

# TATA CAPITAL WEALTH

## Macro-Economic Dashboard – December 2022

Parameters	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22
<b>Currency &amp; Banking</b>														
Currency in Circulation	7.7	7.8	8.0	8.6	9.7	10.1	8.6	8.0	8.1	8.1	8.2	9.0	7.9	8.2
M3	9.5	11.4	8.4	8.7	8.7	10.2	8.8	7.8	8.6	8.9	8.6	9.1	8.9	8.8
<b>Bank Non-Food Credit</b>	7.1	9.3	8.3	8.0	9.7	11.3	11.5	12.6	13.9	14.8	15.7	17.1	16.4	16.7
Credit to Industry	3.8	7.6	6.4	6.5	6.4	8.1	9.7	10.5	12.6	13.0	14.5	15.3		
Credit to Services	3.6	10.8	7.3	5.6	8.2	11.1	18.4	18.1	22.1	21.8	25.3	27.6		
Personal Credit	11.6	14.3	11.6	12.3	12.8	14.7	24.4	26.3	25.7	26.1	26.8	27.6		
<b>Industry</b>														
IIP	1.0	1.0	2.0	1.2	2.2	6.7	19.7	12.6	2.2	(0.7)	3.5	(4.0)		
<b>PMI-Comp Index</b>	59.2	56.4	53.0	53.5	54.3	57.6	58.3	58.2	56.6	58.2	55.1	55.5	56.7	59.4
Manufacturing Index	57.6	55.5	54.0	54.9	54.0	54.7	54.6	53.9	56.4	56.2	55.1	55.3	55.7	57.8
Services Index	58.1	55.5	51.5	51.8	53.6	57.9	58.9	59.2	55.5	57.2	54.3	55.1	56.4	58.5
<b>Inflation</b>														
CPI	4.9	5.7	6.0	6.1	7.0	7.8	7.0	7.0	6.7	7.0	7.4	6.8	5.9	
WPI	14.9	14.3	13.7	13.4	14.6	15.4	16.6	16.2	14.1	12.5	10.6	8.4	5.8	
<b>Fiscal</b>														
GST Collection (Rs. Lakh Cr.)	1.3	1.3	1.4	1.3	1.4	1.7	1.4	1.4	1.5	1.4	1.5	1.5	1.5	1.5
<b>Foreign Trade &amp; Reserve</b>														
Export Growth	34.6	44.3	27.9	34.5	26.4	29.1	20.8	30.2	8.1	11.1	4.8	(12.0)	0.6	
Import Growth	56.8	40.5	25.1	37.2	29.0	26.1	57.5	53.4	43.8	41.7	14.9	10.0	5.4	
Forex Reserve (\$ Bn)	638	634	630	632	618	598	601	593	574	561	533	531	550	563
<b>Consumer</b>														
Petroleum Consumption	(11.8)	(0.4)	(0.1)	5.4	4.2	9.8	23.9	18.1	6.3	16.6	8.5	3.6	10.4	
Freight Air Traffic	6.2	6.9	0.5	(2.8)	0.3	2.3	13.8	13.9	6.1	(1.2)	(0.5)	(15.1)	(2.3)	
Electricity Generation	1.8	2.5	(0.4)	2.8	4.3	10.1	20.4	16.7	2.5	0.4	10.9	(1.1)	11.9	

Since Dec '21, the credit to Industry & Services is showing significant growth. Meanwhile, since May '22 even as the RBI started tightening, nevertheless the same is not much reflected in currency in circulation and M3.

PMI has remained in the expansion zone since the past year, which is reflecting steadily in the industrial production. Aug '22 IIP was subdued; however, it recovered in Sep '22 and then gain slipped to the negative territory in Oct '22.

The Nov'22 WPI eased to the lowest since Feb '21, whereas CPI too eased sharply to a 11-month low to come within the RBI upper tolerance level.

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

After slipping to the negative territory in Oct '22, exports in Nov '22 grew at a tepid pace and imports registered a single digit growth as global trade conditions toughened. While, the forex reserve in the fag-end of Dec '22 rose MoM helped by the RBI's dollar buying in sync with renewed overseas inflows which offsets dollar outflow.

Double digit growth was displayed in Petroleum Consumption and Electricity Generation while Freight Air Traffic and reported negative growth.

Source: RBI, Various GoI Ministries, News Articles

### Summary:

The Indian economy is on the recovery path and has reached the pre-Covid levels on all 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, inflation which was consistently showing increasing trend, has peaked out. Growth in Foreign trade has slowed down on the back of demand slowdown leading to high inventories, rising inflation, high volatility in currencies and geopolitical tensions.

### 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

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