in private consumption of 4.0% in Q4FY24, unchanged from the previous quarter

### Industry and services sectors remain the key drivers of real GVA growth

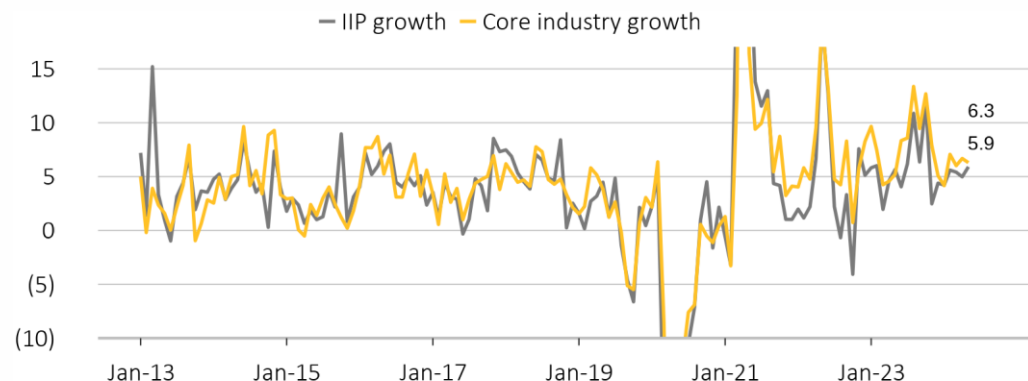
- Industrial GVA growth remains elevated at 8.4% yoy in Q4FY24 led by strong growth in manufacturing (8.9%) and construction (8.7%)
- Services GVA growth picks up to 6.7% with a robust performance across public administration, and 'financial, real estate, professional services' sectors
- Agriculture growth muted at 0.6% in Q4FY24, reflecting weaker Rabi production. Decadal low wheat stock held with FCI in March 2024 – since then, inventory is being built up



## Core sectors

### Strong growth in overall industrial production and core industries in May

IIP and output of eight core industries (% yoy), FY2013-FY2025 (May '24)

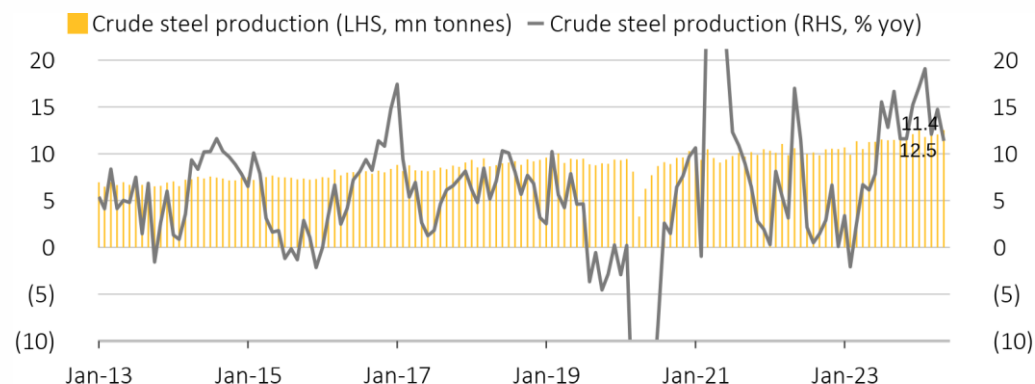


Source: Thurro, Office of the Economic Advisor, NIIF Research

Note: IIP growth for May '20 and Apr '21 not shown due to low base effect

### Crude steel output growth remains robust, up 11.4% yoy in May

Monthly crude steel production, FY2013-FY2025 (May '24)

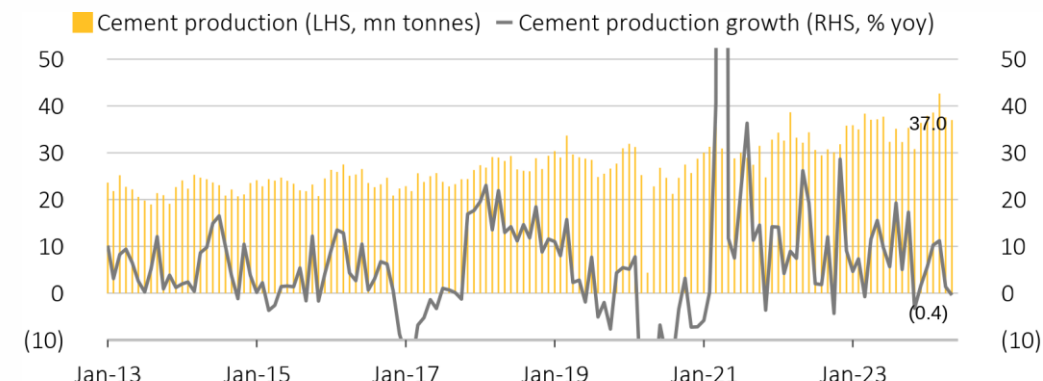


Source: Thurro, Ministry of Steel, JPC, NIIF Research

Note: Growth in steel production in Apr '21 not shown in the chart due to low base effect

### Cement production down 0.4% yoy in May, on a high base

Monthly cement production, FY2013-FY2025 (May '24)

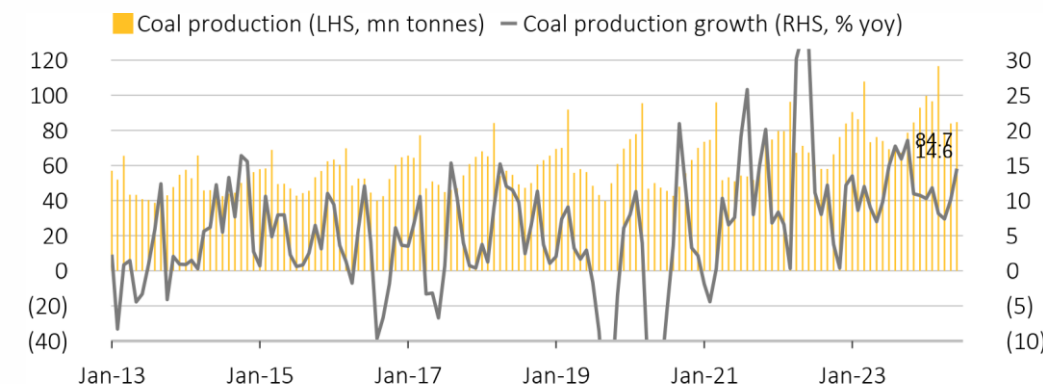


Source: Thurro, EAI, NIIF Research

Note: Growth in cement production in Apr '21 not shown in the chart due to low base effect

### Coal production up ~15% yoy in June

Monthly coal production, FY2013-FY2025 (Jun '24)

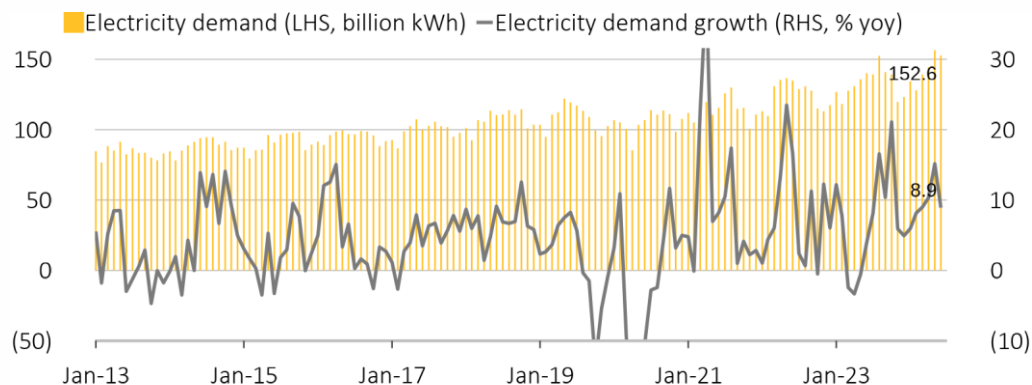


Source: Thurro, Ministry of Coal, NIIF Research

## Energy and fuel

### Strong growth in electricity demand in June, up 8.9% yoy

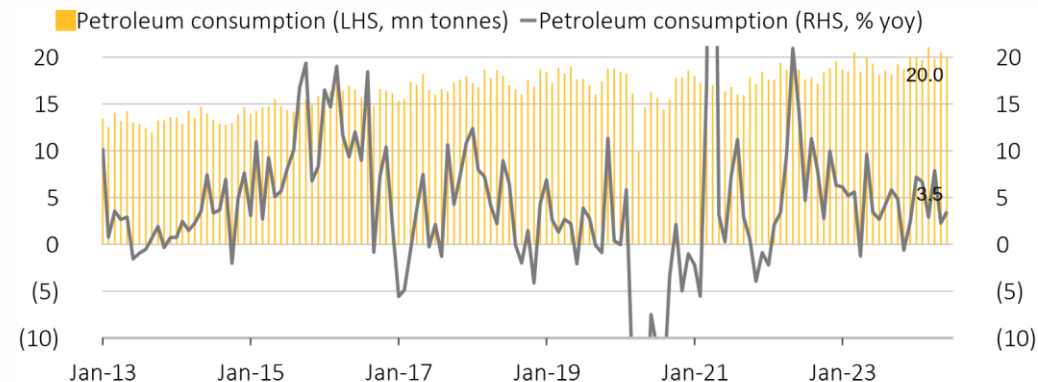
Monthly electricity demand in India, FY2013-FY2025 (Jun '24)



Source: Thurro, POSOCO, NIIF Research

### Moderate growth in petroleum consumption in June due to a high base

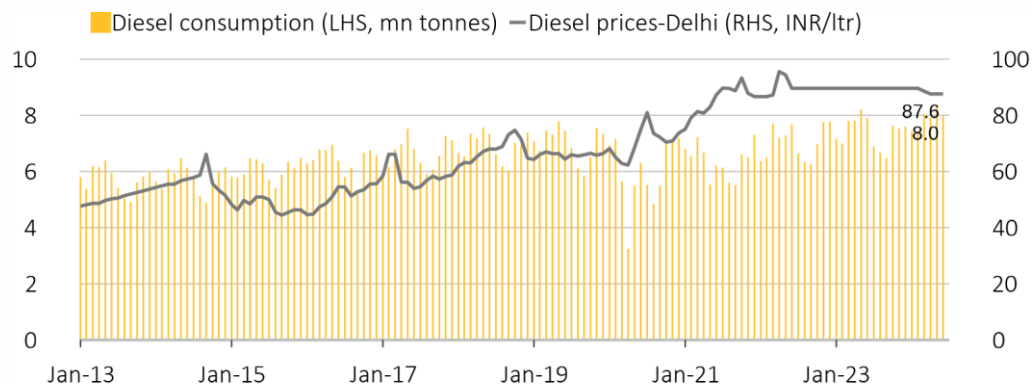
Monthly petroleum consumption in India, FY2013-FY2025 (Jun '24)



Source: Thurro, PPAC, NIIF Research

### Diesel demand stable at 8 mn tonnes in June

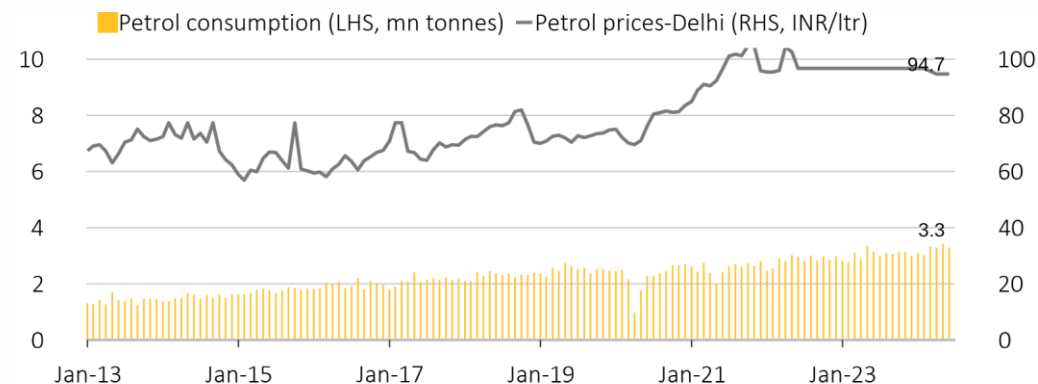
Monthly diesel consumption and prices, FY2013-FY2025 (Jun '24)



Source: Thurro, PPAC, NIIF Research

### Petrol consumption stable in June at 3.3 mn tonnes

Monthly petrol consumption and prices, FY2013-FY2025 (Jun '24)

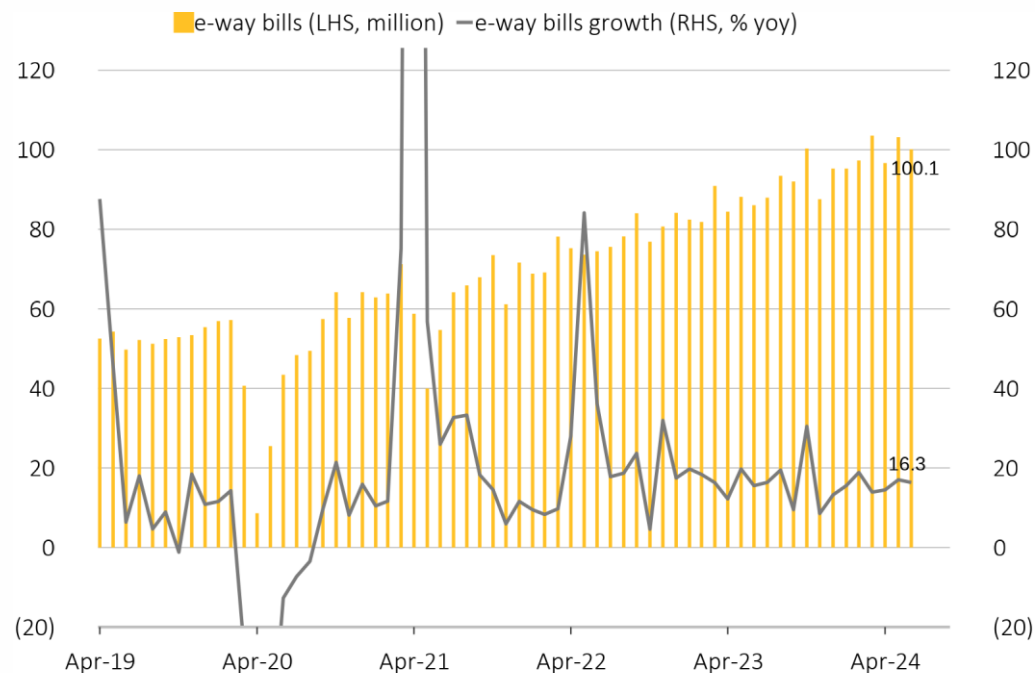


Source: Thurro, PPAC, NIIF Research

## Activity levels

### Strong growth of ~16% yoy in e-way bill generation in June

Monthly number of e-way bills, FY2020-FY2025 (Jun '24)



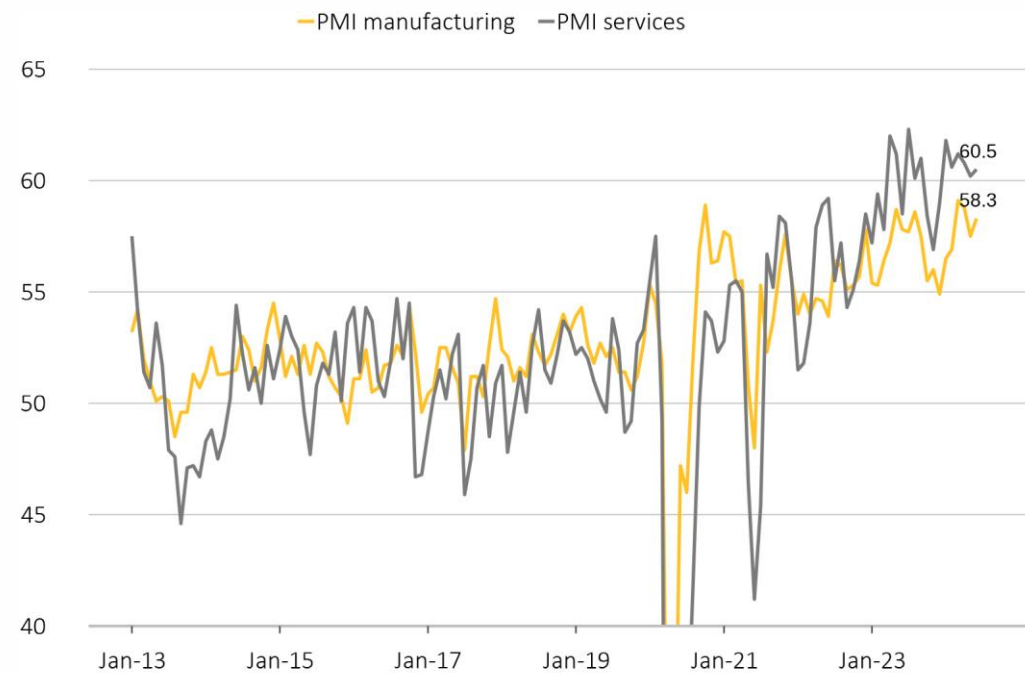
Source: Thurro, GSTN, NIIF Research

#### Note:

1. Includes all inter-state and intra-state e-way bills
2. e-way bill is a document required to be carried by a person in charge of the conveyance carrying any consignment of goods of value exceeding INR 50,000 under the Goods and Services Tax Act

### Services and manufacturing PMI pick up in June

Monthly India PMI manufacturing and services, FY2013-FY2025 (Jun '24)



Source: Thurro, S&P, NIIF Research

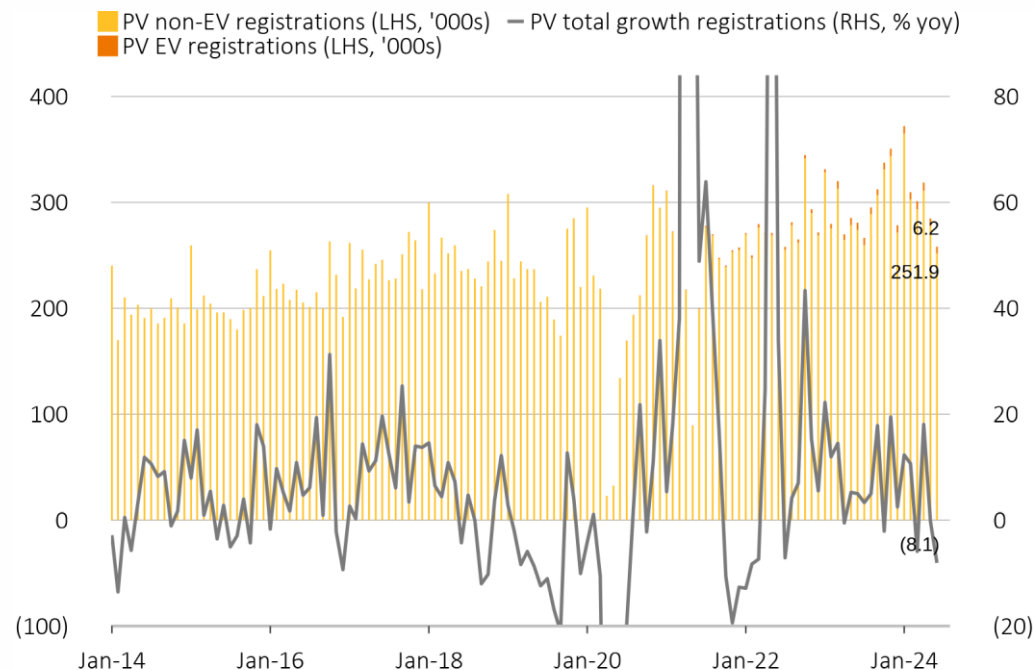
#### Note:

1. Purchase Managers Index (PMI) is based on a monthly survey of supply chain managers across 19 industries: a number above 50 indicates expansion and below 50 indicates contraction.
2. PMI for manufacturing and services dropped sharply between Apr '20 and Oct'20 due to impact of COVID-19

## Automobile sector (1/2)

### 4W registrations decline by 8.1% yoy in June

Monthly passenger vehicle (PV) registrations, FY2014-FY2025 (Jun '24)



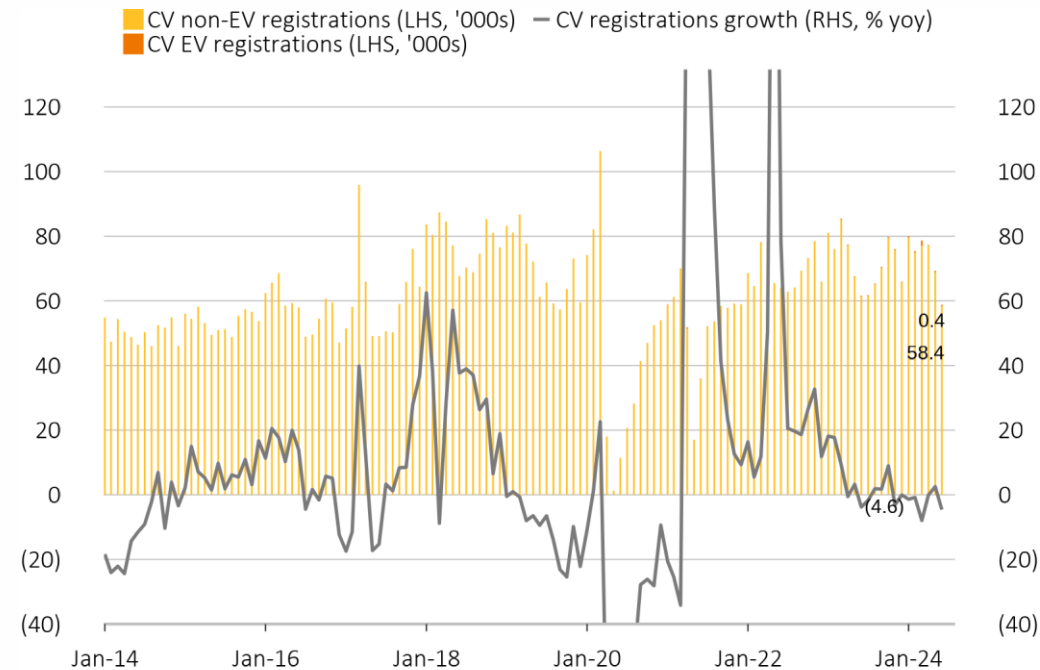
Source: Thurro, VAHAN (Excluding Telangana, Lakshadweep), NIIF Research

#### Note:

1. Growth in passenger vehicles registration not shown in Jun '21 due to low base effect

### Commercial vehicle registrations fall by 4.6% yoy in June

Monthly commercial vehicle (CV) registrations, FY2014-FY2025 (Jun '24)



Source: Thurro, VAHAN (Excluding Telangana, Lakshadweep), NIIF Research

#### Note:

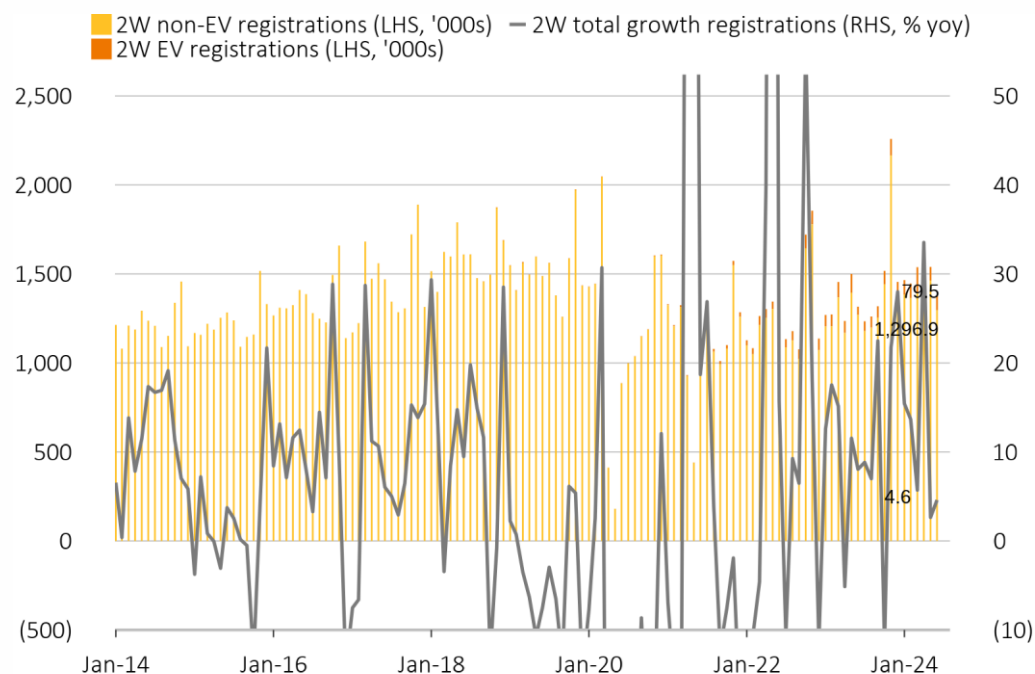
1. Low commercial vehicle registrations growth in Apr 20 and May '20, due to impact of Covid lockdown, not shown in the chart



## Automobile sector (2/2)

### Moderate rise in 2W registrations in June

Monthly two-wheeler (2W) registrations, FY2014-FY2025 (Jun '24)



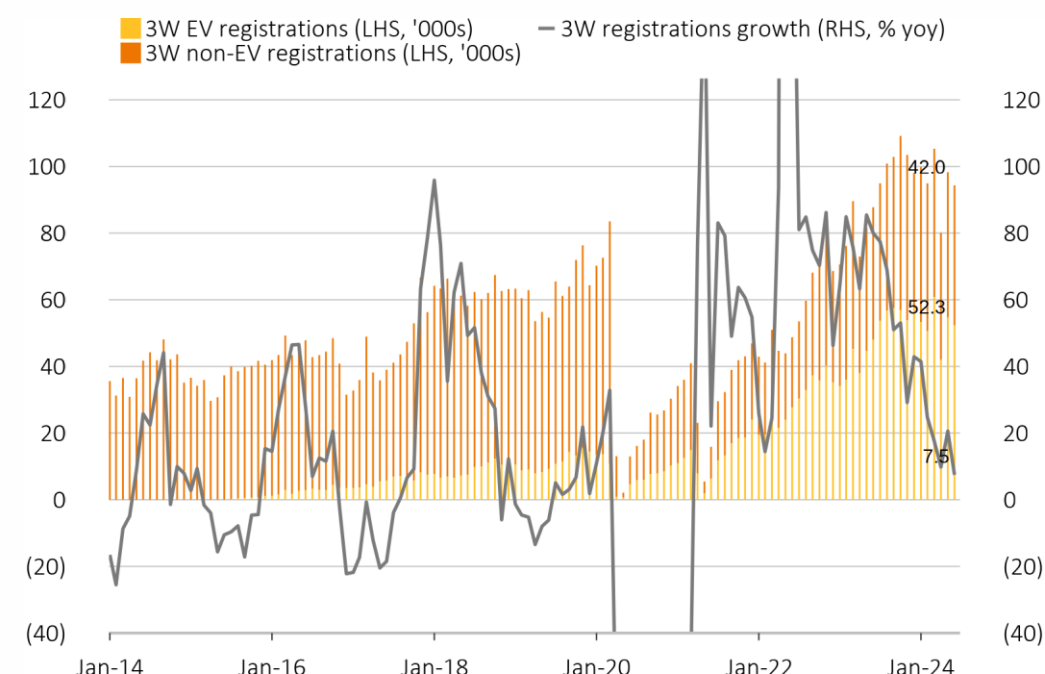
Source: Thurro, VAHAN (Excluding Telangana, Lakshadweep), NIIF Research

#### Note:

1. Low growth in two-wheeler registration for Apr '20 and May '20, due to the impact of Covid lockdown, not shown in the chart

### Steady 7.5% yoy growth in 3W registrations in June

Monthly three-wheeler (3W) registrations, FY2014-FY2025 (Jun '24)



Source: Thurro, VAHAN (Excluding Telangana, Lakshadweep), NIIF Research

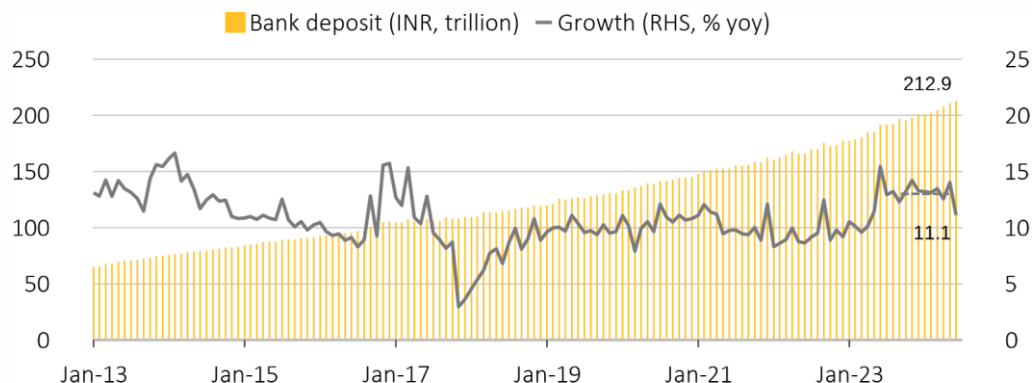
#### Note:

1. Growth in three-wheeler registrations for Apr '21 and May '21, and May '22 not depicted due to low base effect of Apr '20 and May '20, and May '21 respectively
2. Includes low speed electric 3Ws

## Banks: credit and deposits

### Deposit growth moderates to 11% yoy in June from a 13% avg over TTM

Monthly total bank deposits, FY2013-FY2025 (Jun '24)

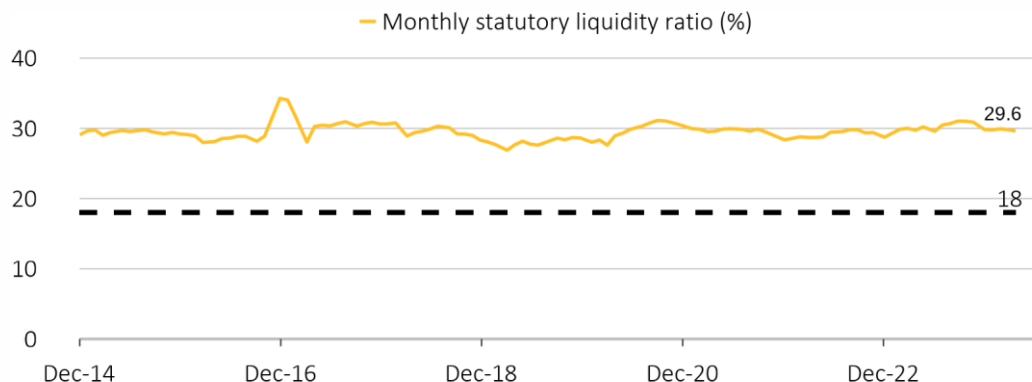


Source: Thurro, RBI, NIIF Research

Note: 1. Total deposits for scheduled commercial bank; TTM: trailing twelve months  
2. Includes the impact of HDFC's merger with HDFC Bank which took effect in July 2023

### SLR held by banks remains well above the minimum requirement

Monthly statutory liquidity ratio (SLR) of banks, FY2015-FY2025 (Apr '24)

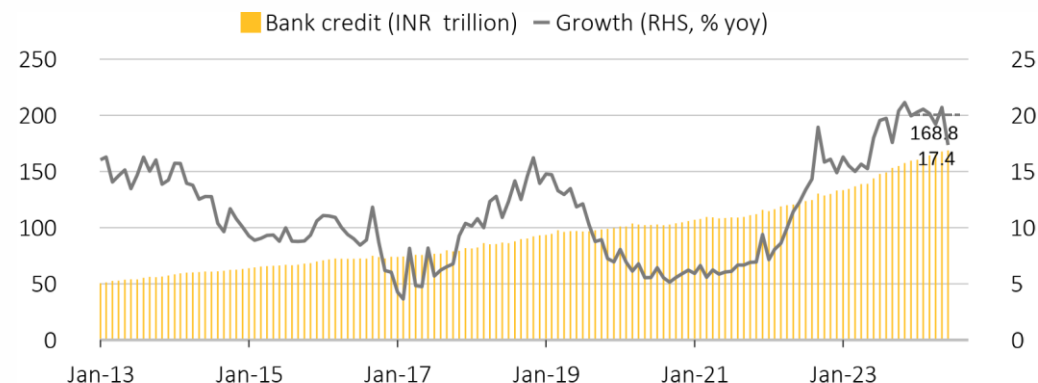


Source: Thurro, RBI, NIIF Research

Note: Banks are required to hold 18% of their net demand and time liabilities as SLR, depicted as the black dotted line above

### Credit growth moderates to ~17% yoy from 20% average over TTM

Monthly total credit outstanding, FY2013-FY2025 (Jun '24)

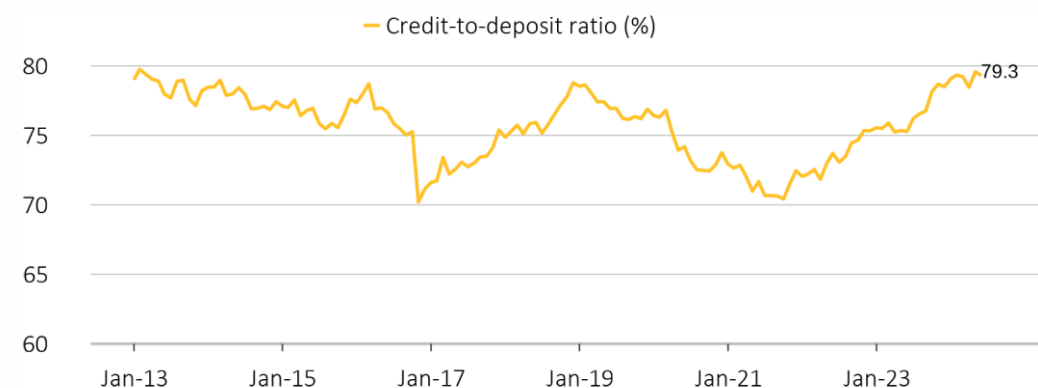


Source: Thurro, RBI, NIIF Research

Note: 1. Outstanding credit for scheduled commercial banks (SCBs); TTM: trailing twelve months  
2. Includes the impact of HDFC's merger with HDFC Bank which took effect in July 2023

### Bank credit to deposit ratio remains high at ~79% in June

Monthly outstanding credit-deposit ratio with SCBs, FY2013-FY2025 (Jun '24)



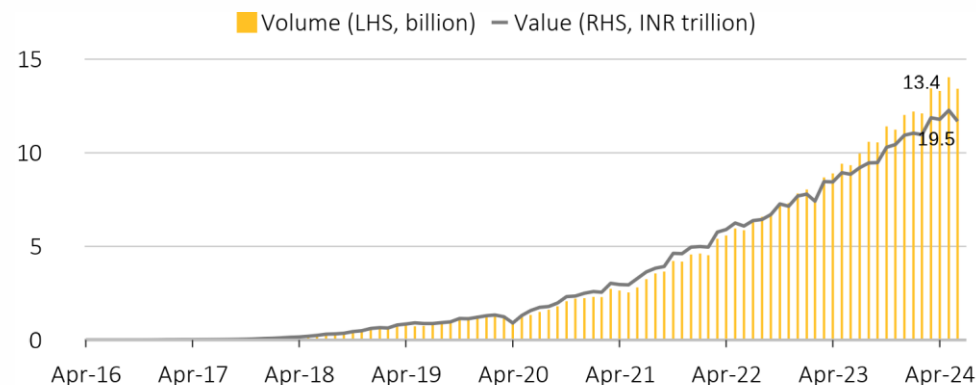
Source: Thurro, RBI, NIIF Research

Note: Includes the impact of HDFC's merger with HDFC Bank which took effect in July 2023

## Currency and transactions

### Monthly ~INR 20 trillion UPI payments in June

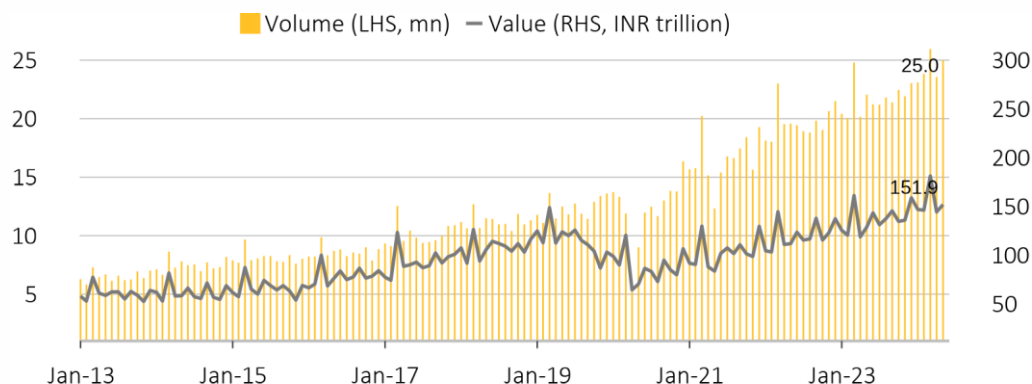
Monthly Unified Payment Interface (UPI), FY2017-FY2025 (Jun '24)



Source: Thurro, NPCI, NIIF Research

### RTGS transactions stable in May

Monthly RTGS transactions, FY2013-FY2025 (May '24)

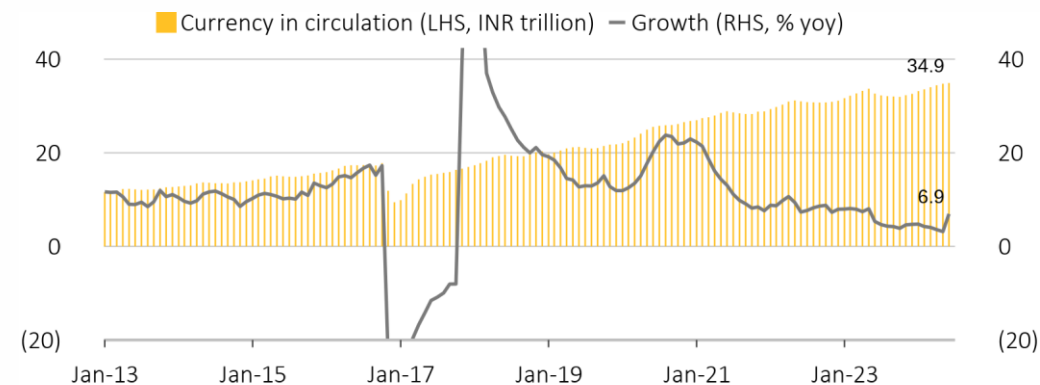


Source: Thurro, RBI, NIIF Research

Note: RTGS stands for Real Time Gross Settlements, that enables payments from one bank to another for a minimum amount of INR 200,000

### Currency in circulation surges by ~7% yoy in June

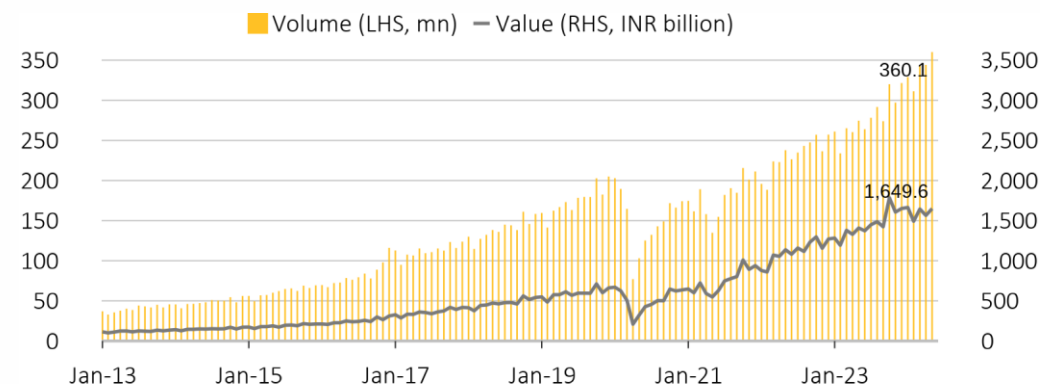
Monthly currency in circulation, FY2013-FY2025 (Jun '24)



Source: Thurro, RBI, NIIF Research

### Credit card spends up, record INR 1.6 trillion in May

Monthly credit card transactions, FY2013-FY2025 (May '24)

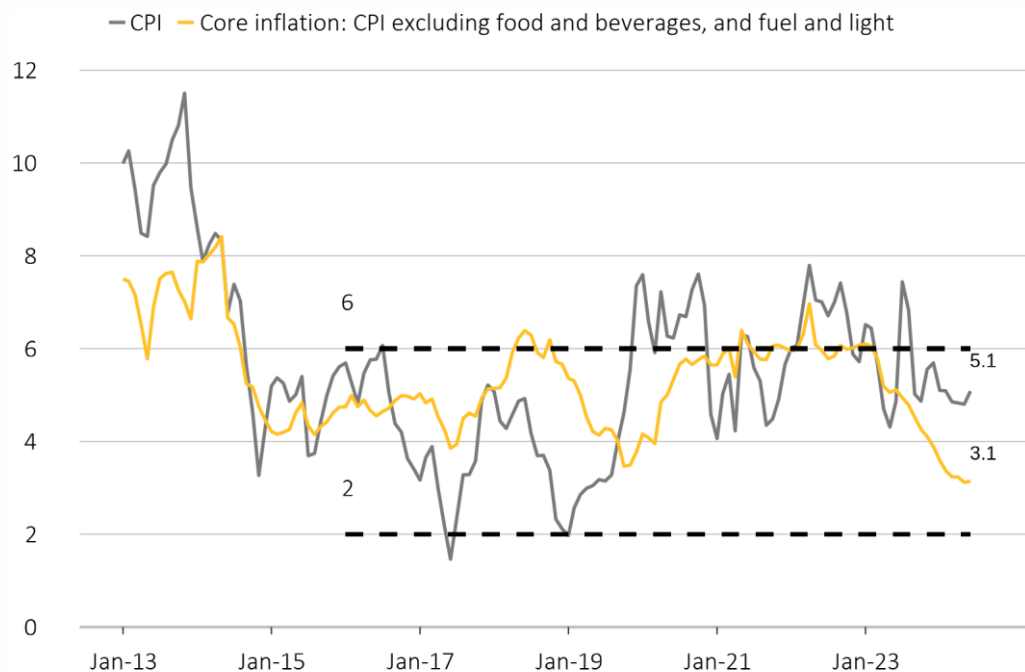


Source: Thurro, RBI, NIIF Research

## Inflation: India

### CPI inflation pick up sequentially in June; core remains soft at 3.1%

Monthly consumer price inflation (% yoy), FY2013-FY2025 (Jun '24)



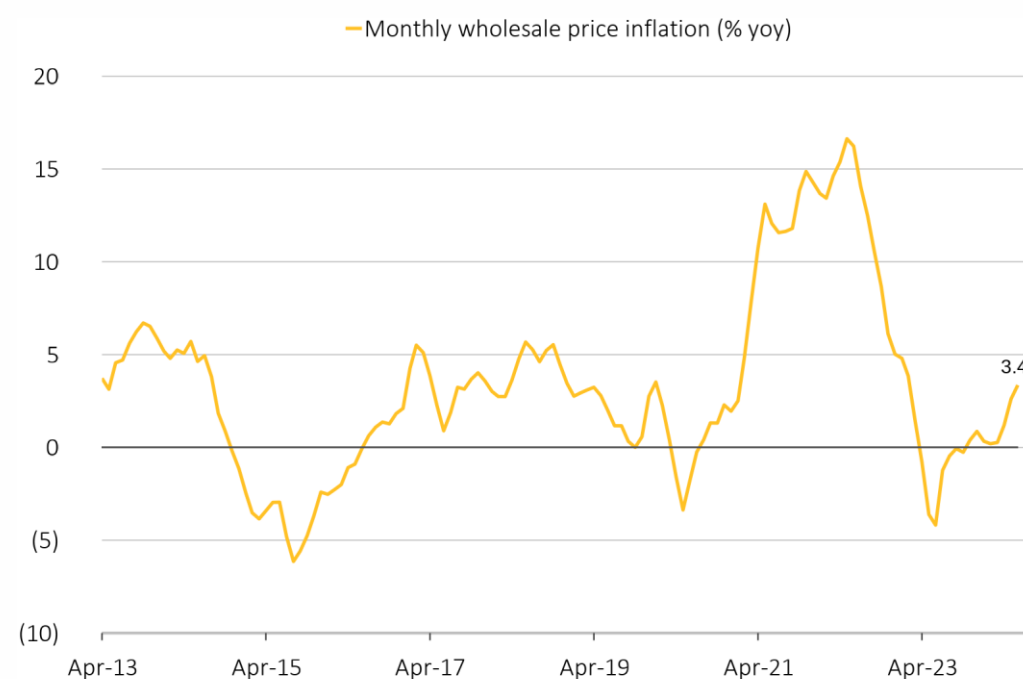
Source: Thurro, MoSPI, NIIF Research

#### Note:

1. RBI in 2016 adopted flexible inflation target set at 4%, with 6% as upper bound and 2% as lower bound

### Wholesale inflation picks up to a 16-month high of 3.4% yoy in June

Monthly wholesale price inflation (% yoy), FY2014-FY2025 (Jun '24)



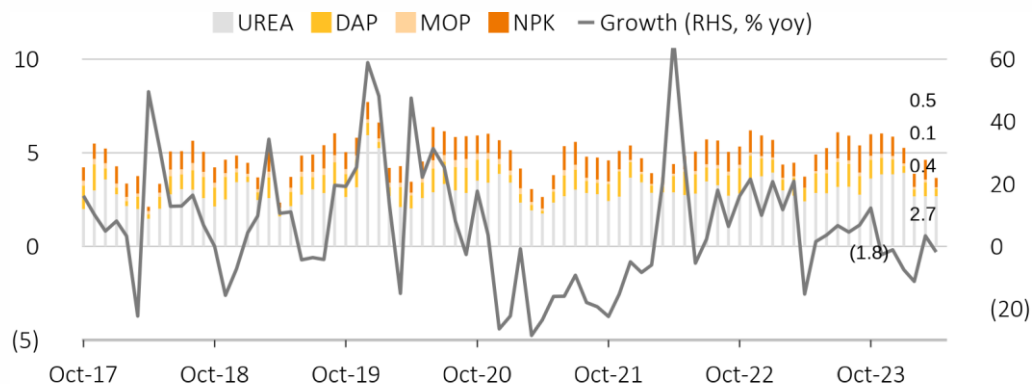
Source: Thurro, Ministry Of Commerce & Industry, NIIF Research



## Rural India

### Fertilizer sales down by 1.8% yoy in April

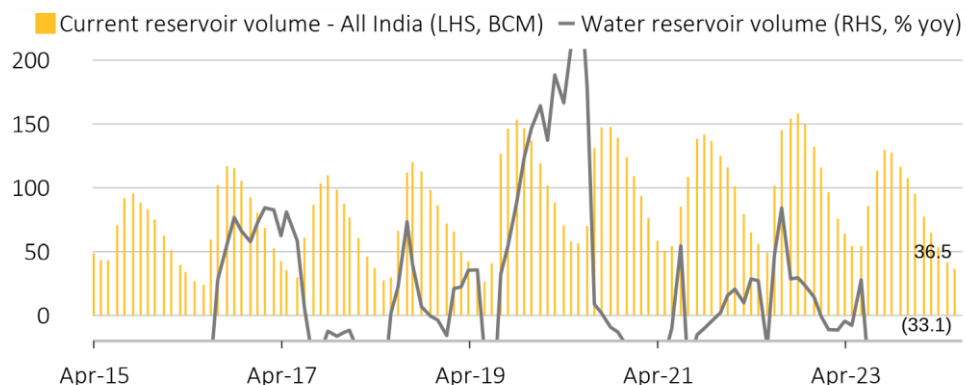
Monthly fertilizer sales, FY2018-FY2025 (Apr '24)



Source: Thurro, Dept of Fertilizer, GoI, NIIF Research

### Reservoir levels at a five-year low in June

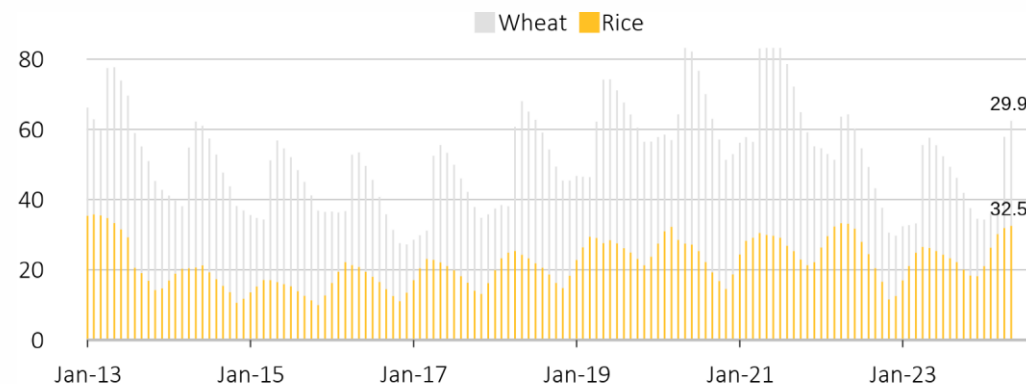
Monthly live water reservoir storage, FY2016-FY2025 (Jun '24)



Source: Thurro, CWC, NIIF Research

### Wheat stock with FCI back up in May after a decadal low in March

Monthly food grain stocks with FCI (million tonnes), FY2013-FY2025 (May '24)

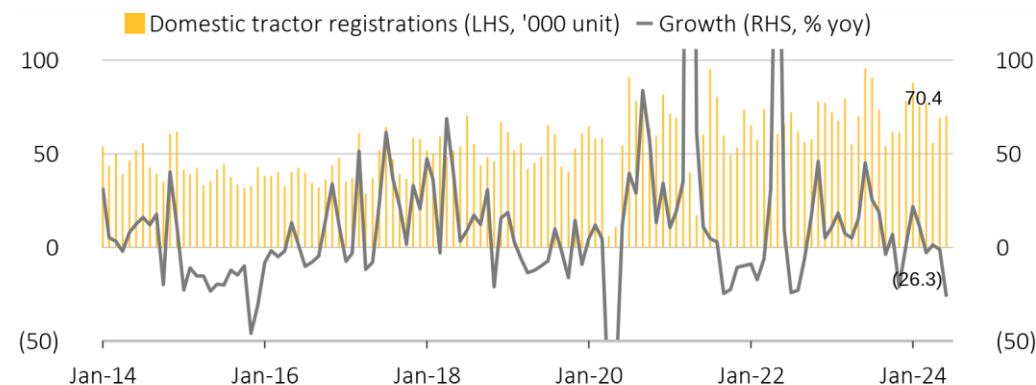


Source: Thurro, FCI, NIIF Research

Note: 1. Rice is excluding paddy  
2. Buffer limit required as of Jun 1 for rice is 13.6 mn tons and for wheat is 20.9 mn tons

### Tractor registrations contracts sharply in June on a high base

Monthly domestic tractor registrations, FY2014-FY2025 (Jun '24)



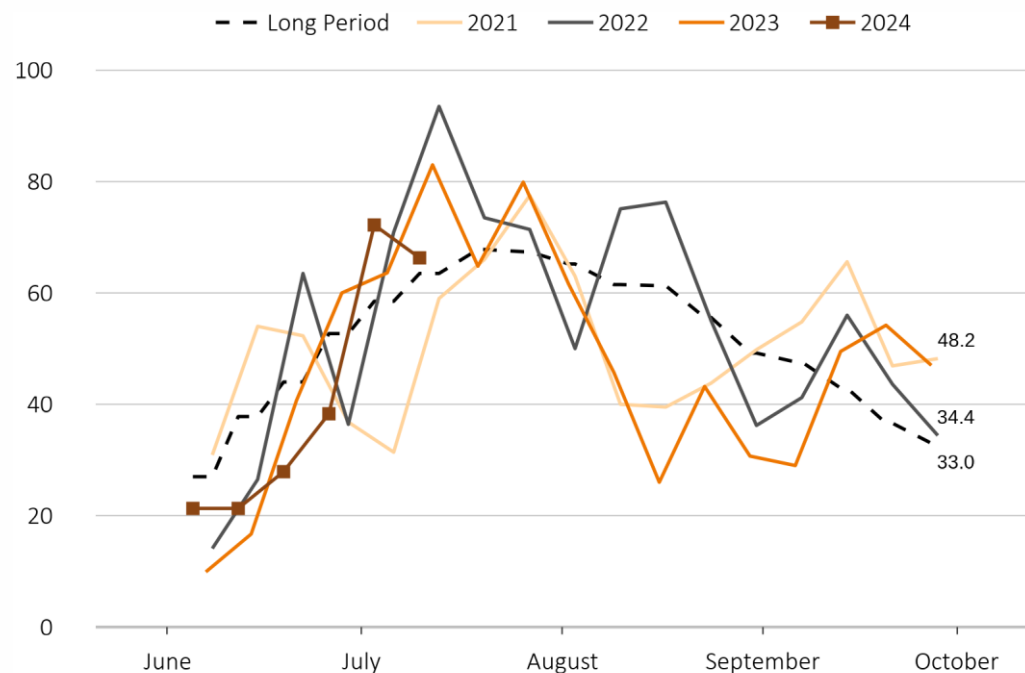
Source: Thurro, VAHAN (Excluding Telangana, Lakshadweep), NIIF Research

Note: Growth in tractor sales in March '20 and April '21 not shown above due to base effects

## Monsoon

### Rainfall picks up in July after remaining below LPA in June

Weekly rainfall (in mm), CY2020-CY2024 (10 Jul '24)



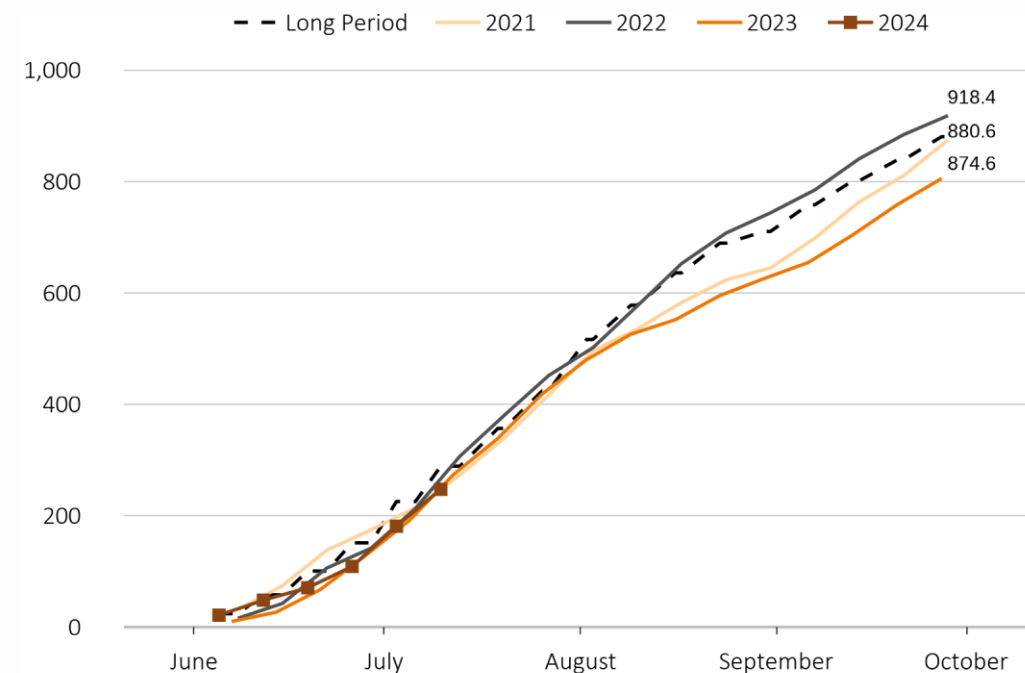
Source: Thurro, India Meteorological Department, CEIC, NIIF Research

#### Note:

1. Long-period average (LPA) is for a period of 50 years between 1971 to 2020.

### Cumulative rainfall tracking slightly below the LPA

Cumulative rainfall at the end of the week (in mm), CY2020-CY2024 (10 Jul '24)

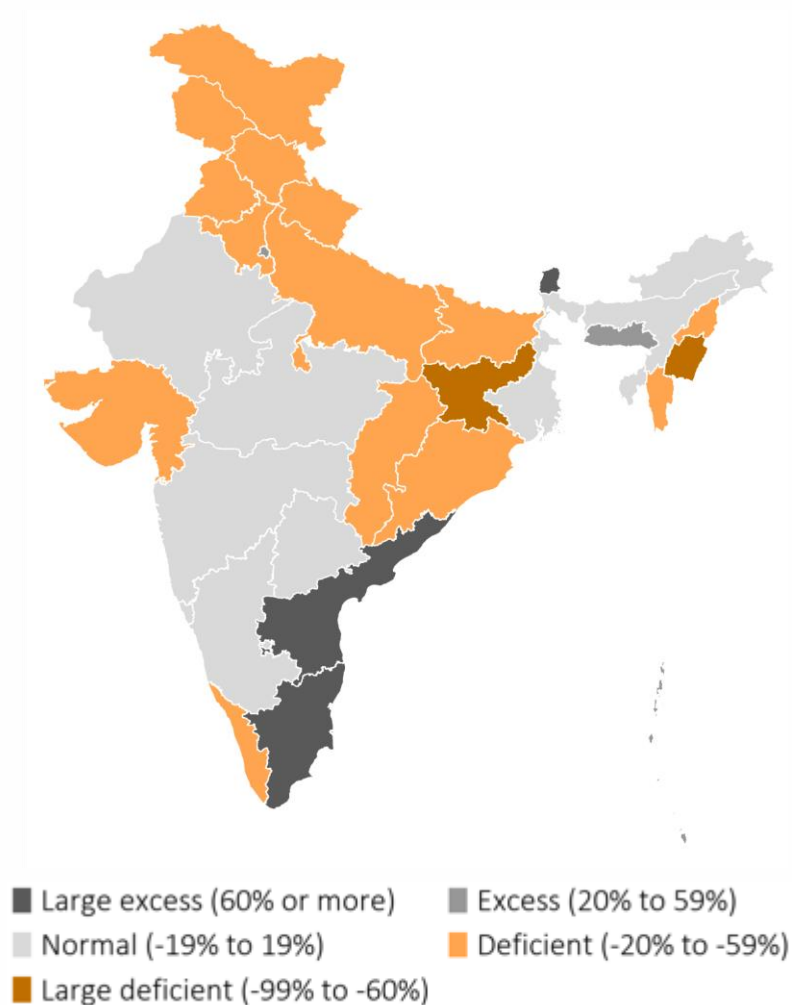


Source: Thurro, India Meteorological Department, CEIC, NIIF Research

## Monsoon

### Deficient rainfall across northern states and the Gangetic plains in June

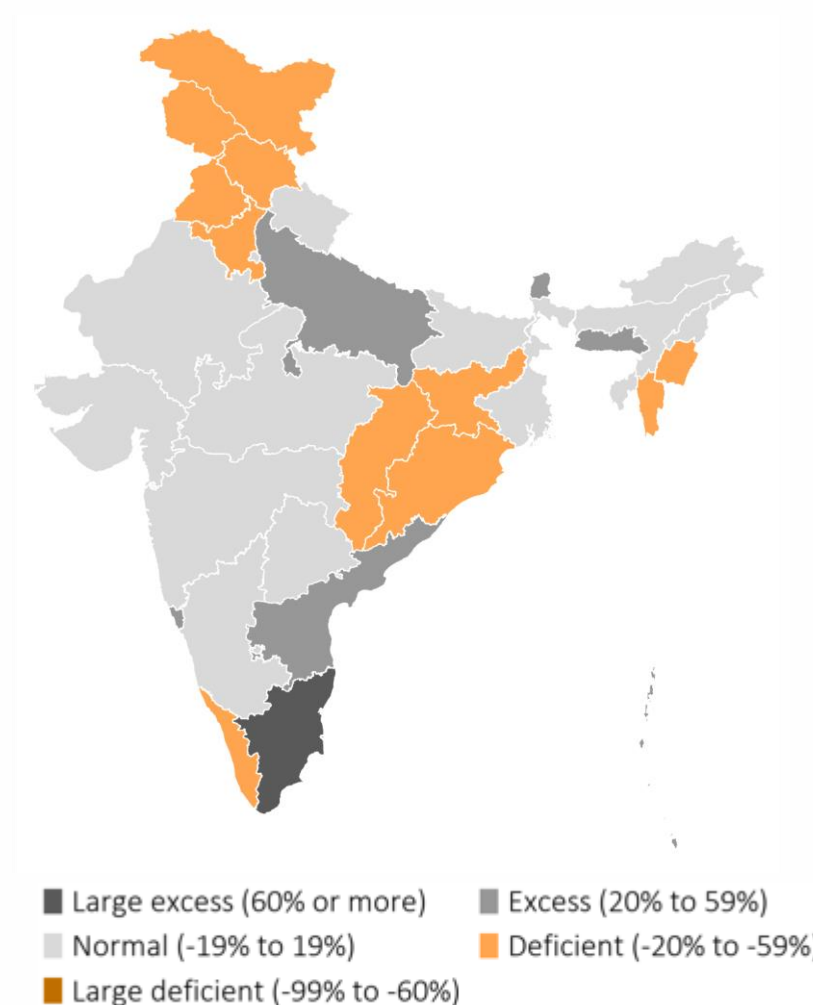
Monthly rainfall across states in mm, Jun 01 to Jun 30, 2024



Source: Thurro, India Meteorological Department, NIIF Research

### Rainfall picks up in coverage in parts of the Gangetic plains in early July

Cumulative rainfall in mm, Jun 01 to Jul 11, 2024

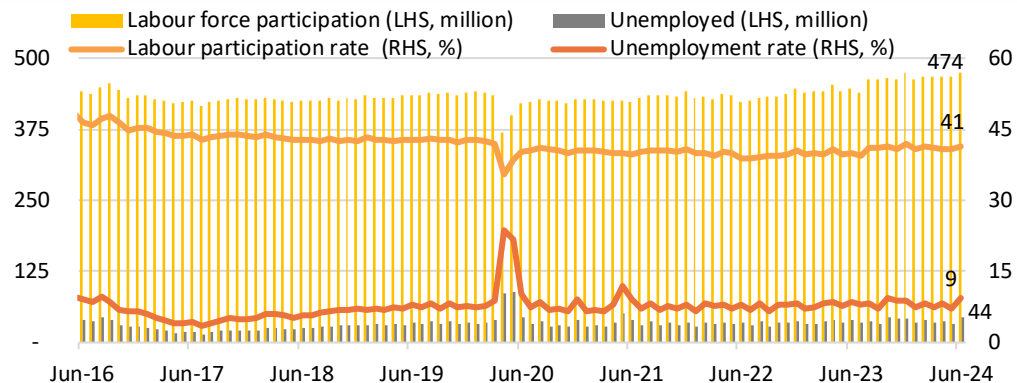


Source: Thurro, India Meteorological Department, NIIF Research

## Employment – all-India and rural

### All-India unemployment estimate picks up to 9%; labor force stable at 41%

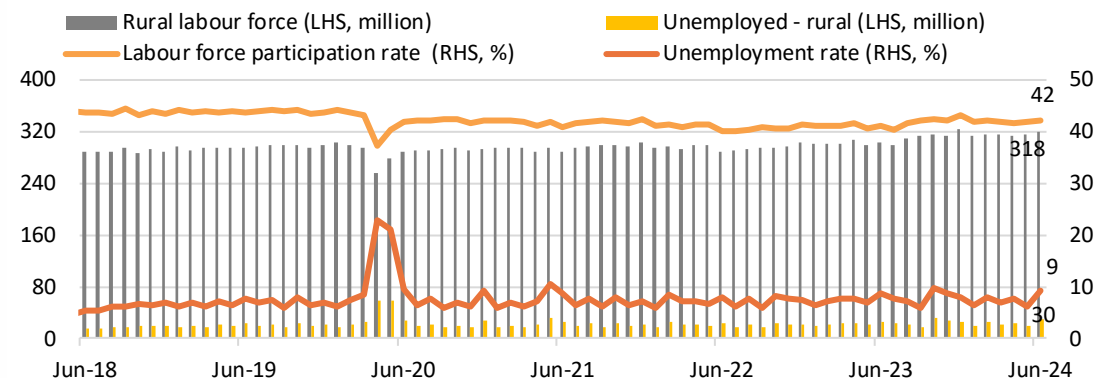
Monthly all-India labour participation and unemployment, FY2018-FY2025 (Jun '24)



Source: CMIE, NIIF Research

### Rural unemployment picks up to 9% in June; 310+ mn rural labour force

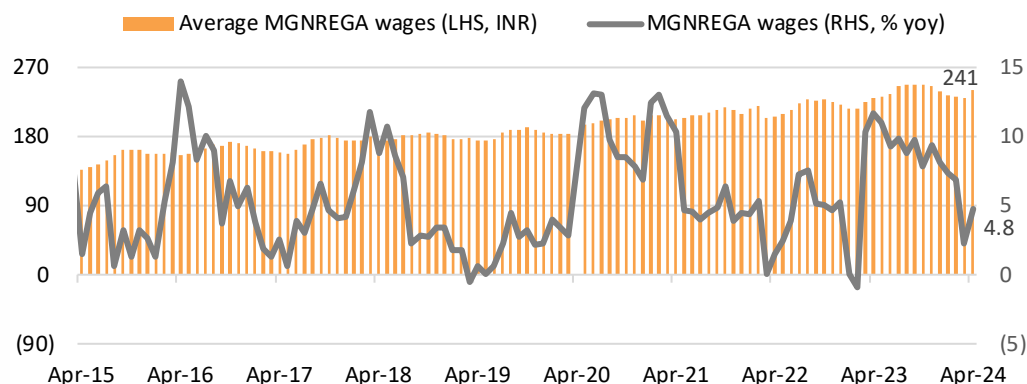
Monthly rural labour participation and unemployment, FY2019-FY2025 (Jun '24)



Source: CMIE, NIIF Research

### Average MGNREGA wages picks up by ~5% yoy in April

Daily average MGNREGA wages (INR), FY2016-FY2025 (Apr '24)

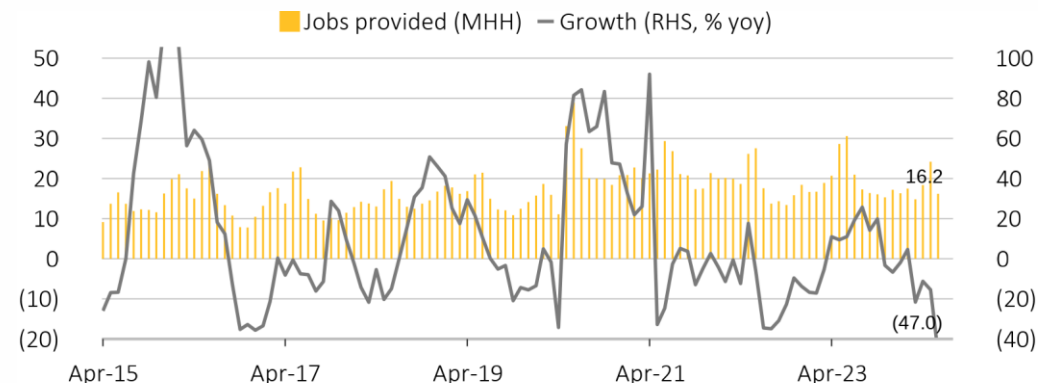


Source: CMIE, NIIF Research

Note: MGNREGA is Mahatma Gandhi National Rural Employment Guarantee Act

### Employment provided under MGNREGA falls in June

Monthly MGNREGA employment data, FY2016-FY2025 (Jun '24)



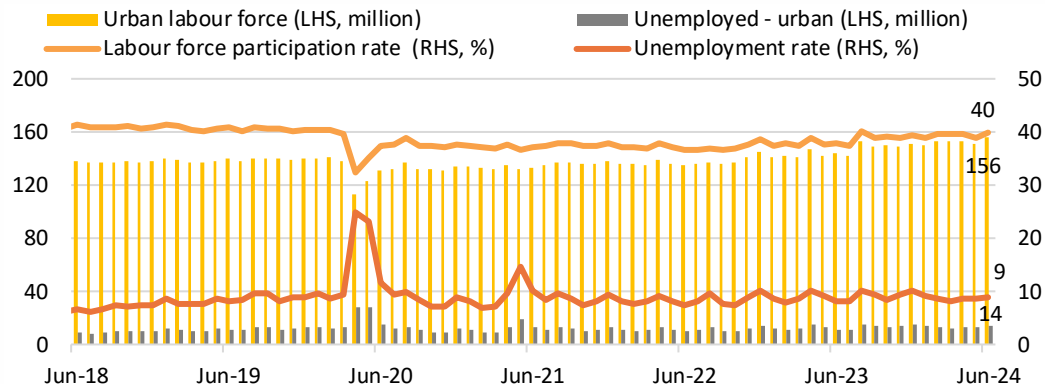
Source: Thurro, MNREGA, NIIF Research

Note: MHH is million households

## Employment - urban

### CMIE's urban labor force estimate stable at ~40% or 150+ million

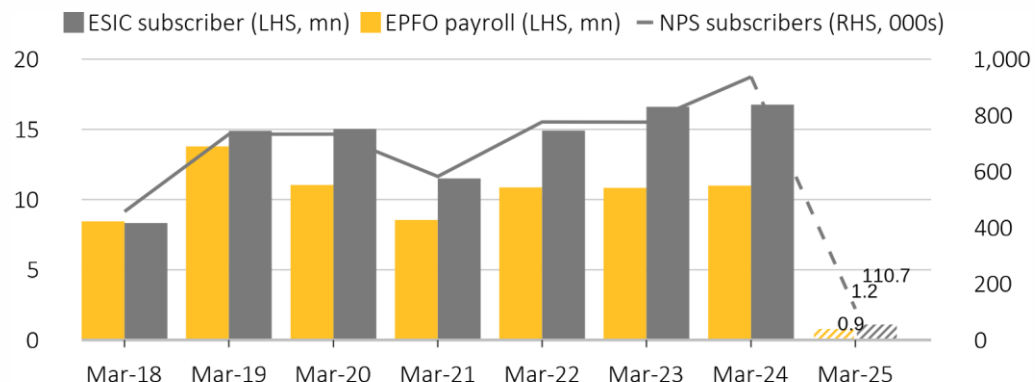
Monthly urban labour participation and unemployment, FY2016-FY2025 (Jun '24)



Source: CMIE, NIIF Research

### Continued momentum in addition to formal workforce

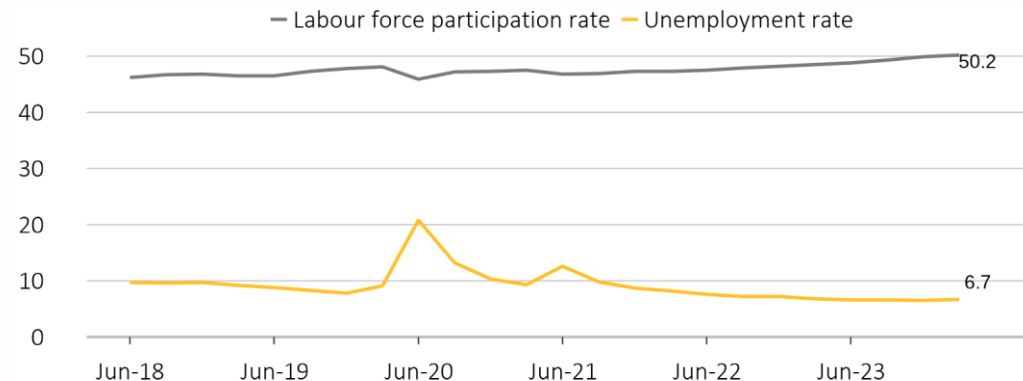
Monthly enrollment numbers, FY2018-FY2025 (Apr '24)



Source: Thurro, EPFO, NIIF Research

### Urban labour force as per MoSPI picks up to 50%, unemployment down

Quarterly Periodic Labor Force Survey (urban), FY2019-FY2024 (Mar '24)

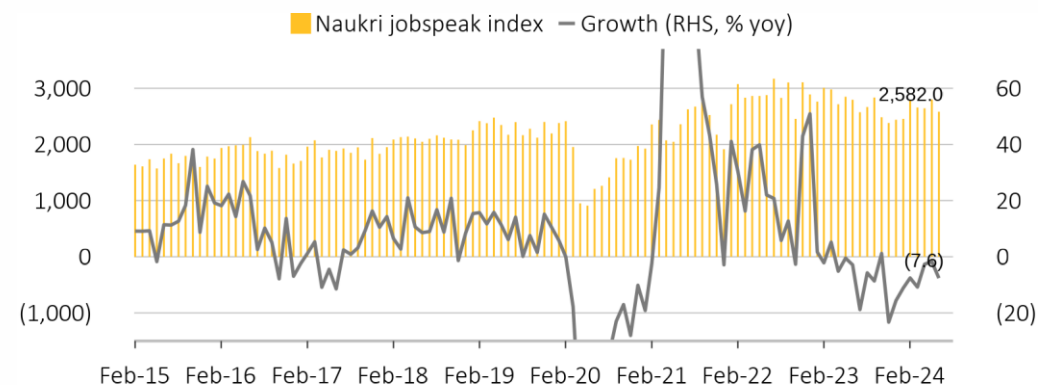


Source: Thurro, MoSPI, NIIF Research

Note: The quarterly PLFS is conducted by NSSO only for the urban areas

### Hiring in corporate India drops by 7.6% yoy in June

Naukri jobspeak index, FY2015-FY2025 (Jun '24)



Source: Thurro, Naukri, NIIF Research

Note: Naukri Jobspeak Index is calculated based on job listings added Naukri.com on monthly basis. (July 2008 = 1000)

## Fiscal Position

### Government's tax revenue growth remains strong over April-May in FY2025; slower pace of capital expenditure likely due to elections

Monthly snapshot of central government fiscal health (INR trillion), FY2024-FY2025 (May '24)

		FY2024		FY2025		% of BE		% yoy
		May	YTD	May	YTD	YTD FY2024	YTD FY2025	Δ YTD
1	Revenue receipts	2.4	4.1	3.6	5.7	15.7	19.0	38.3
1.1	Gross tax revenue	1.8	4.0	2.0	4.6	11.8	12.0	15.8
1.1.1	Direct tax	0.6	1.8	0.9	2.3	10.1	10.3	22.7
1.1.2	Indirect tax	1.2	2.1	1.1	2.3	13.9	14.4	9.8
2	Capital receipts (non-debt)	0.0	0.0	0.0	0.0	3.6	2.6	(30.2)
2.1	Net recovery of loans and advances	0.0	0.0	0.0	0.0	12.8	7.2	(29.2)
2.2	Miscellaneous receipts	0.0	0.0	0.0	0.0	0.1	0.0	(92.5)
3	<b>Total (non-debt) receipts (1 + 2)</b>	<b>2.5</b>	<b>4.2</b>	<b>3.6</b>	<b>5.7</b>	<b>15.3</b>	<b>18.6</b>	<b>37.8</b>
4	Revenue expenditure	2.3	4.6	1.6	4.8	13.1	13.1	4.7
4.1	Interest payment	0.6	1.1	(0.0)	1.2	10.2	10.4	11.9
5	Capital expenditure	0.9	1.7	0.4	1.4	16.8	12.9	(14.4)
6	<b>Total expenditure (4 + 5)</b>	<b>3.2</b>	<b>6.3</b>	<b>2.0</b>	<b>6.2</b>	<b>13.9</b>	<b>13.1</b>	<b>(0.4)</b>
7	Revenue deficit (4 - 1)	(0.1)	0.5	(2.0)	(0.9)	5.2	(13.9)	(299.9)
8	<b>Fiscal deficit (6 - 3)</b>	<b>0.8</b>	<b>2.1</b>	<b>(1.6)</b>	<b>0.5</b>	<b>11.8</b>	<b>3.0</b>	<b>(75.9)</b>
9	<b>Annual Nominal Gross Domestic Product (GDP)</b>	295.4		327.7				

Driven by non-tax receipts, mainly dividends or RBI's surplus transfer of INR 2.1 trillion in May

Source: CEIC, NIIF Research

#### Note:

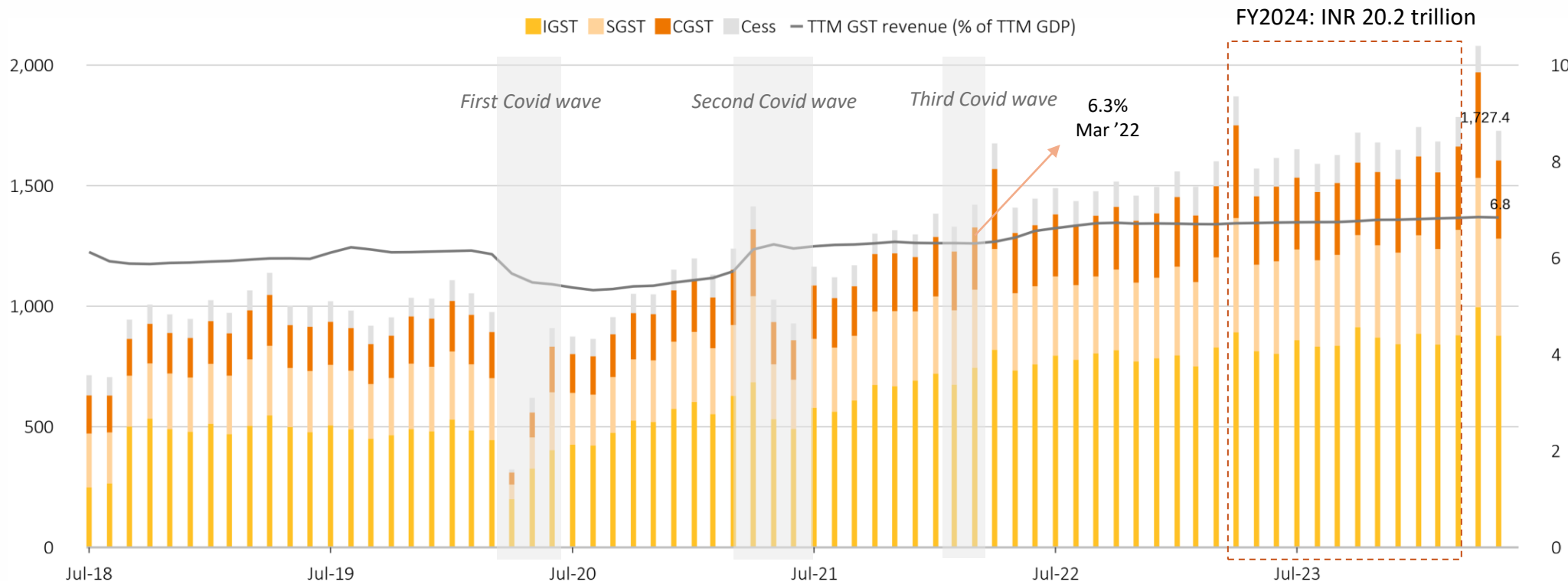
1. FY2024 is the period between April 2023 and March 2024, similarly for other years
2. YTD refers to financial year to date, i.e., from April onwards
3. BE is the budget estimate for the stated financial year



## Fiscal Position

### GST collections to GDP over trailing twelve months stable at 6.8%

Monthly composition of GST Revenue (INR billion), FY2019-FY2025 (May '24)



Source: Thurro, Ministry of Finance, NIIF Research

#### Note:

1. TTM is trailing twelve months
2. GST collected for April '20 and May '20 assumed to be entirely CGST
3. Nominal GDP for FY2024 is the provisional estimate by Ministry of Statistics and Programme Implementation of INR 295.4 trillion, and for FY2025 is the budget estimate of INR 327.7 trillion



# MONTHLY ECONOMIC REPORT ON INDIA JUL 2024

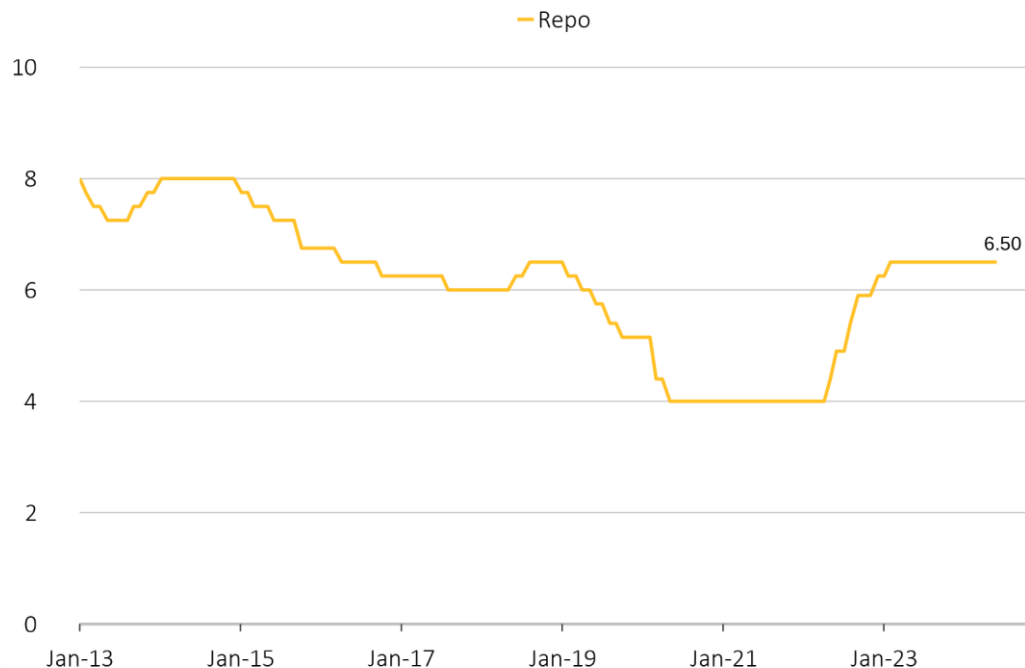
## Markets

- Repo rate unchanged at 6.50%. June-end consensus projects a 25-bps rate cut each in Q3 and Q4FY25. Transmission of policy rate on outstanding loans slower than deposits. Gross NPAs of banks at a decadal low of 2.8% in FY2024. Moderation in yields - 10-year G-sec yields remain below 7%, and 3-month T-bill yield at 6.78% as on 08 July
- Current account in surplus after three years as goods trade deficit narrows in Q4FY24. Domestic consumption strong as volume growth of imports higher than value growth in Q4. Steady services trade surplus of USD 13 bn partially offsetting the USD 24 bn merchandise trade deficit in June. RBI's large forex reserves of USD 652 billion (as of 28 June) provide sufficient 9 months import cover. Limited (~1%) depreciation of INR against USD over the last year
- Indian equity markets generated an average 24% yoy return in June. Stable market conditions - fair valuations and low volatility in June. Surge in cocoa prices keep global beverages elevated in June. Commodity price surge led by gold (~USD 2,400+ per troy oz), crude oil (USD 89 per bbl), copper (~USD 9,700 per tonne), and iron ore (USD 101 per dry metric tonne) as of 08 July

## Policy rate and liquidity

### RBI keeps repo rate unchanged at 6.5%

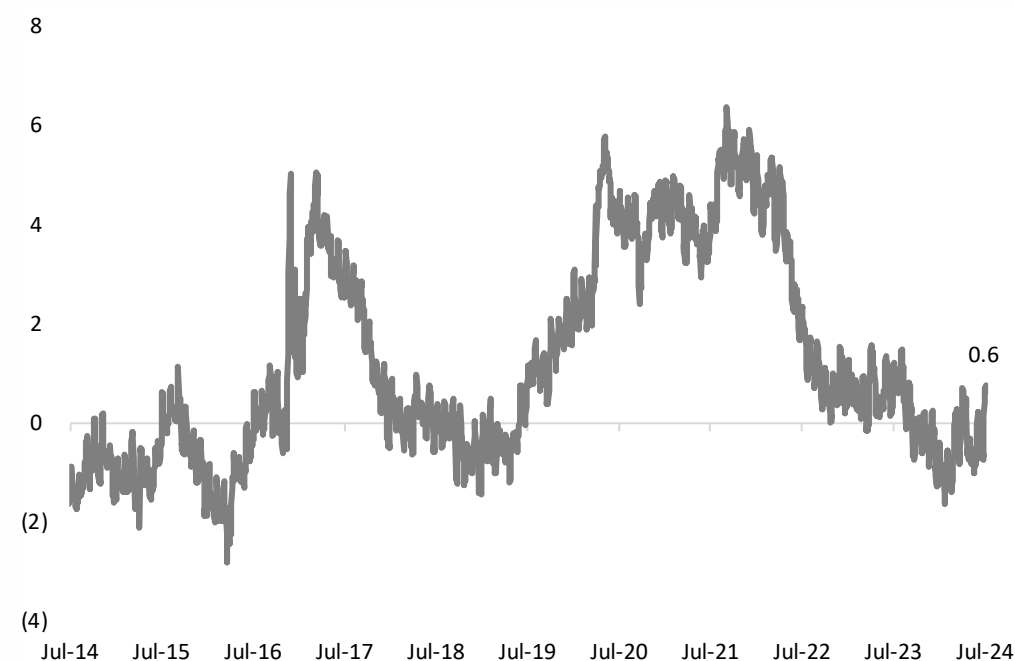
Repo rates (%), FY2013-FY2025 (12 Jul '24)



Source: Thurro, RBI, NIIF Research

### Banking system liquidity moves to surplus in early July

Surplus liquidity (% of net demand and time liabilities), FY2013-FY2025 (08 Jul '24)



Source: Thurro, RBI, NIIF Research

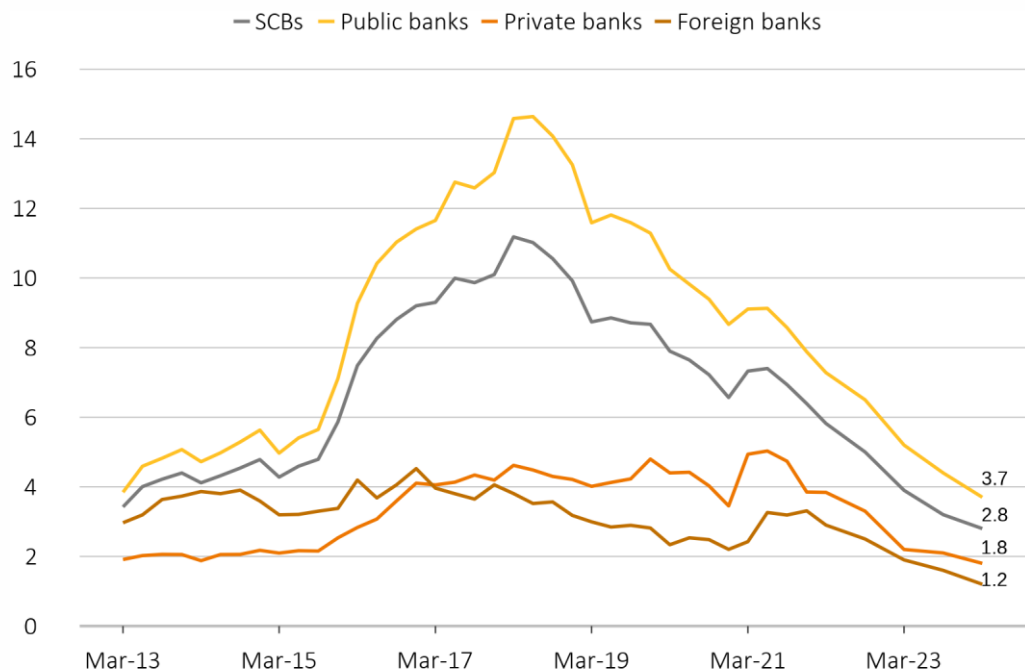
#### Note:

- Liquidity operations by RBI include repo, term-repo, long-term repo operations, open market operations, marginal standing facility, and standing liquidity facilities
- A positive number indicates liquidity surplus, and a negative number indicates a liquidity deficit

## Banking and financial institutions

### Gross NPAs of banks at a decadal low of 2.8% in FY2024

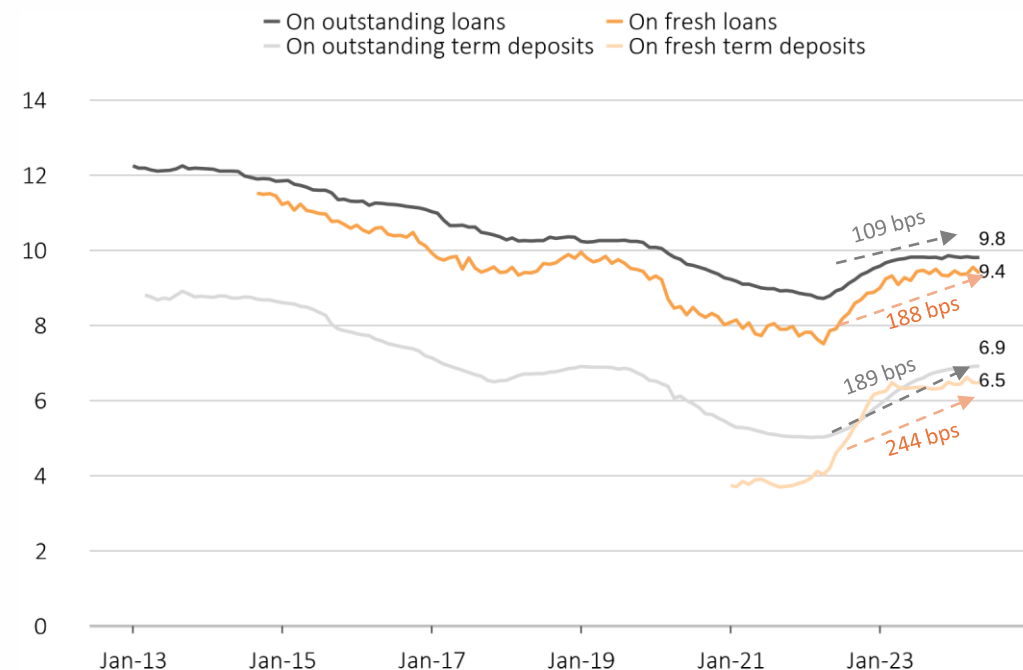
Quarterly gross non-performing assets (% of gross advances), FY2013-FY2024 (Mar '24)



Source: Thurro, RBI, NIIF Research

### Banks pass on less than half of the rate hikes on outstanding loans

Monthly weighted average lending and deposit rates (%), FY2014-FY2025 (May '24)



Source: Thurro, RBI, NIIF Research

## Forecast of policy rates

### Consensus median forecasts as of June-end estimate a cumulative repo rate cut of 50bps in H2FY25

Projections for RBI's benchmark repo rate (%), Q2FY25 to Q2FY26 (Jun '24)

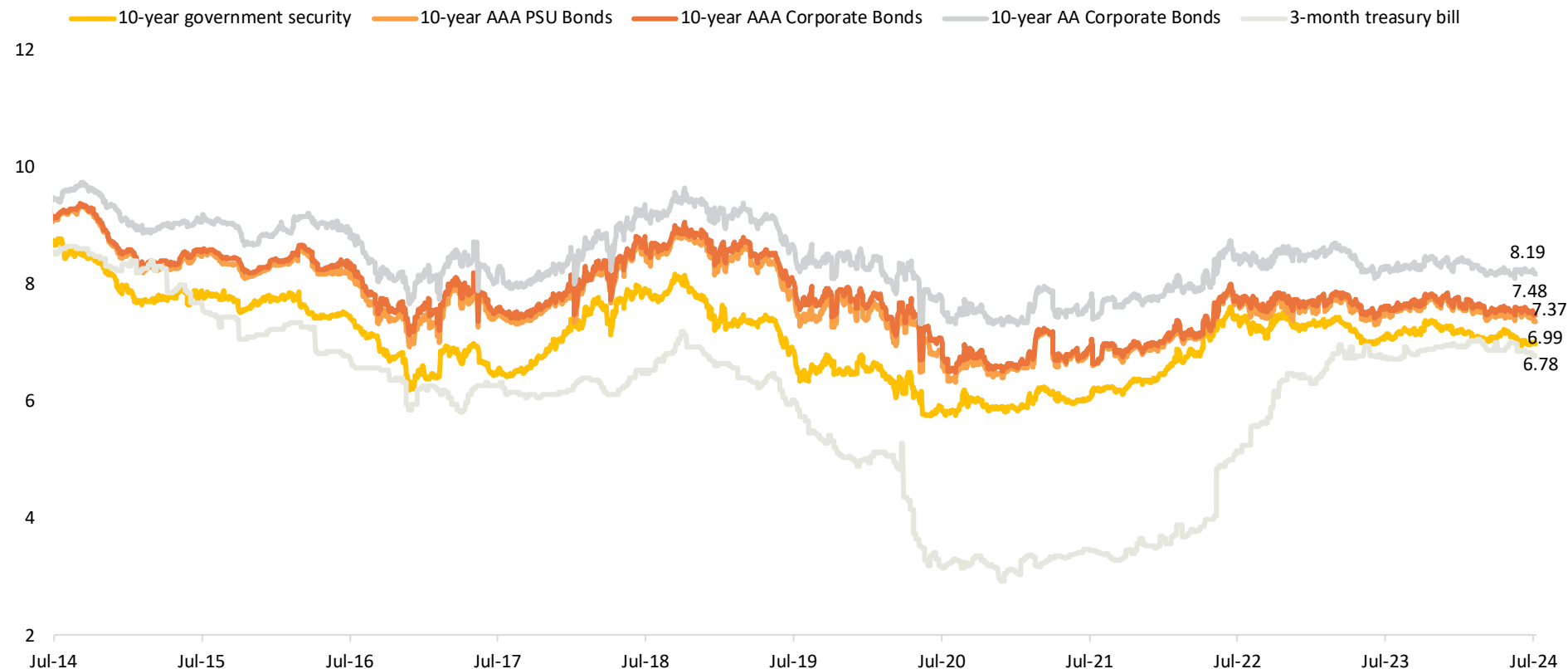
	Q2FY25	Q3FY25	Q4FY25	Q1FY26	Q2FY26
<i>Number of analysts</i>	32	33	30	24	21
High forecast	6.50	6.50	6.50	6.50	6.50
Low forecast	6.25	6.00	5.75	5.50	5.25
Bloomberg average	6.45	6.20	6.05	5.95	5.85
<b>Median forecast</b>	<b>6.50</b>	<b>6.25</b>	<b>6.00</b>	<b>6.00</b>	<b>6.00</b>
<b>Comparing previous survey median forecasts</b>					
Bloomberg Mar '24 survey	6.25	6.00	6.00	5.75	5.75
Bloomberg Jun '23 survey	6.00	5.75	6.00	6.00	6.00

Source: Bloomberg, NIIF Research

## Debt Markets

### 10-year G-Sec yields remains below 7%; 3-month treasury yield moderates to 6.78% in early July

Daily India G-sec and corporate bond yields (%), FY2014-FY2025 (08 Jul 2024)



Source: Bloomberg, NIIF Research



## Balance of payments

### Current account balance records a surplus after three years, at 0.6% of GDP in Q4FY24

Quarterly current account balance (% of GDP), FY2013-FY2024 (Mar '24)



Source: Thurro, RBI, NIIF Research

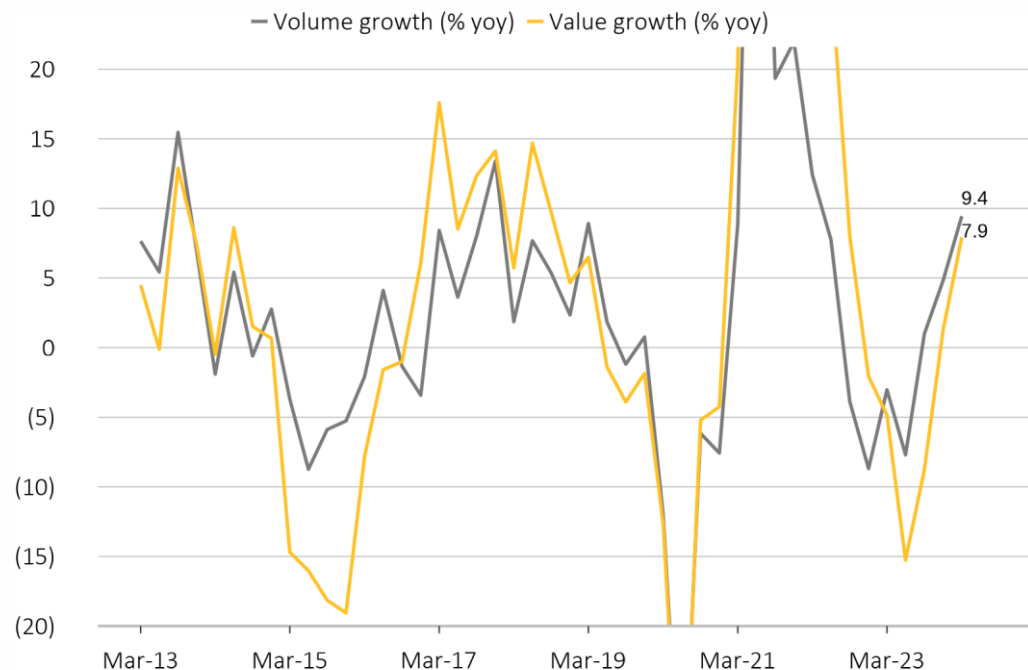
#### Note:

1. Current account comprises (1) goods trade, (2) services trade, (3) transfers (grants, gifts, remittances, etc.), and (4) income (investment income and compensation of employees)
2. Hence, current account balance as % of GDP would not add up to the balance of goods and services trade that are shown above

## Balance of payments

### Strong growth in exports volume and value in Q4FY24

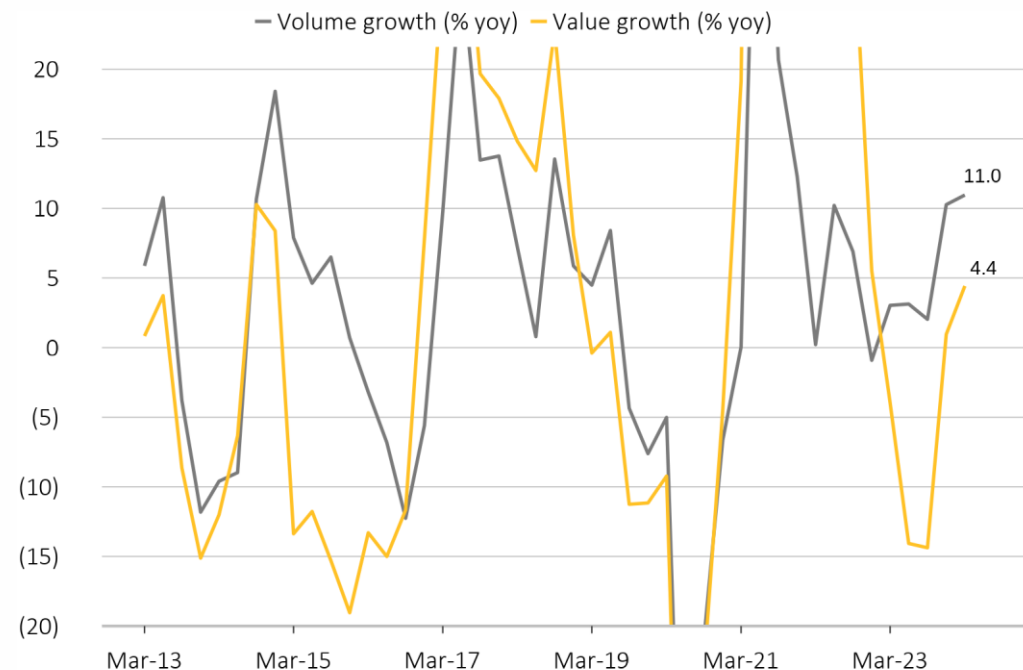
Quarterly growth in merchandize exports (% yoy), FY2013-FY2024 (Mar '24)



Source: Thurro, MOCI, UNCTAD, NIIF Research

### Imports by volume grows faster than value in Q4FY24

Quarterly growth in merchandize imports (% yoy), FY2013-FY2024 (Mar '24)



Source: Thurro, MOCI, UNCTAD, NIIF Research

## Balance of payments

**Current account surplus in Q4 due to lower goods trade deficit and resilient remittances; capital account surplus supported by loans and FPI flows**

Quarterly balance of payments (USD billion), FY2021-FY2024 (Mar '24)

	Q4FY23	Q1FY24	Q2FY24	Q3FY24	Q4FY24
a. Merchandise trade	(52.6)	(56.7)	(64.5)	(69.9)	(50.9)
<i>(as % of GDP)</i>	<i>(6.1)</i>	<i>(6.6)</i>	<i>(7.5)</i>	<i>(7.7)</i>	<i>(5.4)</i>
b. Exports	115.8	104.9	108.3	106.6	121.7
c. Imports	168.4	161.6	172.8	176.6	172.5
d. Services trade	39.1	35.1	39.9	45.0	42.7
e. Income	(12.6)	(10.2)	(11.6)	(13.1)	(14.8)
f. Transfers	24.8	22.9	24.9	29.3	28.7
<b>g. Current account (a + d + e + f)</b>	<b>(1.3)</b>	<b>(8.9)</b>	<b>(11.3)</b>	<b>(8.7)</b>	<b>5.7</b>
<i>(as % of GDP)</i>	<i>(0.2)</i>	<i>(1.0)</i>	<i>(1.3)</i>	<i>(1.0)</i>	<i>0.6</i>
h. Foreign direct investment	6.4	4.7	(0.8)	3.9	2.0
i. Portfolio	(1.7)	15.7	4.9	12.0	11.4
j. Loans (external assistance, commercial borrowings, short term credit to India)	3.1	2.3	3.3	(5.6)	1.8
k. Banking capital	(4.0)	12.9	4.3	16.4	6.9
l. Others	2.9	(1.7)	1.1	(11.7)	2.5
<b>m. Capital account (h+ i + j + k + l)</b>	<b>6.5</b>	<b>33.9</b>	<b>12.8</b>	<b>15.0</b>	<b>24.5</b>
<i>(as % of GDP)</i>	<i>0.8</i>	<i>4.0</i>	<i>1.5</i>	<i>1.6</i>	<i>2.6</i>
n. Net errors and omissions	0.4	(0.5)	1.0	(0.3)	0.5
<b>o. Balance of payment (g + m + n)</b>	<b>5.6</b>	<b>24.4</b>	<b>2.5</b>	<b>6.0</b>	<b>30.8</b>
<i>(as % of GDP)</i>	<i>0.6</i>	<i>2.8</i>	<i>0.3</i>	<i>0.7</i>	<i>3.3</i>

Source: Thurro, RBI, NIIF Research

## Balance of payments

**India's current account deficit narrows to 0.6% of GDP in FY2024 from 2.0% last year; BOP rises to 1.8% in FY2024 from a deficit of 0.3% in FY2023**

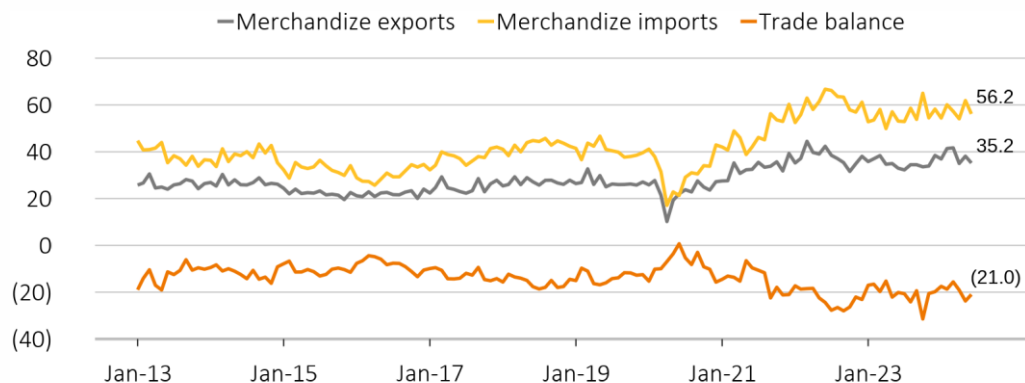
Annual balance of payments (USD billion), FY2015-FY2024 (Mar '24)

	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24
a. Merchandise trade	(130.1)	(112.4)	(160.0)	(180.3)	(157.5)	(102.2)	(189.5)	(265.3)	(242.1)
<i>(as % of GDP)</i>	<i>(6.2)</i>	<i>(4.9)</i>	<i>(6.0)</i>	<i>(6.7)</i>	<i>(5.5)</i>	<i>(3.8)</i>	<i>(6.0)</i>	<i>(7.9)</i>	<i>(6.8)</i>
b. Exports	266.4	280.1	309.0	337.2	320.4	296.3	429.2	456.1	441.5
c. Imports	396.4	392.6	469.0	517.5	477.9	398.5	618.6	721.4	683.5
d. Services trade	69.7	67.5	77.6	81.9	84.9	88.6	107.5	143.3	162.8
e. Income	(24.4)	(26.3)	(28.7)	(28.9)	(27.3)	(36.0)	(37.3)	(45.9)	(49.8)
f. Transfers	62.7	56.0	62.5	70.0	75.3	73.6	80.5	100.9	105.9
<b>g. Current account (a + d + e + f)</b>	<b>(22.1)</b>	<b>(15.2)</b>	<b>(48.7)</b>	<b>(57.2)</b>	<b>(24.6)</b>	<b>24.0</b>	<b>(38.7)</b>	<b>(67.0)</b>	<b>(23.2)</b>
<i>(as % of GDP)</i>	<i>(1.0)</i>	<i>(0.7)</i>	<i>(1.8)</i>	<i>(2.1)</i>	<i>(0.9)</i>	<i>0.9</i>	<i>(1.2)</i>	<i>(2.0)</i>	<i>(0.6)</i>
h. Foreign direct investment	36.0	35.6	30.3	30.7	43.0	44.0	38.6	28.0	9.8
i. Portfolio	(4.5)	7.6	22.1	(2.4)	1.4	36.1	(16.8)	(5.2)	44.1
j. Loans (external assistance, commercial borrowings, short term credit to India)	(4.6)	2.4	16.7	15.9	25.7	6.9	33.6	8.3	1.7
k. Banking capital	10.6	(16.6)	16.2	7.4	(5.3)	(21.1)	6.7	21.0	40.5
l. Others	3.3	7.6	6.2	1.1	18.5	(2.1)	23.8	6.9	(9.8)
<b>m. Capital account (h+ i + j + k + l)</b>	<b>41.1</b>	<b>36.5</b>	<b>91.4</b>	<b>54.4</b>	<b>83.2</b>	<b>63.7</b>	<b>85.8</b>	<b>58.9</b>	<b>86.3</b>
<i>(as % of GDP)</i>	<i>1.9</i>	<i>1.6</i>	<i>3.4</i>	<i>2.0</i>	<i>2.9</i>	<i>2.4</i>	<i>2.7</i>	<i>1.8</i>	<i>2.4</i>
n. Net errors and omissions	(1.1)	0.4	0.9	(0.5)	1.0	(0.3)	0.5	(1.0)	0.7
<b>o. Balance of payment (g + m + n)</b>	<b>17.9</b>	<b>21.6</b>	<b>43.6</b>	<b>(3.3)</b>	<b>59.5</b>	<b>87.3</b>	<b>47.5</b>	<b>(9.1)</b>	<b>63.7</b>
<i>(as % of GDP)</i>	<i>0.8</i>	<i>0.9</i>	<i>1.6</i>	<i>(0.1)</i>	<i>2.1</i>	<i>3.3</i>	<i>1.5</i>	<i>(0.3)</i>	<i>1.8</i>

## Balance of Payments

### Goods trade deficit narrows in June from USD 23.8 bn in May

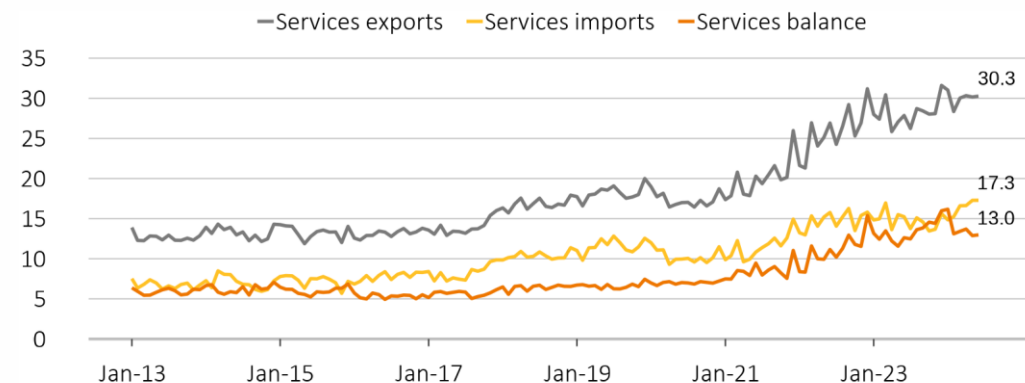
Monthly merchandize trade composition (USD billion), FY2013-FY2025 (Jun '24)



Source: Thurro, RBI, NIIF Research

### Services trade surplus stable at USD 13.0 bn in June

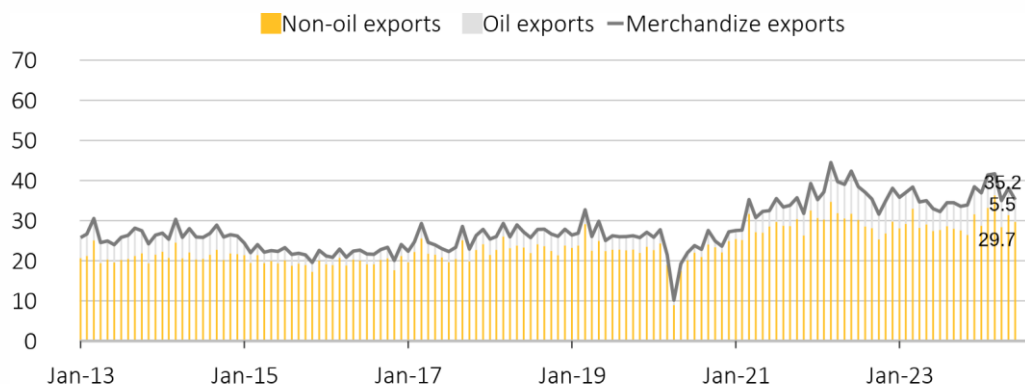
Monthly services trade (USD billion), FY2013-FY2025 (Jun '24)



Source: Thurro, RBI, NIIF Research

### Rise in merchandise exports driven by non-oil exports

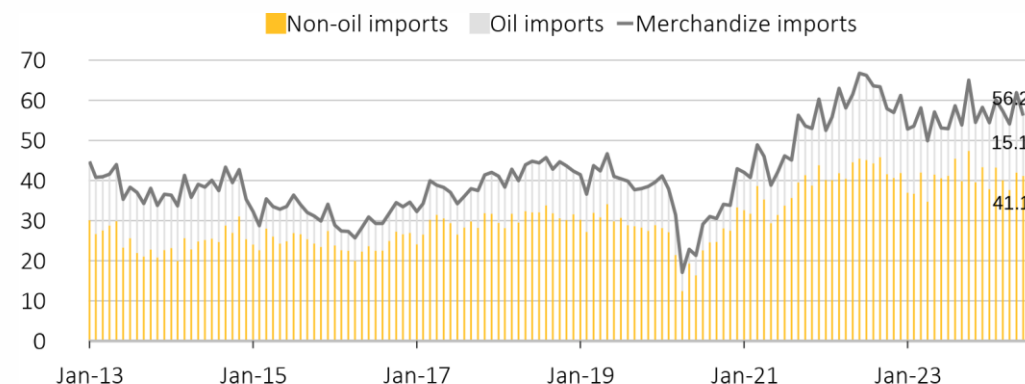
Monthly merchandize exports (USD billion), FY2013-FY2025 (Jun '24)



Source: Thurro, RBI, NIIF Research

### Oil imports drive overall imports in June

Monthly merchandize imports (USD billion), FY2013-FY2025 (Jun '24)

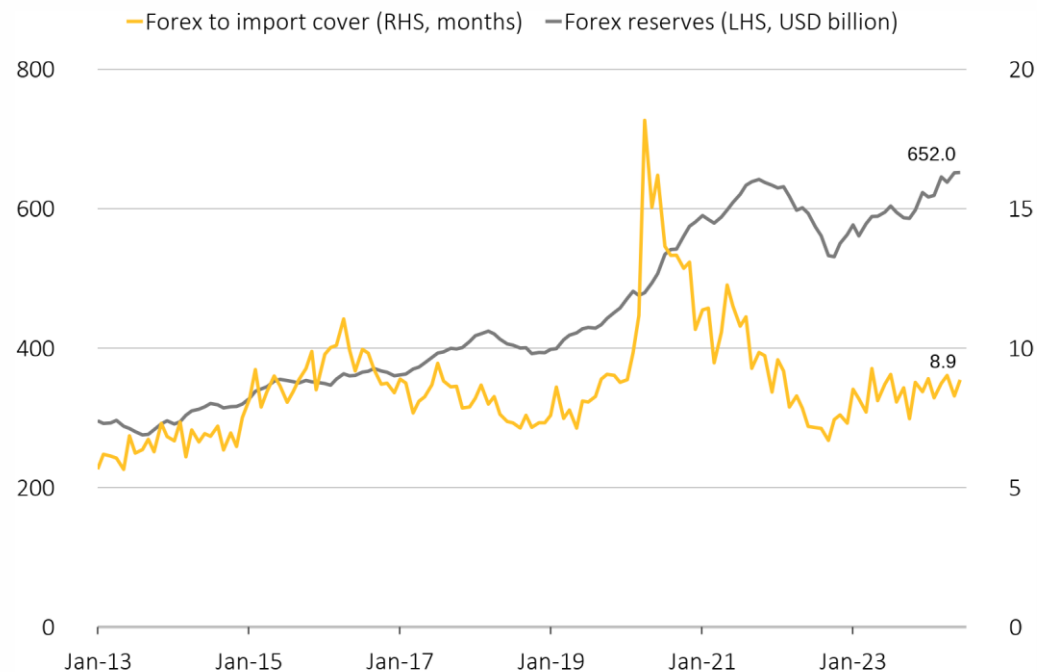


Source: Thurro, RBI, NIIF Research

## Foreign Exchange Markets

### Forex reserves provide nine months of import cover

Monthly foreign exchange reserves, FY2013-FY2025 (28 Jun '24)



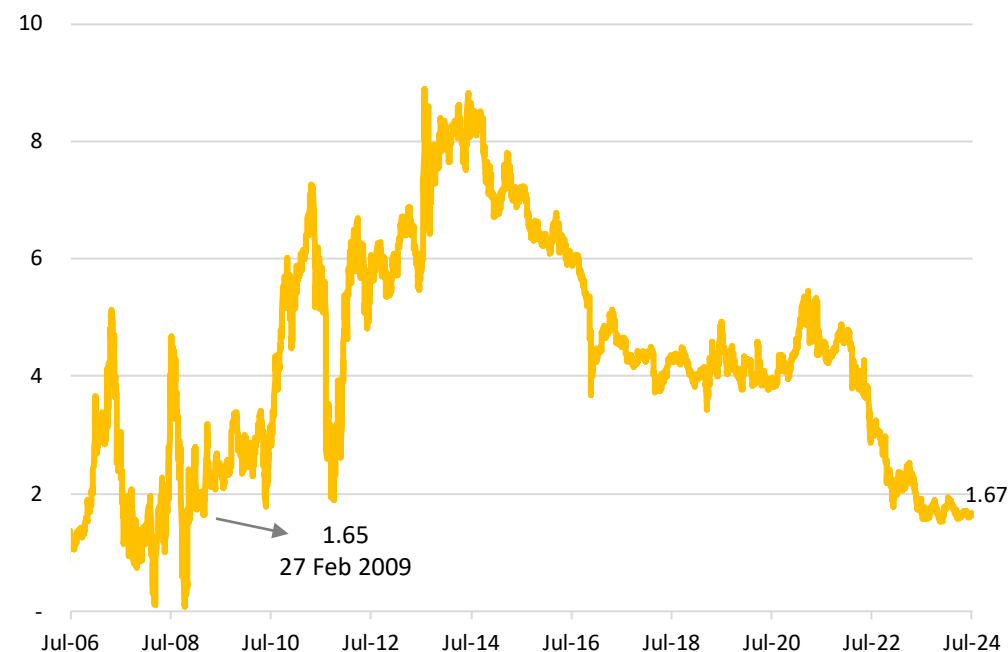
Source: Thurro, RBI, NIIF Research

#### Note:

1. Import cover calculated on total imports (merchandise plus services)

### Forward premium on USD continues to remain below 2% for a year now

USD/INR implied 1-year forward risk premium (%), FY2007-FY2025 (08 Jul '24)



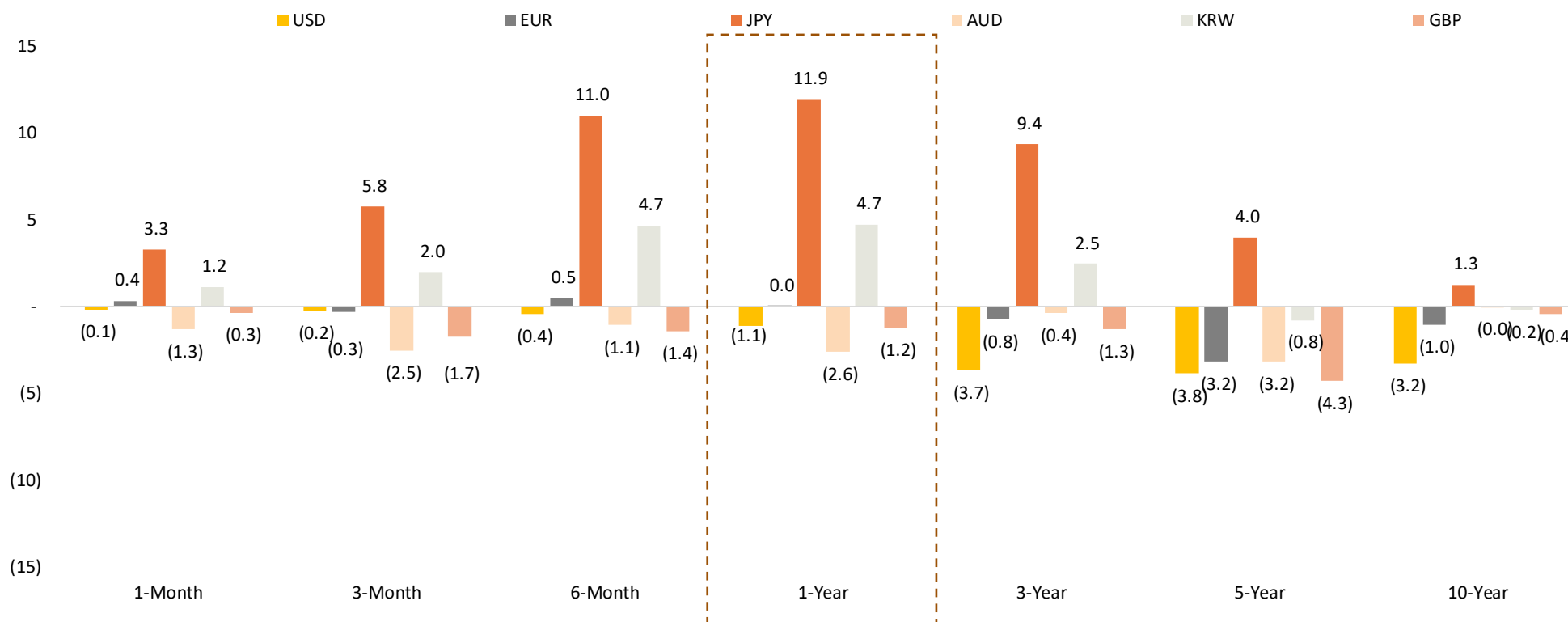
Source: Bloomberg, NIIF Research



## Foreign Exchange Markets

### Long-term INR depreciation against USD stable at ~3% p.a.

INR performance vis-a-vis major currencies (%), FY2025-FY2025 (08 Jul '24)



Source: Bloomberg, NIIF Research

#### Note:

- Numbers are annualized for periods above 1 year
- Positive return indicates appreciation of INR and negative means depreciation of INR vis-à-vis respective currency

## Foreign Exchange Markets

### INR remains overvalued against currencies of trading partners

Monthly real effective exchange rate of INR, base year 2015-16 (X), (May '24)



Source: Thurro, RBI, NIIF Research

#### Note:

1. Real effective exchange rate (REER) is the weighted average of a country's currency in relation to basket of currencies of its major trading partners.
2. A REER value greater than 100 implies that the currency is overvalued, and undervalued if under 100

### Dollar index rises to 105 in June

Monthly average dollar index (X), FY2013-FY2025 (Jun '24)



Source: Thurro, Yahoo Finance, NIIF Research

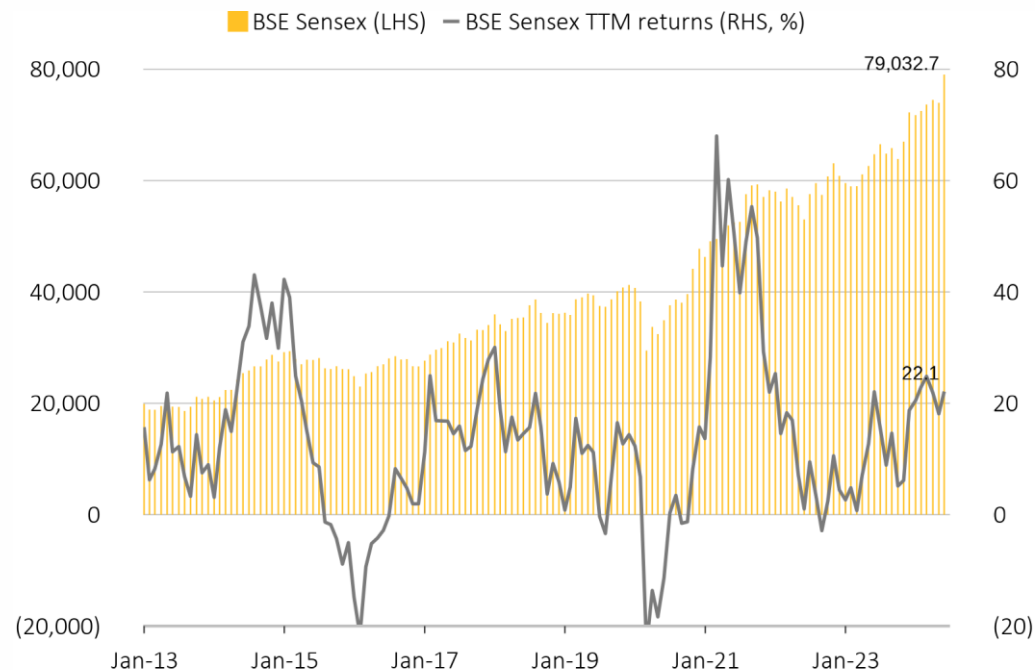
#### Note:

1. Dollar index measures the relative strength of USD compared to other major currencies (EUR, GBP, JPY, SEK, CAD, CHF). A higher number indicates a stronger USD.

## Equity Markets

### Sensex generates ~22% yoy return in June

Monthly BSE Sensex performance, FY2013-FY2025 (Jun '24)



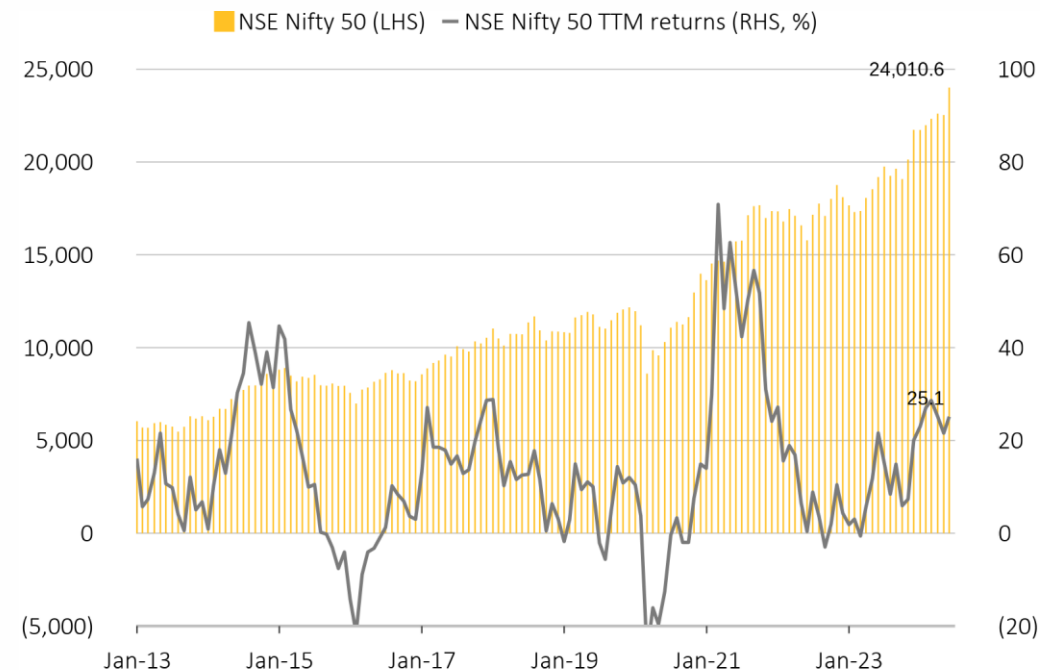
Source: Thurro, BSE, NIIF Research

#### Note:

1. TTM: trailing twelve months
2. Monthly data for stock indices is as on end of the month
3. Returns do not take into account any dividend payouts and stock buybacks, if any

### Nifty 50 generates ~25% yoy returns in June

Monthly NSE Nifty performance, FY2013-FY2025 (Jun '24)



Source: Thurro, NSE, NIIF Research

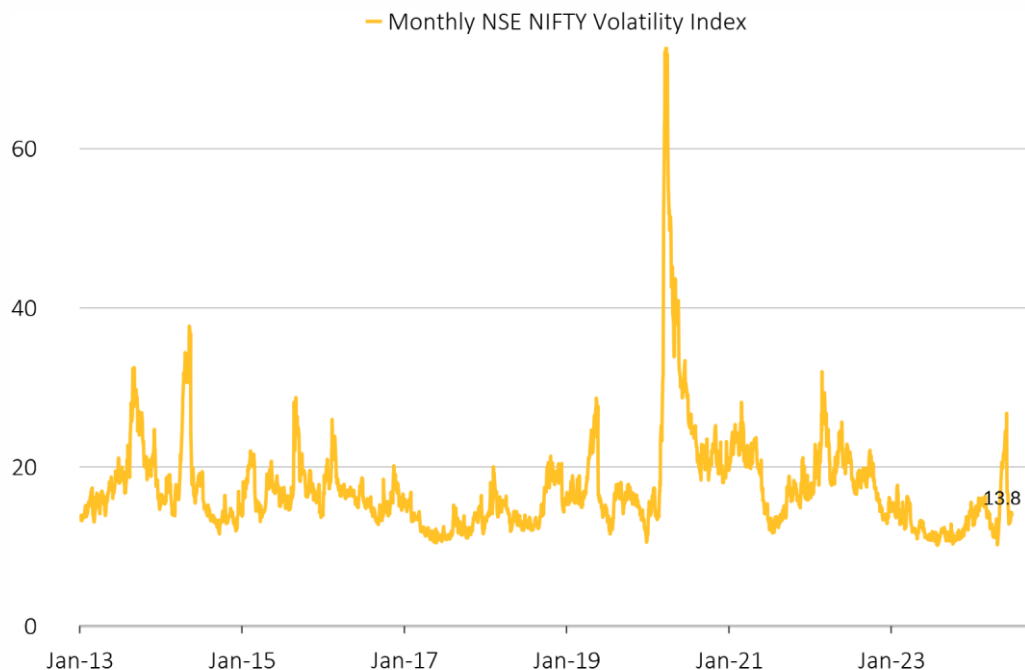
#### Note:

1. Monthly data for stock indices is as on end of the month
2. Returns do not take into account any dividend payouts and stock buybacks, if any

## Equity Markets

### Volatility index remains low at 13.8 in June

Daily NSE NIFTY Volatility Index (X), FY2013-FY2025 (Jun '24)



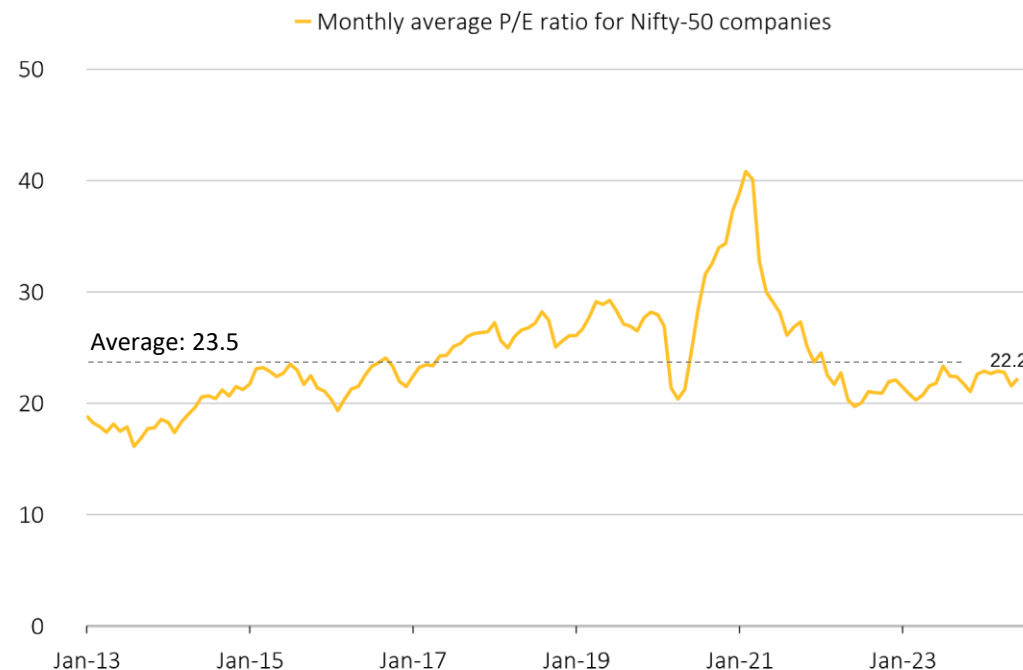
Source: Thurro, NSE, NIIF Research

#### Note:

- Volatility Index (VIX) represents the market's expectations of volatility over the next 30 days. India VIX is based on the NIFTY Index Option prices

### Equity valuations for Nifty-50 companies remain fairly priced

Monthly average P/E ratio for Nifty-50 companies, FY2013-FY2025 (Jun '24)



Source: Thurro, NSE, NIIF Research

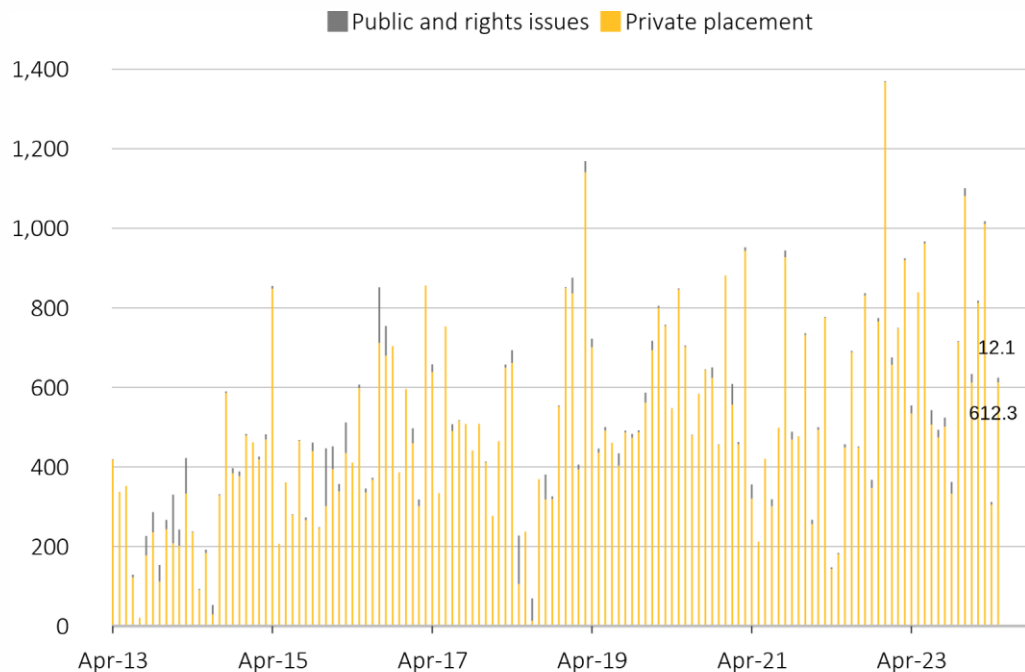
#### Note:

- Earnings assumed for P/E ratios are trailing 4-quarter earnings
- Sharp fall in P/E ratio around April 2021 is because NSE changed the methodology to calculate this ratio using consolidated financials from standalone

## Debt and equity markets: issuance

### Capital raised through debt markets in May at ~INR 624 billion

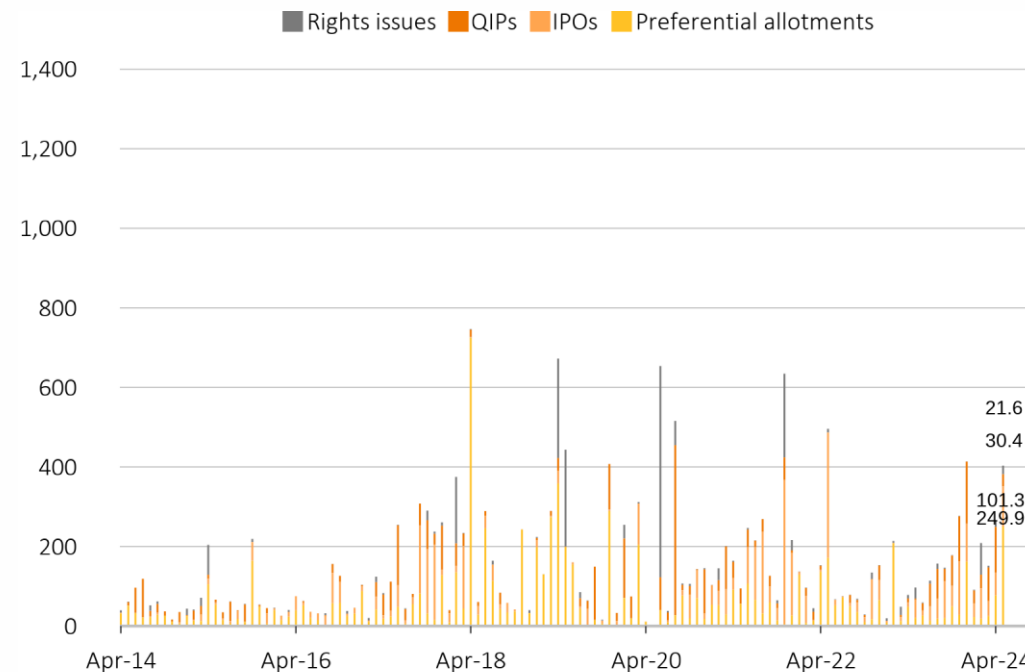
Monthly debt fund raising by corporate sector (INR billion), FY2014-FY2025 (May '24)



Source: Thurro, SEBI, NIIF Research

### Equity capital raised in May at ~INR 403 billion

Monthly equity fund raising by corporate sector (INR billion), FY2015-FY2025 (May '24)



Source: Thurro, SEBI, NIIF Research

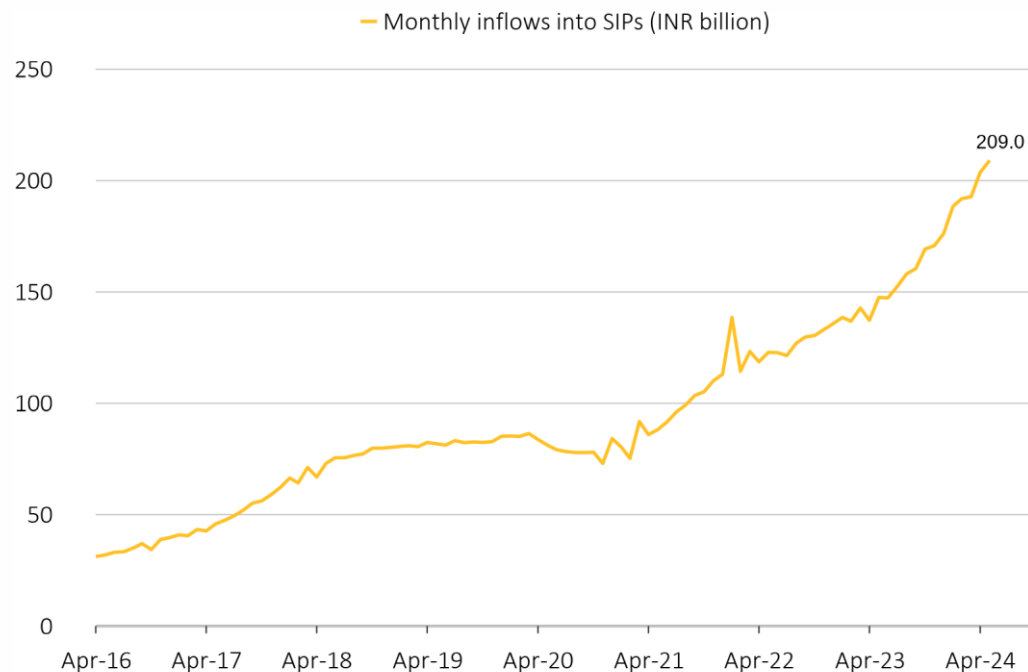
#### Note:

1. IPO here includes only fresh issuances, does not include OFS or secondary sales

## Debt and equity markets: mutual funds

### Gross SIP inflows surge to INR 209 billion in May

Monthly inflows into SIPs, FY2017-FY2025 (May '24)



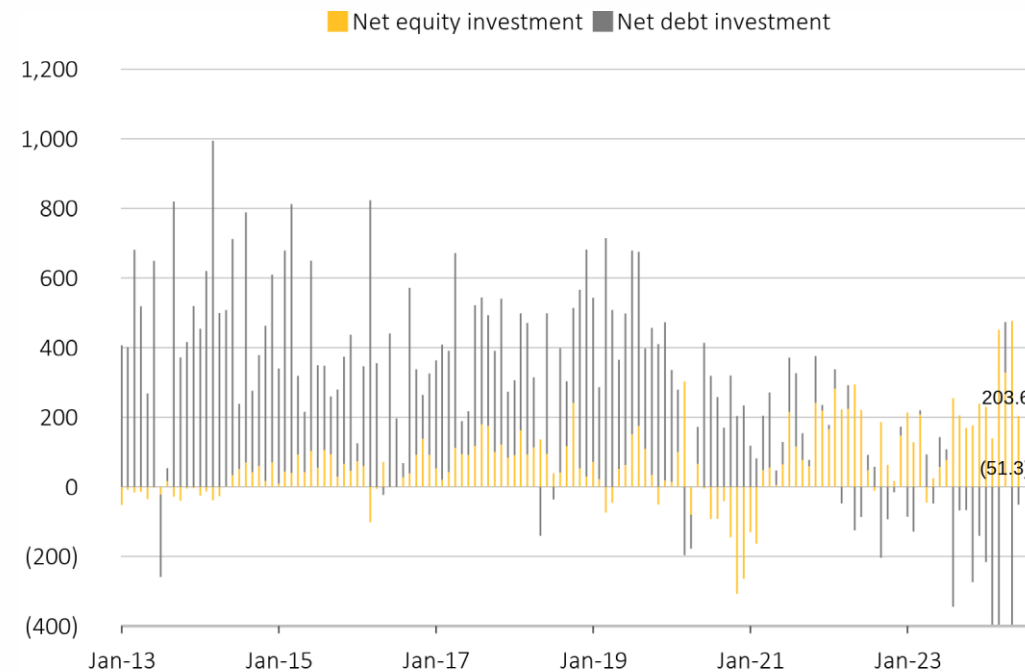
Source: Thurro, AMFI, NIIF Research

#### Note:

1. SIP stands for Systematic Investment Plans, an investment route offered by mutual funds wherein one can invest a fixed amount in a Mutual Fund scheme at regular intervals

### Net investments into mutual funds fall to INR 152 billion in June

Monthly net inflows into mutual funds (INR billion), FY2013-FY2025 (Jun '24)



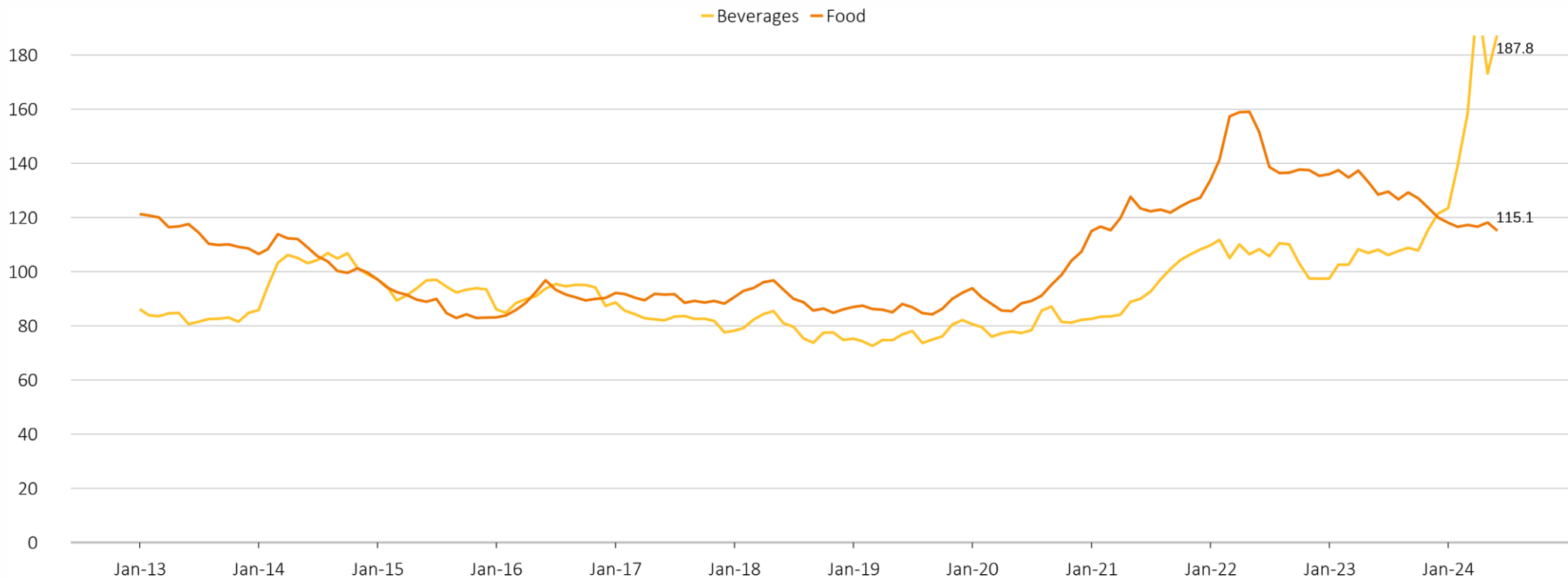
Source: Thurro, SEBI, NIIF Research



## Commodity Markets

### Prices for beverages remain elevated in June

Monthly commodity index, 2010=100, FY2013-FY2025 (Jun '24)



Source: Thurro, World Bank Commodity Price Data (The Pink Sheet), NIIF Research

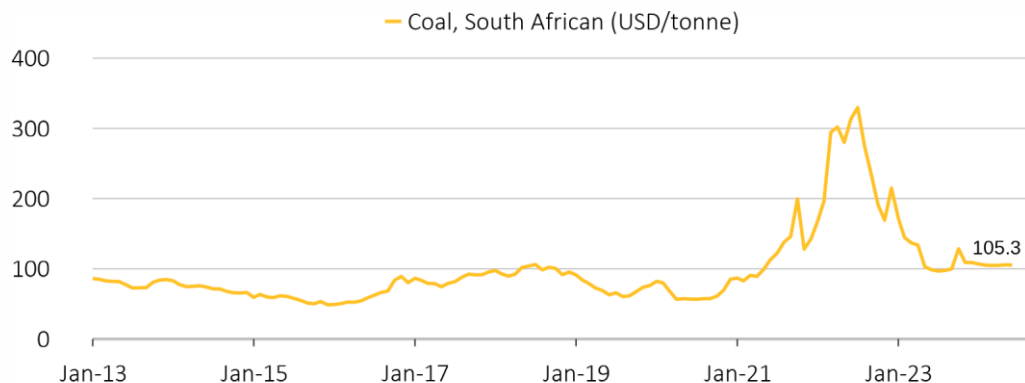
#### Note:

1. All commodity indices composed with CY2010 average prices as base for the index.
2. Food comprises of food oils, cereals (barley, maize, wheat and rice), meat and fruits (bananas, oranges)
3. Beverages comprises of coffee, cocoa, and tea

## Commodity Markets

### South African coal prices rise by 6.8% yoy to \$105.3/mt in Jun 24

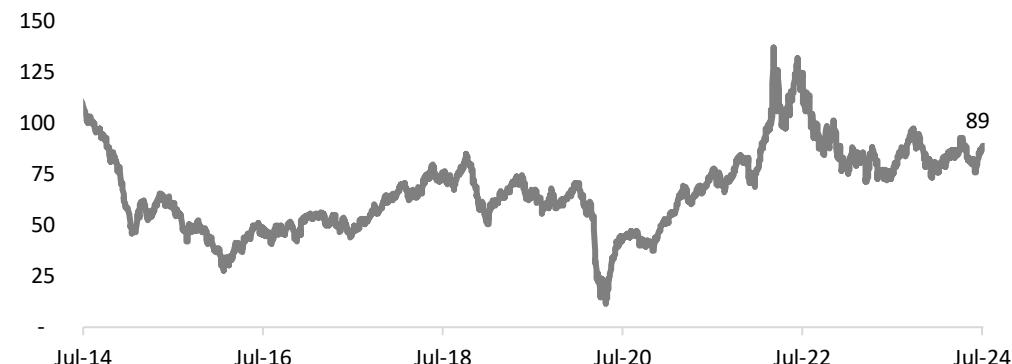
Monthly coal (South African) prices, FY2013-FY2025 (Jun '24)



Source: Thurro, World Bank Commodity Price Data (The Pink Sheet), NIIF Research

### Brent crude oil price rises to USD 89/bbl (as of 8 July)

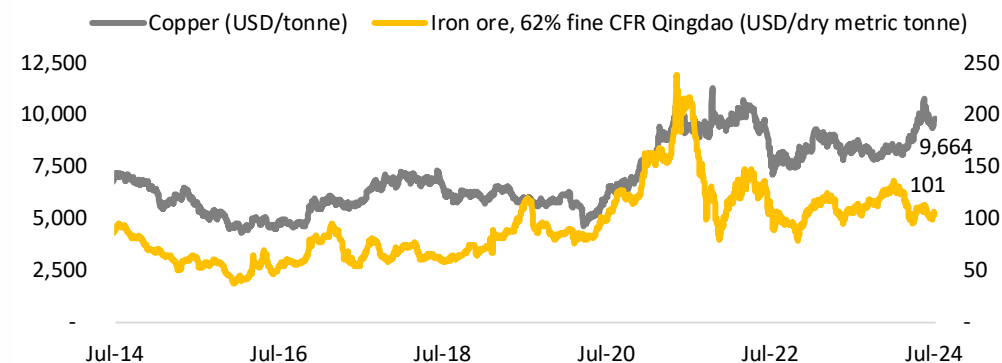
Daily Brent crude oil prices (USD per bbl), FY2015-FY2025 (08 Jul '24)



Source: Bloomberg, NIIF Research

### Copper and iron ore prices on an upward trend

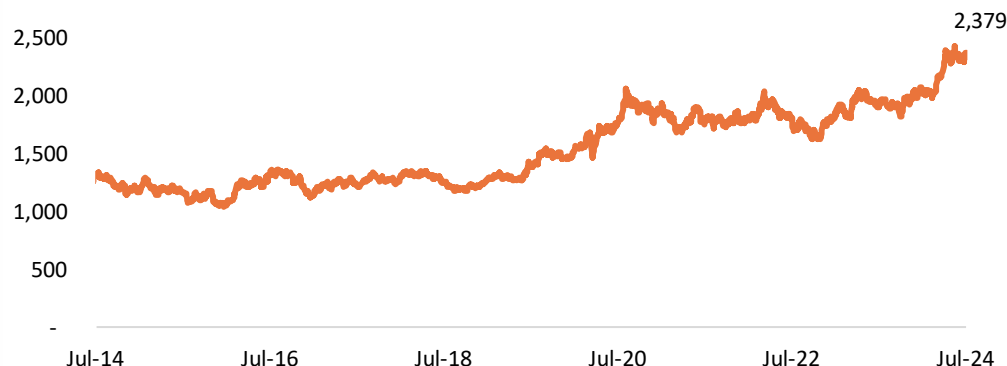
Daily copper and iron ore prices, FY2014-FY2025 (08 Jul '24)



Source: Bloomberg, NIIF Research

### Gold prices continue to remain elevated, above the USD 2,000 mark

Daily gold prices (USD per troy oz), FY2014-FY2025 (08 Jul '24)



Source: Bloomberg, NIIF Research



# MONTHLY ECONOMIC REPORT ON INDIA JUL 2024

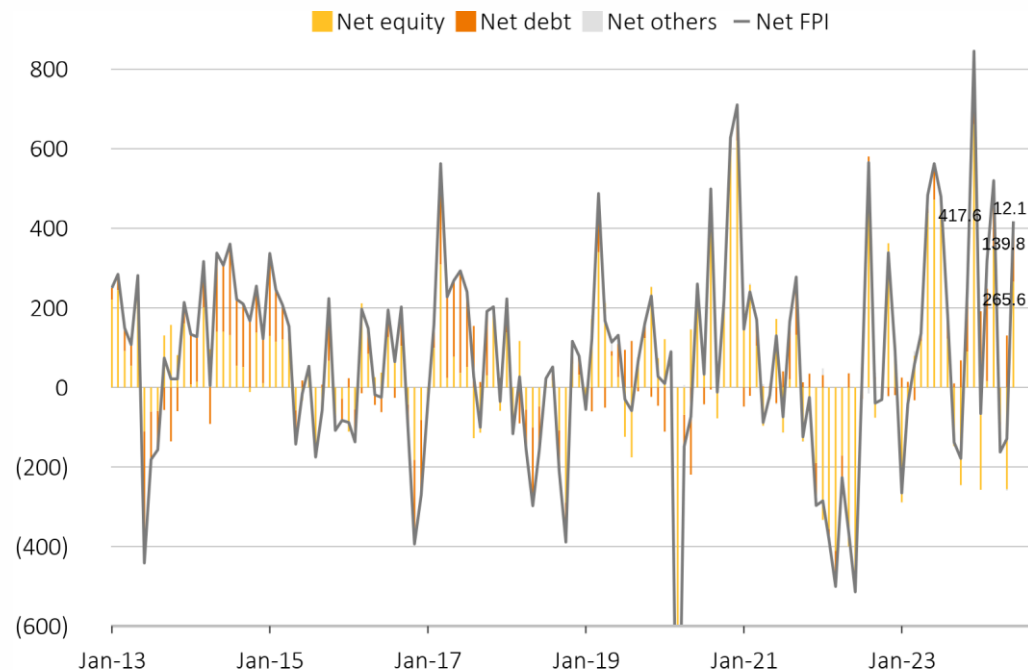
## Investments

- Strong inflows by foreign portfolio investors in June to the tune of ~INR 418 billion and domestic investors of INR ~286 billion. Cumulatively, net foreign portfolio inflows moderated to INR 126 billion in FYTD2025 (up to June). DIIs maintain strong cumulative inflows of INR 1.3 trillion in FYTD2025 (up to June)
- Gross foreign direct investments (FDI) flows into India stable in FY2024 at USD 71 billion. Lower net direct investment (~USD 11 billion) due to higher repatriation. In FY2024, computer software and hardware (USD 8.0 bn), services (USD 6.6 bn), and infrastructure (USD 4.2 bn) sectors attracted the highest FDI. Singapore and Mauritius were the top two FDI investors in India at USD 11.8 billion and USD 8.0 billion, respectively. Gross FDI of USD 7 billion in April with a net inflow of USD 4.0 billion
- Continued momentum in fund raising by Category II (INR 128 billion) and III (INR 83 billion) in Q4FY24. Investment activity also unabated with by Cat II investing INR 81 billion and Cat III INR 102 billion in Q4. Annually, funds raised (INR 823 billion) and invested (INR 655 billion) by AIFs in FY2024 primarily driven by category II and III

## Flows: portfolio

### FPIs record net inflows of ~INR 418 billion in June

Monthly net FPI investments in India (INR billion), FY2013-FY2025 (Jun '24)



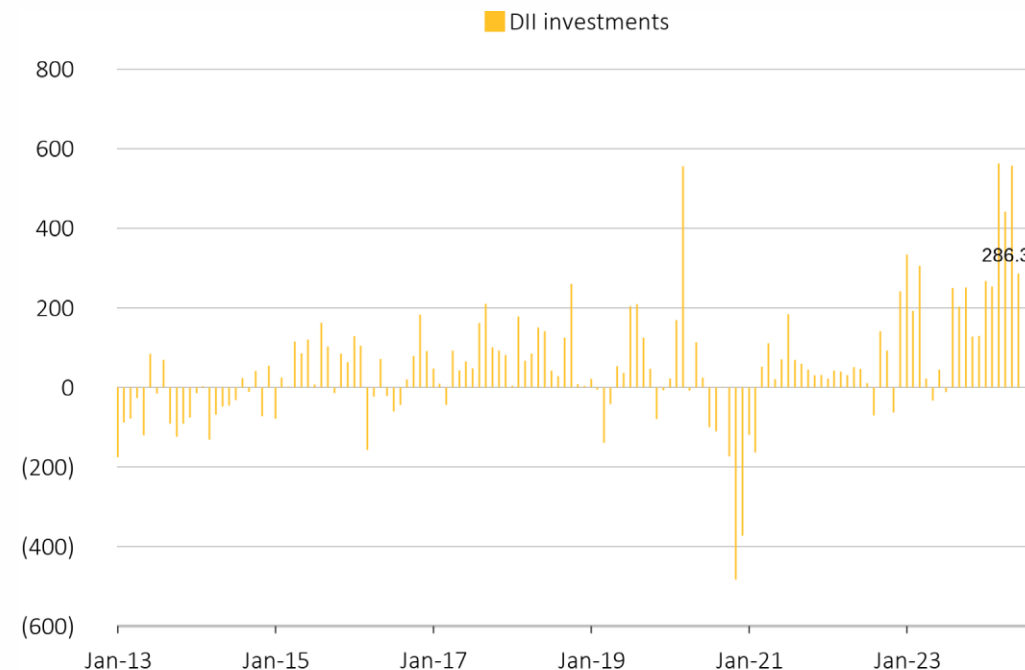
Source: Thurro, NSDL, NIIF Research

#### Note:

- Others comprise of debt-VRR and hybrid investments. Hybrid include investments in InvITs and REITs. Debt-VRR (voluntary retention route) allows FPIs to participate in repo transactions and also invest in exchange traded funds that invest in debt instruments.

### DII invest INR 286 billion in June

Monthly net DII investments in India (INR billion), FY2013-FY2025 (Jun '24)



Source: Thurro, NSE, BSE, NIIF Research

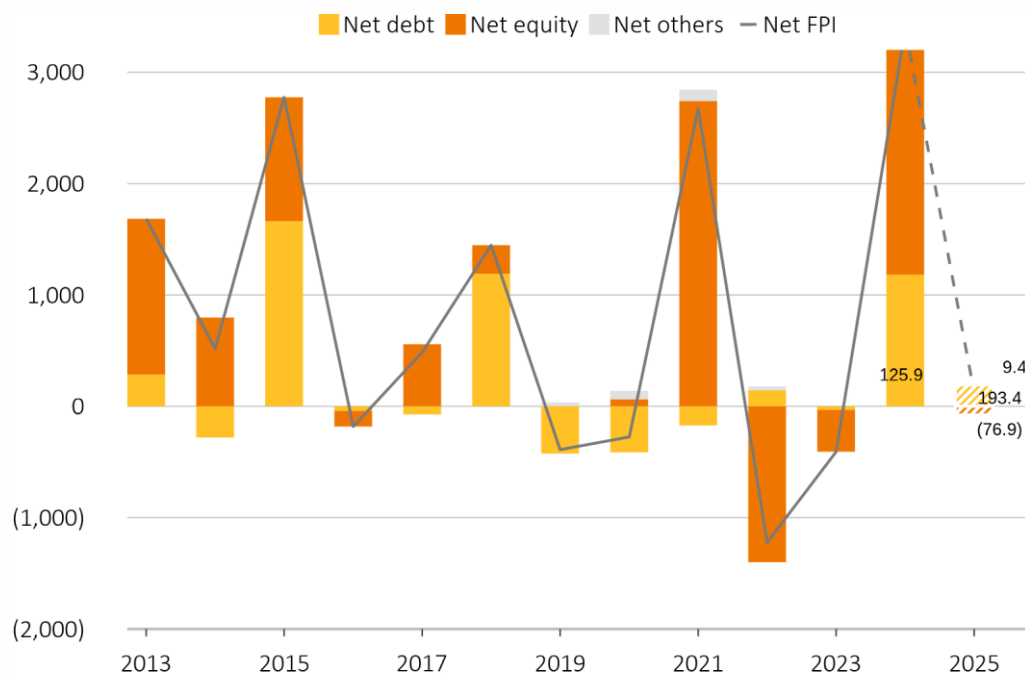
#### Note:

- Domestic institutional investors (DII) are those institutional investors who undertake investment in securities and other financial assets (debt, AIFs, etc.) within India. These include insurance companies, banks, DFIs, mutual funds, NPS, EPFO.

## Flows: portfolio

### FPI flows moderated to INR 126 billion in FYTD2025 (till June)

Annual net FPI investments in India (INR billion), FY2013-FY2025 (Jun '24)



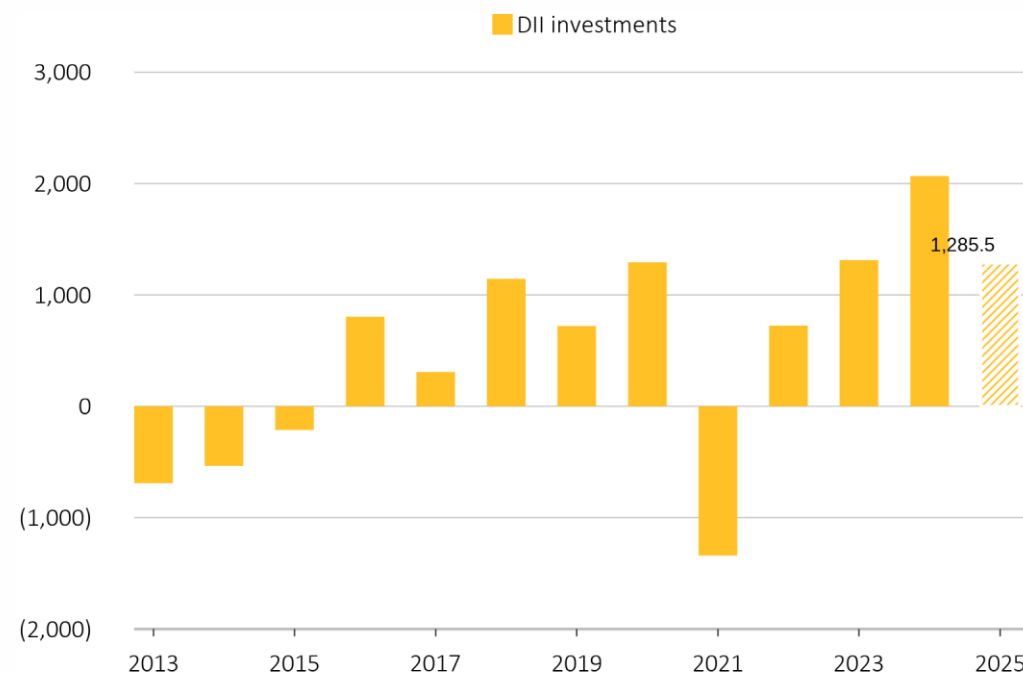
Source: Thurro, NSDL, NIIF Research

#### Note:

- Others comprise of debt-VRR and hybrid investments. Hybrid include investments in InvITs and REITs. Debt-VRR (voluntary retention route) allows FPIs to participate in repo transactions and also invest in exchange traded funds that invest in debt instruments.

### Net DII inflows of nearly INR 1.3 trillion in FYTD2025 (till June)

Annual net DII investments in India (INR billion), FY2013-FY2025 (Jun '24)



Source: Thurro, NSE, BSE, NIIF Research

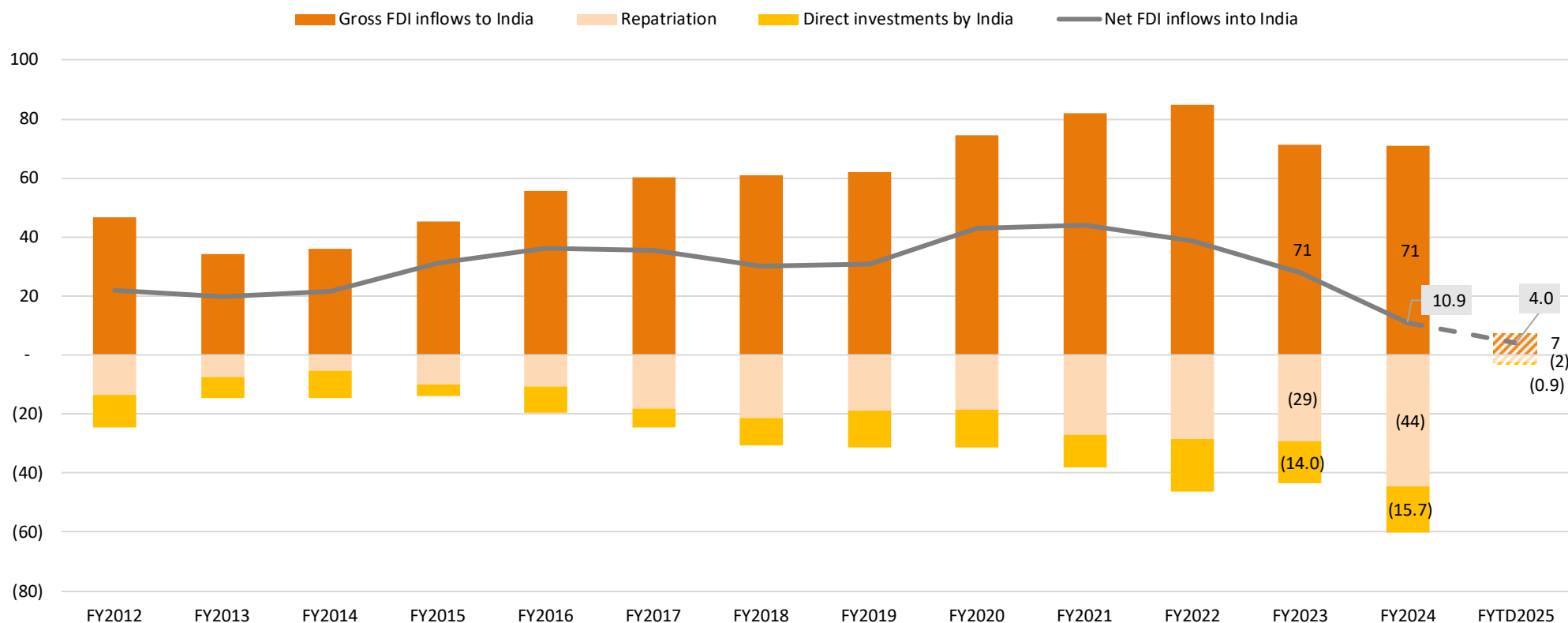
#### Note:

- Domestic institutional investors (DII) are those institutional investors who undertake investment in securities and other financial assets (debt, AIFs, etc.) within India. These include insurance companies, banks, DFIs, mutual funds, NPS, EPFO.

## Flows: FDI

**Gross FDI inflows of USD 71 billion in FY2024, same as FY2023; gross inflows of USD 7 billion in April 2024**

Annual foreign direct investments (USD billion), FY2012-FY2025 (Apr '24)



Source: CEIC, NIIF Research

## Flows: FDI

### Computer software and hardware, services, and construction and infrastructure attract largest investments in FY2024

Annual gross FDI inflows by sector (USD billion), FY2014-FY2024 (Mar '24)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<b>Sector</b>											
Computer software and hardware	1.1	2.3	5.9	3.7	6.2	6.4	7.7	26.1	14.5	9.4	8.0
Services	2.2	4.4	6.9	8.7	6.7	9.2	7.9	5.1	7.1	8.7	6.6
Construction and infrastructure	0.5	0.9	4.5	1.9	2.7	2.3	2.0	7.9	3.2	1.7	4.2
Trading	1.3	2.7	3.8	2.3	4.3	4.5	4.6	2.6	4.5	4.8	3.9
Automobile	1.5	2.7	2.5	1.6	2.1	2.6	2.8	1.6	7.0	1.9	1.5
Drugs and pharmaceuticals	1.3	1.5	0.8	0.9	1.0	0.3	0.5	1.5	1.4	2.1	1.1
Chemicals, excl. Fertilizers	0.9	0.8	1.5	1.4	1.3	2.0	1.1	0.8	1.0	1.9	0.8
Telecommunications	1.3	2.9	1.3	5.6	6.2	2.7	4.4	0.4	0.7	0.7	0.3
<b>FDI inflows across major sectors</b>	<b>10.1</b>	<b>18.2</b>	<b>27.2</b>	<b>26.1</b>	<b>30.5</b>	<b>30.0</b>	<b>31.0</b>	<b>46.0</b>	<b>39.4</b>	<b>31.2</b>	<b>26.4</b>
<b>Gross FDI inflows</b>	<b>36.0</b>	<b>45.1</b>	<b>55.6</b>	<b>60.2</b>	<b>61.0</b>	<b>62.0</b>	<b>74.4</b>	<b>82.0</b>	<b>84.8</b>	<b>71.4</b>	<b>71.0</b>

Source: Thurro, Department for Promotion of Industry and Internal Trade, NIIF Research

## Flows: FDI

### Singapore, Mauritius, USA, Netherlands account for a majority of FDI flows into India

Annual gross FDI inflows by sector (USD billion), FY2014-FY2024 (Mar '24)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<b>Country</b>											
Singapore	6.0	6.7	13.7	8.7	12.2	16.2	14.7	17.4	15.9	17.2	11.8
Mauritius	4.9	9.0	8.4	15.7	15.9	8.1	8.2	5.6	9.4	6.1	8.0
USA	0.8	1.8	4.2	2.4	2.1	3.1	4.2	13.8	10.5	6.0	5.0
Netherlands	2.3	3.4	2.6	3.4	2.8	3.9	6.5	2.8	4.6	2.5	4.9
Japan	1.7	2.1	2.6	4.7	1.6	3.0	3.2	2.0	1.5	1.8	3.2
UAE	0.0	0.4	1.0	0.7	1.1	0.9	0.3	4.2	1.0	3.4	2.9
UK	3.2	1.4	0.9	1.5	0.8	1.4	1.4	2.0	1.6	1.7	1.2
Cyprus	0.6	0.6	0.5	0.6	0.4	0.3	0.9	0.4	0.2	1.3	0.8
Germany	1.0	1.1	1.0	1.1	1.1	0.9	0.5	0.7	0.7	0.5	0.5
Cayman islands	0.1	0.1	0.4	0.1	1.2	1.0	3.7	2.8	3.8	0.8	0.3
<b>FDI inflows from major investors</b>	<b>20.6</b>	<b>26.6</b>	<b>35.3</b>	<b>38.9</b>	<b>39.2</b>	<b>38.8</b>	<b>43.6</b>	<b>51.7</b>	<b>49.2</b>	<b>41.3</b>	<b>38.6</b>
<b>Total FDI Inflows</b>	<b>36.0</b>	<b>45.1</b>	<b>55.6</b>	<b>60.2</b>	<b>61.0</b>	<b>62.0</b>	<b>74.4</b>	<b>82.0</b>	<b>84.8</b>	<b>71.4</b>	<b>71.0</b>

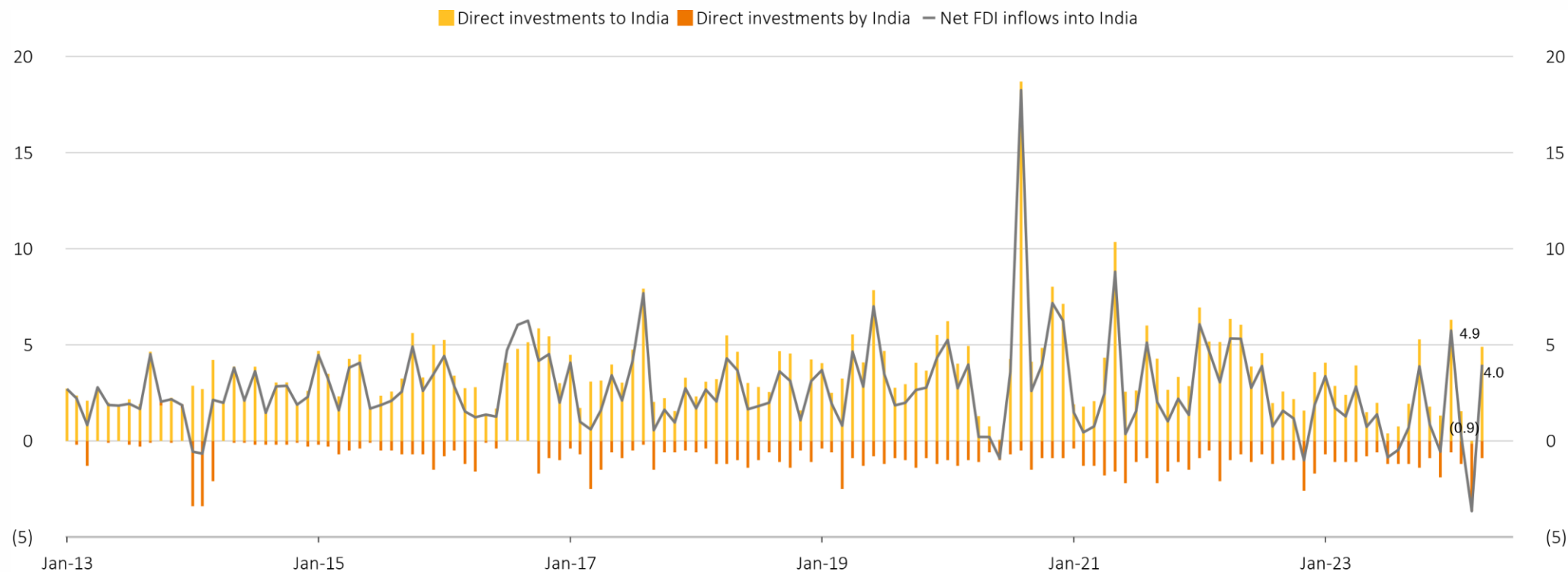
Source: Thurro, Department for Promotion of Industry and Internal Trade, NIIF Research



## Flows: FDI

### Net FDI inflows at USD 4.0 billion in April

Monthly foreign direct investments (USD billion), FY2013-FY2025 (Apr '24)

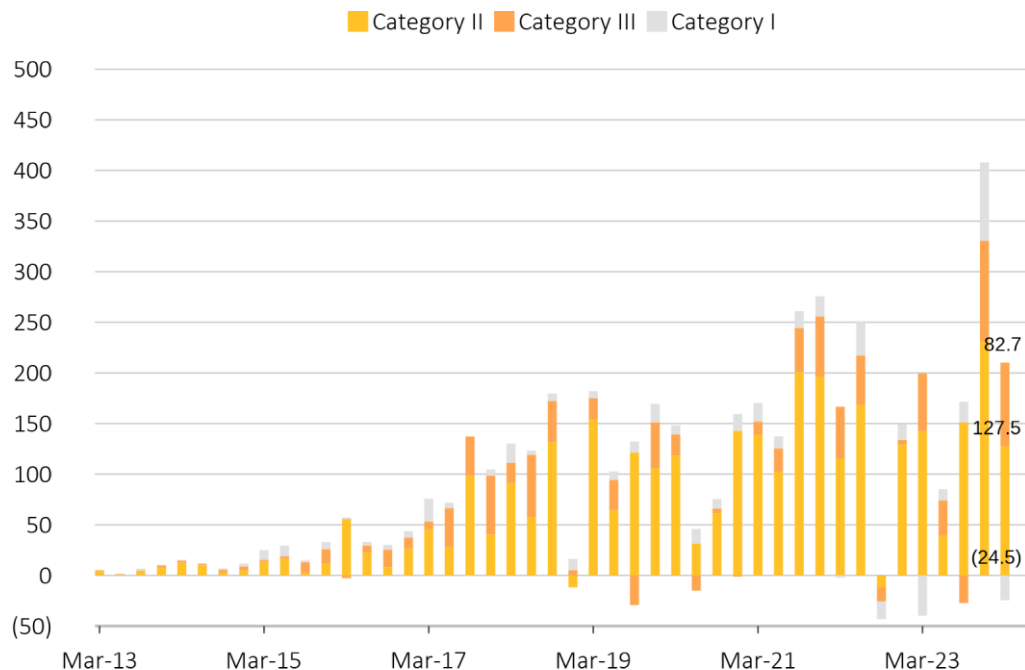


Source: Thurro, RBI, NIIF Research

## Alternative Investments

### AIFs raise ~INR 186 billion in Q4FY24

Quarterly AIF net fundraises (INR billion), FY2013-FY2024 (Mar '24)



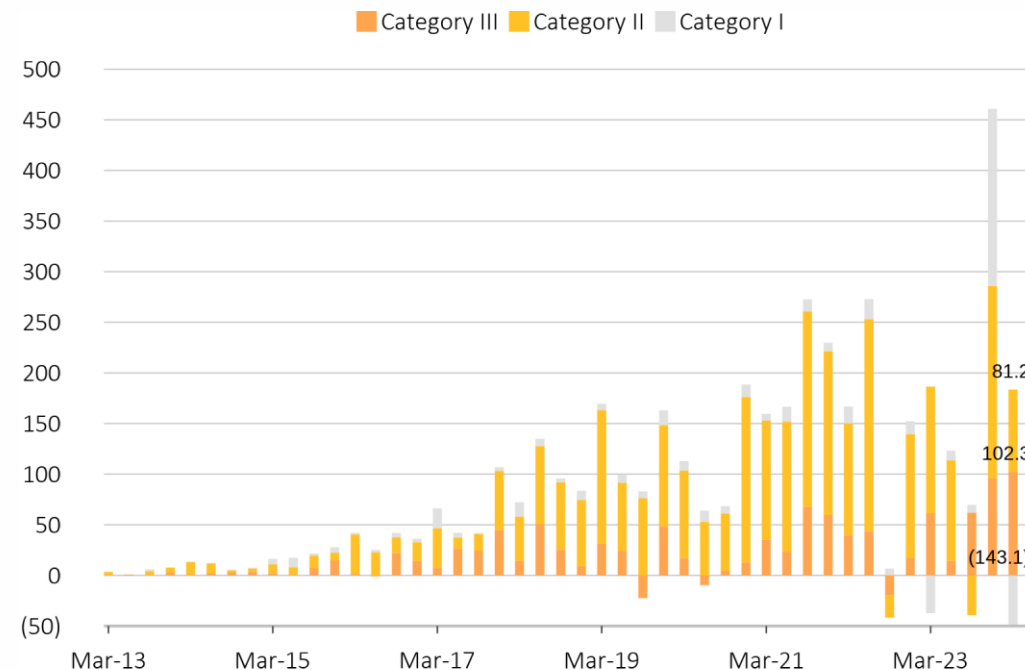
Source: Thurro, SEBI, NIIF Research

#### Note:

1. Category I Alternative Investment Funds (AIFs) invest in startup or early-stage ventures or social ventures, SMEs, infrastructure, or other sectors which the government or regulators consider as socially or economically desirable
2. Category II AIFs are those that do not fall in Category I and II and which do not undertake leverage other than to meet day-to-day operational requirements, such as real estate funds, private equity funds, etc.
3. Category III AIFs employ diverse trading strategies and may employ leverage including through investment in listed or unlisted derivatives such as hedge funds, PIPE funds, etc.

### AIF net investments down sequentially to INR 40 billion in Q4FY24

Quarterly AIF net investments (INR billion), FY2013-FY2024 (Mar '24)



Source: Thurro, SEBI, NIIF Research

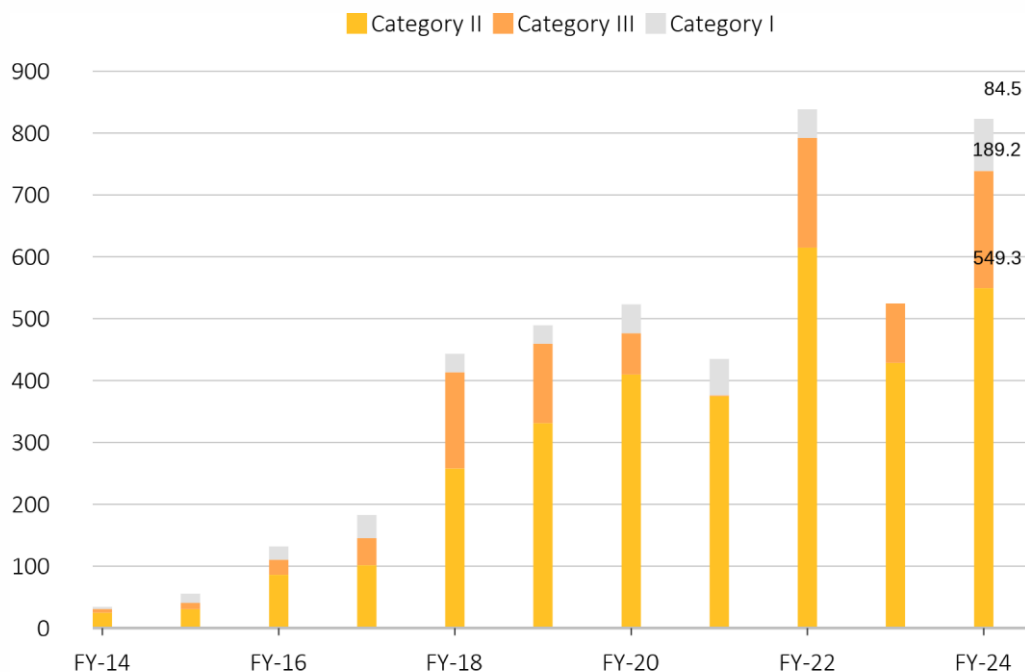
#### Note:

1. SEBI publishes quarterly data on Alternative Investment Funds (AIFs) related to cumulative commitments raised, funds raised, and investments made up to a quarter-end. Therefore, the chart above shows AIF activity in a quarter by subtracting the cumulative numbers provided by SEBI for current quarter from the previous quarter to get a flow number.

## Alternative Investments

### Net fundraised for AIFs jumps to INR 823 billion in FY2024

Annual AIF net fundraises (INR billion), FY2014-FY2024 (Mar '24)



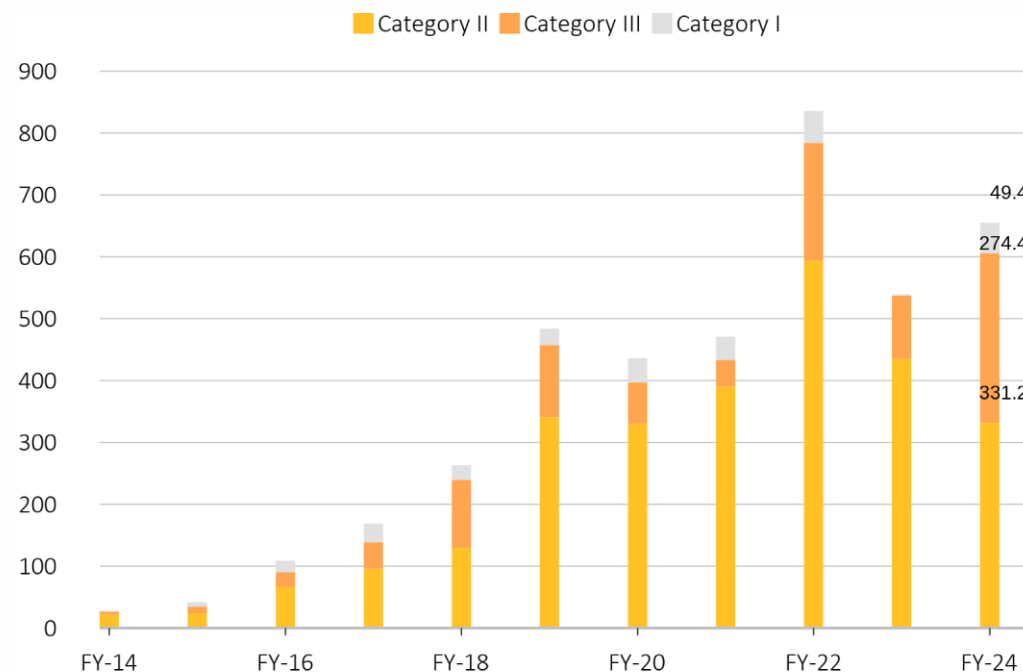
Source: Thurro, SEBI, NIIF Research

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3. Category III AIFs employ diverse trading strategies and may employ leverage including through investment in listed or unlisted derivatives such as hedge funds, PIPE funds, etc.

### Net investments by AIFs remain strong at INR 655 billion in FY2024

Annual AIF net investments (INR billion), FY2014-FY2024 (Mar '24)



Source: Thurro, SEBI, NIIF Research

#### Note:

1. SEBI publishes quarterly data on Alternative Investment Funds (AIFs) related to cumulative commitments raised, funds raised, and investments made up to a quarter-end. Therefore, the chart above shows AIF activity in a quarter by subtracting the cumulative numbers provided by SEBI for current quarter from the previous quarter to get a flow number.



# MONTHLY ECONOMIC REPORT ON INDIA JUL 2024

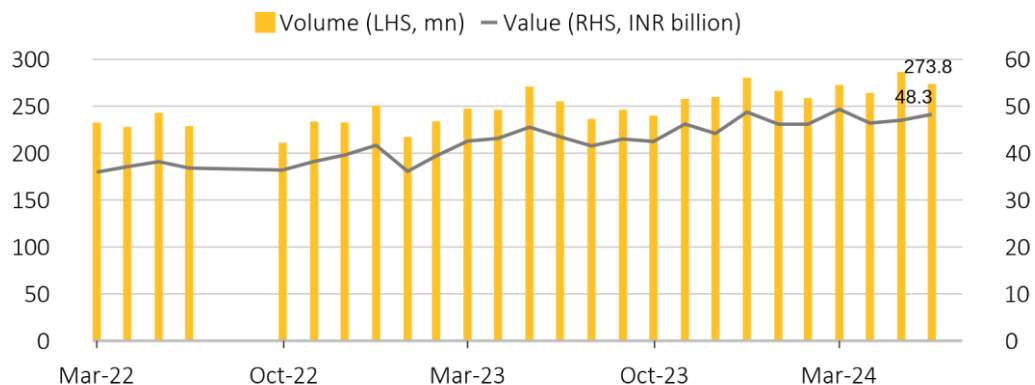
## Infrastructure

- Monthly FasTag and road toll collection stabilizes at ~INR 58 billion and INR ~48 billion in June. Truck freight rates fall to INR 51 per 15 tons per km in Q1FY25. Port cargo traffic growth remains subdued in June at 4% yoy as shipping freight rates remain elevated. Robust growth in rail cargo traffic of ~10% yoy in June driven by container service, and agricultural and energy commodities
- Strong growth in the aviation sector – growth in domestic air passengers of ~11% yoy to ~14 mn pax in June; growth in air cargo volume of ~16% yoy in May
- High peak power deficit of 0.9% leading to traded power tariffs to rise to INR 5.4 per kWh in June. Electricity generation maintains robust growth of ~9% yoy in June. Renewable's share in total generation picks up to ~14% in May
- Polysilicon prices remain at a 14+ year low of ~USD 4 per kg in June, while silver prices remain elevated at USD 29 per troy oz

## Roads

### Toll road collection picks up in June to ~INR 48 billion; 274 mn swipes

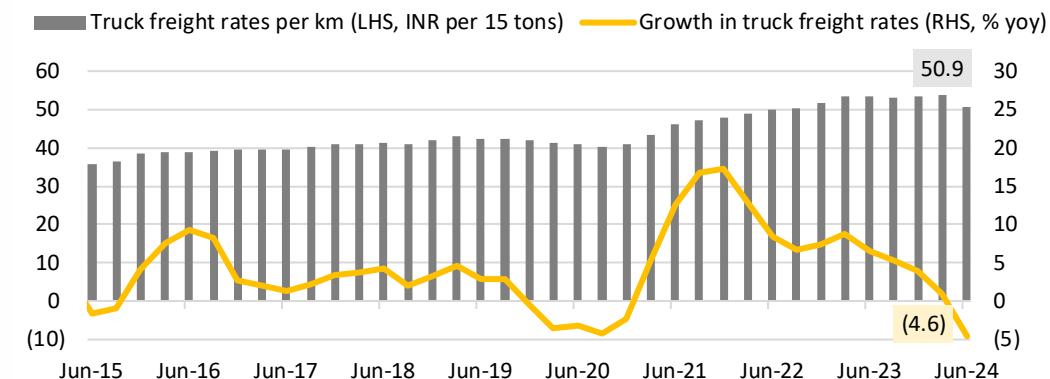
Monthly road toll collection at NHAI tolls, FY2022-FY2025 (Jun '24)



Source: Thurro, IHMCL, NIIF Research

### Truck freight rates falls to INR 51 per 15 tons per km in Q1FY25

Quarterly average all-India truck freight rates, FY2015-FY2025 (Jun '24)

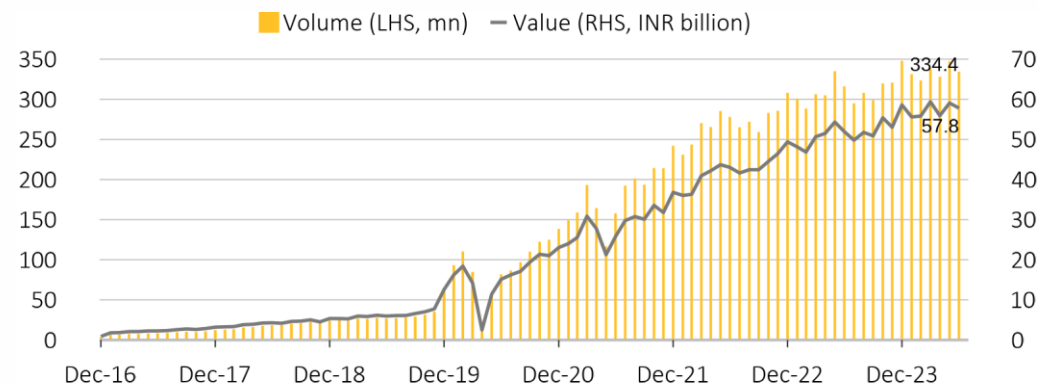


Source: CMIE, NIIF Research

Note: 1. Freight rates are from Delhi to 15 cities - Jaipur, Sirsa, Patna, Lucknow, Dehradun, Bhopal, Ahmedabad, Mumbai, Bangalore, Hyderabad, Chennai, Trivandrum, Guwahati, Bhuvaneshwar, and Kolkata  
2. All-India rates calculated by averaging freight rates across each route

### FasTag collections stabilizes at ~INR 58 billion in June

Monthly national electronic road toll collection, FY2017-FY2025 (Jun '24)

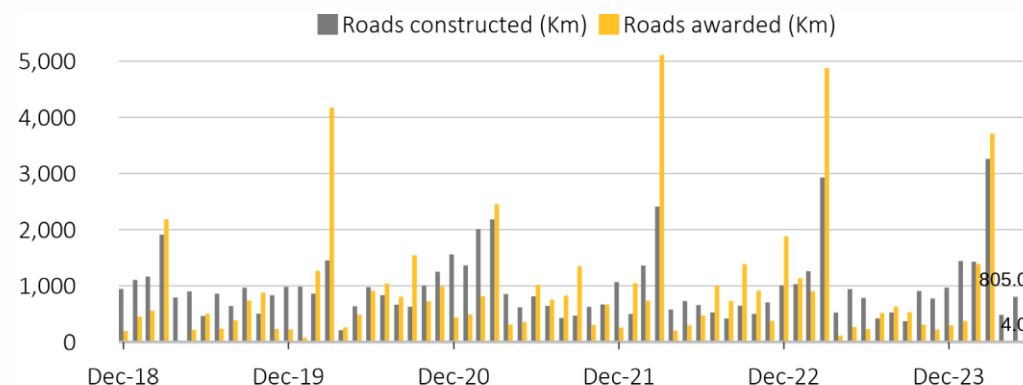


Source: Thurro, RBI, NIIF Research

Note: FasTag is primarily used at 800 national and 300 state highways, and at a few parking lots

### Road construction picks up sequentially to 805 km in May

Monthly road construction in India, FY2019-FY2025 (May '24)

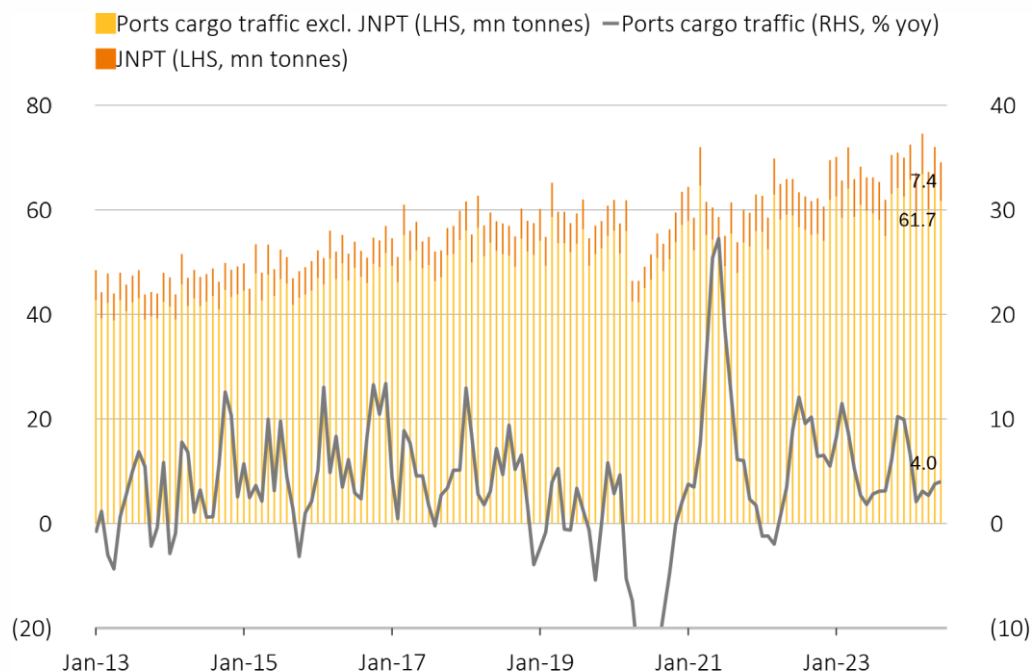


Source: Thurro, MoRTH, NIIF Research

## Ports

### Ports cargo traffic grows slowly yoy in June

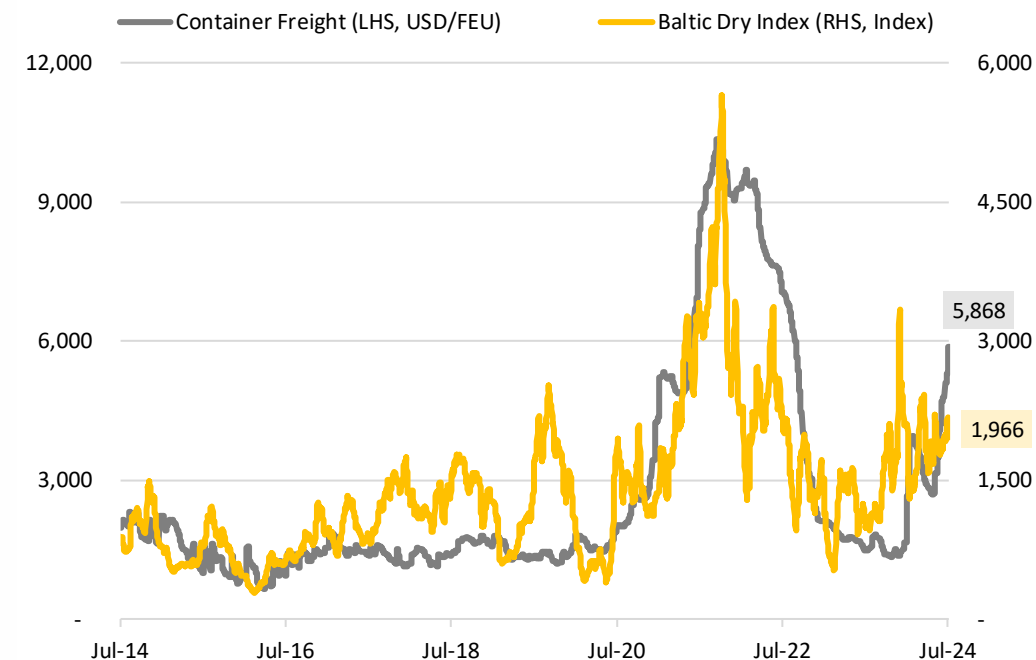
Monthly cargo traffic at major ports, FY2013-FY2025 (Jun '24)



Source: Thurro, Indian Ports Association, NIIF Research

### Container freight rates and bulk dry goods index pick up in early July

Daily shipping freight indices, FY2012-FY2025 (08 Jul 2024)



Source: Bloomberg, NIIF Research

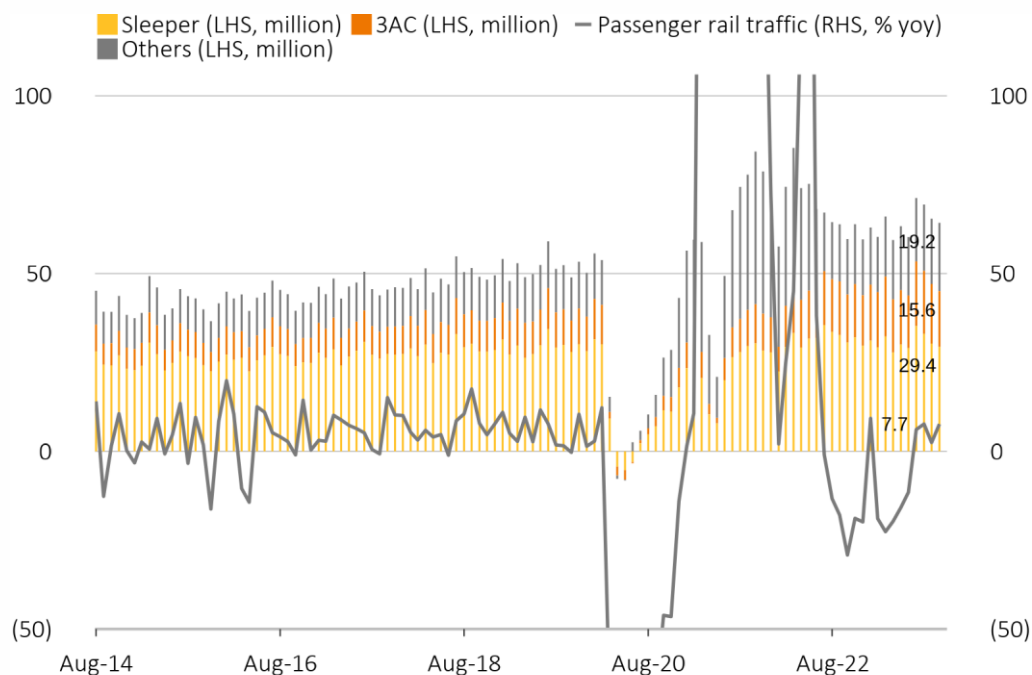
#### Note:

1. Baltic Indices represent average shipping freights across 12 major international routes. Index units measured in points. (January 4, 1985 = 1,000).
2. Baltic Dry Index measures freight rates for ships carrying bulk commodities like coal, iron ore, food grains, bauxite and alumina, steel and fertilizers.
3. Container freight measures actual spot freight rates in USD for 40-feet containers for 8 major east-west trade routes compiled as World Container Index (WCI).

## Railways

### Railway passenger traffic growth picks up in October

Monthly passenger rail traffic, FY2015-FY2024 (Oct '23)



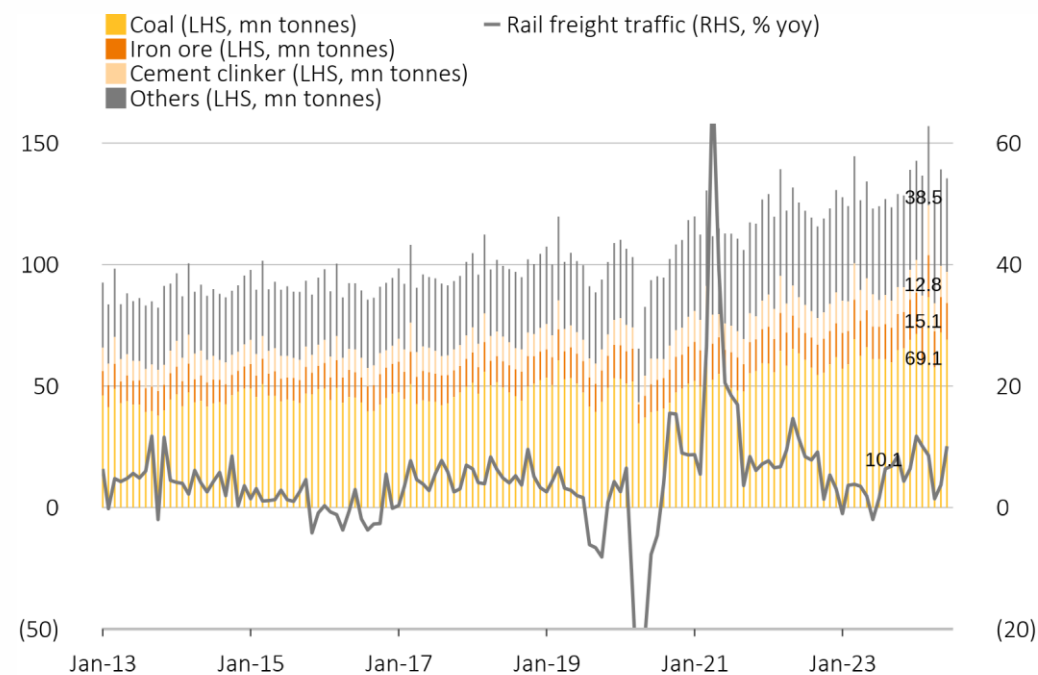
Source: Thurro, IRCTC, NIIF Research

#### Note:

1. Growth in railway passengers for Apr '21 to Nov '21, and May '22 not depicted due to low base effect of Apr '20 to Nov '20, and May '21 respectively
2. This data reflects only inter-city passengers. It does not include intra-city commuters
3. Rail passenger data unavailable since October 2023

### Rail cargo volume up 10.1% yoy in June

Monthly rail freight traffic, FY2013-FY2025 (Jun '24)



Source: Thurro, Indian Railways, NIIF Research

## Railways

### Rail cargo up 10.1% yoy in June driven by foodgrain, container service, coal, and iron ore

Monthly railway freight (mn tonnes), Jun '23 - Jun '24

	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Growth (% yoy)
Coal	61.1	61.1	61.0	59.7	64.8	65.5	69.0	71.5	59.1	86.5	57.6	72.0	69.1	13.0
Iron ore	13.3	13.3	14.5	14.3	14.8	15.0	16.5	17.0	15.1	17.3	14.9	14.6	15.1	13.1
Cement and clinker	13.3	11.0	12.0	11.2	11.1	10.2	12.3	13.4	13.0	20.6	11.5	12.9	12.8	(3.3)
Container service	6.0	7.2	7.7	7.3	7.2	6.9	7.7	7.0	7.0	-	6.6	-	7.0	16.9
Fertilizers	4.7	5.5	5.2	4.2	5.7	6.0	5.8	5.3	4.0	-	4.0	-	5.3	13.5
Foodgrains	3.6	3.6	4.0	4.6	3.6	3.8	4.3	4.5	5.1	4.0	3.9	-	4.2	17.9
Mineral oil	4.1	4.1	4.1	4.0	4.4	4.2	4.3	4.3	4.1	-	4.2	-	4.2	1.7
Pig iron and finished steel	5.4	5.7	5.9	5.8	5.7	5.3	6.0	6.1	5.7	-	5.2	-	5.4	(1.1)
Raw material for steel plants (except iron ore)	2.2	2.5	2.4	2.4	3.2	-	-	-	-	-	-	-	-	0.0
Others	9.4	10.1	10.4	10.1	8.6	8.6	9.8	10.2	10.7	6.6	9.5	-	10.1	7.1
<b>Total</b>	<b>123.0</b>	<b>124.0</b>	<b>127.0</b>	<b>123.6</b>	<b>129.0</b>	<b>128.4</b>	<b>139.0</b>	<b>142.7</b>	<b>136.6</b>	<b>157.0</b>	<b>128.3</b>	<b>139.2</b>	<b>135.5</b>	<b>10.1</b>

Source: Thurro, Indian Railways, NIIF Research

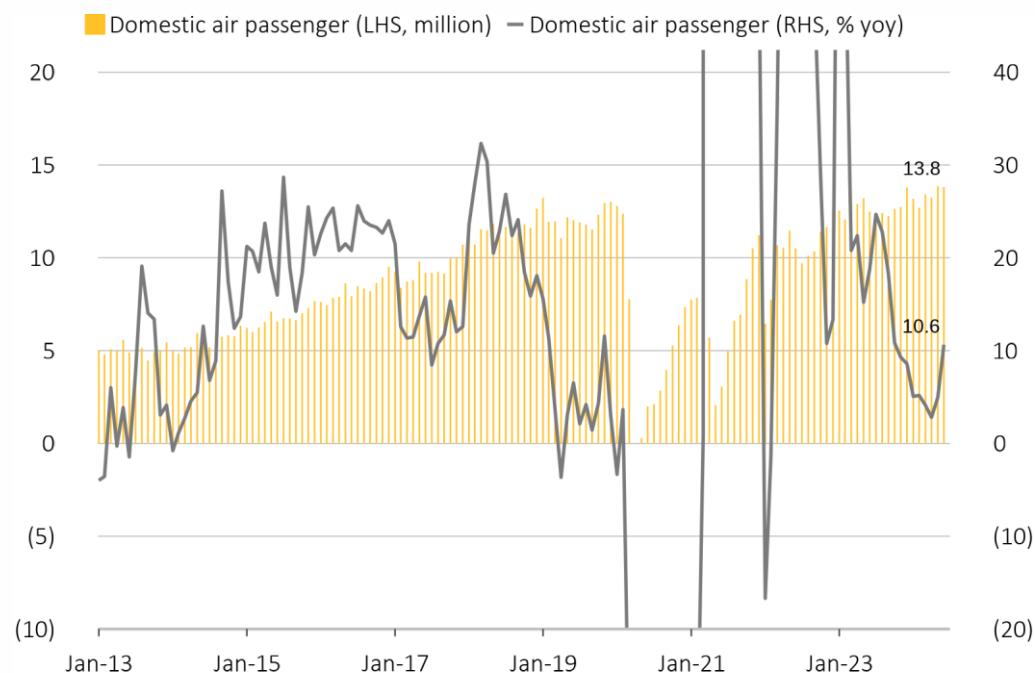
**Note:** Data for some rail freight commodities such as container service, fertilizers, etc. not available for March and May 2024; for raw material for steel plants (except iron ore), not available since November 2023



## Aviation

### Domestic air passengers near highs at 14 million in June

Monthly domestic air passengers, FY2013-FY2025 (Jun '24)



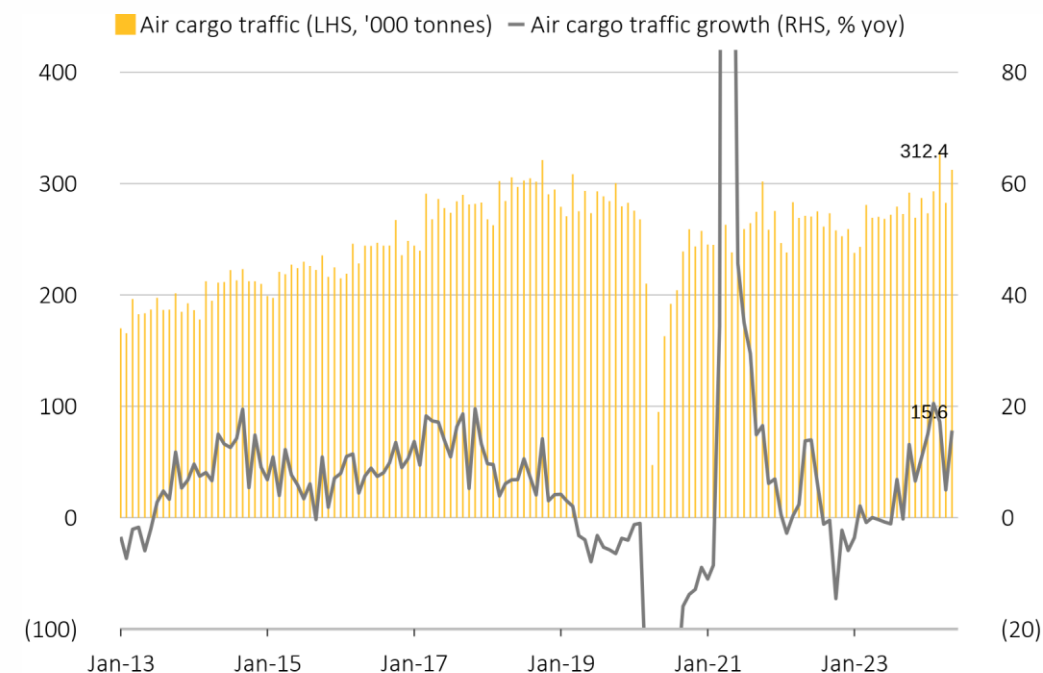
Source: Thurro, DGCA, Ministry of Civil Aviation, NIIF Research

#### Note:

1. Growth in air passengers between Apr '21 and Oct '21, and May '22 not depicted due to low base effect of Apr '20 to Oct '20, and May '21.

### Air cargo volume surges by ~16% yoy in May

Monthly air cargo traffic, FY2013-FY2025 (May '24)



Source: Thurro, AAI, NIIF Research

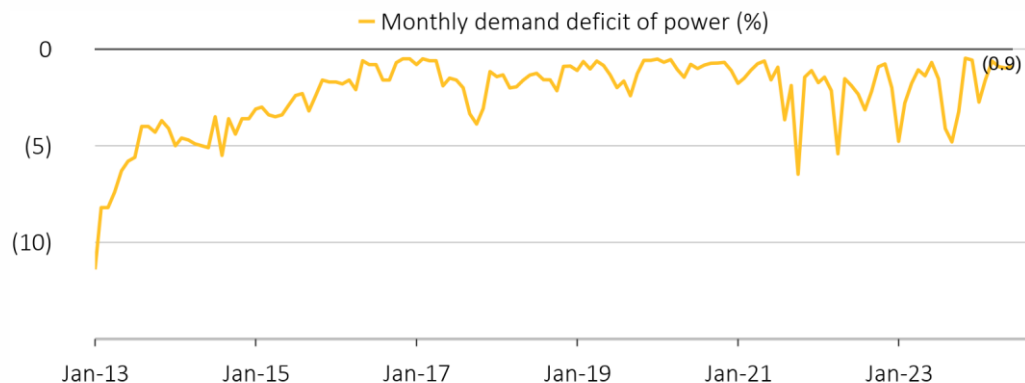
#### Note:

1. Growth in air cargo traffic between Apr '21 and Jun '21 not depicted due to low base effect of Apr '20 to Jun '20.

## Power

### Peak power deficit remains high sequentially at 0.9% in June

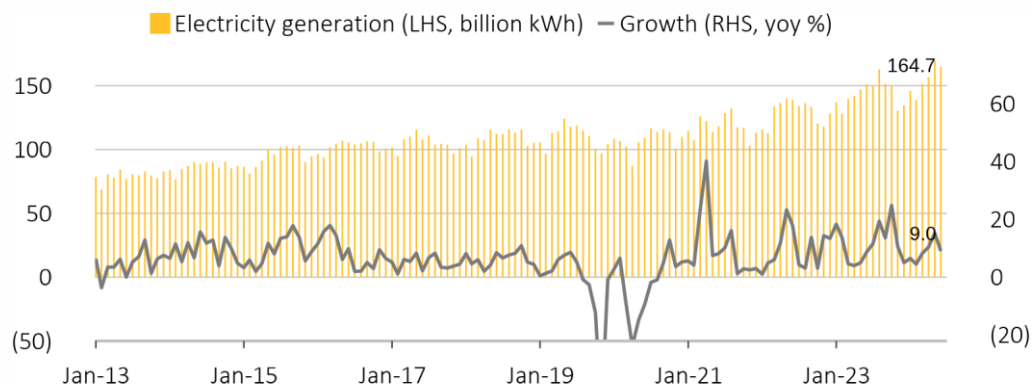
Monthly peak demand deficit of power (%), FY2013-FY2025 (Jun '24)



Source: Thurro, POSOCO, NIIF Research

### Electricity generation maintains strong growth of 9% yoy in June

Monthly electricity generation, FY2013-FY2025 (Jun '24)

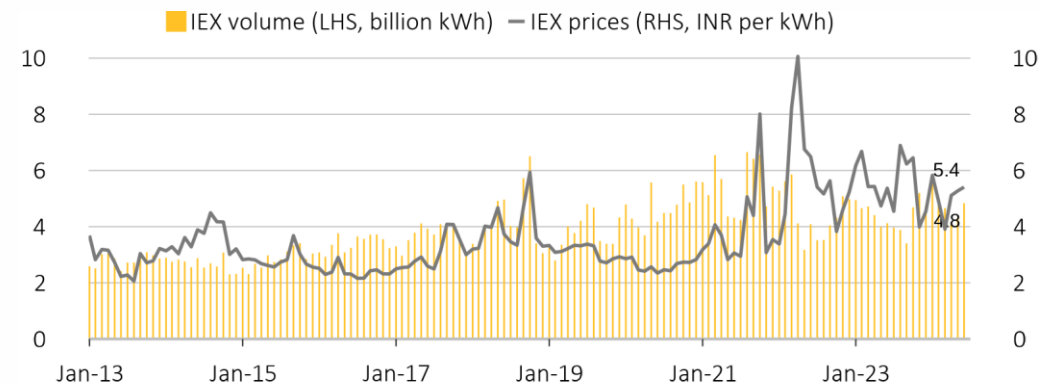


Source: Thurro, POSOCO, NIIF Research

Note: The residual difference between units of electricity generated and demanded is auxiliary consumption to run the power plants

### Traded power tariffs rise to INR 5.4 per kWh in June

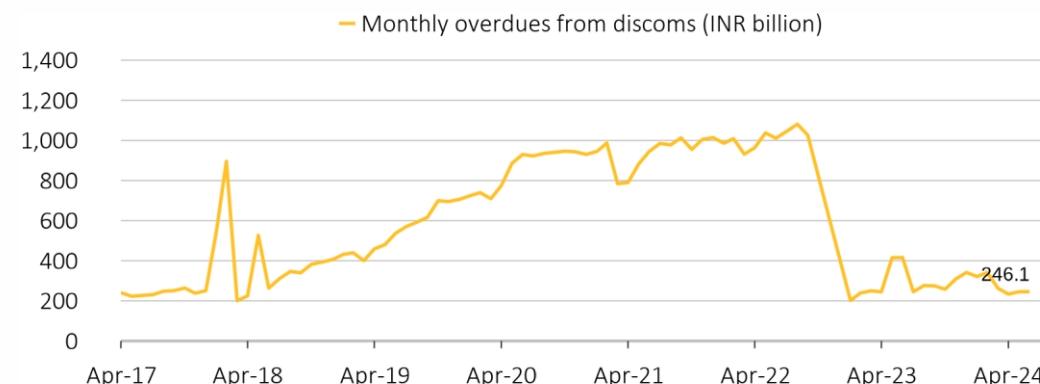
Monthly clearance prices on IEX DAM (INR/kWh), FY2013-FY2025 (Jun '24)



Source: Thurro, IEX, NIIF Research

### Outstanding dues of distribution companies at INR 246 bn in June

Monthly outstanding dues of discoms, FY2018-FY2025 (Jun '24)

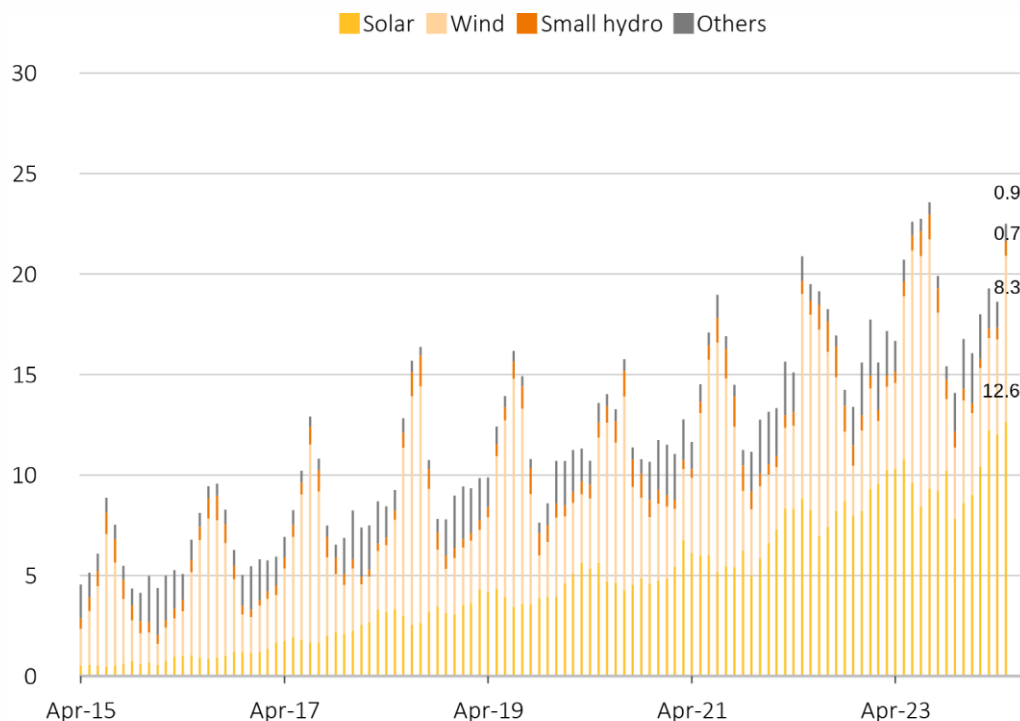


Source: Thurro, PRAAPTI, NIIF Research

## Renewables

### Solar and wind energy drive overall renewable generation in May

Monthly generation from renewables (billion kWh), FY2016-FY2025 (May '24)



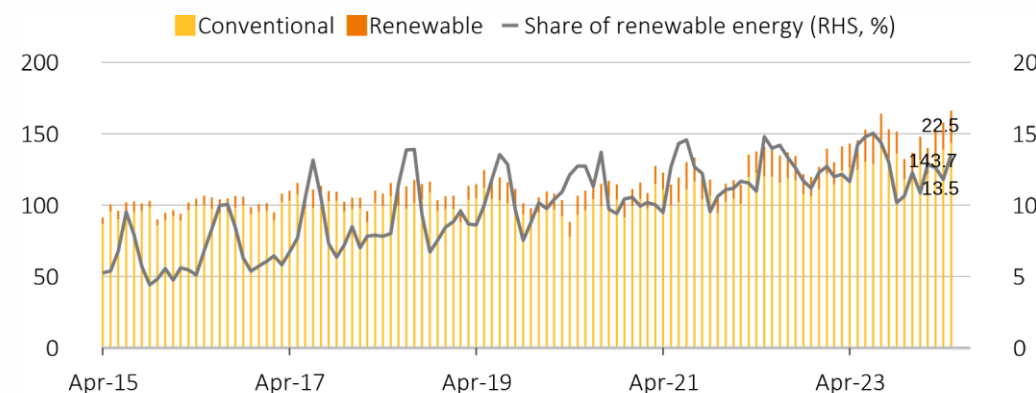
Source: Thurro, CEA, NIIF Research

#### Note:

- Others include bagasse-based energy and biomass other than bagasse, among other sources

### Share of renewable energy in power generation picks up to 14% in May

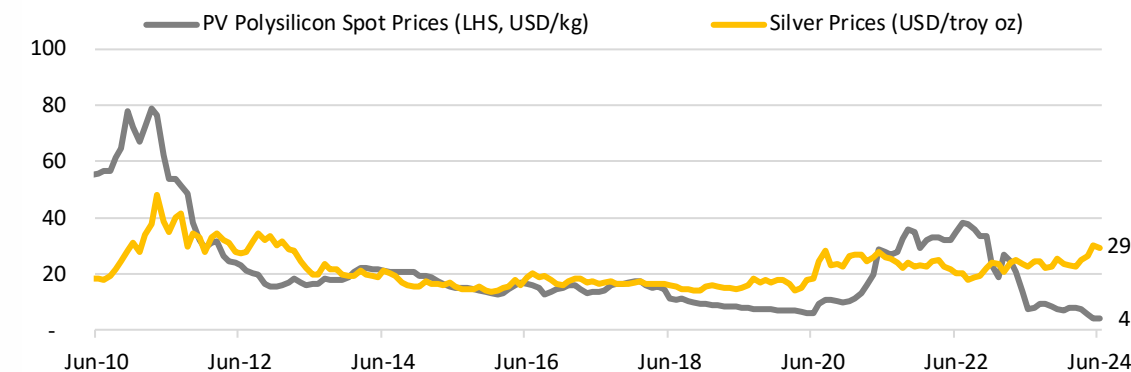
Monthly generation from energy sources (billion kWh), FY2016-FY2025 (May '24)



Source: Thurro, POSOCO, CEA, NIIF Research

### Polysilicon prices continue to be at a 14+ year low, silver prices remain elevated

Monthly average silicon prices, FY2015-FY2025 (Jun '24)



Source: Bloomberg, NIIF Research



# MONTHLY ECONOMIC REPORT ON INDIA JUL 2024

## Global

- Real GDP growth (median) forecast of 6.9% for FY2025. RBI projects 7.2%, while the International Monetary Fund (IMF) raised its FY2025 forecasts to 7.0% from 6.8% earlier. IMF also projects a constant 6.5% p.a. growth thereafter till FY2030. India remains a consistent outlier in terms of growth over the last few quarters - India's GDP grew by 7.8%, China records a stable 5.3% growth and US 2.9% in Q1CY24
- India's composite Purchasing Managers' Index (PMI) consistently in the deep expansionary zone, outperforming other major economies - at 60.9 in June. PMI of other major countries remain between 50-55 (above 50 indicates expansion); France and Japan record a contraction
- Consumer inflation softens across major economies in May-June. Indian equity markets generate average returns of ~24% in June, higher than the global average of ~11% over the last twelve months

## Global economy

### IMF raises India's FY2025 growth estimates to 7.0% from 6.8% earlier; stable 6.5% p.a. between FY2026 and FY2030

IMF nominal GDP (USD trillion) and real GDP growth projections (%), FY2024 to FY2030

	Nominal GDP (USD trillion)		Real GDP growth (% yoy)		
	Actual	Projection	Actual	Projection	
	2023	2025	2023	2024	2029
<b>World</b>	<b>104.8</b>	<b>114.8</b>	<b>3.3</b>	<b>3.2</b>	<b>3.1</b>
<b>Advanced Economies</b>	<b>61.4</b>	<b>66.4</b>	<b>1.6</b>	<b>1.7</b>	<b>1.7</b>
United States	27.4	29.8	2.5	2.6	2.1
Euro Area	15.5	16.6	0.5	0.9	1.2
Germany	4.5	4.8	(0.2)	0.2	0.7
Japan	4.2	4.3	1.9	0.7	0.4
United Kingdom	3.3	3.7	0.1	0.7	1.4
Canada	2.1	2.4	1.2	1.3	1.7
<b>Emerging markets and developing economies</b>	<b>43.4</b>	<b>48.5</b>	<b>4.4</b>	<b>4.3</b>	<b>3.9</b>
China	17.7	19.8	5.2	5.0	3.3
India	3.6	4.3	8.2	7.0	6.5
Russia	2.0	2.1	3.6	3.2	1.3
Brazil	2.2	2.4	2.9	2.1	2.0
South Africa	0.4	0.4	0.7	0.9	1.4

Source: IMF World Economic Outlook (July 2024), NIIF Research

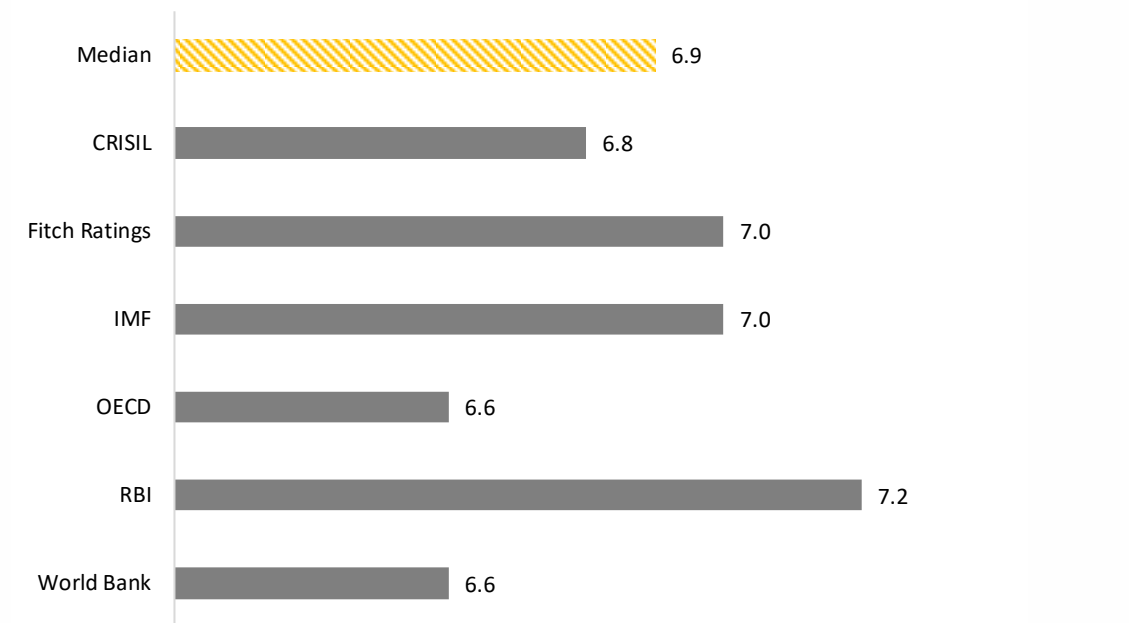
#### Note:

1. For India, data and forecasts are presented on a fiscal year basis (Apr-Mar); on calendar year basis for other countries
2. 7.8% GDP growth for India under the 2023 column is for FY2023-24; similarly for other years. Actual GDP growth in India in FY2024 was 8.2%
3. FY stands for financial year with the period starting Apr 1 and ending on Mar 31

## Growth

### Median real GDP growth in FY2025 estimated at 6.9%; RBI projects 7.2%

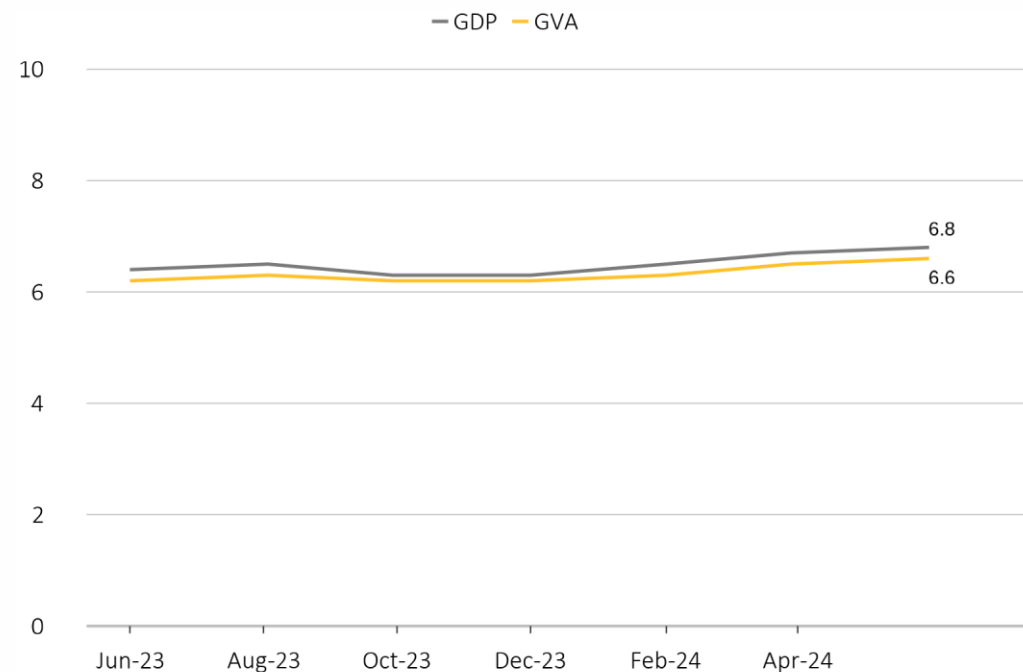
Projections for real GDP growth in FY2025 (% yoy), Mar '24 to Jun '24



Source: CMIE, NIIF Research

### RBI's April survey projects a 6.8% growth in FY2025

Bi-monthly median real GDP projections for FY2025 by RBI (% yoy), (Jun '24)



Source: Thurro, RBI, NIIF Research

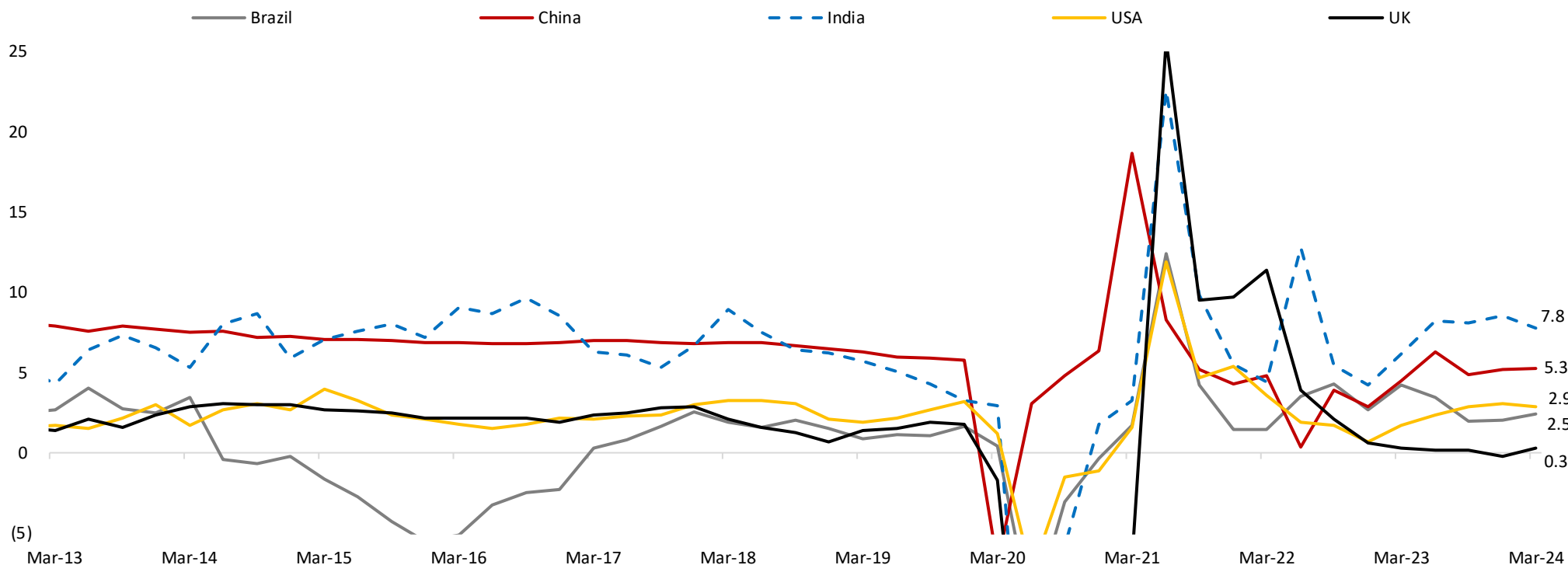
#### Note:

1. RBI's Professional Forecasters' Survey presents short to medium term economic development on GDP growth, among other macroeconomic indicators. In every round of survey, questionnaires are shared with 30 to 40 selected forecasters.

## Growth

**India's GDP grew by 7.8% in Q1CY24, China records a stable 5.3% growth while US sees a steady 2.9% growth**

Quarterly real GDP growth across countries (% yoy), FY2014-FY2024 (Mar '24)



Source: Bloomberg, NIIF Research

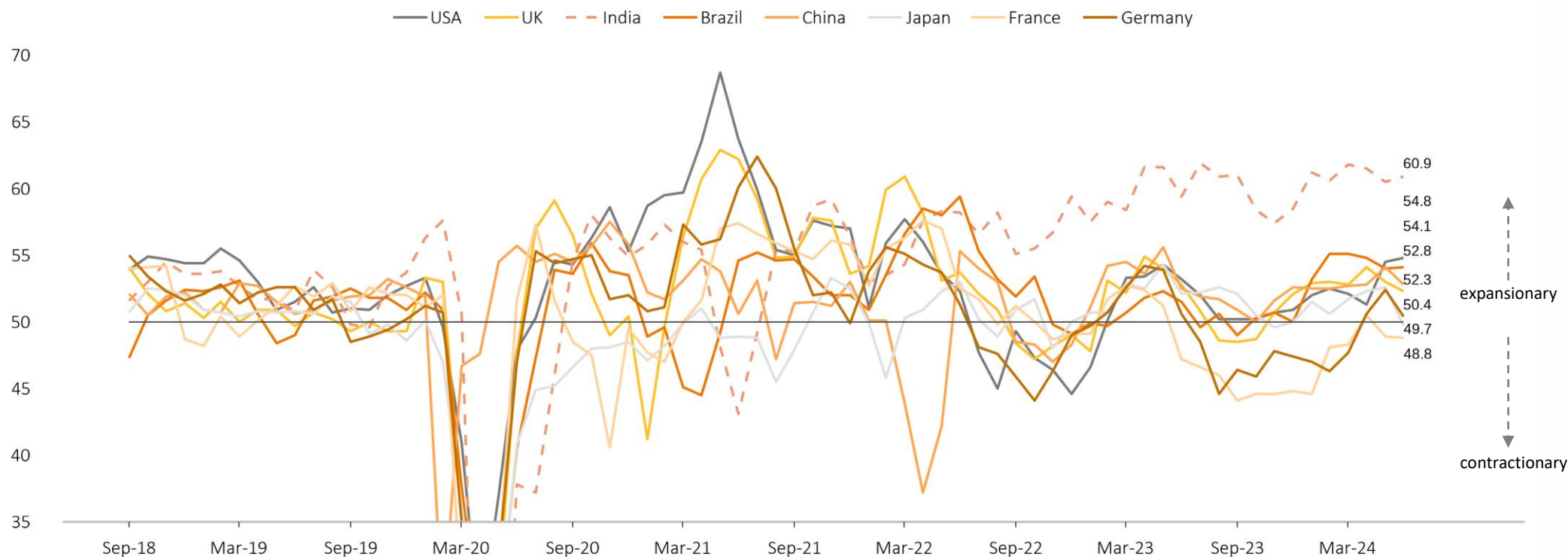
### Note:

1. Contraction in growth for four quarters between March 2020 to March 2021 not shown due to the impact of Covid-19 lockdown on the economy

## Purchasing managers' index: Global

### India's composite PMI remains high at 60.9 in June; economic activity picks up in other economies

Monthly PMI composite indices across major economies, FY2019-FY2025 (Jun '24)



Source: Thurro, S&P, NIIF Research

#### Note:

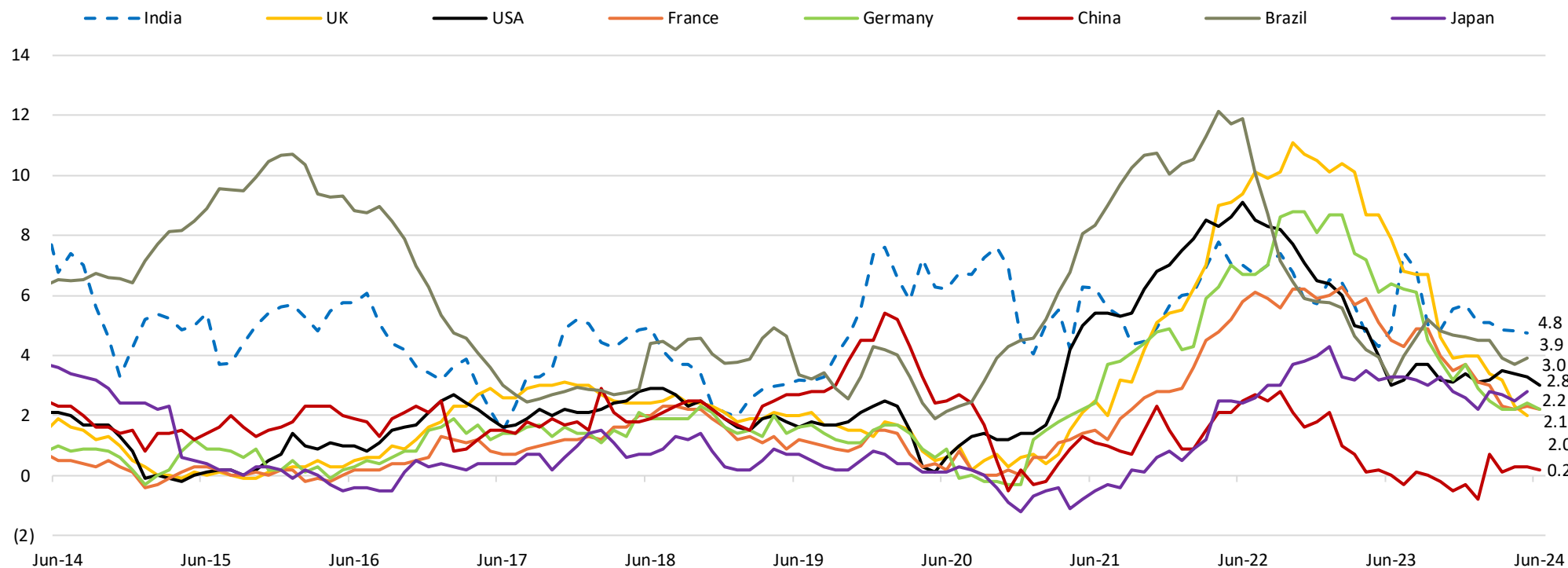
1. Impact of Covid on economic activity seen across countries for months between Feb '20 and May '20 and hence not shown in the chart.
2. The headline PMI Composite (Output) Index is a weighted average of the headline PMI Services Index and the Manufacturing Output Index (not the headline PMI manufacturing). Hence, a simple average of PMI Services and Manufacturing indices may not reflect in the PMI Composite.



## Inflation: Global

### Inflationary pressure eases across India, US, UK, Japan, and France

Monthly consumer price inflation (% yoy), FY2013-FY2025 (Jun '24)



Source: Bloomberg, NIIF Research

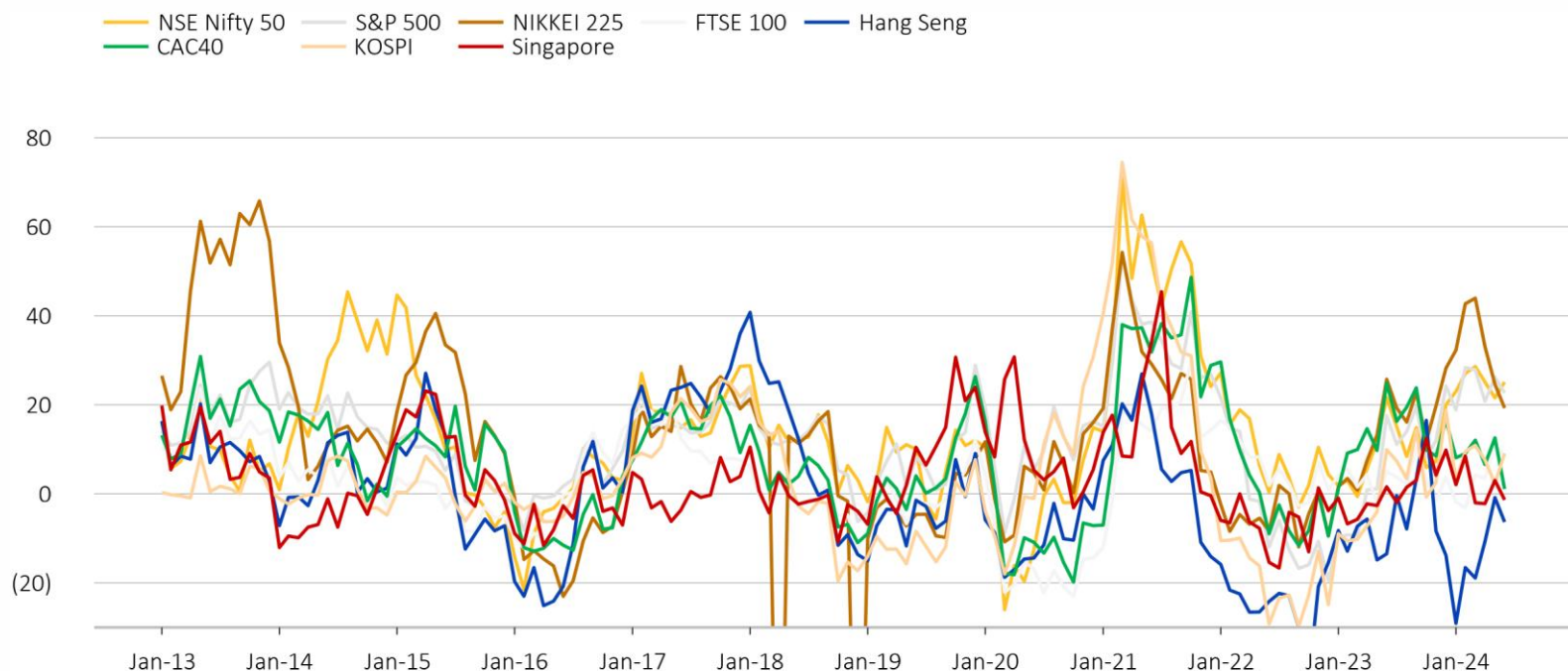
#### Note:

1. Data for USA, France, Germany, and China is till June 2024, for others up to May

## Equity markets: global

### Nifty 50 outperforms global indices, generates 25.1% yoy returns in June

Monthly performance of Nifty-50, Sensex and other global indices, returns in local currency (% yoy), FY2013-FY2025 (Jun '24)



Returns as on June 30, 2024 (% yoy)

NSE Nifty 50	25.1
S&P 500	22.7
BSE Sensex	22.1
NIKKEI 225	19.3
Dow Jones	13.7
KOSPI	9.1
FTSE 100	8.4
CAC40	1.1
Singapore	(1.4)
Hang Seng	(6.3)

Source: Thurro, BSE, NIF Research

#### Note:

1. Return is calculated as on month end



## Annexures

# MONTHLY ECONOMIC REPORT ON INDIA JUL 2024

## High Frequency Indicators (1/2)

### Robust growth across most supply side indicators – power generation, steel and coal production, logistics, and trade

Change in major economic indicators (% yoy), May '23 - Jun '24

	Units	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24
<b>Fiscal</b>															
Central government expenditure	% yoy	3.5	17.3	84.6	10.5	3.2	(14.0)	(13.8)	7.1	(14.0)	20.4	(0.6)	39.3	(37.9)	
Gross tax revenue	% yoy	4.4	11.3	1.5	95.2	15.9	(1.2)	21.3	12.9	16.5	(0.5)	13.5	16.9	14.4	
GST collection	% yoy	11.5	11.7	10.8	10.8	10.2	13.4	15.1	10.3	11.8	12.5	11.5	12.4	10.0	7.7
<b>Industry</b>															
Index of industrial production	% yoy	5.7	4.0	6.2	10.9	6.4	11.9	2.5	4.4	4.2	5.6	5.4	5.0	5.9	
Index of eight core industries	% yoy	5.2	8.3	8.6	13.4	9.5	12.7	7.9	5.1	4.2	7.1	6.0	6.7	6.3	
Electricity generation	% yoy	5.0	8.7	11.6	19.3	13.5	24.8	10.6	5.0	6.5	4.5	8.3	10.4	15.1	9.0
Steel production	% yoy	6.1	7.8	15.5	12.8	16.7	11.6	11.6	15.2	17.1	19.1	12.1	14.7	11.4	
Cement production	% yoy	15.5	9.7	5.7	19.3	5.1	17.3	(3.2)	1.7	5.6	10.3	11.2	1.4	(0.4)	
Coal production	% yoy	7.0	9.8	14.9	17.8	15.9	18.6	11.0	10.7	10.3	11.8	8.2	7.4	10.2	14.6
Wholesale price index	% yoy	(3.6)	(4.2)	(1.2)	(0.5)	(0.1)	(0.3)	0.4	0.9	0.3	0.2	0.3	1.3	2.6	
<b>Logistics</b>															
Rail freight	% yoy	1.9	(2.0)	1.5	6.4	6.8	8.5	4.3	6.4	11.7	10.1	8.6	1.4	3.7	10.1
Port cargo	% yoy	2.7	1.8	2.8	3.1	3.1	6.1	10.2	9.9	6.6	2.1	3.1	2.7	3.8	4.0
Air cargo	% yoy	(0.3)	(0.8)	(1.1)	6.9	(0.3)	13.1	6.6	10.8	15.0	20.5	17.3	5.0	15.6	
E-way bills (volume)	% yoy	19.7	15.5	16.4	19.5	9.5	30.5	8.5	13.2	15.6	18.9	13.9	14.5	17.0	16.3
<b>Trade</b>															
Merchandise exports	% yoy	(10.4)	(18.8)	(10.0)	3.5	(2.8)	5.8	(3.3)	0.8	4.3	11.9	(0.6)	2.1	9.1	2.6
Merchandise imports	% yoy	(6.0)	(16.8)	(16.1)	0.7	(14.0)	9.5	(4.3)	(7.8)	1.0	12.2	(6.0)	10.7	7.7	5.0
Non-oil merchandise exports	% yoy	(4.7)	(13.0)	(8.0)	0.8	(0.6)	8.9	(1.7)	5.9	2.2	13.8	8.0	0.2	7.8	7.7
Non-oil merchandise imports	% yoy	(5.8)	(9.9)	(7.8)	3.3	(11.6)	13.8	(2.7)	(0.9)	2.4	17.8	(6.6)	6.9	0.1	0.5
Services exports	% yoy	7.4	3.2	8.1	8.3	(2.7)	10.7	4.2	1.7	10.8	3.4	(1.4)	17.7	10.2	8.9
Services imports	% yoy	4.5	(1.0)	(2.3)	(0.9)	(10.4)	(0.4)	(11.1)	(1.1)	0.1	1.7	(2.1)	19.1	5.4	10.8

Source: Thurro, CGA, Ministry of Finance, MoSPI, EAI, POSOCO, Indian Railways, Indian Ports Association, AAI, GSTN, RBI, NPCI, NIIF Research

#### Note:

1. Conditional formatting based on absolute values with respect to zero, with the largest negative values represented by dark red and largest positive values represented by dark green for each variable

## High Frequency Indicators (2/2)

### Demand side indicators except PVs and CVs maintain growth momentum in June

Change in major economic indicators (% yoy), May '23 - Jun '24

	Units	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24
<b>Energy</b>															
Electricity demand	% yoy	(0.6)	3.9	8.1	16.6	10.4	21.1	5.9	4.9	5.9	8.1	9.0	10.3	15.2	8.9
Petrol consumption	% yoy	11.0	6.2	6.3	2.9	8.2	4.9	9.4	0.2	9.8	8.9	7.0	14.2	2.4	4.6
<b>Automobile registrations</b>															
Passenger vehicles	% yoy	5.2	5.0	3.3	5.0	17.9	(2.1)	19.5	2.5	12.3	10.7	(5.9)	18.1	(0.2)	(8.1)
Three-wheeler	% yoy	85.5	80.0	77.5	69.0	51.0	53.0	29.2	42.9	41.5	24.7	17.6	9.8	20.6	7.5
Two-wheeler	% yoy	11.5	8.1	8.8	7.0	22.5	(11.8)	21.7	28.0	15.4	13.7	5.7	33.5	2.6	4.6
Commercial vehicles	% yoy	3.2	(3.8)	(1.7)	1.9	1.7	9.0	(3.1)	0.0	(1.4)	(0.8)	(8.0)	(0.1)	2.5	(4.6)
Passenger vehicles-electric	% yoy	213.3	143.3	140.7	119.5	79.4	95.1	100.9	141.0	136.4	56.7	8.8	39.4	7.4	(10.7)
Three-wheeler-electric	% yoy	86.1	73.3	77.1	72.5	54.2	59.1	34.0	63.2	56.3	40.6	34.4	10.6	22.7	8.9
Two-wheeler-electric	% yoy	160.3	6.2	18.9	21.1	20.6	(2.6)	19.9	17.4	26.9	25.1	62.5	(2.1)	(26.9)	72.5
Commercial vehicles-electric	% yoy	441.9	231.0	510.0	450.9	371.9	550.9	244.2	128.8	202.2	214.0	393.9	(5.6)	43.3	60.0
<b>Services</b>															
Air passenger (domestic)	% yoy	15.2	18.8	24.7	22.8	18.4	10.8	9.3	8.6	5.1	5.2	4.1	2.8	5.0	10.6
Air passenger (international)	% yoy	35.8	25.1	20.8	21.1	20.0	20.8	21.4	18.2	20.7	17.5	14.7	14.6	14.9	13.5
Rail passenger	% yoy	(15.8)	(11.5)	6.1	7.7	2.5	7.7								
FASTag collection (volume)	% yoy	17.4	13.7	11.3	13.3	15.4	13.0	12.3	13.0	10.2	8.3	10.6	7.6	3.7	5.8
FASTag collection (value)	% yoy	24.3	20.8	19.7	21.9	19.9	24.4	14.1	18.6	15.5	15.1	17.2	8.6	8.7	11.2
UPI transactions (volume)	% yoy	58.1	59.2	58.5	60.9	55.7	56.2	53.7	53.5	51.8	60.6	54.7	49.5	49.1	48.7
UPI transactions (value)	% yoy	43.0	45.5	44.3	47.0	41.4	41.6	46.1	42.2	41.8	47.9	40.3	39.6	37.3	36.0
Consumer price index	% yoy	4.3	4.9	7.4	6.8	5.0	4.9	5.6	5.7	5.1	5.1	4.9	4.8	4.8	5.1
<b>Banking</b>															
Aggregate deposits	% yoy	11.4	15.5	12.9	13.2	12.3	13.2	14.2	13.3	13.2	13.1	13.5	12.6	14.0	11.1
Outstanding credit	% yoy	15.3	18.0	19.5	19.7	17.6	20.4	21.1	20.0	20.3	20.5	20.2	19.2	20.7	17.4

Source: Thurro, CGA, Ministry of Finance, MoSPI, EAI, POSOCO, Indian Railways, Indian Ports Association, AAI, GSTN, RBI, NPCI, NIIF Research

#### Note:

1. Conditional formatting based on absolute values with respect to zero, with the largest negative values represented by dark red and largest positive values represented by dark green for each variable. Rail passenger data unavailable since November 2023

## High Frequency Indicators (1/2)

### Robust growth across most supply side indicators – power generation, steel and coal production, logistics, and trade

Major economic indicators (absolute values), May '23 - Jun '24

	Units	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24
<b>Fiscal</b>															
Central government expenditure	INR trillion	3.2	4.2	3.3	2.9	4.5	2.8	2.6	4.0	3.0	3.9	7.0	4.2	2.0	
Gross tax revenue	INR trillion	1.8	2.7	2.2	3.0	4.3	2.2	2.1	4.4	2.2	1.8	5.7	2.6	2.0	
GST collection	INR trillion	1.6	1.6	1.7	1.6	1.6	1.7	1.7	1.6	1.7	1.7	1.8	2.1	1.7	1.7
<b>Industry</b>															
Index of industrial production	Index	145.6	143.9	142.7	145.8	142.3	144.9	141.1	152.3	153.6	147.1	159.9	147.7	154.2	
Index of eight core industries	Index	157.4	155.9	153.2	158.6	151.7	156.4	150.4	161.2	165.4	157.7	174.6	161.3	167.3	
Electricity generation	billion kWh	147.1	151.1	149.4	162.6	151.6	150.3	130.5	134.6	145.9	138.6	151.3	156.6	169.3	164.7
Steel production	mn tonnes	11.3	11.3	11.5	11.4	11.5	11.7	11.8	12.1	12.5	11.8	12.7	12.1	12.5	
Cement production	mn tonnes	37.2	37.7	32.3	35.1	32.3	35.3	30.8	36.4	37.9	38.6	42.7	37.6	37.0	
Coal production	mn tonnes	76.2	74.0	69.3	68.4	67.3	78.7	84.5	92.9	99.7	96.6	116.6	78.7	83.9	84.7
Wholesale price index	Index	149.4	148.9	152.1	152.5	151.8	152.5	153.1	151.8	151.2	151.2	151.4	153.0	153.3	
<b>Logistics</b>															
Rail freight	mn tonnes	134.2	123.0	124.0	127.0	123.6	129.0	128.4	139.0	142.7	136.6	157.0	128.3	139.2	135.5
Port cargo	mn tonnes	68.2	66.2	66.2	65.3	61.9	70.5	70.9	70.0	72.5	67.1	74.6	67.3	72.0	69.1
Air cargo	'000 ton	270.1	268.3	272.0	279.3	272.7	291.8	269.3	287.0	273.3	293.0	329.3	282.7	312.4	
E-way bills (volume)	million	88.2	86.1	88.0	93.4	92.0	100.3	87.6	95.3	95.3	97.3	103.5	96.7	103.2	100.1
<b>Trade</b>															
Merchandise exports	USD billion	35.0	34.3	34.5	38.3	34.4	33.4	33.7	38.4	37.3	41.4	41.7	35.3	38.1	35.2
Merchandise imports	USD billion	57.5	53.5	53.5	62.3	54.5	63.4	54.5	56.6	53.3	60.1	57.3	54.3	61.9	56.2
Non-oil merchandise exports	USD billion	29.1	27.6	27.8	28.8	27.9	27.5	26.4	31.5	28.7	33.2	36.3	28.3	31.4	29.7
Non-oil merchandise imports	USD billion	41.9	40.9	41.7	46.0	40.5	47.3	39.6	41.5	37.8	43.2	40.0	37.8	42.0	41.1
Services exports	USD billion	27.0	27.8	26.2	28.7	28.4	28.0	28.1	31.6	31.0	28.3	30.0	30.3	29.8	30.3
Services imports	USD billion	15.9	15.6	13.7	15.1	14.6	13.5	13.7	15.6	14.8	15.2	16.6	16.6	16.7	17.3

## High Frequency Indicators (2/2)

### Demand side indicators except PVs and CVs maintain growth momentum in June

Major economic indicators (absolute values), May '23 - Jun '24

	Units	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24
<b>Energy</b>															
Electricity demand	billion kWh	135.8	140.1	139.2	152.4	140.9	139.3	119.7	123.2	134.3	128.0	139.2	144.4	156.4	152.6
Petrol consumption	mn tonnes	3.3	3.2	3.0	3.1	3.1	3.1	3.1	3.0	3.1	3.0	3.3	3.3	3.4	3.3
<b>Automobile registrations</b>															
Passenger vehicles	'000s	285.4	280.8	266.5	295.2	312.3	337.4	350.7	278.3	372.0	309.6	301.1	318.6	284.7	258.1
Three-wheeler	'000s	81.5	87.8	95.0	100.9	102.9	109.2	103.5	98.1	99.9	94.9	105.3	80.1	98.3	94.3
Two-wheeler	'000s	1,499.7	1,316.0	1,233.8	1,261.0	1,318.4	1,517.1	2,258.5	1,455.2	1,465.3	1,446.5	1,537.8	1,650.2	1,539.3	1,376.4
Commercial vehicles	'000s	67.6	61.6	61.8	65.3	70.5	79.8	76.0	65.9	79.9	75.4	78.7	77.3	69.3	58.8
Passenger vehicles-electric	'000s	6.8	7.0	6.9	6.3	5.7	6.4	7.1	7.0	7.0	6.8	7.8	7.5	7.4	6.2
Three-wheeler-electric	'000s	44.6	48.0	53.7	56.7	57.4	56.9	53.8	57.5	53.4	50.6	60.8	42.0	54.7	52.3
Two-wheeler-electric	'000s	105.5	46.1	54.6	62.7	64.0	75.1	92.0	75.8	82.0	82.6	140.3	65.5	77.2	79.5
Commercial vehicles-electric	'000s	0.2	0.2	0.2	0.3	0.3	0.3	0.3	0.3	0.4	0.5	1.7	0.3	0.3	0.4
<b>Services</b>															
Air passenger (domestic)	million	13.2	12.5	12.1	12.4	12.2	12.6	12.7	13.8	13.2	12.7	13.4	13.3	13.9	13.8
Air passenger (international)	million	5.6	5.7	5.7	5.6	5.5	5.7	6.2	6.5	6.6	6.4	6.2	6.1	6.4	6.4
Rail passenger	million	63.3	60.3	71.2	69.4	65.4	64.3								
FASTag collection (volume)	million	335.0	316.1	295.0	308.0	298.9	319.7	320.8	348.0	331.4	323.4	338.7	328.1	347.4	334.4
FASTag collection (value)	INR billion	54.3	52.0	49.8	51.8	50.9	55.4	53.0	58.6	55.6	55.8	59.4	55.9	59.1	57.8
UPI transactions (volume)	billion	9.4	9.3	10.0	10.6	10.6	11.4	11.2	12.0	12.2	12.1	13.4	13.3	14.0	13.9
UPI transactions (value)	INR trillion	14.9	14.8	15.3	15.8	15.8	17.2	17.4	18.2	18.4	18.3	19.8	19.6	20.4	20.1
Consumer price index	Index	179.1	181.0	186.3	186.2	184.1	185.3	186.3	185.7	185.5	185.8	185.8	186.7	187.7	190.2
<b>Banking</b>															
Aggregate deposits	INR trillion	184.9	191.6	191.7	192.4	197.0	195.6	197.9	200.9	200.6	202.0	204.8	208.0	210.9	212.9
Outstanding credit	INR trillion	139.0	143.8	147.9	149.2	153.2	154.9	157.5	159.6	160.4	162.1	164.3	165.5	167.8	168.8

## Core sectors

### IIP growth of 5.9% in May driven by electricity and mining; robust growth in consumer durable, primary, and infrastructure goods

Monthly index of industrial production (% yoy), May '23 – May '24

	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24
<b>IIP</b>	<b>5.7</b>	<b>4.0</b>	<b>6.2</b>	<b>10.9</b>	<b>6.4</b>	<b>11.9</b>	<b>2.5</b>	<b>4.4</b>	<b>4.2</b>	<b>5.6</b>	<b>5.4</b>	<b>5.0</b>	<b>5.9</b>
<b>Sector-based classification</b>													
Mining	6.4	7.6	10.7	12.3	11.5	13.1	7.0	5.2	6.0	8.1	1.3	6.8	6.6
Manufacturing	6.3	3.5	5.3	10.0	5.1	10.6	1.3	4.6	3.6	4.9	5.8	3.9	4.6
Electricity	0.9	4.2	8.0	15.3	9.9	20.4	5.8	1.2	5.6	7.6	8.6	10.2	13.7
<b>Use-based classification</b>													
Primary goods	3.6	5.3	7.7	12.4	8.0	11.4	8.4	4.8	2.9	5.9	3.0	7.0	7.3
Capital goods	8.1	2.9	5.1	13.1	8.4	21.7	(1.1)	3.7	3.2	1.7	6.6	2.7	2.5
Intermediate goods	3.4	5.2	3.2	7.4	6.1	9.5	3.4	3.7	5.3	8.6	5.5	3.2	2.5
Infrastructure and construction goods	13.0	13.3	12.6	15.7	10.1	12.6	1.5	5.5	5.5	8.3	7.4	8.0	6.9
Consumer durable goods	1.5	(6.8)	(3.6)	6.0	1.0	15.9	(4.8)	5.2	11.6	12.6	9.5	10.0	12.3
Consumer non-durable goods	8.9	0.5	8.3	9.9	2.7	9.3	(3.4)	3.0	0.3	(3.2)	5.3	(2.5)	2.3

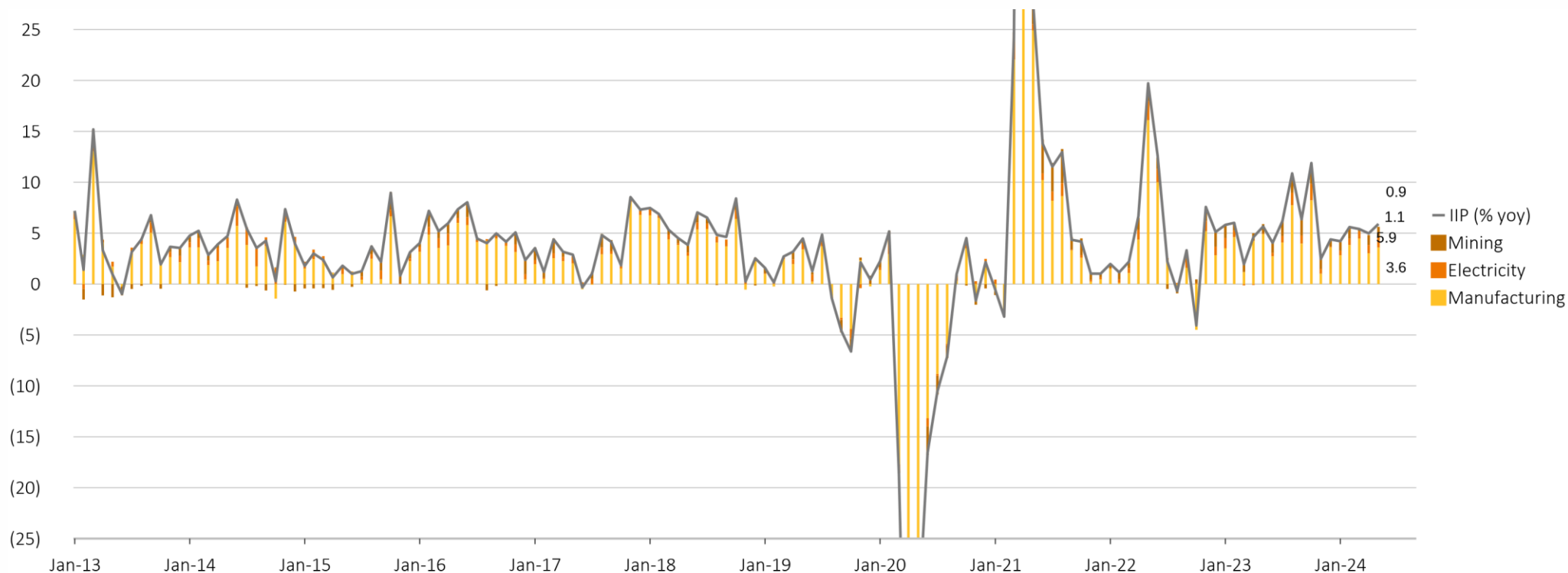
Source: Thurro, MOSPI, NIIF Research



## Core sectors

### Manufacturing accounts for 3.6pp of the 5.9% IIP growth in May, followed by electricity at 1.1 pp and mining at 0.9pp

Contribution from key components of index of industrial production-sector-based classification (% yoy/pp), FY2013-FY2025 (May '24)



Source: Thurro, MOSPI, NIIF Research

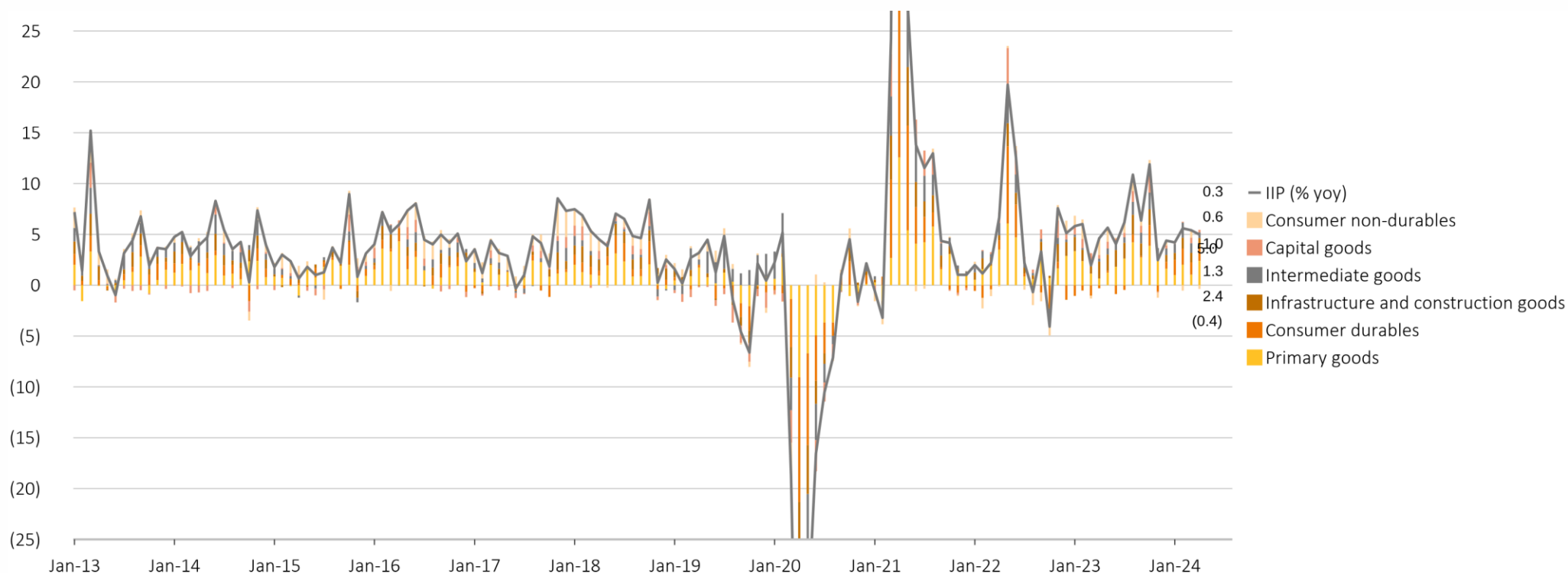
#### Note:

1. Mining accounts for ~14.37%, manufacturing 77.63%, and electricity 7.99% weight in the Index of Industrial Production

## Core sectors

### Primary goods contribute 2.4pp of 5.9% IIP growth in May, followed by consumer durable goods at 1.3pp

Contribution from key components of index of industrial production-use-based classification (% yoy/pp), FY2013-FY2025 (Apr '24)



Source: Thurro, MOSPI, NIIF Research

#### Note:

1. Primary goods account for ~34.05%, capital goods 8.22%, intermediate 17.22%, infrastructure and construction goods 12.34%, consumer durables 12.84%, and consumer non-durable goods 15.33% weight in the Index of Industrial Production

## Bank: credit and deposits

### Overall credit growth remains above 20% yoy in May

Monthly total credit outstanding by sector (INR trillion), May '23 - May '24

*HDFC merger*

	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Growth (% yoy)
Agriculture	17.2	18.0	17.9	18.0	18.2	19.1	19.3	19.9	20.1	20.4	20.7	21.1	21.4	24.4
Industry	33.5	34.2	33.7	34.1	34.7	35.7	36.0	36.6	36.5	36.7	36.8	36.6	37.0	10.4
Construction	1.2	1.3	1.2	1.3	1.3	1.3	1.3	1.4	1.4	1.4	1.4	1.3	1.4	10.1
Infrastructure	12.2	12.3	12.3	12.4	12.5	12.7	12.8	12.9	12.8	12.8	12.8	13.2	13.4	9.4
Power	6.2	6.2	6.2	6.1	6.2	6.2	6.3	6.5	6.4	6.5	6.5	6.5	6.6	6.6
Telecom	1.3	1.2	1.3	1.3	1.4	1.4	1.5	1.4	1.4	1.3	1.4	1.4	1.3	4.8
Roads	2.9	2.9	3.0	3.0	3.0	3.1	3.1	3.1	3.1	3.1	3.0	3.3	3.4	15.9
Services	36.8	38.9	39.0	39.4	40.3	42.1	42.6	44.1	44.2	44.9	45.9	45.9	46.8	27.1
Services - NBFC	13.4	14.2	13.8	13.8	14.2	14.8	14.9	15.2	15.0	15.1	15.5	15.5	15.7	17.1
Services - Trade	8.4	8.6	8.4	8.4	8.7	9.3	9.1	9.4	9.6	10.1	10.2	10.2	10.5	25.9
Services- Commercial Real Estate	3.2	3.3	4.1	4.1	4.1	4.2	4.3	4.4	4.4	4.4	4.5	4.5	4.8	49.2
Retail loans	41.4	42.6	47.3	47.7	48.3	50.0	50.6	51.8	52.2	52.7	53.4	53.6	54.6	31.9
Other non-food loans	9.6	10.0	9.9	9.8	9.8	7.1	7.3	6.8	6.9	7.0	7.3	7.5	7.6	(21.0)
Non-food Credit	138.6	143.6	147.8	149.0	151.3	154.1	155.8	159.2	160.0	161.7	164.1	164.8	167.4	20.8
<b>Total Credit Outstanding (without HDFC merger)</b>	<b>138.9</b>	<b>143.9</b>	<b>141.9</b>	<b>143.2</b>	<b>145.6</b>	<b>148.4</b>	<b>150.4</b>	<b>153.9</b>	<b>154.9</b>	<b>156.7</b>	<b>159.0</b>	<b>159.7</b>	<b>162.7</b>	<b>17.1</b>
<b>Total Credit Outstanding</b>	<b>138.9</b>	<b>143.9</b>	<b>148.0</b>	<b>149.2</b>	<b>151.5</b>	<b>154.3</b>	<b>156.2</b>	<b>159.6</b>	<b>160.4</b>	<b>162.1</b>	<b>164.3</b>	<b>164.9</b>	<b>167.8</b>	<b>20.8</b>

Source: Thurro, RBI, NIIF Research

## Bank: credit and deposits

### Retail loan maintains a higher than overall credit growth in May

Monthly retail loans (INR trillion), May '23 - May '24

	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Growth (% yoy)
<b>Personal loans</b>	<b>41.4</b>	<b>42.6</b>	<b>47.3</b>	<b>47.7</b>	<b>48.3</b>	<b>50.0</b>	<b>50.6</b>	<b>51.8</b>	<b>52.2</b>	<b>52.7</b>	<b>53.4</b>	<b>53.6</b>	<b>54.6</b>	<b>31.9</b>
Housing	19.6	20.0	24.3	24.6	24.8	25.6	25.9	26.4	26.6	26.8	27.2	27.4	27.9	42.4
Vehicle loans	5.1	5.2	5.3	5.3	5.4	5.5	5.6	5.8	5.8	5.8	5.9	5.9	6.0	18.3
Credit card outstanding	2.0	2.1	2.1	2.2	2.2	2.4	2.4	2.5	2.6	2.6	2.6	2.6	2.7	33.2
Advances against fixed deposits	1.1	1.2	1.1	1.1	1.1	1.1	1.1	1.2	1.2	1.2	1.3	1.2	1.2	11.5
Education	1.0	1.0	1.0	1.1	1.1	1.1	1.1	1.1	1.2	1.2	1.2	1.2	1.2	23.9
Loans against gold jewellery	0.9	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.2	28.8
Consumer durables	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	20.2
Others	11.4	11.8	12.2	12.2	12.4	12.9	13.0	13.3	13.5	13.7	13.9	13.9	14.0	22.7

Source: Thurro, RBI, NIIF Research

## Inflation

**Consumer inflation picks up sequentially to 5.1% yoy driven by persistently high prices of food and personal care (led by higher gold prices)**

Monthly consumer price inflation (% yoy), Jun '23 – Jun '24

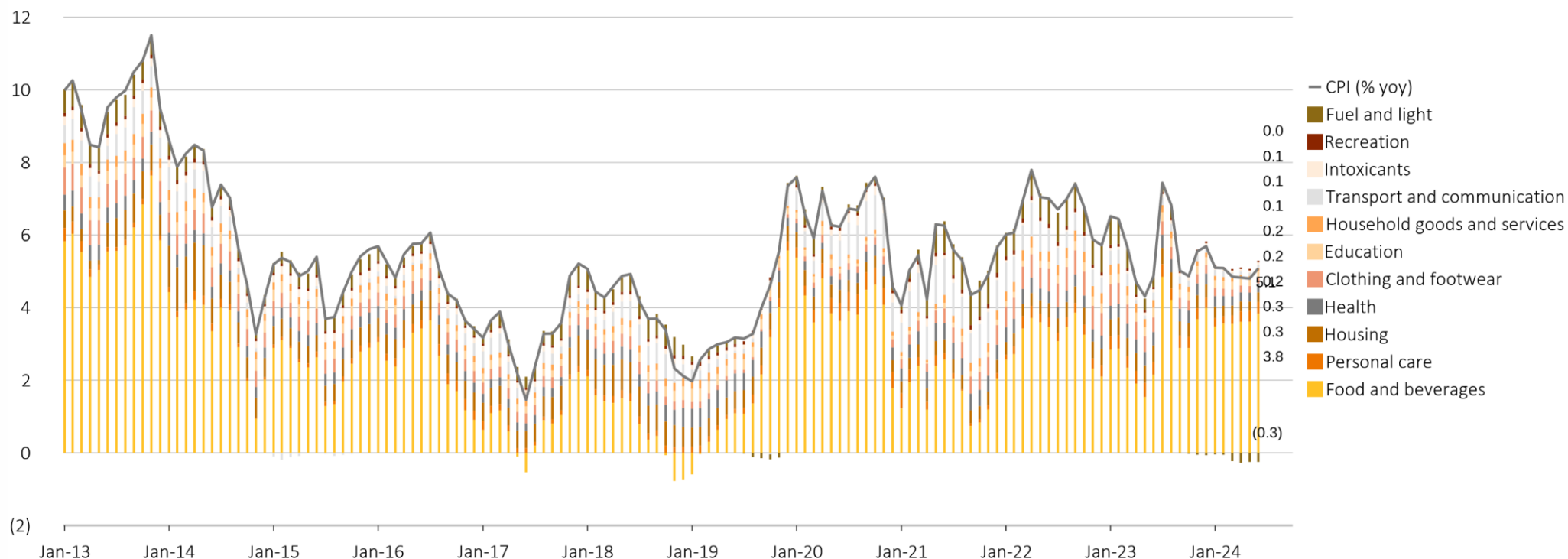
	Weights	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24
<b>Consumer Price Index</b>	<b>100.0</b>	<b>4.9</b>	<b>7.4</b>	<b>6.8</b>	<b>5.0</b>	<b>4.9</b>	<b>5.6</b>	<b>5.7</b>	<b>5.1</b>	<b>5.1</b>	<b>4.9</b>	<b>4.8</b>	<b>4.8</b>	<b>5.1</b>
<b>Consumer Price Index - Core</b>	<b>47.3</b>	<b>5.1</b>	<b>4.9</b>	<b>4.8</b>	<b>4.5</b>	<b>4.3</b>	<b>4.1</b>	<b>3.9</b>	<b>3.6</b>	<b>3.4</b>	<b>3.2</b>	<b>3.2</b>	<b>3.1</b>	<b>3.1</b>
Food and beverages	45.9	4.7	10.6	9.2	6.3	6.3	8.0	8.7	7.6	7.8	7.7	7.9	7.9	8.4
Pan, tobacco and intoxicants	2.4	3.7	3.9	4.1	3.9	3.9	3.8	3.6	3.3	3.1	3.1	3.0	3.0	3.1
Clothing and footwear	6.5	6.1	5.6	5.2	4.6	4.3	3.9	3.6	3.4	3.1	3.0	2.9	2.7	2.7
Housing	10.1	4.6	4.5	4.4	4.0	3.8	3.6	3.6	3.2	2.9	2.7	2.7	2.6	2.7
Fuel and light	6.8	3.9	3.7	4.3	(0.1)	(0.4)	(0.8)	(1.0)	(0.6)	(0.8)	(3.4)	(4.0)	(3.7)	(3.7)
Miscellaneous	28.3	5.2	5.0	4.9	4.8	4.5	4.4	4.1	3.8	3.6	3.5	3.5	3.4	3.4
Household goods and services	3.8	5.6	5.2	4.8	4.3	3.9	3.5	3.4	3.1	2.8	2.7	2.7	2.5	2.4
Health	5.9	6.2	6.2	6.2	5.9	5.9	5.5	5.1	4.9	4.5	4.3	4.3	4.2	4.1
Transportation and communication	8.6	2.5	2.5	2.5	2.3	2.0	2.1	2.0	2.0	1.8	1.5	1.1	1.0	1.0
Recreation and amusement	1.7	3.6	3.7	3.6	3.4	3.3	3.1	3.1	2.9	2.7	2.8	2.6	2.6	2.4
Education	4.5	6.0	5.5	5.5	5.3	5.1	5.0	4.8	4.9	4.8	4.7	4.2	4.1	3.6
Personal Care and effects	3.9	9.0	8.9	8.1	8.5	7.8	7.8	7.3	5.9	5.2	6.0	7.4	7.7	8.2

Source: Thurro, MoSPI, NIIF Research

## Inflation

### Food and beverages contributes 3.8pp to 5.1% of CPI inflation in June, followed by personal care and housing at 0.3pp each

Contribution of key components to consumer price index (CPI) inflation (% yoy/pp), FY2013-FY2025 (Jun '24)



Source: Thurro, MoSPI, NIIF Research

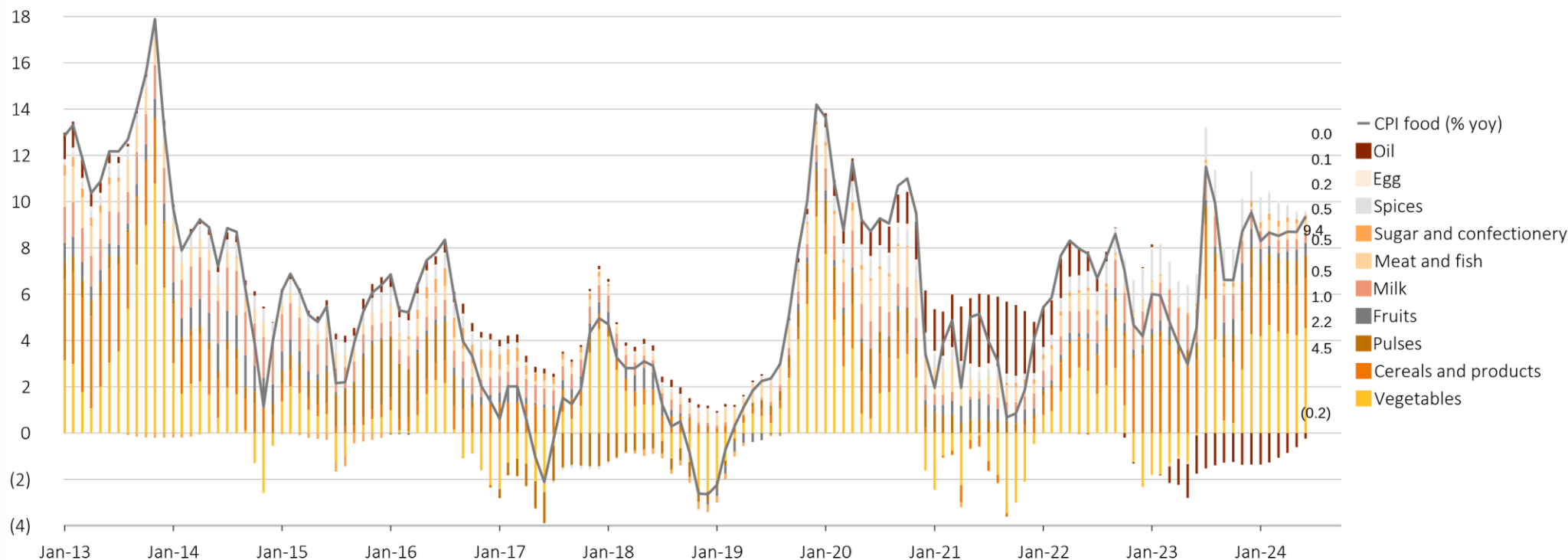
#### Note:

- Food and beverages account for ~45.86%, intoxicants 2.38%, clothing and footwear 6.53%, housing 10.07%, fuel and light 6.84%, and household goods and services 3.8%, health 5.89%, transport and communication 8.59%, recreation 1.68%, education 4.46%, and personal care 3.89% weight in the headline consumer price index inflation

## Inflation

**Vegetables contribute 4.5pp of overall 9.4% food inflation in June, followed by cereals at 2.2pp, and pulses at 1.0pp**

Contribution of key components to consumer food price inflation (CPI food) (% yoy/pp), FY2013-FY2025 (Jun '24)



Source: Thurro, MoSPI, NIIF Research

### Note:

1. Cereals account for ~9.67%, meat and fish 3.61%, egg 0.43%, milk 6.61%, oils 3.56%, fruits 2.89%, vegetables 6.04%, pulses 2.38%, sugar and confectionary 1.36%, and spices 2.5% weight in the consumer food price index inflation

## Inflation

### WPI inflation rises by 3.4% yoy in June driven by higher food and crude oil prices

Monthly wholesale price inflation (% yoy), Jun '23 - Jun '24

	Weights	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24
<b>WPI</b>	<b>100.0</b>	<b>(4.2)</b>	<b>(1.2)</b>	<b>(0.5)</b>	<b>(0.1)</b>	<b>(0.3)</b>	<b>0.4</b>	<b>0.9</b>	<b>0.3</b>	<b>0.2</b>	<b>0.3</b>	<b>1.2</b>	<b>2.6</b>	<b>3.4</b>
<b>Primary articles</b>	<b>22.6</b>	<b>(3.0)</b>	<b>8.2</b>	<b>6.7</b>	<b>4.4</b>	<b>2.3</b>	<b>5.2</b>	<b>5.7</b>	<b>4.1</b>	<b>4.6</b>	<b>4.6</b>	<b>5.2</b>	<b>7.2</b>	<b>8.8</b>
Food articles	15.3	1.3	15.1	11.4	3.8	3.2	8.8	9.3	6.9	7.1	7.0	8.1	9.8	10.9
Non-food articles	4.1	(9.7)	(5.8)	(6.8)	(2.1)	(1.1)	(3.0)	(5.2)	(6.4)	(6.5)	(4.2)	(4.8)	(4.0)	(2.0)
Minerals	0.8	0.5	9.0	6.5	19.0	11.6	8.7	6.8	10.6	3.4	(0.4)	(0.3)	4.3	9.6
Crude oil, petroleum and natural gas	2.4	(21.4)	(13.7)	(1.9)	15.6	(2.2)	(7.1)	(0.1)	0.2	8.2	4.9	5.0	9.8	12.6
<b>Fuel and power</b>	<b>13.2</b>	<b>(12.5)</b>	<b>(12.7)</b>	<b>(6.3)</b>	<b>(3.3)</b>	<b>(1.6)</b>	<b>(4.1)</b>	<b>(1.4)</b>	<b>(0.4)</b>	<b>(1.7)</b>	<b>(2.7)</b>	<b>(0.9)</b>	<b>1.3</b>	<b>1.0</b>
Coal	2.1	5.1	5.1	2.5	1.8	1.8	1.8	1.8	1.4	0.3	0.5	0.3	1.2	(1.3)
Mineral oils	7.9	(19.5)	(19.6)	(9.7)	(4.7)	(0.5)	(5.7)	(2.7)	(1.1)	(3.8)	(3.5)	(0.1)	2.0	1.9
Electricity	3.1	1.1	0.3	(1.0)	(2.6)	(6.8)	(2.9)	0.4	0.3	3.0	(2.6)	(3.9)	(0.4)	0.2
<b>Manufactured products</b>	<b>64.2</b>	<b>(2.8)</b>	<b>(2.6)</b>	<b>(2.3)</b>	<b>(1.3)</b>	<b>(1.1)</b>	<b>(0.8)</b>	<b>(0.8)</b>	<b>(1.2)</b>	<b>(1.3)</b>	<b>(0.8)</b>	<b>(0.1)</b>	<b>0.8</b>	<b>1.4</b>

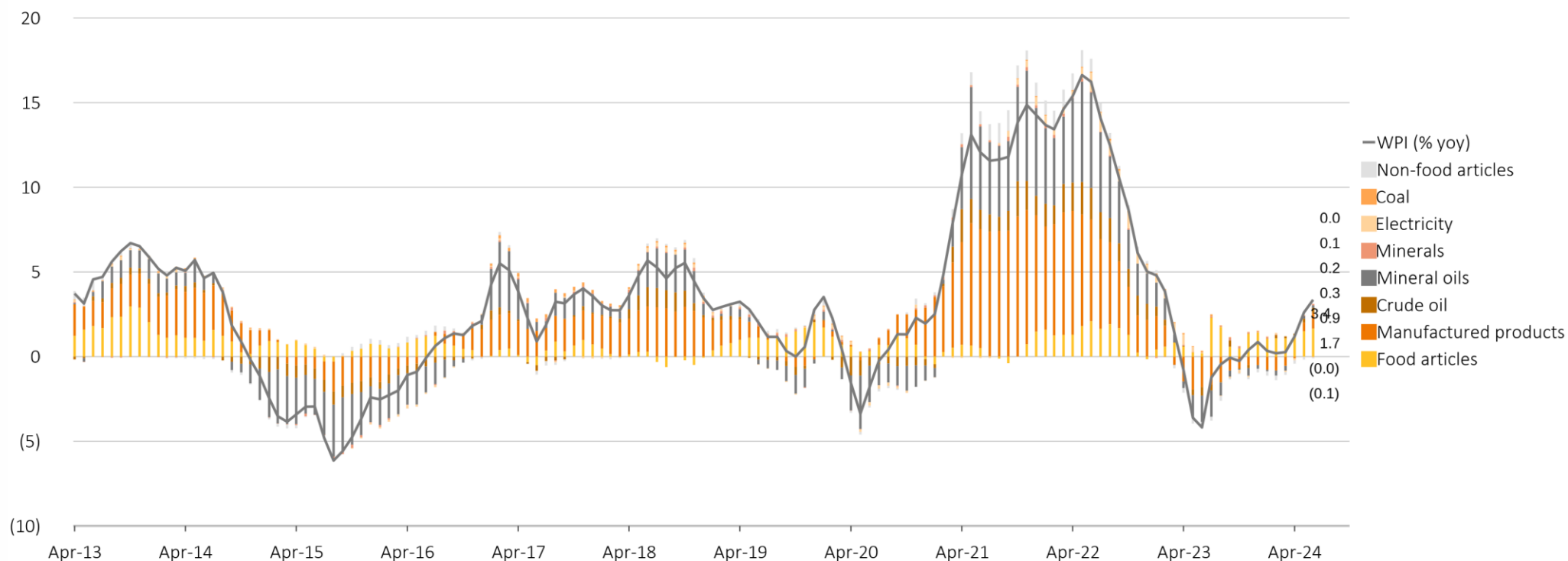
Source: Thurro, EAI, NIIF Research



## Inflation

### Food products contribute 1.7pp of 3.4% WPI inflation in June

Contribution of key components to wholesale price inflation (WPI) (% yoy/pp), FY2014-FY2025 (Jun '24)



Source: Thurro, Office of the Economic Advisor, NIIF Research

#### Note:

- Food articles account for ~15.26%, non-food 4.12%, mineral 0.83%, crude oil 2.41%, coal 2.14%, mineral oils 7.95%, electricity 3.06%, and manufactured products 64.23% weight in the wholesale price index inflation

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# MONTHLY ECONOMIC REPORT ON INDIA JUL 2024

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