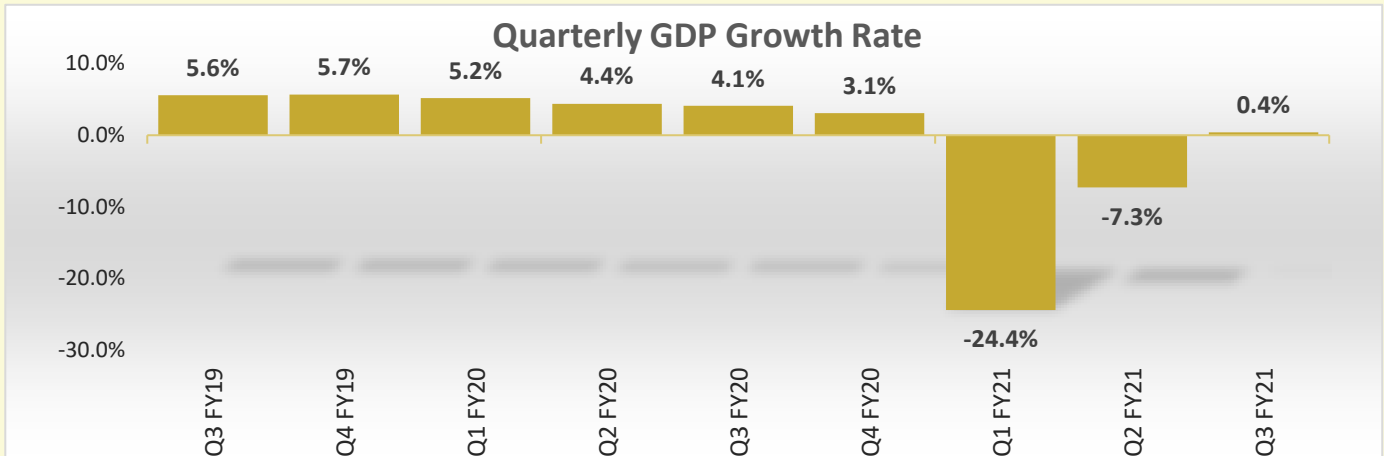


Q3FY21 GDP - GDP Turns Positive

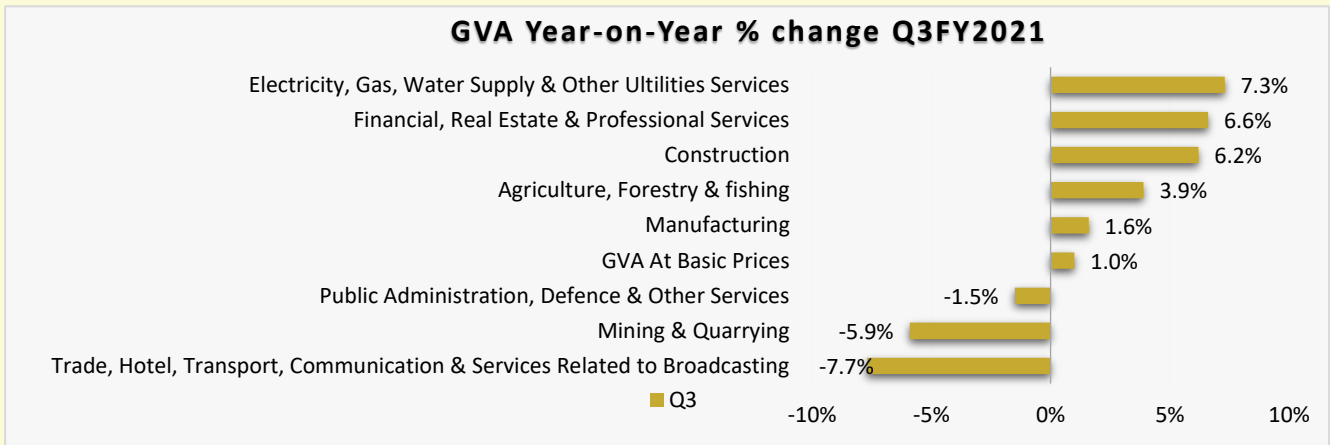
March 1, 2021



Source: MOSPI, News Articles

Key Highlights:

- India's Gross Domestic Product (GDP) for the October-December quarter (Q3) grew by 0.4 per cent, after two consecutive quarters of contraction and is now out of technical recession.
- The annual GDP for the financial year 2020-21 is revised slight downward, predicting 8 per cent contraction up from 7.7 estimated earlier.



- Agriculture, forestry and fishing sector grew 3.9 per cent in Q3. Agriculture has been the only sector to register a growth in all the three quarters.
- Manufacturing sector, which had a contraction of 1.5 per cent in Q2, rose by 1.6 per cent. Similarly, the construction sector showed a growth of 6.2 per cent, much better from a contraction of 7.2 per cent in Q2.
- Financial & Real-estate Sector have rebounded sharply showing growth of 6.6 %.
- Among the other industries, contraction was seen in trade, hotels, transport, communication and services related to broadcasting at 7.7 per cent in Q3, better from a contraction of 15.3 per cent in Q2.
- In the December quarter, gross fixed capital formation turned positive, signalling a turnaround in investment activity, while private consumption expenditure surprisingly turned negative, indicating job losses and economic uncertainty still weigh heavily on consumer sentiment.

Outlook:

Declining COVID-19 growth rate, reopening of economy, and vaccination drive will support further revival of contact-based services. With overall growth in many of the core sectors, the economy is expected to grow at stable growth rate with a broad-based momentum across various sectors.

March 1, 2021

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March 1, 2021

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