

TATA CAPITAL WEALTH

Macro-Economic Dashboard - September 2022

Parameters	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22
Currency & Banking														
Currency in Circulation	9.8	9.0	8.5	7.7	7.8	8.0	8.6	9.7	10.1	8.6	8.0	8.1	8.1	8.2
M3	9.5	9.3	9.7	9.5	11.4	8.4	8.7	8.7	10.2	8.8	7.8	8.6	8.9	8.9
Bank Non-Food Credit	6.7	6.8	6.9	7.1	9.3	8.3	8.0	9.7	11.3	11.5	12.6	13.9	14.8	15.5
Credit to Industry	2.5	2.5	4.1	3.8	7.6	6.4	6.5	6.4	8.1	9.7	10.5	12.6		
Credit to Services	2.3	0.8	2.9	3.6	10.8	7.3	5.6	8.2	11.1	18.4	18.1	22.1		
Personal Credit	12.1	12.1	11.7	11.6	14.3	11.6	12.3	12.8	14.7	24.4	26.3	25.7		
Industry														
IIP	13.0	4.4	4.2	1.0	1.0	2.0	1.2	2.2	6.7	19.6	12.3	4.1		
PMI-Comp Index	55.4	55.3	58.7	59.2	56.4	53.0	53.5	54.3	57.6	58.3	58.2	56.6	58.2	
Manufacturing Index	52.3	53.7	55.9	57.6	55.5	54.0	54.9	54.0	54.7	54.6	53.9	56.4	56.2	
Services Index	56.7	55.2	58.4	58.1	55.5	51.5	51.8	53.6	57.9	58.9	59.2	55.5	57.2	
Inflation														
CPI	5.3	4.3	4.5	4.9	5.7	6.0	6.1	7.0	7.8	7.0	7.0	6.7	7.0	
WPI	11.6	11.8	13.8	14.9	14.3	13.7	13.4	14.6	15.4	15.9	16.2	13.9	12.4	
Fiscal														
GST Collection (Rs. Lakh Cr.)	1.1	1.2	1.3	1.3	1.3	1.4	1.3	1.4	1.7	1.4	1.4	1.5	1.4	
Foreign Trade & Reserve														
Export Growth	46.2	22.7	43.4	34.6	44.3	27.9	34.5	26.4	29.2	20.9	30.4	2.1	(1.1)	
Import Growth	45.3	84.4	57.4	56.8	40.5	25.1	37.2	29.0	30.7	62.9	57.6	43.6	36.8	
Forex Reserve (\$ Bn)	634	639	642	638	634	630	632	618	598	601	593	574	561	546
Consumer														
Petroleum Consumption	6.4	5.0	0.2	(11.8)	(0.4)	(0.1)	5.4	4.2	9.6	23.7	17.9	6.1	16.3	
Freight Air Traffic	29.5	14.9	16.5	6.2	6.9	0.5	(2.8)	0.3	2.3	13.8	13.9	6.1	(1.2)	
Electricity Generation	17.3	(1.7)	2.8	1.6	2.5	(0.4)	2.8	4.3	10.1	20.4	16.7	2.5	0.4	

Since Dec '21, the credit to Industry & Services is showing significant growth. However, since May '22 as the RBI started tightening, the same is reflected in currency in circulation and M3.

PMI has largely remained in the expansion zone since the past year, which is reflecting steadily in the industrial production. Jul '22 IIP was subdued on account of unfavourable base effect.

WPI has remained in the double digit since the past 17th consecutive month, whereas CPI remained above the upper threshold limit of the RBI for the 8th consecutive month in Aug '22.

GST collection have been touching all time high on the back of collection efficiencies & pick up in business activity.

In Jul and Aug '22, exports remained flat and imports grew at a steady pace even as trade deficit widened. While, the forex reserve has also depleted as the RBI continued to support the currency.

Double digit growth was displayed in Petroleum consumption; while electricity generation and freight air traffic reported flat to negative growth.

Source: RBI, Various Govt Ministries, News Articles

Summary:

The Indian economy is on the recovery path and has reached the pre-Covid levels on most of the parameters. The non-food credit has started to pick up; PMI has also been in the expansion zone and the GST collections have been on the upswing. However, both CPI and WPI Inflation have been consistently showing increasing trend due to high commodity prices, may also have peaked out.

Note:

All the number's year-on-year percentage growth numbers unless otherwise mentioned – GST collection (Rs. Lakhs Cr.), Forex Reserve (\$ Bn) and PMI which is the Index figure.

Currency in Circulation: It is the amount of money that has been issued by monetary authorities minus currency that has been removed from an economy.

M3: M1 (Demand deposits with the banking system + 'Other' deposits with the RBI) + Time deposits with the banking system

IIP: Index for Industrial Production

PMI: Purchasing Managers Index

WPI: Wholesale price Index

CPI: Consumer Price Index

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