



# Merchants' Chamber of Commerce & Industry




Message from President

## MCCI ECONOMY WATCH

February I 2024

The Indian economy is booming although the global economy is expected to slow from 2.6 % last year to 2.4 % in 2024. Moderating inflation coupled with robust growth underscores the action taken by RBI to hold the repo rate at 6.5% for the sixth consecutive time. Industry output recovers, retail inflation cools. Despite disruptions, exports show resilience. The Indian economy is expected to expand by 7.3% in FY 24 according to the first advance estimates released by the government, exceeding the 7.2% rise in FY23.

  
**Namit Bajoria**  
President, MCCI

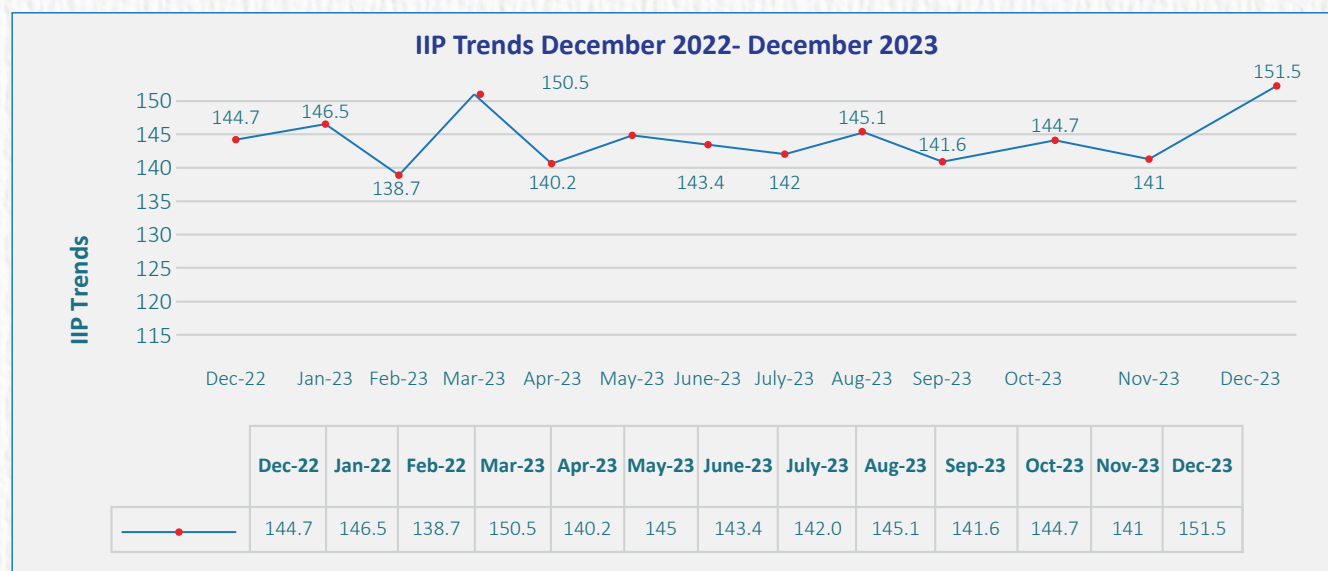
- Purchasing Manager's Index (PMI) in Services registered at 61.8 in January 2024, highlighting an expansion from 59.0 registered in December 2023
- Purchasing Managers' Index (PMI) in Manufacturing witnessed an expansion to 56.5 in January 2024 from 54.9 in December 2023
- As of February 2, 2024, reserve money stood at INR. 45,15,690 crores
- As of February 2, 2024, currency in circulation (CiC) registered at INR 34,20,311crores
- India's overall export increased by 9.27% to USD 69.72billion in January 2024 as against USD 63.80 billion in the same month of last year.
- CPI for all consumers increased by 0.50% in January 2024



## ● Index of Industrial Production

1. The Index of Industrial Production (IIP) growth rate in December 2023 increased to 3.8% from 2.4% in November 2023.
2. Manufacturing decreased 3.9% in December 2023 compared to 5.8% registered in November 2023. Electricity and mining witnessed lesser growth at 1.2% and 5.1% respectively compared to the previous month.

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



Source: MOSPI

## ● Inflation

1. India's retail inflation (CPI) stood at 5.10% in January 2024 as compared to 5.69% in December 2023
2. Wholesale Price Index (WPI) stood at -0.33% in January 2024 as compared to 0.26% in December 2023

## ● Foreign Trade:

1. India's merchandise exports stood at USD 36.92 billion in January 2024 as compared to USD 35.80 billion in January 2023, registering a positive growth rate of 3.12%
2. India's service export stood at USD 32.80 billion in January 2024, an increase of 17.14% over USD 28.00 billion in January 2023
3. Non-petroleum and non-gems & jewellery exports were USD 26.12 billion in January 2024 as compared to USD 25.48 billion in January 2023, registering a positive growth rate of 2.51%
4. India's merchandise import stood at USD 54.41 billion in January 2024 with a positive growth rate of 2.99% of over USD 52.83 billion in January 2023
5. India's service import stood at USD 16.05 billion in January 2024, an increase of 8.22 % over USD 14.83 billion in January 2023





Overall Trade (Merchandise & Service) in January 2024			
	Value in US\$ Billion		Growth
	January 2024	January 2023	
Export	69.72	63.80	9.27
Import	70.46	67.65	4.15
Deficit	-0.74	-3.85	

## ● Banking & Financial Indicators

### a. Banking:

Indicators	Outstanding (in Cr.) as on January 26, 2024	% Variation over Fortnight	% Variation over Year
Total Bank Credit	160,44,693	0.5	16.3
Food Credit	45,619		
Non- Food Credit	159,99,075		
Aggregate Deposit	199,42,895	0.4	10.5
Broad Money (M3)	199,42,895	0.4	9.8

Source: RBI

### b. Banking Rates:

Indicators	Actual Rates as of February 14, 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 February 14, 2024	Change (%) from last closing value
NYSE: DJIA	38,424.27	0.40
FTSE 100	7,582.24	0.18
Nikkei 225	38,157.94	1.21
S & P/ ASX 200	7,605.70	0.77
KOSPI	2,613.80	-0.25
Nasdaq 100	15,859.15	1.30
S & P 500	5,000.62	0.96
Hang Seng Index	15,944.63	0.41

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 February 15, 2024	Change (%) from the last closing value
BSE Sensex	72,050.38	0.32
BSE Sensex 50	22,974.23	0.36
NIFTY 50	21,910.75	0.32
NIFTY100	22,405.55	0.41

Source: BSE, NSE

#### c. BSE Sectoral Indices:

**BSE Sectoral Indices** witnessed mixed trends over the last week.

BSE Indices	Closing Value (in \$) as of February 14, 2024	Change (%) from the last closing value
Auto Index	45,356.82	1.41
Bankex	52,324.76	0.40
Capital Goods	54,978.54	0.47
Consumer Durables	49,914.12	0.49
Energy	12,257.40	2.28
Finance	10,134.61	0.69
FMCG	19,409.01	-0.89
Health Care	35,080.45	-0.08
Metal Index	27,132.19	1.02
Oil & Gas Index	28,376.33	2.61
Power Index	6,428.35	1.99
Teck Index	16,923.36	0.47

Source: BSE

#### d. Global Stock Exchange Future:

**Global Future Indices** witnessed mixed trends over the last week.

Future Indices	Closing Value (in \$) as of February 14, 2024	Change (%) from the last closing value
Russell 2000 Futures	2,033.50	0.83
Nasdaq Futures	17,892.00	0.06
S & P Futures	5,024.25	0.12
Dow Futures	38,562.00	0.18

Source: Yahoo Finance

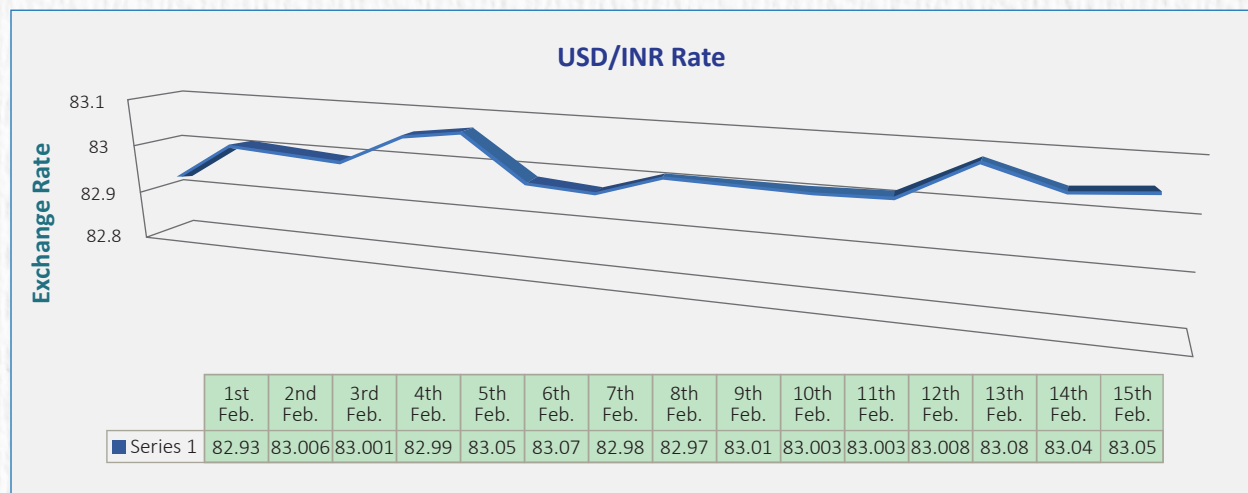




## ● Currency Market

### a. INR Exchange Rate:

1. In the period of the first 15 days of February 2024 INR depreciated against the US dollar by 0.14% to stand at INR 83.05



Source: RBI

### b. Foreign Exchange Reserve:

1. India's foreign exchange reserve increased by USD 5736 million from USD 616.733 billion to stand at USD 622.469 billion as of February 2, 2024
2. Gold reserve increased by USD 608 million while SDR decreased marginally as of February 2, 2024, and stands at USD 18.19 billion
3. Reserve Position with IMF was USD 4.86 billion on February 2, 2024

USD Billion	Value as on February 2, 2024	Variation over	
		Week	Fiscal
Total Reserves	622.469	5.736	47.203
Foreign Currency Assets	551.331	5.186	43.636
Gold	48.088	0.608	4.307
SDRs	18.190	-0.058	-0.354
Reserve Position in the IMF	4.860	0.00	-0.387

Source: RBI

## ● Commodity Future Indices

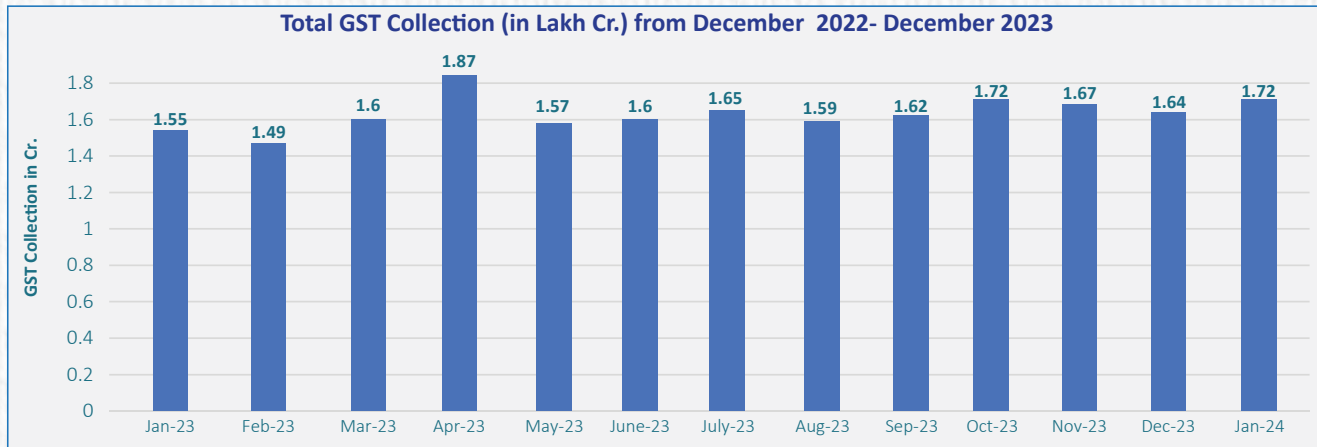
1. MCX commodity composite index expanded by 0.04% and the base metal index expanded by 0.35 % from the last closing value

Commodity Future Indices (MCX ICOMDEX)	Closing Value as on February 15, 2024	Change from the last closing value (%)
Brent Crude	7,853.59	-0.97
Gold	18,560.16	-0.01
iCOMDEX Composite	12,416.49	0.04
iCOMDEX Base Metals	14,806.00	0.35
Natural Gas	1,020.27	1.27

Source: MCX

## ● Goods and Services Tax (GST)

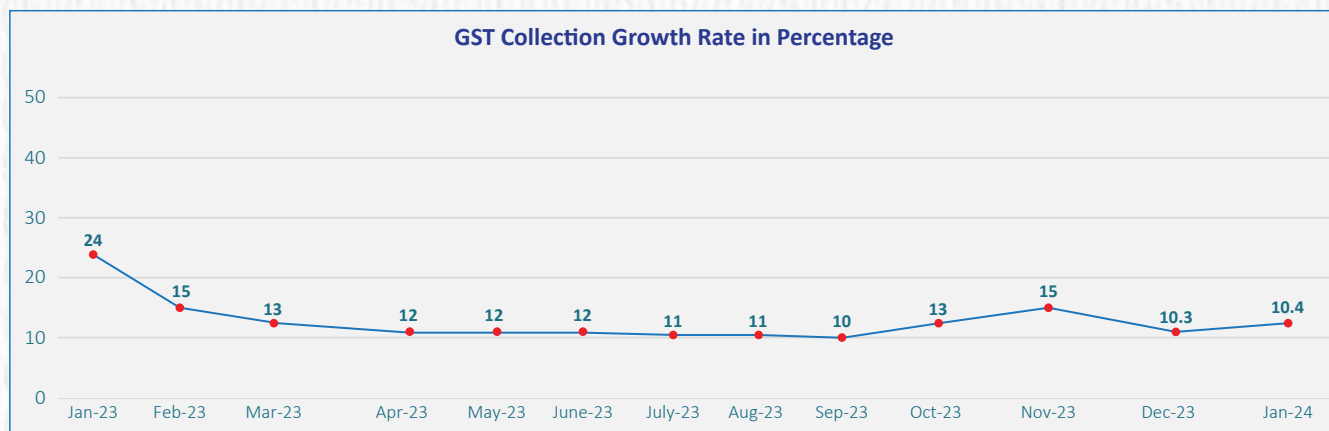
1. The gross GST revenue collected in January 2024 was INR 1,72,129 crore of which CGST is INR 43,552 crore, SGST is INR 37,257 crore, IGST is INR 37,257 crore



Source: CGA, Govt. of India)

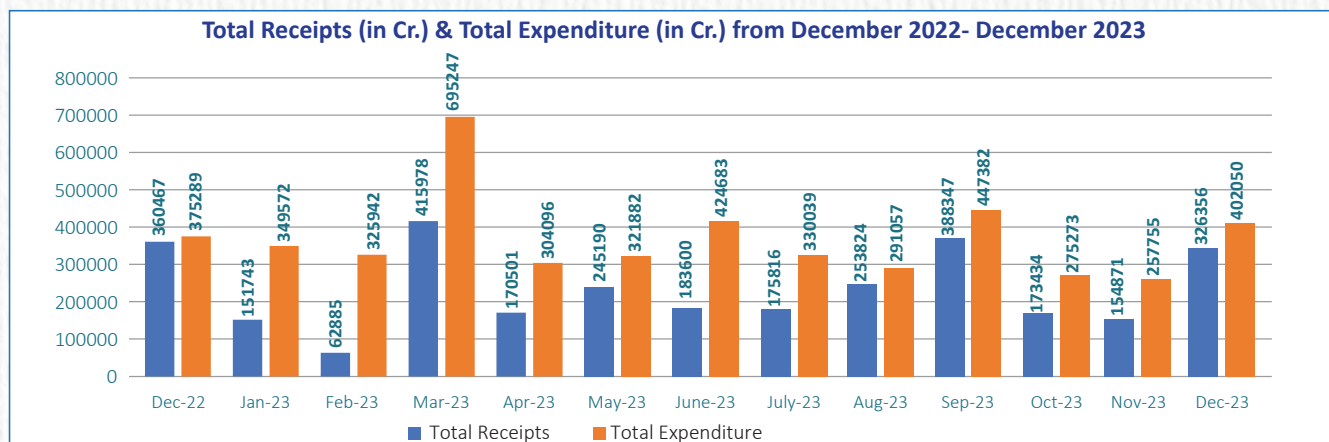
2. The GST revenues for January 2024 are 10.4% higher than the GST revenues in the same month last year of INR 1,55,922 crore

GST Collection Growth Rate in Percentage (Y-O-Y) with respect to corresponding months of 2023 and 2024.



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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