



**MERCHANTS' CHAMBER
OF COMMERCE & INDUSTRY**

**November
2023**

MCCI ECONOMY WATCH



Message from President

Indian economy is likely to grow 6.7% in the July-September quarter, boosted by a strong performance by the services sector, according to a median forecast of 10 economists polled by ET. Strong GDP growth for the quarter will not be difficult to achieve. Most high-frequency indicators are in the green-IIP is up compared to last year, PMI is around 58 indicating strong expansion and robust GST collections. Although, India's merchandise deficit spiked to a record high of US\$ 31.5 bn in October 2023 on the back of higher imports. Looking forward, some of the risk factors include deficiency and uneven spread of the southwest monsoon, volatile global crude prices, and some supply-side disruptions due to ongoing geopolitical conflicts.

Wish you all a Happy Reading !


Namit Bajoria
President, MCCI

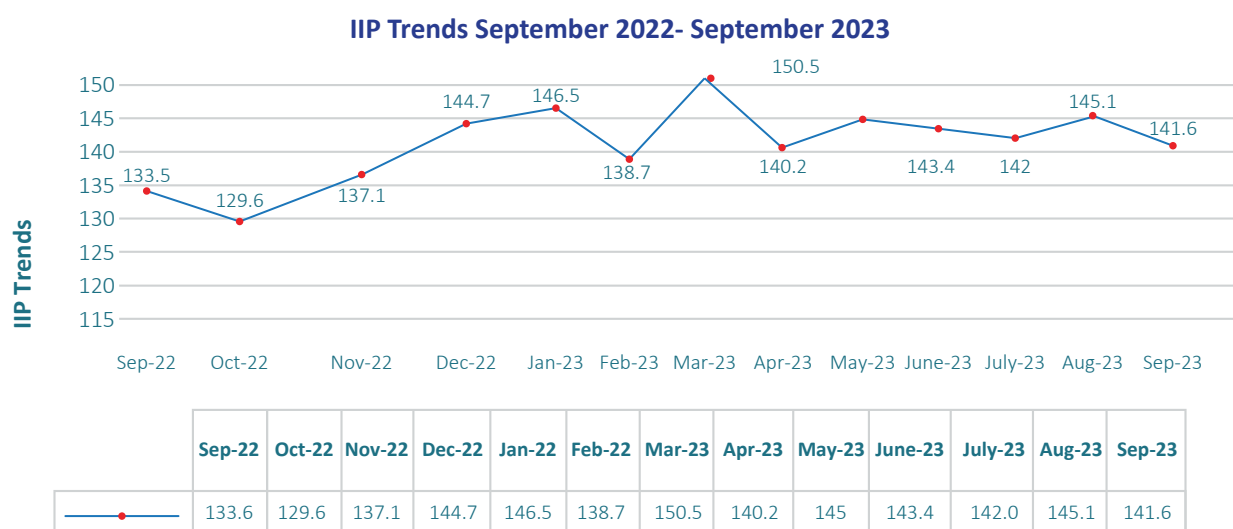
- Purchasing Manager's Index (PMI) in Services registered at 58.4 in October 2023, highlighting a contraction from the previous month
- Purchasing Managers' Index (PMI) in Manufacturing witnessed a contraction to 55.50 in October 2023 from 57.5 in September 2023
- As of November 3, 2023, reserve money stood at INR. 43,82,676 crores
- As of November 3, 2023, currency in circulation (CiC) registered at INR 33,12,891 crores
- India's overall export increased by 9.42% to USD 62.26 billion in October 2023 as against USD 56.90 billion in the same month of last year.
- CPI for all consumers decreased by 4.37% in September 2023



● Index of Industrial Production

1. The Index of Industrial Production (IIP) growth rate in September 2023 decreased to 5.8% from 6.1% in August 2023.
2. Manufacturing contracted by 5.7% in September 2023 compared to the previous month whereas electricity and mining witnessed growth at 6.1% and 8.7% respectively compared to the previous month.

IIP trends from September 2022 to September 2023 are given in the following figure:



Source: MOSPI

● Inflation

1. India's retail inflation (CPI) stood at 0.65% in October 2023 as compared to 5.02% in September 2023
2. Wholesale Price Index (WPI) stood at (-)0.52% in October 2023 as compared to (-)0.26% in September 2023

● Foreign Trade:

1. India's merchandise exports stood at USD 33.57 billion in October 2023 as compared to USD 31.60 billion in October 2022, registering a positive growth rate of 6.23%
2. India's service export stood at USD 28.70 billion in October 2023, an increase of 13.43% over USD 25.30 billion in October 2022
3. Non-petroleum and non-gems & jewellery exports were USD 24.57 billion in October 2023 as compared to USD 21.99 billion in October 2022, registering a positive growth rate of 11.73%
4. India's merchandise import stood at USD 65.03 billion in October 2023 with a positive growth rate of 12.29% over USD 57.91 billion in October 2022
5. India's service import stood at USD 14.32 billion in October 2023, an increase of 5.99 %, over USD 13.51 billion in October 2022

Overall Trade (Merchandise & Service) in October 2023			
	Value in US\$ Billion		Growth
	October 2023	October 2022	
Export	62.26	56.90	9.40
Import	79.35	71.42	11.10
Deficit	17.08	14.52	

● Banking & Financial Indicators

a. Banking:

Indicators	Outstanding (in Cr.) as of October 20, 2023	% Variation over Fortnight	% Variation over Year
Total Bank Credit	154,25,809	0.6	17.8
Food Credit	19,841		
Non- Food Credit	154,05,968		
Aggregate Deposit	195,13,328	-0.5	9.5
Broad Money (M3)	233,57,477	-0.5	8.6

Source: RBI

b. Banking Rates:

Indicators	Actual Rates as on November 16, 2023
Cash Reserve Ratio	4.50
Statutory Liquidity Ratio	18.00
Policy Repo Rate	6.50
Fixed Reverse Repo Rate	3.35
Bank Rate	6.75

Source: RBI

● Equity Market

a. Global Stock Indices:

Global Stock Indices witnessed mixed trends over the last week.

Global Stock Indices	Closing Value (in \$) as on November 16, 2023	Change (%) from last closing value
NYSE: DJIA	34,991.21	0.47
FTSE 100	7,486.91	0.62
Nikkei 225	33,427.94	-0.27
S & P/ ASX 200	4,502.88	0.16
KOSPI	2,486.17	-0.02
Nasdaq 100	14,103.84	0.07
S & P 500	4,502.88	0.16
Hang Seng Index	17,856.62	-1.23

Source: Yahoo Finance

b. Indian Stock Indices:

Indian Stock Market Indices witnessed positive trends over the past week.

Indian Stock Indices	Closing Value (in \$) as on November 16, 2023	Change (%) from the last closing value
BSE Sensex	66,096.35	0.64
BSE Sensex 50	20,740.01	0.59
NIFTY 50	19,675.45	0.59
NIFTY100	19,698.40	0.55

Source: BSE, NSE

c. BSE Sectoral Indices:

BSE Sectoral Indices witnessed mixed trends over the last week.

BSE Indices	Closing Value (in \$) as on November 16, 2023	Change (%) from the last closing value
Auto Index	37,919.13	0.66
Bankex	50,046.74	0.30
Capital Goods	48,474.93	0.54
Consumer Durables	45,280.80	0.48
Energy	8,815.91	0.57
Finance	9,648.72	0.36
FMCG	18,975.51	0.45
Health Care	28,951.45	0.67
Metal Index	23,838.37	-0.03
Oil & Gas Index	19,548.37	0.74
Power Index	4,638.52	0.55
Teck Index	14,347.63	1.27

Source: BSE

d. Global Stock Exchange Future:

Global Future Indices witnessed mixed trends over the last week.

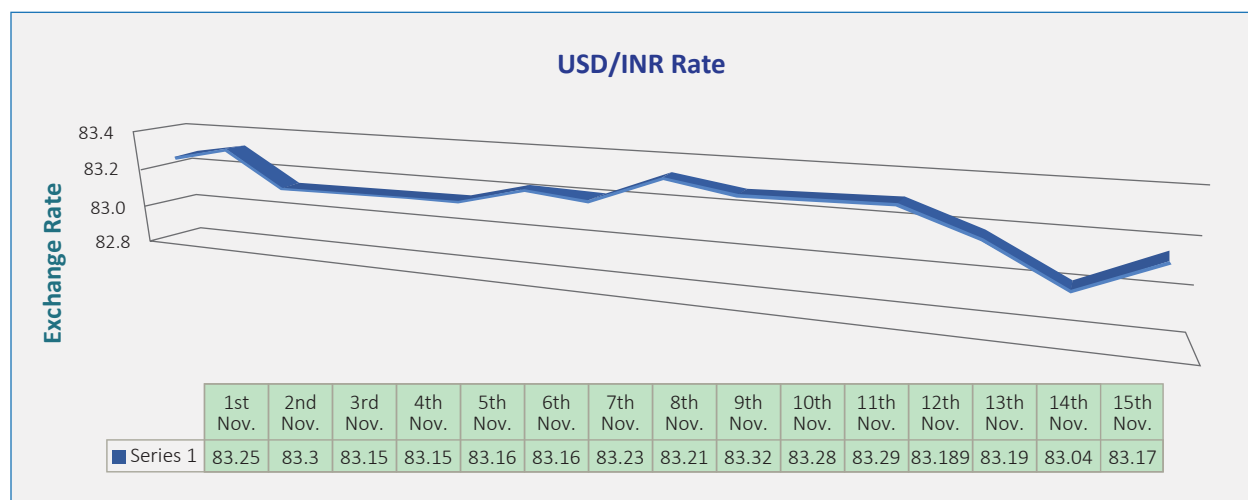
Future Indices	Closing Value (in \$) as on November 16, 2023	Change (%) from the last closing value
Russell 2000 Futures	1,807.60	-0.05
Nasdaq Futures	15,863.50	-0.16
S & P Futures	4,516.50	-0.06
Dow Futures	35,039.00	-0.03

Source: Yahoo Finance

● Currency Market

a. INR Exchange Rate:

1. In the period of the first 15 days of November 2023 INR depreciated against the US dollar by 0.1% to stand at 83.17 USD



Source: RBI

b. Foreign Exchange Reserve:

1. India's foreign exchange reserve decreased by USD 2166 million from USD 586.908 billion to stand at USD 584.742 billion as of October 6, 2023
2. Gold reserve decreased by USD 1425 million while SDR decreased marginally as on October 6, 2023, and stands at USD 17.923 billion
3. Reserve Position with IMF was USD 5.98 billion on October 8, 2023

USD Billion	Value as on October 6, 2023	Variation over	
		Week	Fiscal
Total Reserves	590.783	4.67	60.79
Foreign Currency Assets	521.896	4.39	51.17
Gold	46.123	0.20	9.07
SDRs	17.975	0.064	0.585
Reserve Position in the IMF	4.789	0.016	-0.031

Source: RBI

● Commodity Future Indices

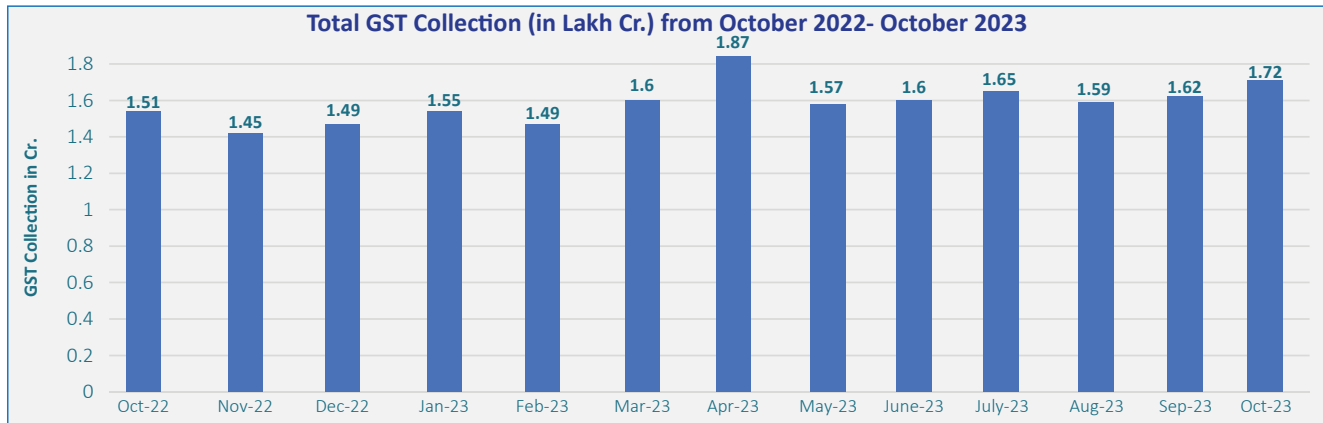
1. MCX commodity composite index contracted by 0.29% and the base metal index contracted by 0.46% from the last closing value

Commodity Future Indices (MCX ICOMDEX)	Closing Value as on November 16, 2023	Change from the last closing value (%)
Brent Crude	8,055.01	-1.16
Gold	18,339.67	0.20
iCOMDEX Composite	12,847.03	-0.29
iCOMDEX Base Metals	15,863.09	-0.46
Natural Gas	1.667.09	-2.31

Source: MCX

● Goods and Services Tax (GST)

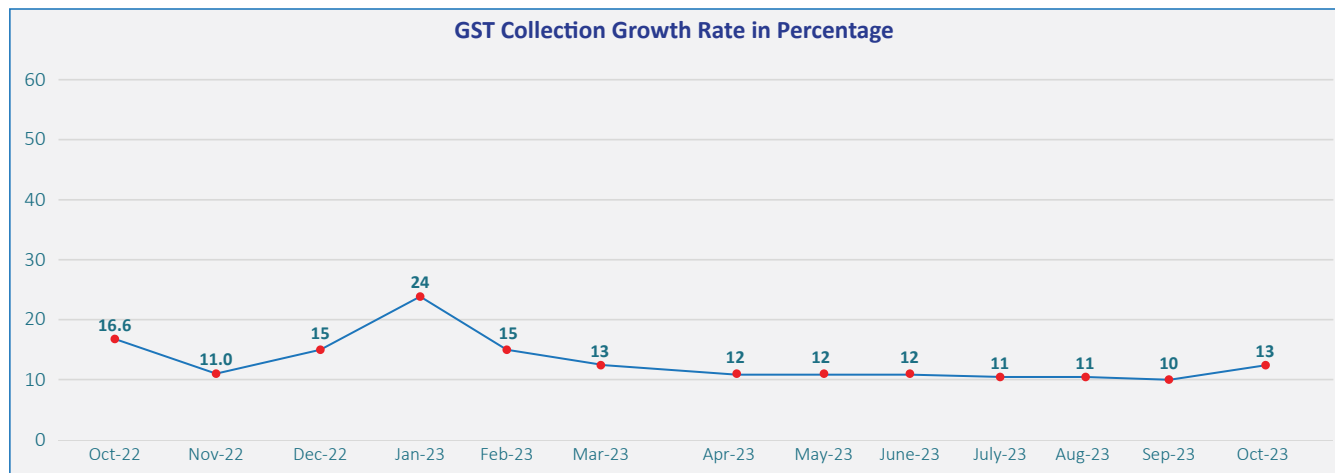
1. The gross GST revenue collected in the month of October 2023 was INR ₹1,72,003 crore of which CGST is INR 30,062 crore, SGST is INR 38,171 crore, IGST is INR 91,315 crore



Source: CGA, Govt. of India)

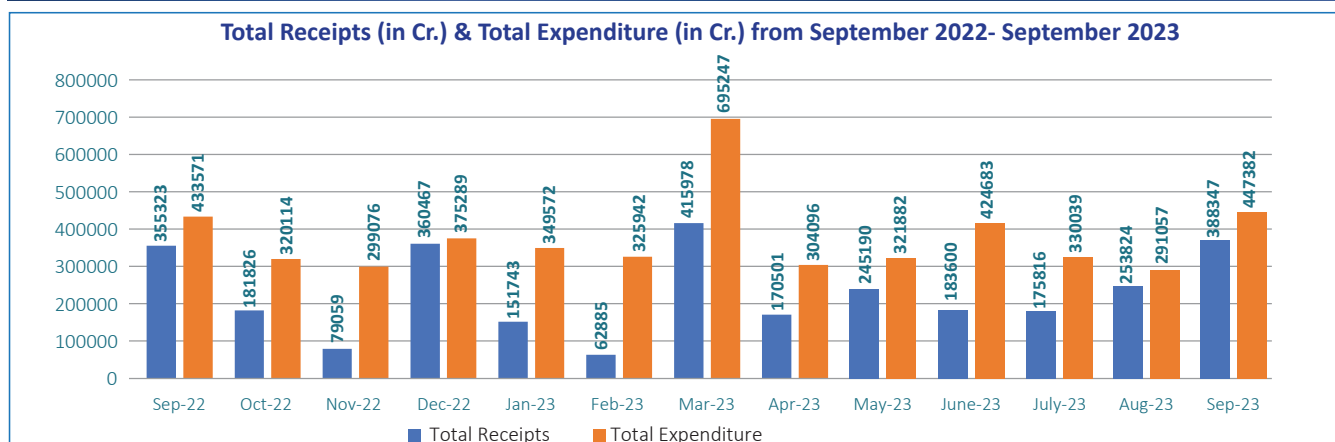
2. The GST revenues for the month of October 2023 are 13% higher than the GST revenues in the same month last year of INR 1,51,718 crore

GST Collection Growth Rate in Percentage (Y-O-Y) with respect to corresponding months of 2022 and 2023.



Source: GST Council, Govt. of India

● Total Revenue Receipt and Total Expenditure



(Source: CGA)

ABOUT MCCI

MCCI is a 122 years old non-government, not-for-profit, industry-led and industry-managed organization, with 700 direct members and 15,000 indirect members covering a wide cross-section of small, medium & large industries, trade and services besides, 10 Associations of Industry & Trade are also affiliated to MCCI.

MCCI addresses various aspects of the industry, trade and service sectors, their issues & Challenges and through several learning and best practices forums, guide them to the future. MCCI also helps members to explore international business opportunities through its international connect initiatives.

MCCI has been working on the development of an indigenous vibrant industrial base in the country, especially in Eastern India. The indomitable spirit and quest to build an institution to safeguard the interests of the indigenous business community led to the birth of Vaishya Sabha and with the changing times, now it stands as MCCI. MCCI has evolved to reinvent itself to address the challenges in this era of new normal.

MCCI works as a bridge between businesses and the policy makers to create a conducive economic environment for the industry to prosper and flourish while benefitting all the stakeholders in the economy. The Executive Committee, which has 30 Councils reporting to it, is the principal facilitating structure of the Chamber.

We are one of the leading Chambers of Eastern India relentlessly working for the betterment of MSMEs through several initiatives. MSME Helpdesk, IP facilitation, connecting with Banking and Financial institutions, technology for MSMEs, besides taking up members' issues at the appropriate level. Several Business meets are organized for the benefit of the members.



Merchants' Chamber of Commerce & Industry

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