

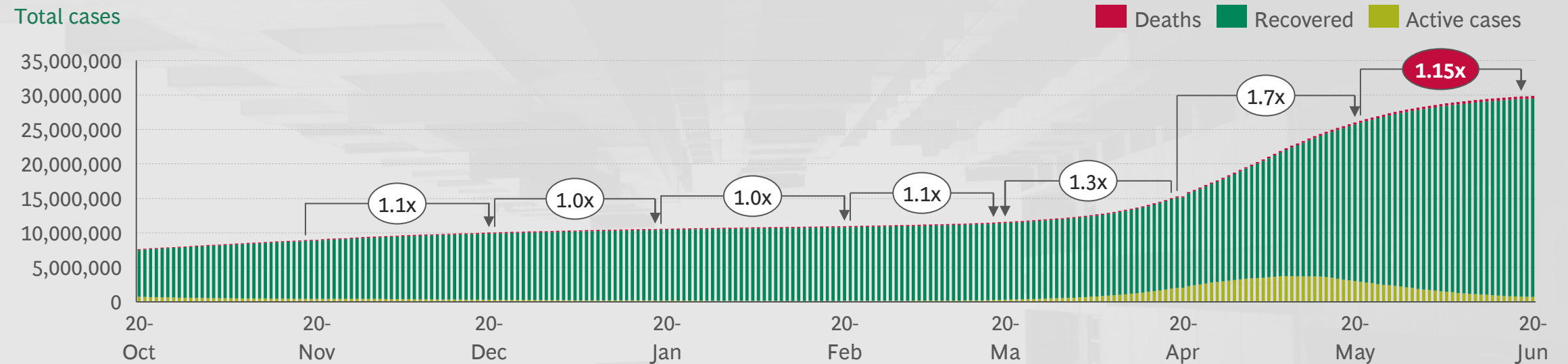
# India Economic Monitor

## June 2021 Update

# COVID-19 active cases dipped in the 3<sup>rd</sup> week of Jun'21 after massively peaking in Apr-May'21

Data as of 20 June

Total cases



Total cases

9M

10M

10.6M

10.9M

11.5M

15.3M

26M

29.8M

Active cases

442k

302k

189k

142k

306k

2.02M

3.02M

727k

Days Doubling Rate

186

282

518

626

232

49

61

383

Recovery Rate

93.6%

95.5%

96.7%

97.2%

95.9%

85.6%

87.2%

96.2%

Test Positivity Rate

6.9%

6.2%

5.6%

5.2%

5.0%

5.7%

8.1%

7.6%

Fatality Rate

1.5%

1.5%

1.4%

1.4%

1.4%

1.2%

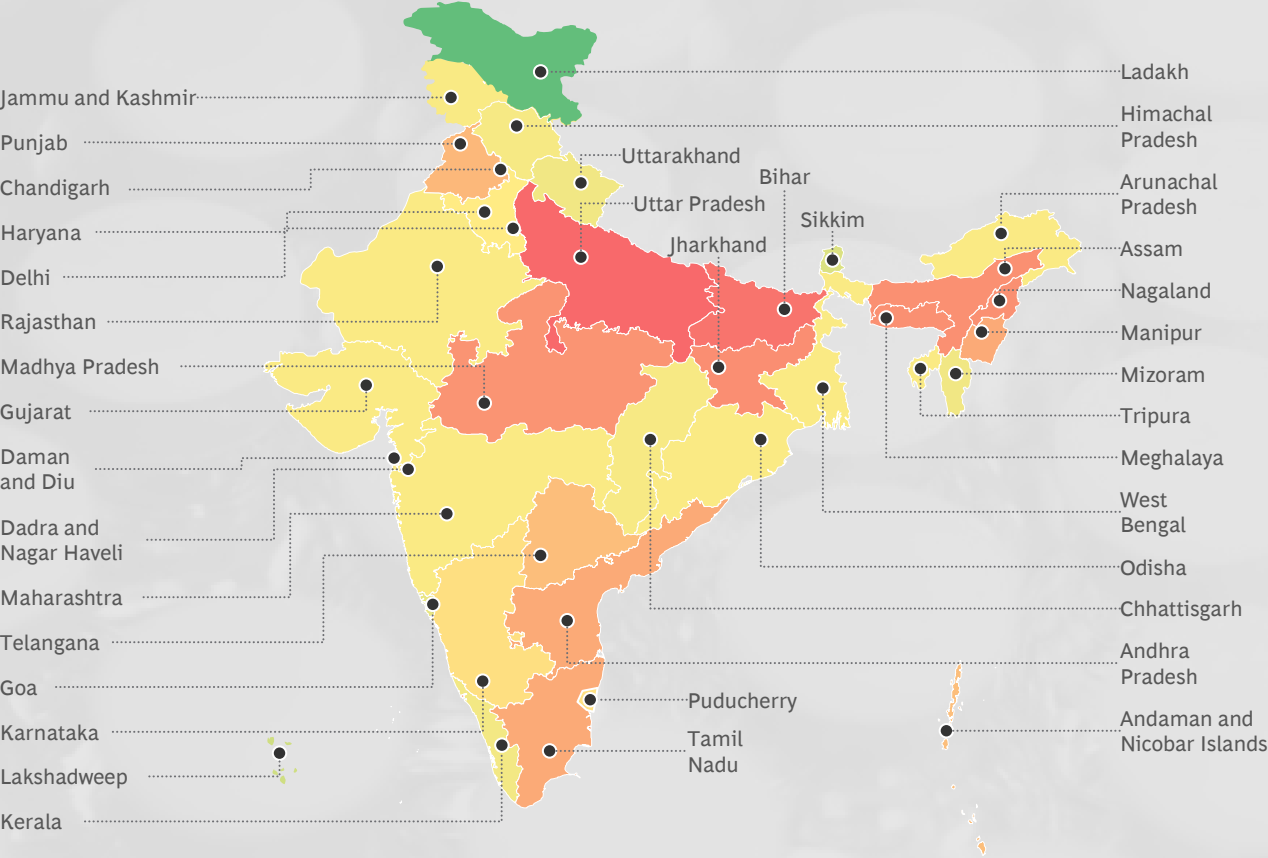
1.1%

1.3%

# India administered ~0.26 Bn doses of COVID-19 Vaccine till the 3<sup>rd</sup> week of Jun'21

Data as of 18 June

INDIA	1 <sup>st</sup> Dose 21,88,73,616	2 <sup>nd</sup> Dose 5,00,86,783	Total Doses 26,89,60,399
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S. No.	State/UT	Beneficiaries vaccinated % of population vaccinated <sup>1</sup>
1	Ladakh	28.04%
2	Tripura	14.34%
3	Lakshadweep	11.03%
4	Sikkim	9.81%
5	Delhi	9.15%
6	Gujarat	7.78%
7	Chandigarh	7.24%
8	Uttarakhand	7.19%
9	Kerala	7.15%
10	Goa	6.83%
11	Himachal Pradesh	6.37%
12	Daman & Diu	5.97%
13	Arunachal Pradesh	5.74%
14	Karnataka	5.11%
15	Rajasthan	4.91%
16	Mizoram	4.80%
17	Maharashtra	4.78%
18	Jammu & Kashmir	4.72%
19	Chhattisgarh	4.71%
20	West Bengal	4.54%
21	Haryana	4.40%
22	Puducherry	4.38%
23	Odisha	4.17%
24	A & N Islands	4.06%
25	Telangana	3.90%
26	Dadra & Nagar Haveli	3.54%
27	Assam	3.21%
28	Andhra Pradesh	3.13%
29	Tamil Nadu	3.07%
30	Punjab	3.02%
31	Madhya Pradesh	2.81%
32	Nagaland	2.67%
33	Jharkhand	2.60%
34	Meghalaya	2.53%
35	Manipur	2.51%
36	Uttar Pradesh	1.98%
37	Bihar	1.91%

1. Calculated based on count of 2<sup>nd</sup> dose of vaccination divided by state/UT population as per Census 2011; Miscellaneous doses of ~3.2 Mn are not accounted for in this analysis.  
Source: Ministry of Health & Family Welfare (MoHFW), MOSPI, BCG analysis

# 3.6% of India's population fully vaccinated as on 3rd week of Jun'21, lower than majority of G20 countries

Data as of 20 June

## Select G20 countries

Country	Doses administered (Mn)	Vaccinated—first dose (%)	Fully vaccinated (%)
 U.K.	74.58	65.0%	47.0%
 United States	318.58	53.0%	45.0%
 Germany	66.45	51.0%	31.0%
 Italy	46.02	52.0%	26.0%
 France	48.21	48.0%	25.0%
 Canada	32.19	67.0%	19.0%
 Turkey	42.61	34.0%	17.0%
 Mexico	40.03	22.0%	13.0%
 Brazil	86.96	30.0%	11.0%
 Russia	34.90	14.0%	11.0%
 Argentina	18.09	32.0%	8.2%
 South Korea	17.95	29.0%	7.8%
 Japan	31.59	18.0%	7.3%
 Indonesia	35.28	8.5%	4.5%
 India	274.29	16.0%	3.6%
 South Africa	2.14	3.7%	0.8%



# Executive Summary

India's GDP grew by 1.6% YoY in Jan-Mar'21 albeit contracted by 7.3% YoY in FY21. Services growth remained muted while growth in industrial sector was primarily driven by construction in Jan-Mar'21 vs. previous quarter. High frequency indicators reflected the impact of second wave of the pandemic in May'21. WPI reached an all time high & CPI spiked beyond 6%. MGNREGA employment demand spiked, while actual jobs provided fell, leading to a large demand-supply gap. Several sectors such as auto, cement & life insurance contracted below pre-COVID levels in Apr-May'21. UPI transactions logged a slight decline in May'21 for the second consecutive month after reaching a record high in Mar'21. Merchandise trade gap improved in May'21 on account of a decline in imports. Services PMI contracted below the 50 point mark for the first time in 2021. Analyst forecasts indicate GDP growth of 8.3%-12.8% YoY for FY22.

## Trends across key economic indicators

- **Industrial Activity:** Both fuel & daily average power consumption trended below pre-COVID levels in May'21; Indices of industrial activity (IIP & ICI) took a nosedive from the previous month in Apr'21
- **Trade:** Merchandise trade gap improved in May'21 vs. May'19 & previous month on account of decline in merchandise imports; Services exports & imports neared Apr'19 levels in Apr'21
- **Logistics:** E-way bills & FASTag transaction volumes fell from the previous month in May'21; Air freight traffic remained below pre-COVID levels in Apr'21
- **Financial Services:** Aggregate deposits & bank credit witnessed unwavering growth in Apr'21; Both the value & volume of UPI transactions logged a slight decline for second consecutive month after reaching a record high in Mar'21
- **Sector-wise Impact:** Auto sales dwindled by 55% on a MoM basis in May'21, hinting at a slowdown owing to the second wave; Cement production inched below pre-COVID levels in Apr'21 while steel consumption growth exceeded pre-COVID levels in May'21; Life insurance premium recovered in May'21 after falling in the previous month, though remained below May'19 levels, while non-life insurance premium fell & hit pre-COVID levels in May'21
- **Macroeconomic Indicators:** GST collections fell vs. previous month, though remained above the 1 Tn mark in May'21; Both the count & value of Govt. tenders exceeded pre-COVID levels; Gross fiscal deficit narrowed in Apr'21 vs. Mar'21
- **Sentiment:** Both rural & urban consumer sentiments remained at low levels in May'21, rural sentiment marginally better than urban sentiment; Both Manufacturing & Services PMI fell vs. previous months, Services PMI contracted below the 50 point mark showing increasing signs of strain as the pandemic intensifies

*Note: 2019 data has been considered as pre-COVID level to assess recovery trends*

# Summary: Most indicators in May'21 exhibited contraction with select indicators witnessing marginal growth vs. May'19 levels

## Absolute YoY delta comparison of 2021 month-wise data vs. pre-COVID 2019 levels (for respective month)

	Indicator	Unit	Jan	Feb	Mar	Apr	May
1	<b>Industrial Activity</b>						
	Power Consumption	MU	-7%	-10%	-9%	2%	-10%
	Petroleum Consumption	MT	-3%	-1%	-5%	-7%	-21%
	Index of Industrial Prod.	Index	-1%	-1%	0%	0%	NA
2	<b>Trade</b>						
	Services Export	USD	-4%	6%	14%	-3%	NA
	Services Import	USD	-8%	8%	10%	-13%	NA
	Merchandise Export	USD	4%	4%	5%	17%	8%
	Merchandise Import	USD	1%	10%	10%	10%	-15%
3	<b>Logistics</b>						
	E-Way Bills Generated	Mn	24%	27%	30%	12%	-30%
	Railway Freight Originated	MT	12%	12%	9%	10%	NA
	JNPT Container Traffic	TEUs	6%	12%	12%	4%	1%
	Air Freight	kT	-12%	-9%	-8%	-4%	NA
	Air Passenger Traffic	Mn	-46%	-39%	-40%	-53%	NA
	Rail Passengers Booked	Mn	-67%	-55%	-56%	-69%	NA
4	<b>Financial Services</b>						
	UPI Transactions	Mn	292%	297%	280%	238%	222%
	Total Bank Credit	INR	14%	14%	12%	13%	NA
	Total Bank Deposits	INR	23%	23%	20%	22%	NA

	Indicator	Unit	Jan	Feb	Mar	Apr	May
5	<b>Sector-wise Impact</b>						
	Cement Production	MT	-1%	2%	-1%	-4%	NA
	Steel Sales	MT	22%	17%	-2%	-2%	6%
	Passenger Vehicle Sales	k	-4%	-2%	-8%	0%	-58%
	Tractor Sales	k	19%	42%	65%	16%	-2%
	Two-wheeler Sales	k	-2%	-5%	10%	-20%	-65%
	Fertilizer Sales	MT	15%	15%	-23%	40%	NA
	Gross Premium (Life)	INR	23%	23%	16%	-2%	-30%
	Gross Premium (Non-Life)	INR	15%	22%	9%	9%	1%
	Pharma. Sales	INR	13%	14%	21%	13%	NA
	Chemical Production Index	Index	7%	6%	6%	3%	NA
6	<b>Macroeconomic Indicators</b>						
	Total GST Collection	INR	17%	16%	17%	24%	2%
	MGNREGA Jobs Demand	HHs	-88%	-86%	-87%	21%	10%
	MGNREGA Jobs Provided	HHs	-88%	-87%	-88%	-7%	-22%
	No. of Tenders Announced	k	59%	38%	102%	232%	82%
7	<b>Sentiment</b>						
	India VIX	Index	48%	54%	20%	5%	5%
	PMI (Manufacturing)	Index	57.7	57.5	55.4	55.5	50.8
	PMI (Services)	Index	52.8	55.3	54.6	54	46.4



1

## Economic Indicators

2

## GDP Deep-Dive



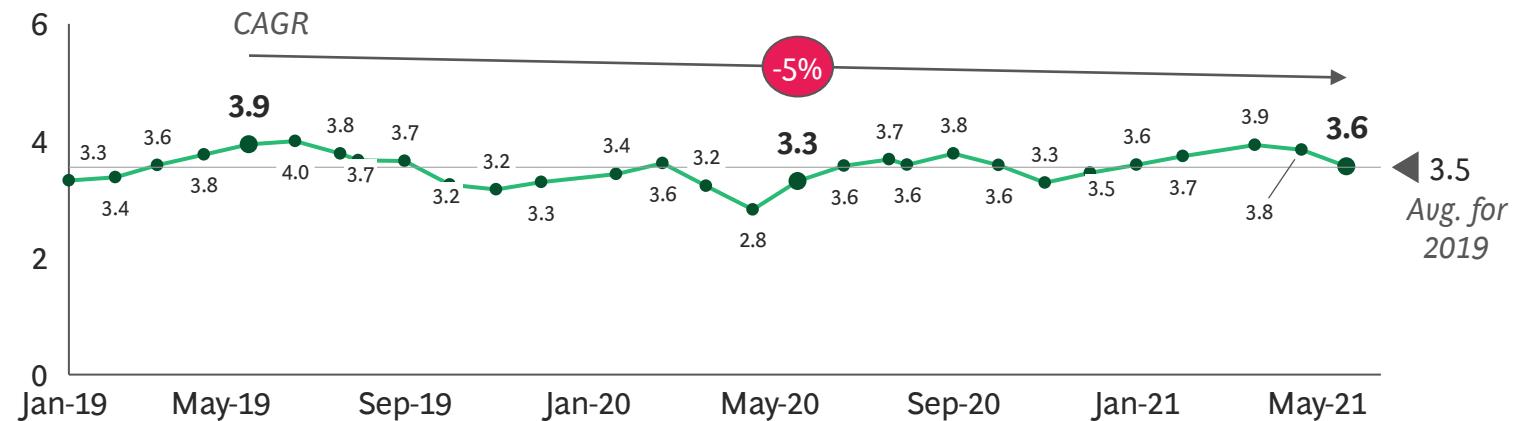


Daily avg. power consumption fell below May'19 levels in May'21

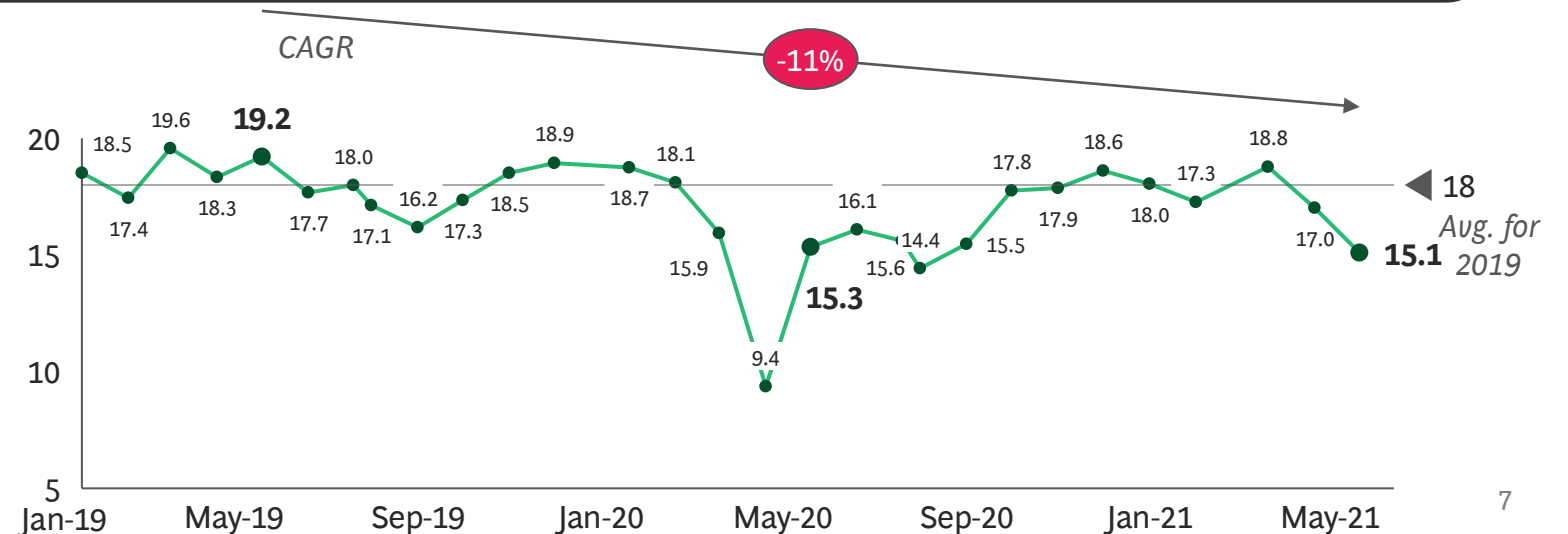
Fuel consumption remained below 2019 levels in May'21

1. Petroleum products include LPG, Naphtha, MS, ATF, SKO, HSD, LDO, Lubricants & Greases, FO & LSHS, Bitumen, coke as reported (provisional) by Petroleum Planning & Analysis Cell  
Source: Power System Operation Corporation, Ministry of Statistics & Programme Implementation, Dept. for Promotion of Industry & Internal Trade, PPAC, BCG analysis

## Daily Average Power Consumption Volume ('000s MUs)



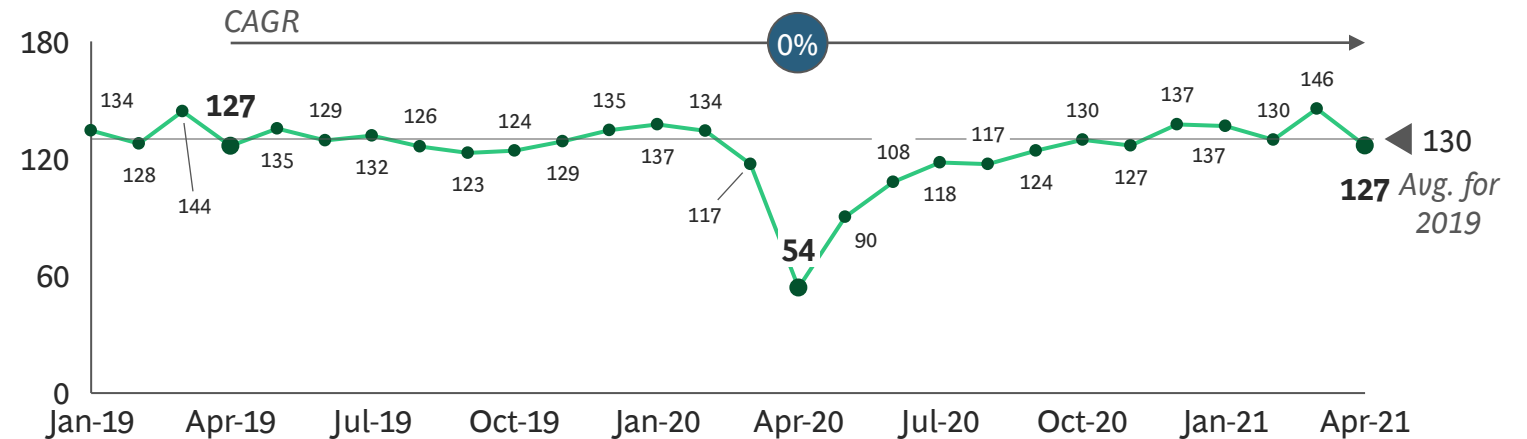
## Consumption of Petroleum Products (in MMT)<sup>1</sup>



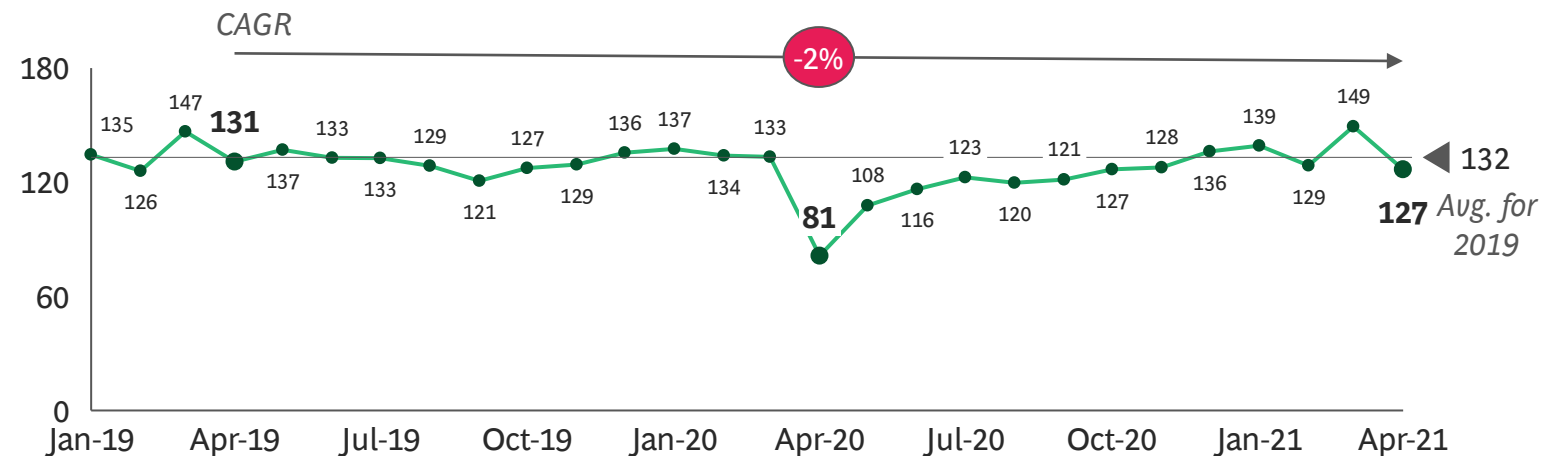


Indices of industrial activity (IIP & ICI) declined vs. previous months in Apr'21, albeit stabilized vs. Apr'19 levels

## IIP (Index of Industrial Production)<sup>1</sup>



## ICI (Index of Core Industries)<sup>2</sup>



1. Index of Industrial Production (IIP) shows the growth rates in different industry groups (comprises of Mfg. (78% weightage), Mining (14%), Electricity (8%))
2. Index of Core Industries (ICI) measures performance of production in 8 core industries (Coal, Crude, NG, Refinery Products, Fertilizers, Steel, Cement & Electricity)



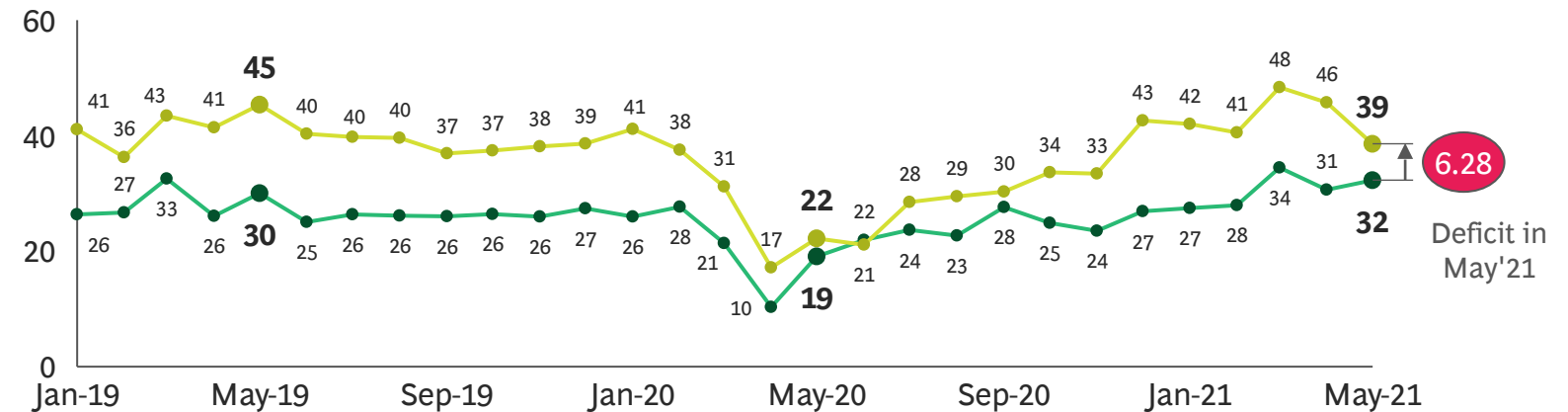


Merchandise trade gap improved in May'21 vs. Apr'21 & May'19 levels

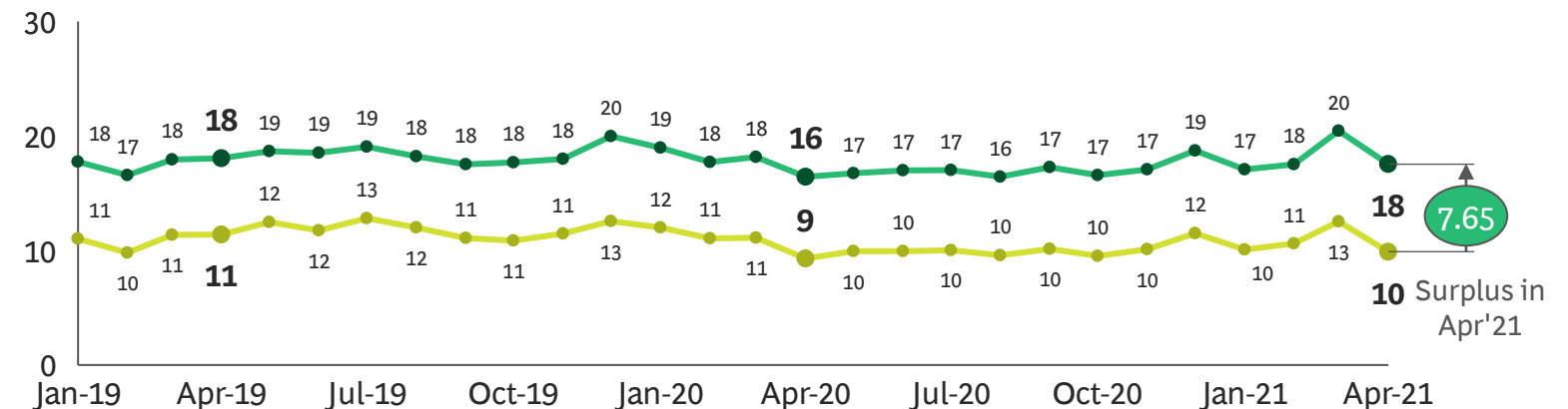
Services trade surplus stabilized in Apr'21, nearing Apr'19 levels

1. Apr'1 Merchandise Import and Export numbers, Mar'21 Service Import and Export numbers are provisional as provided by the Ministry of Commerce and Industry on 15th Apr'21  
Source: RBI, Ministry of Commerce and Industry, BCG analysis

### Merchandise Trade (USD Bn)



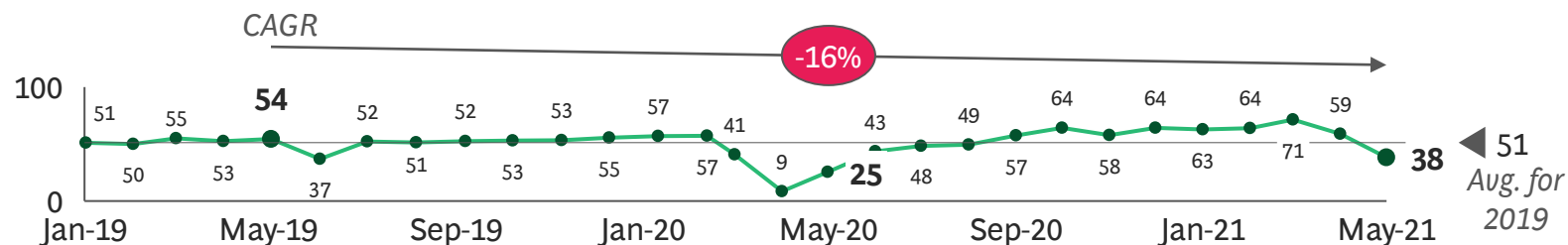
### Services Trade (USD Bn)



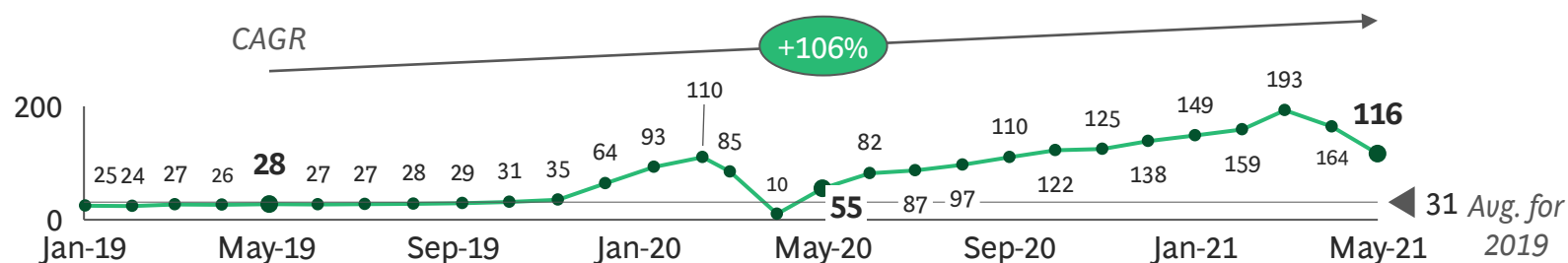


E-way bills declined while FASTag transactions recorded significant growth in May'21 vs. May'19 levels; Railway freight surpassed Apr'19 levels in Apr'21

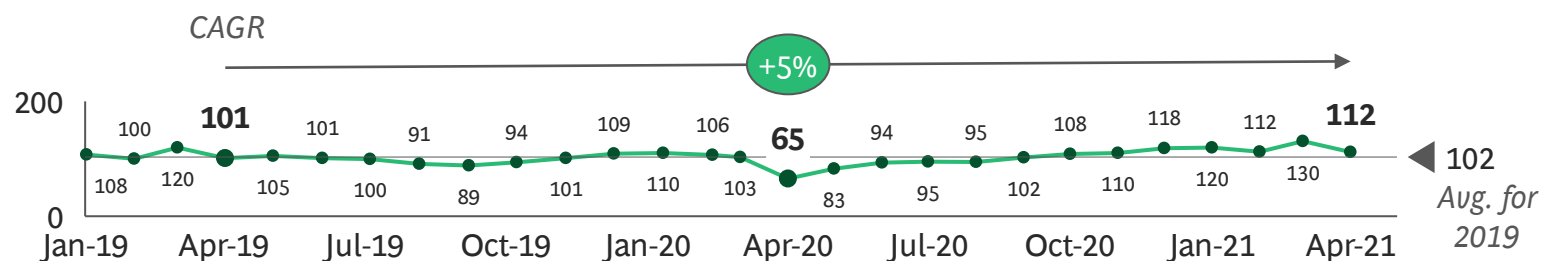
## E-way bills<sup>1</sup> generated (Mn)



## FASTag transaction volume (Mn)



## Railway freight traffic originating (Mn Tons)



1. E-Way bills are required to be generated at the time of transport of goods by every registered person if the value of the consignment exceeds INR 50,000 2. Railway Freight data not available for May'21

Source: GST Network, NHA, NPCI, Ministry of Railways, CEIC data, BCG analysis



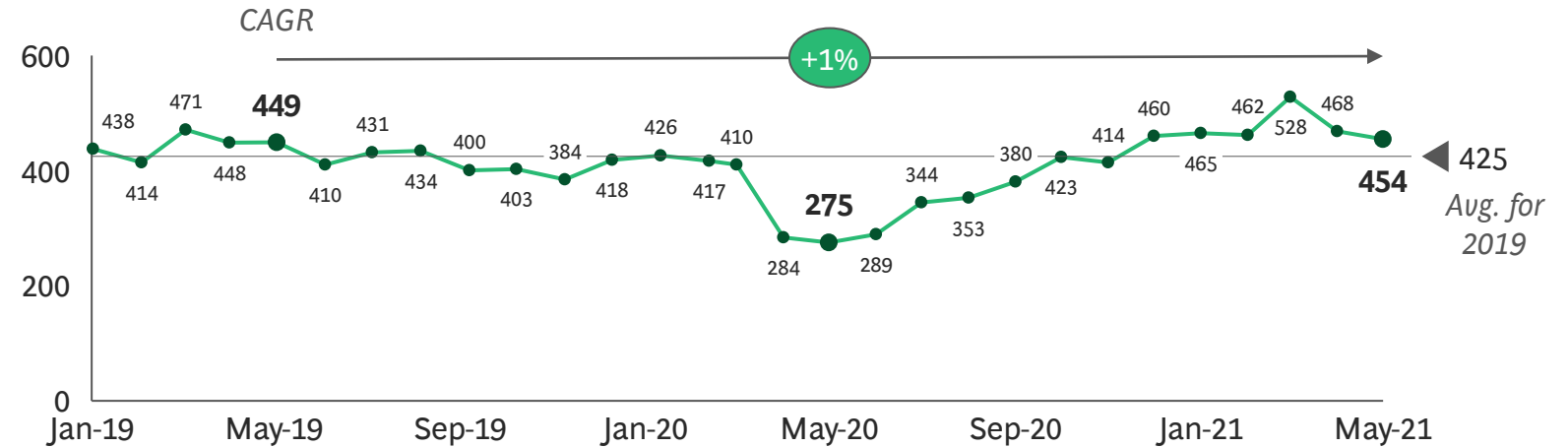


JNPT traffic exceeded May'19 levels in May'21, however dipped slightly vs. previous months

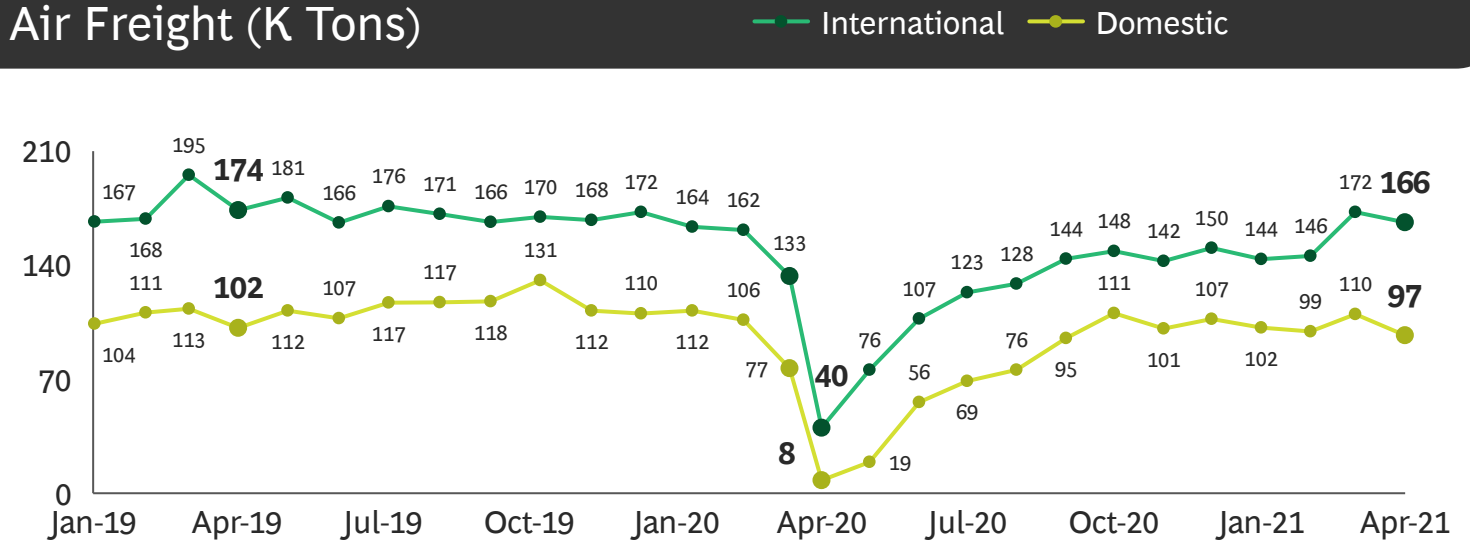
Air freight remained below Apr'19 levels in Apr'21, also witnessed a slight dip vs. Mar'21

1. TEU refers to Twenty-foot equivalent unit equivalent to 20 shipping containers (20 feet long, 8 feet tall)  
Source: Jawaharlal Nehru Port Trust, Airport Authority of India, BCG analysis

## JNPT Container Traffic ('000s TEUs<sup>1</sup>)



## Air Freight (K Tons)

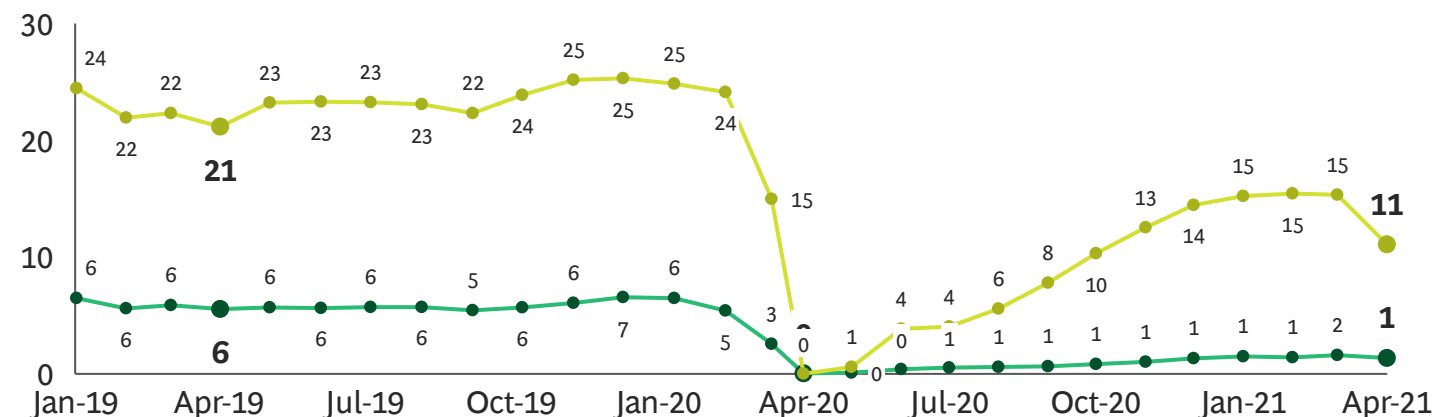




Air passenger traffic remained significantly below 2019 levels in Apr'21

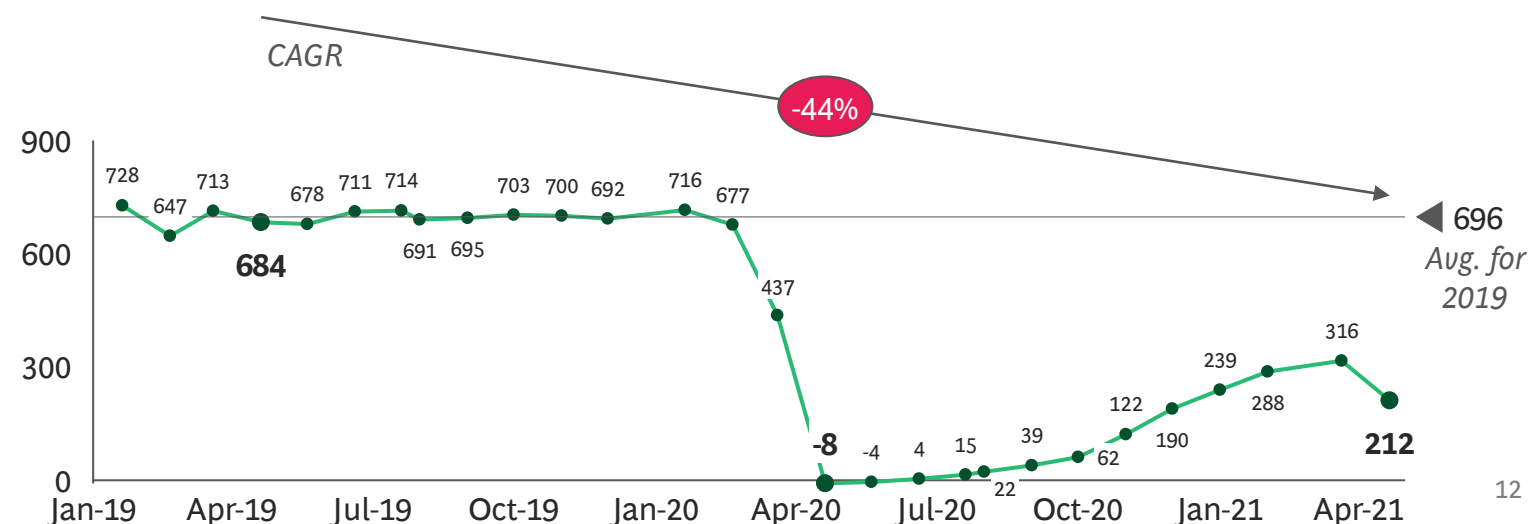
## Air Passengers (Mn)

International Domestic



Rail passenger traffic saw double digit negative CAGR in Apr'21 vs. Apr'19 levels

## Railway Passenger Bookings (Mn)



1. Railway passenger bookings data not available for May'21  
Source: Ministry of Railways, CEIC data, Airport Authority of India, BCG analysis

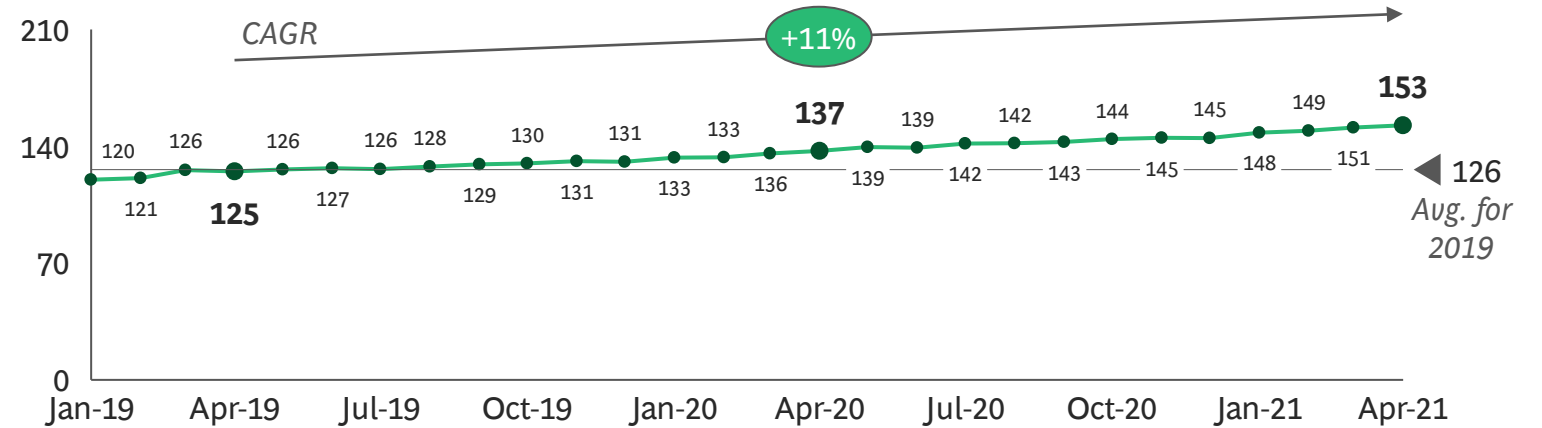




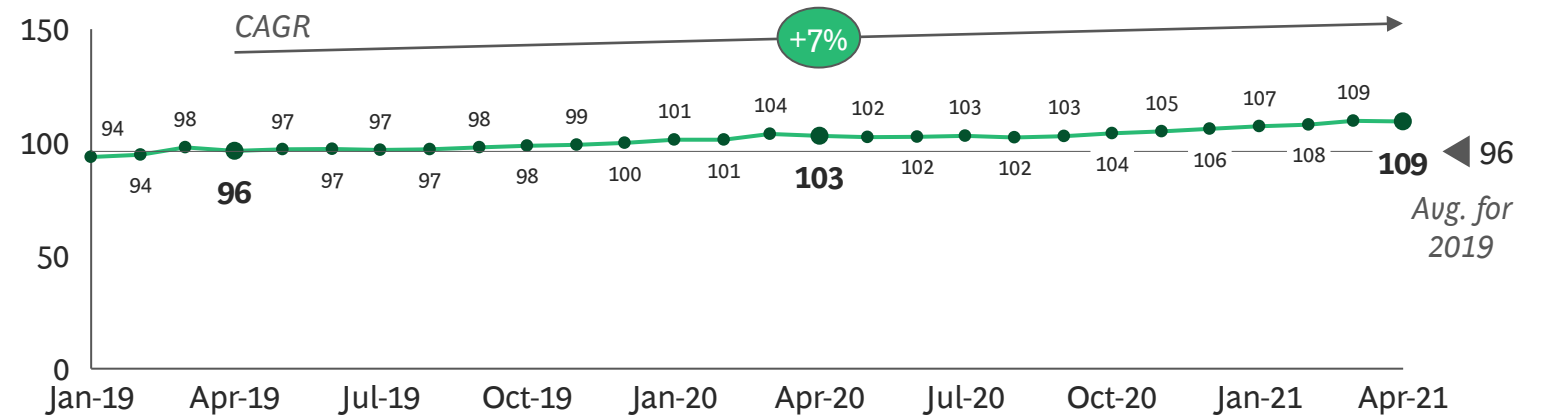
Aggregate deposits exhibited steady growth in Apr'21 vs. Apr'19 levels

Aggregate credit stabilized, exceeding Apr'19 levels in Apr'21

### Total deposits value aggregated for all banks (INR Tn)



### Total credit outstanding value aggregated for all banks (INR Tn)

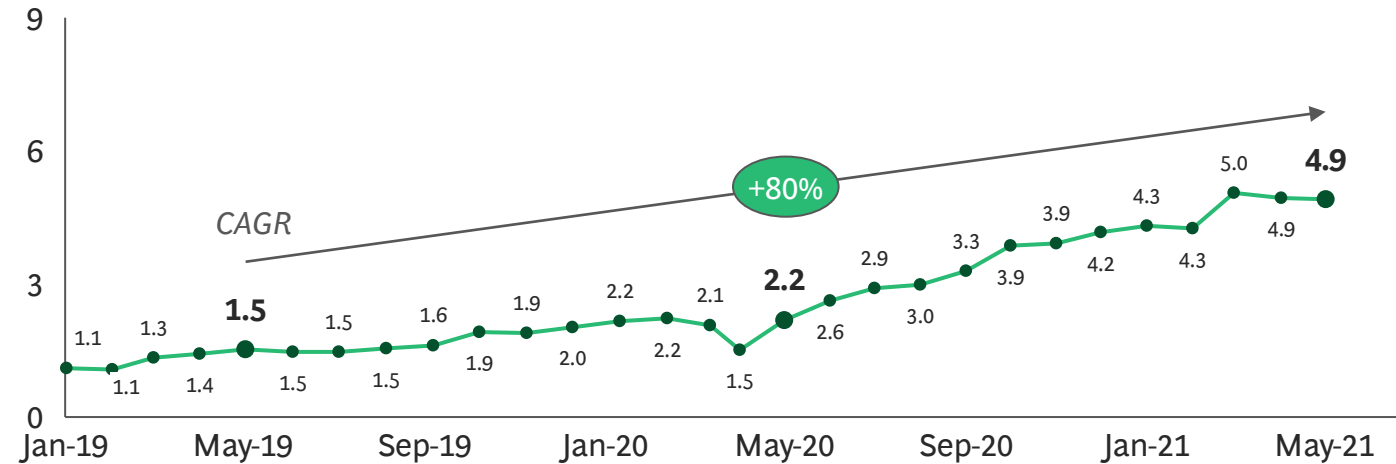




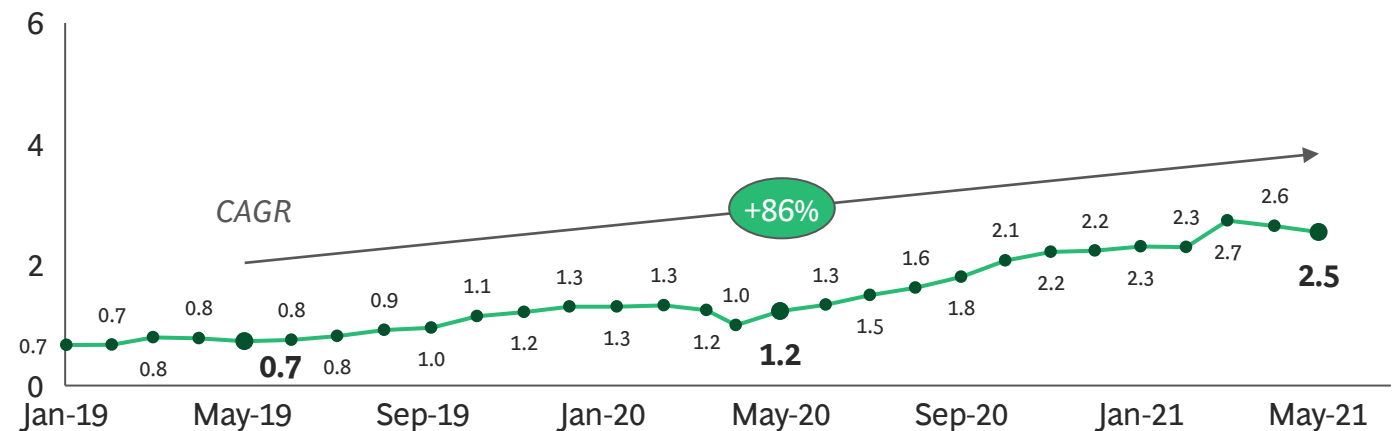


UPI transaction value and volume witnessed a slight decline in May'21 vs. Apr'21, albeit continued to exceed 2019 levels

### UPI Transactions Value (in INR Tn)



### UPI Transactions Volumes (in Bn)

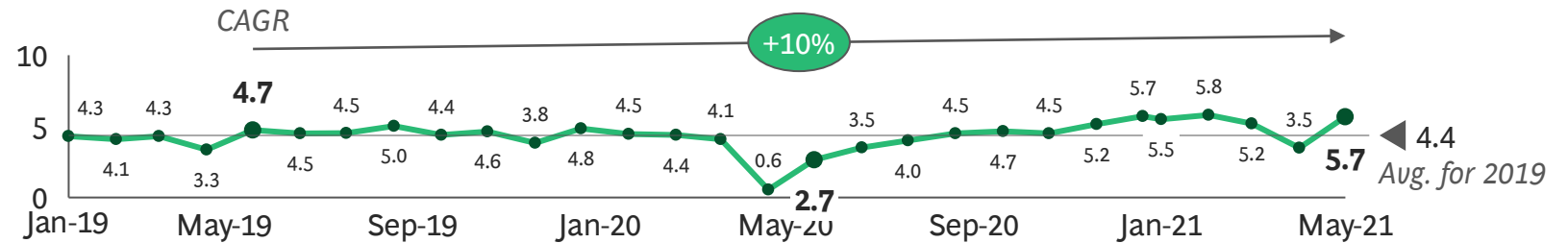




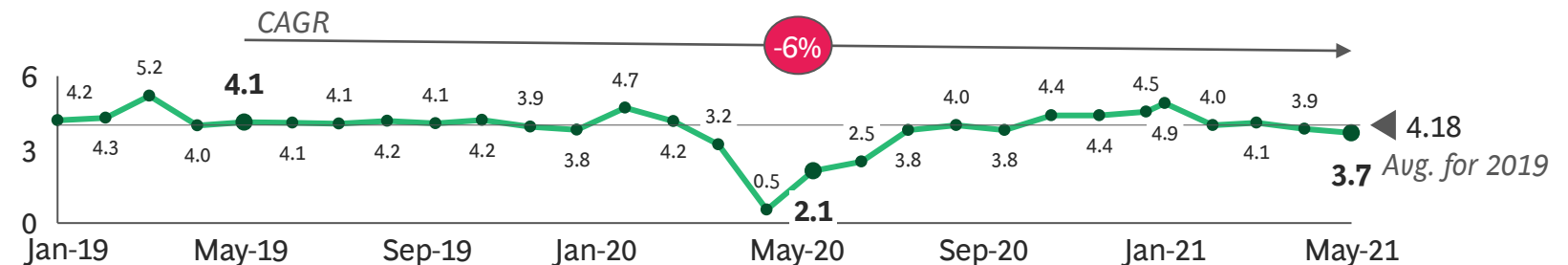
Steel consumption exceeded May'19 levels in May'21

Cement production fell slightly below Apr'19 levels in Apr'21

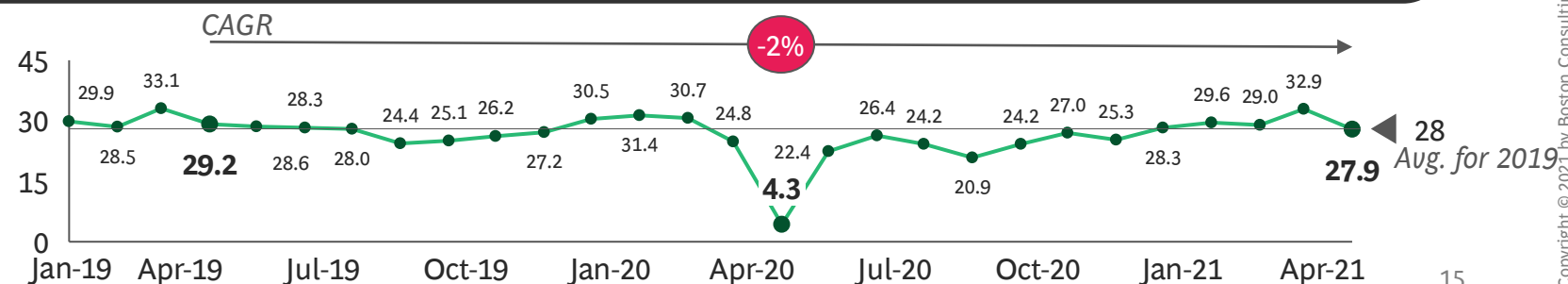
## Consumption of Long Steel (in MMT)



## Consumption of Flat Steel (in MMT)

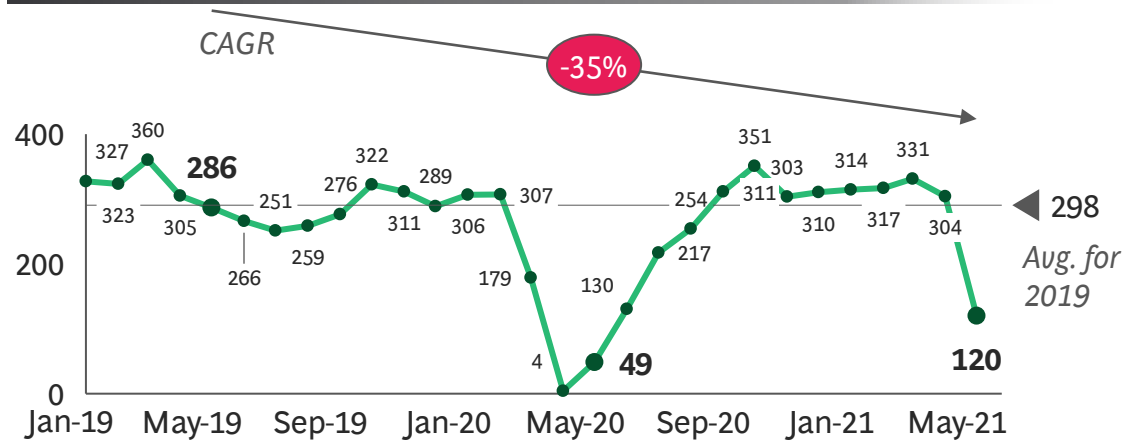


## Cement Production (in MT)

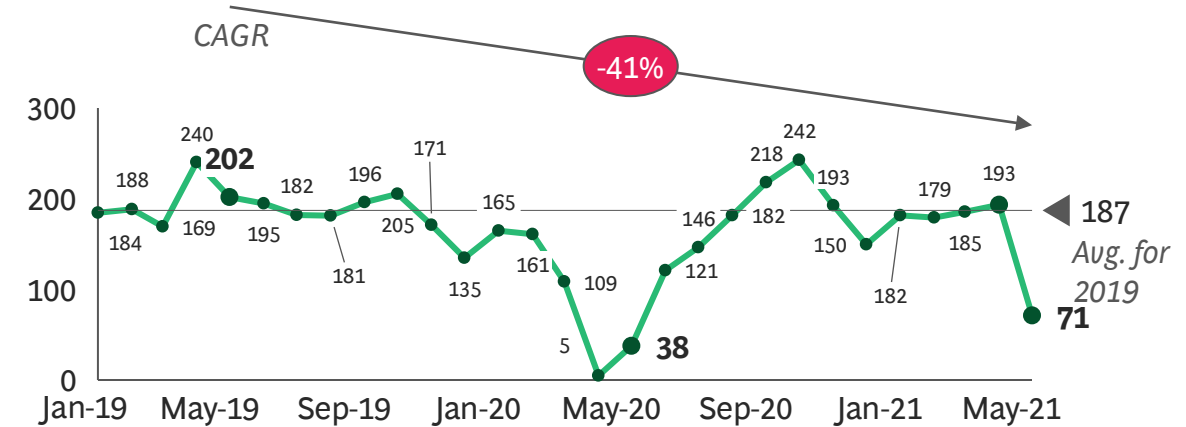


Passenger vehicles, 2W & 3W sales plunged sharply below May'19 levels;  
Tractor sales declined vs. previous months, nearing May'19 levels in May'21

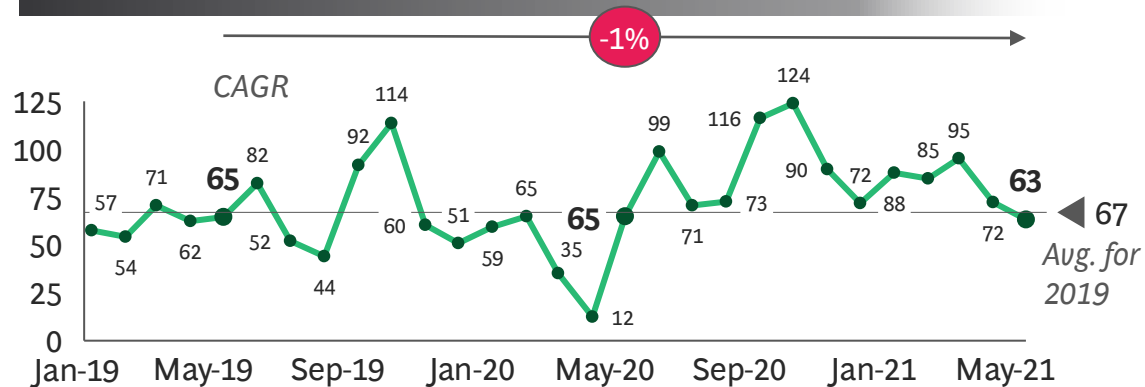
### Passenger vehicles sales ('000 units)



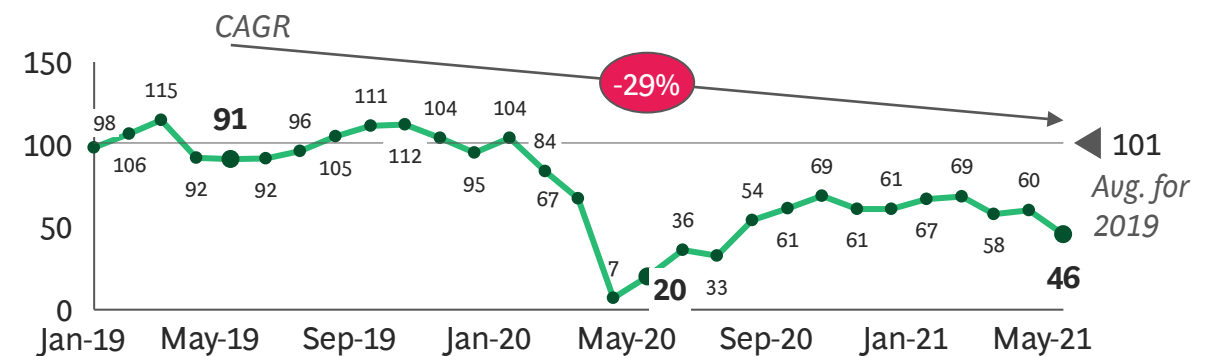
### Two-wheeler sales ('0000 units)



### Tractor sales ('000 units)



### Three-wheeler sales ('000 units)



Figures represent wholesale numbers (including exports).

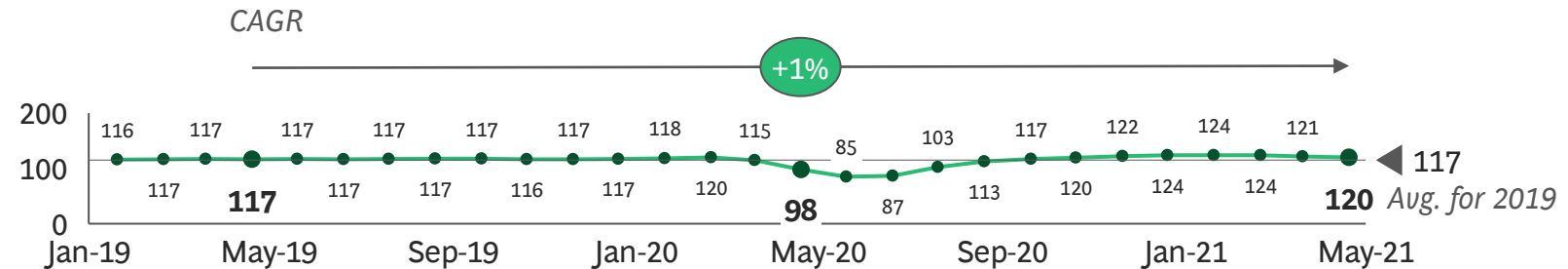
1. Tata Motors data is available for Apr-June only, BMW, Mercedes and Volvo Auto data is not available; Source: SIAM, CMIE, Press search, BCG analysis



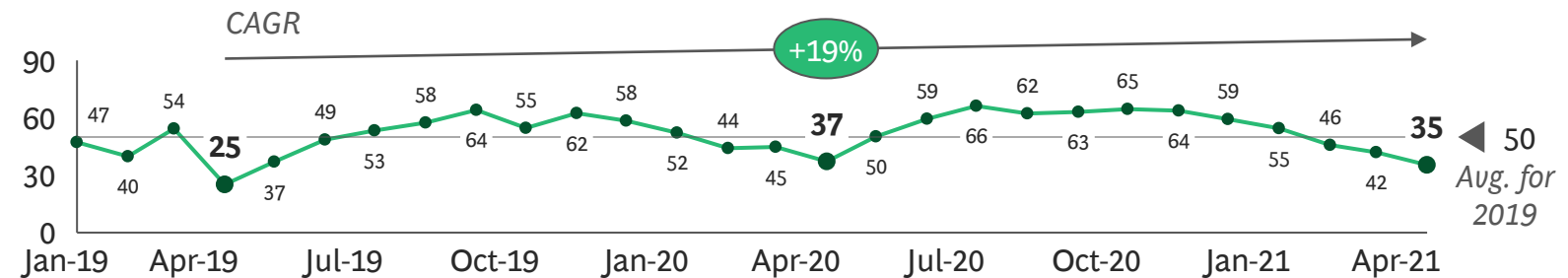
Chemical production remained steady in May'21 vs. previous months

Fertilizer sales recorded steady cyclical sales in Apr'21

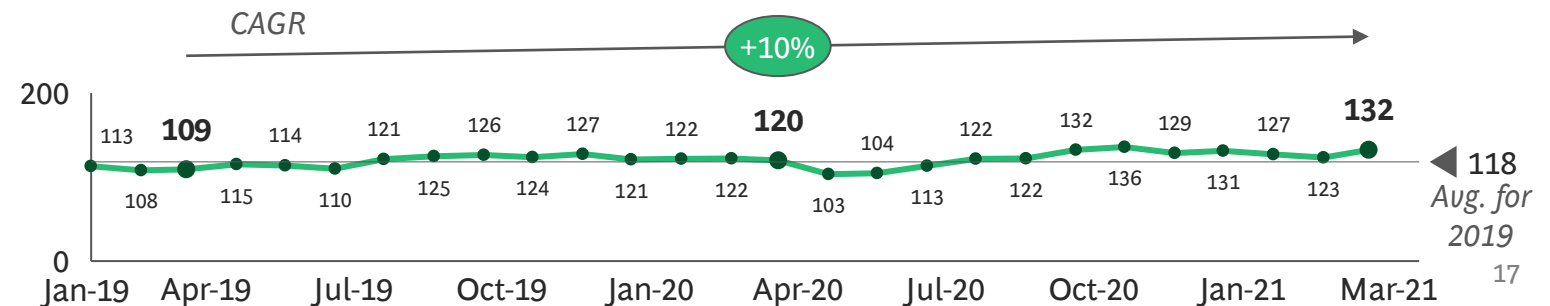
## Indian Chemical Production Index<sup>1</sup> (3mo. Moving avg.)



## Fertilizer Sales (in lac tonnes)



## Pharmaceutical Sales<sup>1</sup> (INR Tn)



1. Indian Chemical Production Index refers to a 3-month moving average figure for chemicals production with figure for 2012 as base figure (100)
  2. Pharmaceutical Sales are updated quarterly
  3. Fertilizer Sales data not available for May'21
- Source: AIOCD (Total Sales), American Chemistry Council, Mobile Based Fertilizer Management System (mFMS), Ministry of Chemicals and Fertilizers, Press search, BCG analysis





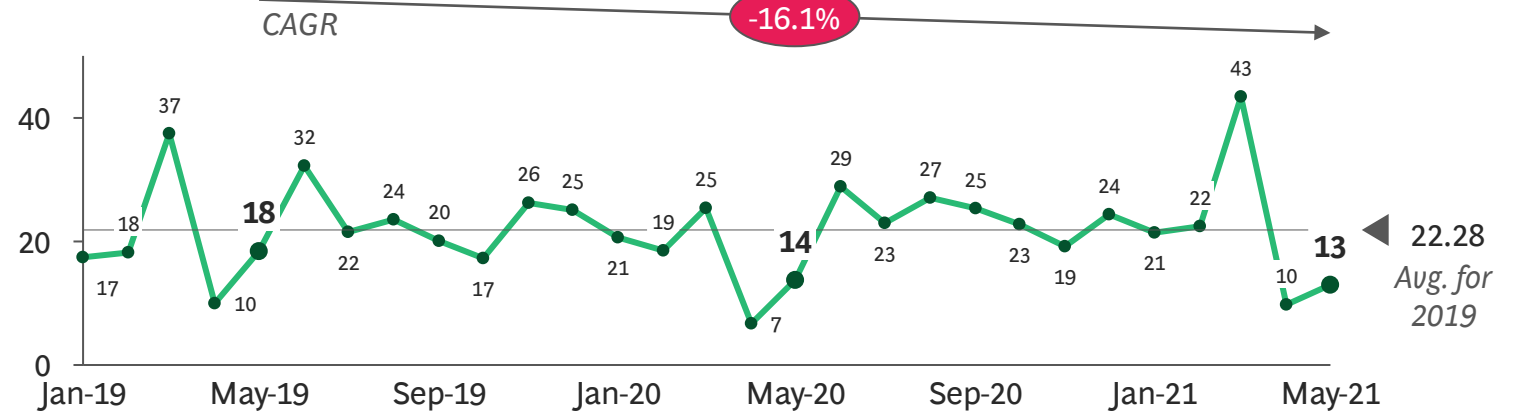
Life Insurance premium remained below May'19 levels in May'21

Non-life insurance premium dipped in May'21 vs. previous months, although reached May'19 levels

1. Non-Life Insurance includes Fire, Marine, Motor, Engineering, Health, Cop Insurance, Credit Guarantee, Aviation, Personnel accident and Miscellaneous  
Source: IRDAI, BCG Analysis

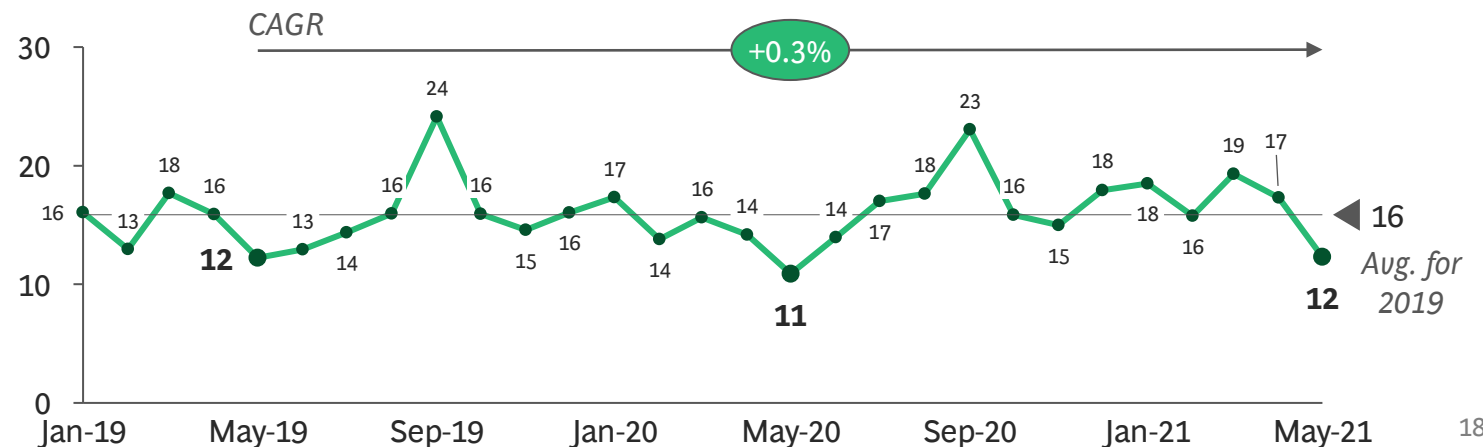
## Life Insurance premium

New Business Premium (INR '000 Cr)



## Non-Life Insurance premium<sup>1</sup>

Gross Domestic Premium Income (INR '000 Cr)







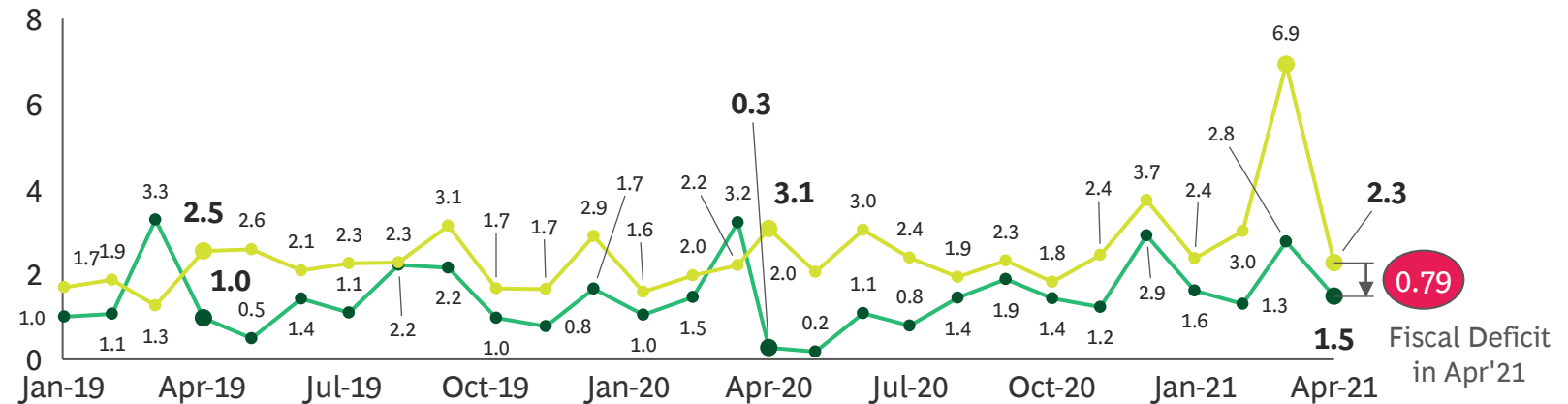
Fiscal deficit narrowed in Apr'21 after widening significantly in the previous month

GST collections remained above the INR 1 Tn mark, however dropped below Apr'21 levels in May'21

1. GST Collections include all components: CGST, SGST, IGST, Cess  
Source: Ministry of Finance, GST Council, BCG analysis

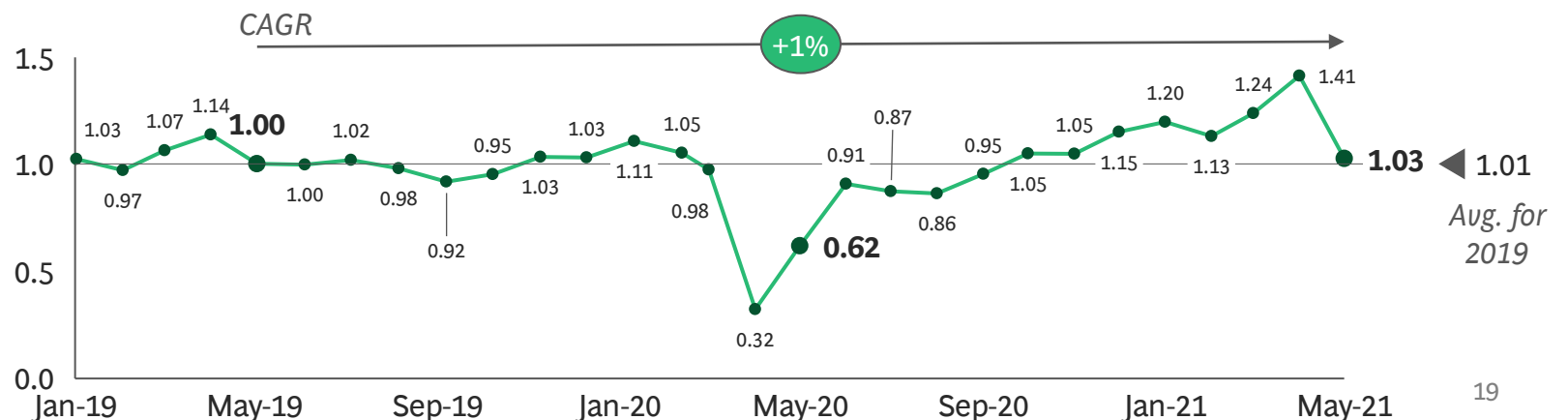
## Central Govt. Revenue & Expenditure (INR Tn) — Receipts — Expenditure

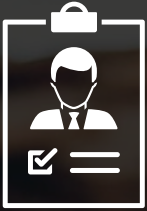
(based on data from Controller General of Accounts, Ministry of Finance)



## Total GST Collections<sup>1</sup> (INR Tn)

(based on data from GST Council)

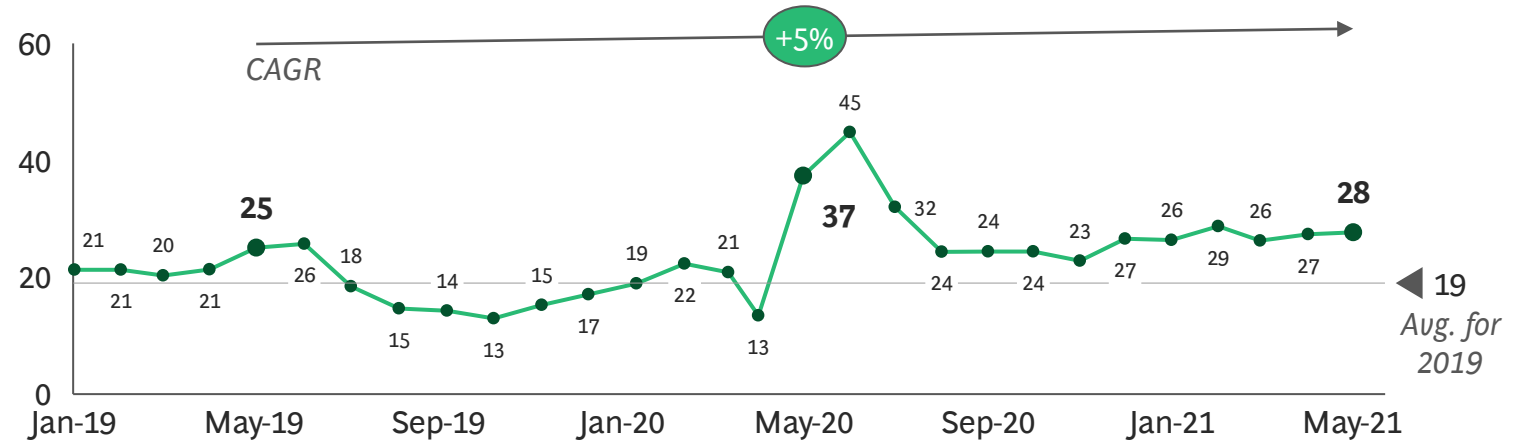




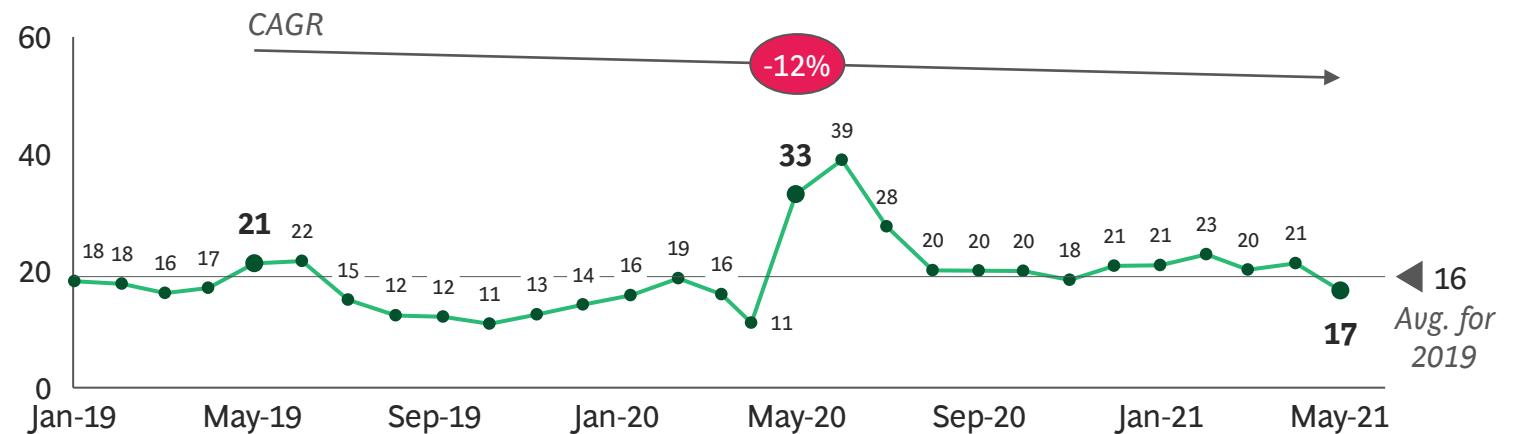
MGNREGA work demand exceeded May'19 levels while employment provided sharply declined in May'21 vs. May'19

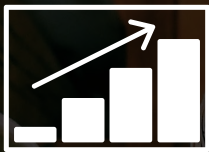
MGNREGA refers to Mahatma Gandhi National Rural Employment Guarantee Act  
Source: Ministry of Labor & Employment, Ministry of Rural Development, The Indian Express, Outlook India, LiveMint, BCG analysis

### MGNREGA Work Demand (households, in Mn)



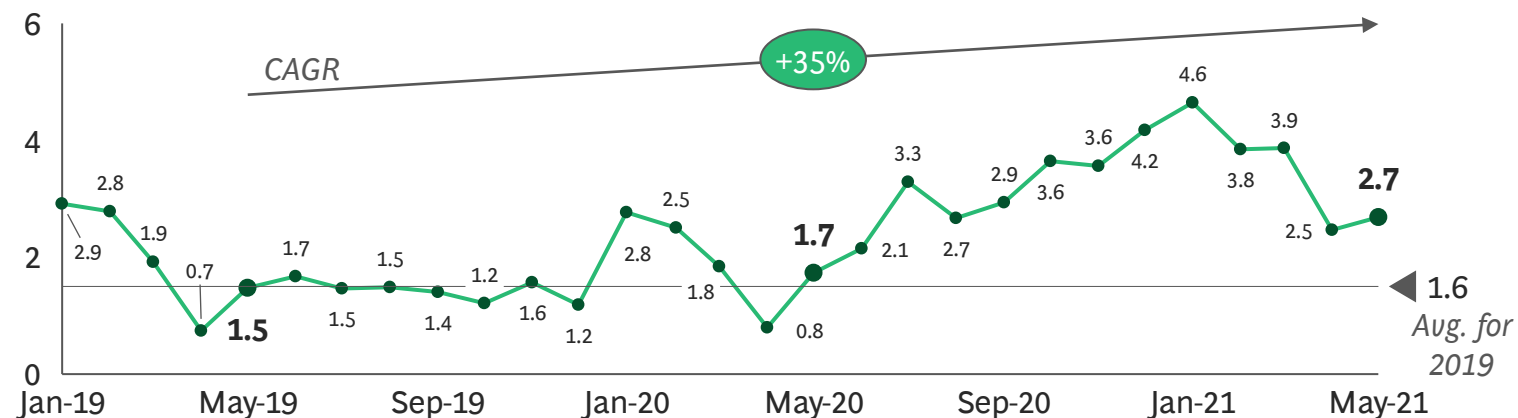
### MGNREGA Employment Provided (households, in Mn)



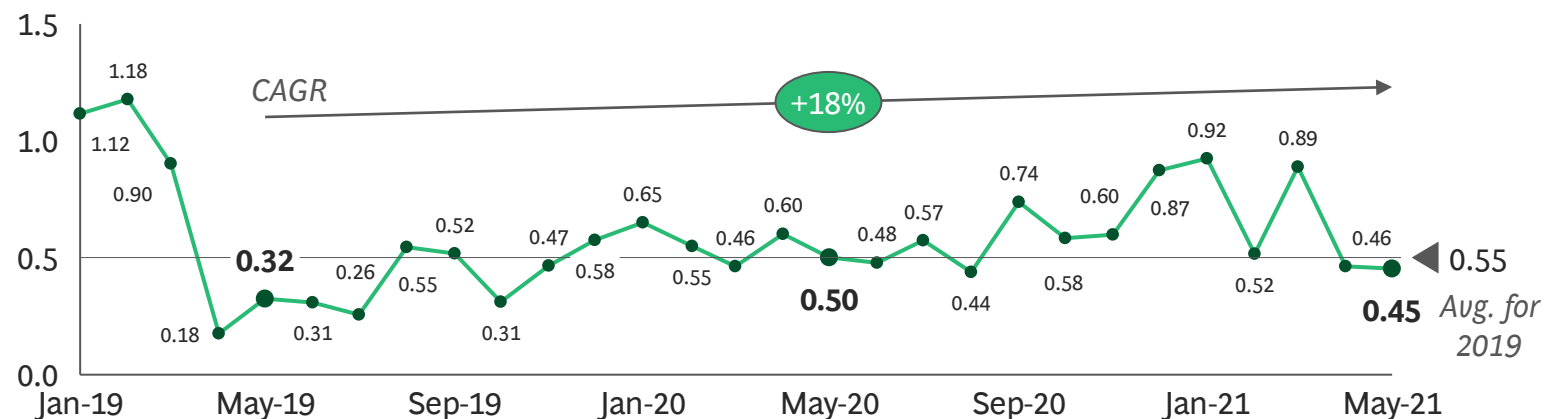


Both count & value of Govt. tenders fell after spiking in early 2021, although significantly surpassed May'19 levels in May'21

### Count of tenders announced by central and state govts (K)



### Value of tenders announced by central and state govts (INR Tn)

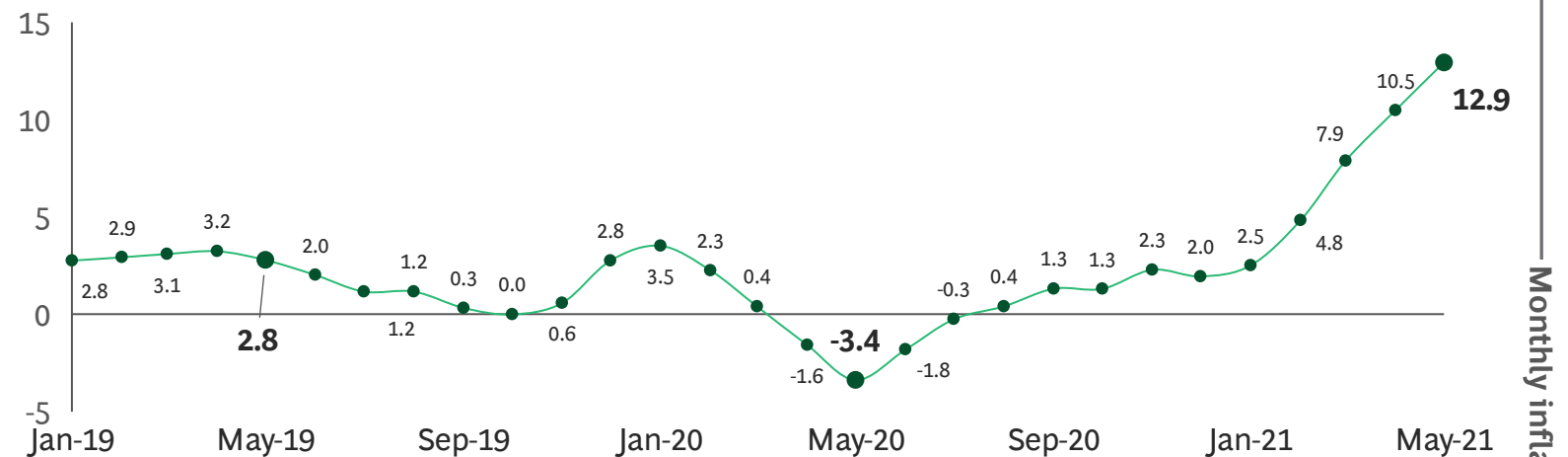




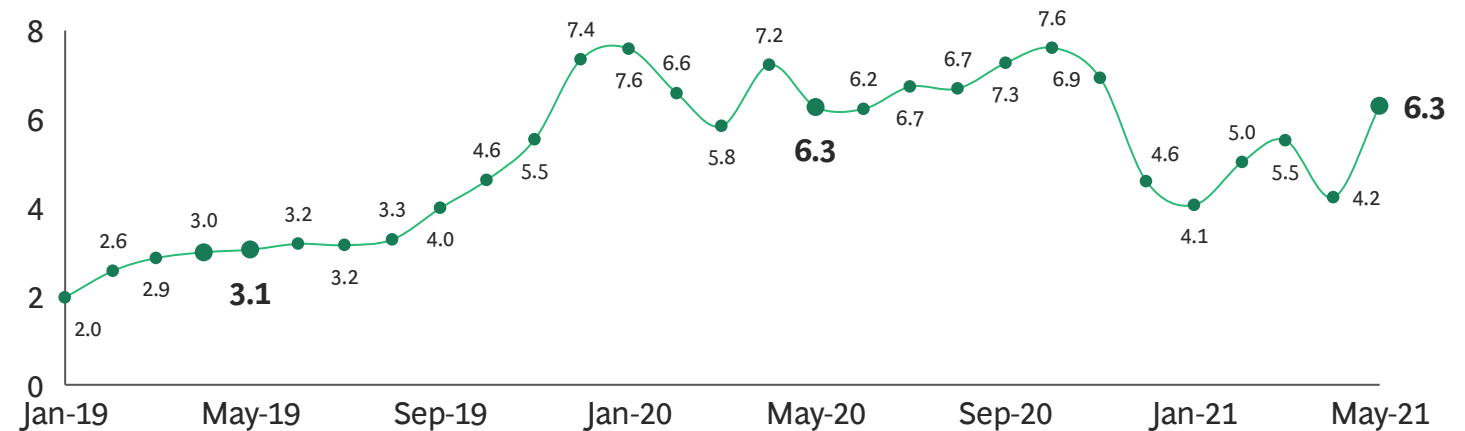
WPI accelerated to a new high of 12.9% in May'21

CPI rose above the 6% mark in May'21 for the first time in 6 months

## Wholesale Price Index (WPI)<sup>1</sup>



## Consumer Price Index (CPI)<sup>2</sup>

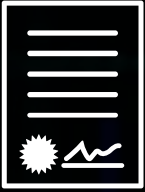


1. WPI measures and tracks the changes in the price of goods in the stages before the retail level – that is, goods that are sold in bulk and traded between entities or businesses instead of consumers. It is calculated as YoY increase in prices of the commodities

2. CPI is a measure that examines the weighted average of prices of a basket of consumer goods and services, such as transportation, food, and medical care. It is calculated as YoY increase in prices of the commodities

Source: MOSPI, CMIE, BCG Analysis

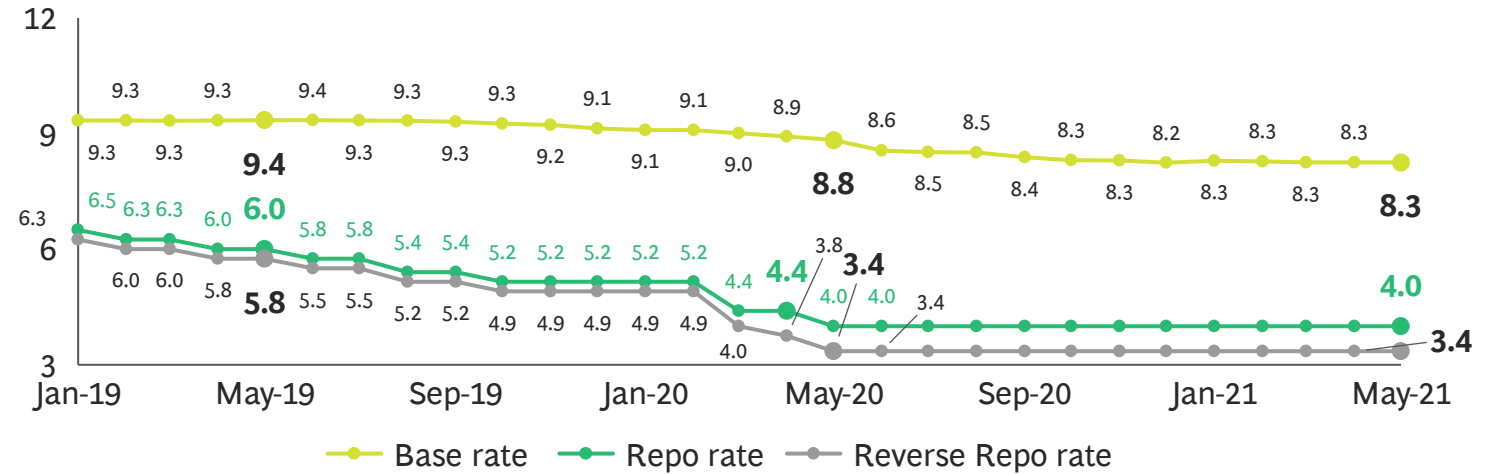




May'21 repo and reverse repo rate remained unchanged from the previous months in May'21

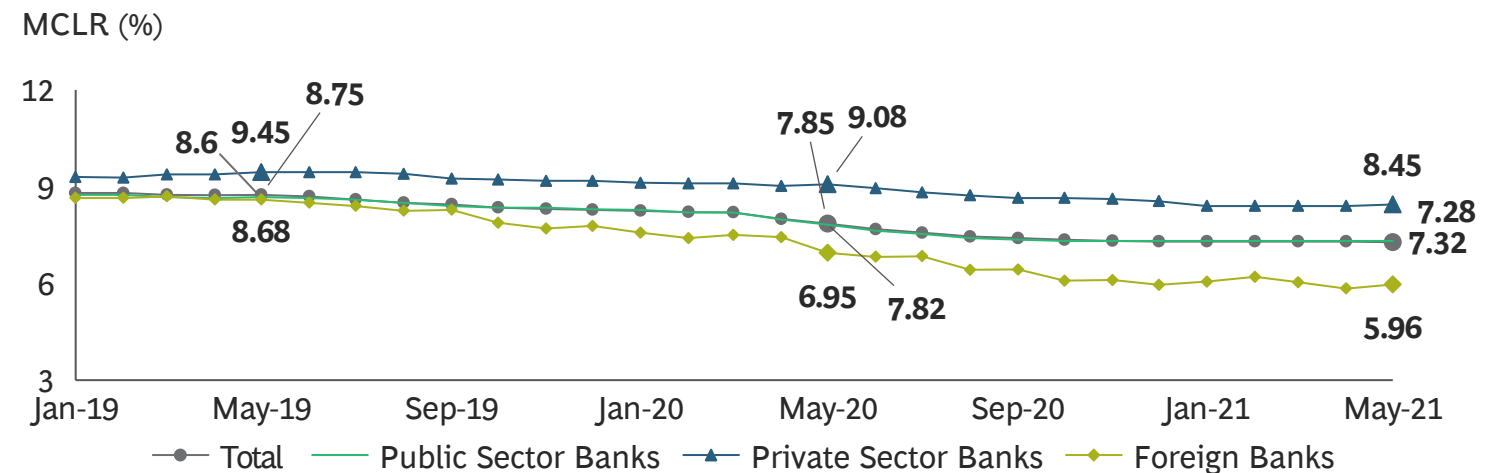
MCLR remained at the same level in May'21

### Reserve bank's policy rates (%)



### MCLR<sup>1</sup> of scheduled commercial banks

(Median rate on one-year borrowings, in %)



1. MCLR: Minimum interest rate at which scheduled commercial banks can lend to customers (based on incremental cost of funds). 2. Base Rate: Minimum rate set by the Reserve Bank of India below which banks are not allowed to lend to its customers 3. Repo Rate: Interest rate at which the RBI lends short term funds to licensed commercial banks 4. Reverse Repo Rate: Interest rate which the RBI borrows money from commercial banks.

Source: CMIE, RBI DBIE

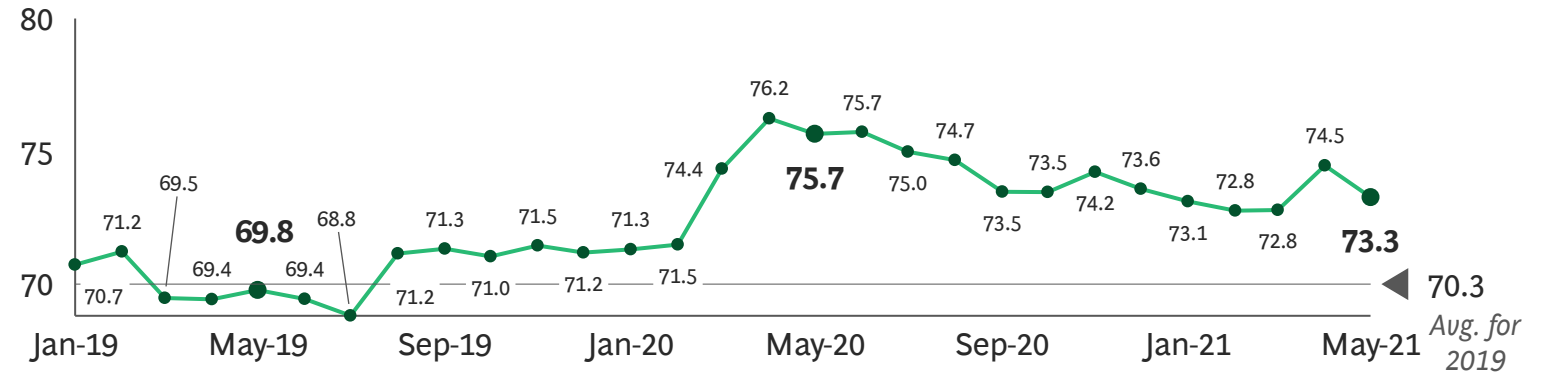




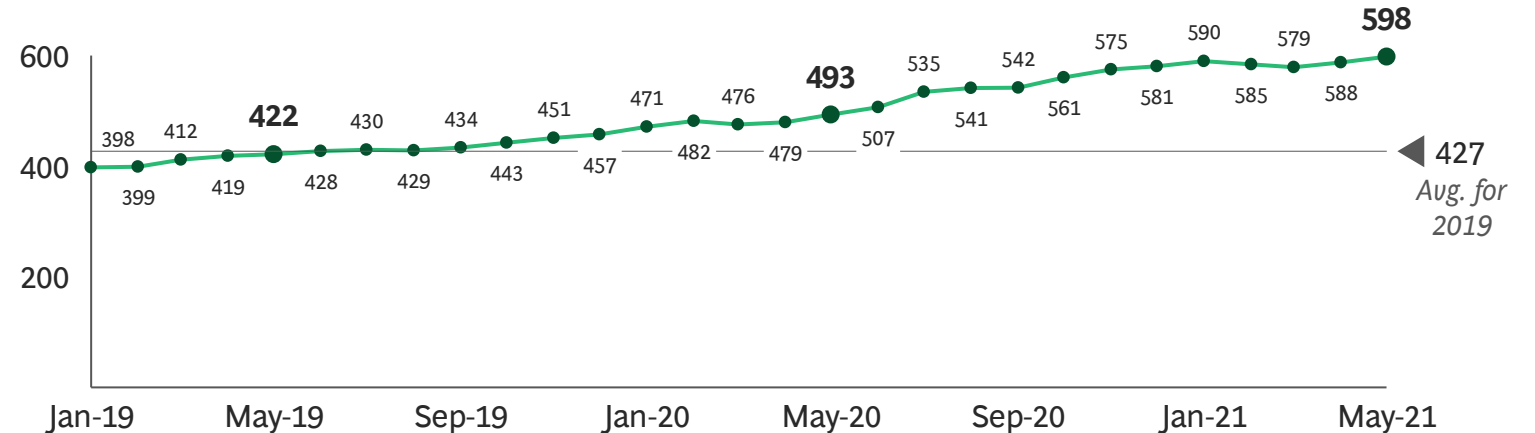
INR remained range bound at ~73/dollar in May'21

Forex reserves continued to trend upwards, reaching USD 598 Bn in May'21

### Monthly Exchange Rate (INR/USD)



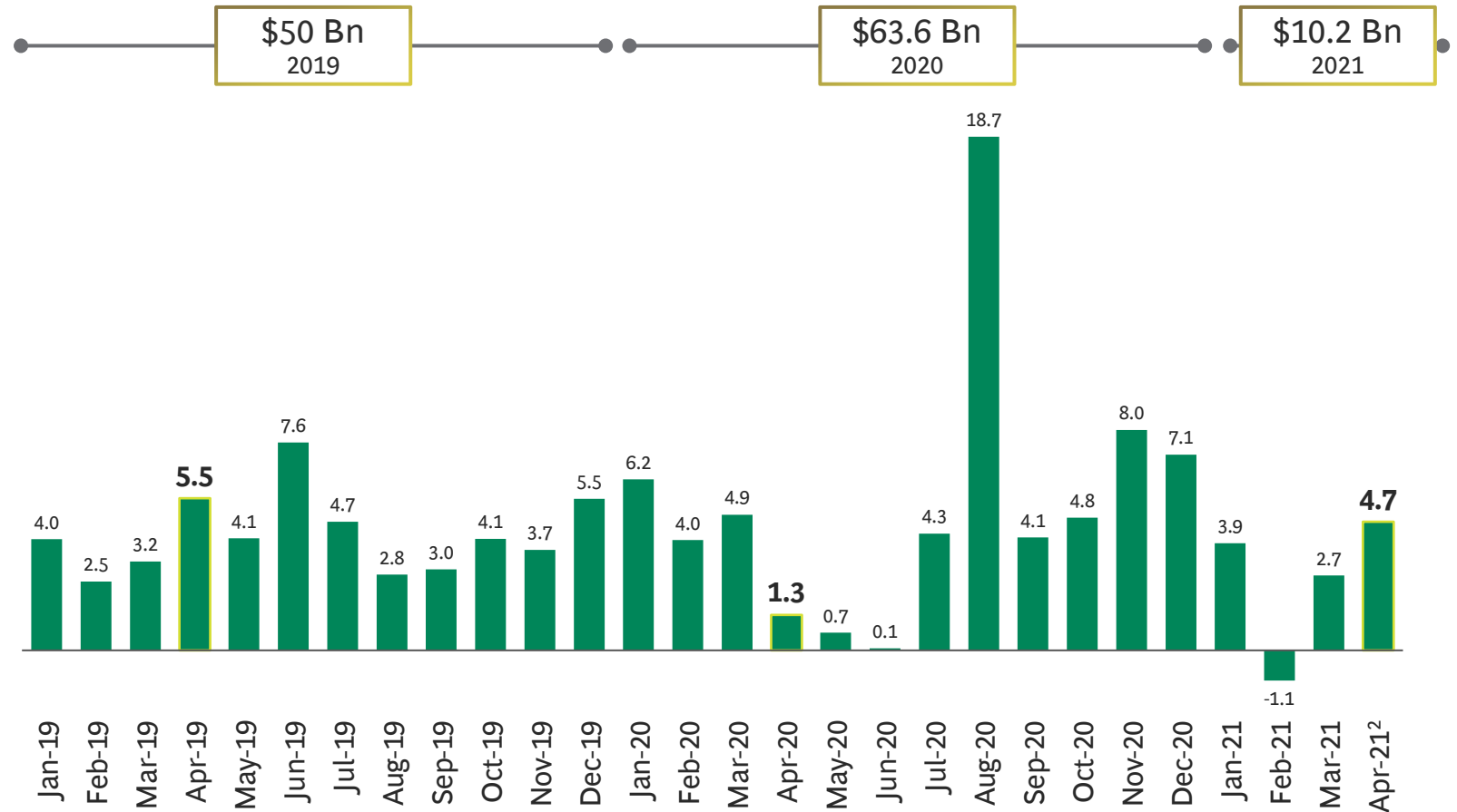
### Forex reserves (\$ Bn)





FDI inflows grew vs. previous months and Apr'20 levels in Apr'21, however remained below Apr'19 levels

## Foreign Direct Investments<sup>1</sup> (\$ Bn)



xx Annual (Calendar Year) FDI Inflows

1. Denotes total inward FDI to India; 2. Apr'21 figures are provisional

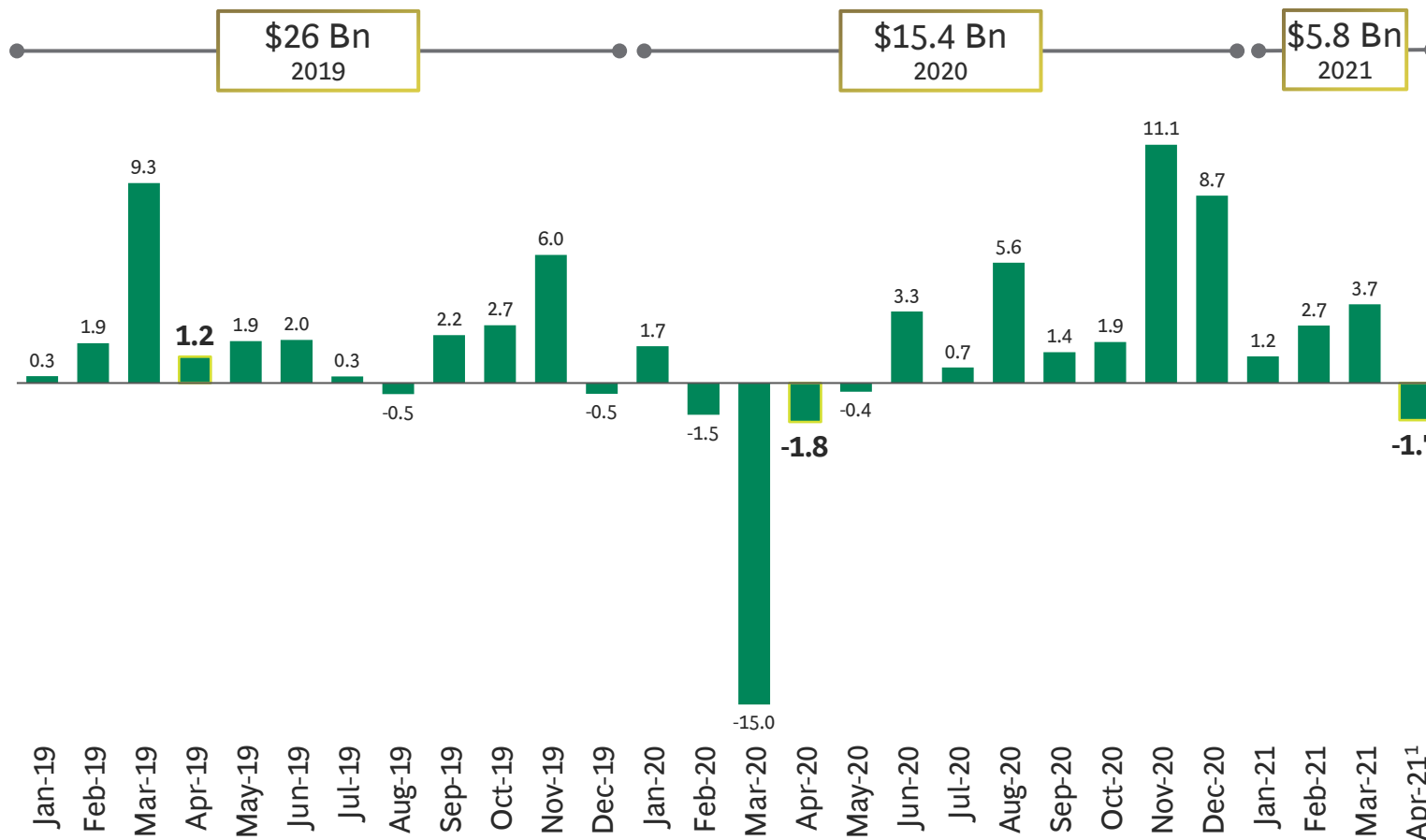
Note: Past period data may vary from the previous versions of the Economic Monitor owing to restating of previous years' data by the CMIE/reporting agencies

Source: CMIE



Foreign Institutional Investments fell into the negative territory in Apr'21, remaining below Apr'19 levels

## Foreign Institutional Investments (\$ Bn)

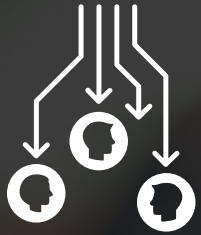


1. Apr'21 figures are provisional  
Source: CMIE

Note: Past period data may vary from the previous versions of the Economic Monitor owing to restating of previous years' data by the CMIE/reporting agencies

xx Annual (Calendar Year) FIIs



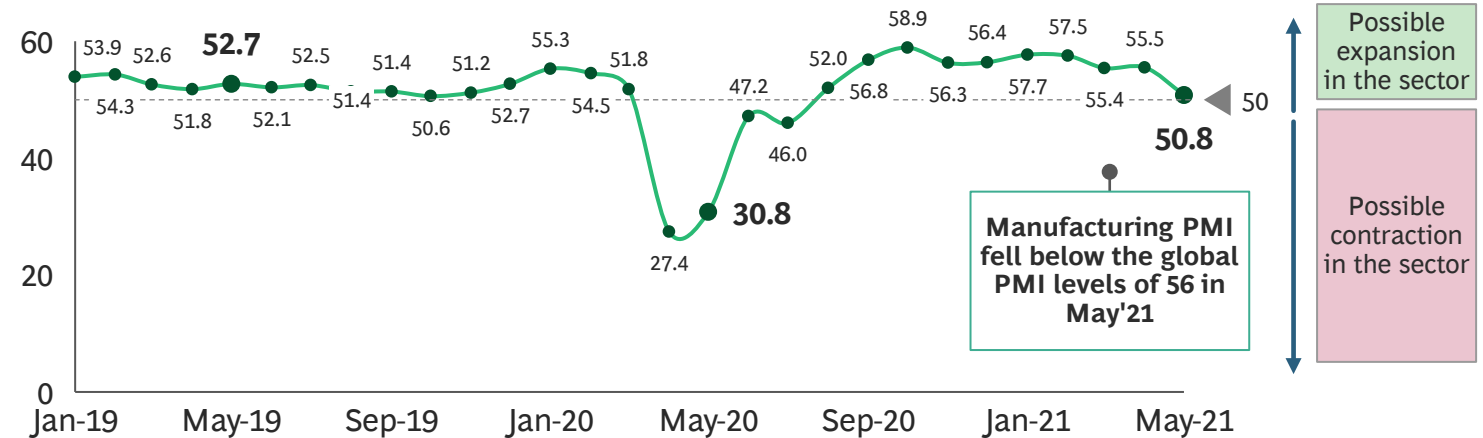


Both Manufacturing and Services PMI trended downwards in May'21, falling below May'19 levels; Services PMI contracted below the 50 point mark in May'21

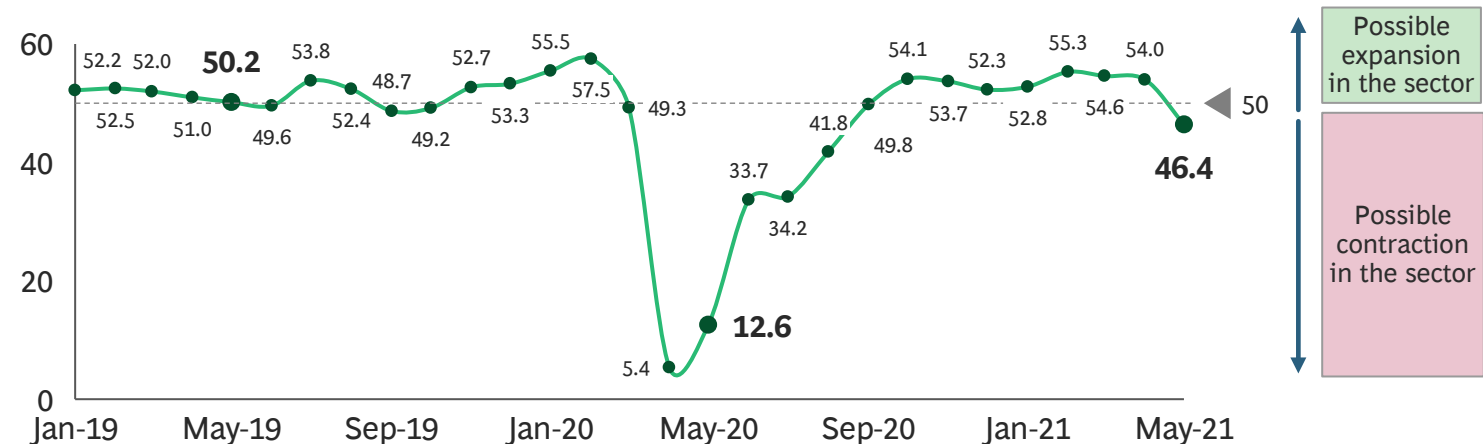
Note: The Purchasing Managers Index (PMI) is a measure of the prevailing direction of economic trends in manufacturing and services sectors. The PMI is based on a monthly survey of supply chain managers across 19 industries, covering both upstream and downstream activity. Value >50 indicates possible expansion in the sector, and value <50 indicates recession.

Source: IHS Markit, CMIE, Analyst Reports, BCG analysis

## Manufacturing PMI

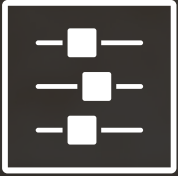


## Services PMI



Mutual Funds AUM include investments from individuals (50.5%) & institutions (49.5%); institutions include domestic & foreign institutions and banks

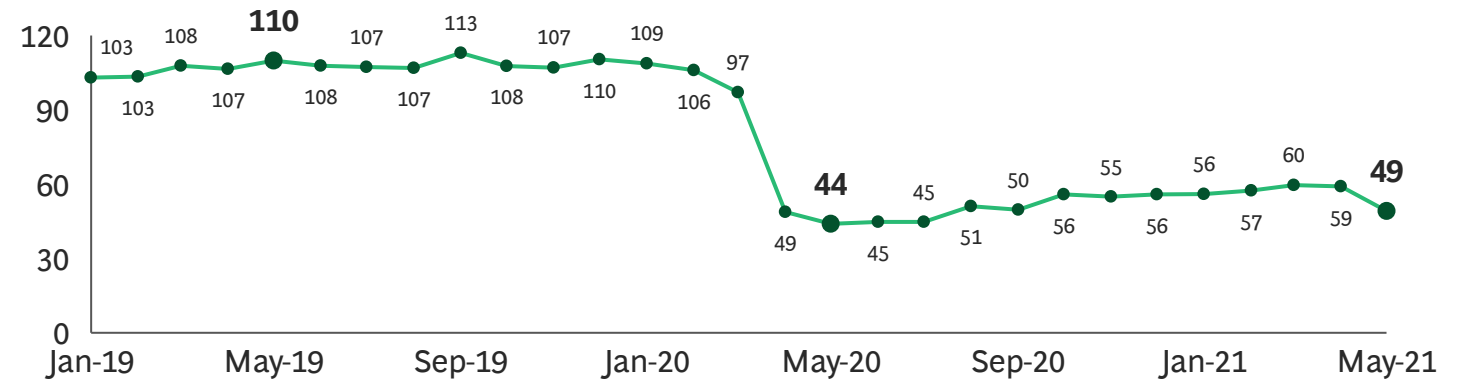




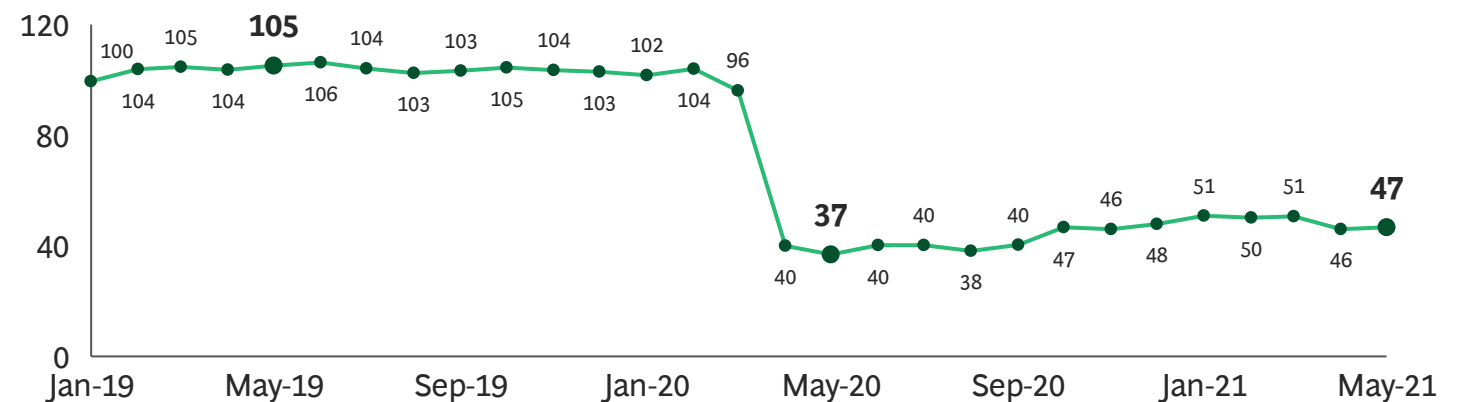
Consumer sentiment remained below pre-COVID levels; Rural sentiment remained marginally above urban sentiment in May'21

Source: CMIE Consumer Pyramids Survey  
 Sample Size: 1.74L households in 90 cities and 969 villages surveyed over 4 months  
 Methodology:  
 Longitudinal survey: Same set of households surveyed in batches over time  
 Scoring based on 5 questions:  
 1. Perception of current well-being  
 2. Expectations of future well-being  
 3. Perceptions of current economic conditions of the country  
 4. Perceptions of prospective economic conditions of the country  
 5. Household's propensity to spend on consumer durables

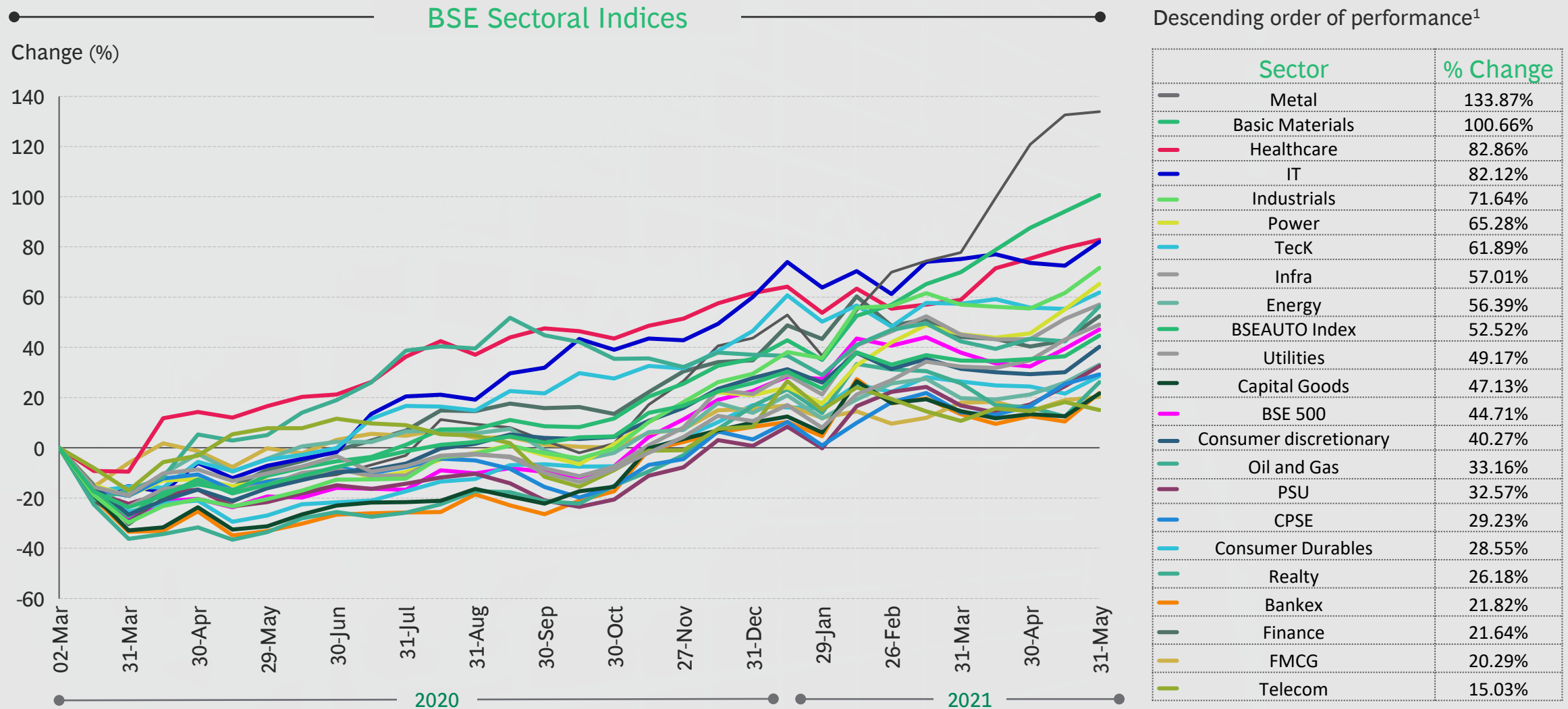
## Rural Consumer Sentiment Index



## Urban Consumer Sentiment Index



# BSE sectoral indices trended upwards across all sectors in May'21 vs. May'20



1. Growth rate vs. 02-Mar-20 2. The S&P BSE TECK index comprises constituents of the S&P BSE 500 that are classified as members of the media & publishing, information technology and telecommunications sector 3. CPSE- Central Public Sector Enterprises; Source: BSE, Bloomberg, BCG analysis



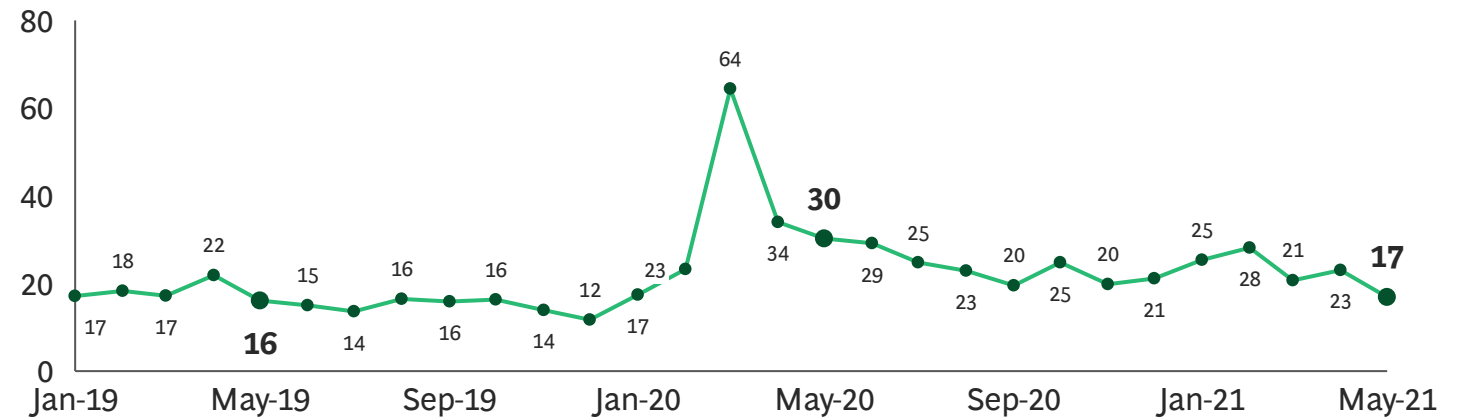
Volatility dipped in May'21, nearing May'19 levels

Mutual fund AUM continued to grow in May'21 vs. May'19

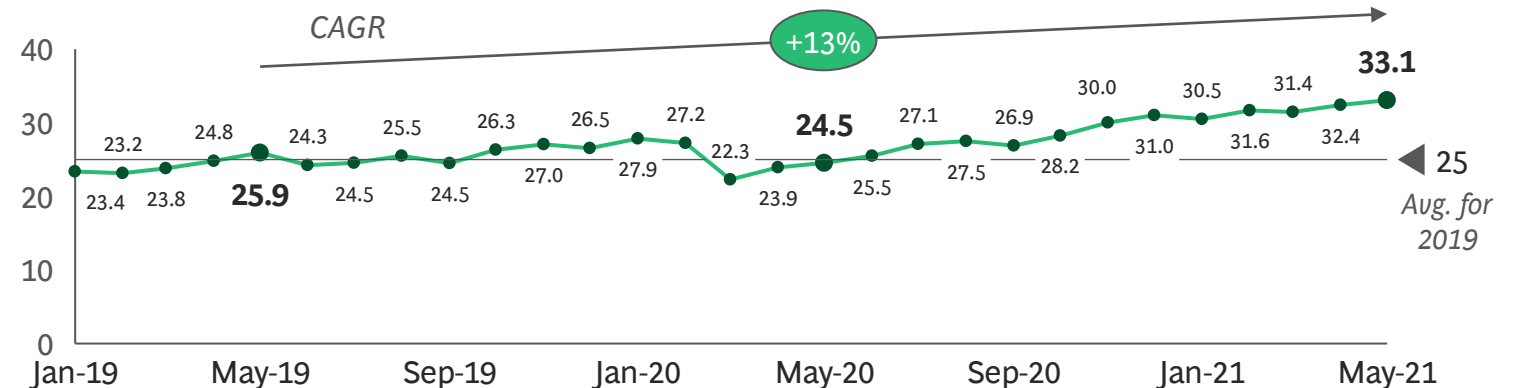
1. Volatility Index is a measure of market's expectation of volatility over the near term; India VIX is a volatility index based on the NIFTY50 Index Option prices providing the expected market volatility over the next 30 calendar days—figures represented are as of end of every month shown

2. Mutual funds Assets Under Management (AUM) represented as recorded at end of every month shown  
Source: BSE, NSE, AMFI, BCG analysis

## India Volatility Index (VIX)<sup>1</sup>



## Mutual Funds AUM<sup>2</sup> (INR L Cr)



Mutual Funds AUM include investments from individuals (50.5%) & institutions (49.5%); institutions include domestic and foreign institutions and banks



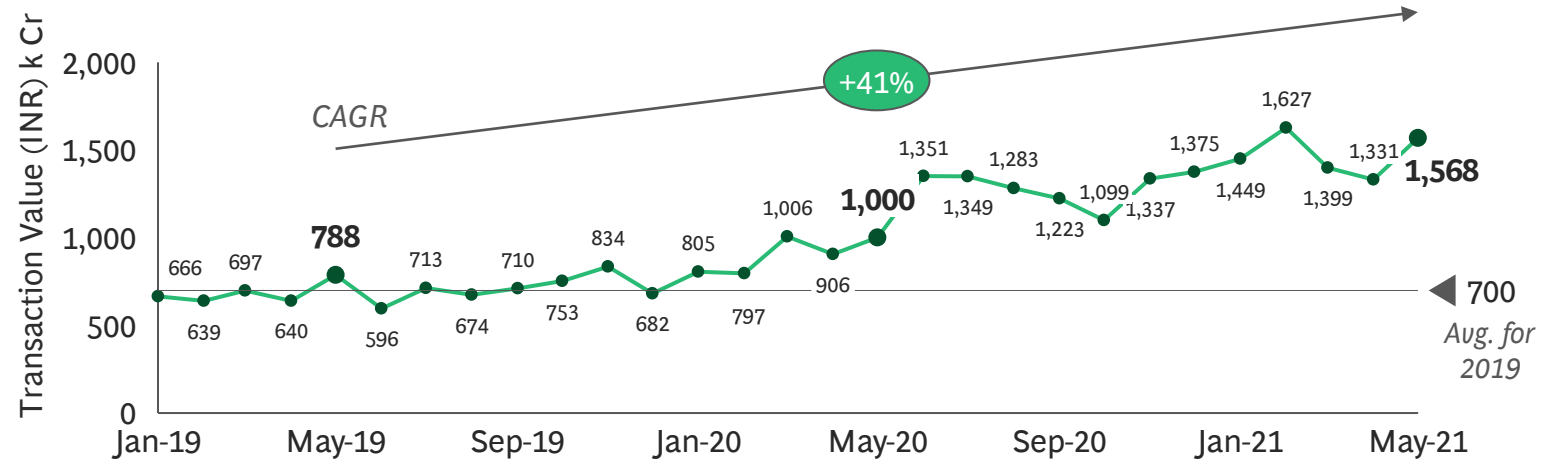


**NSE & BSE transactions increased significantly in May'21 vs. May'19 & previous month**

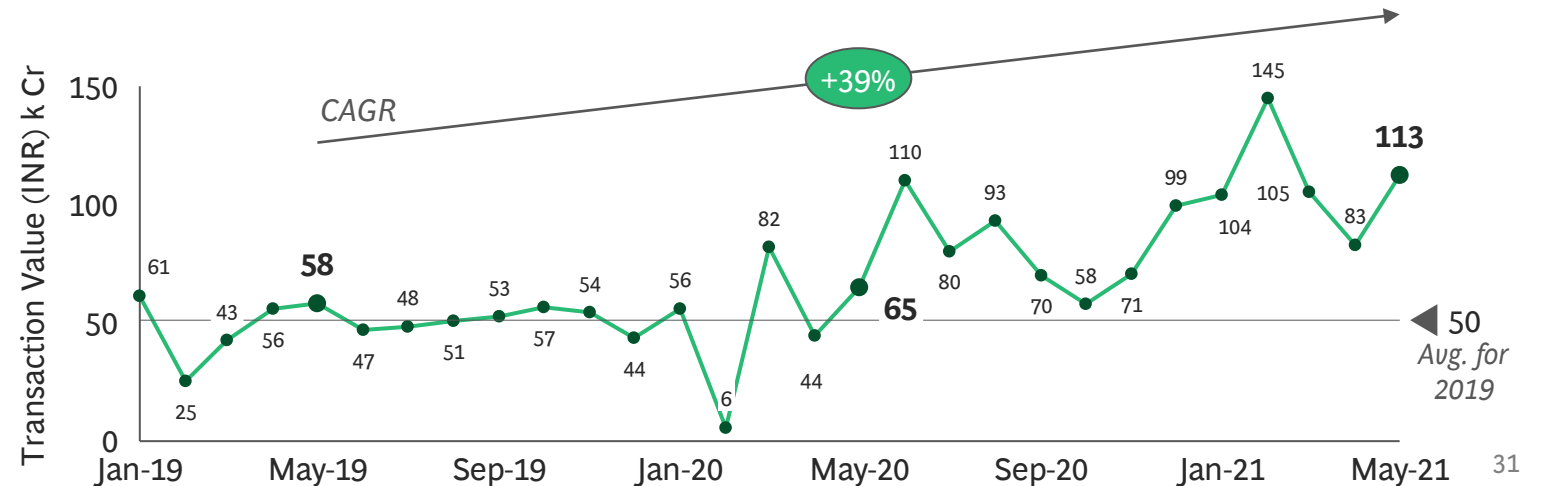
1. Volatility Index is a measure of market's expectation of volatility over the near term; India VIX is a volatility index based on the NIFTY50 Index Option prices providing the expected market volatility over the next 30 calendar days—figures represented are as of end of every month shown

2. Mutual funds Assets Under Management (AUM) represented as recorded at end of every month shown  
Source: BSE, NSE, AMFI, BCG analysis

## NSE Transactions (INR k Cr)



## BSE Transactions (INR k Cr)





1

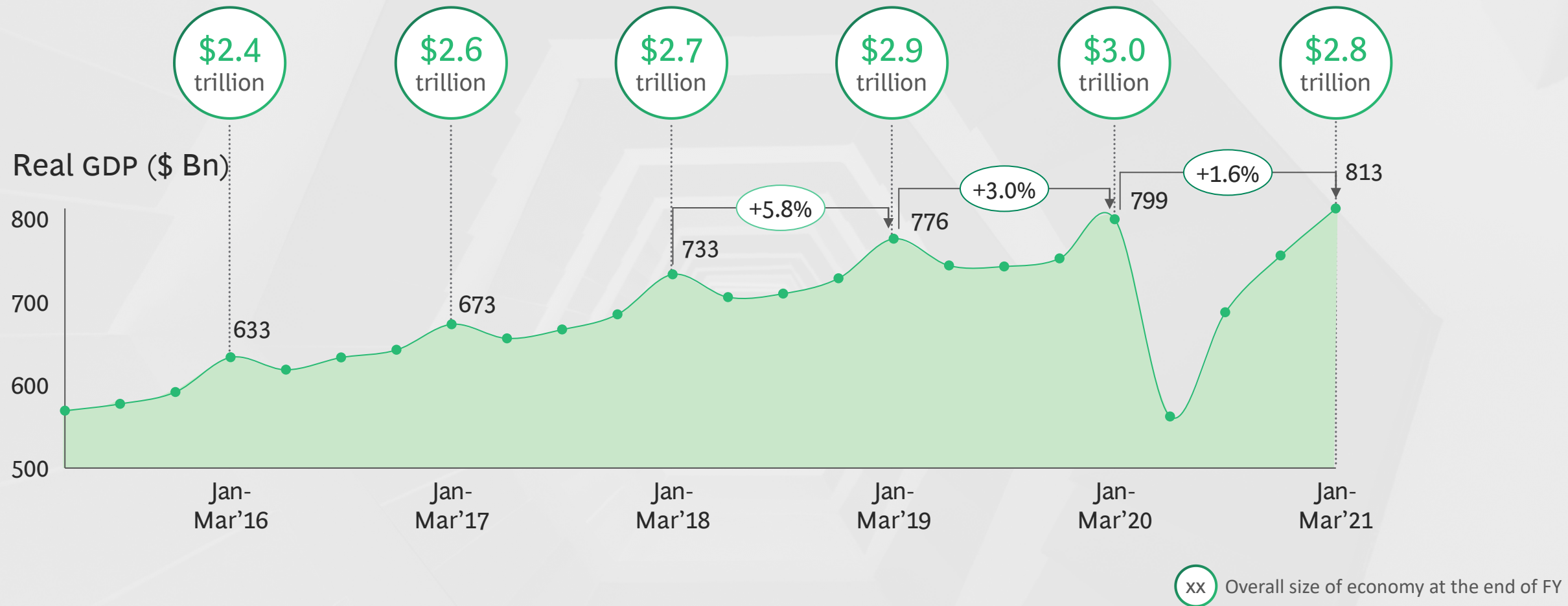
Economic Indicators

2

GDP Deep-Dive

Real GDP grew by 1.6% YoY in Jan-Mar'21, marginally recovering from the previous quarter, however contracted by 7.3% in FY21 vs. FY20

GDP  
DEEP-DIVE



Note: Real GDP at 2011-12 base prices, converted from INR using 2011-12 exchange rates (Rs. 47.95); The numbers would differ from estimates from World Bank, IMF, etc. due to difference in the base year (2011-12 has been used as the base year)  
Source: CMIE, BCG Analysis



# Consumption (Private & Govt.), investments & net exports improved in Jan-Mar'21 vs. Jan-Mar'20 levels

GDP  
DEEP-DIVE

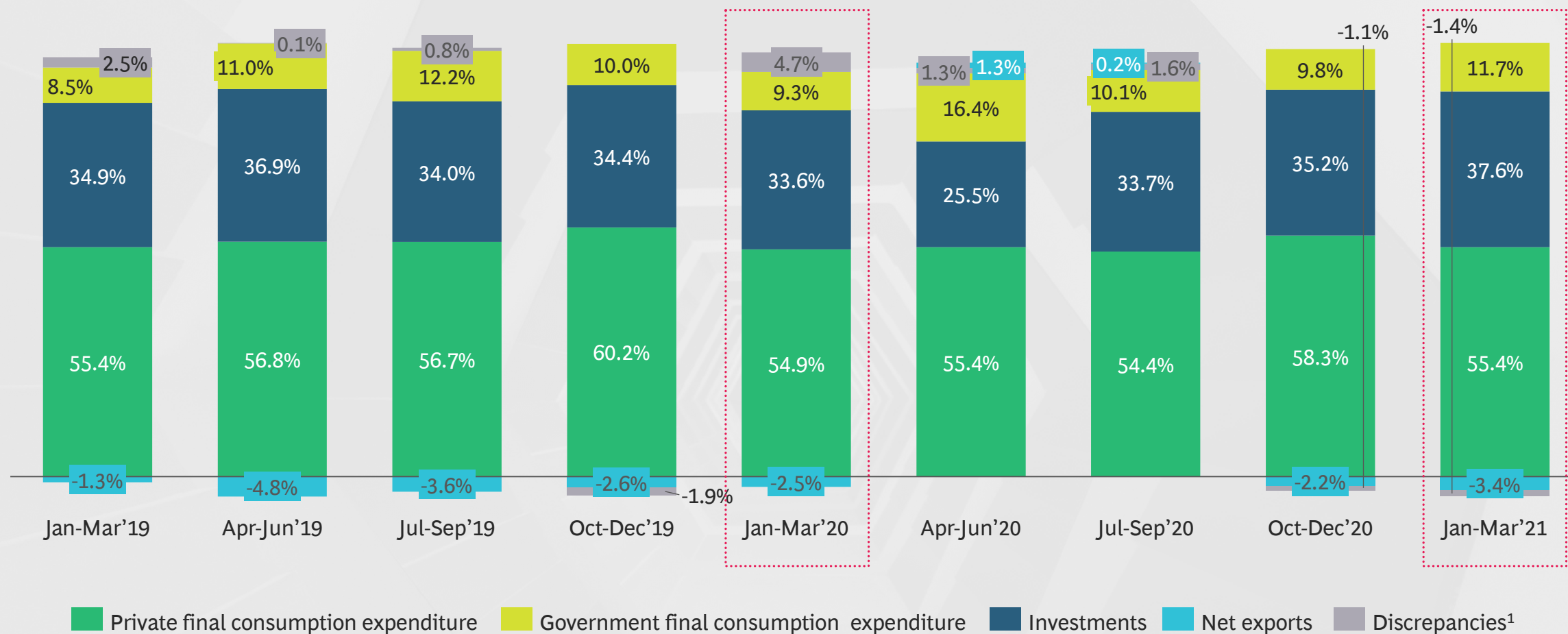
Quarterly growth % change YoY	Y GDP	=	C Pvt. Consumption	+	G Govt. Consumption	+	I Gross Investment	+	X Exports	-	M Imports
Jan-Mar 2020	3.0%		2.0%		12.1%		-0.7%		-8.8%		-2.7%
Apr-Jun 2020	-24.4%		-26.2%		12.7%		-47.7%		-22.0%		-41.0%
Jul-Sep 2020	-7.4%		-11.2%		-23.5		-8.0%		-2.0%		-18.0%
Oct-Dec 2020	0.5%		-2.8%		-1.0%		3.0%		-3.5%		-5.0%
Jan-Mar 2021	1.6%		2.7%		28.3%		13.8%		8.8%		12.3%

Source: CMIE, BCG Analysis

Note: Highlighted circles represents growth (green) or decline (yellow) compared to the previous year quarter (Jan-Mar'21 vs Jan-Mar'20)

# Share of consumption (Private and Govt.) and investment in GDP remained consistent in Jan-Mar'21 vs. last 2 quarters

GDP  
DEEP-DIVE



1. Statistical Discrepancy: taking the GDP from the production approach as the control total, gives the measure of the overall difference between the production approach and the expenditure approach followed for estimation.

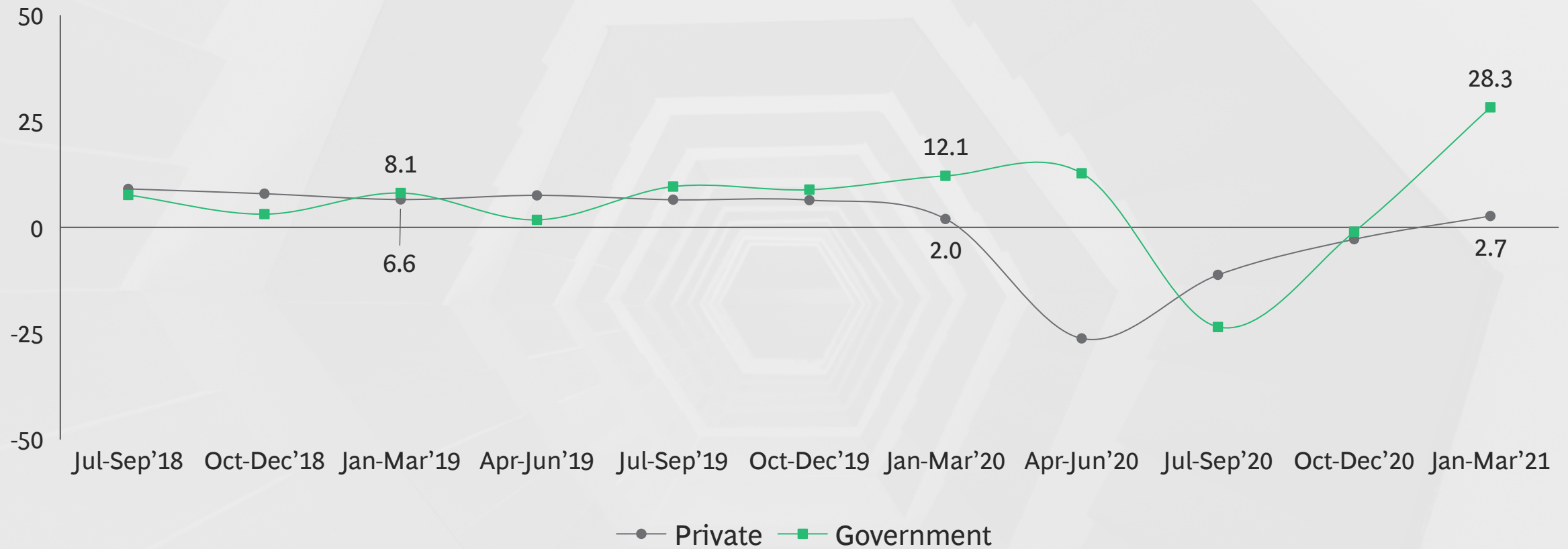
Note: This composition is basis Real GDP

Source: CMIE, BCG Analysis, MOSPI

# After two consecutive quarters of contraction, consumption (both Private and Govt.) moved to positive territory in Jan-Mar'21

GDP  
DEEP-DIVE

Final Consumption Expenditure, % change YoY

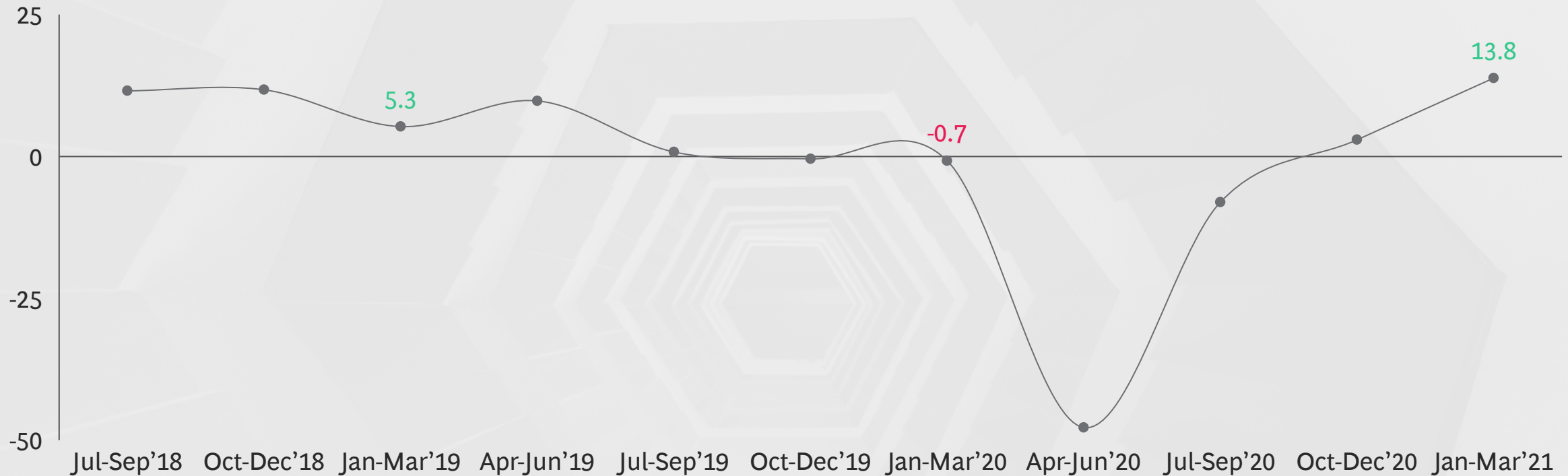




# Gross capital formation recorded double digit growth of 13.8% in Jan-Mar'21, evincing an uptick in investment momentum

GDP  
DEEP-DIVE

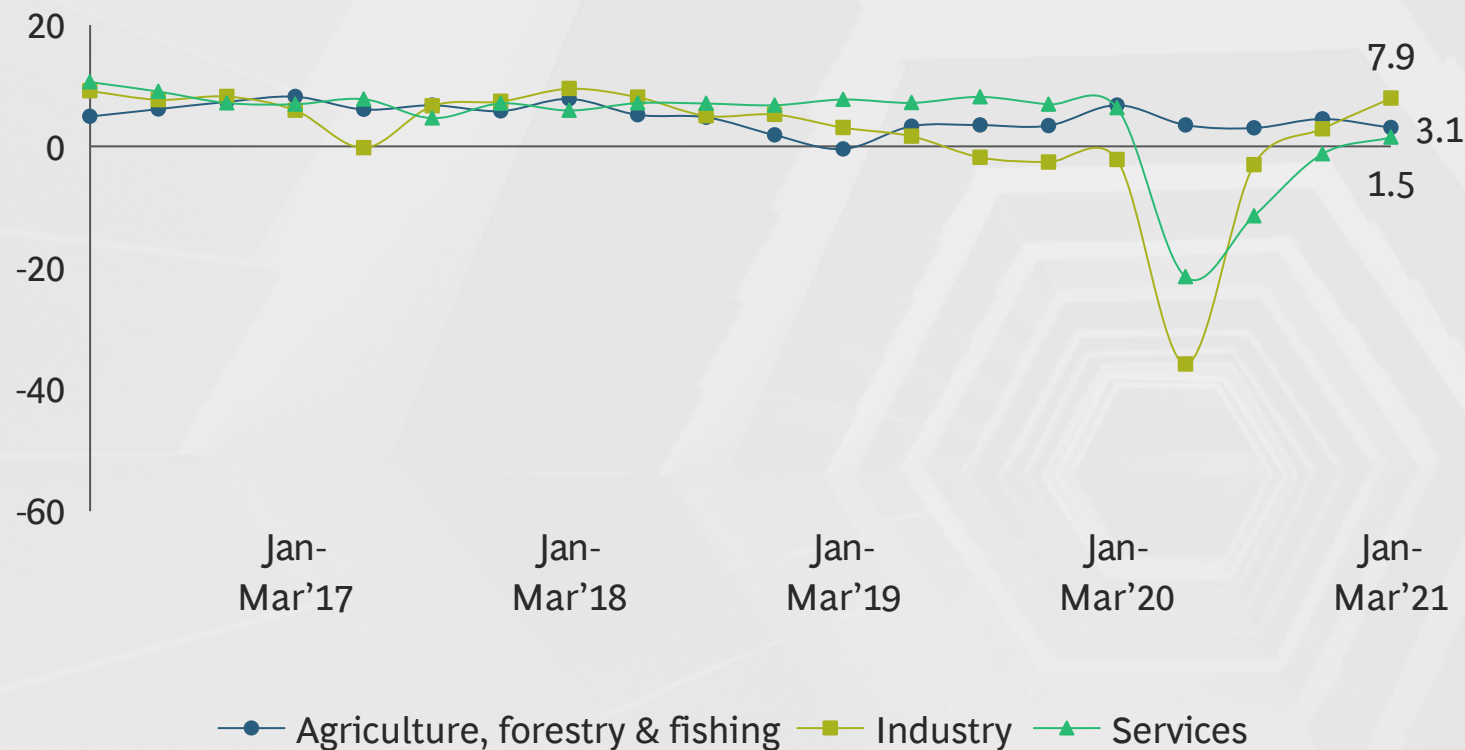
Gross Capital Formation, % change YoY



# Industrial & Services sectors improved in Jan-Mar'21 vs. previous quarters; Agricultural sector growth was consistent in Jan-Mar'21 vs. last 3 quarters

GDP  
DEEP-DIVE

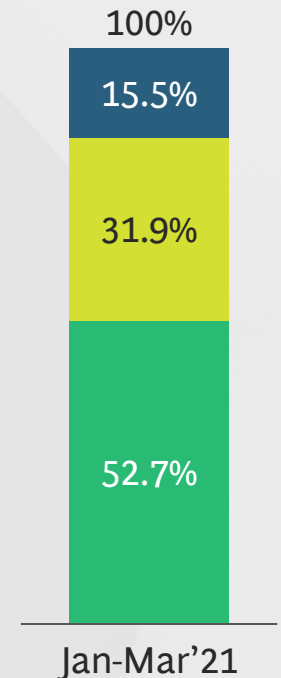
GVA Quarterly growth, % change YoY



Jan-Mar Qtr. CAGR<sup>1</sup>  
over 2017-21



Share in  
Industry GVA

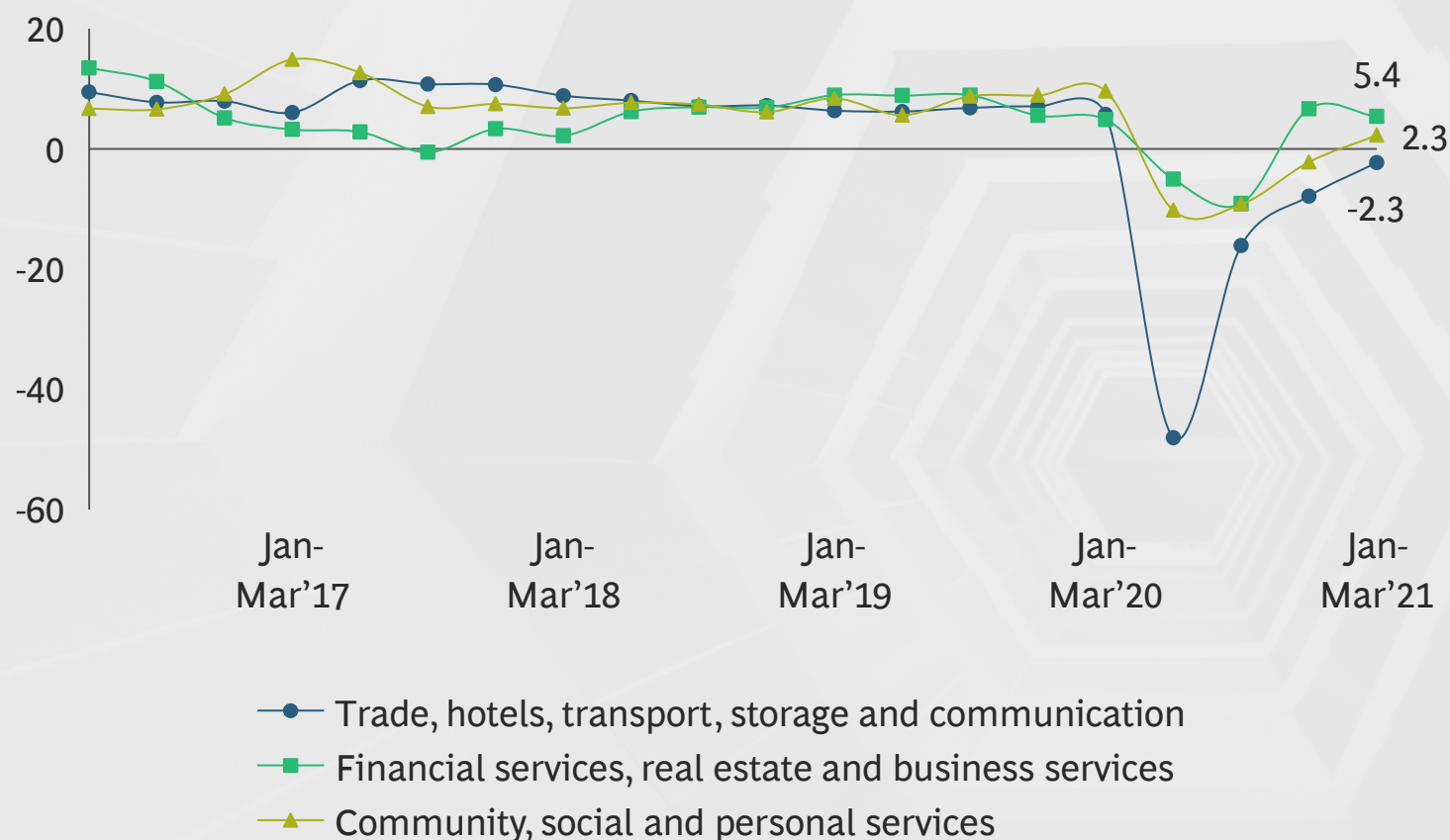


1. CAGR= [(Value of GVA in INR Mn in Jan-Mar'21/Value of GVA in INR Mn in Jan-Mar'17)^(1/4)]-1  
Source: CMIE, BCG Analysis

# Select sub-sectors (trade, hotels, transport, storage & communication) retarded overall growth of services in Jan-Mar'21 vs. previous quarter

GDP  
DEEP-DIVE

Services GVA Quarterly growth, % change YoY



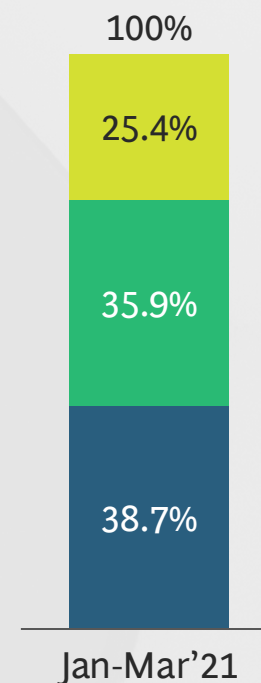
Jan-Mar Qtr. CAGR<sup>1</sup>  
over 2017-21

**6.73%**  
Community, social  
and personal  
services

**5.32%**  
Financial services,  
real estate and  
business services

**4.56%**  
Trade, hotels,  
transport, storage  
and communication

Share in  
Industry GVA



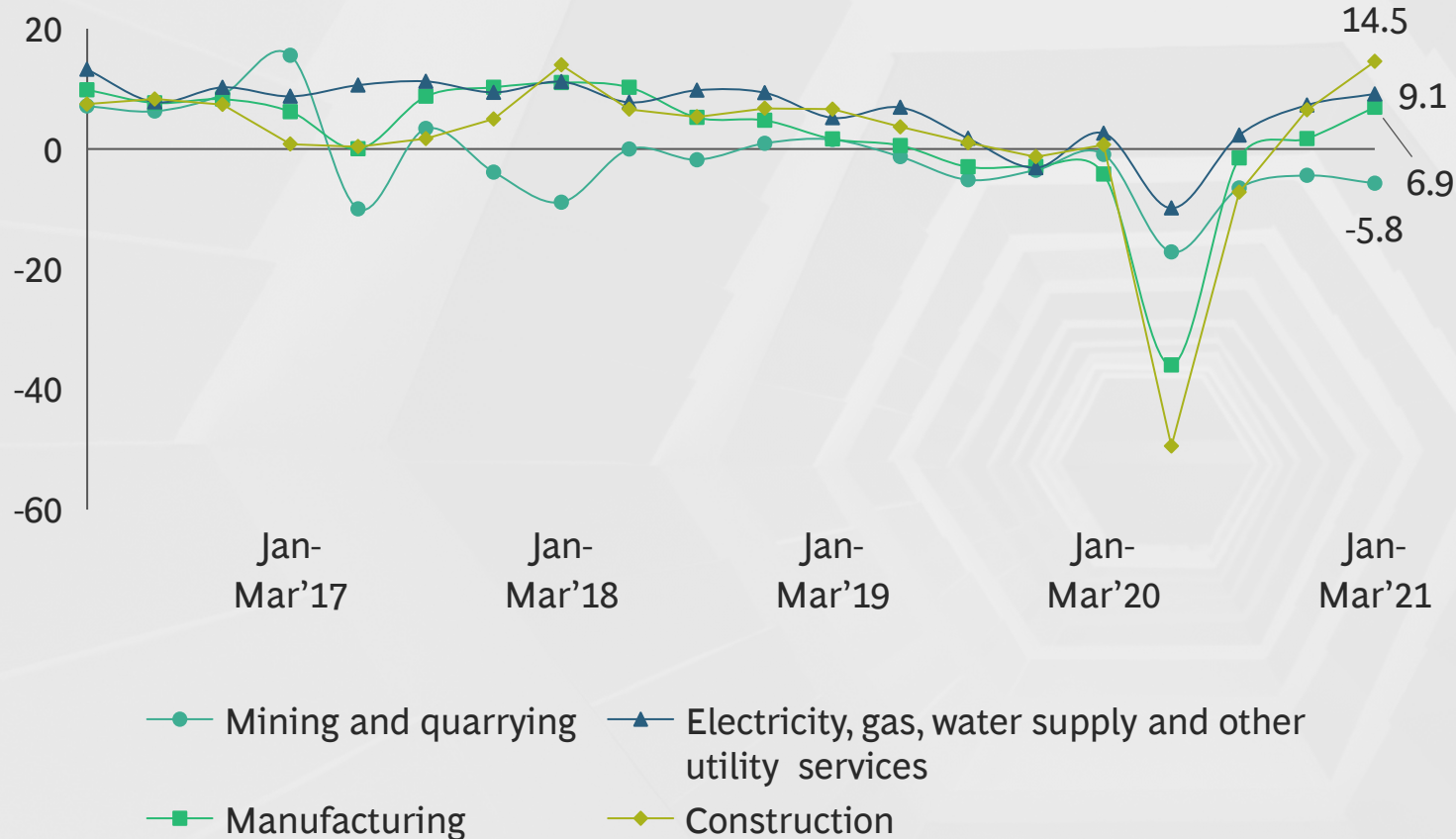
1. CAGR= [(Value of GVA in INR Mn in Jan-Mar'21/Value of GVA in INR Mn in Jan-Mar'17)^(1/4)]-1  
Source: CMIE, BCG Analysis



# Most industrial sub-sectors improved vs. previous quarters; Construction recorded double digit growth in Jan-Mar'21 vs. last quarter

GDP  
DEEP-DIVE

Industry GVA Quarterly growth, % change YoY



Jan-Mar Qtr. CAGR<sup>1</sup>  
over 2017-21

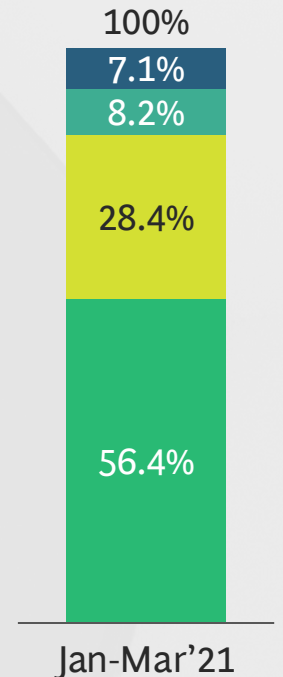
**6.97%**  
Electricity, gas,  
water supply and  
other utility services

**-3.59%**  
Mining and  
quarrying

**8.80%**  
Construction

**3.69%**  
Manufacturing

Share in  
Industry GVA

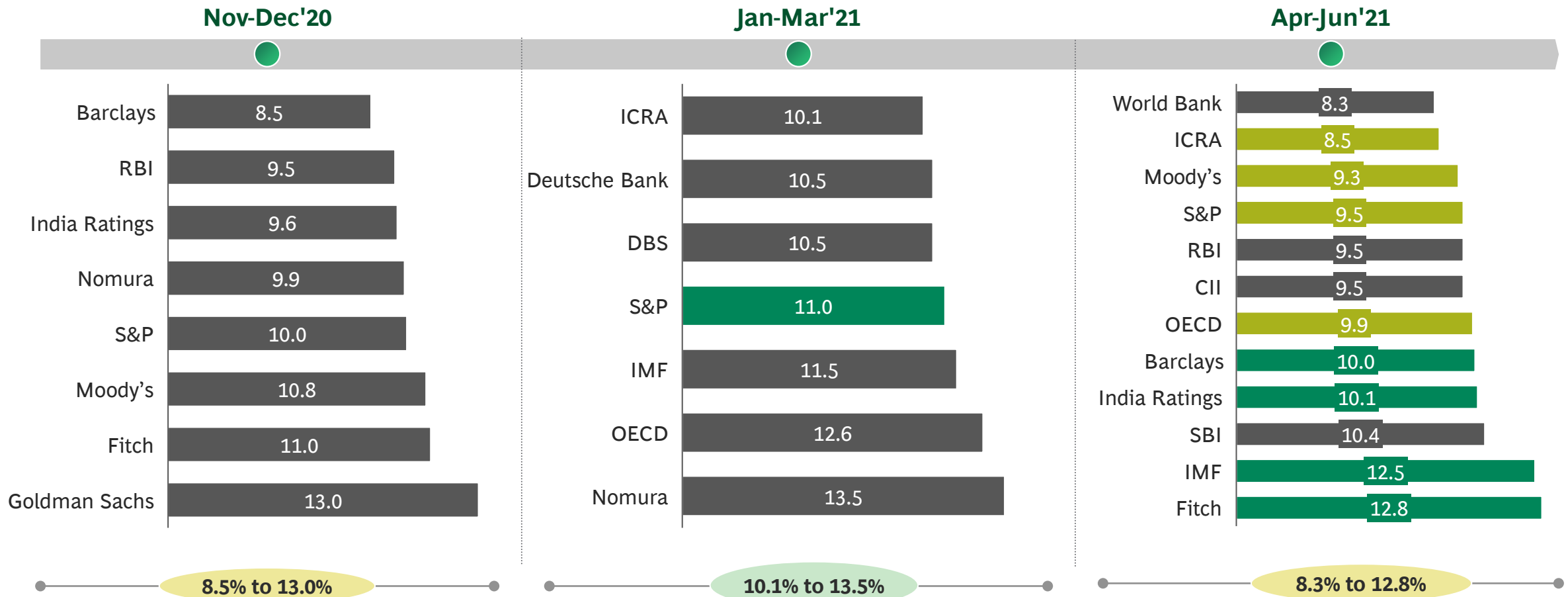


1. CAGR= [(Value of GVA in INR Mn in Jan-Mar'21/Value of GVA in INR Mn in Jan-Mar'17)^(1/4)]-1  
Source: CMIE, BCG Analysis

# India's FY22 GDP forecasted to grow at 8.3% to 12.8% YoY; Projections witnessed upward as well downward revisions in Apr-Jun'21

7

## India GDP growth forecast for FY22 (YoY,%)



Data as of 24 Jun'21; Estimates likely to be revised further

Downward revision Upward revision

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