



Merchants' Chamber of Commerce & Industry




Message from President

MCCI ECONOMY WATCH

June | 2024

India's economy expands to 7.8% in quarter four, lifting growth for FY 24 to 8.2%, highest annual growth since FY17. This Q4 GDP Growth data shows robust momentum in our economy which is poised to further accelerate. Many high frequency indicators indicate that the Indian economy continues to remain resilient and buoyant despite global challenges. While the wholesale price index (WPI), which industry tracks closely for input cost, recorded its 15th month high, normal monsoon as predicted by the met department would moderate the food inflation.

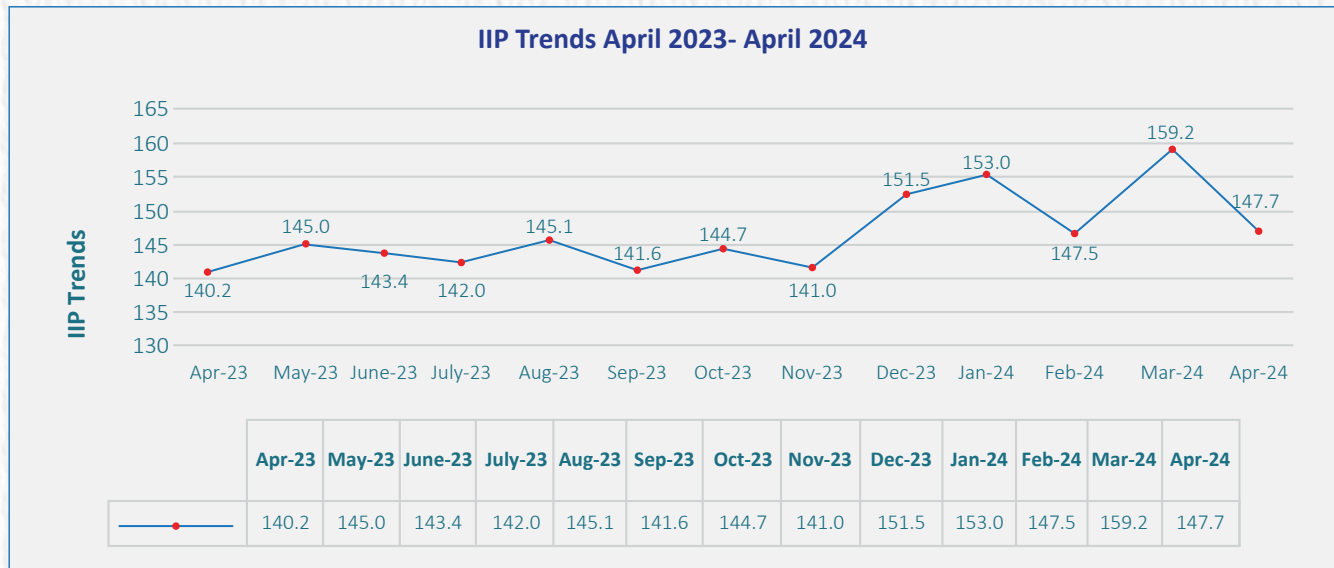

Namit Bajoria
President, MCCI

- Purchasing Manager's Index (PMI) in Services registered at 60.2 in May 2024, highlighting a contraction from 60.8 registered in April 2024
- Purchasing Managers' Index (PMI) in Manufacturing witnessed a contraction from 58.80 in April 2024 to 57.50 in May 2024
- As of June 7, 2024, reserve money stood at INR 47,12,247 crores
- As of June 7, 2024, currency in circulation (CiC) registered at INR 35,87,572 crores
- India's overall export increased by 10.25% to USD 68.29 billion in May 2024 as against USD 61.94 billion in the same month of last year
- CPI for all consumers decreased by 0.08% in May 2024

● Index of Industrial Production

1. The Index of Industrial Production (IIP) witnessed a growth of 5.0% in April 2024 from the corresponding period of the previous year
2. The growth rate in Manufacturing increased by 3.9% in April 2024 compared to the previous year. However, Electricity and Mining witnessed higher growth at 10.2% and 6.7% respectively compared to the previous year.

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



Source: MOSPI

● Inflation

1. India's retail inflation (CPI) stood at 4.75% in May 2024 as compared to 4.83% in April 2024
2. Wholesale Price Index (WPI) stood at 2.61% in May 2024 as compared to 1.26% in April 2024

● Foreign Trade:

1. India's merchandise exports stood at USD 38.13 billion in May 2024 as compared to USD 34.95 billion in May 2023, registering a positive growth rate of 9.09%
2. India's service export stood at USD 30.16 billion in May 2024, an increase of 11.75% over USD 26.99 billion in May 2023
3. Non-petroleum and non-gems & jewellery exports were USD 28.60 billion in May 2024 as compared to USD 26.27 billion in May 2023, registering a positive growth rate of 8.87%
4. India's merchandise import stood at USD 61.91 billion in May 2024 with a positive growth rate of 7.70% over USD 57.48 billion in May 2023
5. India's service import stood at USD 17.28 billion in May 2024, an increase of 8.81% over USD 15.88 billion in May 2023

Overall Trade (Merchandise & Service) in May 2024			
	Value in US\$ Billion		Growth
	May 2024	May 2023	
Export	68.29	61.94	10.25%
Import	79.19	73.36	7.94%
Deficit	10.90	11.42	

● Banking & Financial Indicators

a. Banking:

Indicators	Outstanding (in Cr.) as on May 31, 2024	% Variation over Fortnight	% Variation over Year
Total Bank Credit	167,81,421	1.1	15.4
Food Credit	40,259		
Non- Food Credit	167,41,162		
Aggregate Deposit	210,87,596	1.3	11.8
Broad Money (M3)	255,14,729	1.0	10.5

Source: RBI

b. Banking Rates:

Indicators	Actual Rates as of June 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 June 17, 2024	Change (%) from last closing value
NYSE: DJIA	38,778.10	0.49
FTSE 100	8,142.15	-0.06
Nikkei 225	38,482.11	1.00
S & P/ ASX 200	7,778.10	1.01
KOSPI	2,763.92	0.72
Nasdaq 100	17,857.02	0.95
S & P 500	5,473.23	0.77
Hang Seng Index	17,899.68	-0.20

Source: Yahoo Finance

b. Indian Stock Indices:

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

Indian Stock Indices	Closing Value (in Rs.) as of June 17, 2024	Change (%) from the last closing value
BSE Sensex	77,202.28	0.27
BSE Sensex 50	24,750.39	0.27
NIFTY 50	23,533.40	0.29
NIFTY100	24,652.65	0.33

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 June 17, 2024	Change (%) from the last closing value
Auto Index	58,337.72	0.24
Bankex	56,864.77	0.57
Capital Goods	73,255.72	0.81
Consumer Durables	59,490.48	1.34
Energy	12,695.72	-0.19
Finance	11,053.50	0.52
FMCG	20,714.99	-0.08
Health Care	37,304.76	-0.67
Metal Index	33,596.41	-0.06
Oil & Gas Index	29,611.27	-0.12
Power Index	7,901.16	0.79
Teck Index	16,599.85	0.31

Source: BSE

d. Global Stock Exchange Future:

Global Future Indices witnessed mixed trends over the last week.

Future Indices	Closing Value (in \$) as of June 17, 2024	Change (%) from the last closing value
Russell 2000 Futures	2,038.20	-0.39
Nasdaq Futures	19,947.25	0.13
S & P Futures	5,476.25	-0.04
Dow Futures	38,773.00	-0.12

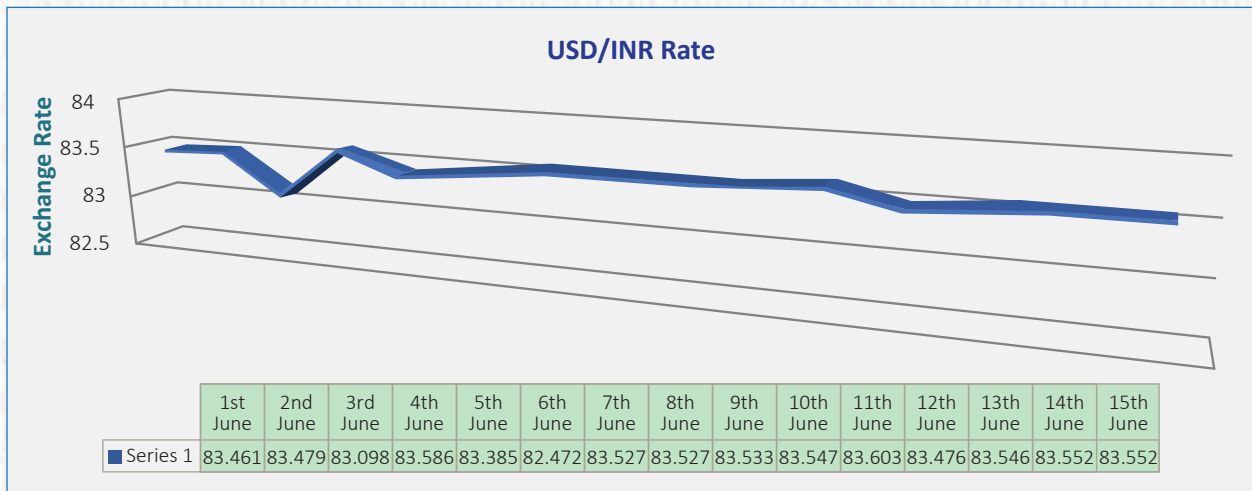
Source: Yahoo Finance



● Currency Market

a. INR Exchange Rate:

- In the period of the first 15 days of June 2024 INR depreciated against the US dollar by 0.109 % to stand at INR 83.552 from INR 83.461 on June 1, 2024



Source: RBI

b. Foreign Exchange Reserve:

- India's foreign exchange reserve increased by USD 4307 million from USD 651.510 billion to stand at USD 651.510 billion as of June 7 2024
- Gold reserve increased by USD 481 million while SDR increased marginally as of June 7, 2024, and stands at USD 18.161 billion
- Reserve Position with IMF was USD 4.336 billion on June 7, 2024

USD Billion	Value as on June 7, 2024	Variation over	
		Week	Fiscal
Total Reserves	651.510	4.307	62.068
Foreign Currency Assets	576.337	3.773	51.264
Gold	56.982	0.481	11.609
SDRs	18.161	0.043	-0.026
Reserve Position in the IMF	4.336	0.010	-0.779

Source: RBI

● Commodity Future Indices

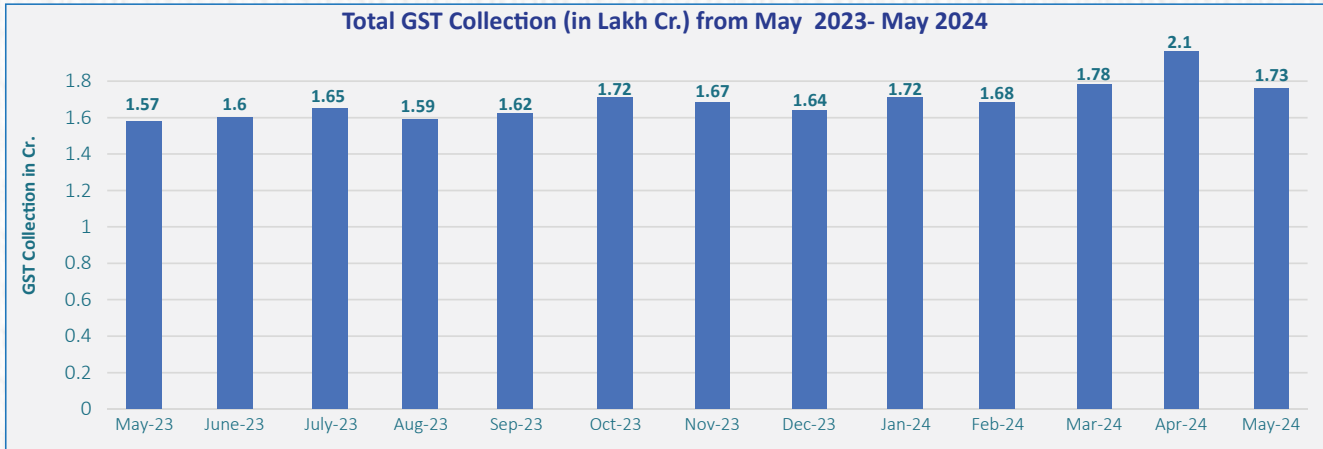
- MCX commodity composite index contracted by 0.31% and the base metal index contracted by 0.70% from the last closing value

Commodity Future Indices (MCX ICOMDEX)	Closing Value as on June 17, 2024	Change from the last closing value (%)
Brent Crude	8,344.60	0.11
Gold	21,322.83	-0.18
iCOMDEX Composite	14,266.21	-0.31
iCOMDEX Base Metals	17,277.98	-0.70
Natural Gas	1,272.01	0.25

Source: MCX

● Goods and Services Tax (GST)

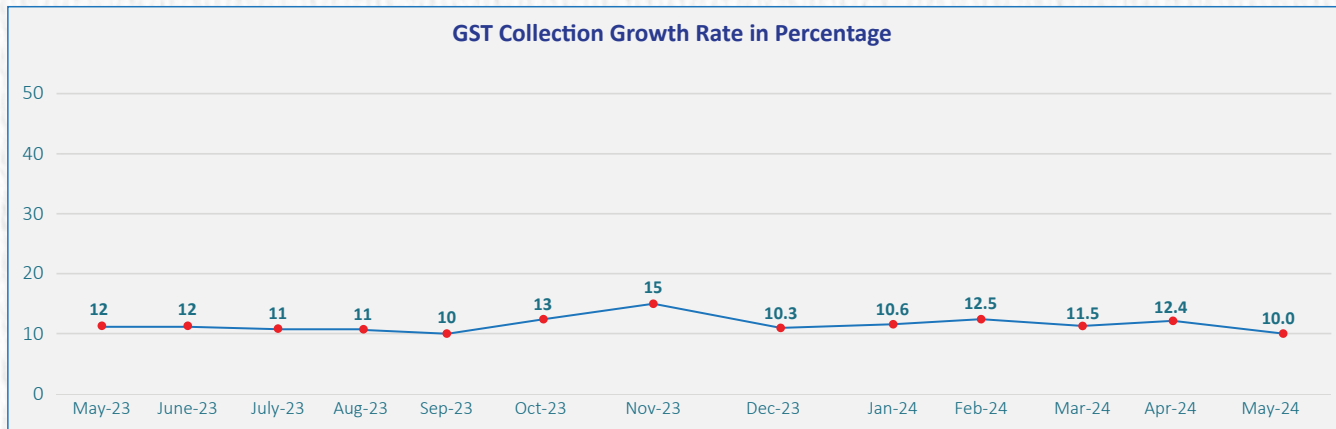
- The gross GST revenue collected in May 2024 was INR 1,72,739 crore of which CGST is INR 32,409 crore, SGST is INR 40,265 crore, IGST is INR 87,781 crore



Source: CGA, Govt. of India)

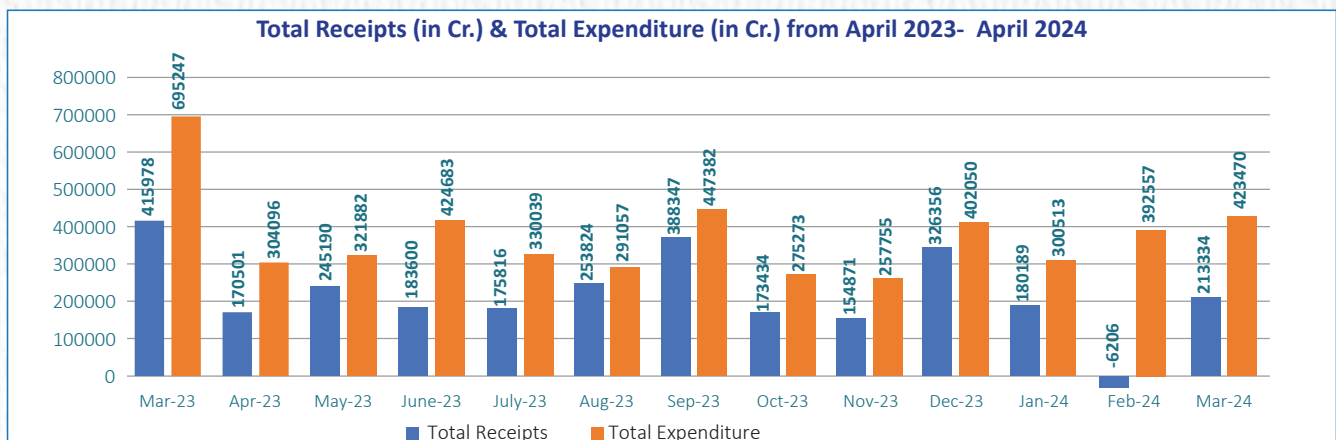
- The GST revenues for May 2024 are 10% higher than the GST revenues in the same month last year of INR 1,57,090 crore

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 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.



Merchants' Chamber of Commerce & Industry

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