

# TATA CAPITAL WEALTH

## Macro-Economic Dashboard - October 2022

Parameters	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	Oct-22
<b>Currency &amp; Banking</b>														
Currency in Circulation	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	9.3
M3	9.3	9.7	9.5	11.4	8.4	8.7	8.7	10.2	8.8	7.8	8.6	8.9	8.6	9.1
Bank Non-Food Credit	6.8	6.9	7.1	9.3	8.3	8.0	9.7	11.3	11.5	12.6	13.9	14.8	15.7	17.2
Credit to Industry	2.5	4.1	3.8	7.6	6.4	6.5	6.4	8.1	9.7	10.5	12.6	13.0		
Credit to Services	0.8	2.9	3.6	10.8	7.3	5.6	8.2	11.1	18.4	18.1	22.1	21.8		
Personal Credit	12.1	11.7	11.6	14.3	11.6	12.3	12.8	14.7	24.4	26.3	25.7	26.1		
<b>Industry</b>														
IIP	4.4	4.2	1.0	1.0	2.0	1.2	2.2	6.7	19.6	12.7	2.4	3.1		
PMI-Comp Index	55.3	58.7	59.2	56.4	53.0	53.5	54.3	57.6	58.3	58.2	56.6	58.2	55.1	
Mfg Index	53.7	55.9	57.6	55.5	54.0	54.9	54.0	54.7	54.6	53.9	56.4	56.2	55.1	
Services Index	55.2	58.4	58.1	55.5	51.5	51.8	53.6	57.9	58.9	59.2	55.5	57.2	54.3	
<b>Inflation</b>														
CPI	4.3	4.5	4.9	5.7	6.0	6.1	7.0	7.8	7.0	7.0	6.7	7.0	7.4	
WPI	11.8	13.8	14.9	14.3	13.7	13.4	14.6	15.4	15.9	16.2	14.1	12.4	10.7	
<b>Fiscal</b>														
GST Collection (Rs. Lakh Cr.)	1.2	1.3	1.3	1.3	1.4	1.3	1.4	1.7	1.4	1.4	1.5	1.4	1.5	
<b>Foreign Trade &amp; Reserve</b>														
Export Growth	22.7	43.4	34.6	44.3	27.9	34.5	26.4	29.1	20.8	30.4	8.4	10.6	(3.5)	
Import Growth	84.4	57.4	56.8	40.5	25.1	37.2	29.0	27.9	64.1	58.5	43.6	41.0	5.4	
Forex Reserve (\$ Bn)	639	642	638	634	630	632	618	598	601	593	574	561	533	
<b>Consumer</b>														
Petroleum Consumption	5.0	0.2	(11.8)	(0.4)	(0.1)	5.4	4.2	9.6	23.7	17.9	6.1	16.3	8.1	
Freight Air Traffic	14.9	16.5	6.2	6.9	0.5	(2.8)	0.3	2.3	13.8	13.9	6.1	(1.2)	(0.5)	
Electricity Generation	(1.8)	2.8	1.6	2.5	(0.4)	2.8	4.3	10.1	20.4	16.7	2.5	0.4	10.9	

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 & Aug '22 IIP was subdued on account of unfavourable base effect.

WPI eased to 18-month low in Sep '22 - though it remained in double digits., whereas CPI remained above the upper threshold limit of the RBI for the 9th consecutive month in Sep '22.

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

In Sep '22, export growth slipped to the negative territory and import growth was relatively flat as global trade conditions toughened. While, the forex reserve has also depleted as the RBI continued to support the currency.

Growth was displayed in Electricity Generation and Petroleum Consumption; while Freight Air Traffic reported 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 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 have been consistently showing increasing trend, may also have 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

PMI: Purchasing Managers Index

WPI: Wholesale price Index

CPI: Consumer Price Index



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