

Monthly Economic Review

August 2024

Comments are welcome at directorgeneral@ncaer.org.
The findings, interpretations, and conclusions expressed are those of the authors and do not necessarily reflect the views of the Governing Body or Management of NCAER.

Highlights

- The Federal Open Market Committee (FOMC), in its meeting held on July 30-31, 2024, kept the policy rate unchanged at 5.50 percent with the target range of 5.25 to 5.50 percent. Inflation trends have varied across advanced economies with the United States (US) inflation rate slowing marginally to 2.9 percent from 3 percent in July 2024. However, inflation in the Euro Area increased slightly to 2.6 percent from 2.5 percent in July 2024, and in the European Union, it increased from 2.6 percent to 2.8 percent in July 2024. In the United Kingdom (UK), inflation increased to 2.2 percent in July 2024, up from 2 percent. Inflation in Japan remained unchanged at 2.8 percent.
- The Monetary Policy Committee (MPC) of the Reserve Bank of India (RBI) decided to keep the policy rate unchanged at 6.50 percent in its meeting held on August 6-8, 2024. The RBI retained its forecast for India's real Gross Domestic Product (GDP) growth at 7.2 percent for FY2024-25 and kept its Consumer Price Index (CPI) headline inflation projection at 4.5 percent, consistent with its previous projection released in June 2024.
- High-frequency indicators reveal that the domestic economy has remained resilient, but the outlook remains softer due to moderation in a couple of indicators. The Purchasing Managers' Index (PMI) for manufacturing and services declined marginally in July 2024 but maintained its expansionary momentum. Growth in the Index of Industrial Production (IIP) and IIP for core industries moderates in June 2024. Goods and Services Tax (GST) collections continued to remain buoyant year-over-year. The total outstanding credit of Scheduled Commercial Banks increased by 17.4 percent year-over-year in June 2024, moderating from 19.8 percent in May 2024; credit growth decelerated for personal loans and services sector in June 2024 compared to May 2024. Consumer Price Index (CPI) headline inflation declined in July 2024, mainly due to an easing of food inflation. Wholesale Price Inflation declined in July 2024.
- The merchandise trade deficit widened while the services trade surplus has increased sequentially in July 2024. Foreign exchange reserves increased, and the rupee depreciated against the US dollar in August 2024.
- Employment indicators showed mixed trends. The all-India urban unemployment rate for the April-June 2024 quarter as per the Periodic Labour Force Survey (PLFS) declined to 6.6 percent over the previous quarter, January-March 2024 from 6.7 percent but has remained unchanged compared to the April-June 2023 quarter. Naukri JobSpeak Index increased year-over-year, and sectors like travel and hospitality, banking, and retail showed an increase in hiring year-over-year. The number of new subscribers under the Employees' Provident Fund Organisation (EPFO) increased year-over-year. Work demand under Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) moderated year-over-year.
- Yields on Indian Government debt decreased marginally for 1-year, 5-year, and 10-year benchmarks in August 2024; the National Stock Exchange Volatility Index (VIX) decreased in August 2024. Net foreign portfolio investments (FPI) reduced sequentially in August 2024. Morgan Stanley Capital International (MSCI) Index for India, Emerging Markets, and the world decreased in August 2024 compared to July 2024.

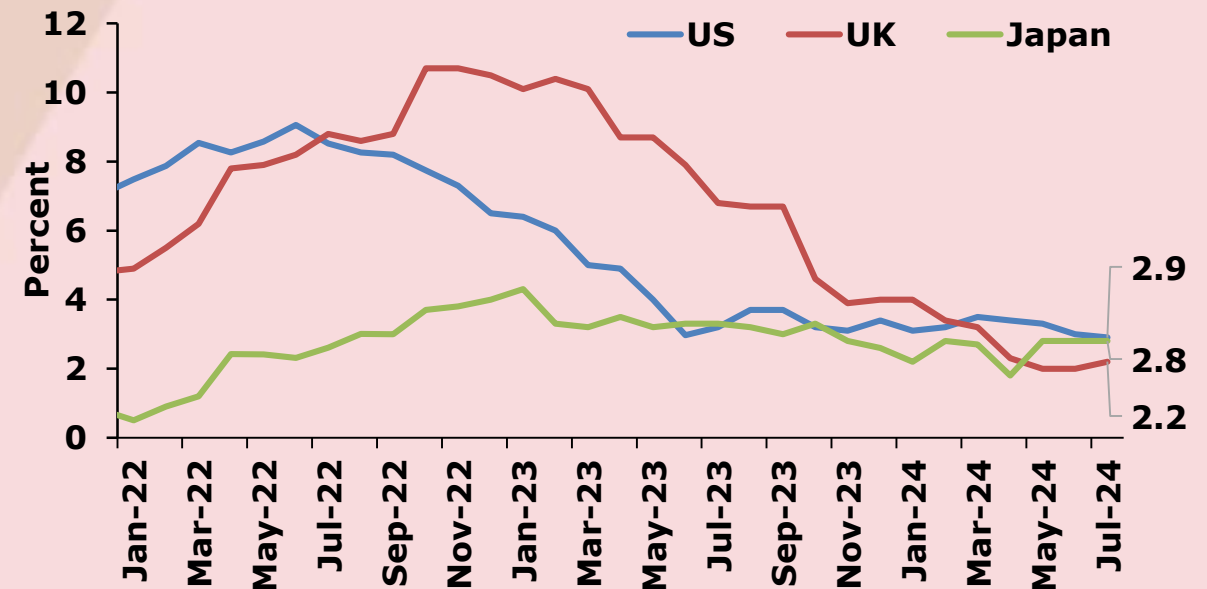
- Federal Open Market Committee (FOMC) kept the policy rate unchanged at 5.50 percent, with a target rate range of 5.25-5.50 percent. [\[Federal Reserve Press Release, 31 July, 2024\]](#)
- Inflation trends have varied across advanced economies. Inflation in the [US slowed slightly to 2.9](#) percent in July 2024 from 3 percent in June 2024 (Figure 1). Conversely, inflation in the [Euro Area](#) increased marginally to 2.6 percent from 2.5 percent in June 2024, and in the [European Union](#), it increased from 2.6 percent in June to 2.8 percent in July 2024. In the [UK](#), inflation increased to 2.2 percent in July 2024, up from 2 percent in June 2024. Inflation in [Japan](#) remained unchanged at 2.8 percent in July 2024 compared to June 2024 (Figure 1).

Table 1: FOMC Projections

2024					
FOMC Meeting Dates	30-31 July	11-12 June	30 April-1 May	19-20 March	30-31 January
US Policy Rate	5.50	5.50	5.50	5.50	5.50
Target Range	5.25-5.50	5.25 - 5.50	5.25 - 5.50	5.25 - 5.50	5.25 - 5.50

Source: [FOMC Meeting Statement \(30 - 31 July, 2024\)](#)

Figure 1: Headline Inflation in Advanced Economies



Source: US Bureau of Labor Statistics; Office for National Statistics; Statistics Bureau, UK and The Bank of Japan (Figure 1).

GDP growth projections

- Consistent with the projections released in July 2024, Standard & Poor's (S&P) has retained its global real GDP growth projections for 2024 and 2025 at 2.7 percent, as reported in its latest [Global Economic Outlook](#). The global real GDP growth projections by multilateral and rating organisations range between 2.6 to 3.2 percent in 2024 (Figure 2).
- The RBI has retained its real GDP growth projection for India at 7.2 percent for FY2024-25. Other projections for India for the current fiscal year range between 6.6 and 7.2 percent (Figure 3).

Figure 2: Global Real GDP Growth Projections for 2024

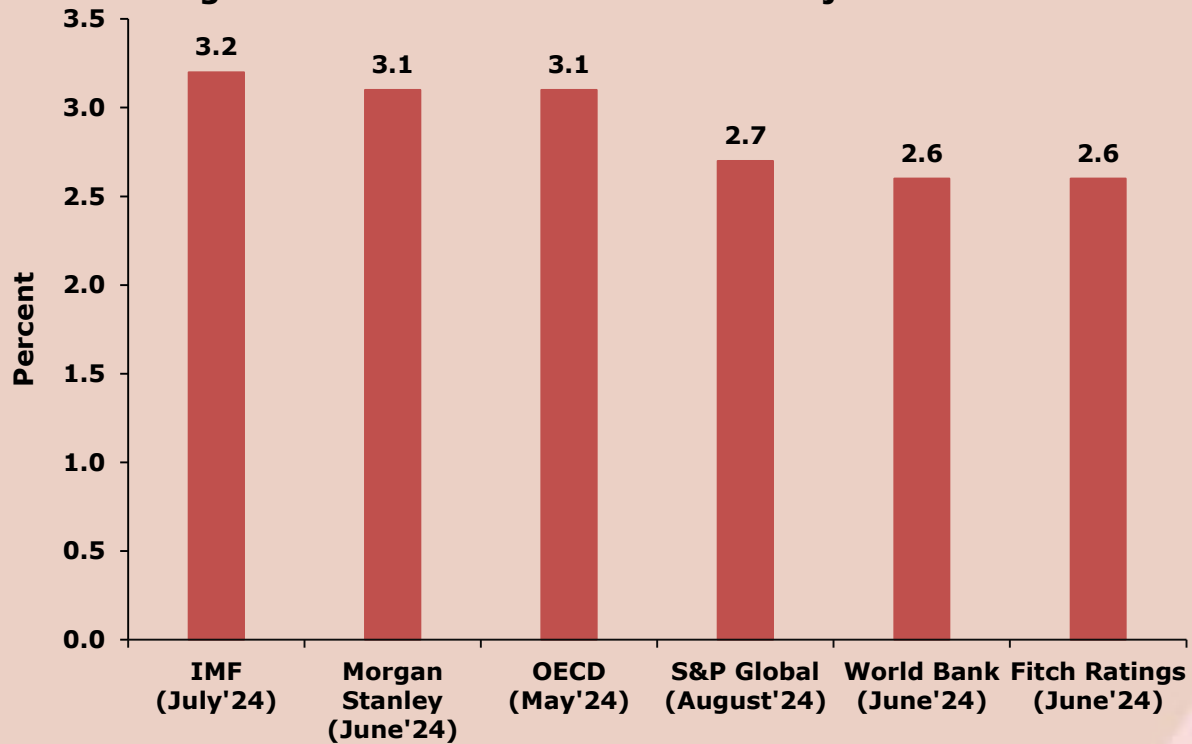
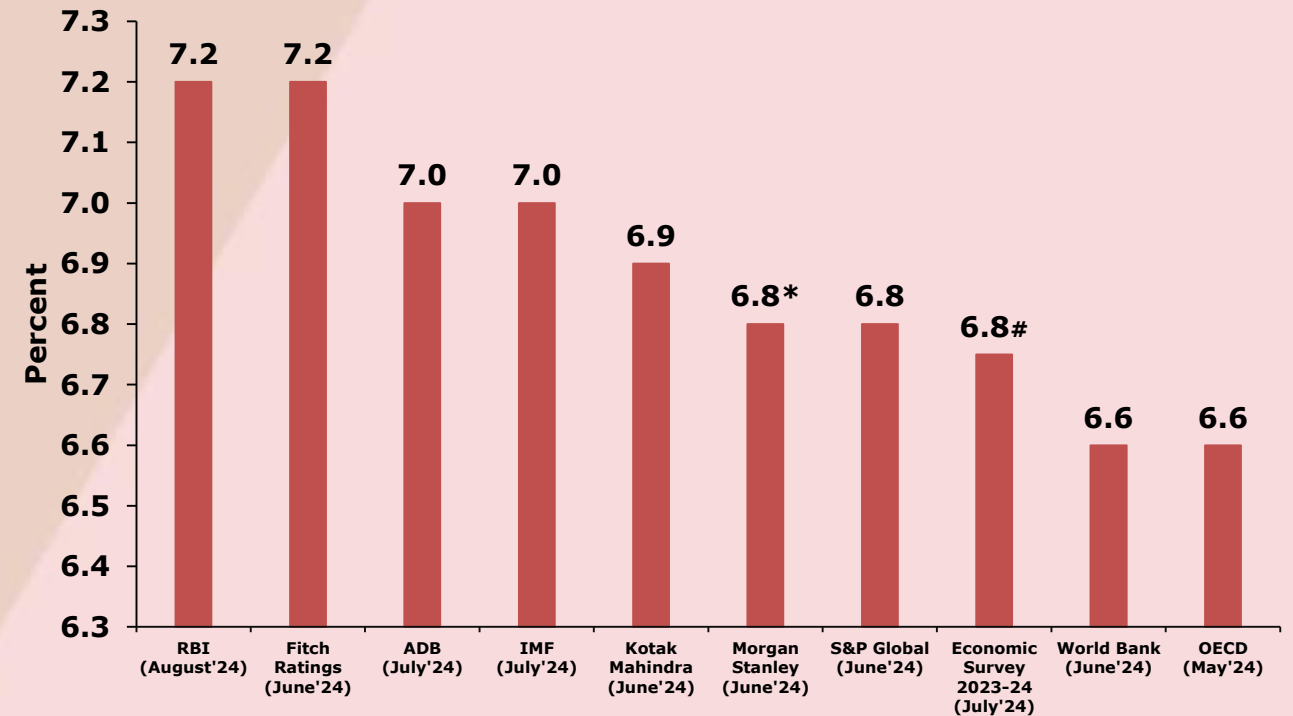


Figure 3: India's Real GDP Growth Projections for FY2024-25



Source: Various reports and media articles by the institutions (Figures 2 and 3).

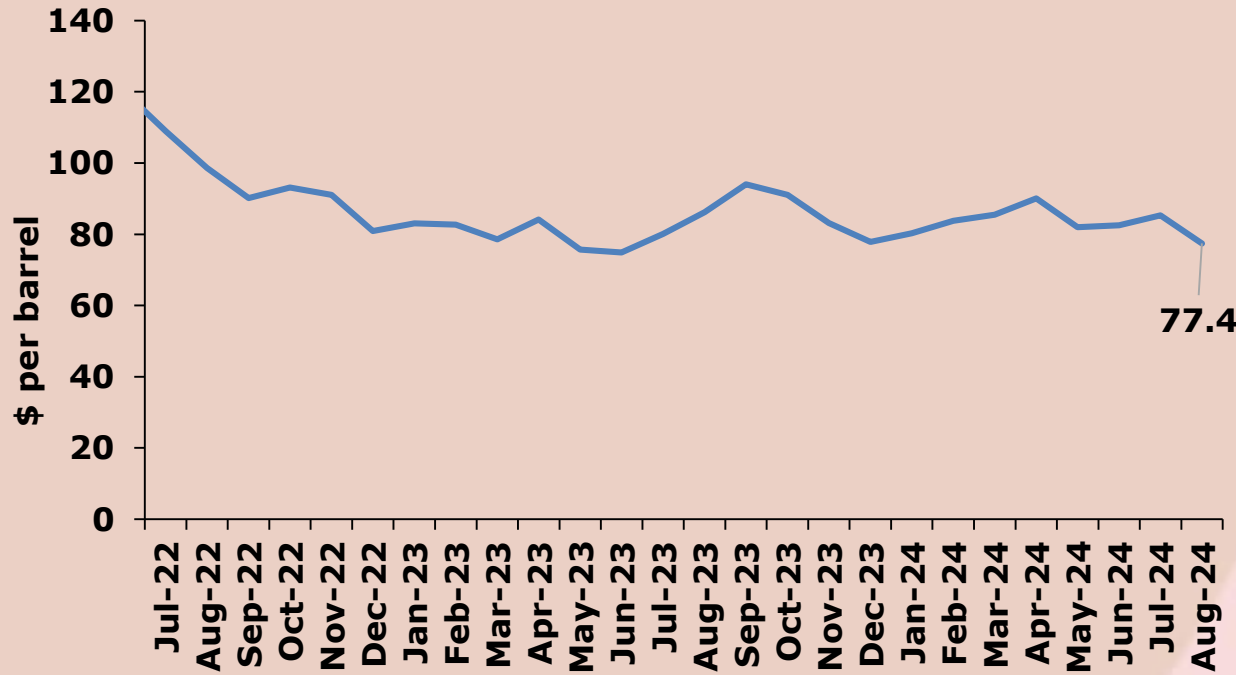
Note: (i) In Figure 3, the asterisk with Morgan Stanley denotes the projection for the calendar year 2024. (ii) The hash indicates that the projection from the Economic Survey represents the midpoint of the 6.5–7 percent range. (iii) Real GDP is projected to grow by 6.5–7 percent in FY2024-25, according to the Economic Survey 2023-24. (iv) Releasing month of the outlook is shown in brackets under the agency's name.

Price for Brent Crude declines; MSCI Index decreases sequentially for India, Emerging Markets & World in August 2024

Markets

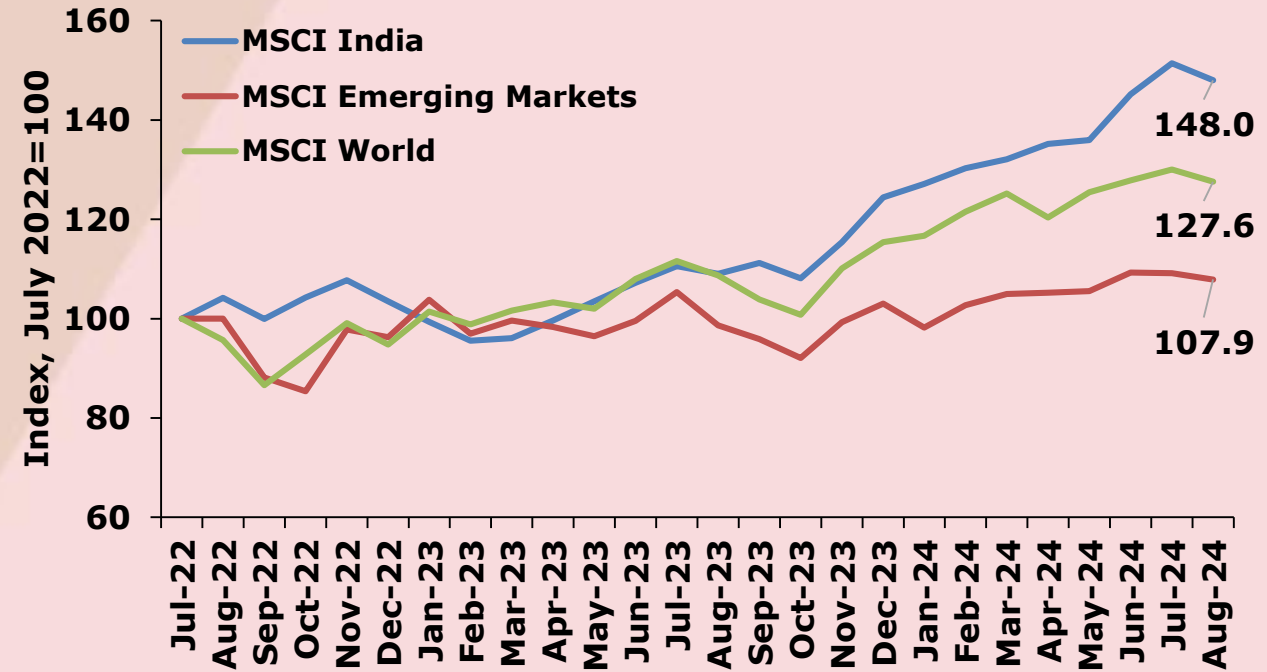
- The price for Brent crude oil decreased to USD 77.4 per barrel as of August 21, 2024, compared to the corresponding value of USD 85.3 in July 2024 (Figure 4).
- As of August 22, 2024, the MSCI Index decreased by 2.3 percent for India, 1.2 percent for Emerging Markets, and 1.9 percent for the world over their respective levels in July 2024 (Figure 5).

Figure 4: Brent Crude Oil Price



Source: World Bank Pink Sheet (Figure 4).

Figure 5: Equity Markets



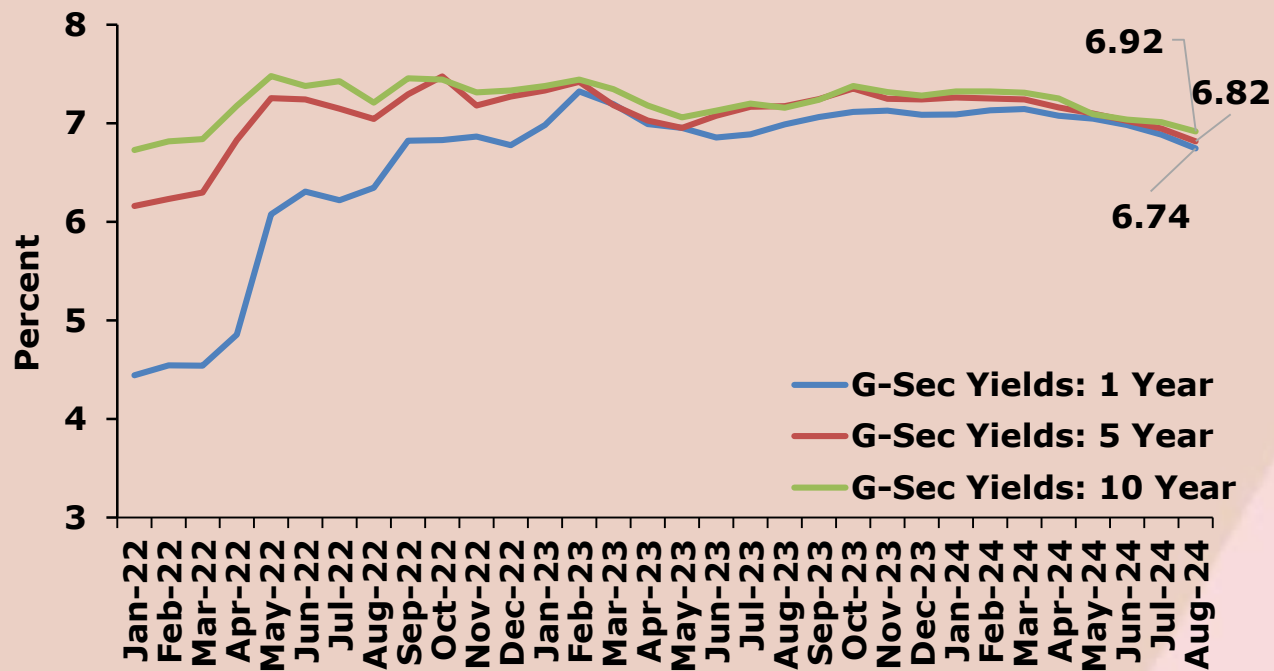
Source: Investing.com (Figure 5).

Note: The data for Figure 4 have been taken from the World Bank Pink Sheet for the period July 2022 until July 2024, and from the Global Markets Monitor (GMM), for the month of August 2024, as of August 21, 2024. Figure 5 is indexed from July 2022, July 2022=100. Data are reported until August 22, 2024, and the average of daily values was taken to create the monthly value for August 2024.

Yields on Indian Government Debt decrease marginally for 1-year, 5-year, and 10-year benchmarks; National Stock Exchange Volatility Index (VIX) decreases by 1.7 percent in August 2024

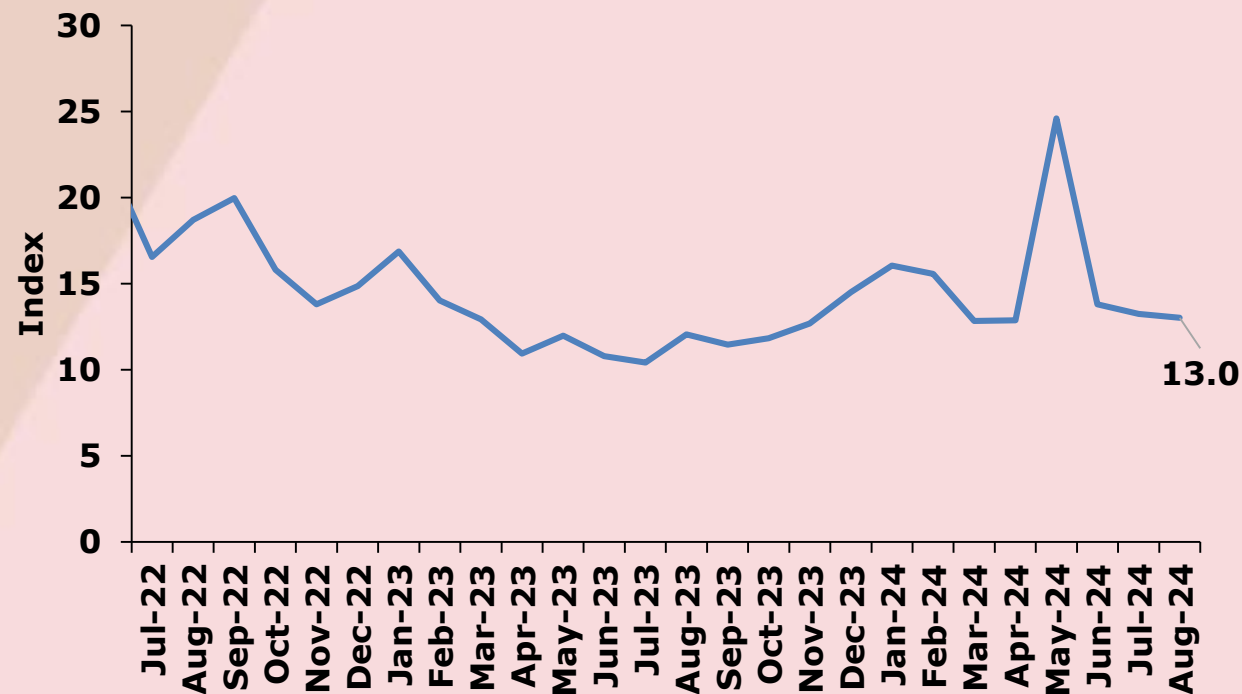
- The yields for 1-year, 5-year, and 10-year government securities decreased marginally to 6.7, 6.8, and 6.9 percent respectively, as of August 21, 2024, compared to 6.9, 6.9, and 7 percent, at the end of July 2024 (Figure 6).
- As of August 22, 2024, the National Stock Exchange VIX index for India decreased by 1.7 percent to a level of 13 compared to 13.3 at the end of July 2024 (Figure 7).

Figure 6: Yields on Domestic Government Securities



Source: Clearing Corporation of India Ltd (Figure 6).

Figure 7: VIX Index



Source: CEIC estimates and Investing.com (Figure 7).

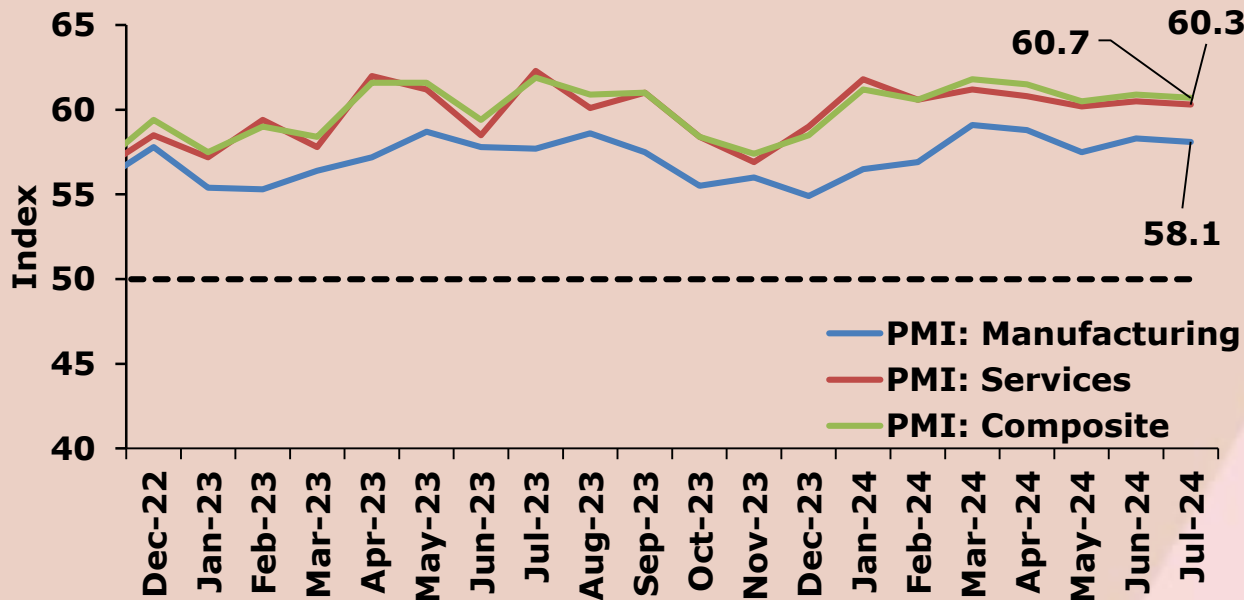
Note: (i) In Figure 6, for August 2024, data are reported as of August 21, 2024. The average of daily values is taken to create the monthly value for July 2024. (ii) In Figure 7, for August 2024, data are reported as of August 22, 2024. The NSE VIX (National Stock Exchange Volatility Index) for India is a measure of the market's expectations of volatility of the NIFTY 50 index over the next 30 calendar days. A high VIX value indicates high volatility and uncertainty, suggesting that investors expect significant price movements in the near term. Conversely, a low VIX value suggests a stable or less volatile market.

PMI for Manufacturing and Services declines marginally; Growth in IIP and IIP Core moderates

Real Sector

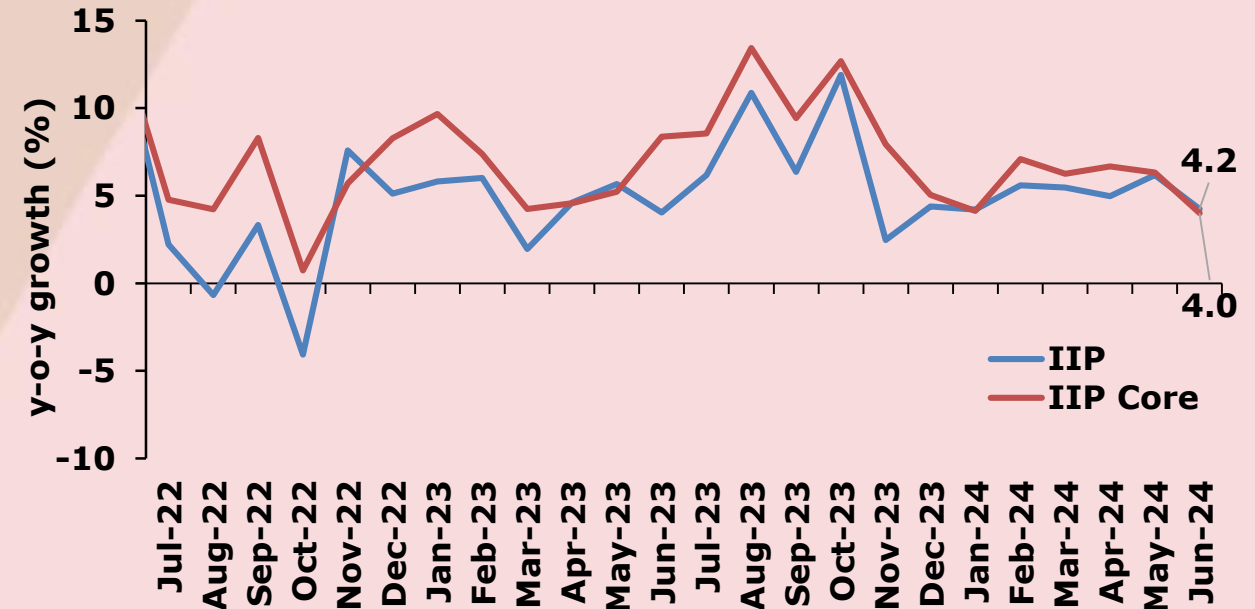
- The PMI for manufacturing activity decreased slightly to [58.1 in July 2024](#) from 58.3 in June 2024, reflecting continuing expansionary momentum. The PMI for services decreased slightly to [60.3 in July 2024](#) from 60.5 in June 2024, maintaining its steady trajectory. The composite PMI decreased to 60.7 in July 2024 from 60.9 in June 2024 (Figure 8).
- The growth of IIP moderates to 4.2 percent (Provisional Estimates) in June 2024 from 6.2 percent (Revised Estimates) in May 2024 on a year-over-year basis (Figure 9). [\[IIP Press Release, August 12, 2024\]](#)
- The growth of the combined Index of Eight Core Industries (IIP Core) declined to 4 percent (Provisional Estimates) in June 2024 from 6.3 percent (Revised Estimates) in May 2024 on a year-over-year basis (Figure 9). [\[IIP Core Press Release \(Office of Economic Advisor, DPIIT, Govt. Of India\), July 31, 2024\]](#)

Figure 8: Purchasing Managers' Indices



Source: IHS Markit (Figure 8).

Figure 9: Index of Industrial Production (IIP)



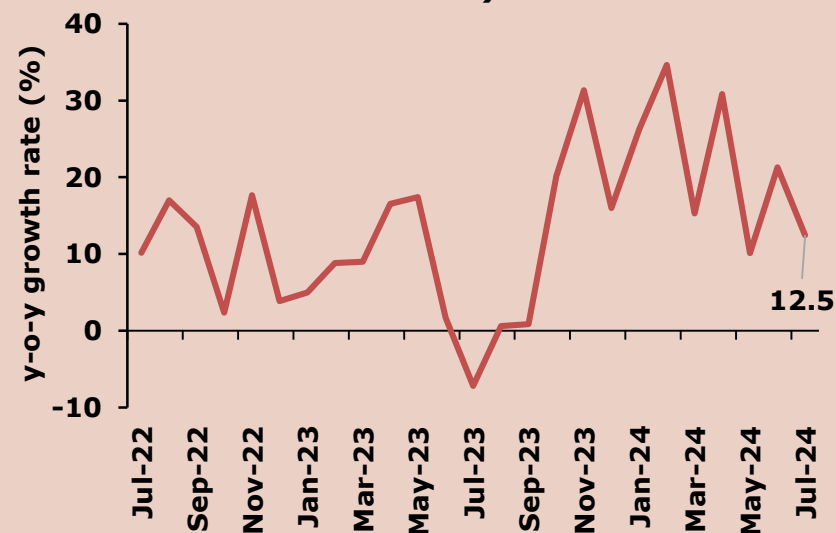
Source: Ministry of Statistics and Programme Implementation and Department for Promotion of Industry and Internal Trade (DPIIT), Government of India (Figure 9).

Note: PMI value ranges from 0 to 100. Any value under 50 represents a contraction, a reading at 50 indicates no change, and a reading above 50 indicates expansion. The further away from 50 is the reading, the greater is the level of change (Figure 8).

Growth in non-EV two-wheeler automobile sales moderates year-over-year; Registered EV sales increase year-over-year; Growth in digital toll collection (in volume) increases year-over-year

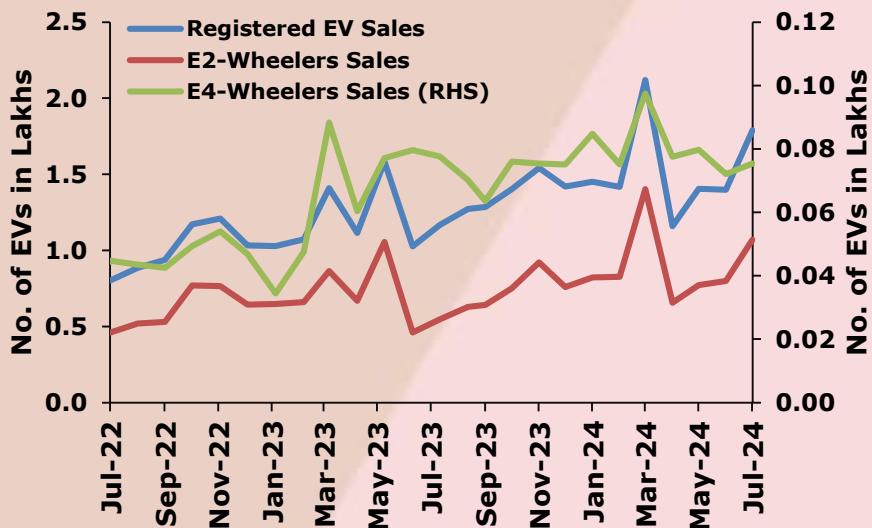
- The year-over-year growth in non-electric two-wheeler sales slowed to 12.5 percent in July 2024 from 21.3 percent in June 2024 (Figure 10). Additionally, there was a sequential decline of 10.7 percent in sales growth for non-EV two-wheelers.
- According to the Vahan Dashboard by the Government of India, the total registered electric vehicle (EV) sales increased by 53.5 percent year-over-year in July 2024. Sequentially, total registered EV sales increased by 28 percent (Figure 11).
- Sales across different categories of EVs show mixed trends. The sales of Electric two-wheelers (E2Ws) increased by 95.9 percent in July 2024 on a year-over-year basis and by 34 percent sequentially. The sales of Electric four-wheelers (E4Ws) decreased by 2.9 percent in July 2024 year-over-year but increased by 4.6 percent sequentially (Figure 11). [Monthly EV Update – August 2024 \(https://evreporter.com/\)](https://evreporter.com/)
- The National Electronic Toll Collection (NETC) recorded 322.7 million transactions in July 2024 and registered a growth of 9.4 percent on a year-over-year basis in terms of the volume of transactions. However, the volume of transactions decreased by 3.5 percent in July 2024 sequentially (Figure 12).

Figure 10: Automobile (non-EV Two-wheeler) Sales



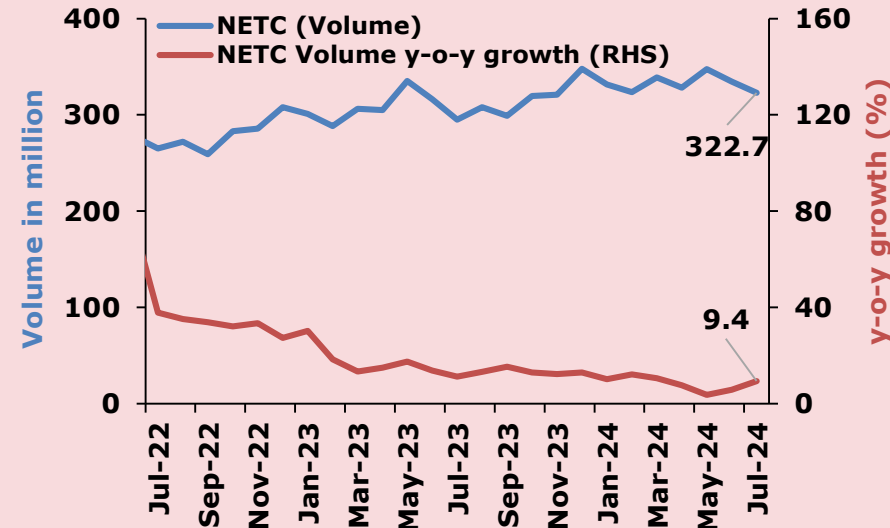
Source: CEIC estimates, Society of Indian Automobile Manufacturers (Figure 10).

Figure 11: Electric Vehicles Sales- by Categories



Source: EV reporter, Vahan Dashboard (Figure 11).

Figure 12: Digital Payments: NETC Volume and Growth Rates



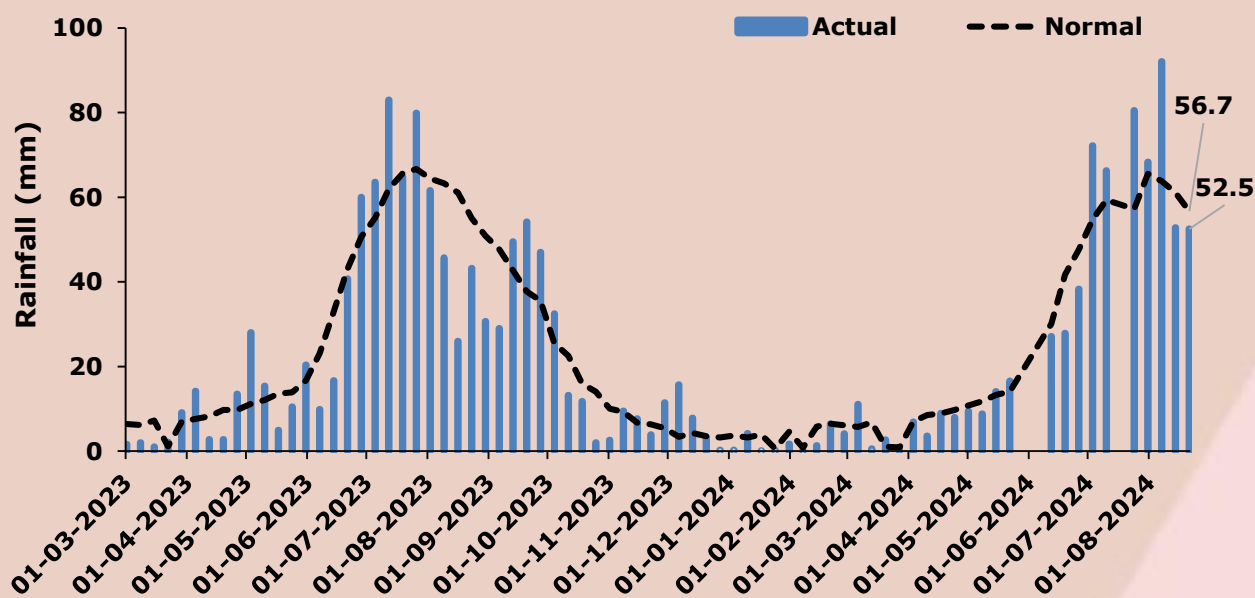
Source: National Payments Corporation of India (NPCI) (Figure 12).

Note: In Figures 11 and 12, RHS axis for E4-Wheelers Sales and y-o-y growth rates for NETC Volume has been rescaled for comparability.

IMD predicts above normal rainfall across India during second half of Southwest Monsoon; Kharif sowing for 2024-25 remains higher compared to 2023-24 in August 2024

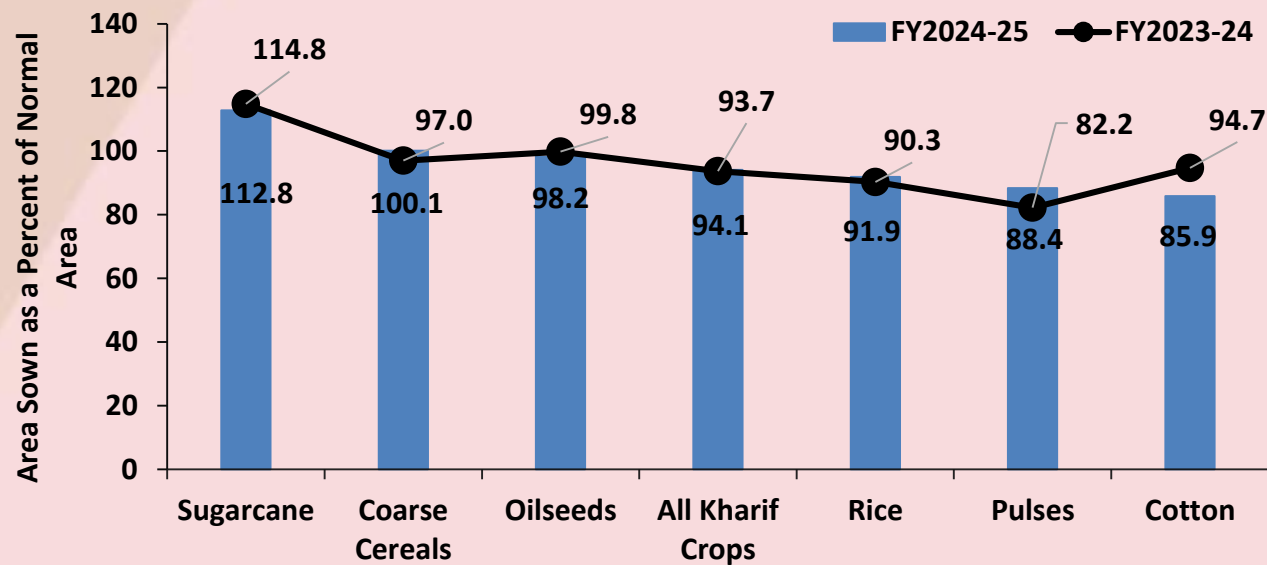
- Weekly data from the India Meteorological Department (IMD) show some deficiency in actual rainfall, 52.5 mm from August 15-21, 2024, at the all-India level, compared to normal rainfall of 56.7 mm for the same period (Figure 13).
- As per the IMD forecast released on August 1, 2024, the rainfall across India during the second half of the southwest monsoon season (August to September 2024) is most likely to be above normal [>106 percent of Long Period Average (LPA)]. The monthly average rainfall for August 2024 across India is expected to be within the normal range (94 to 106 percent of LPA). [\[IMD Press Release: Monthly forecast update for August 2024\]](#)
- Kharif sowing as a proportion of the normal area sown stood at 94.1 percent for the agricultural season 2024-25 as of August 16, 2024, compared to 93.7 percent in 2023-24 as of August 18, 2023. The area sown for sugarcane, coarse cereals, and oilseeds stood at 112.8, 100.1, and 98.2 percent, respectively, in 2024-25 compared to 114.8, 97, and 99.8 percent, in 2023-24. For, rice, pulses, and cotton, the area sown stood at 91.9, 88.4, and 85.9 percent, respectively, in 2024-25, as compared to 90.3, 82.2, and 94.7 percent, respectively, in 2023-24 (Figure 14).

Figure 13: All-India Monthly Rainfall



Source: IMD (Figure 13).

Figure 14: Kharif sowing across various categories of crops



Source: Department of Agriculture & Farmers Welfare (Figure 14).

Note: (i) For Figure 13, IMD did not release data for the last week of May 2024 and the first week of June 2024. (ii) The LPA rainfall for the country during July is calculated from 1971-2020. (iii) In Figure 14, the data for the 2024-25 agricultural season are as of August 16, 2024, and are compared with the data from the 2023-24 season as of August 18, 2023.

UPI records 14.4 billion transactions (in volume), registering 44.9 percent growth year-over-year; IMPS (in volume) records modest growth year-over-year

- Unified Payments Interface (UPI), India's leading digital payment system, recorded 14.4 billion transactions (in volume) in July 2024 (Figure 15), registering a growth of 44.9 percent year-over-year (Figure 16). Sequentially, the volume of transactions increased by 4 percent.
- The electronic funds transfer system, Immediate Payment Service (IMPS), recorded 490.3 million transactions in July 2024 (Figure 15), registering marginal growth of 0.1 percent on a year-over-year basis (Figure 16). However, sequentially, the volume of IMPS transactions decreased by 5.1 percent. [[National Payments Corporation of India, Monthly Metrics \(npci.org.in\)](https://npci.org.in)]

Figure 15: Unified Payments Interface (UPI) and Immediate Payment Service (IMPS) Transactions

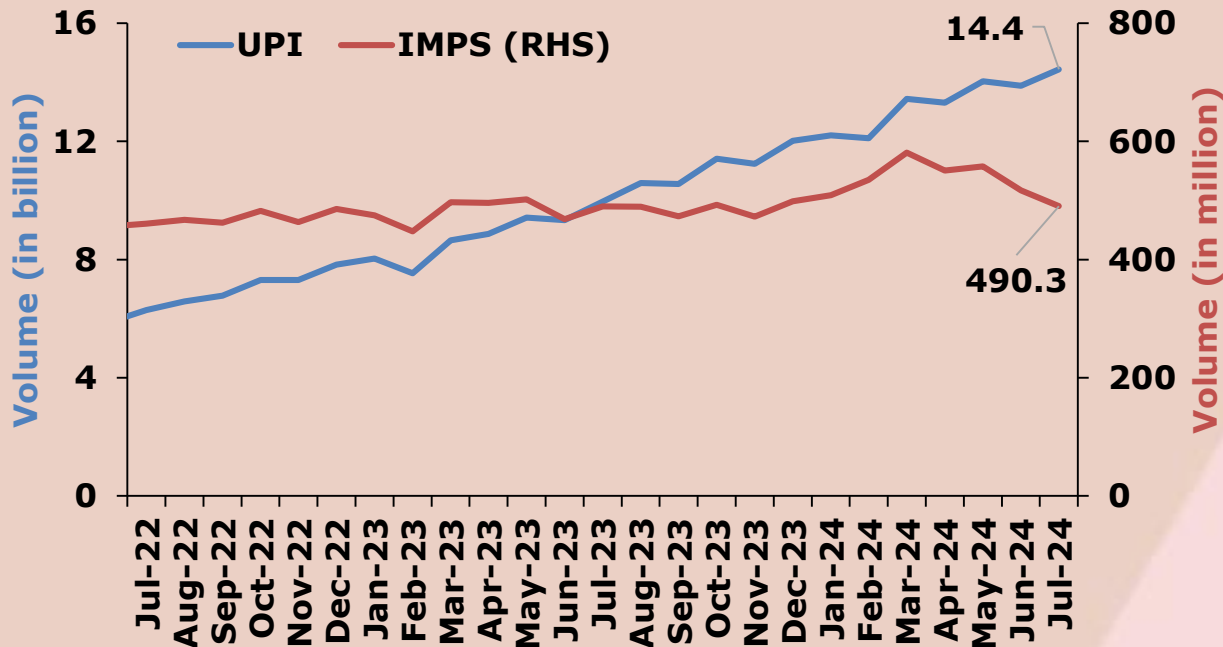
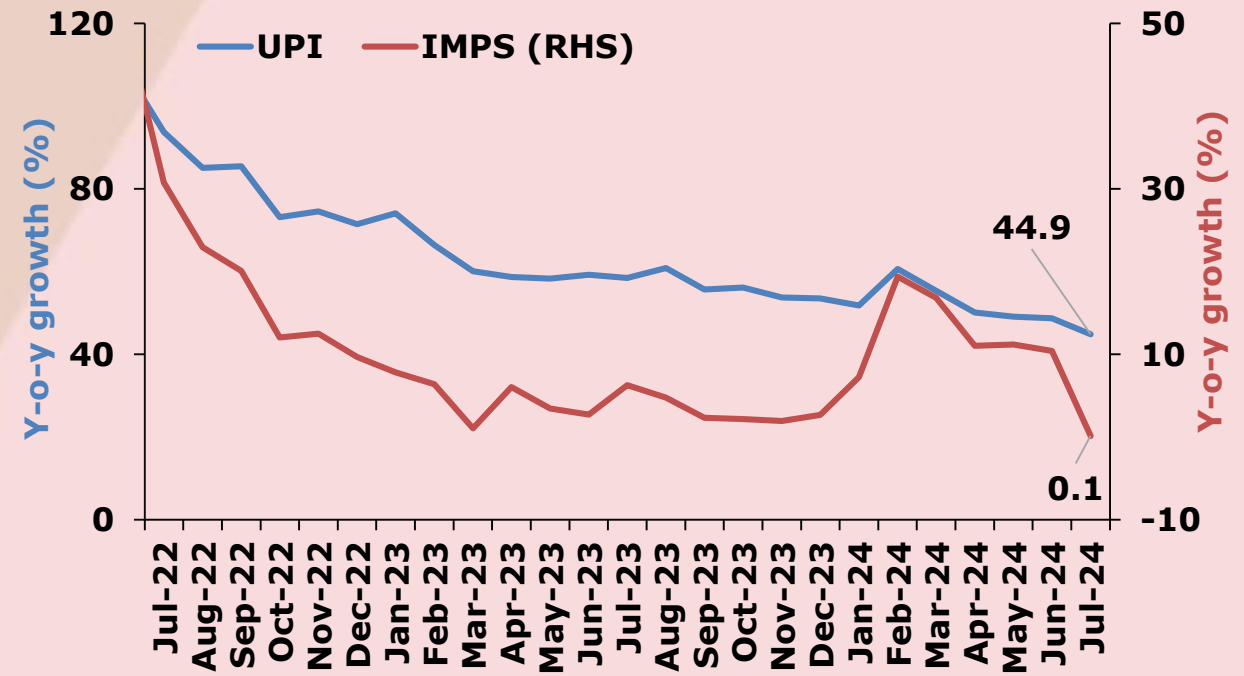


Figure 16: UPI and IMPS Growth



Source: National Payments Corporation of India (NPCI) (Figures 15 and 16).

Note: In Figures 15 and 16, the RHS axis for IMPS transaction in volume and their year-on-year growth rates has been rescaled for better comparability.

Centre's Fiscal Deficit reaches 8.1 percent of BE for FY2024-25 in June 2024

Fiscal Developments

- As of June 2024, the fiscal deficit stood at 8.1 percent of the Budget Estimate (BE) for FY2024-25, lower than 25.3 percent of BE recorded in June 2023 for FY2023-24 (Figure 17).
- The revenue receipts for FY2024-25 reached 27.6 percent of the BE as of June 2024, compared to 22.4 percent of BE in FY2023-24 as of June 2023 (Figure 18).
- Total expenditure for FY2024-25 reached 20.4 percent of the BE as of June 2024, compared to 23.3 percent of BE in FY2023-24 as of June 2023 (Figure 19). [\[Controller General of Accounts Monthly Report, June 2024\]](#)

Figure 17: Fiscal Deficit

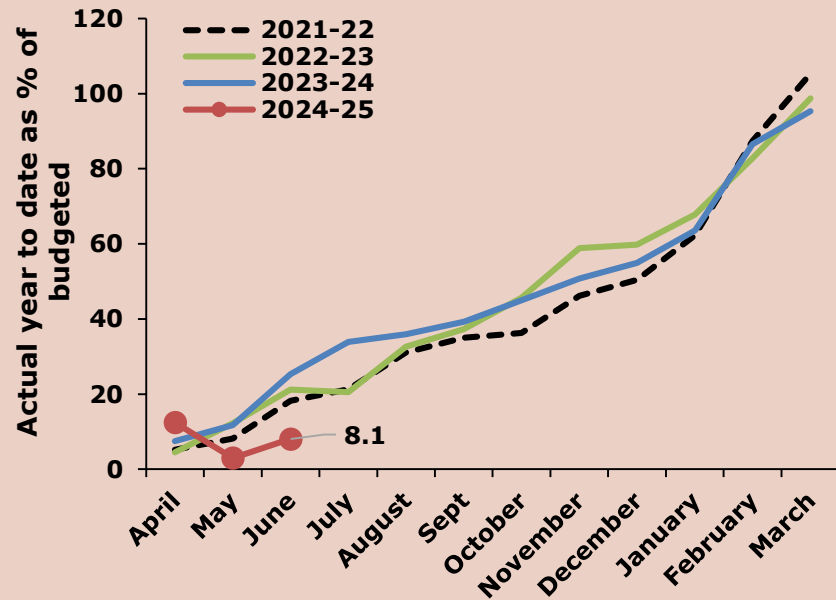


Figure 18: Revenue Receipts

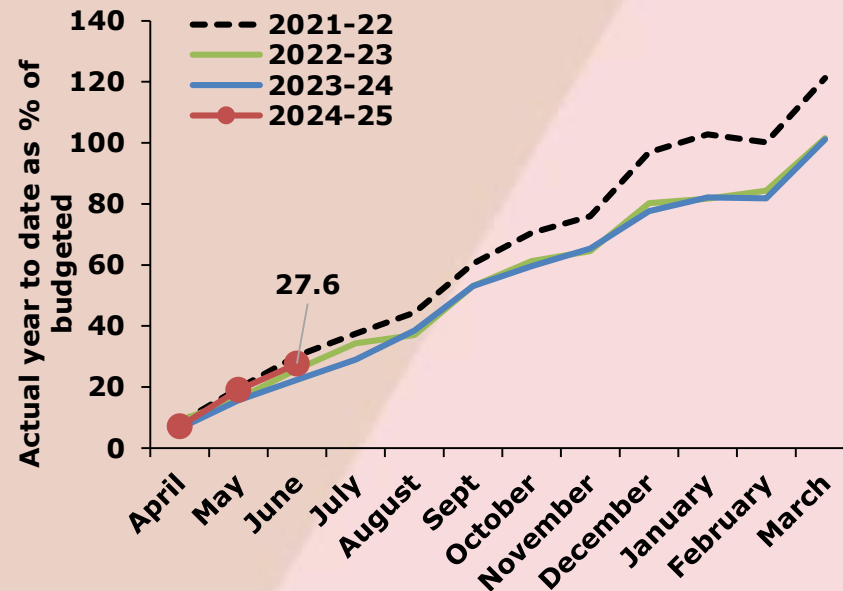
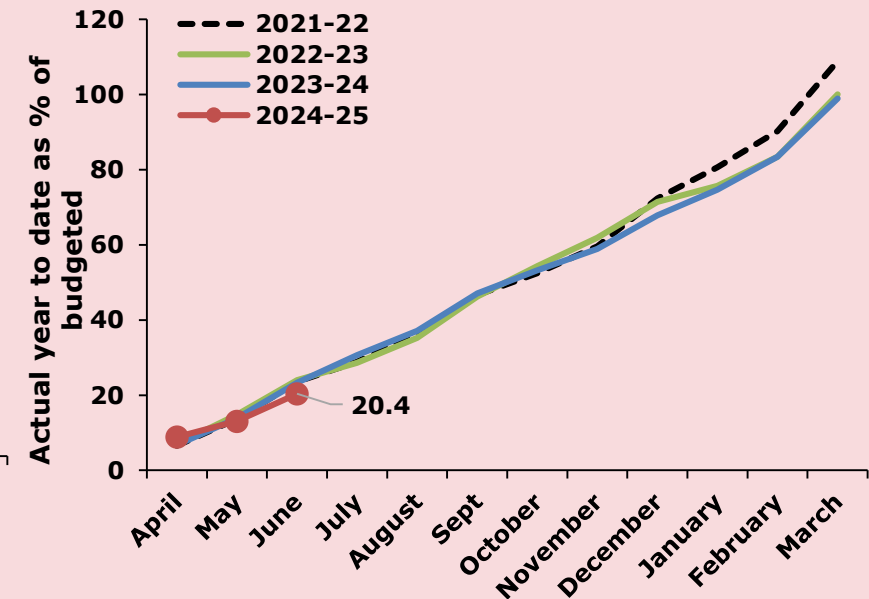


Figure 19: Total Expenditure

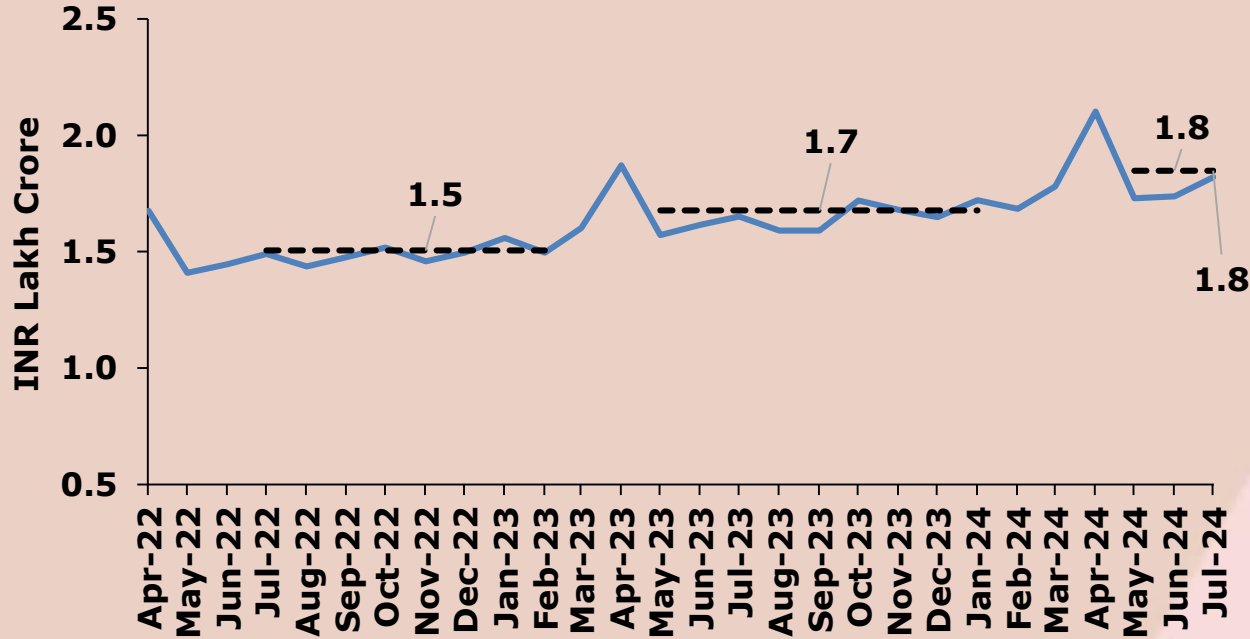


Source: Controller General of Accounts (Figures 17, 18 and 19).

GST collections stood at Rs 1.8 lakh crore in July 2024, recording 10.3 percent growth year-over-year; GST E-way bills generation increases year-over-year

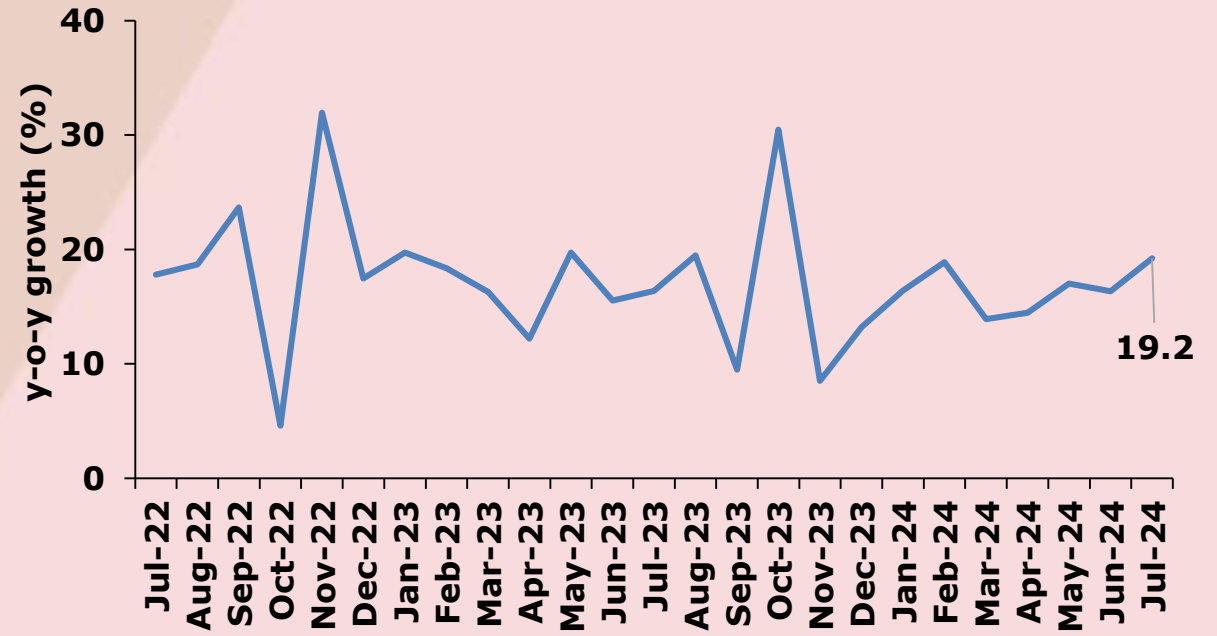
- In July 2024, GST collections reached Rs 1.8 lakh crore, recording a year-over-year growth of 10.3 percent. Sequentially, GST collections increased by 4.8 percent between June and July 2024 (Figure 20).
- GST E-way bill generation reached 10.5 crore in July 2024 recording a year-over-year growth of 19.2 percent. Sequentially, GST E-way bill generation increased by 4.7 percent between June and July 2024 (Figure 21).

Figure 20: GST Revenue



Source: Ministry of Finance and CEIC estimates (Figure 20).

Figure 21: GST E-Way Bills



Source: Goods and Services Tax Network (Figure 21).

Note: In Figure 20, the dashed horizontal lines depict the yearly averages of FY2022-23, FY2023-24, and FY2024-25 until July 2024.

Bank credit (food and non-food) of Scheduled Commercial Banks moderates to 17.4 percent year-over-year in June 2024 compared to 19.8 percent in May 2024

Financial Sector

- The total outstanding credit (food and non-food) of Scheduled Commercial Banks (SCBs) expanded by 17.4 percent on a year-over-year basis in June 2024, moderating from 19.8 percent in May 2024 (Figure 22).
- Personal loan credit growth decelerated to 25.6 percent year-over-year in June 2024 from 28.7 percent in May 2024. Bank credit growth for the services sector stood at 17.4 percent in June 2024 decelerating from 23.2 percent in May 2024 (Figure 23).
- Bank credit for agriculture and allied activities increased by 17.4 percent in June 2024 moderating from 21.6 percent in May 2024. Credit growth in the industry sector moderated to 8.1 percent in June 2024 compared to 9.4 percent in May 2024 on a year-over-year basis (Figure 23).

Figure 22: Total Outstanding Credit (Food and Non-food) of Scheduled Commercial Banks

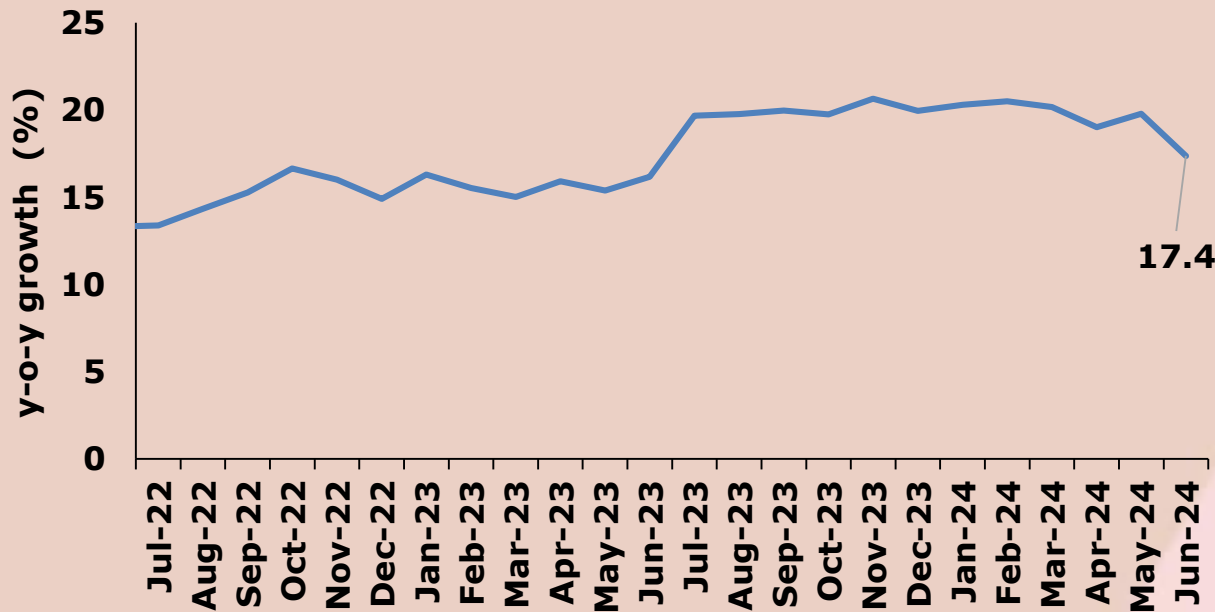
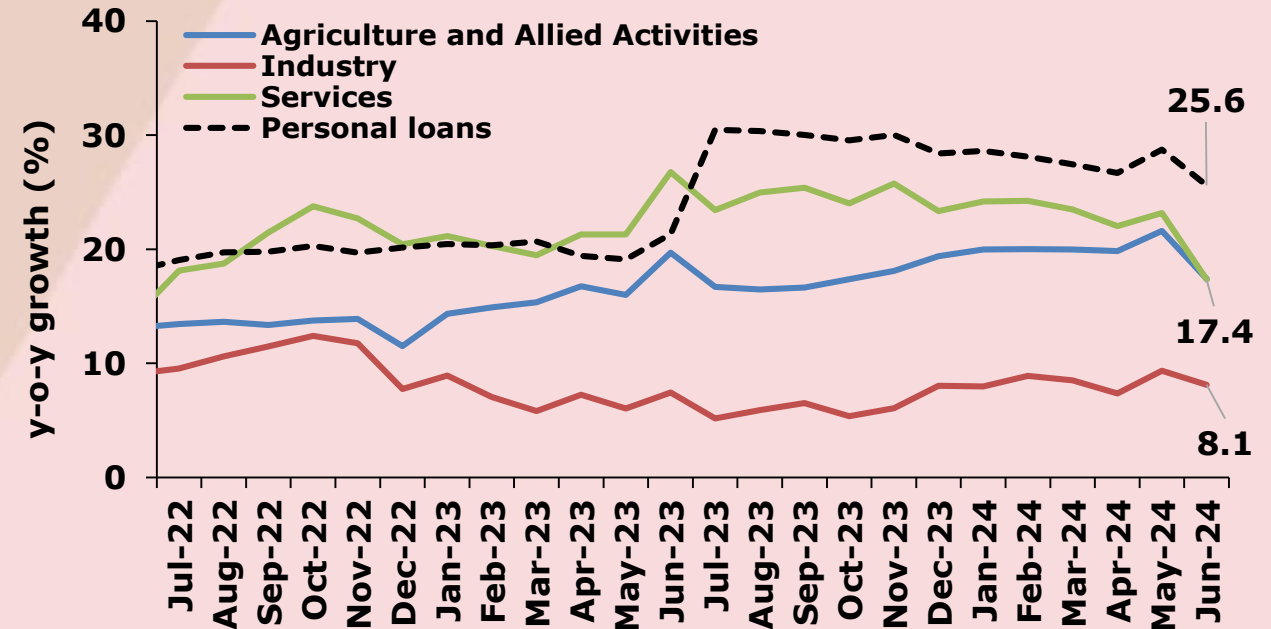


Figure 23: Sectoral Deployment of Non-food Credit by Scheduled Commercial Banks



Source: CEIC estimates (Figures 22 and 23).

MPC keeps policy rates unchanged; Retains projections for real GDP growth and CPI headline inflation for FY2024-25

- In its meeting held from August 6-8, 2024, the Monetary Policy Committee (MPC) kept the policy repo rate under the Liquidity Adjustment Facility (LAF) unchanged at 6.5 percent. Accordingly, the Standing Deposit Facility (SDF) rate remained unchanged at 6.25 percent and the Marginal Standing Facility (MSF) rate, and the Bank Rate remained at 6.75 percent (Figure 24). [\[Monetary Policy Statement, August 8, 2024\]](#)
- The RBI retained its forecast for India's real GDP growth at 7.2 percent for FY2024-25 and kept its CPI headline inflation projection at 4.5 percent, consistent with its previous projection released in June 2024 (Table 2).
- The quarterly real GDP growth projections for Q1, Q2, Q3, and Q4 for FY2024-25 stood at 7.1, 7.2, 7.3, and 7.2 percent, respectively (Table 2). The projection for Q1 FY2025-26 is kept at 7.2 percent.

Figure 24: RBI Rates

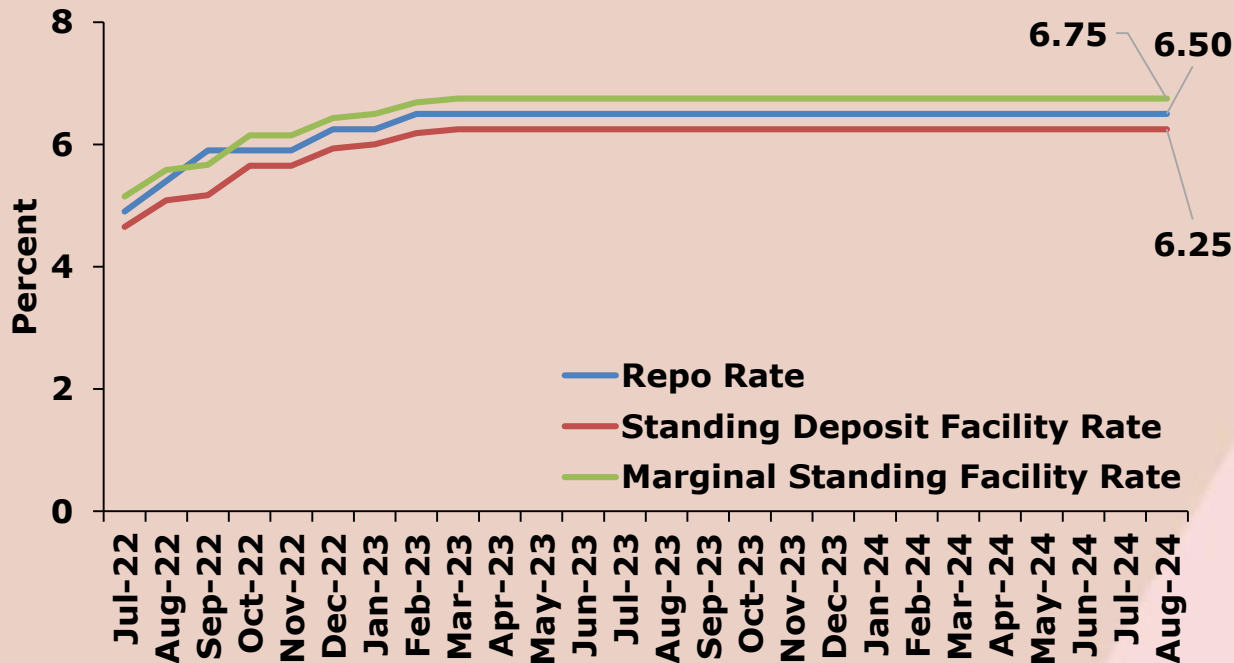


Table 2: RBI Projections

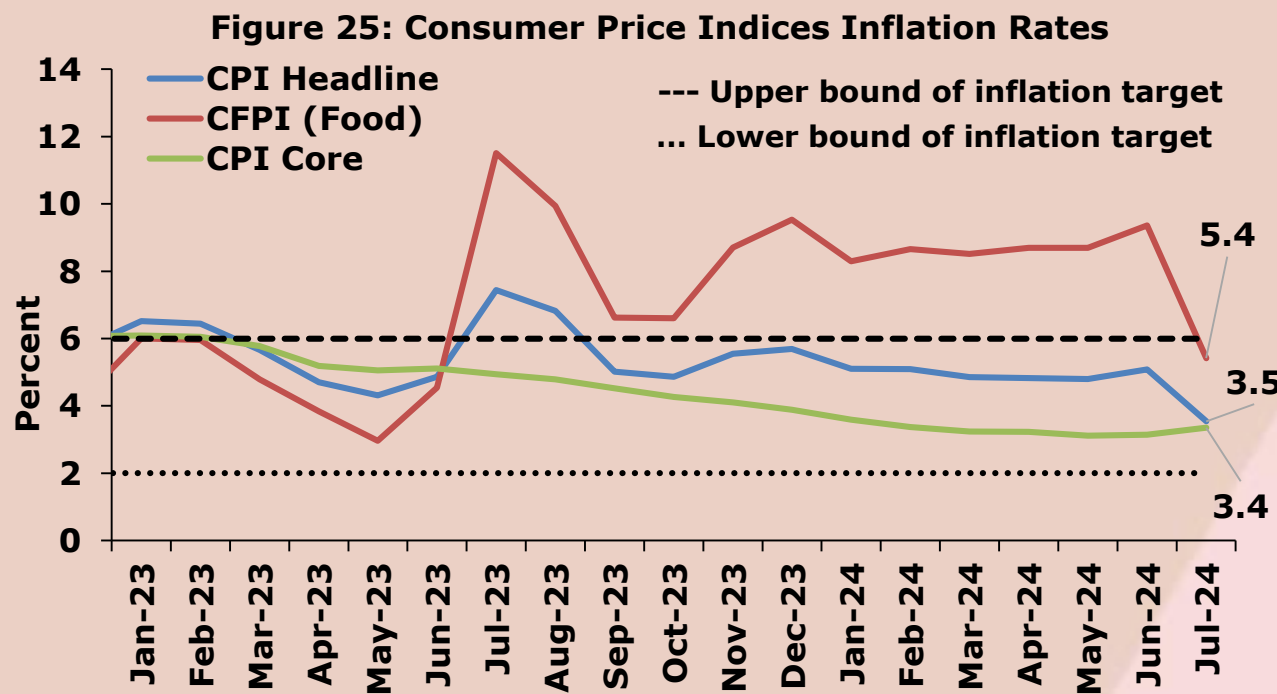
Real GDP Growth Projections (%)	FY2024-25	FY2024-25			
		Q1	Q2	Q3	Q4
Aug-24	7.2	7.1	7.2	7.3	7.2
Jun-24	7.2	7.3	7.2	7.3	7.2
Apr-24	7.0	7.1	6.9	7.0	7.0
Feb-24	7.0	7.2	6.8	7.0	6.9
CPI Inflation Projections (%)					
Aug-24	4.5	-	4.4	4.7	4.3
Jun-24	4.5	4.9	3.8	4.6	4.5
Apr-24	4.5	4.9	3.8	4.6	4.5
Feb-24	4.5	5.0	4.0	4.6	4.7

Source: Reserve Bank of India (Figure 24 and Table 2).

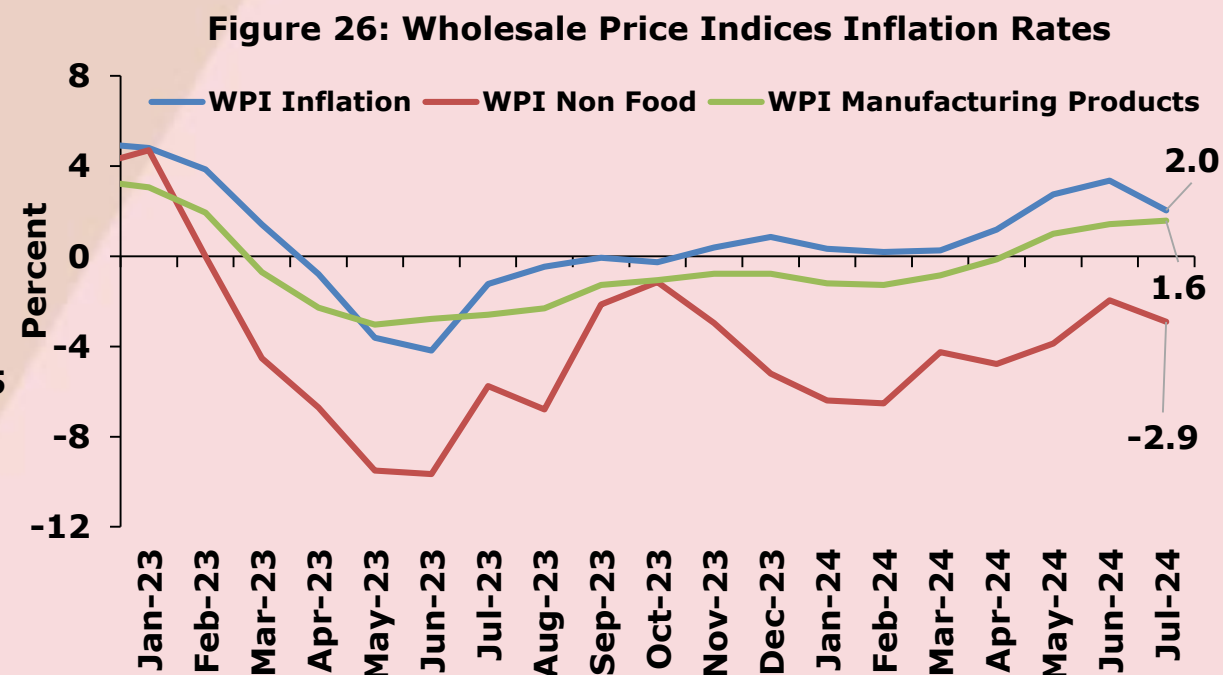
Note: In Table 2, - denotes that no projections were given by RBI for real GDP growth and CPI Inflation in that specific month.

CPI headline, food, and WPI inflation decline; CPI core inflation increases slightly

- The CPI headline inflation declined to 3.5 percent in July 2024 from 5.1 percent in July 2024. Core inflation increased marginally to 3.4 percent in July 2024 compared to 3.1 percent in June 2024 (Figure 25).
- The Consumer Food Price Index (CFPI) inflation declined sharply to 5.4 percent in July 2024 compared to 9.4 percent in June 2024 (Figure 25). [\[CPI Press Release, August 12, 2024 | MOSPI\]](#)
- The Wholesale Price Index (WPI) inflation declined to 2 percent (Provisional Estimates) in July 2024 from 3.4 percent (Provisional Estimates) in June 2024 (Figure 26). [\[WPI Press Release, August 14, 2024 | Ministry of Commerce and Industry, DPIIT\]](#)



Source: Ministry of Statistics and Programme Implementation (Figure 25).



Source: Ministry of Commerce and Industry, Department for Promotion of Industry and Internal Trade (DPIIT), Government of India (Figure 26).

Note: In Figure 25, CFPI includes the following ten sub-groups - Cereals and Products, Meat and Fish, Eggs, Milk and Products, Oils and Fats, Fruits, Vegetables, Pulses and Products, Sugar and Confectionery, and Spices.

Contribution of core and CFPI inflation to headline inflation decreases; CPI inflation decreases for vegetables, pulses, cereals, fruits, and sugar but increases for meat and fish

- In July 2024, core inflation contributed 1.7 percent to CPI headline inflation, a decrease from 2.4 percent in June 2024. The CFPI inflation contributed 1.4 percent to CPI headline inflation in July 2024, decreasing from 2 percent in June 2024. The contribution of beverages, fuel, and light to CPI headline inflation decreased from 0.3 percent in June 2024 to 0.2 percent in July 2024 (Figure 27).
- CPI inflation for vegetables decreased sharply to 6.8 percent in July 2024 from 29.3 percent in June 2024 (Figure 28).
- CPI inflation for pulses and products decreased from 16.1 percent in June 2024 to 14.8 percent in July 2024. The CPI inflation rates for cereals and products, fruits, sugar and confectionery decreased from 8.8, 7.2, and 5.8 percent in June 2024 to 8.1, 3.8, and 5.2 percent, respectively, in July 2024. CPI inflation for meat and fish increased from 5.4 percent in June 2024 to 6 percent in July 2024 (Figure 28).

Figure 27: Contributions to CPI Headline

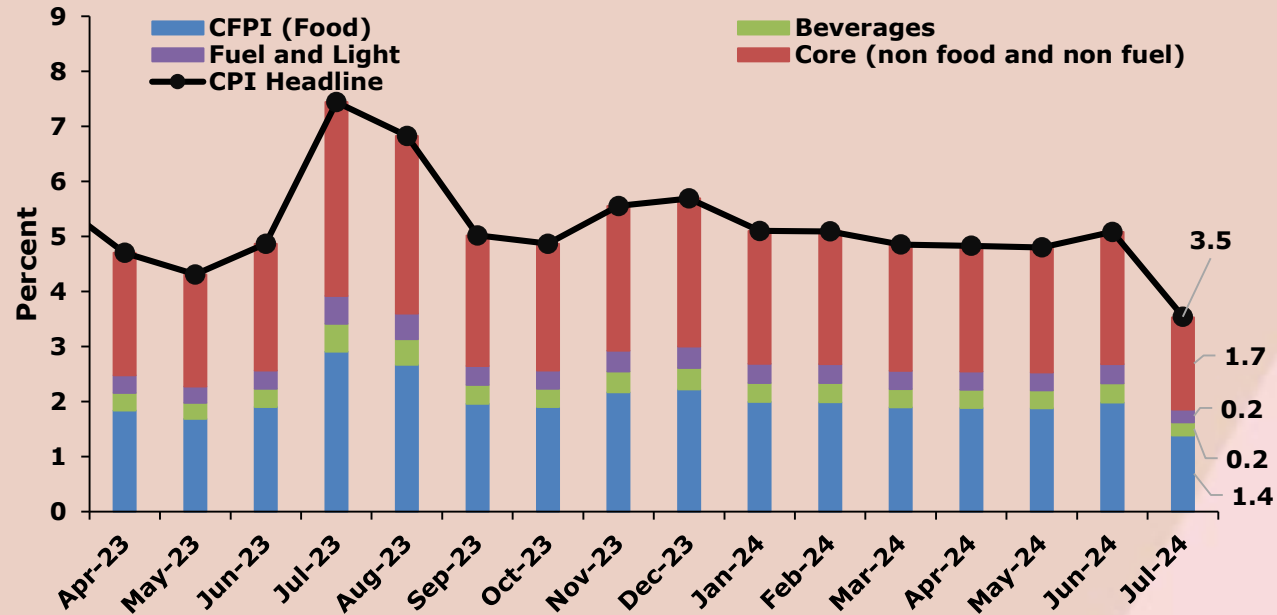
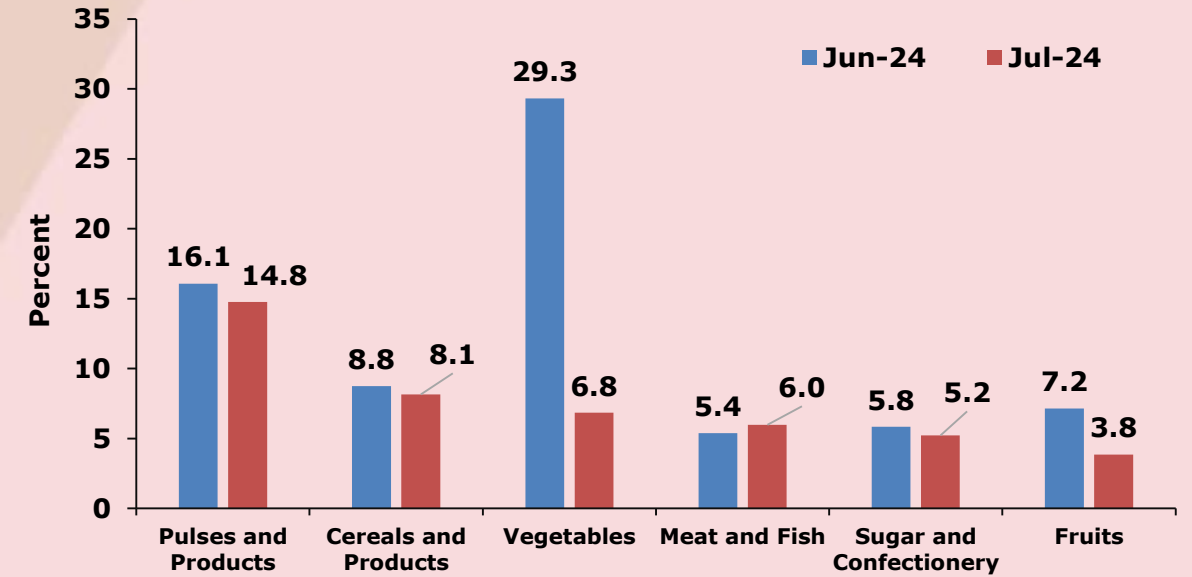


Figure 28: Consumer Price Indices Inflation Rates- Across Food Categories



Source: Ministry of Statistics and Programme Implementation (Figures 27 and 28).

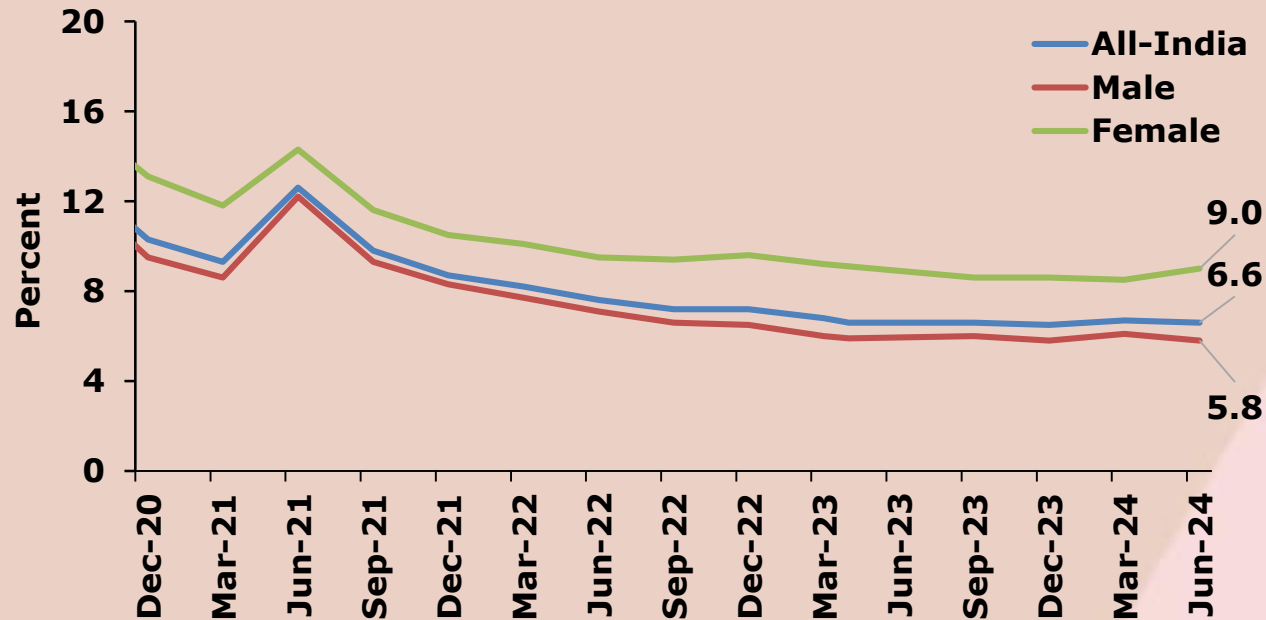
Note: In Figure 27, CFPI includes the following ten sub-groups - Cereals and Products; Meat and Fish; Eggs; Milk and Products; Oils and Fats; Fruits; Vegetables; Pulses and Products; Sugar and Confectionery; and Spices.

According to PLFS survey, all-India urban unemployment declined for April-June quarter over previous quarter; Naukri JobSpeak Index increases year-over-year

Employment

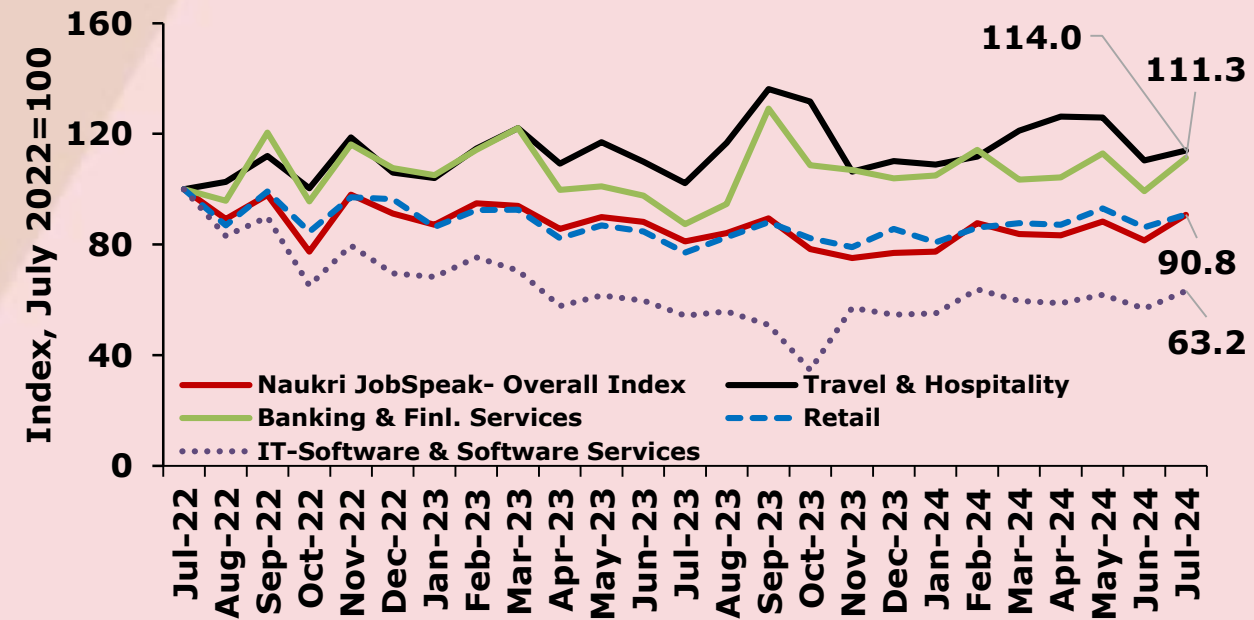
- As per the Periodic Labour Force Survey (PLFS) for the April-June quarter of 2024, the all-India urban unemployment rate based on the Current Weekly status (CWS) stood at 6.6 percent. It declined over the previous quarter, January-March 2024 from 6.7 percent and remained unchanged compared to the April-June 2023 quarter, for people aged 15 years and above. The unemployment rate for the female population declined marginally to 9 percent from 9.1 percent and, for the male population, it decreased marginally to 5.8 percent from 5.9 percent in the same quarter in 2023 (Figure 29). [[PLFS Quarterly Bulletin, April-June 2024, 16 August 2024](#)]
- In July 2024, the Naukri JobSpeak Index reported an 11.4 percent sequential increase and an 11.8 percent year-over-year increase for online hiring activity in India. In the travel and hospitality sector, hiring increased by 3.2 percent sequentially and 11.6 percent year-over-year. The banking and financial services sector recorded a sequential increase in hiring of 12.1 percent and a year-over-year increase of 27.3 percent. The retail sector recorded a 5.3 percent sequential rise, and a 17.8 percent year-over-year rise in online hiring. Hiring in IT and software services increased by 11.1 percent sequentially and 16.5 percent year-over-year (Figure 30).

Figure 29: PLFS Urban Unemployment Rates



Source: Ministry of Statistics and Programme Implementation (Figure 29).

Figure 30: Naukri JobSpeak Index

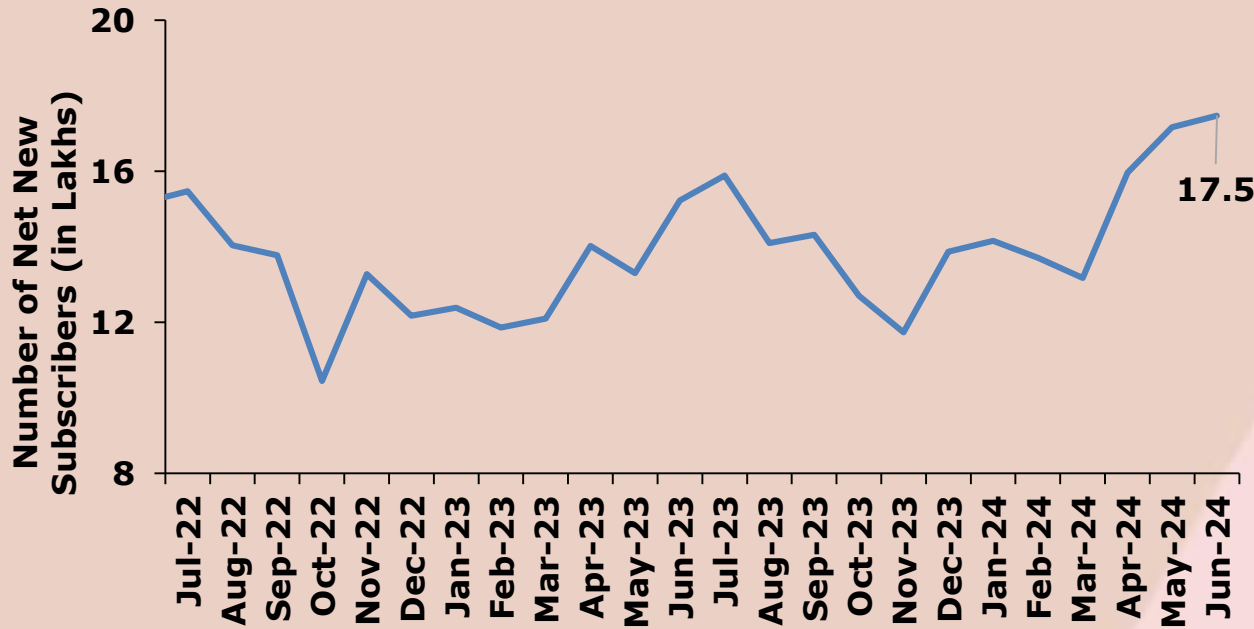


Source: CEIC estimates (Figure 30).

New subscribers under EPFO increase by 14.8 percent year-over-year; Demand for jobs under MGNREGA moderates year-over-year

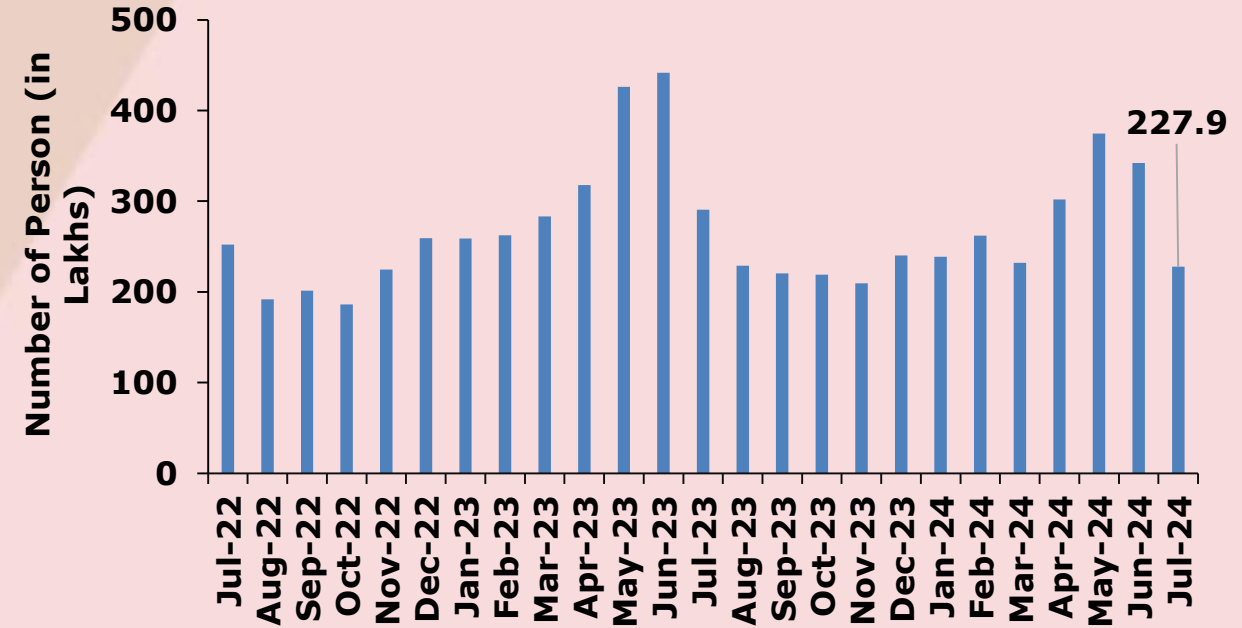
- In June 2024, the number of new EPFO subscribers increased by 14.8 percent year-over-year. The number of subscribers increased sequentially by 1.8 percent, recording 17.5 lakh new subscribers (Provisional Estimates) in June 2024, as compared to 17.2 lakh (Revised Estimates) in May 2024 (Figure 31).
- The demand for work under the MGNREGA decreased by 21.6 percent on a year-over-year basis in July 2024, and sequentially, it decreased by 33.4 percent (Figure 32).

Figure 31: EPFO Net New Subscribers



Source: Employees' Provident Fund Organisation (Figure 31).

Figure 32: Work Demand under MGNREGA



Source: Ministry of Rural Development (Figure 32).

Merchandise trade deficit widens while services trade surplus increases sequentially in July 2024

- India's merchandise exports decreased sequentially, reaching USD 34 billion in July 2024 (Provisional Estimates) compared to USD 35.2 billion in June 2024 (Revised Estimates). Merchandise exports decreased by 1.5 percent year-over-year. Conversely, merchandise imports increased, reaching a value of USD 57.5 billion in July 2024 (Provisional Estimates), compared to USD 56.2 billion in June 2024 (Revised Estimates). Merchandise trade deficit widened to USD 23.5 billion in July 2024, compared to USD 21 billion in June 2024 (Figure 33).
- In July 2024, services exports decreased to USD 28.4 billion (Provisional Estimates) from USD 28.8 billion in June 2024 (Revised Estimates) but increased by 8.4 percent year-over-year. Services imports decreased to USD 14.6 billion in July 2024 (Provisional Estimates) from USD 15 billion in June 2024 (Revised Estimates). The services trade surplus increased marginally to USD 13.9 billion in July 2024 compared to USD 13.8 billion in June 2024 (Figure 34). [\[Press Release, August 14, 2024 | Ministry of Commerce & Industry\]](#)

Figure 33: Merchandise Trade

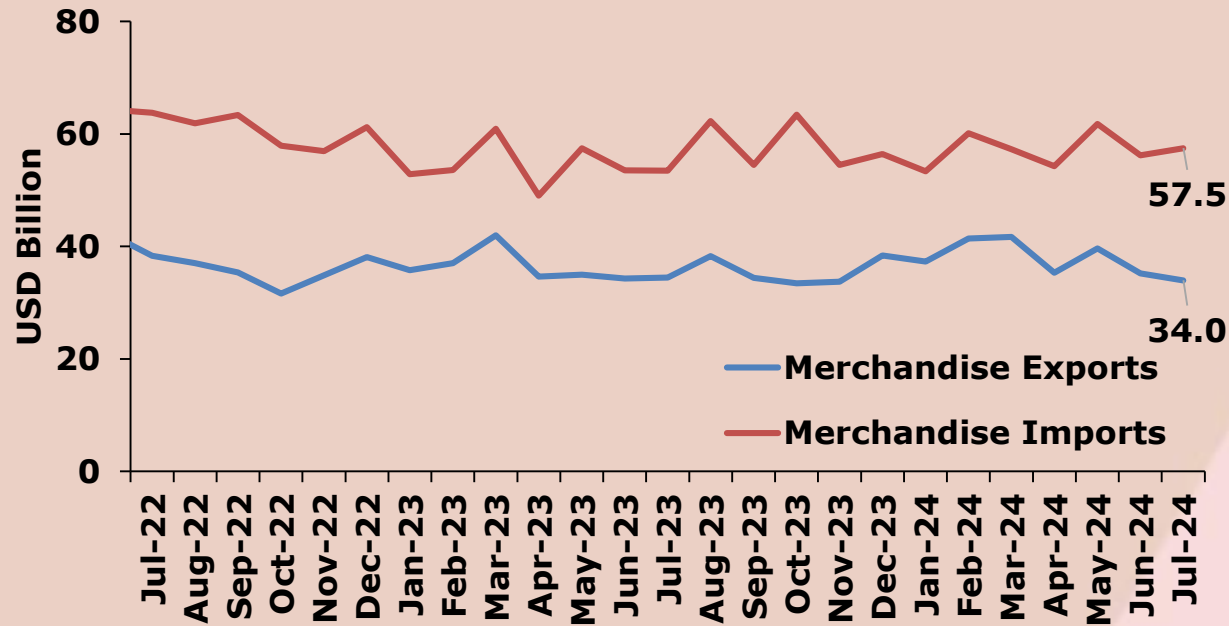
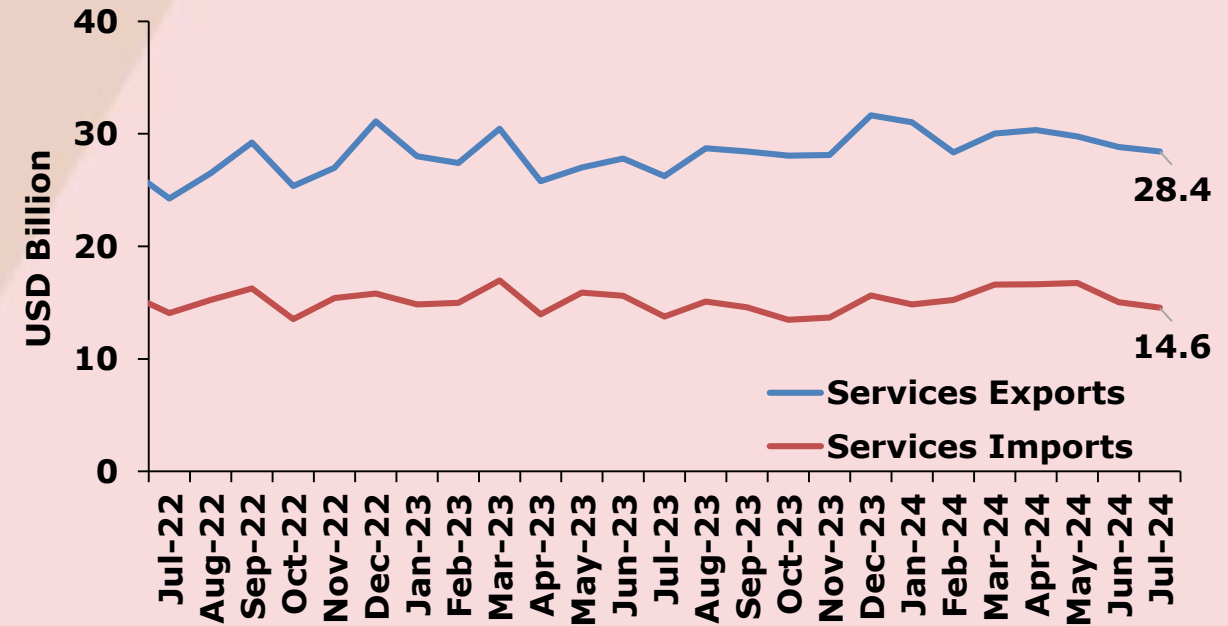


Figure 34: Services Trade



Source: Ministry of Commerce and Industry, Government of India (Figures 33 and 34).

Net inflows of foreign portfolio investments decrease in August 2024

- As of August 21, 2024, net foreign portfolio investments (FPI) amounted to negative USD 0.4 billion, marking a sequential decline of USD 6.2 billion compared to USD 5.8 billion recorded at the end of July 2024 (Figure 35).
- The net FPI in equity stood at negative USD 2.1 billion, as of August 21, 2024, marking a sequential decline of USD 6 billion compared to USD 3.9 billion recorded at the end of July 2024 (Figure 36).
- The net FPI in debt stood at USD 1.5 billion, as of August 21, 2024, marking a sequential decline of USD 1.1 billion compared to USD 2.7 billion recorded at the end of July 2024 (Figure 37).

Figure 35: Net Foreign Portfolio Investment (FPI)

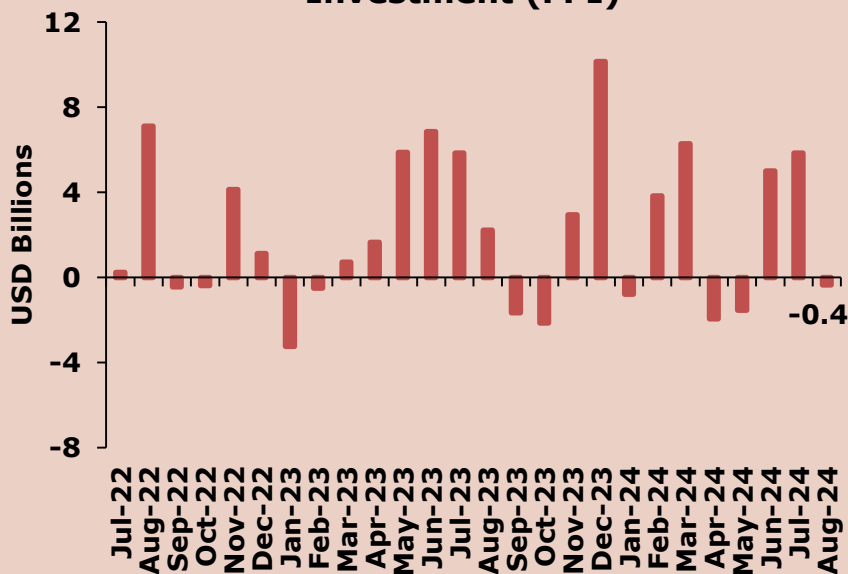


Figure 36: Net Foreign Portfolio Investment (FPI) Equity

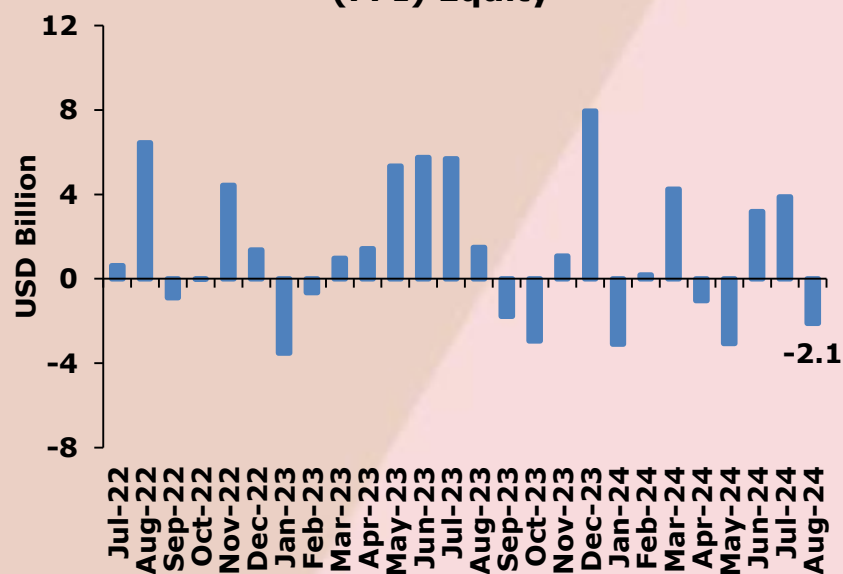
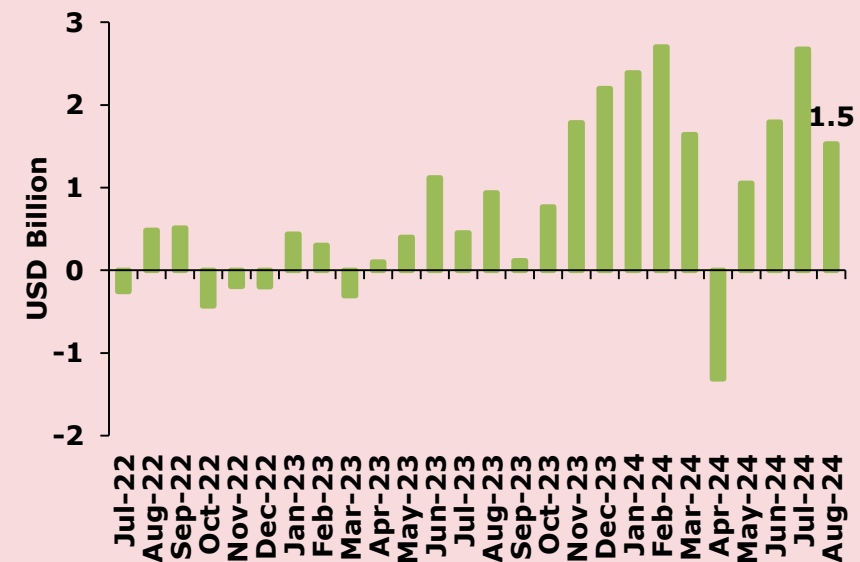


Figure 37: Net Foreign Portfolio Investment (FPI) Debt



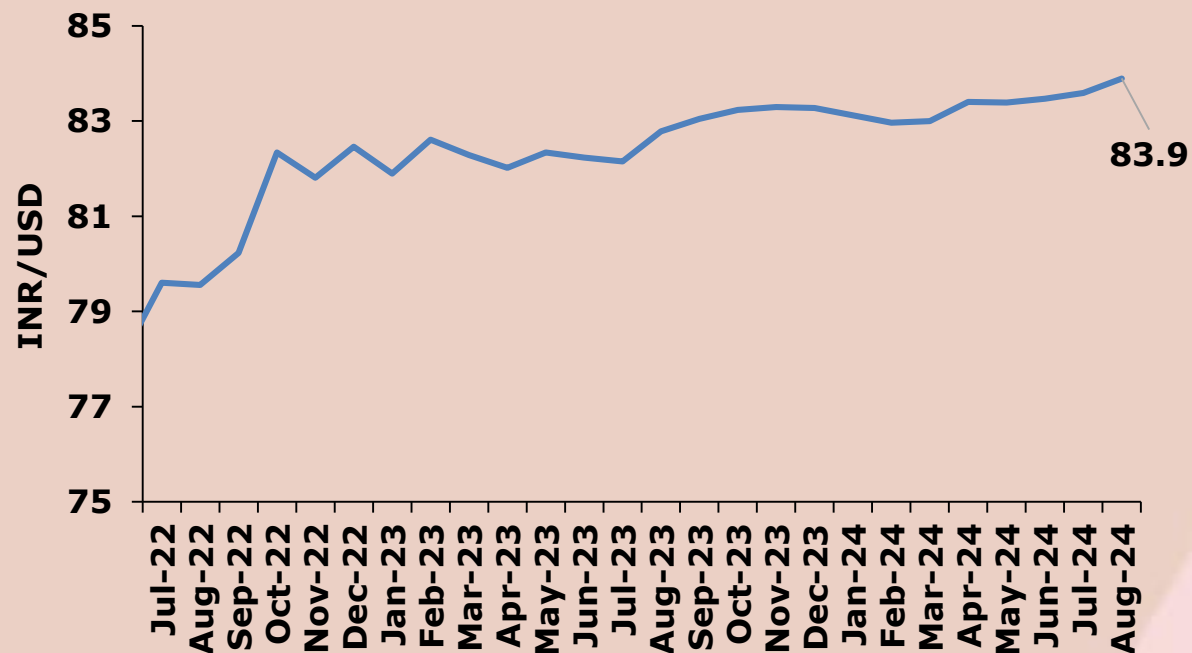
Source: CEIC estimates (Figures 35, 36, and 37).

Note: For August 2024, data for Figures 35, 36, and 37 is as of August 21, 2024. Monthly values for August 2024 have been created by summing up the daily values of Net FPI Equity and Net FPI Debt. For Figure 35, the monthly value for August 2024 has been calculated by taking the sum of the daily data for Net FPI Equity, Net Debt, Net Debt VRR, and Net Hybrid.

Rupee depreciates against dollar; Foreign exchange reserves increase sequentially in August 2024

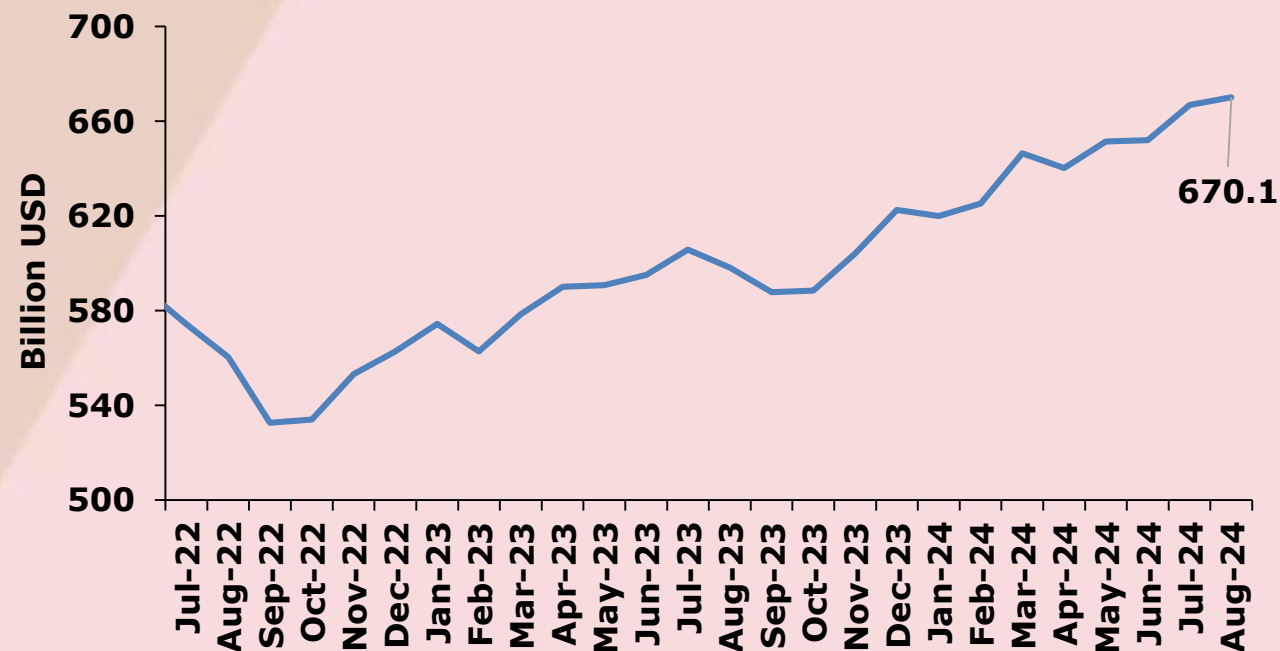
- The rupee depreciated marginally by 0.4 percent and stood at Rs. 83.9 against the US dollar, as of August 22, 2024, compared to Rs. 83.6 in July 2024 (Figure 38).
- Foreign exchange reserves increased by USD 3.3 billion, reaching a total of USD 670.1 billion, as of August 9, 2024, compared to USD 666.9 billion in July 2024 (Figure 39). [[Reserve Bank of India – Bulletin Weekly Statistical Supplement, Foreign Exchange Reserves Press Release, August 16, 2024](#)]

Figure 38: Exchange Rate



Source: Reserve Bank of India (Figure 38).

Figure 39: Foreign Exchange Reserves



Source: CEIC estimates (Figure 39).

Note: For August 2024, data for Figure 38 are taken as of August 22, 2024; data for Figure 39 are taken as of August 9, 2024.

Heatmap for high-frequency indicators

Indicators	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	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	Jul-24
Agriculture																									
Fertilizer Sales: Urea	14.3	15.0	-3.3	16.5	26.3	2.4	15.1	4.3	-6.1	-16.6	4.3	0.5	-8.5	-2.8	2.2	28.5	15.0	2.7	-0.2	-10.7	-1.1	11.9	3.3	3.5	4.1
Industry																									
IIP Manufacturing	3.1	-0.5	2.0	-5.8	6.7	3.6	4.5	5.9	1.5	5.5	6.3	3.5	5.3	10.0	5.1	10.6	1.3	4.6	3.6	4.9	5.9	3.9	5.0	2.6	
IIP Core	4.8	4.2	8.3	0.7	5.7	8.3	9.7	7.4	4.2	4.6	5.2	8.4	8.5	13.4	9.4	12.7	7.9	5.0	4.1	7.1	6.3	6.7	6.3	4.0	
PMI Manufacturing	56.4	56.2	55.1	55.3	55.7	57.8	55.4	55.3	56.4	57.2	58.7	57.8	57.7	58.6	57.5	55.5	56.0	54.9	56.5	56.9	59.1	58.8	57.5	58.3	58.1
PMI Services	55.5	57.2	54.3	55.1	56.4	58.5	57.2	59.4	57.8	62.0	61.2	58.5	62.3	60.1	61.0	58.4	56.9	59.0	61.8	60.6	61.2	60.8	60.2	60.5	60.3
Automobile Sales: 2-wheelers (excluding EVs)	10.2	17.0	13.5	2.3	17.7	3.9	5.0	8.8	9.0	16.5	17.4	1.7	-7.2	0.6	0.8	20.2	31.3	16.0	26.2	34.6	15.3	30.8	10.1	21.3	12.5
Natural Gas Production	-0.4	-1.0	-1.7	-4.1	-1.0	1.9	4.0	1.9	2.4	-2.9	-0.1	3.4	8.3	9.3	6.1	9.3	7.4	6.1	5.5	11.1	6.2	7.8	6.7	2.9	
Crude Steel Production	2.9	0.6	1.8	2.6	5.5	1.6	2.6	2.4	2.7	7.7	5.9	13.6	13.7	17.6	18.8	16.3	11.0	11.0	8.7	12.3	8.6	4.2	4.1	4.4	7.2
Electricity Supply	3.7	2.0	12.9	1.0	11.0	11.7	13.4	9.7	-1.3	0.1	0.9	5.9	12.3	17.5	11.6	23.2	6.2	1.0	5.7	9.1	10.1	9.2	13.8	8.0	
Services																									
Rail Freight	8.3	7.9	9.1	1.4	5.2	3.1	3.9	3.6	3.8	3.5	1.9	-1.9	1.5	6.4	6.7	8.5	4.3	6.4	6.4	10.1	8.6	1.4	3.7	10.1	
Air Passenger Traffic	127.4	73.1	61.6	40.0	21.8	23.1	101.0	64.4	27.0	25.5	19.0	20.5	25.8	23.2	19.4	11.9	10.7	9.9	7.2	8.1	6.5	6.0	8.3	7.7	
Air Cargo	6.1	-1.2	-0.5	-14.5	-2.3	-5.9	-3.7	2.1	-0.9	0.0	-0.3	-0.8	-1.2	6.9	-0.3	13.1	6.6	10.8	15.5	22.7	17.3	10.0	15.6	15.9	
Trade																									
Merchandise Export	7.9	10.9	4.7	-11.5	9.7	-3.0	1.6	-0.4	-5.9	-12.8	-10.4	-18.8	-10.0	3.5	-2.8	5.8	-3.3	0.8	4.3	11.9	-0.6	2.0	13.4	2.6	-1.5
Services Export	25.3	29.6	35.2	24.4	30.6	19.7	29.5	28.6	13.0	7.2	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	3.7	8.4
Fiscal																									
Gross Tax Revenue (Centre)	33.3	-7.7	14.5	20.8	-3.8	0.8	13.5	4.5	16.8	-6.1	4.4	11.3	1.5	95.2	15.9	-1.2	21.3	12.9	16.5	-0.5	13.4	16.9	14.4	35.0	
Goods and Services Tax Revenue	28.0	28.2	26.2	16.6	10.9	15.2	12.7	12.4	12.7	11.6	11.5	11.7	10.8	10.8	10.2	13.4	15.1	10.3	10.4	12.5	11.2	12.4	10.1	7.6	10.3
Banking																									
SCB bank Credit: Total Outstanding	13.4	14.3	15.3	16.6	16.0	14.9	16.3	15.5	15.0	15.9	15.4	16.2	19.7	19.8	20.0	19.7	20.6	19.9	20.3	20.5	20.2	19.0	19.8	17.4	
SCB bank Credit Non-food: Personal Loans	18.7	19.4	19.4	20.1	19.6	20.0	20.4	20.4	20.6	19.4	19.1	21.3	30.5	30.4	30.0	29.6	30.0	28.4	28.6	28.1	27.5	26.7	28.7	25.6	
SCB bank Credit Non-food: Agriculture	13.2	13.4	13.4	13.6	19.0	15.8	14.4	14.9	15.4	16.7	16.0	19.7	16.7	16.5	16.7	17.4	18.1	19.4	20.0	20.0	20.0	19.8	21.6	17.4	
SCB bank Credit Non-food: Industry	10.5	11.4	12.6	13.6	17.0	13.8	8.7	7.0	5.7	7.0	6.0	8.1	5.8	6.6	7.1	5.9	6.6	8.6	8.3	9.3	8.5	7.4	9.4	8.1	
SCB bank Credit Non-food: Services	18.1	18.7	21.5	23.8	22.7	20.4	21.2	20.3	19.5	21.3	21.3	26.8	23.4	25.0	25.4	24.0	25.7	23.3	24.2	24.3	23.5	22.0	23.2	17.4	
Financial Markets																									
NIFTY 50 Index	8.9	3.7	-3.0	1.9	10.5	4.3	1.9	3.0	-0.6	5.6	11.8	21.6	15.1	8.4	14.9	5.9	7.3	20.0	23.0	27.0	28.6	25.1	21.6	25.1	26.3
BSE SENSEX	9.5	3.4	-2.9	2.4	10.6	4.4	2.6	4.8	0.7	7.1	12.7	22.1	15.6	8.9	14.6	5.1	6.2	18.7	20.5	23.0	24.9	21.9	18.1	22.1	22.9
Employment and Inflation																									
Naukri JobSpeak Index	20.8	5.8	12.7	-2.7	42.9	50.9	1.7	-2.2	5.2	-5.2	-0.5	-2.9	-18.8	-5.7	-8.6	1.2	-23.3	-15.6	-11.1	-7.5	-10.8	-2.7	-1.8	-7.6	11.8
EPFO Net New Subscribers	25.4	11.7	9.4	1.7	16.2	-2.5	-3.4	-3.2	-11.6	-2.5	-3.5	0.4	2.7	0.4	3.9	21.6	-11.6	14.0	14.3	15.6	8.9	13.8	29.1	14.8	
Consumer Price Inflation	6.7	7.0	7.4	6.8	5.9	5.7	6.5	6.4	5.7	4.7	4.3	4.9	7.4	6.8	5.0	4.9	5.6	5.7	5.1	5.1	4.9	4.8	4.7	5.1	3.5
Wholesale Price Inflation	14.1	12.5	10.6	8.7	6.1	5.0	4.8	3.9	1.4	0.8	3.6	4.2	1.4	0.5	0.3	0.5	0.3	0.7	0.3	0.2	0.5	1.3	2.6	3.4	2.0



Source: NCAER Team's calculation, based on the CEIC database.

Methodology Note: The y-o-y growth (%) has been calculated for all indicators for the period as indicated in the data appendix (except for PMI Manufacturing and PMI Services).

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