

Monthly Economic Review

October 2024

Comments are welcome at directorgeneral@ncaer.org.
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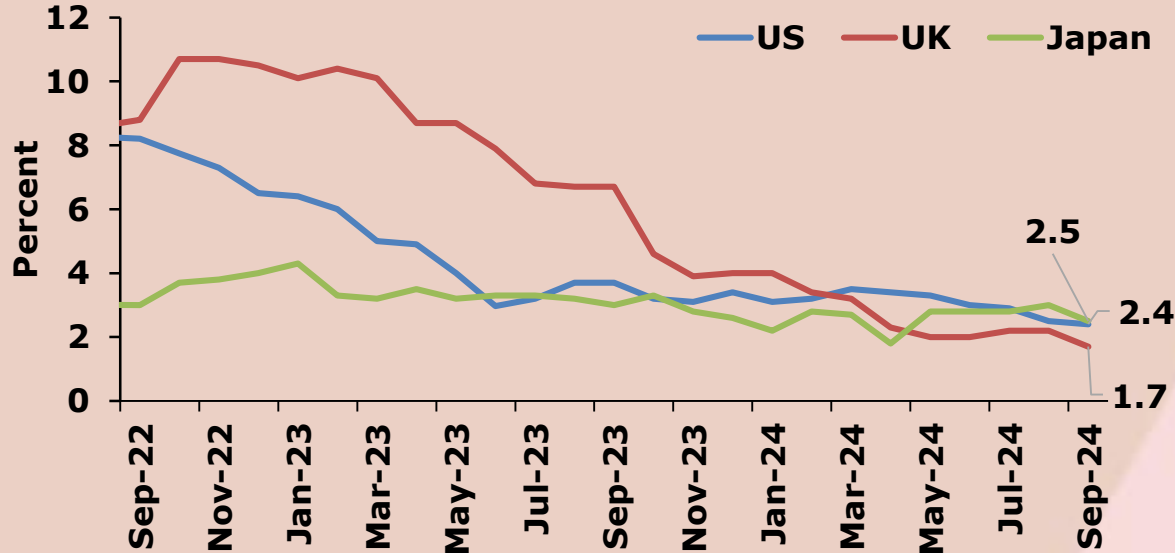


Highlights

- The European Central Bank (ECB) announced a rate cut of 0.25 percent for key policy rates. Inflation has decelerated across advanced economies. In the U.S., inflation decelerated to 2.4 percent in September 2024 from 2.5 percent in August 2024. In the Euro Area, inflation has slowed down to 1.7 percent in September 2024, compared to 2.2 percent in August 2024. The UK also experienced a deceleration, with fall in inflation to 1.7 percent in September 2024 compared to 2.2 percent in August 2024. In Japan, inflation eased to 2.5 percent in September 2024, from 3 percent in August 2024 (Figure 1).
- The International Monetary Fund (IMF) and the World Bank have both maintained their GDP growth projections for India at 7 percent for FY2024-25. Standard and Poor's (S&P) Global has maintained its real GDP growth projection for India at 6.8 percent for FY2024-25.
- The Monetary Policy Committee (MPC) of the Reserve Bank of India (RBI) has kept the policy rate unchanged at 6.50 percent in its meeting held on October 7-9, 2024. The RBI also retained its forecast for India's real Gross Domestic Product (GDP) growth at 7.2 percent and Consumer Price Index (CPI) headline inflation projection at 4.5 percent, consistent with its previous projections released in August 2024.
- The domestic economy continues to remain buoyant despite the softening of a few indicators. The Index of Industrial Production (IIP) and IIP for core industries contracted in August 2024. The Purchasing Managers' Index (PMI) for both manufacturing and services slowed in September 2024. The NCAER-NSE Business Confidence Index (BCI) for Q2 of FY2024-25 remains positive, albeit growth has moderated.
- Growth in the sales of Non-EV Two-Wheelers and EVs accelerates year-over-year. The GST collections and GST E-way bill generation both recorded a year-over-year growth.
- Growth in Scheduled Commercial Bank's credit moderates slightly; decelerates for personal loans, services, agriculture and industry.
- The merchandise trade deficit narrowed while the services trade surplus increased sequentially in September 2024. The foreign exchange reserves decreased, and the value of the rupee depreciated marginally against the US dollar in October 2024. Net foreign portfolio investments (FPI) decreased sequentially in October 2024.
- As per Naukri JobSpeak Index online hiring activity increases sequentially; Travel, Hospitality, Banking, and Retail sectors; IT and Software Services witnessed sequential increase. But The work demand under Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) increased year-over-year but decreased sequentially. The Naukri JobSpeak Index increased by 5.9 percent sequentially but decreased by 3.8 percent year-over-year.

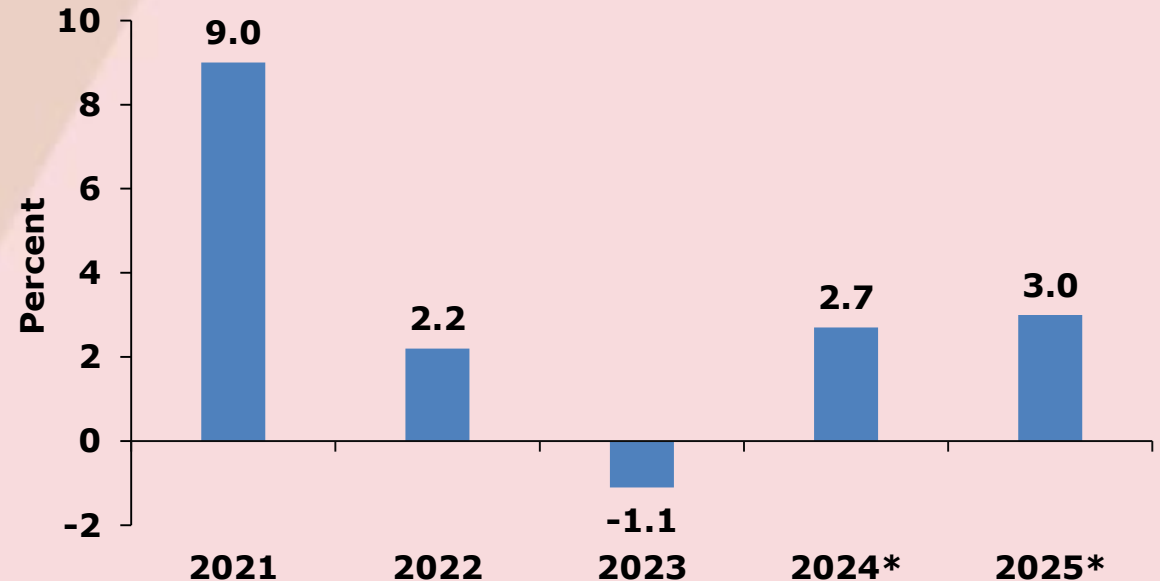
- The European Central Bank (ECB) announced a rate cut of 0.25 percent for key policy rates. The main refinancing rate is lowered to 3.4 percent, the marginal lending facility stands at 3.65 percent, and the deposit facility at 3.25 percent. [\[European Central Bank, Press Release, 17 October, 2024\]](#)
- Inflation has decelerated across advanced economies. In the [U.S.](#), inflation decelerated to 2.4 percent in September 2024 from 2.5 percent in August 2024 (Figure 1). Similarly, in the [Euro Area](#), inflation has slowed down to 1.7 percent in September 2024, compared to 2.2 percent in August 2024. The [UK](#) also experienced a deceleration, with fall in inflation to at 1.7 percent in September 2024 compared to 2.2 percent in August 2024. In [Japan](#), inflation eased to 2.5 percent in September 2024, from 3 percent in August 2024 (Figure 1).
- The World Trade Organization (WTO) in its latest [Global Trade Outlook and Statistics Report](#) revised its forecast for the world merchandise trade (average of exports and imports) volume to 2.7 percent in 2024 and 3 percent growth in 2025 from its previous forecast of 2.6 and 3.3 percent, respectively. The world merchandise trade had registered a decline of 1.1 percent in 2023, preceded by an increase of 2.2 percent in 2022 (Figure 2).

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).

Figure 2: Merchandise trade volume growth



Source: UNCTAD (Figure 2).

Note: In figure 2, the asterisk denotes the projection for the calendar years 2024 and 2025.

GDP growth projections

- The [IMF](#) has maintained its global growth forecast for 2024 at 3.2 percent in the latest World Economic Outlook, while [S&P Global](#) raised its projections for global real GDP growth in 2024 and 2025 to 2.8 percent in their latest Global Economic Outlook. The global real GDP growth projections by multilateral and rating organisations range between 2.6 to 3.2 percent for 2024 (Figure 3).
- The [IMF](#) and the [World Bank](#) have both maintained their GDP growth projections for India at 7 percent for FY2024-25. [S&P Global](#) has maintained its real GDP growth projection for India at 6.8 percent for FY2024-25. The projections for India for the current fiscal year range between 6.7 and 7.2 percent (Figure 4).

Figure 3: Global Real GDP Growth Projections for 2024

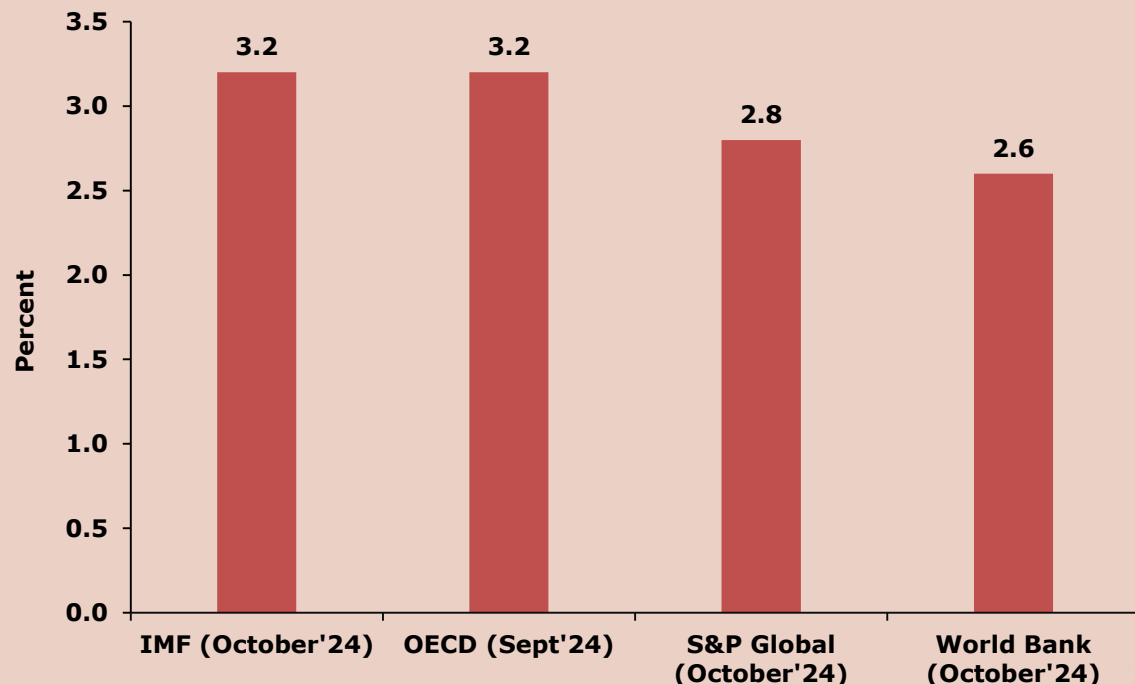
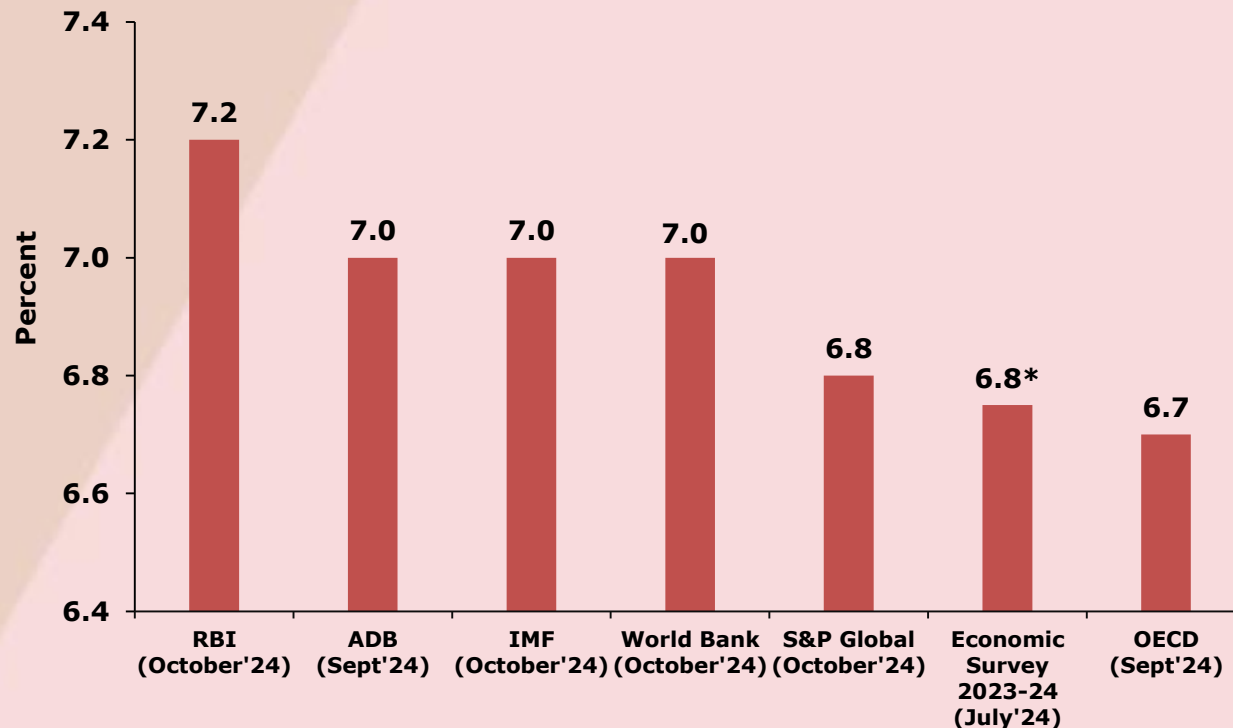


Figure 4: India's Real GDP Growth Projections for FY2024-25



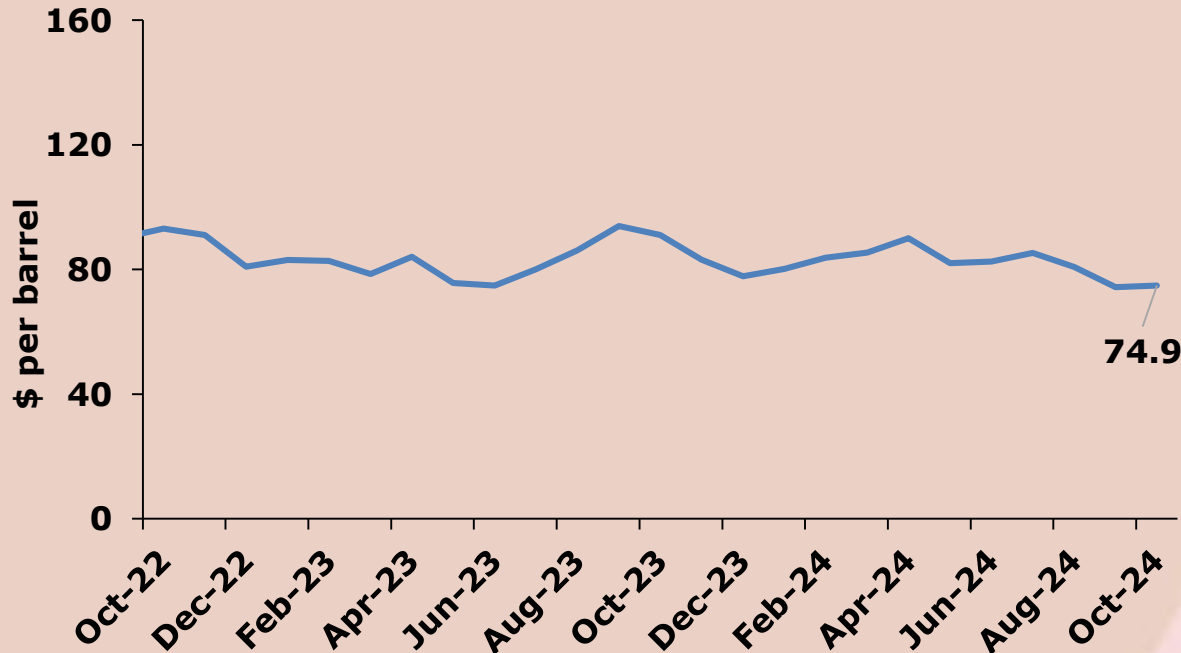
Source: Various reports and media articles by the institutions.

Note: (i) The asterisk indicates that the projection from the Economic Survey represents the midpoint of the 6.5–7 percent range. (ii) Real GDP is projected to grow by 6.5–7 percent in FY2024-25, according to Economic Survey 2023-24.

Price of Brent Crude increases marginally; MSCI Indices for India, Emerging Markets, and the World decline

- Brent crude oil price increased marginally to USD 74.9 per barrel on October 22, 2024, from USD 74.3 in September 2024 (Figure 5).
- The MSCI Index for India, Emerging Markets, and the global index decreased by 3.1, 1, and 0.2 percent, respectively, as of October 22, 2024, compared to their respective levels in September 2024 (Figure 6).

Figure 5: Brent Crude Oil Price



Source: World Bank Pink Sheet

Figure 6: Equity Markets



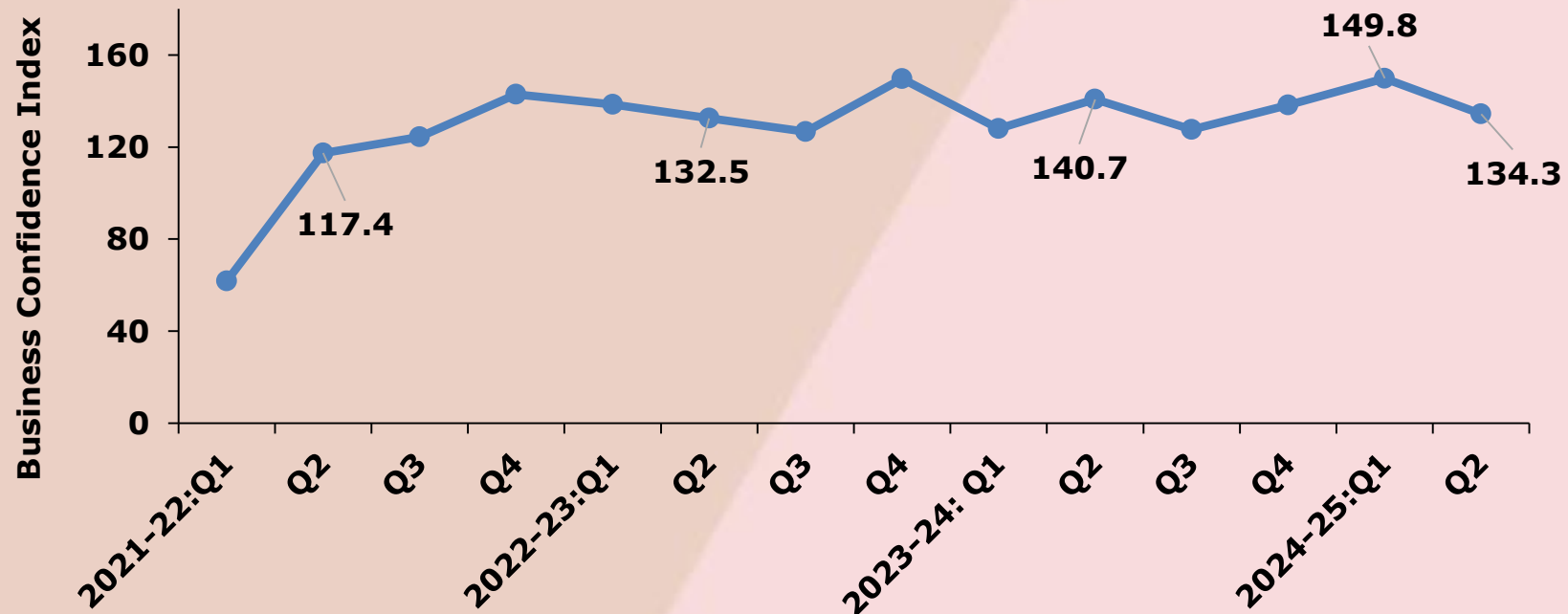
Source: Investing.com

Note: The data for Figure 5 have been taken from the World Bank Pink Sheet for the period October 2022 until September 2024, and from the Global Markets Monitor (GMM), for October 2024, as of October 22, 2024. Figure 6 is indexed from July 2022 to July 2022=100. Data are reported until October 22, 2024, and the average of daily values was taken to create the monthly value for October 2024.

NCAER-NSE Business Confidence Index (BCI) for Q2 of FY2024-25 remains positive, albeit growth has moderated

- Economic activity continues to be on its dynamic and positive path, albeit at a moderated pace. After improving for two consecutive quarters, business sentiments slowed down in the second quarter of 2024–25 (134.3) compared to 149.8 in the first quarter of 2024–25 (149.8) as well as its corresponding value of second quarter of 2023–24 (140.7) (Figure 7).
- While all four components of the BCI experienced moderation in sentiments between the first and second quarters of 2024–25, the percentage share of positive responses remained above 50 per cent signalling continued economic dynamism.

Figure 7: Business Confidence Index (BCI)



Source: NCAER-NSE Business Expectations Survey (BES) (Figure 7).

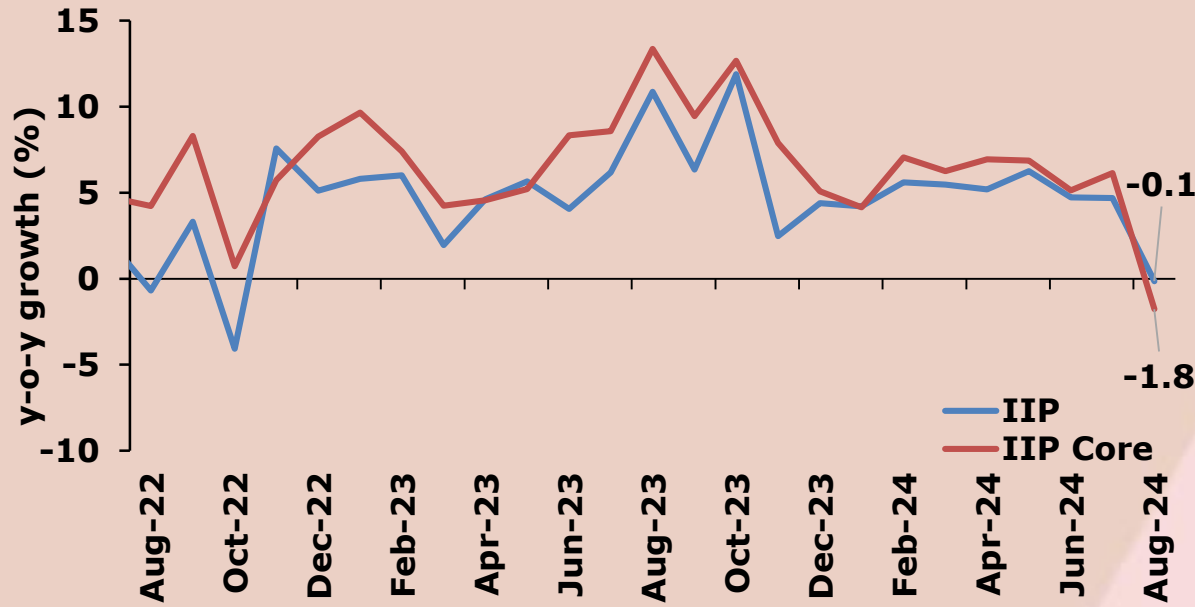
[Report: Bhandari, B., Sahu, A.K., Urs, K.S., & Dayal, I \(2024\). "The NCAER-NSE Business Expectations Survey for India, Second Quarter 2024–25", New Delhi: National Council of Applied Economic Research](#)

Note: The four components that make up the BCI include - 'overall economic conditions to improve in next six months', 'financial position of the firms will improve in next six months', 'present investment climate' and 'present capacity utilisation was close to or above optimal level'.

Growth in IIP and IIP Core decelerates; PMI for both Manufacturing and Services slows

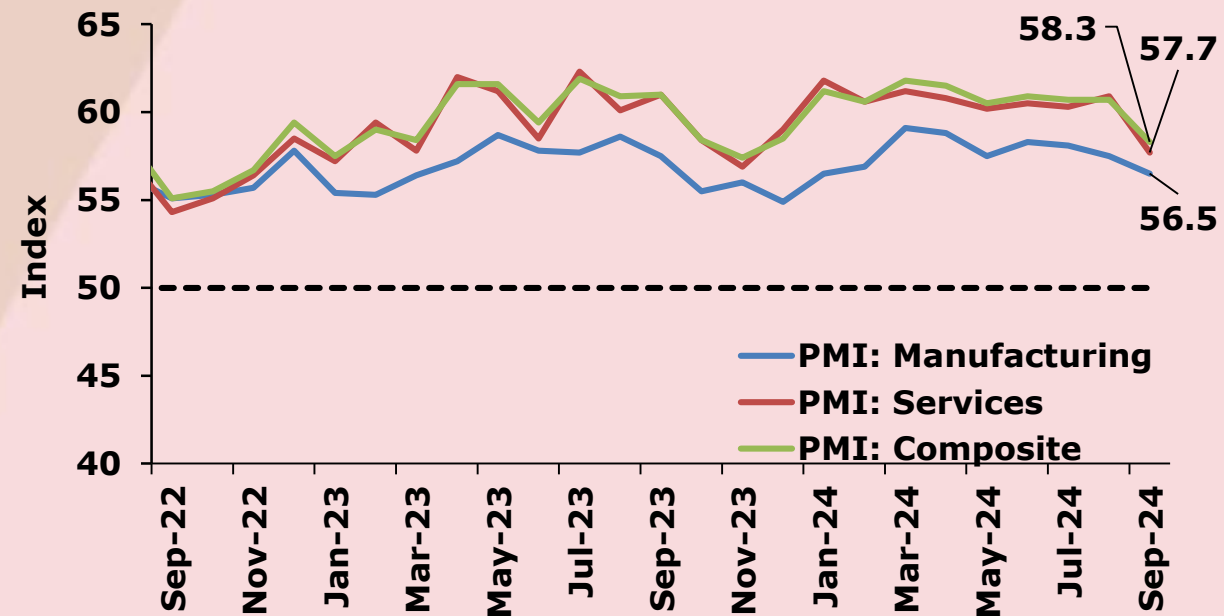
- The growth in the Index for Industrial Production (IIP) decelerated to (-) 0.1 percent in August 2024 (Provisional Estimates), from 4.7 percent in July 2024 (Revised Estimates) on a year-over-year basis (Figure 8). [\[IIP Press Release, October 11, 2024\]](#)
- The growth in the combined index of eight core industries (IIP Core) decelerated to (-) 1.8 percent in August 2024 (Provisional Estimates) from 6.1 percent (Revised Estimates) in July 2024 on a year-over-year basis (Figure 8). [\[IIP Core Press Release \(Office of Economic Advisor, DPIIT, Govt. Of India\), September 30, 2024\]](#)
- The Purchasing Managers' Index (PMI) for manufacturing decreased to [56.5 in September 2024](#) from 57.5 in August 2024. The PMI for services decreased to [57.7 in September 2024](#) from 60.9 in August 2024. The composite PMI decreased to 58.3 in September 2024 compared to 60.7 in August 2024 (Figure 9).

Figure 8: 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: Purchasing Managers' Indices



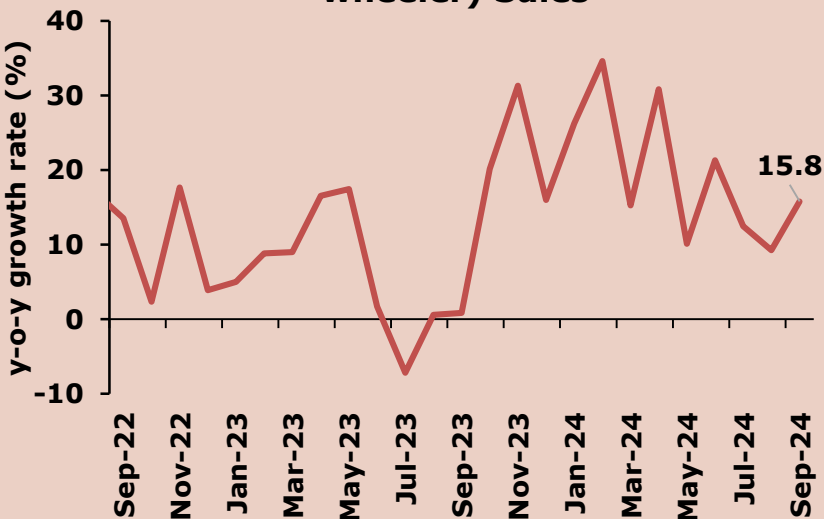
Source: IHS Markit

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 9).

Growth in the sales of Non-EV Two-Wheelers and EVs accelerates year-over-year; Digital toll collection (by volume) increases year-over-year

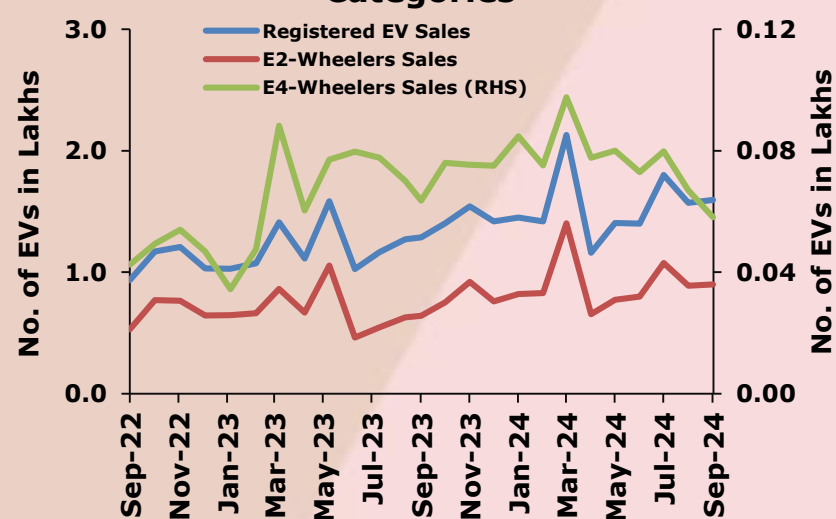
- The year-over-year growth in non-electric two-wheeler sales accelerated to 15.8 percent in September 2024 from 9.3 percent in August 2024 (Figure 10).
- As per the Vahan Dashboard, the total registered electric vehicle (EV) sales increased by 24.1 percent year-over-year in September 2024 and sequentially by 1.6 percent (Figure 11).
- Sales across different categories of EVs show varying trends. The sales of Electric two-wheelers (E2Ws) increased by 40.3 percent in September 2024 on a year-over-year basis and by 1.1 percent sequentially. The sales of Electric four-wheelers (E4Ws) decreased by 8.7 percent in September 2024 year-over-year and by 13.2 percent sequentially (Figure 11). [\[Monthly EV Update – October 2024 \(https://evreporter.com/\)\]](https://evreporter.com/)
- National Electronic Toll Collection (NETC) recorded 318.4 million transactions in September 2024. This reflects a year-on-year growth of 6.5 with a sequential decline of 3.2 percent (Figure 12).

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



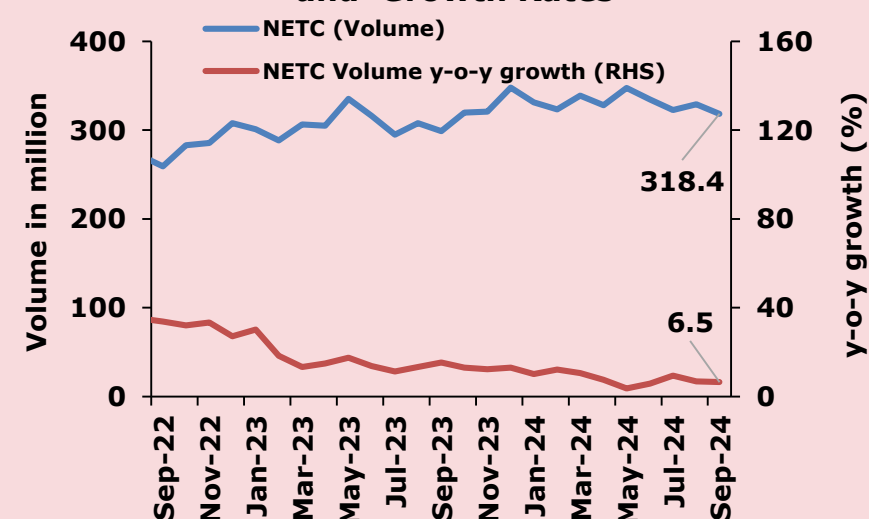
Source: CEIC estimates, Society of Indian Automobile Manufacturers

Figure 11: Electric Vehicles Sales- by Categories



Source: EV reporter, Vahan Dashboard

Figure 12: Digital Payments: NETC Volume and Growth Rates



Source: National Payments Corporation of India (NPCI)

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

UPI records 15 billion transactions (in volume), reflecting year-over-year growth of 42.5 percent; IMPS transactions (in volume) continue to decline

- Unified Payments Interface (UPI), India's leading digital payment system, reported 15 billion transactions (in volume) in September 2024 (Figure 13), registering a growth of 42.5 percent year-over-year (Figure 14). Sequentially, the volume of transactions increased marginally by 0.5 percent.
- The electronic funds transfer system - Immediate Payment Service (IMPS), recorded 429.9 million transactions in September 2024 (Figure 13), indicating a 9.1 percent year-over-year decline in the volume of transactions (Figure 14). The sequential decline in the volume of IMPS transactions was at 5.2 percent. [[National Payments Corporation of India, Monthly Metrics \(npci.org.in\)](https://npci.org.in)]

Figure 13: Unified Payments Interface (UPI) and Immediate Payment Service (IMPS) Transactions

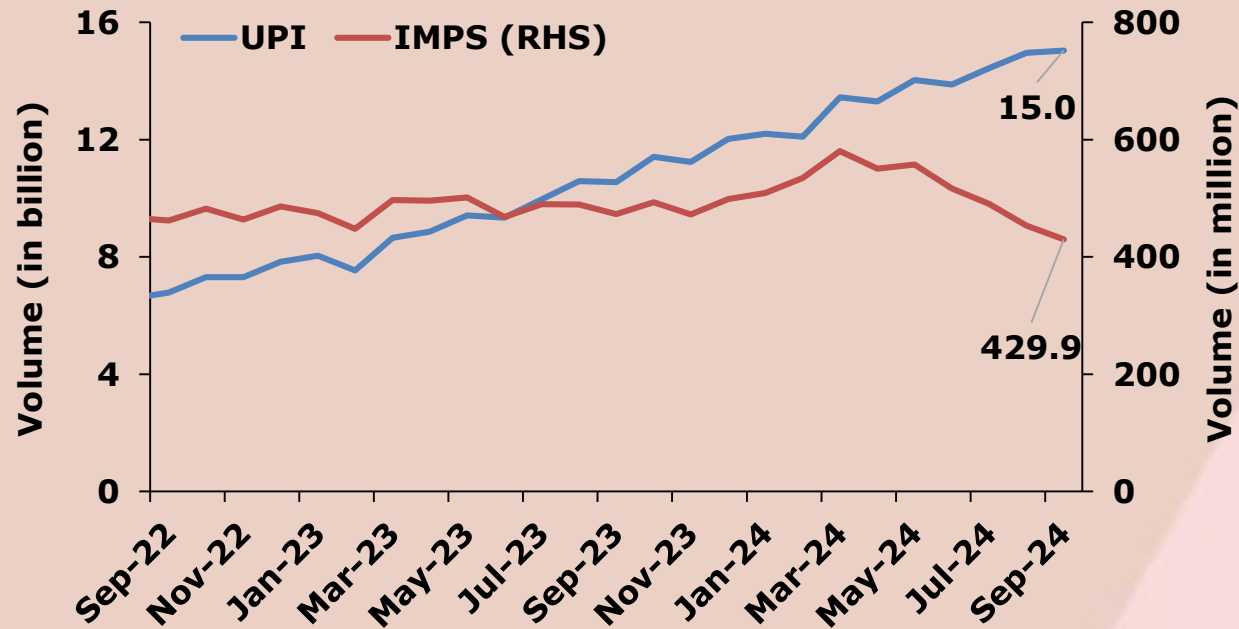
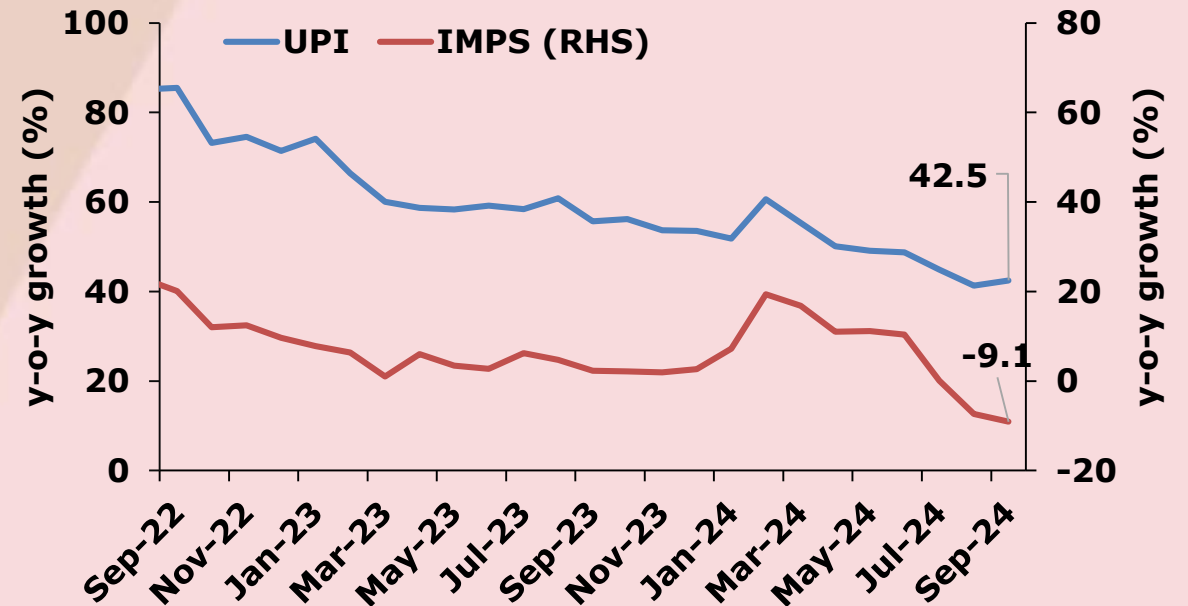


Figure 14: UPI and IMPS Growth



Source: National Payments Corporation of India (NPCI).

Note: In Figures 13 and 14, the RHS axis was rescaled for IMPS to ensure comparability.

Centre's Fiscal Deficit reaches 27 percent of BE for FY2024-25

As of the end of August 2024,

- Fiscal deficit stood at 27 percent of the Budget Estimate (BE) for FY2024-25, compared to 36 percent of BE recorded at the end of August 2023 for FY2023-24(Figure 15).
- Revenue receipts for FY2024-25 are 38.6 percent of the Budget Estimate (BE). At the end of August 2023, these were 38.5 percent of the BE for FY2023-24 (Figure 16).
- Total expenditure for FY2024-25 reached 34.3 percent of the BE, compared to 37.1 percent of BE in FY2023-24 as of August 2023 (Figure 17).
[\[Controller General of Accounts Monthly Report, August 2024\]](#)

Figure 15: Fiscal Deficit

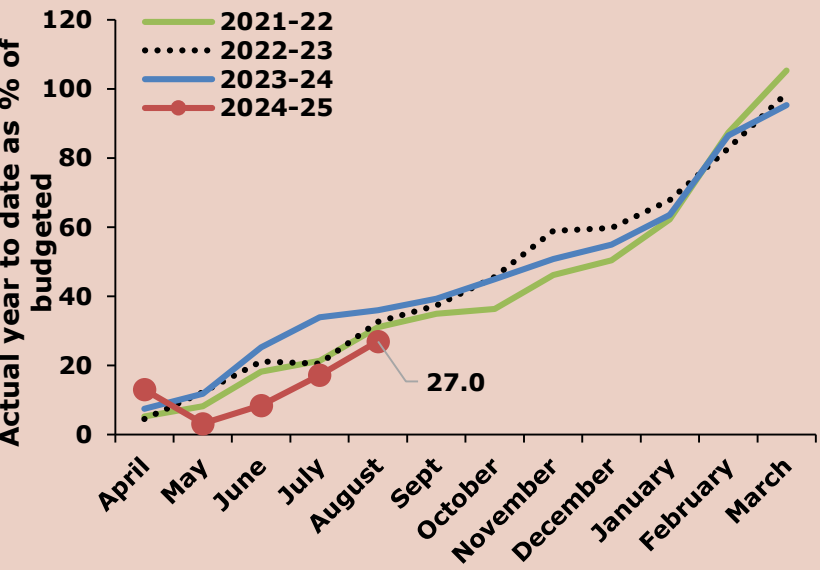


Figure 16: Revenue Receipts

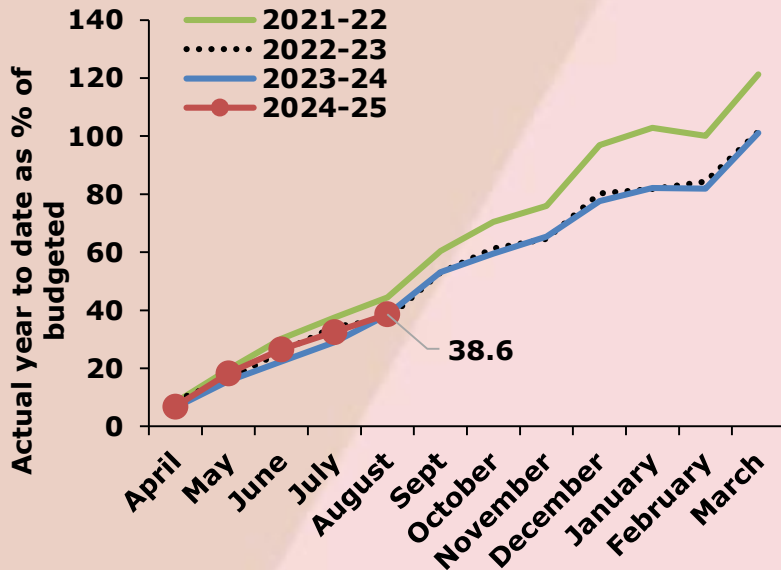
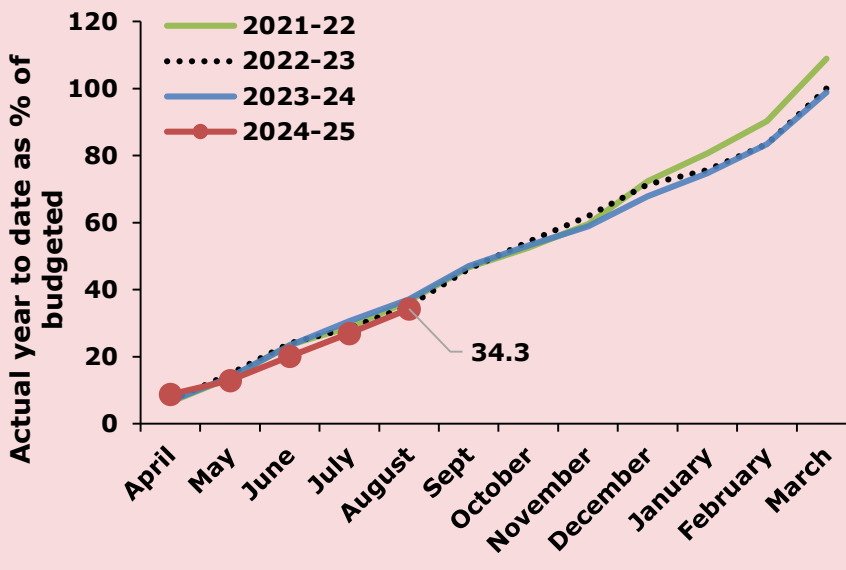


Figure 17: Total Expenditure

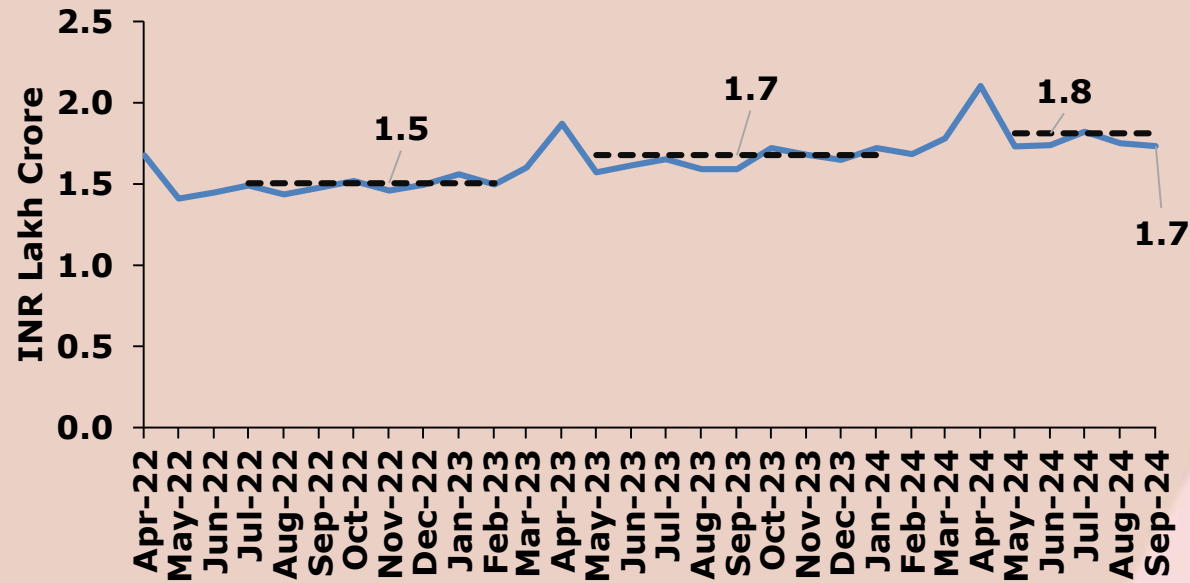


Source: Controller General of Accounts (Figures 15, 16 and 17).

GST collections recorded a 6.5 percent growth year-over-year in August 2024; GST E-way Bills generation increased by 18.5 percent year-over-year

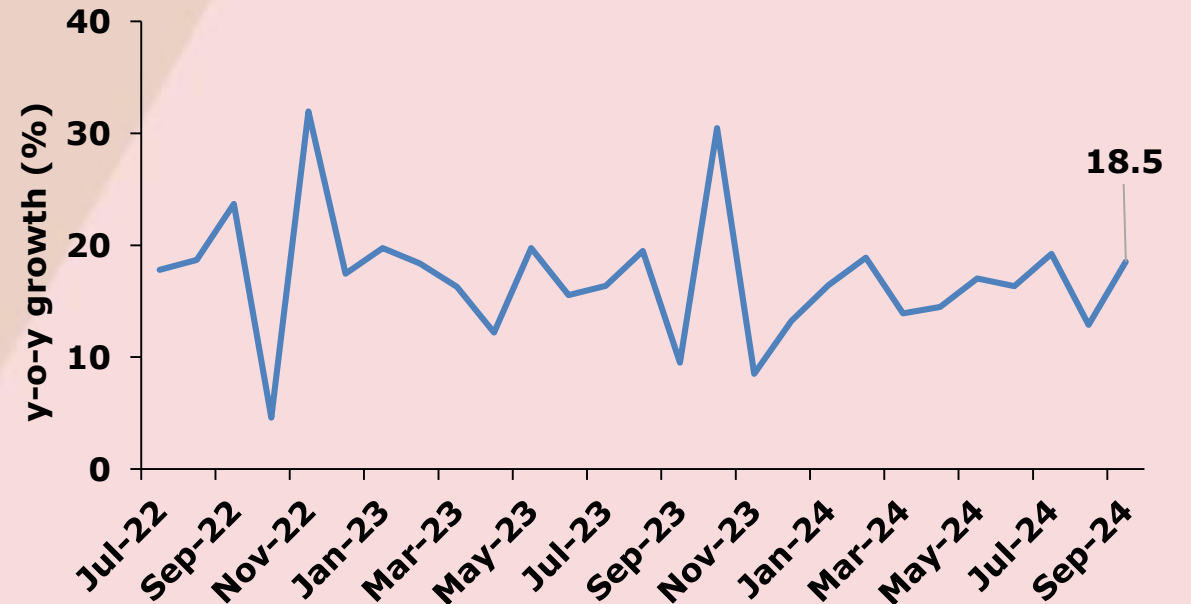
- In September 2024, GST collections reached Rs 1.7 lakh crore recording a year-over-year growth of 6.5 percent but a sequential decline of 1 percent (Figure 18).
- GST E-way bill generation reached 10.9 crore in September 2024 recording a year-over-year growth of 18.5 percent and a sequential increase of 3.4 percent in September 2024 ((Figure 19).

Figure 18: GST Revenue



Source: Ministry of Finance and CEIC estimates (Figure 18).

Figure 19: GST E-Way Bills



Source: Goods and Services Tax Network (Figure 19).

Note: In Figure 18, the dashed horizontal lines depict the yearly averages of FY2022-23, FY2023-24, and FY2024-25 until July 2024.

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

- In its meeting held from October 7-9, 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 20). [\[Monetary Policy Statement, October 9, 2024\]](#)
- The RBI has retained its forecast for India’s real GDP growth at 7.2 percent for FY2024-25 (Table 1).
- The quarterly real GDP growth projections for Q2, Q3, and Q4 for FY2024-25 are 7, 7.4, and 7.4 percent, respectively. In Q1 FY2025-26, real GDP is projected to grow at 7.3 percent (Table 1).
- CPI inflation for FY2024-25 is projected at 4.5 percent, consistent with RBI’s forecasts released in August 2024 (Table 1).

Figure 20: RBI Rates

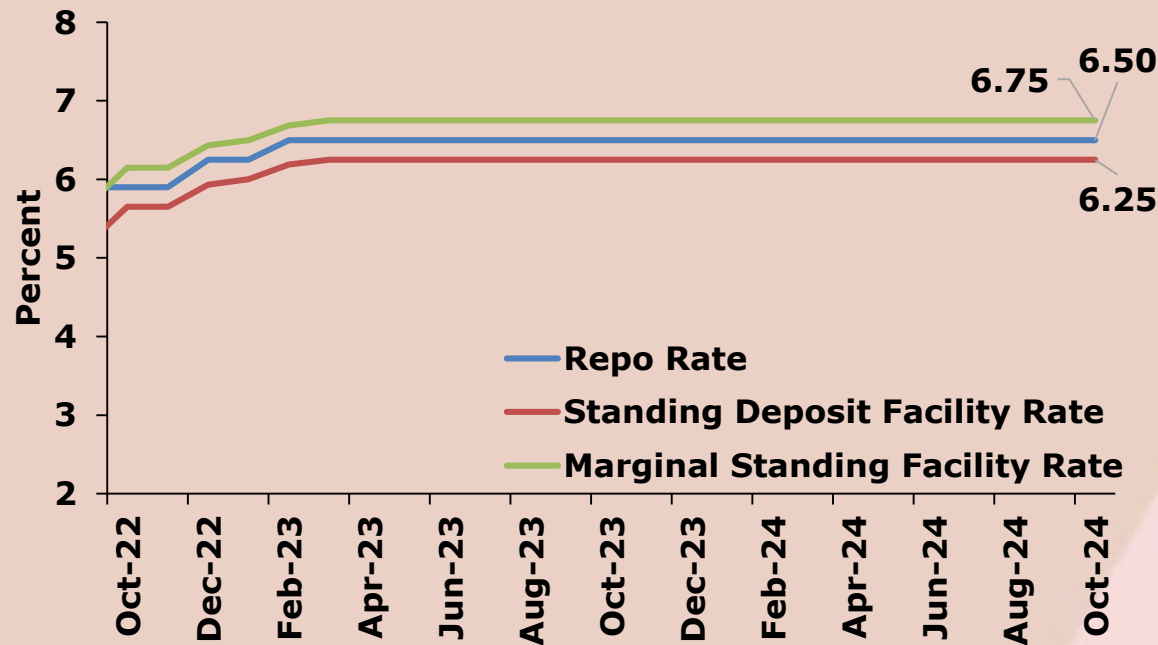


Table 1: RBI Projections

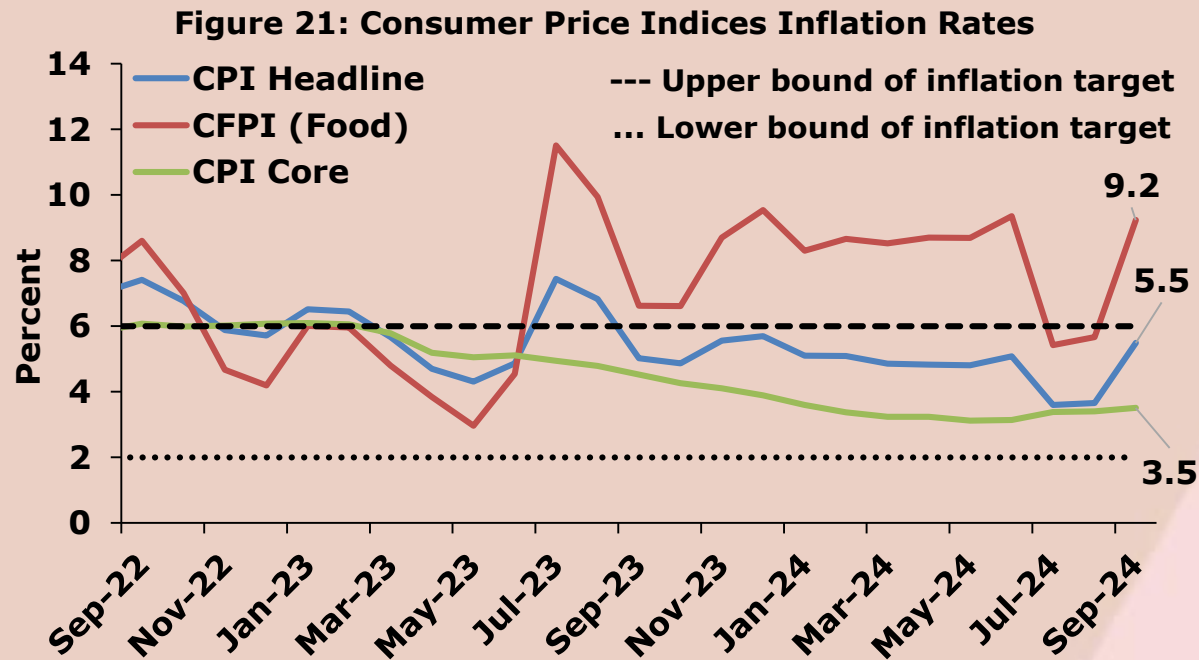
Real GDP Growth Projections (%)	FY2024-25	FY2024-25			2025-26
		Q2	Q3	Q4	Q1
Oct-24	7.2	7.0	7.4	7.4	7.3
Aug-24	7.2	7.2	7.3	7.2	-
Jun-24	7.2	7.2	7.3	7.2	-
Apr-24	7.0	6.9	7.0	7.0	-
CPI Inflation Projections (%)					
Oct-24	4.5	4.1	4.8	4.2	4.3
Aug-24	4.5	4.4	4.7	4.3	-
Jun-24	4.5	3.8	4.6	4.5	-
Apr-24	4.5	3.8	4.6	4.5	-

Source: Reserve Bank of India (Figure 20 and Table 1).

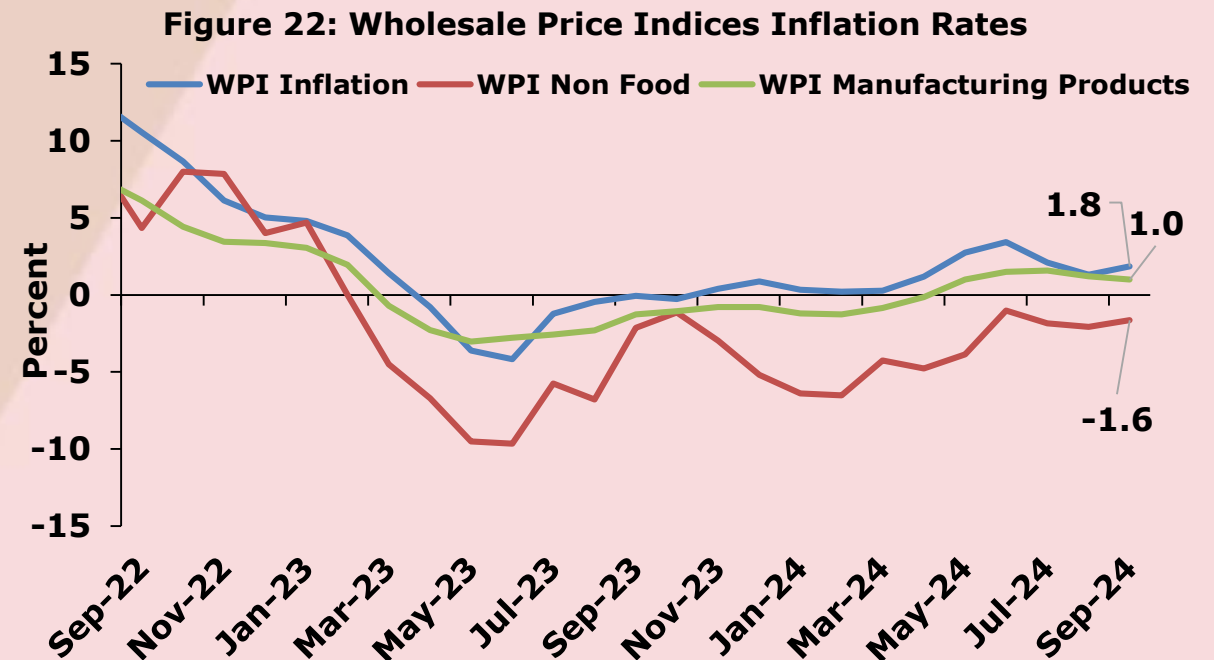
Note: In Table 1, - denotes that no projections were given by RBI for real GDP growth and CPI Inflation in that specific month.

Headline inflation accelerates; Food, core, and WPI inflation also increase

- CPI headline inflation accelerated to 5.5 percent in September 2024 from 3.7 percent in August 2024. Core inflation increased marginally to 3.5 percent in September 2024 from 3.4 percent in August 2024 (Figure 21).
- Consumer Food Price Index (CFPI) inflation accelerated to 9.2 percent in September 2024 from 5.7 percent in August 2024 (Figure 21). [\[CPI Press Release, October 14, 2024 | MOSPI\]](#)
- Wholesale Price Index (WPI) inflation rose to 1.8 percent (Provisional Estimates) in September 2024 from 1.3 percent (Provisional Estimates) in August 2024 (Figure 22). [\[WPI Press Release, October 14, 2024, | Ministry of Commerce and Industry, DPIIT\]](#)



Source: Ministry of Statistics and Programme Implementation



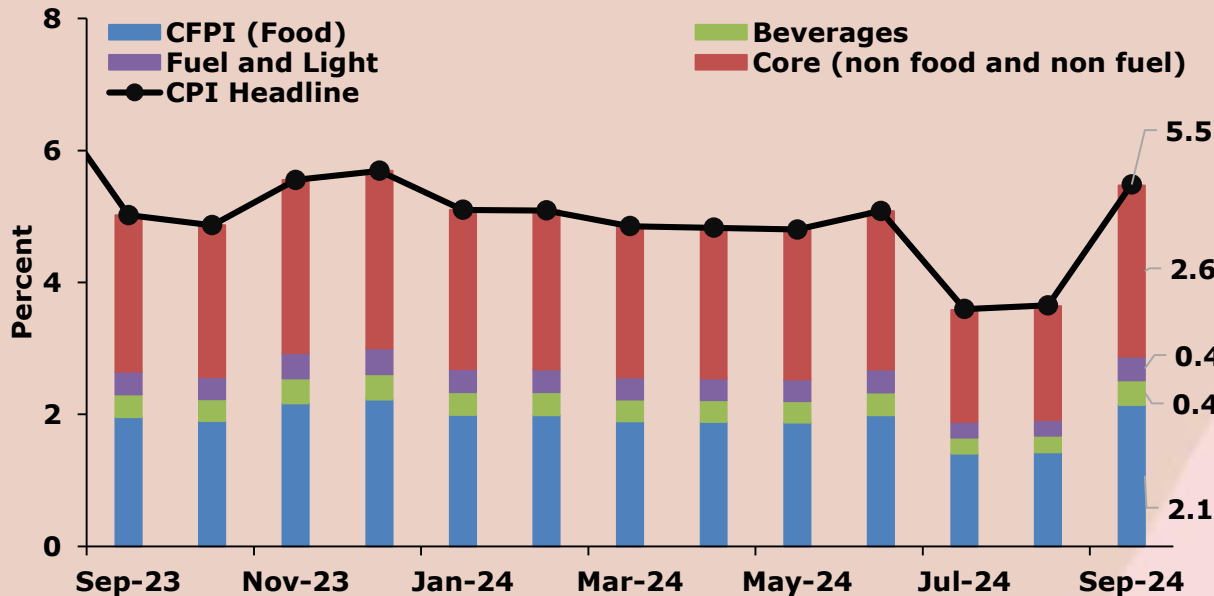
Source: Ministry of Commerce and Industry, Department for Promotion of Industry and Internal Trade (DPIIT), Government of India

Note: In Figure 21, 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.

Contributions of core and CFPI inflation to headline inflation increase; CPI inflation increases for vegetables and fruits, but declines for pulses, cereals, sugar, and meat

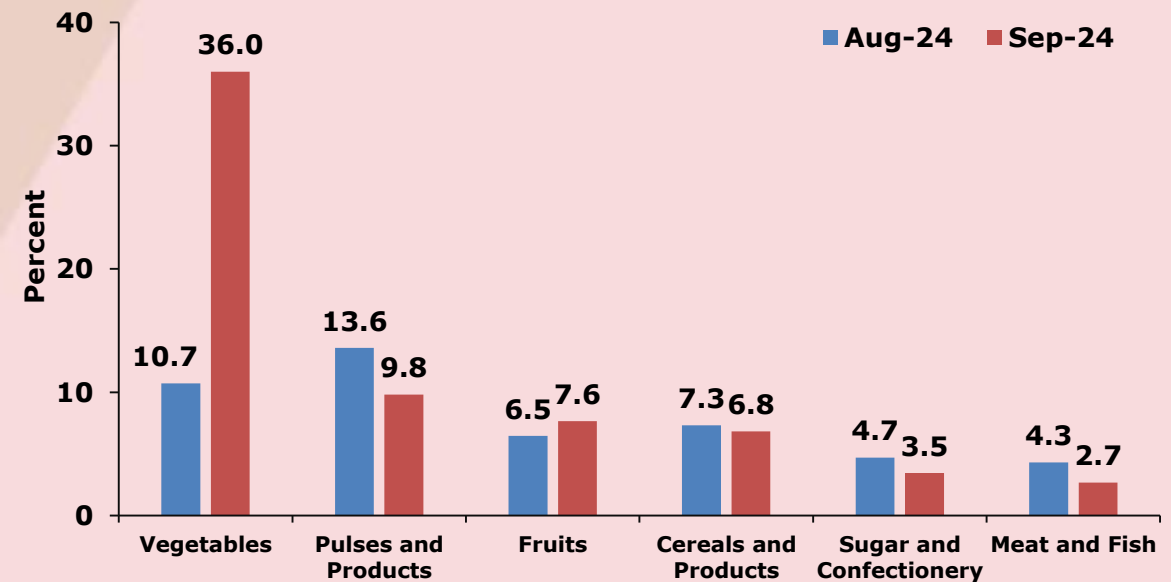
- Core inflation and CFPI contributed 2.6 and 2.1 percent, respectively, to headline inflation in September 2024, rising from 1.7 and 1.4 percent in August 2024 (Figure 23).
- The contributions of beverages, fuel, and light to headline inflation increased to 0.4 percent in September 2024 from 0.2 percent in August 2024 (Figure 23).
- CPI inflation for vegetables increased sharply to 36 percent in September 2024 compared to 10.7 percent in August 2024. The inflation for fruits also increased to 7.6 percent. However, inflation for other major food categories like pulses, cereals, sugar, and meat declined in September 2024 (Figure 24).

Figure 23: Contributions to CPI Headline



Source: Ministry of Statistics and Programme Implementation

Figure 24: Consumer Price Indices Inflation Rates- Across Food Categories



Source: Reserve Bank of India

Note: In Figure 23, 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.

Growth in SCB's bank credit moderates slightly; decelerates for personal loans, services, agriculture and industry

- The total outstanding credit (food and non-food) of Scheduled Commercial Banks (SCBs) grew by 13.6 percent on a year-over-year basis in August 2024, moderating slightly from 13.7 percent in July 2024 (Figure 25).
- Personal loan credit growth decelerated from 14.4 percent in July 2024 to 13.9 percent in August 2024 year-over-year. Bank credit growth for the services sector was 13.9 percent in August 2024 moderating marginally from 14 percent in July 2024 (Figure 26).
- Bank credit growth for agriculture and allied activities was 17.7 percent in August 2024, decelerating from 18.1 percent in July 2024. Credit growth in the industry sector decreased to 9.7 percent in August 2024 moderating from 10.1 percent in July 2024 year-over-year (Figure 26).

Figure 25: Total Outstanding Credit (Food and Non-food) of Scheduled Commercial Banks

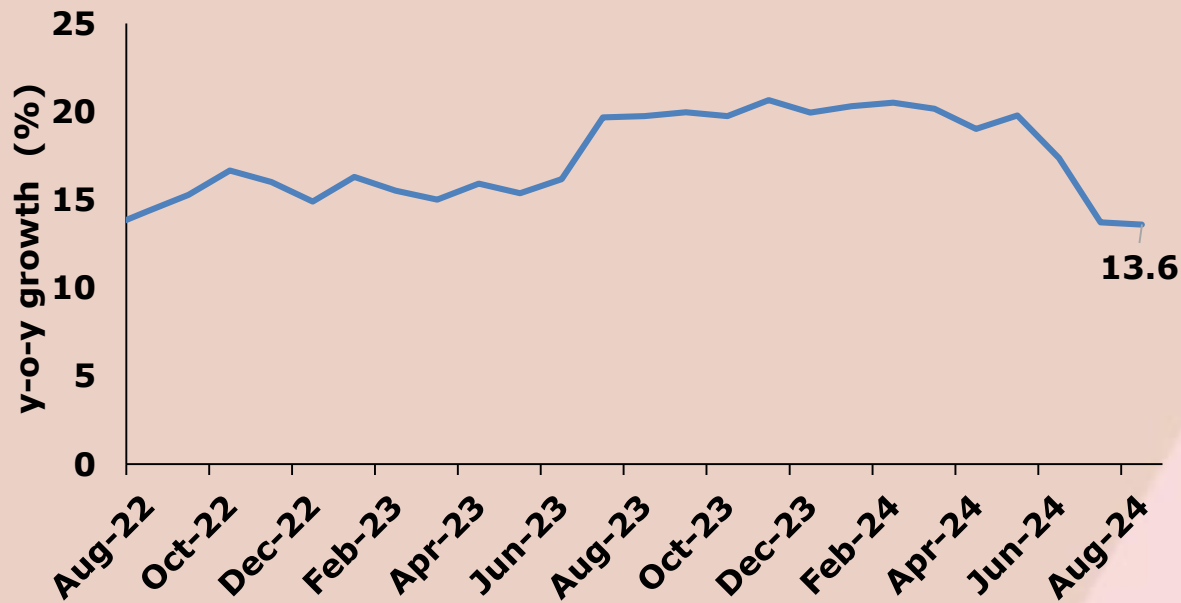
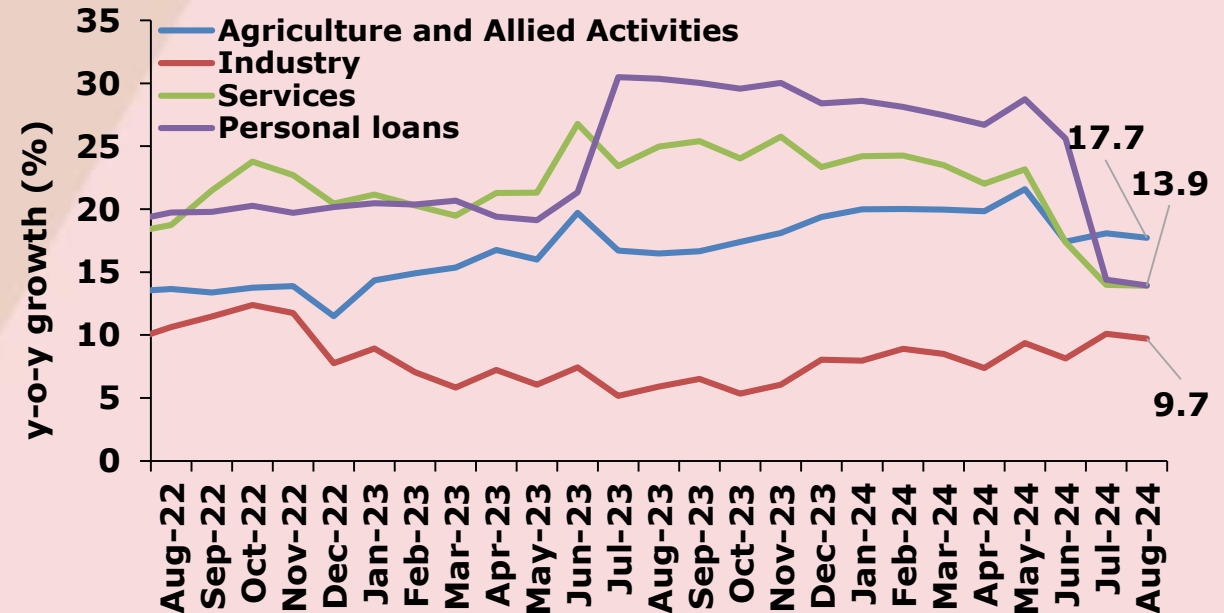


Figure 26: Sectoral Deployment of Non-food Credit by Scheduled Commercial Banks

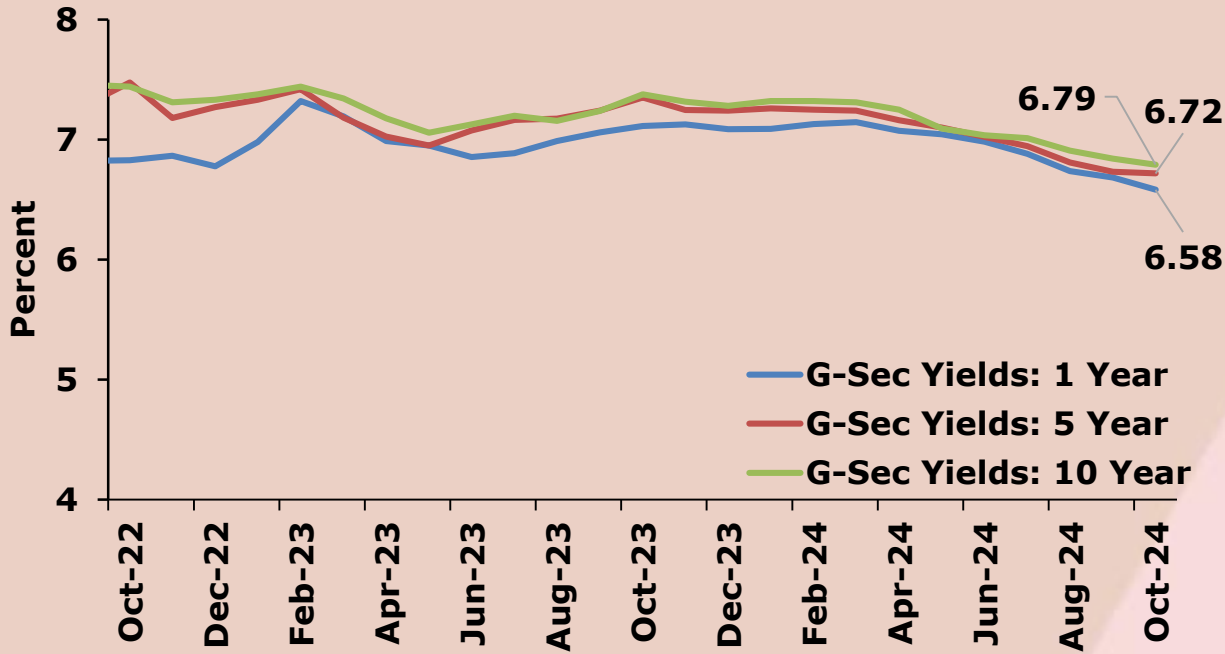


Source: CEIC estimates and RBI.

Yields on Indian Government Debt for 1-year, 5-year, and 10-year benchmarks declines; NSE Volatility Index (VIX) increases

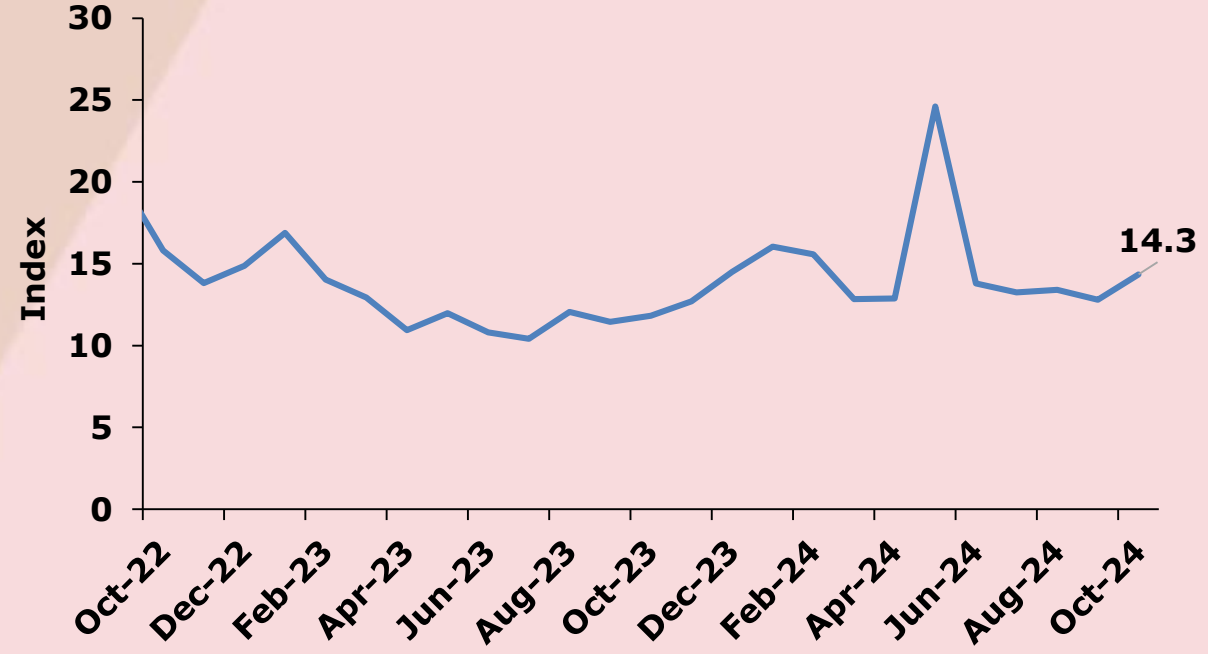
- The yields for 1-year, 5-year, and 10-year government securities decreased to 6.58, 6.72, and 6.79 percent respectively, as of October 22, 2024, compared to their levels at the end of September 2024 (Figure 27).
- As of October 22, 2024, the National Stock Exchange VIX index increased to a level of 14.3 from 12.8 at the end of September 2024 (Figure 28).

Figure 27: Yields on Domestic Government Securities



Source: Clearing Corporation of India Ltd

Figure 28: VIX Index



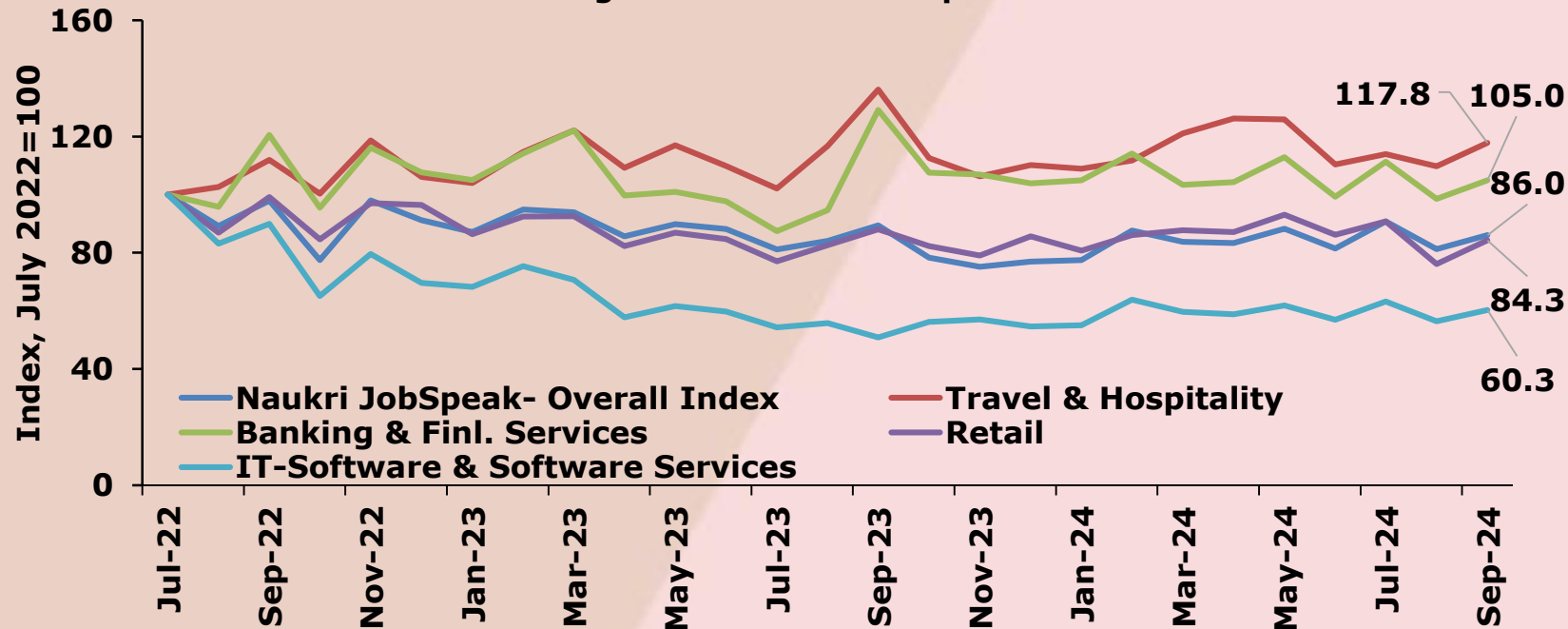
Source: CEIC estimates and Investing.com

Note: (i) In Figure 27, for October 2024, data are reported as of October 22, 2024. The average of daily values is taken to create the monthly value for September 2024. (ii) In Figure 28, for October 2024, data are reported as of October 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.

As per Naukri JobSpeak Index online hiring activity increases; Hiring increases in Travel, Hospitality, Banking, and Retail sectors; IT and Software Services show an increase

- In September 2024, online hiring activity, as indicated by the Naukri JobSpeak Index, increased by 5.9 percent sequentially but decreased by 3.8 percent year-over-year (Figure 29).
- In the travel and hospitality sector, hiring increased by 7.4 percent sequentially but decreased by 13.5 percent year-over-year (Figure 29).
- The banking and financial services sector experienced an increase in hiring by 6.5 percent sequentially but a decrease of 18.7 percent year-over-year (Figure 29).
- In the retail sector hiring increased by 10.7 percent sequentially but decreased by 4.3 percent year-over-year (Figure 29).
- Hiring in IT and software services increased by 6.9 percent sequentially and by 18.4 percent year-over-year (Figure 29).

Figure 29: Naukri JobSpeak Index

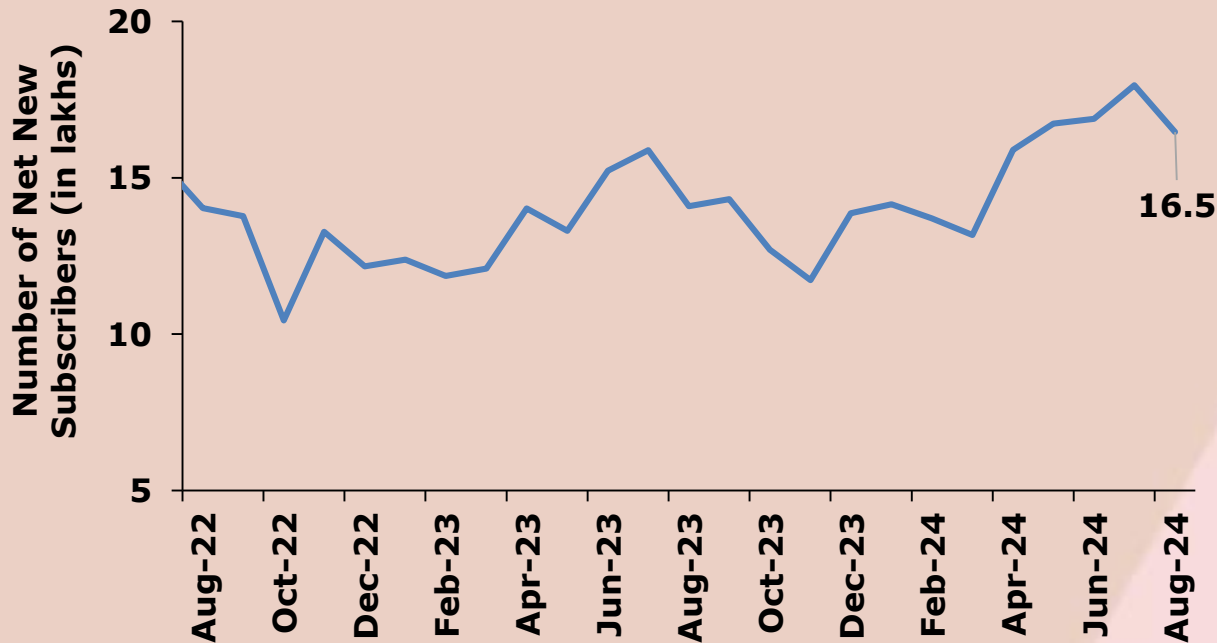


Source: CEIC estimates.

New subscribers under EPFO increase year-over-year; demand for jobs under MGNREGA decreases year-over-year

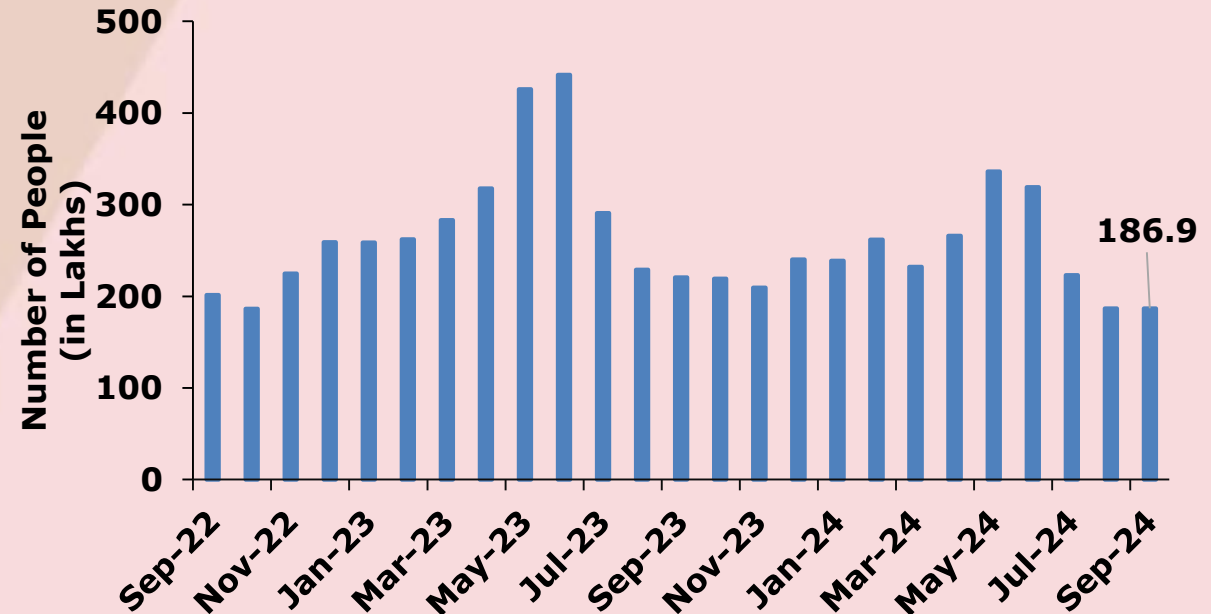
- In August 2024, the number of new EPFO subscribers increased by 16.8 percent year-over-year. However, sequentially the number of subscribers decreased by 8.3 percent, recording 16.5 lakh new subscribers in August 2024 (Provisional Estimates), as compared to 18 lakh in July 2024 (Revised Estimates) (Figure 30).
- The demand for work under the MGNREGA decreased by 15.2 percent year-over-year in September 2024 but increased marginally by 0.1 percent sequentially (Figure 31).

Figure 30: EPFO Net New Subscribers



Source: Employees' Provident Fund Organisation

Figure 31: Work Demand under MGNREGA



Source: Ministry of Rural Development

Merchandise trade deficit narrows while services trade surplus widens

- India's merchandise exports increased by 0.5 percent year-over-year in September 2024, while imports increased by 1.6 percent. However, sequentially merchandise exports decreased by 0.4 percent and merchandise imports sharply by 14 percent in September 2024. The merchandise trade deficit narrowed to USD 20.8 billion in September 2024, compared to USD 29.7 billion in August 2024 (Figure 32).
- In September 2024, services exports increased by 7.7 percent and services imports increased by 12 percent year-over-year. Sequentially, services exports increased by 0.9 percent and services imports declined by 0.6 percent in September 2024. The services trade surplus increased to USD 14.3 billion in September 2024 compared to USD 13.9 billion in August 2024 (Figure 33). [\[Press Release, October 16, 2024 | Ministry of Commerce & Industry\]](#)

Figure 32: Merchandise Trade

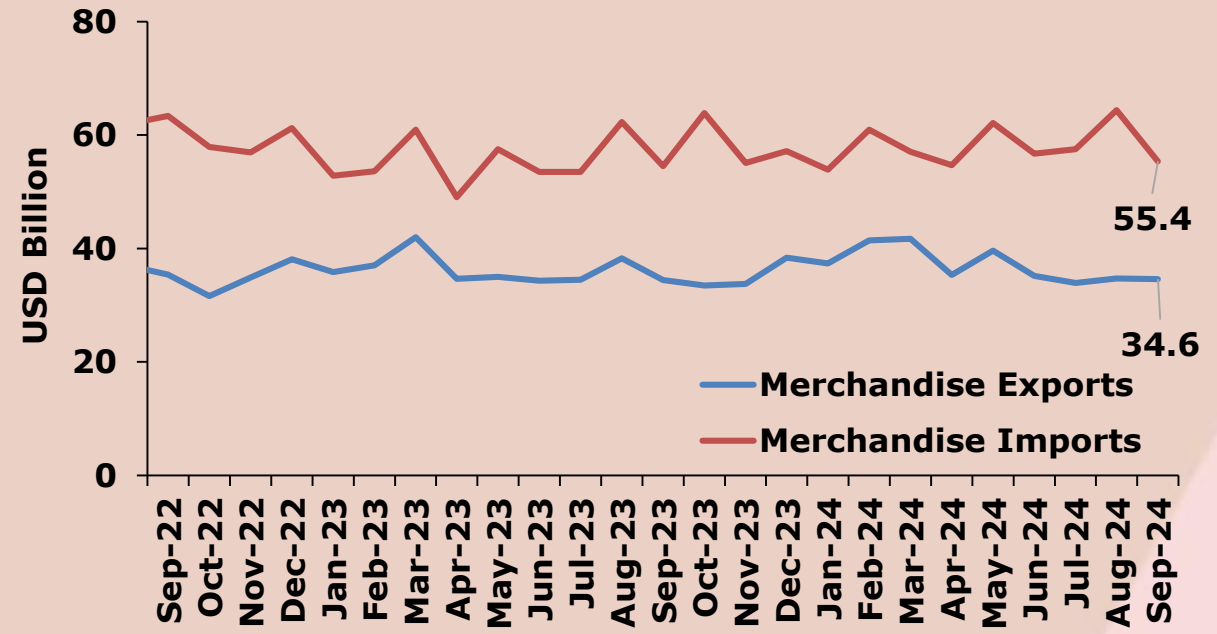
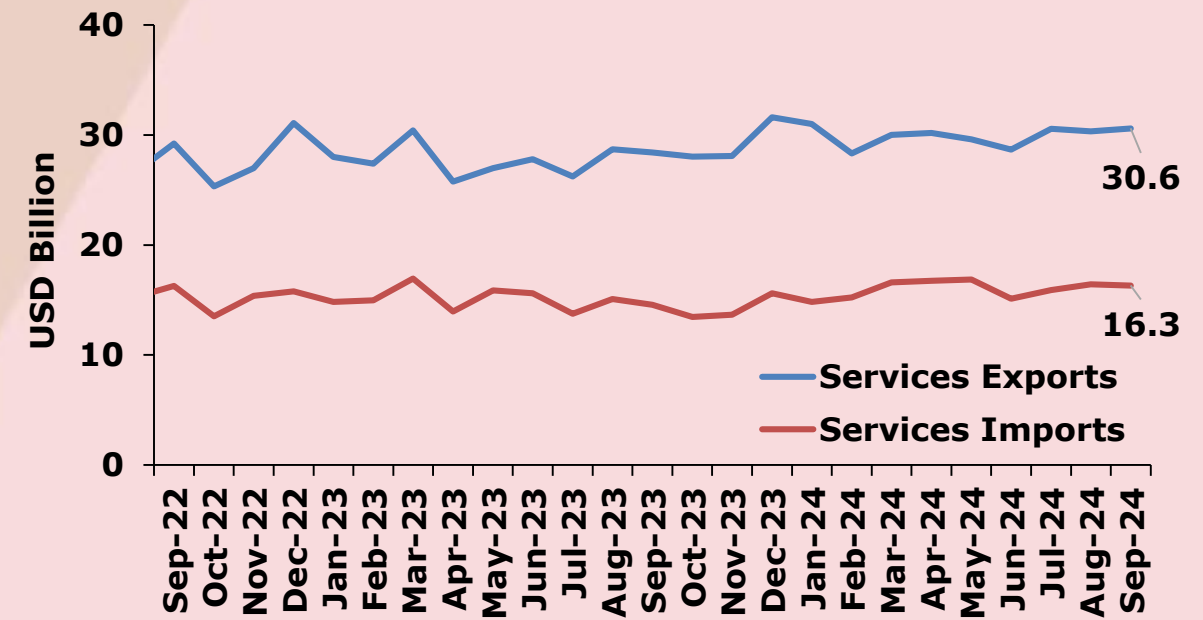


Figure 33: Services Trade

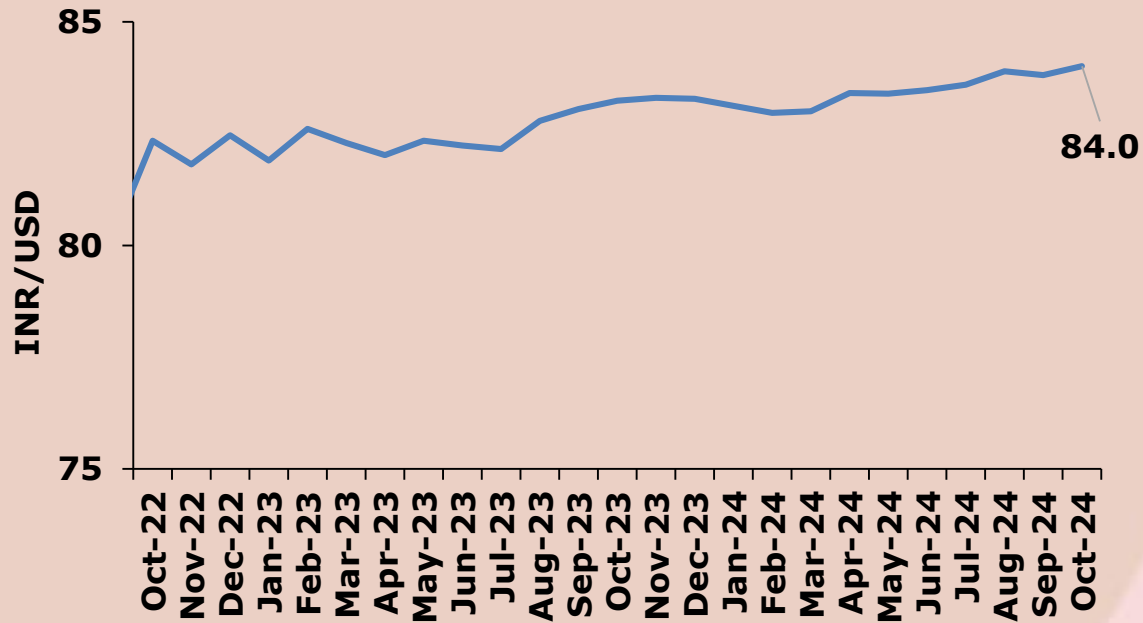


Source: Ministry of Commerce and Industry, Government of India.

Rupee depreciates marginally against the dollar; Foreign exchange reserves decline by USD 1.9 billion

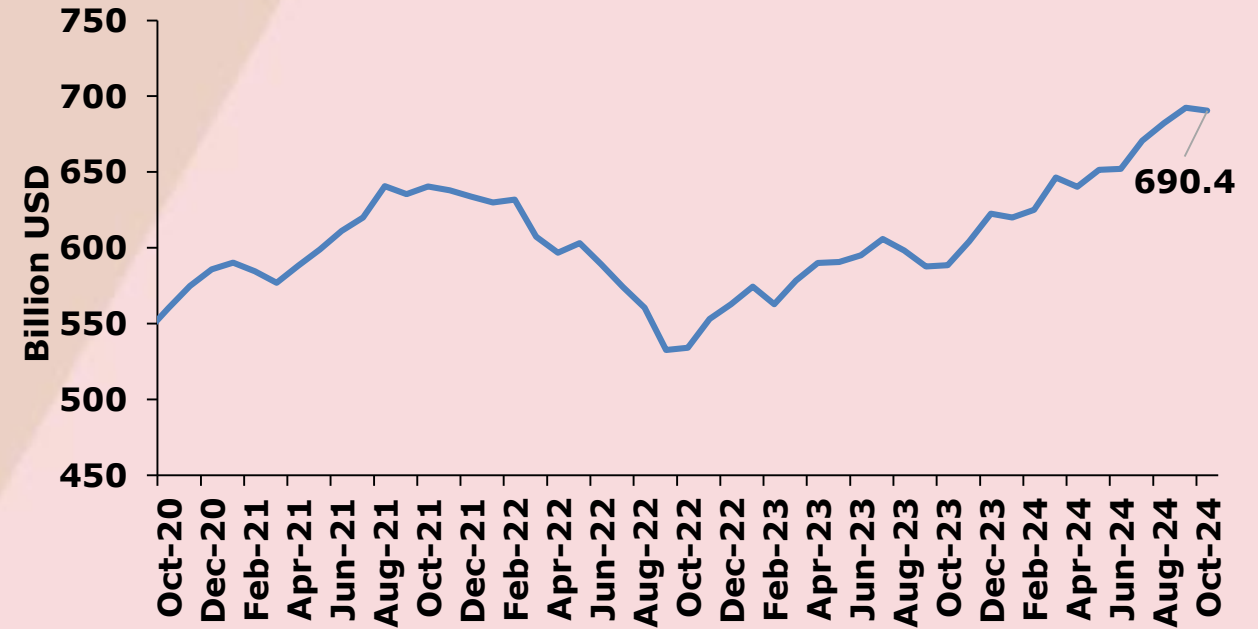
- The rupee depreciated marginally to Rs. 84 against the US dollar, as of October 22, 2024, compared to Rs. 83.8 in September 2024 (Figure 34).
- As of October 11, 2024, Foreign exchange reserves declined by USD 1.9 billion, reaching a total of USD 690.4 billion compared to their level of USD 692.3 billion in September 2024 (Figure 35). [\[Reserve Bank of India – Bulletin Weekly Statistical Supplement, Foreign Exchange Reserves Press Release, October 18, 2024\]](#)

Figure 34: Exchange Rate



Source: Reserve Bank of India

Figure 35: Foreign Exchange Reserves



Source: CEIC estimates

Note: For October 2024, data for Figure 34 is taken as of October 22, 2024; data for Figure 35 is taken as of October 11, 2024.

Net inflows of foreign portfolio investments decline sequentially

- As of October 22, 2024, net foreign portfolio investments (FPI) reached a negative of USD 8.8 billion, decreasing sequentially by USD 20 billion from USD 11.2 billion at the end of September 2024 (Figure 36).
- Net FPI equity amounted to a negative USD 8.6 billion as of October 22, 2024, decreasing sequentially by USD 15.5 billion from USD 6.9 billion at the end of September 2024 (Figure 37).
- Net FPI debt stood at a negative USD 0.3 billion as of October 22, 2024, decreasing sequentially by USD 3.2 billion from USD 2.9 billion at the end of September 2024 (Figure 38).

Figure 36: Net Foreign Portfolio Investment (FPI)

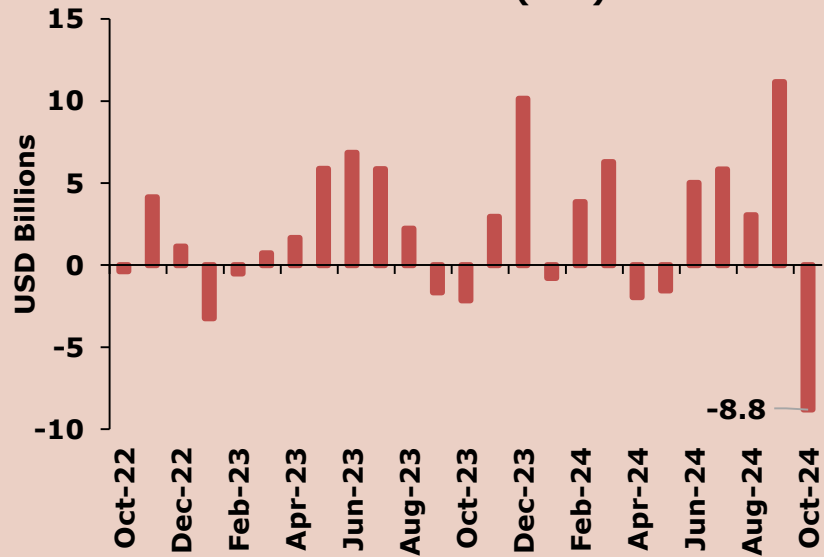


Figure 37: Net Foreign Portfolio Investment (FPI) Equity

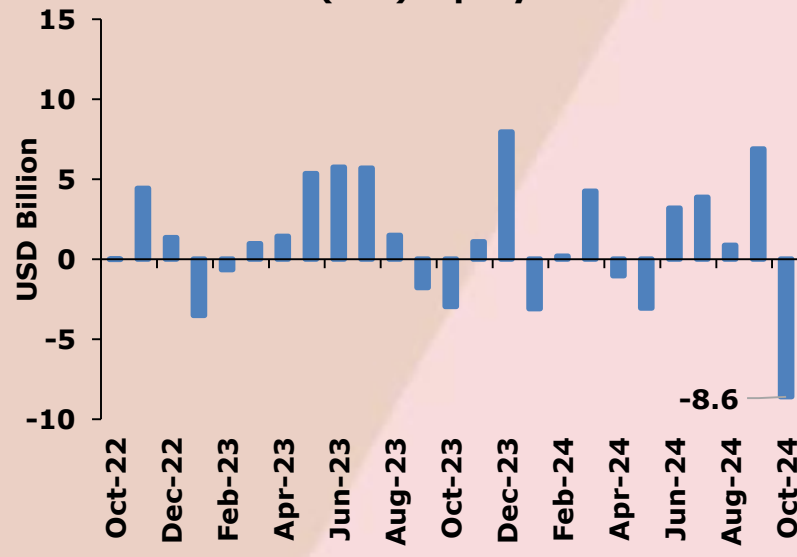
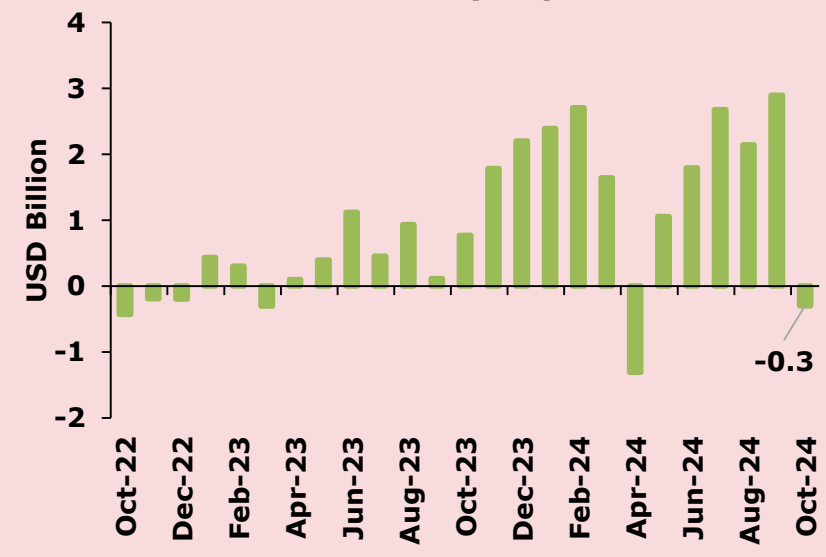


Figure 38. Net Foreign Portfolio Investment (FPI) Debt



Source: CEIC estimates.

Note: For October 2024, data for Figures 36, 38, and 37 is as of October 22, 2024. Monthly values for October 2024 have been created by summing up the daily values of Net FPI Equity and Net FPI Debt. For Figure 36, the monthly value for October 2024 has been calculated by taking the sum of the daily data for Net FPI Equity, Net Debt-General Limit, Net Debt Voluntary Retention Route (VRR), Net Debt Fully Accessible Route (FAR), and Net Hybrid.

Balance of Payments Data: Current Account Balance widens in Q1 FY2024-25, Foreign direct investment flows increase year-over-year, Remittances flow increase year-over-year

- The current account deficit widened to USD 9.7 billion (1.1 percent of GDP) in Q1 FY2024-25 as compared to a deficit of USD 8.9 billion (1 percent of GDP) in Q1 FY2023-24 and a surplus of USD 4.6 billion (0.5 percent of GDP) in Q4 FY2023-24 (Figure 39).
- The merchandise trade deficit widened USD 65.1 billion in Q1 FY2024-25 from USD 56.7 billion in Q1 FY2023-24. The services trade surplus increased to USD 39.7 billion in Q1 FY2024-25 as compared to USD 35.1 billion in Q1 FY2023-24.
- Foreign direct investment flows increased to USD 6.3 billion in Q1 FY2024-25 as compared to USD 4.7 billion in Q1 FY2023-24 (Figure 40).
- Remittances increased to USD 29.5 billion in Q1 FY2024-25 from USD 27.1 billion in Q1 FY2023-24 but moderated from USD 32 billion in Q4 FY2023-24 (Figure 41). [\[Developments in India's Balance of Payments during the First Quarter \(April-June\) of 2024-25 | RBI Press Release, 30th September 2024\]](#)

Figure 39: Current Account Balance

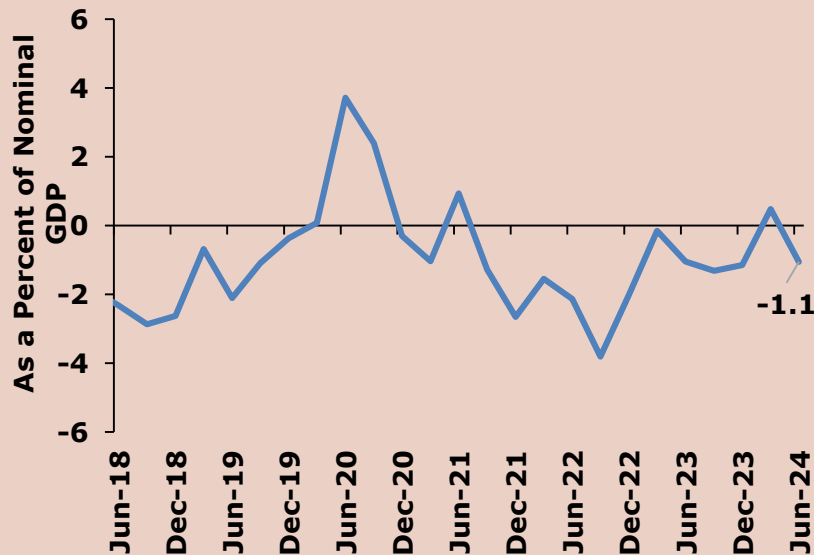


Figure 40: Foreign Direct Investment

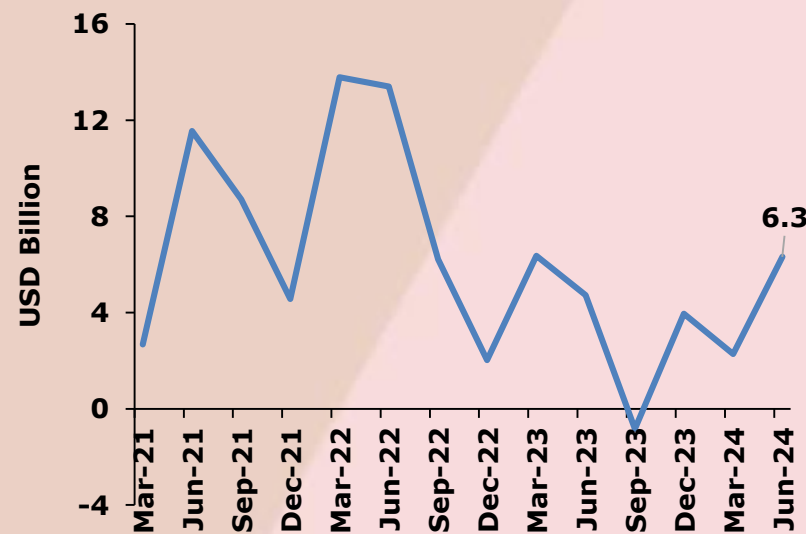
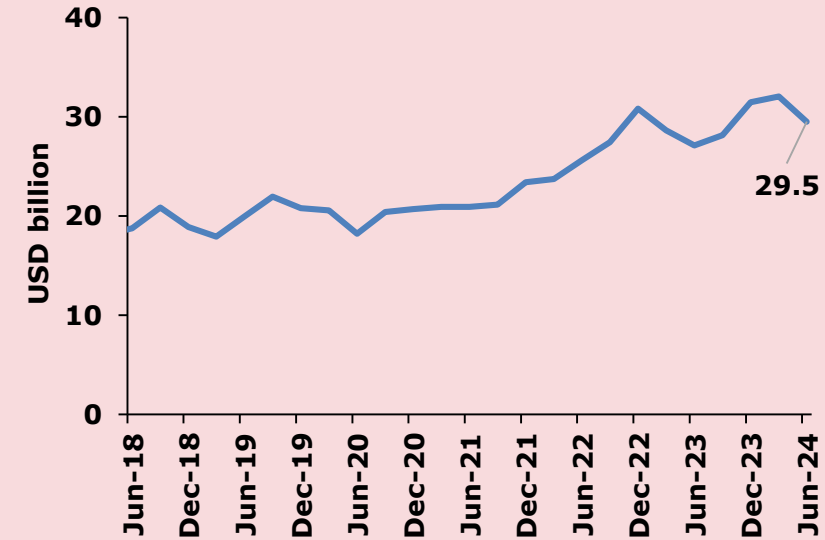


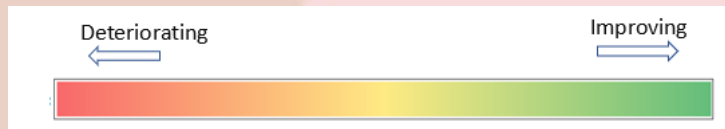
Figure 41. Private Transfer Receipts (Remittances)



Source: Reserve Bank of India.

Heatmap for high-frequency indicators

Indicators	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	Aug-24	Sep-24
Agriculture																									
Fertilizer Sales: Urea	-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	-8.8	-1.8
Industry																									
IIP Manufacturing	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	4.2	5.0	3.2	4.6	1.0	
IIP Core	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	6.9	6.3	5.1	6.1	-1.8	
PMI Manufacturing	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	57.5	56.5
PMI Services	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	60.9	57.7
Automobile Sales: 2-wheelers (excluding EVs)	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	9.3	15.8
Natural Gas Production	-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	-1.6	-3.7	-1.9
Crude Steel Production	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	3.4	6.8	2.6	1.2
Electricity Supply	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	3.9	-4.6	-0.4
Services																									
Rail Freight	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	4.5	0.02	
Air Passenger Traffic	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	7.8	7.5	
Air Cargo	-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	18.1	12.5	
Trade																									
Merchandise Export	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	13.3	2.5	-1.7	-9.3	0.5
Services Export	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	16.6	5.7	7.7
Fiscal																									
Gross Tax Revenue (Centre)	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	14.0	-15.8	
Goods and Services Tax Revenue	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	10.0	6.5
Banking																									
SCB bank Credit: Total Outstanding	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	13.6	13.6	
SCB bank Credit Non-food: Personal Loans	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	15.0	13.9	
SCB bank Credit Non-food: Agriculture	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	18.1	17.7	
SCB bank Credit Non-food: Industry	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	10.1	9.7	
SCB bank Credit Non-food: Services	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	14.0	13.9	
Financial Markets																									
NIFTY 50 Index	-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	31.1	31.4
BSE SENSEX	-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	27.0	28.1
Employment and Inflation																									
Naukri JobSpeak Index	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	-3.4	-3.8
EPFO Net New Subscribers	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	13.5	26.8	13.0	13.6	16.8	
Consumer Price Inflation	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	3.7	5.5
Wholesale Price Inflation	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	1.3	1.8



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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www.ncaer.org

11 Indraprastha Estate, New Delhi 110 002, India
Tel: +91-11-2345-2698