



Merchants' Chamber of Commerce & Industry




Message from President

MCCI ECONOMY WATCH

January | 2024

The Indian economy is in strong momentum amid global upheaval, mainly driven by domestic demand and foreign investments. Growth remained steady although inflation was worrisome for a while, but largely contained. The economy is expected to grow at 7.3% in the current financial year 2023-24, thus remaining the fastest-growing major economy. We are hoping that 2024 will be even better.

Wish you a Happy Reading.


Namit Bajoria
President, MCCI

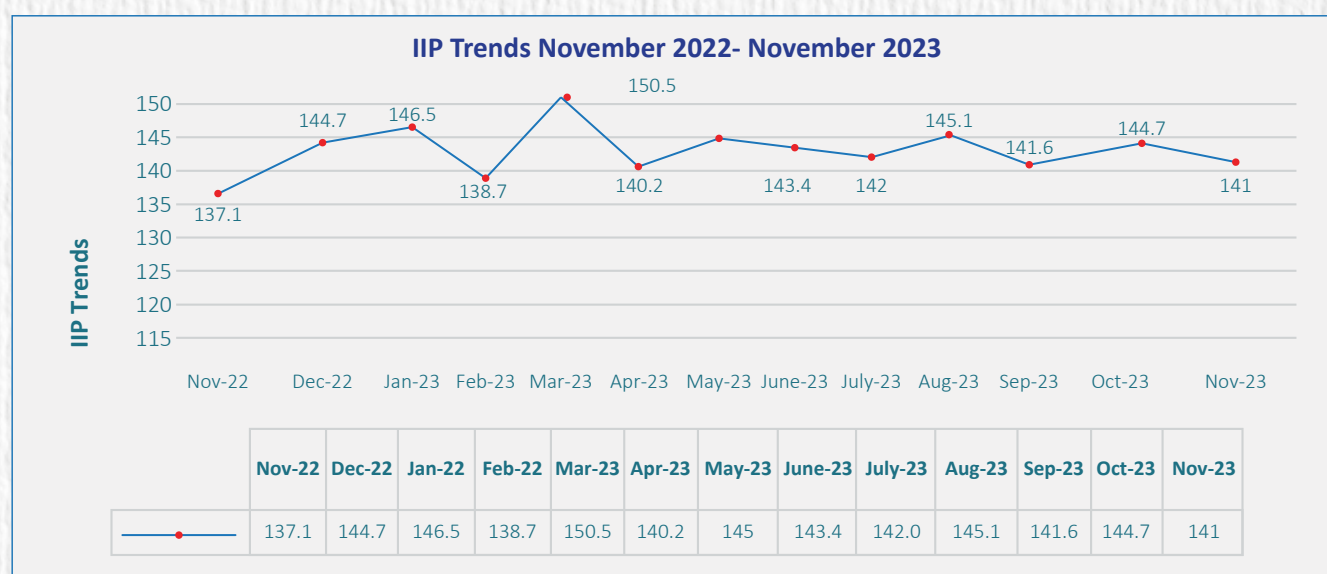
- Purchasing Manager's Index (PMI) in Services registered at 59.0 in December 2023, highlighting an expansion from 56.9 registered in November 2023
- Purchasing Managers' Index (PMI) in Manufacturing witnessed a contraction to 54.9 in December 2023 from 56.0 in November 2023
- As of January 12, 2024, reserve money stood at INR. 44,68,249 crores
- As of January 12, 2024, currency in circulation (CiC) registered at INR 34,10,499 crores
- India's overall export decreased by 4.25% to USD 66.33 billion in December 2023 as against USD 69.28 billion in the same month of last year.
- CPI for all consumers increased by 0.14% in December 2023



● Index of Industrial Production

1. The Index of Industrial Production (IIP) growth rate in November 2023 decreased to 2.4% from 11.7% in October 2023.
2. Manufacturing decreased 5.8% in November 2023 compared to 6.4% registered in October 2023. Electricity and mining witnessed growth at 7.7% and 9.1% respectively compared to the previous month.

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



Source: MOSPI

● Inflation

1. India's retail inflation (CPI) stood at 5.69% in December 2023 as compared to 5.55% in November 2023
2. Wholesale Price Index (WPI) stood at 0.73% in December 2023 as compared to 0.26% in November 2023

● Foreign Trade:

1. India's merchandise exports stood at USD 38.45 billion in December 2023 as compared to USD 38.08 billion in December 2022, registering a growth rate of 0.97%
2. India's service export stood at USD 27.88 billion in December 2023, a decrease of 10.61% over USD 31.19 billion in December 2022
3. Non-petroleum and non-gems & jewellery exports were USD 28.67 billion in December 2023 as compared to USD 27.19 billion in December 2022, registering a positive growth rate of 5.44%
4. India's merchandise import stood at USD 58.25 billion in December 2023 with a negative growth rate of 4.85% of over USD 61.22 billion in December 2022
5. India's service import stood at USD 13.25 billion in December 2023, a decrease of 16.19 % over USD 15.81 billion in December 2022

Overall Trade (Merchandise & Service) in December 2023			
	Value in US\$ Billion		Growth
	December 2023	December 2022	
Export	66.33	69.28	-4.25
Import	71.50	77.03	-7.73
Deficit	-5.17	-7.75	

● Banking & Financial Indicators

a. Banking:

Indicators	Outstanding (in Cr.) as on December 29, 2023	% Variation over Fortnight	% Variation over Year
Total Bank Credit	159,61,345	1.2	14.9
Food Credit	43,139		
Non- Food Credit	159,18,206		
Aggregate Deposit	199,60,540	1.5	9.2
Broad Money (M3)	242,49,372	1.2	8.7

Source: RBI

b. Banking Rates:

Indicators	Actual Rates as on January 19, 2024
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 of January 19, 2024	Change (%) from last closing value
NYSE: DJIA	37,863.80	1.05
FTSE 100	7,461.93	0.04
Nikkei 225	35,963.27	1.40
S & P/ ASX 200	7,421.20	1.02
KOSPI	2,472.74	1.34
Nasdaq 100	15,310.97	1.70
S & P 500	4,839.81	1.23
Hang Seng Index	15,308.69	-0.54

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 of January 19, 2024	Change (%) from the last closing value
BSE Sensex	71,836.96	0.21
BSE Sensex 50	22,716.48	0.25
NIFTY 50	21,622.40	1.29
NIFTY100	54,709.00	-0.15

Source: BSE, NSE

c. BSE Sectoral Indices:

BSE Sectoral Indices witnessed mixed trends over the last week.

BSE Indices	Closing Value (in \$) as of January 19, 2024	Change (%) from the last closing value
Auto Index	42,709.29	-0.14
Bankex	52,106.81	0.53
Capital Goods	57,410.67	0.24
Consumer Durables	51,320.31	0.04
Energy	10,871.75	0.95
Finance	10,145.07	0.64
FMCG	20,404.98	-0.54
Health Care	32,781.39	0.00
Metal Index	26,088.84	0.85
Oil & Gas Index	25,239.35	0.43
Power Index	5,954.99	1.40
Teck Index	16,762.62	-0.13

Source: BSE

d. Global Stock Exchange Future:

Global Future Indices witnessed mixed trends over the last week.

Future Indices	Closing Value (in \$) as of January 19, 2024	Change (%) from the last closing value
Russell 2000 Futures	1,955.10	0.98
Nasdaq Futures	17,462.75	2.06
S & P Futures	4,869.75	1.22
Dow Futures	38,050.00	1.04

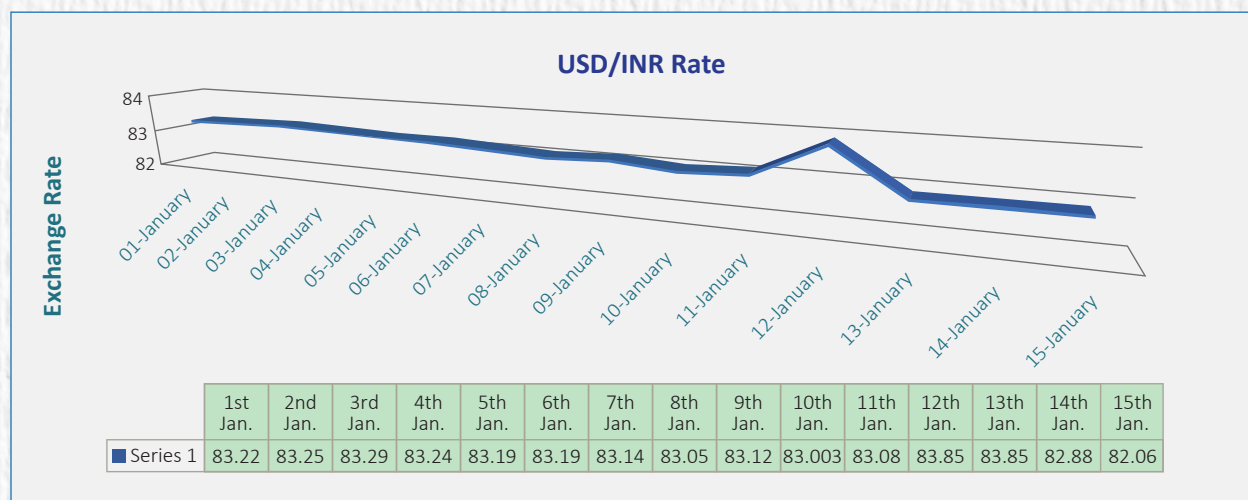
Source: Yahoo Finance



● Currency Market

a. INR Exchange Rate:

1. In the period of the first 15 days of January 2023 INR appreciated against the US dollar by 0.47% to stand at 82.86 USD



Source: RBI

b. Foreign Exchange Reserve:

1. India's foreign exchange reserve decreased by USD 5898 million from USD 623200 million to stand at USD 617.303 billion as of January 5, 2024
2. Gold reserve decreased by USD 839 million while SDR decreased marginally as of January 5, 2024, and stands at USD 18.29 billion
3. Reserve Position with IMF was USD 4.87 billion on January 5, 2023

USD Billion	Value as on January 5, 2024	Variation over	
		Week	Fiscal
Total Reserves	617.303	-5.898	55.720
Foreign Currency Assets	546.650	-4.966	50.209
Gold	47.489	-0.839	5.705
SDRs	18.298	-0.067	0.081
Reserve Position in the IMF	4.866	-0.026	-0.275

Source: RBI

● Commodity Future Indices

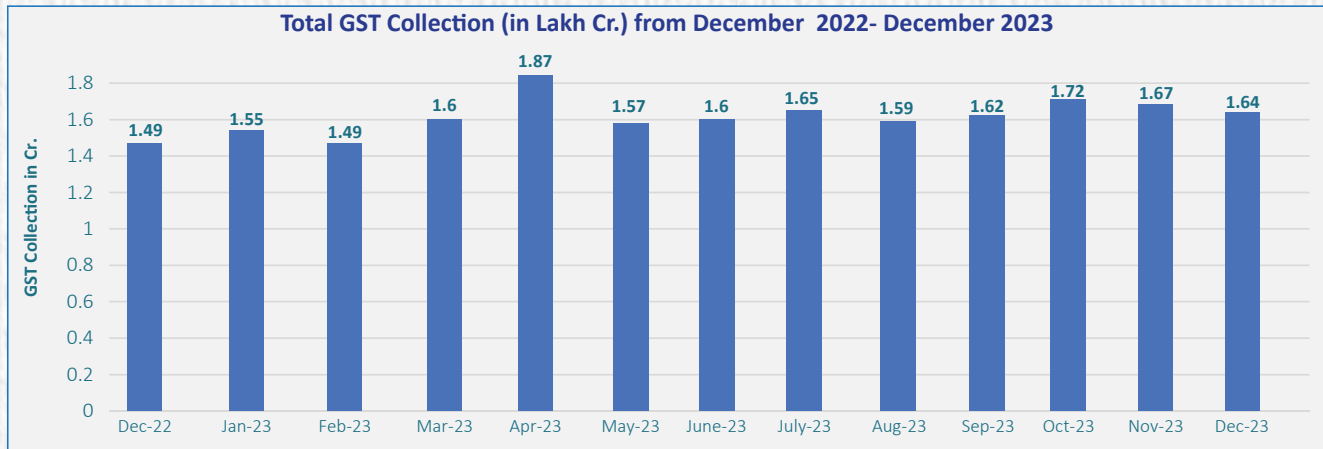
1. MCX commodity composite index contracted by 0.06% and the base metal index expanded by 0.23 % from the last closing value

Commodity Future Indices (MCX ICOMDEX)	Closing Value as on January 19, 2024	Change from the last closing value (%)
Brent Crude	7,643.73	-0.55
Gold	18,774.07	0.35
iCOMDEX Composite	12,606.18	-0.06
iCOMDEX Base Metals	15,214.76	0.23
Natural Gas	1,366.82	-5.84

Source: MCX

● Goods and Services Tax (GST)

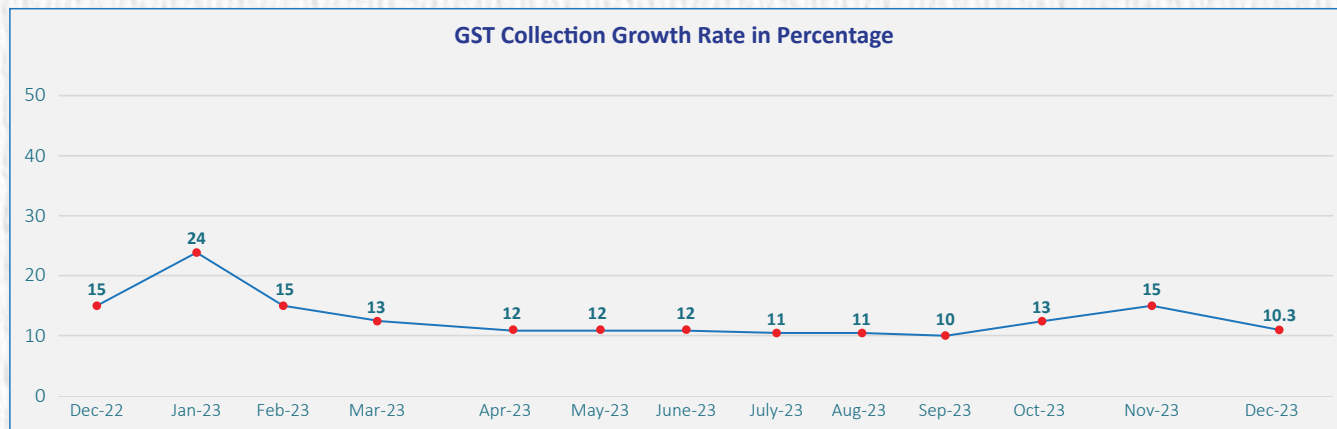
1. The gross GST revenue collected in December 2023 was INR 1,64,882 crore of which CGST is INR 30,443 crore, SGST is INR 37,935 crore, IGST is INR 84,255 crore



Source: CGA, Govt. of India)

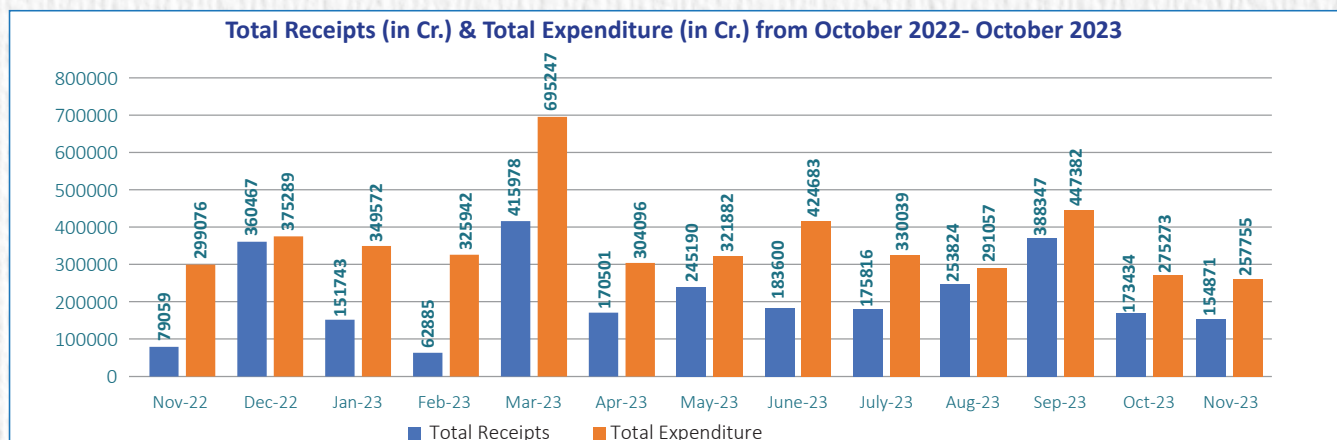
2. The GST revenues for December 2023 are 10.3% higher than the GST revenues in the same month last year of INR 1,49,507 crore

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.



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