

INDIAN ECONOMY – HIGHLIGHTS OF PERFORMANCE

GDP: The Central Statistics Office (CSO), Ministry of Statistics and Programme Implementation has released the estimates of Gross Domestic Product (GDP) for April-June (Q1) 2019-20, both at constant (2011-12) and current prices. As per the Report, Real GDP or GDP at Constant (2011-12) Prices for Q1 2019 is estimated at Rs 35.85 lakh crore against Rs. 34.14 lakh crore in Q1 of 2018-19, showing a growth rate of 5.0 per cent. Quarterly GVA at Basic Price at Constant (2011-12) Prices for Q1 of 2019-20 is estimated at Rs 33.48 lakh crore, as against Rs 31.90 lakh crore in Q1 of 2018-19, showing a growth rate of 4.9 per cent over the corresponding quarter of previous year. The economic activities which registered growth of over 7 per cent in Q1 of 2019-20 over Q1 of 2018-19 are *'Electricity, Gas, Water Supply & Other Utility Services'*, *'Trade, Hotels, Transport, Communication and Services Related to Broadcasting'* and *'Public Administration, Defence and Other Services'*. The growth in the *'Agriculture, Forestry and Fishing'*, *'Mining and Quarrying'*, *'Manufacturing'*, *'Construction'* and *'Financial, Real Estate and Professional Services'* is estimated to be 2 per cent, 2.7 per cent, 0.6 per cent, 5.7 per cent, and 5.9 per cent, respectively, during this period.

Industrial Production: Provisional CSO data show that the growth rate of the Index of Industrial Production (IIP) was up by 3.6 per cent during April-June 2019 (prov.), encouraged by stable growth in Electricity (7.2 per cent) while Manufacturing (3.1 per cent) and Mining (3 per cent) growth both remained subdued. The Use-Based scenario show a decline in Capital Goods and Consumer Durables sectors and modest growth in the others, with Infrastructure/ Construction Goods (2.3 per cent) reporting the lowest and Intermediate Goods, the highest (9.4 per cent).

Infrastructure Growth: Provisional data released by the CSO indicate that the growth rate of the Eight Core Infrastructure Industries was up by 3.5 per cent during April-June 2019 (prov.), encouraged by growth in sectors like Steel, Electricity but pulled down by decline in growth rate in most others like Crude Oil, Natural Gas, Refinery Products and Fertilizers during this period.

Inflation: In June 2019 (prov.), the annual rate of inflation, based on monthly WPI, stood at 2.02 per cent while the all India CPI inflation rate (combined) stood at 3.18 per cent and compared to June 2018, the former registered a decline and the latter saw a rise.

Trade: Provisional figures from DGCI&S show that during April-June 2019-20, in dollar terms, overall exports were down by 1.69 per cent while overall imports were down by 0.29 per cent, both on yoy basis. During the same period, oil imports were valued at USD 34.85 billion, 0.62 per cent higher yoy while non-oil imports were valued at USD 92.19 billion which was 0.62 per cent lower yoy. The overall trade deficit for April-June 2019-20 is estimated at USD 27.24 billion as compared to USD 25.75 billion in April-June 2018-19.
