



Merchants' Chamber of Commerce & Industry



Message from President

MCCI ECONOMY WATCH

May | 2024

India's economy is poised for growth despite global challenges. The UN raised India's growth forecast for 2024 to 6.9% from 6.2%. However, the food prices remained elevated in April. The jump in food inflation was driven by rise in prices of vegetables, cereals and pulses which constitute a significant portion of India's food basket. Also, India's core exports and imports, excluding oil and bullion, have remained virtually stagnant since last April, reflecting the continuing challenges on the global trade front.

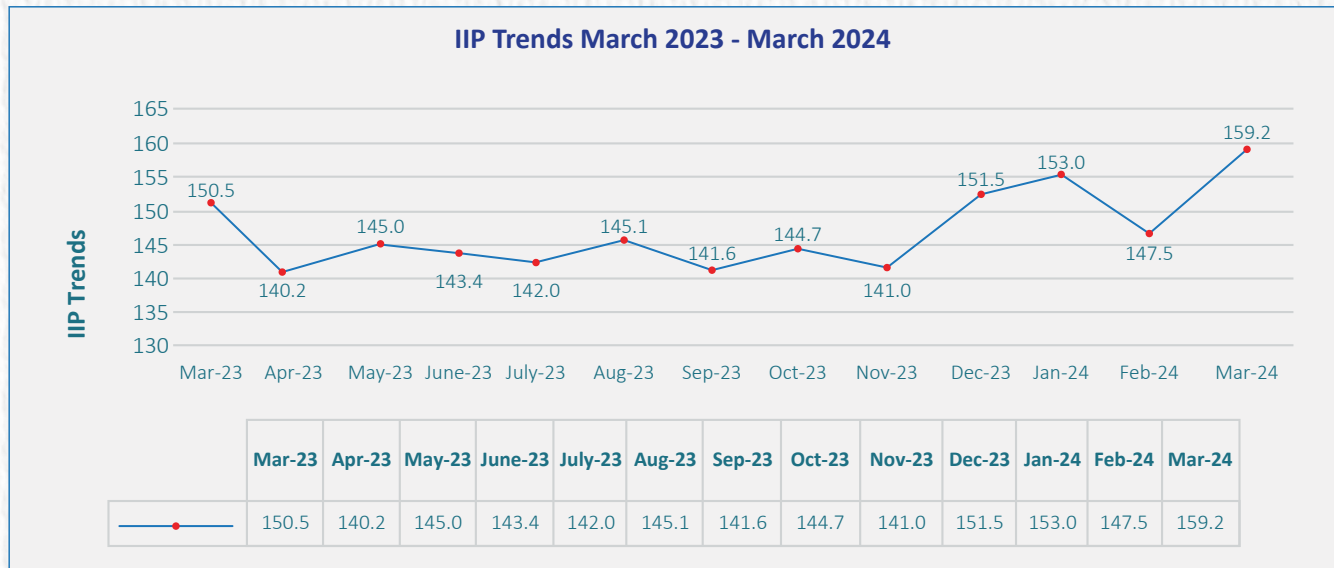

Namit Bajoria
President, MCCI

- Purchasing Manager's Index (PMI) in Services registered at 60.8 in April 2024, highlighting a contraction from 61.2 registered in March 2024
- Purchasing Managers' Index (PMI) in Manufacturing witnessed a contraction from 59.10 in March 2024 to 58.80 in April 2024
- As of May 3, 2024, reserve money stood at INR 46,85,769 crores
- As of May 3, 2024, currency in circulation (CiC) registered at INR 35,71,175 crores
- India's overall export increased by 6.89% to USD 64.56 billion in April 2024 as against USD 60.40 billion in the same month of last year
- CPI for all consumers decreased by 0.02% in April 2024

● Index of Industrial Production

1. The Index of Industrial Production (IIP) witnessed a growth of 4.9% in March 2024 from the corresponding period of the previous year
2. The growth rate in Manufacturing increased by 5.5% in March 2024 compared to the previous year. However, Electricity and Mining witnessed higher growth at 7.1% and 7.5% respectively compared to the previous year.

IIP trends from March 2023 to March 2024 are given in the following figure:



Source: MOSPI

● Inflation

1. India's retail inflation (CPI) stood at 4.83% in April 2024 as compared to 4.85% in March 2024
2. Wholesale Price Index (WPI) stood at 1.26% in April 2024 as compared to 0.53% in March 2024

● Foreign Trade:

1. India's merchandise exports stood at USD 34.99 billion in April 2024 as compared to USD 34.62 billion in April 2023, registering a positive growth rate of 1.07%
2. India's service export stood at USD 29.57 billion in April 2024, an increase of 14.70% over USD 25.78 billion in April 2023
3. Non-petroleum and non-gems & jewellery exports were USD 26.11 billion in April 2024 as compared to USD 25.77 billion in April 2023, registering a positive growth rate of 1.31%
4. India's merchandise import stood at USD 54.09 billion in April 2024 with a positive growth rate of 10.25% over USD 49.06 billion in April 2023
5. India's service import stood at USD 16.97 billion in April 2024, an increase of 21.56% over USD 13.96 billion in April 2023

Overall Trade (Merchandise & Service) in April 2024			
	Value in US\$ Billion		Growth
	April 2024	April 2023	
Export	64.56	60.40	6.89%
Import	71.07	63.02	12.77%
Deficit	6.51	2.62	

● Banking & Financial Indicators

a. Banking:

Indicators	Outstanding (in Cr.) as on April 19, 2024	% Variation over Fortnight	% Variation over Year
Total Bank Credit	164,94,282	-0.6	15.9
Food Credit	18090		
Non- Food Credit	164,76,192		
Aggregate Deposit	206,43,270	-1.2	10.2
Broad Money (M3)	251,49,673	-0.9	9.5

Source: RBI

b. Banking Rates:

Indicators	Actual Rates as of May 15, 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 May 14, 2024	Change (%) from last closing value
NYSE: DJIA	39,558.11	0.32
FTSE 100	8,428.13	0.16
Nikkei 225	38,385.38	0.08
S & P/ ASX 200	7,758.00	0.40
KOSPI	2,730.34	0.11
Nasdaq 100	16,511.18	0.75
S & P 500	5,246.68	0.48
Hang Seng Index	19,073.71	-0.22

Source: Yahoo Finance

b. Indian Stock Indices:

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

Indian Stock Indices	Closing Value (in Rs.) as of May 15, 2024	Change (%) from the last closing value
BSE Sensex	73,005.87	-0.15
BSE Sensex 50	23,320.67	-0.06
NIFTY 50	22,200.80	-0.08
NIFTY100	23,135.60	0.08

Source: BSE, NSE

c. BSE Sectoral Indices:

BSE Sectoral Indices witnessed mixed trends over the last week.

BSE Indices	Closing Value (in Rs.) as of May 15, 2024	Change (%) from the last closing value
Auto Index	51,823.91	-0.45
Bankex	54,367.74	-0.36
Capital Goods	64,075.22	1.53
Consumer Durables	52,546.48	0.19
Energy	12,082.00	0.73
Finance	10,455.25	-0.12
FMCG	19,699.67	-0.51
Health Care	35,210.97	0.41
Metal Index	31,921.35	1.01
Oil & Gas Index	28,261.77	0.54
Power Index	7,471.72	1.72
Teck Index	15,727.35	0.22

Source: BSE

d. Global Stock Exchange Future:

Global Future Indices witnessed mixed trends over the last week.

Future Indices	Closing Value (in \$) as of May 15, 2024	Change (%) from the last closing value
Russell 2000 Futures	2,102.10	0.34
Nasdaq Futures	18,406.25	-0.05
S & P Futures	5,270.75	0.02
Dow Futures	39,677.00	0.00

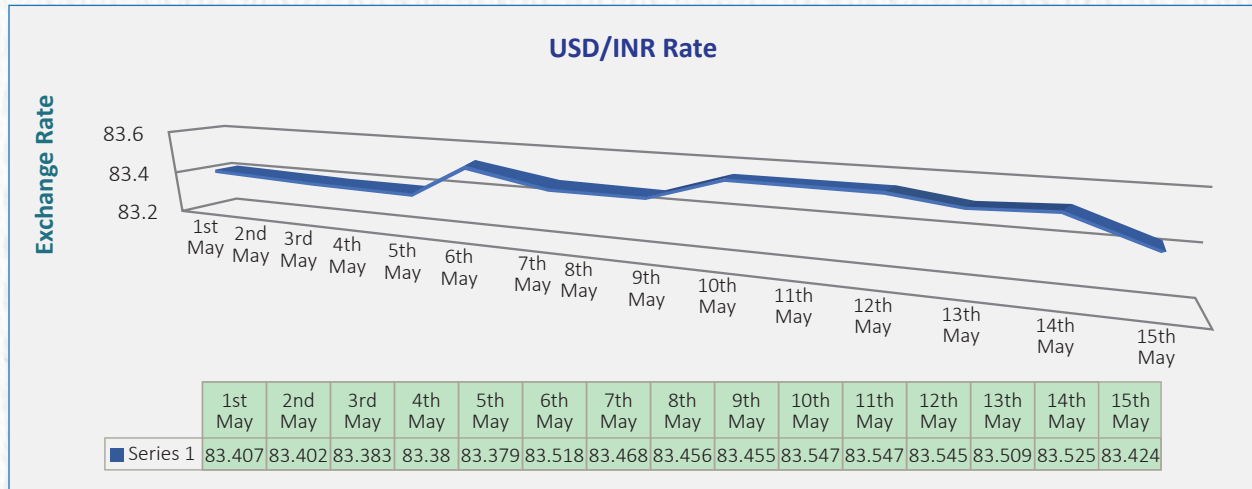
Source: Yahoo Finance



● Currency Market

a. INR Exchange Rate:

- In the period of the first 15 days of May 2024 INR depreciated against the US dollar by 0.020 % to stand at INR 83.424 from INR 83.407 on May 1, 2024



Source: RBI

b. Foreign Exchange Reserve:

- India's foreign exchange reserve increased by USD 3668 million from USD 637.922 billion to stand at USD 641.590 billion as of May 3, 2024
- Gold reserve decreased by USD 653 million while SDR increased marginally as of May 3, 2024, and stands at USD 18.051 billion
- Reserve Position with IMF was USD 4.499 billion on May 3, 2024

USD Billion	Value as on May 3, 2024	Variation over	
		Week	Fiscal
Total Reserves	641.590	3.668	45.614
Foreign Currency Assets	564.161	4.459	38.139
Gold	54.880	-0.653	8.564
SDRs	18.051	0.002	-0.369
Reserve Position in the IMF	4.499	-0.140	-0.693

Source: RBI

● Commodity Future Indices

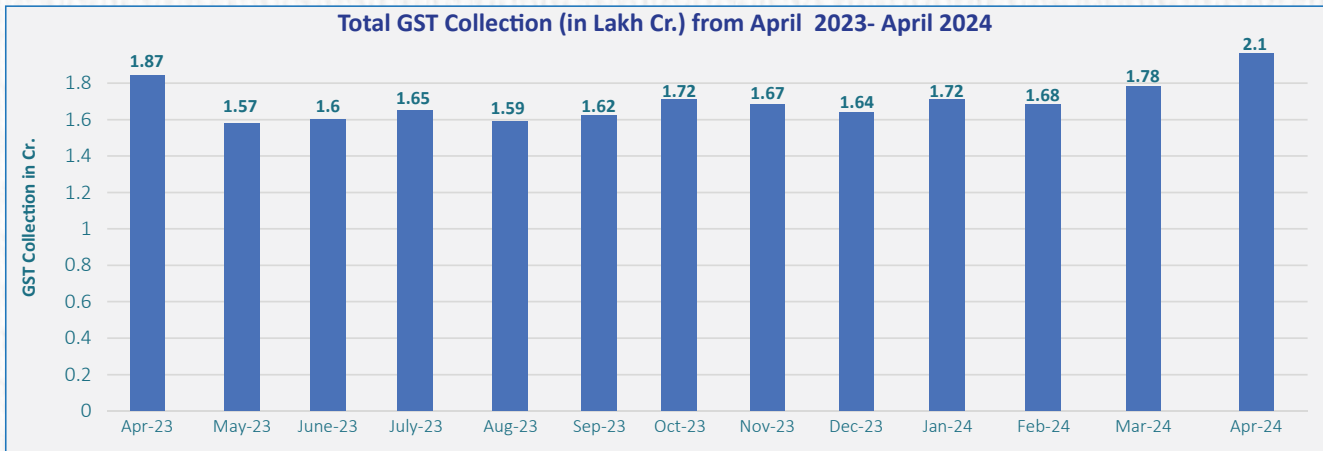
- MCX commodity composite index expanded by 0.81% and the base metal index expanded by 1.37% from the last closing value

Commodity Future Indices (MCX ICOMDEX)	Closing Value as on May 15, 2024	Change from the last closing value (%)
Brent Crude	8,226.16	0.71
Gold	21,789.27	0.63
iCOMDEX Composite	14,440.03	0.81
iCOMDEX Base Metals	18,052.84	1.37
Natural Gas	1,169.96	-0.05

Source: MCX

● Goods and Services Tax (GST)

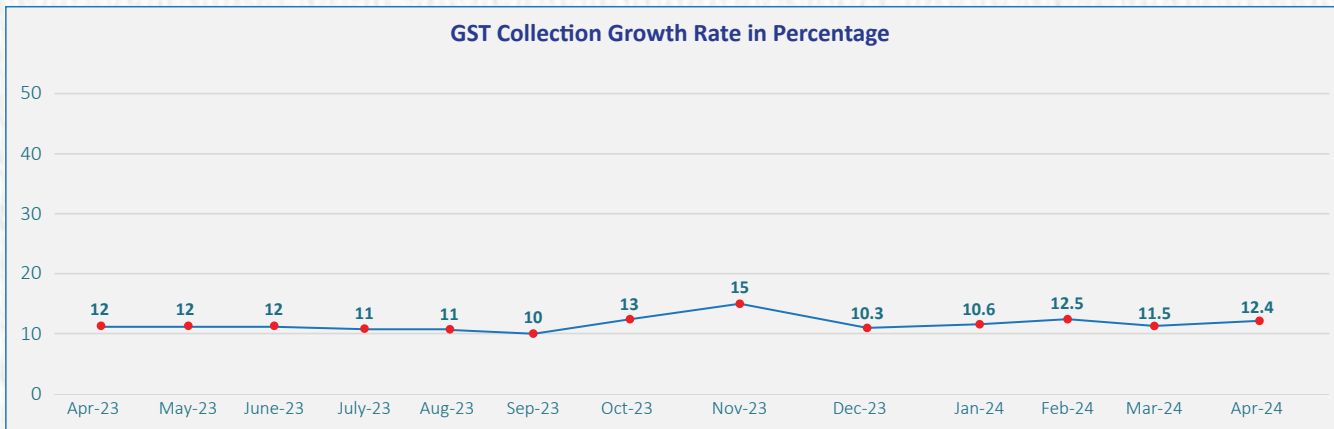
1. The gross GST revenue collected in April 2024 was INR 2,10,267 crore of which CGST is INR 43,846 crore, SGST is INR 53,538 crore, IGST is INR 99,623 crore



Source: CGA, Govt. of India)

2. The GST revenues for April 2024 are 12.4% higher than the GST revenues in the same month last year of INR 1,87,035 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

ABOUT MCCI

MCCI is a 123 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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