

A decorative graphic is located on the left side of the slide. It features a dark gray background with a grid of small, teal-colored squares arranged in a curved pattern. Below this, there are several teal-colored circles of varying sizes, some with white outlines, and a few thin white lines connecting them.

# India Economic Monitor

## August 2020 Update

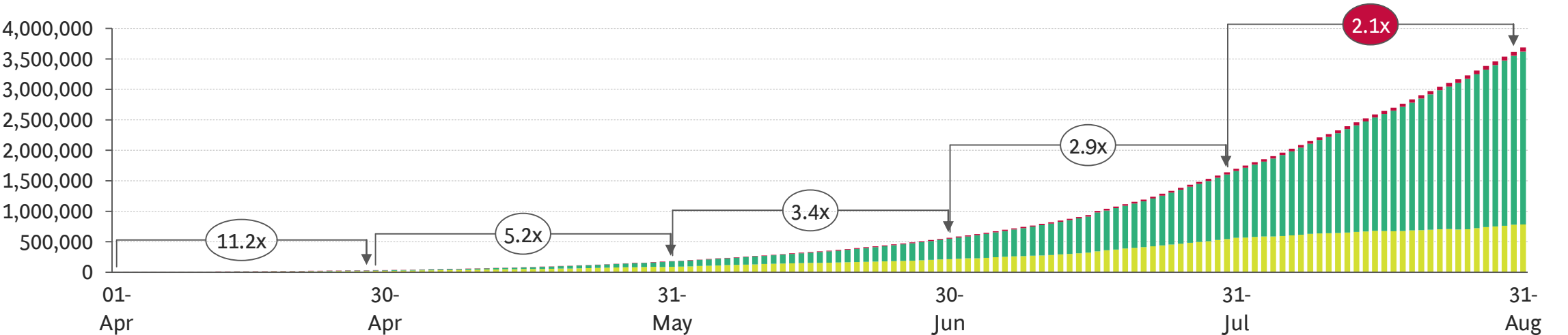
## Trends across key economic indicators

- **Industrial Activity:** Signs of recovery in industrial activity as seen in uptick in power consumption (YoY gap declined to 4% in July'20 vs. 10% in June'20), fuel consumption (YoY gap declined to 3% in July'20 vs. 8% in June'20) and Index of Industrial Production witnessed 20% growth in June'20 compared to May'20
- **Trade:** Services trade less impacted as compared to merchandize trade in April-June'20 period; stronger recovery recorded in merchandize exports vs. imports in July'20 (Merchandize exports declined 10% while imports declined 28% YoY in July'20)
- **Logistics:** Recovery seen in domestic logistics - E-way bills, FASTag transactions & railway freight vs. April-June'20 (Railway freight traffic increased 13% in June'20 vs. May'20, FASTag transactions increased 6% in July'20 vs. June'20, E-way bills generated increased 11% in July'20 vs. June'20)
- **Financial Services:** Deposit growth remains stable at ~11% in July'20 while credit growth declined from 6.2% YoY in June'20 to 5.8% YoY in July'20; Faster recovery in volume of NPCI retail transactions vs. value, indicating increase in small purchases; Value of UPI transactions increased to INR 2.91 Tn i.e. by 11% in July'20 vs June'20 (INR 2.62 Tn), 98% vs July'19 (INR 1.46 Tn), an all time high
- **Sector-wise Impact:** Auto sales saw an improvement in July'20 vs. previous months, though still below last year's levels (In July'20, Passenger vehicle sales grew 67% MoM, 2W sales grew 21% MoM, however tractor sales declined 28% MoM, but grew 36% vs. July'19); Signs of recovery witnessed in cement production and finished steel consumption in May-July'20 period, however gap still exists from pre-COVID levels; Recovery signs in both Life and non-Life Insurance - positive YoY growth in July'20 (Life: 7% YoY; 18% YoY Non-life)
- **Macroeconomic Indicators:** India's fiscal deficit reached INR 8.21 Tn (103% of budget estimate) in April-July'20; GST collection dipped 4% (from INR 0.91 Tn to 0.87 Tn) in July'20 vs June'20; MGNREGA job demand observed a steep rise (71% in June, 73% in July'20, YoY), highest in last 8 yrs.; Foreign exchange reserves rose to \$523 Bn in last week of July'20, a new peak
- **Sentiment:** Sentiment of rural and urban consumers remained stable (Rural: from 43 in June to 45 in July-Aug'20; Urban: from 38 in June to 41 in July-Aug'20) vs Rural: 48 & Urban: 42 during peak lockdown, however significantly below last year i.e. Rural: 104 & Urban: 106; Manufacturing PMI contracted from 47.2 in June'20 to 46 in July'20 & Services PMI witnessed a marginal uptick from 33.7 in June'20 to 34.2 in July'20

# COVID-19 cases in India still on a continuous rise

Data as of 31 Aug

Total cases



Total cases	33k	182k	567k	1.7M	3.7M
Active cases	24k	90k	215k	565k	785k
Days Doubling Rate	11	15	19	20	32
Recovery Rate	25%	48%	59%	65%	77%
Test Positivity Rate	3.7%	4.7%	6.4%	8.8%	8.5%
Fatality Rate	3.2%	2.8%	3.0%	2.2%	1.8%

Source: Ministry of Health & Family Welfare (MoHFW); covid19india.org; BCG analysis

# Summary: Trends for the last 7 months show an uptick in July'20 vs. the Apr lows; however gap still exists with pre-COVID levels across most indicators

Data as of 31 Aug

	Indicator	Unit	Jan	Feb	Mar	Apr	May	Jun	Jul
1	Industrial Activity								
	Power Consumption	MU	3%	11%	-9%	-24%	-15%	-10%	-4%
	Petroleum Consumption	MT	0%	4%	-18%	-46%	-23%	-8%	-3%
	Index of Industrial Prod.	Index	2%	5%	-18%	-58%	-35%	-17%	NA
2	Trade								
	Services Export	USD	7%	7%	1%	-9%	-10%	-8%	NA
	Services Import	USD	9%	13%	-2%	-18%	-20%	-15%	NA
	Merchandise Export	USD	-2%	3%	-35%	-60%	-36%	-12%	-10%
	Merchandise Import	USD	-1%	2%	-29%	-60%	-52%	-48%	-28%
3	Logistics								
	E-Way Bills Generated	Mn	12%	14%	-26%	-84%	-53%	18%	-7%
	Railway Freight Originated	MT	3%	6%	-14%	-35%	-21%	-8%	NA
	JNPT Container Traffic	TEUs	-3%	1%	-13%	-37%	-39%	-29%	-20%
	Air Freight	kT	-1%	-1%	-32%	-83%	-68%	-40%	-34%
4	Financial Services								
	NPCI Retail Txns. (Values)	INR	19%	35%	-4%	-50%	-29%	-2%	-4%
	NPCI Retail Txns. (Volume)	Mn	59%	56%	24%	7%	22%	39%	37%
	Total Bank Credit	INR	7.18%	6.26%	6.12%	6.98%	6.38%	6.21%	5.86%
	Total Bank Deposits	INR	9.70%	9.04%	8.49%	9.68%	10.63%	11.13%	11.03%

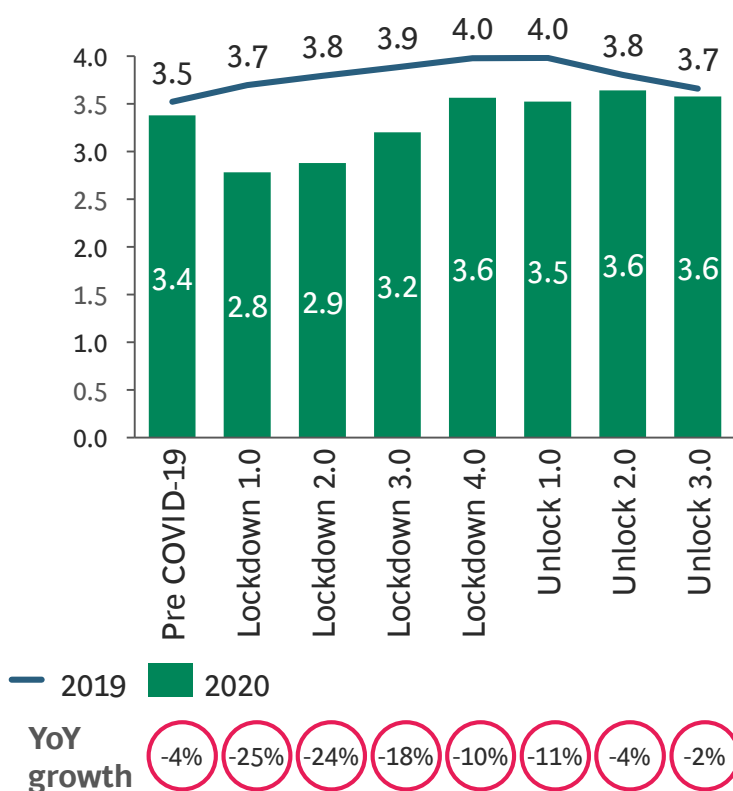
	Indicator	Unit	Jan	Feb	Mar	Apr	May	Jun	Jul
5	Sector-wise Impact								
	Cement Production	MT	5%	8%	-25%	-85%	-21%	-7%	NA
	Steel Consumption	MT	5%	5%	-23%	-87%	-53%	-29%	-9%
	Passenger Vehicle Sales	k	-12%	-10%	-56%	-99%	-83%	-51%	-14%
	Tractor Sales	k	3%	20%	-50%	-80%	1%	20%	36%
	Two-wheeler Sales	k	-11%	-15%	-36%	-98%	-81%	-38%	-20%
	Fertilizer Sales	MT	11%	53%	18%	45%	98%	79%	34%
	Gross Premium (Life)	INR	18%	2%	-32%	-33%	-25%	-10%	7%
	Gross Premium (Non-Life)	INR	7%	8%	-11%	-9%	-11%	8%	18%
	Pharma. Sales	INR	8%	12%	9%	-11%	-9%	2%	0.2%
	Chemical Production Index	Index	3%	3%	-2%	-17%	-28%	-34%	NA
6	Macroeconomic Indicators								
	Total GST Collection	INR	8%	8%	-8%	-72%	-38%	-9%	-15%
	Central Govt. Expenditure	INR Tn	1.6	2.0	2.2	3.1	2.0	3.0	2.4
	MGNREGA Jobs Demand	HHs	-11%	5%	2%	-40%	45%	71%	73%
	MGNREGA Jobs Provided	HHs	-13%	5%	-1%	-35%	56%	80%	83%
	No. of Tenders Announced	k	-5%	-10%	-4%	7%	17%	29%	125%
7	Sentiment								
	India VIX	Index	17.4	23.2	64.4	34.0	30.2	29.1	24.7
	PMI (Manufacturing)	Index	55.3	54.5	51.8	27.4	30.8	47.2	46.0
	PMI (Service)	Index	55.5	57.5	49.3	5.4	12.6	33.7	34.2

Data for 2020; YoY growth represented for all indicators (except for India VIX, PMI and Central govt. expenditure – absolute values represented for Central govt. expenditure)

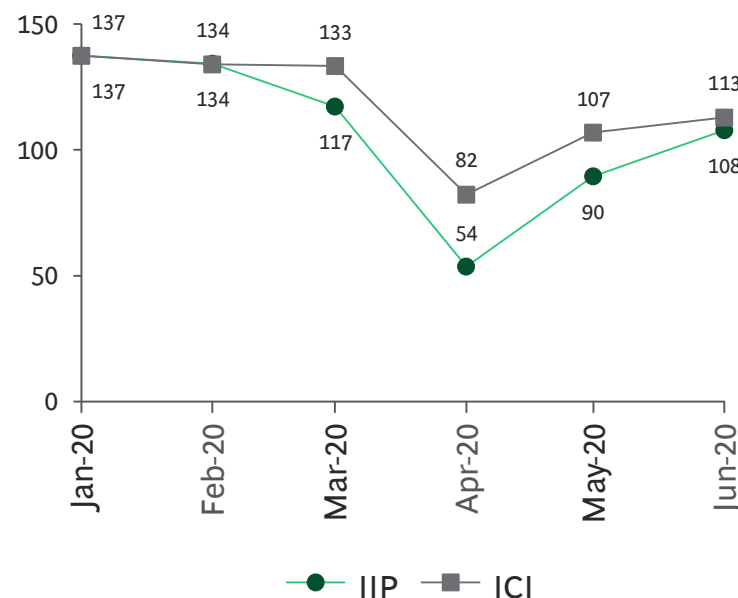
Source: POSOCO, PPAC, MoSPI, RBI, Ministry of Comm. & Industry, GST Network, Ministry of Railways, JNPT, AAI, NPCI, JPC, Ministry of Steel, SIAM, CMIE, mFMS, IRDAI, AIOCD, American Chemistry Council, GST Council, Ministry of Finance, Controller General of Accounts, Ministry of Rural Development, Projects Today, Bloomberg, NSE, BSE, IHS Markit, BCG analysis

# Power & fuel consumption have largely recovered to last year levels in July'20; IIP shows signs of recovery in May-June'20

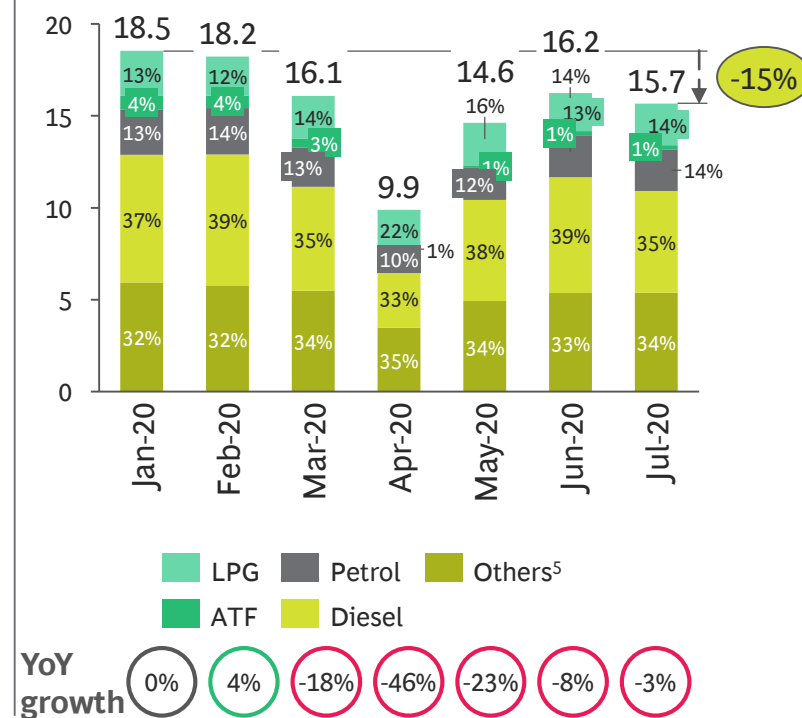
## Daily Average Power Consumption Volume<sup>1</sup> ('000s MUs)



## IIP<sup>2</sup> (Index of Industrial Production) & ICI<sup>3</sup> (Index of Core Industries)<sup>4</sup>



## Consumption of Petroleum Products (in MMT)



1. Pre-COVID-19 period refers to 15 Mar -24 Mar , Lockdown 1.0 = 25 Mar - 19 Apr, Lockdown 2.0 = 20 Apr - 3 May, Lockdown 3.0 = 4 May - 7 May, Lockdown 4.0 = 18 May - 29 May, Unlock 1.0 = 30 May - 30 Jun, Unlock 2.0 = 1 Jul - 31 Jul; Unlock 3.0 = 1 Aug - till date (30 Aug)

2. Index of Industrial Production (IIP) shows the growth rates in different industry groups (comprises of Mfg. (78% weightage), Mining (14%), Electricity (8%))

3. Index of Core Industries (ICI) measures performance of production in 8 core industries (Coal, Crude, NG, Refinery Products, Fertilizers, Steel, Cement & Electricity)

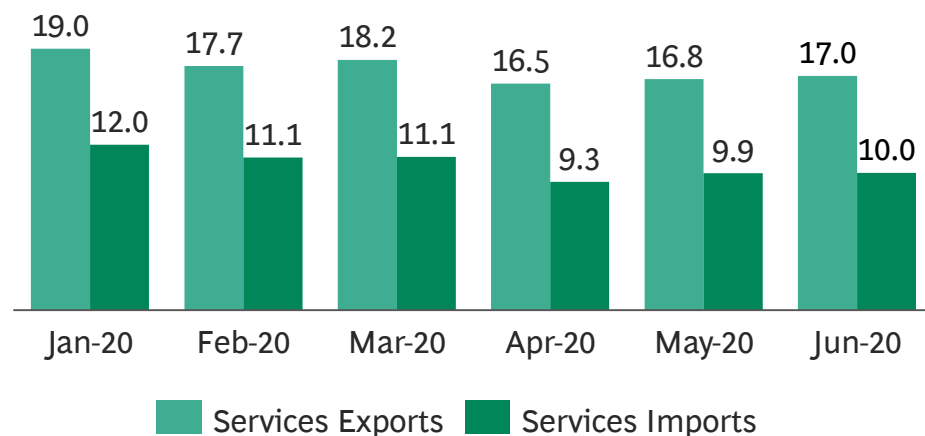
4. In view of the effect of the containment measures for COVID-19 pandemic, the indices for Apr-20 & May-20 are not comparable with preceding months

5. Others include Naptha, Petcoke, Bitumen; ATF = Aviation Fuel; Petrol refers to MS and Diesel refers to HSD as reported by Petroleum Planning & Analysis Cell (PPAC)

Source: Power System Operation Corporation, Ministry of Statistics & Programme Implementation, Dept. for Promotion of Industry & Internal Trade, PPAC, BCG analysis

# Stronger recovery in merchandize exports vs. imports; Relatively less impact on Services trade in April-June'20 vs. Merchandize

## Services Trade (USD Bn)



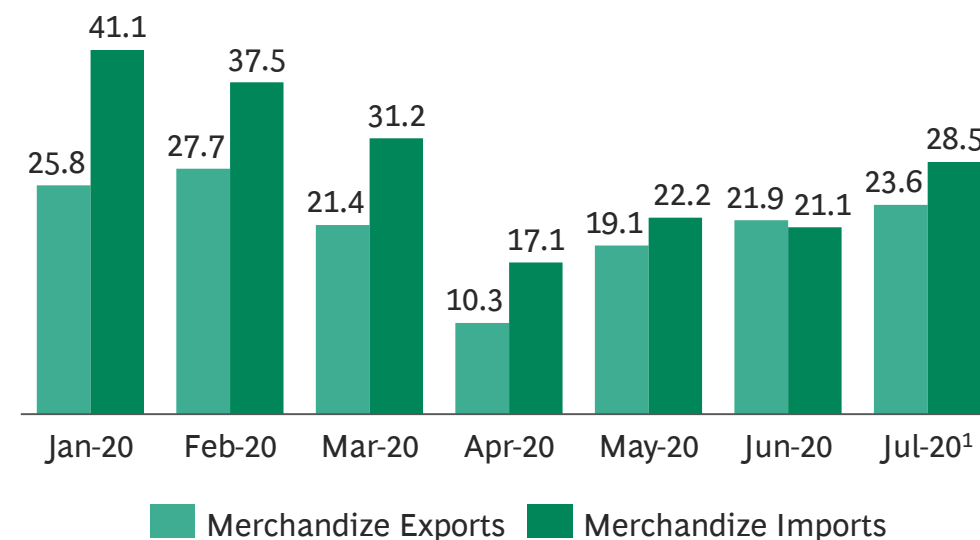
Exports  
YoY growth



Imports  
YoY growth



## Merchandize Trade (USD Bn)



Exports  
YoY growth



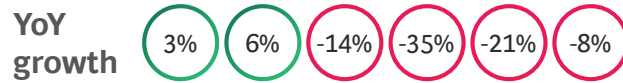
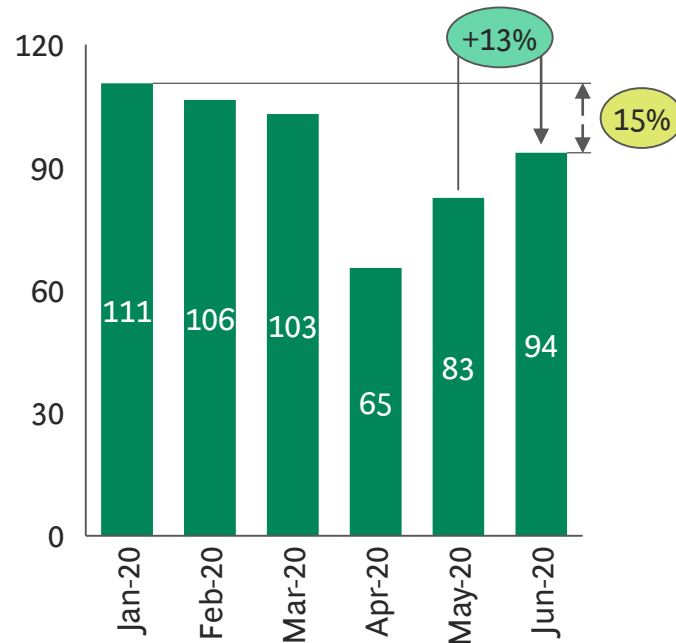
Imports  
YoY growth



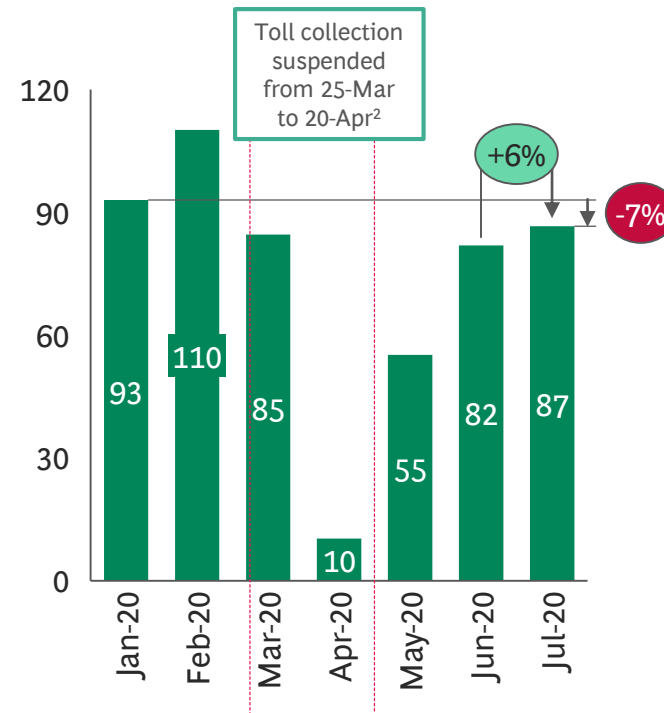
1. July 2020 Merchandize Import & Export numbers are provisional as provided by the Ministry of Commerce and Industry as of 14-Aug  
Source: RBI, Ministry of Commerce & Industry, BCG analysis

# Recovery in rail freight, FASTag transaction volumes and E-Way bill volumes in June-July'20, however still lower than pre-COVID levels

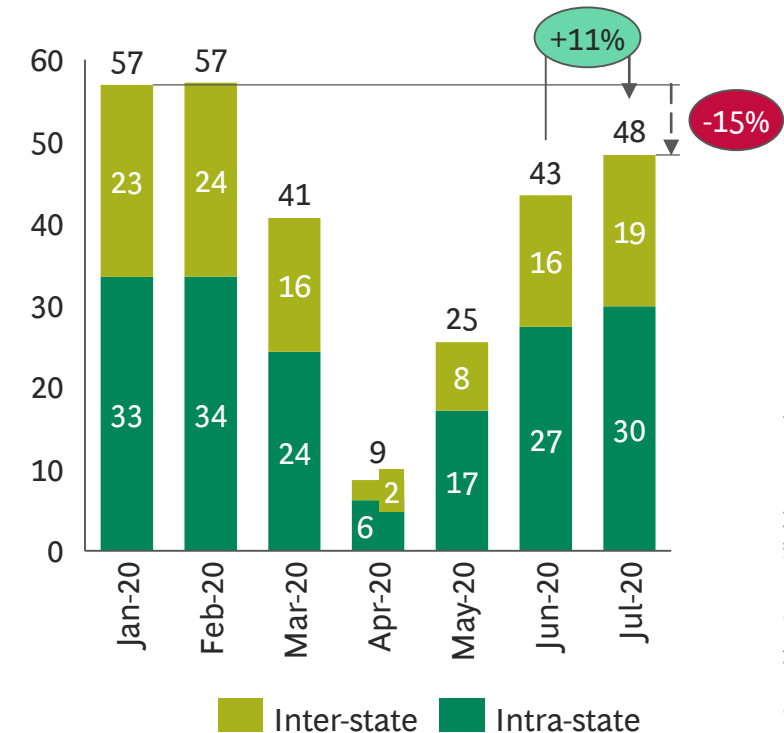
## Railway freight traffic originating (Mn Tons)



## FASTag transaction volume (Mn)



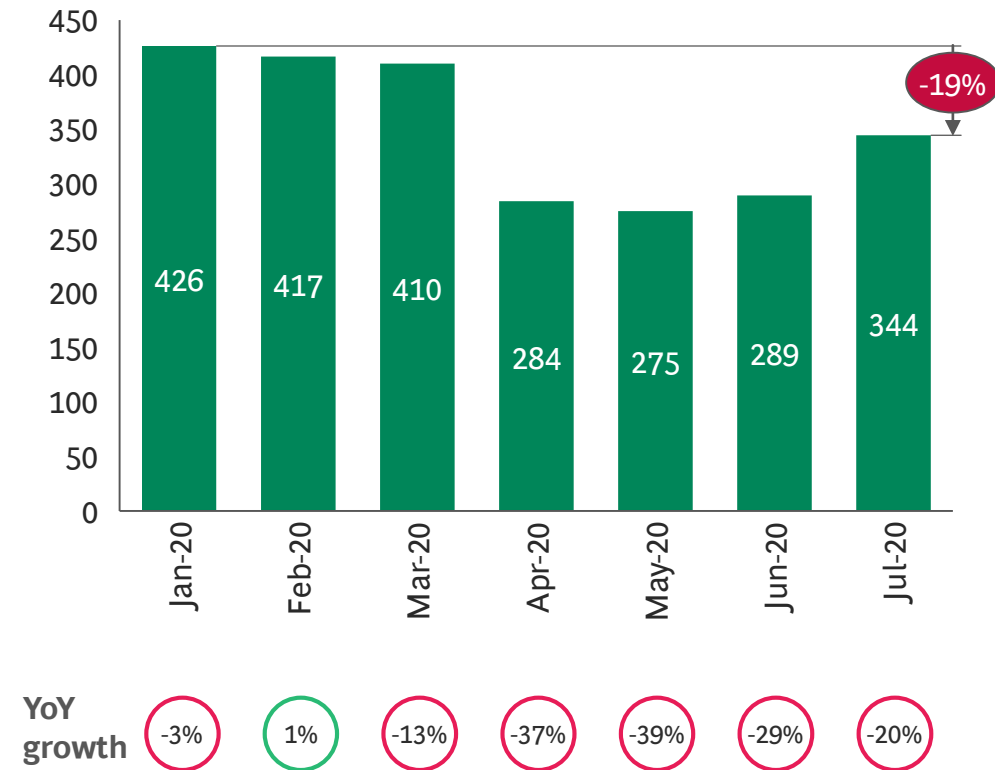
## E-way bills<sup>1</sup> generated (Mn)



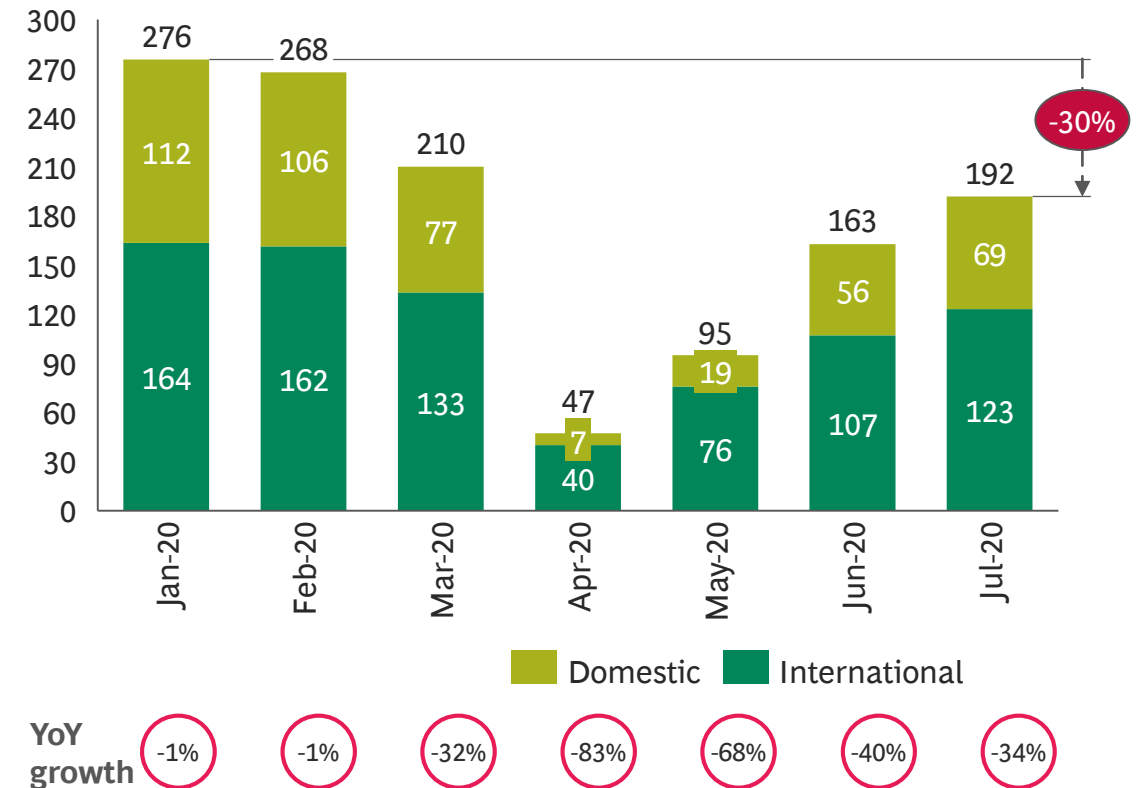
1. E-Way bills are required to be generated at the time of transport of goods by every registered person if the value of the consignment exceeds INR 50,000; 2. As per announcement by NHAI; 3. High YoY growth due to drop in e-way bills in Jun-19; due to new provision introduced limiting generation of E-Way bills if the GST Return filing pending for last 2 months  
Source: GST Network, NHAI, NPCI, Ministry of Railways, CEIC data, BCG analysis

# JNPT traffic and Air Freight improved in July'20 vs. previous months, however still far from pre-COVID levels

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



## Air Freight (k Tons)

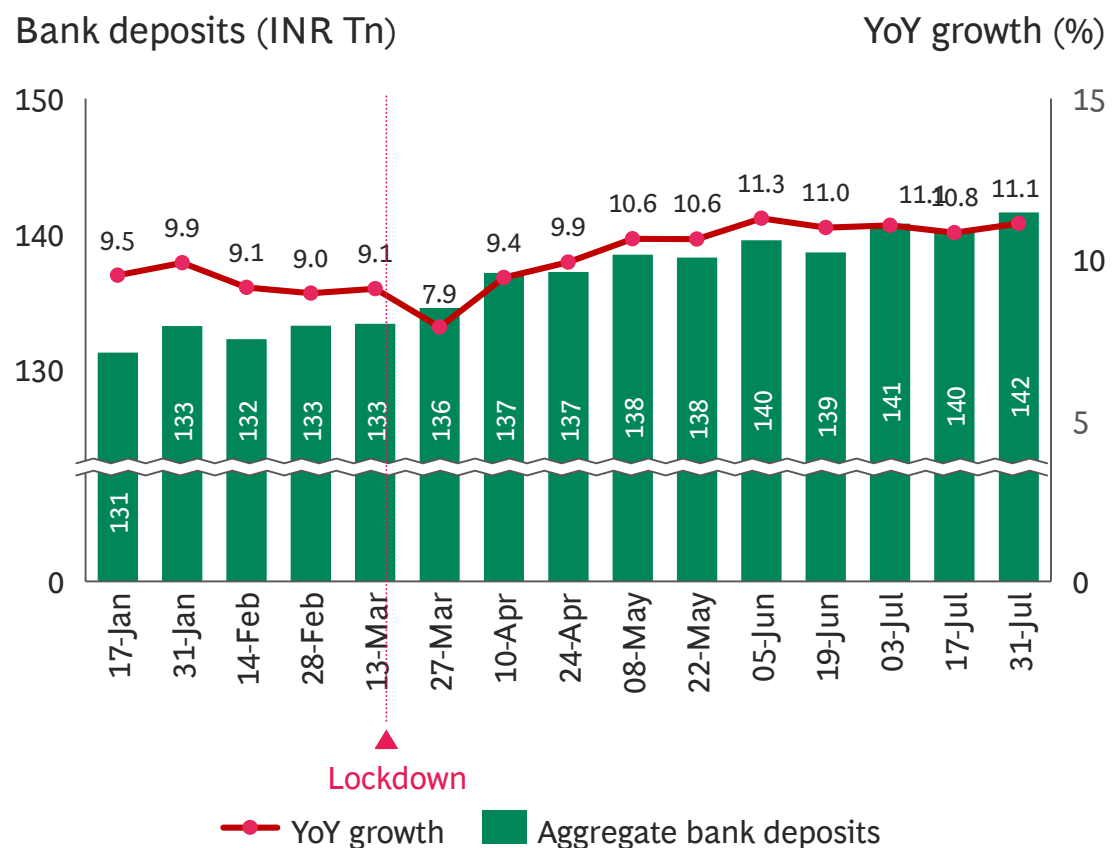


1. TEU refers to Twenty-foot equivalent unit equivalent to 20 shipping containers (20 feet long, 8 feet tall)  
Source: Jawaharlal Nehru Port Trust, Airport Authority of India, BCG analysis

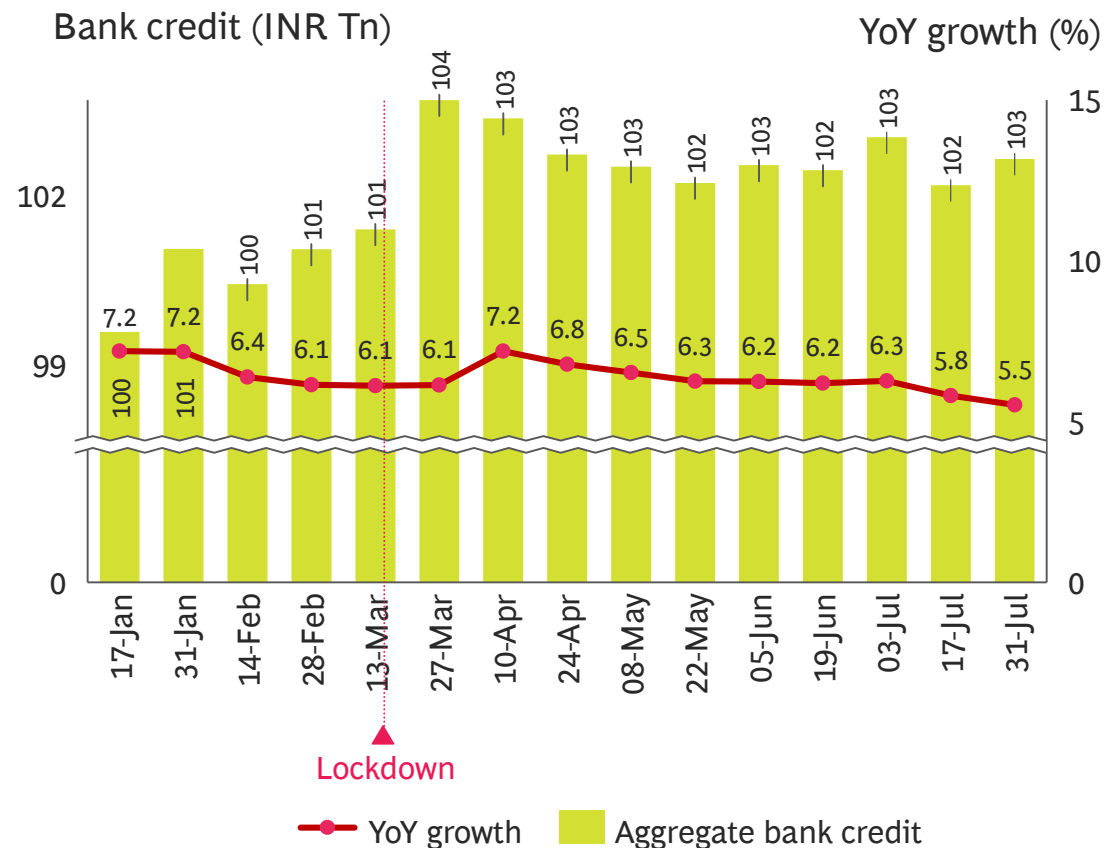


# Aggregate deposits continue to remain stable while bank credit witnessed a dip in July'20

## Total deposits value & YoY growth aggregated for all banks



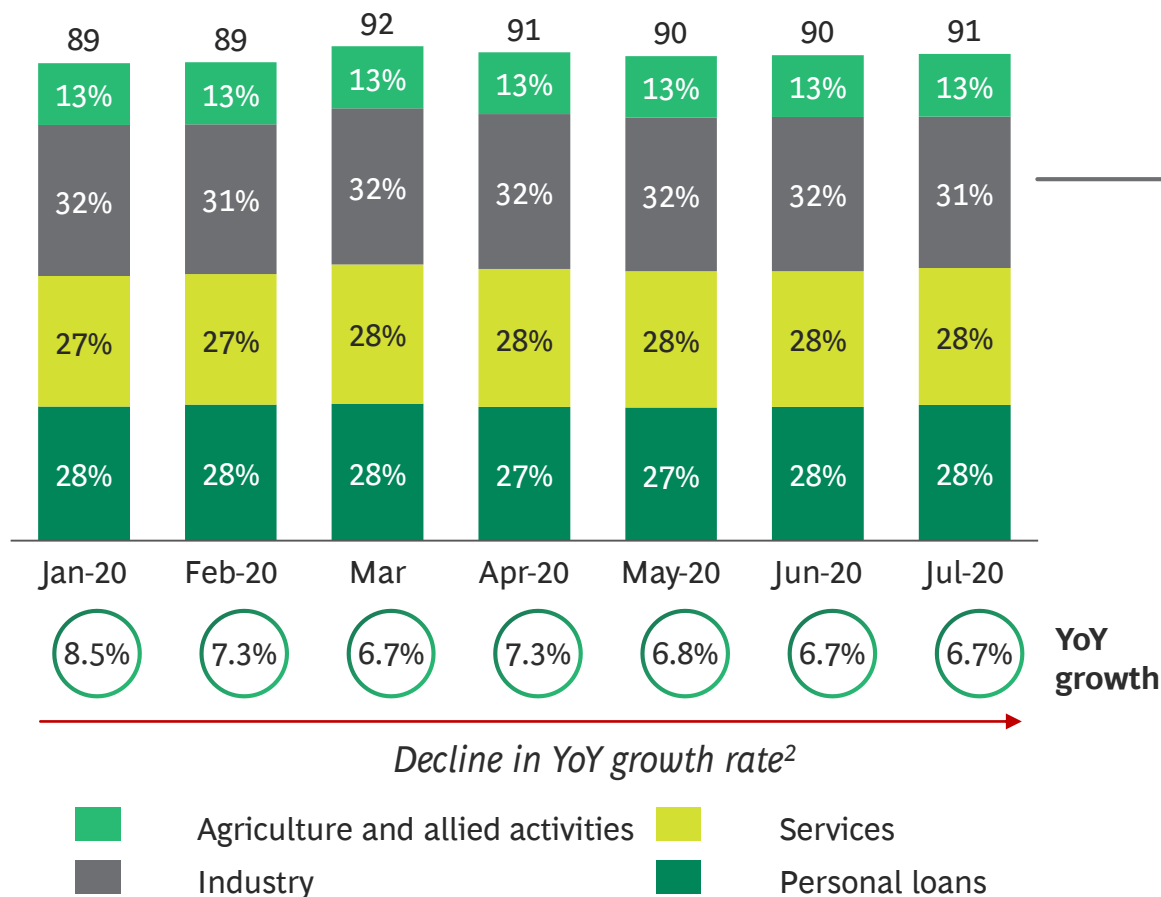
## Total credit outstanding value & YoY growth aggregated for all banks



# Marginal change in non-food credit split across sectors & industries

(As recorded for 41 banks that account for 90% of total non-food credit outstanding)

## Non-Food Credit<sup>1</sup> (INR Tn)



Industry	Jan-20	Jul-20
Infrastructure	36.8%	37.4%
Metals & Metal Products	11.9%	12.0%
Textiles	6.7%	6.7%
Chemical Products	6.5%	6.2%
All Engineering	5.6%	5.0%
Food Processing	5.3%	5.6%
Construction	3.7%	3.6%
Vehicles & Equipment	2.8%	3.1%
Petroleum, Coal & Fuels	2.0%	2.0%
Cement Products	2.0%	2.1%
Gems & Jewelry	2.1%	1.9%
Rubber & Plastic	1.7%	1.7%
Mining & Quarrying	1.5%	1.5%
Paper & Paper Products	1.1%	1.1%
Beverage & Tobacco	0.5%	0.5%
Wood & Wood Products	0.4%	0.5%
Leather & Leather Products	0.4%	0.4%
Glass & Glassware	0.3%	0.3%
Other Industries	8.4%	8.1%
Total	100%	100%

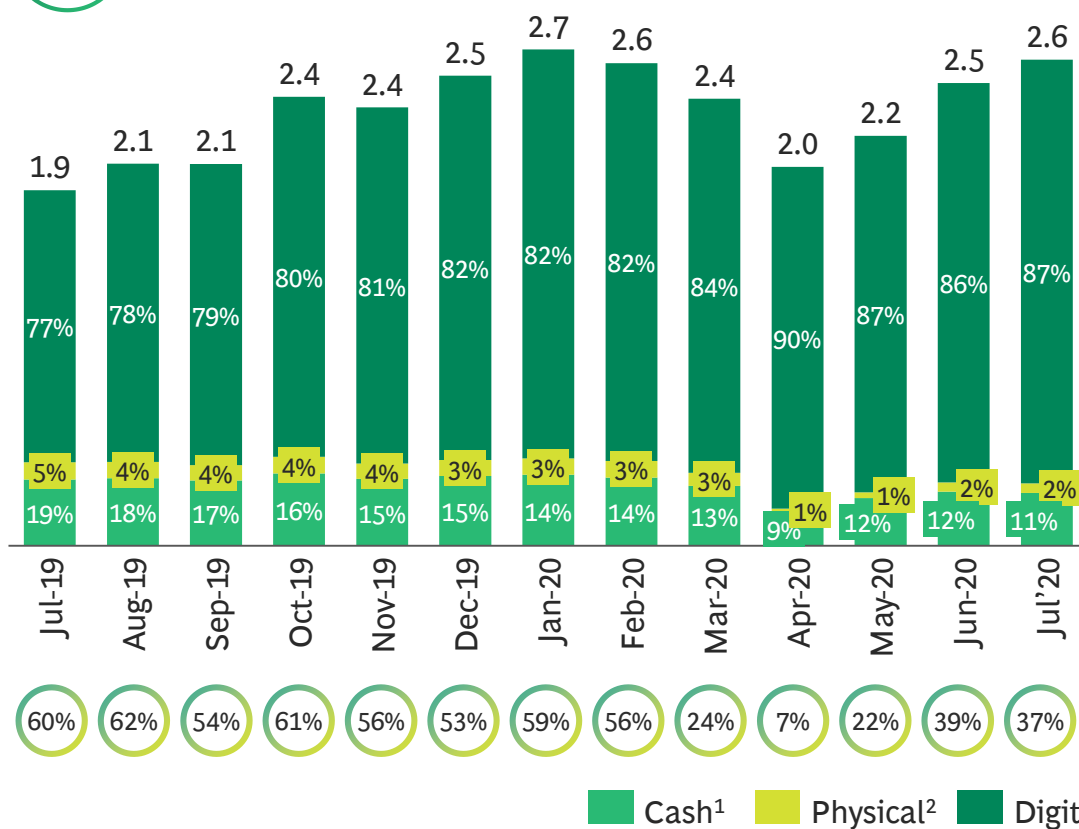
> Jan-20    <= Jan-20

1. Non-food credit: All loans except those to Food Corporation of India and state agencies for procurement of grains under government PDS 2. Only includes data for 41 Scheduled Commercial Banks (SCBs), accounting for 90% of total non-food credit extended by all SCBs  
Source: RBI

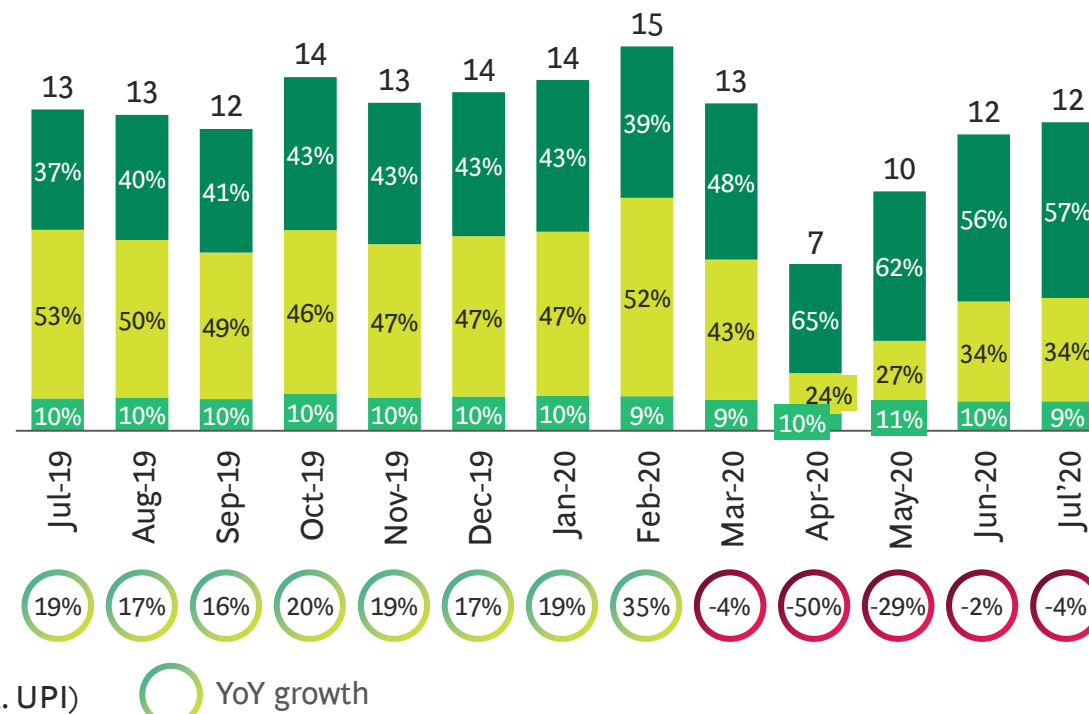
# July'20 retail transactions (volume & value) witnessed a slight uptick vs. previous months; Value of transactions remains below last year's levels



## Volume of retail transactions<sup>4</sup> (in Bn)



## Value of retail transactions<sup>4</sup> (in INR Tn)

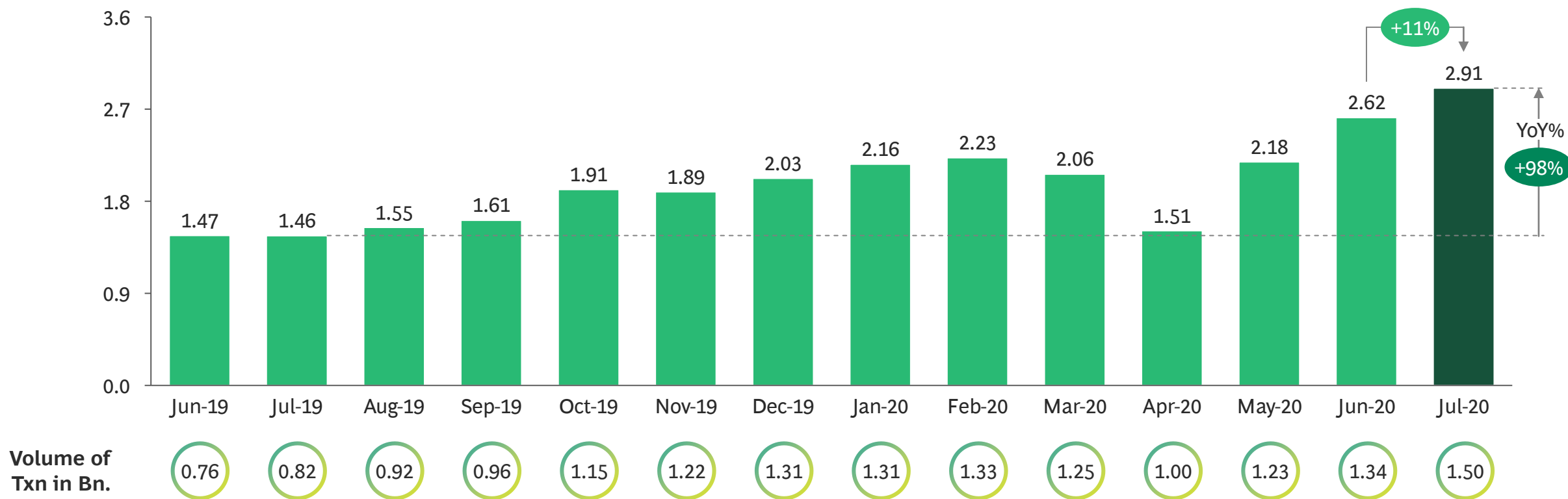


1. Cash refers to NFS Inter Bank ATM Cash Withdrawal; 2. Physical refer to CTS Cheque Clearing (Processed Volume); 3. Digital refer to NACH- National Automated Clearing House, IMPS, RuPay Card usage at (POS), RuPay Card usage at (eCom) AEPS (Inter Bank) Txn over Micro ATM (e.g., Cash withdrawal/Cash Deposit), BBPS (Bill Payment passing through BBPCU), UPI—Unified Payments Interface, USSD 1.0, NETC 4. NPCI retail transactions does not include NEFT, RTGS through RBI, Credit and debit card transactions other than RuPay, mobile banking & internet banking transaction, cash withdrawal from bank's ATM

Source: BCG Analysis, National Payment Corporation of India (NPCI)

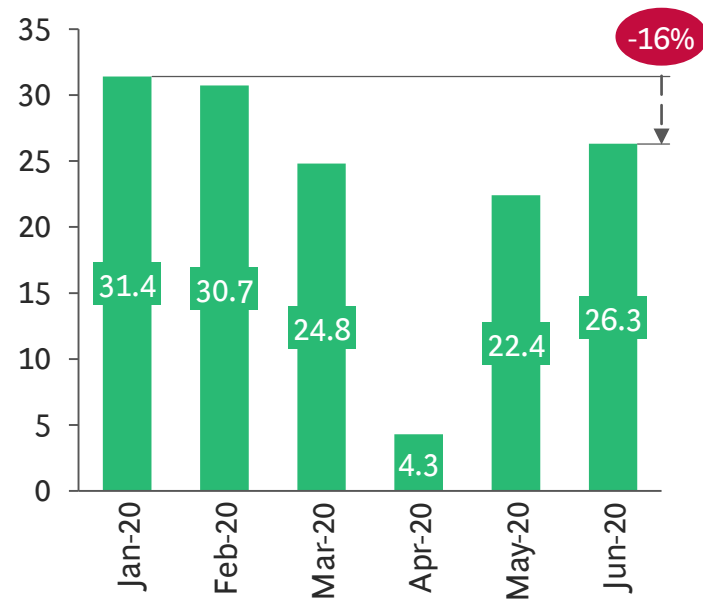
# Value of UPI transactions in July'20 increased by 11% vs. June'20 & 98% vs. July'19 hitting an all time high

## Value of transactions in INR Tn



# Signs of recovery witnessed in cement production and finished steel consumption in May-July'20 period

## Cement Production (in MT)

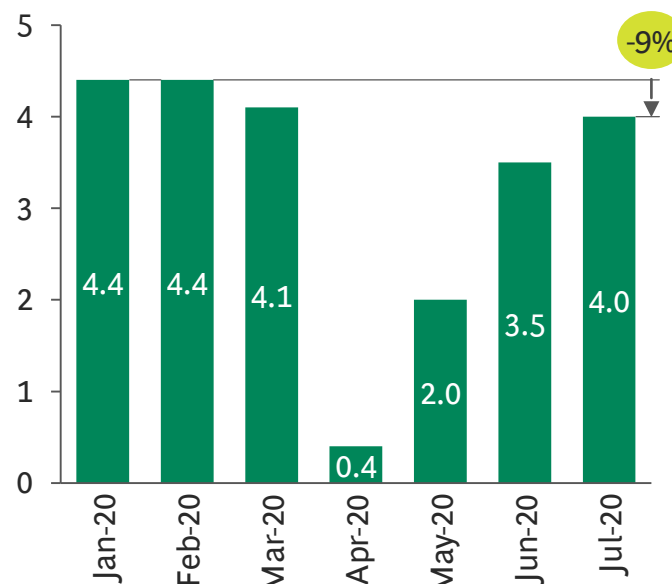


Cement Production

YoY  
growth



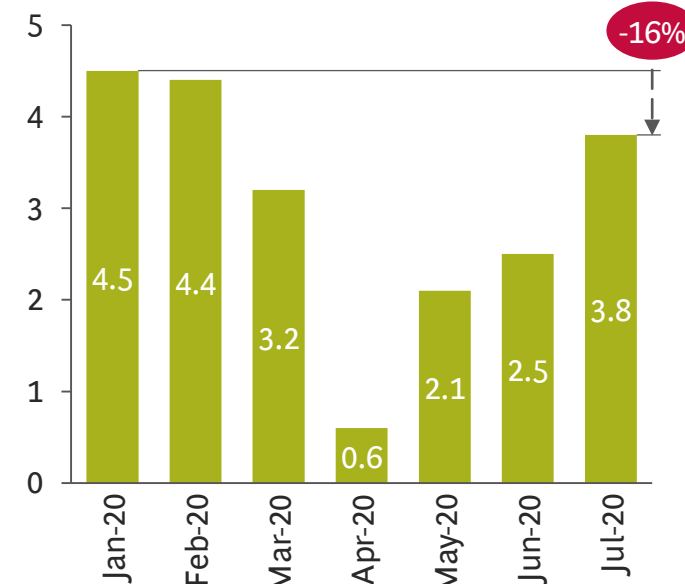
## Consumption of Long Steel (in MMT)



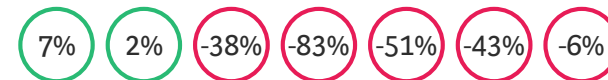
Long Steel Consumption



## Consumption of Flat Steel (in MMT)



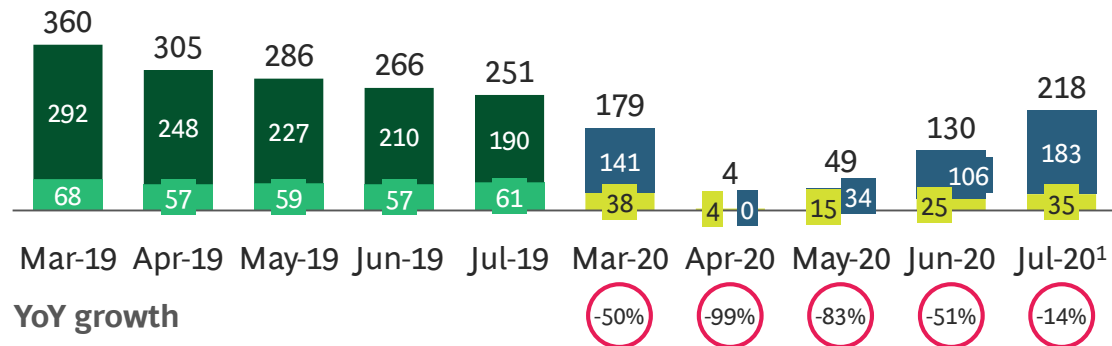
Flat Steel Consumption



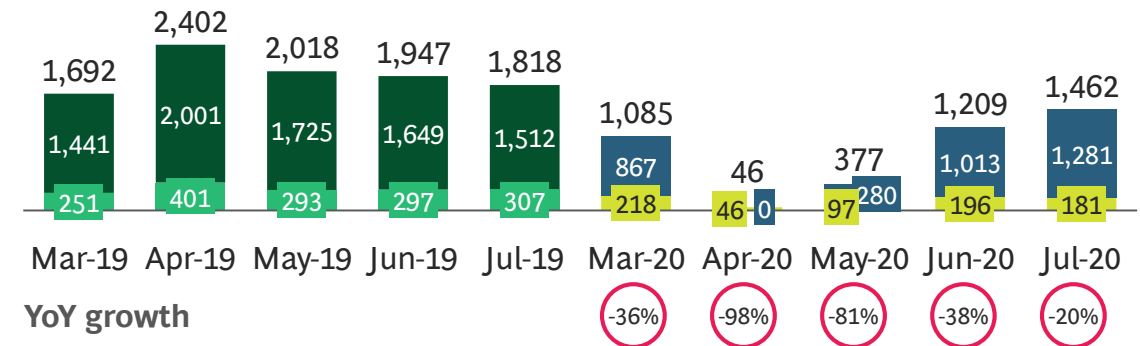
# Auto sales saw an improvement in July'20 vs. previous months, though still below last year's levels; tractor sales grew vs. July'19



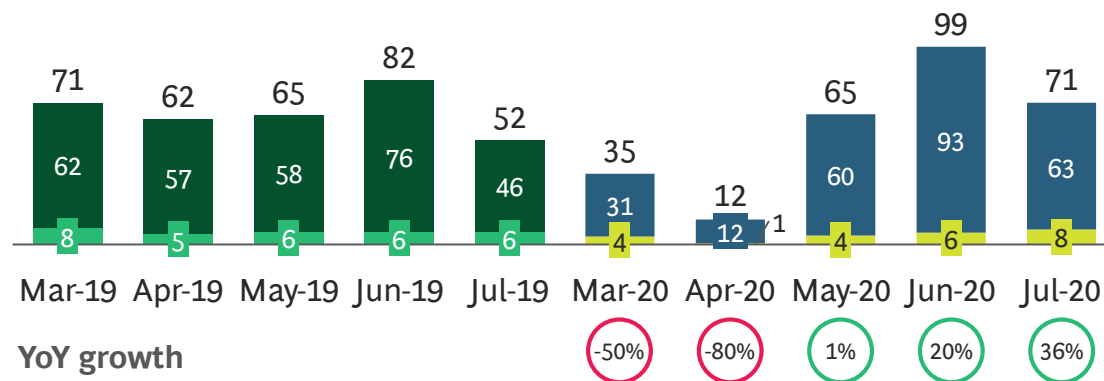
## Passenger vehicles sales ('000 units)



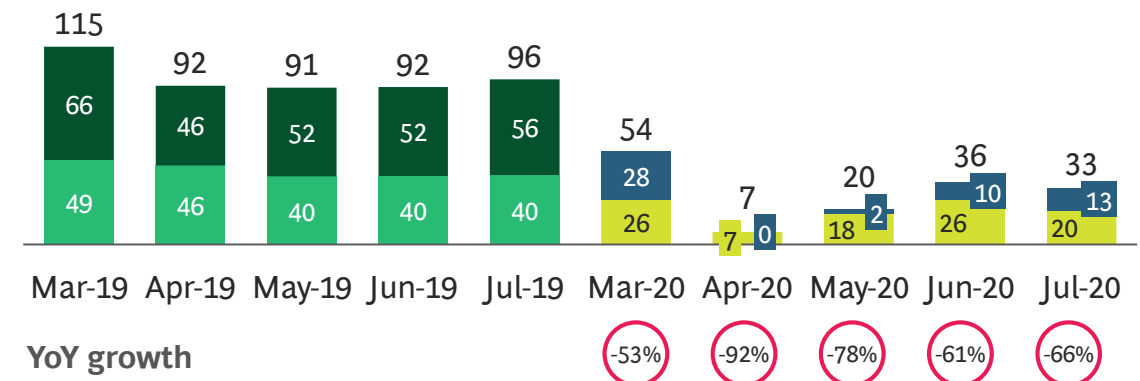
## Two wheeler sales ('000 units)



## Tractor Sales ('000 units)



## Three wheeler sales ('000 units)



■ Domestic sales 2019 ■ Exports 2019 ■ Domestic sales 2020 ■ Exports 2020

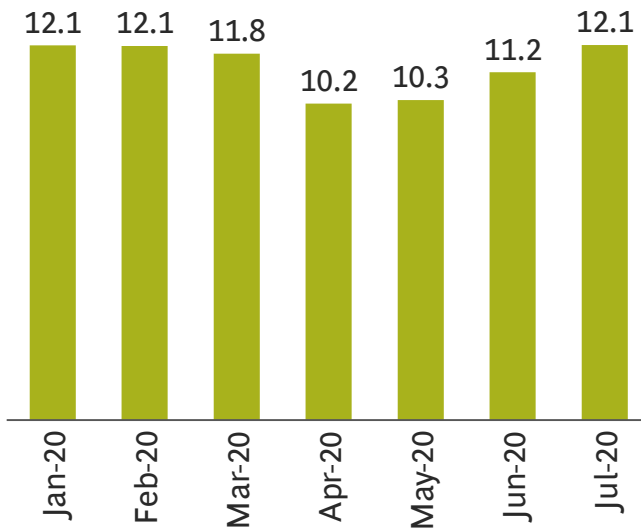
Note: Apr-20 figures for all categories based on CMIE; Accurate split between domestic sales & exports for Apr-20 not available; all sales considered under exports based on press search

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

# July'20 pharma sales growth stabilized while fertilizers continue to see high YoY growth; Limited signs of recovery in Chemical production index

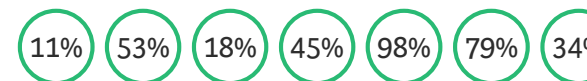
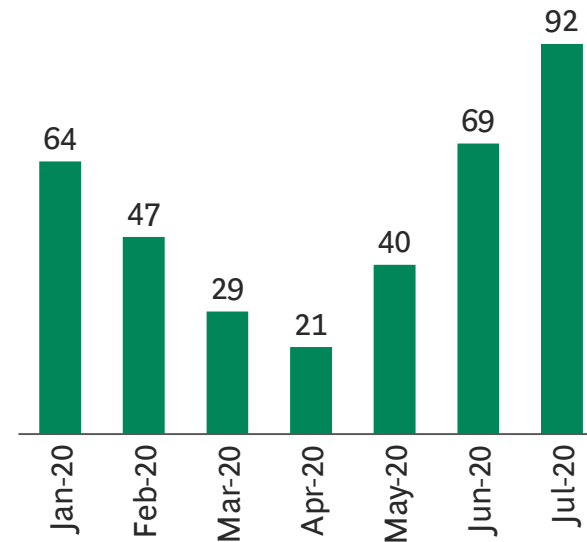
## Pharmaceutical Sales (INR k Cr)



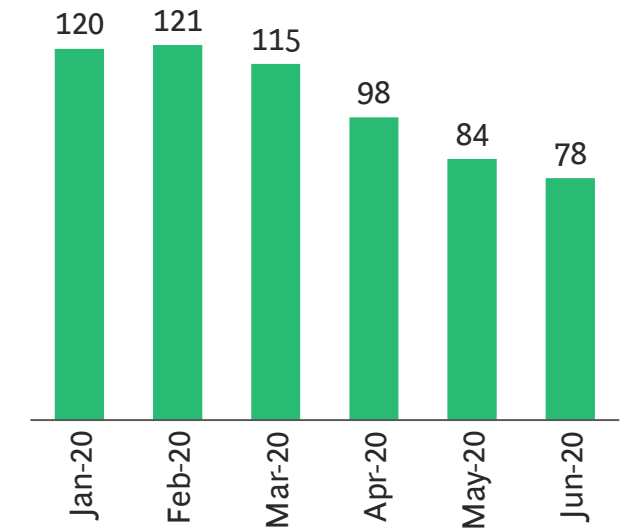
YoY  
growth



## Fertilizer Sales (in LMT)



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



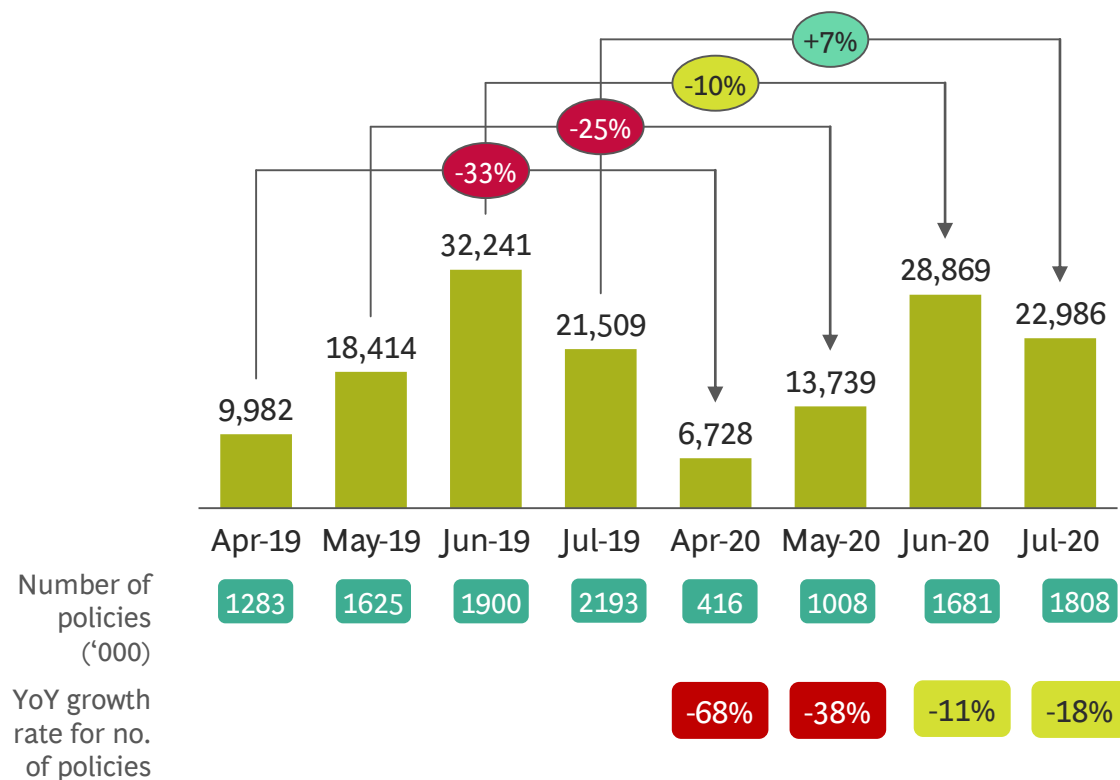
1. Indian Chemical Production Index refers to a 3-month moving average figure for chemicals production with figure for 2012 as base figure (100)

Source: AIOCD, American Chemistry Council, Mobile Based Fertilizer Management System (mFMS), Ministry of Finance, PIB, The Economic Times, Press search, BCG analysis

# Life Insurance segment showed gradual recovery in premium in June-July'20; Non-Life segment registered ~18% YoY growth in July'20

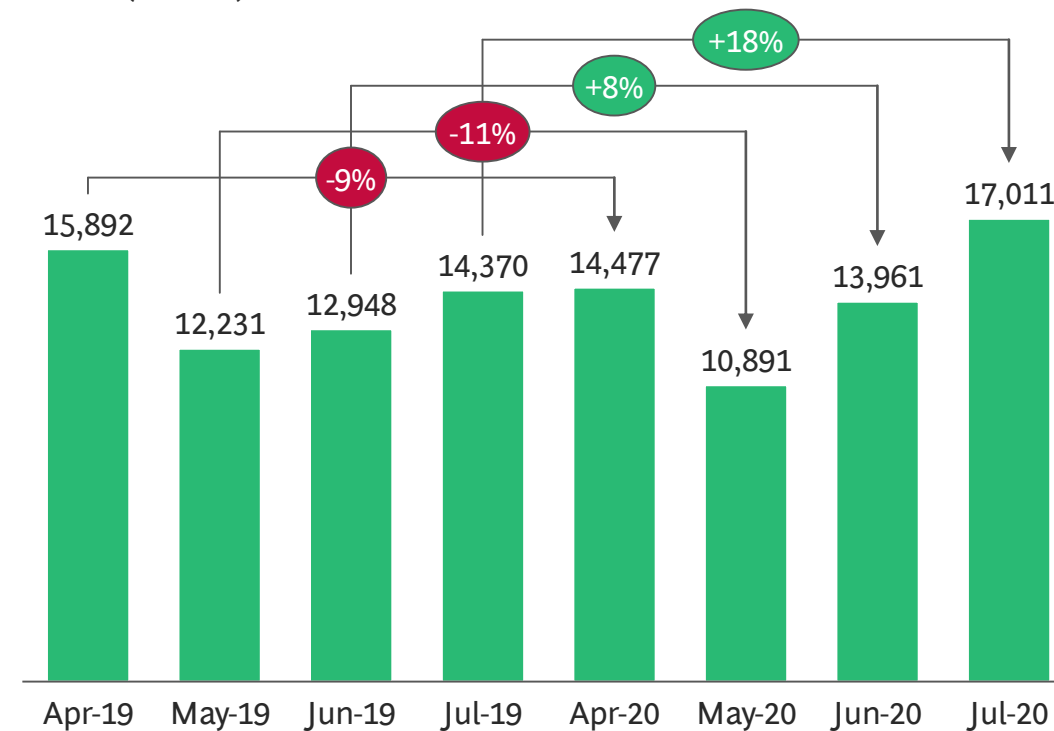
Life Insurance premium observed gradual recovery in May-June'20, slight decline seen in July'20

Premium (INR Cr.)



Non-Life<sup>1</sup> Insurance relatively less impacted; premium grew ~18% YoY in July'20

Premium (INR Cr.)



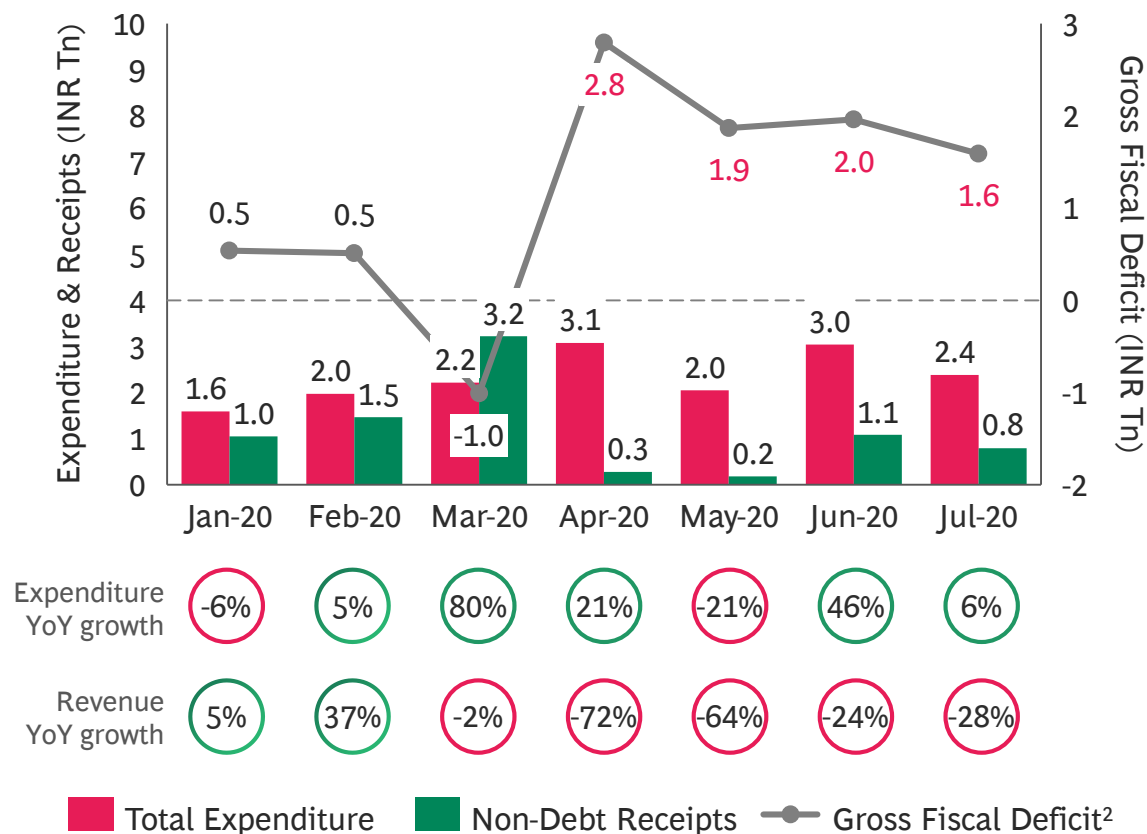
1. Non-Life Insurance includes Fire, Marine, Motor, Engineering, Health, Cop Insurance, Credit Guarantee, Aviation, Personnel accident and Miscellaneous  
Source: IRDAI, BCG Analysis



# India's fiscal deficit reached INR 8.21 Tn (103% of budget estimate)<sup>1</sup> in April-July'20; GST collections dipped 15% in July'20 vs. last year

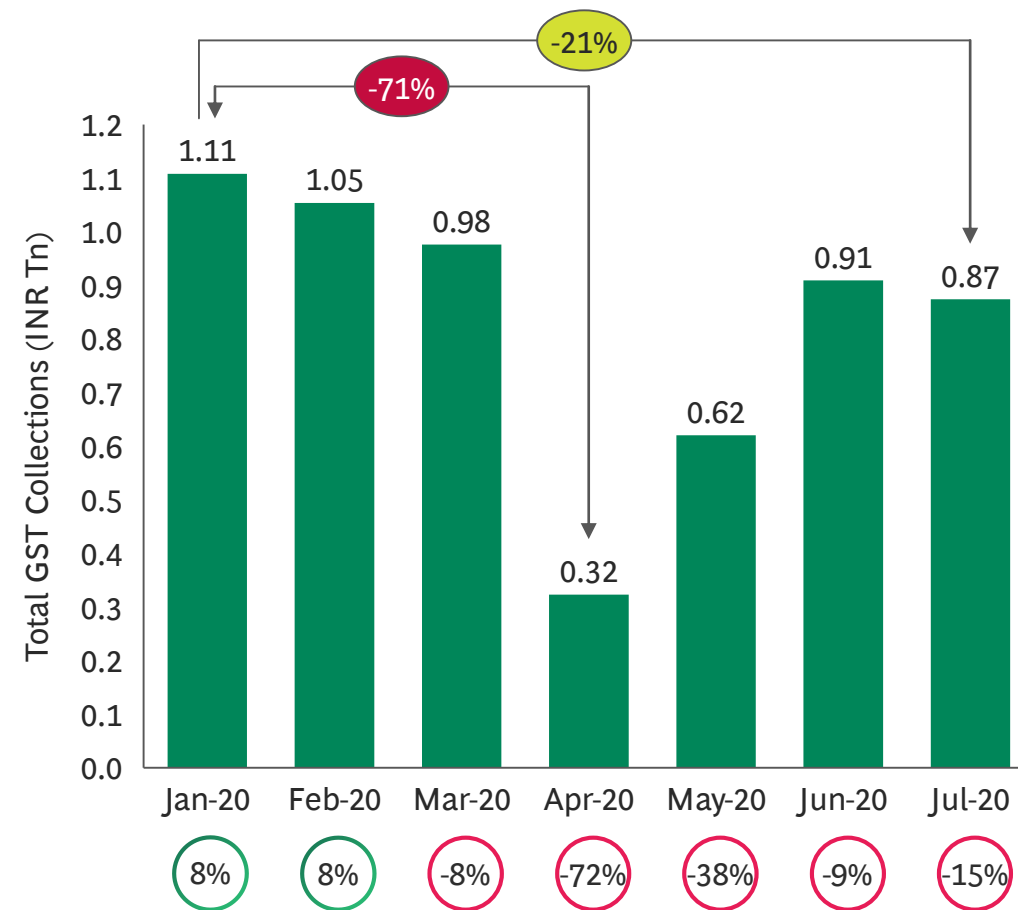
## Central Govt. Revenue & Expenditure (INR Tn)

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



## Total GST Collections<sup>3</sup> (INR Tn)

(based on data from GST Council)

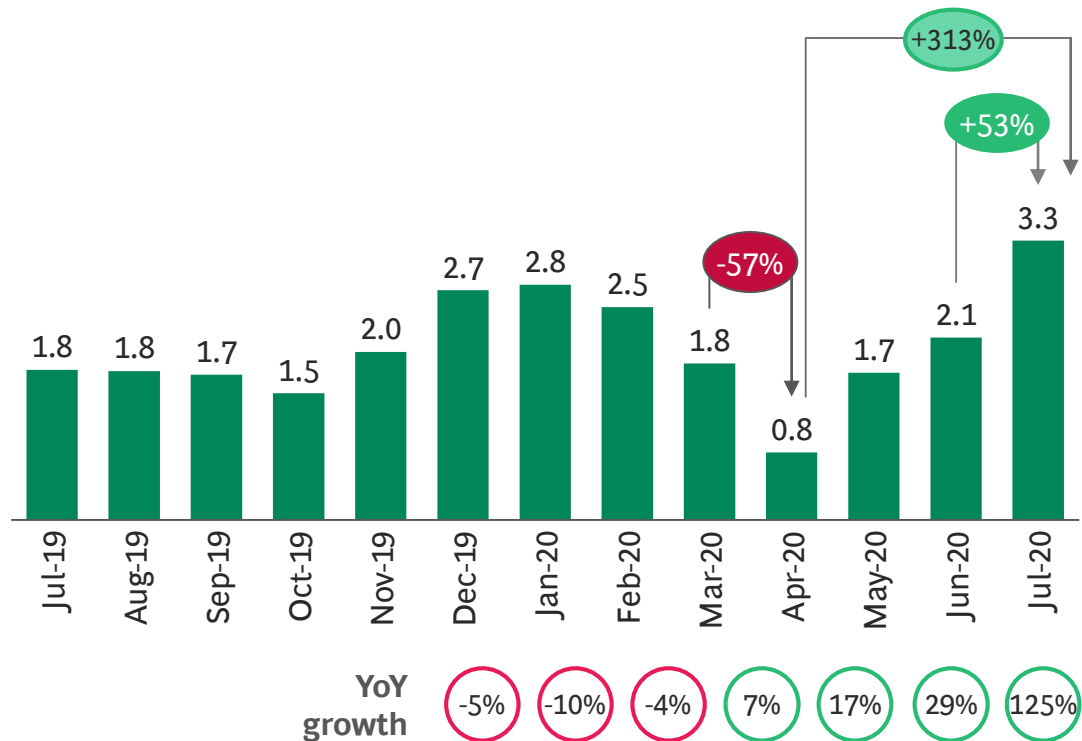


1. Business Standard 2. Gross Fiscal Deficit is the difference between the total Non-Debt Receipts of the government (revenue receipts and non-debt capital receipts) and Total expenditure 3. GST Collections include all components: CGST, SGST, IGST, Cess

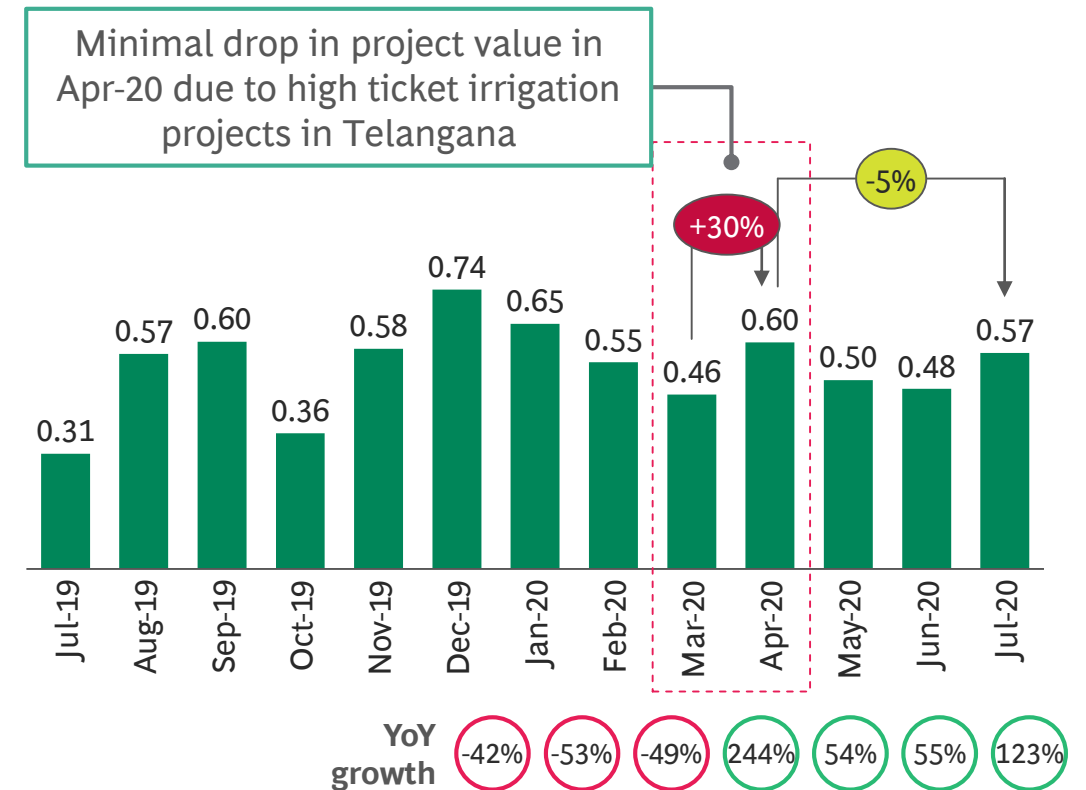
Source: Ministry of Finance, GST Council, BCG analysis

# 53% MoM growth in count of tenders announced by state & central govts in July'20; 300+% recovery in tender count in Jul'20 from Apr'20 levels

## Count of tenders announced by central & state govts (k)

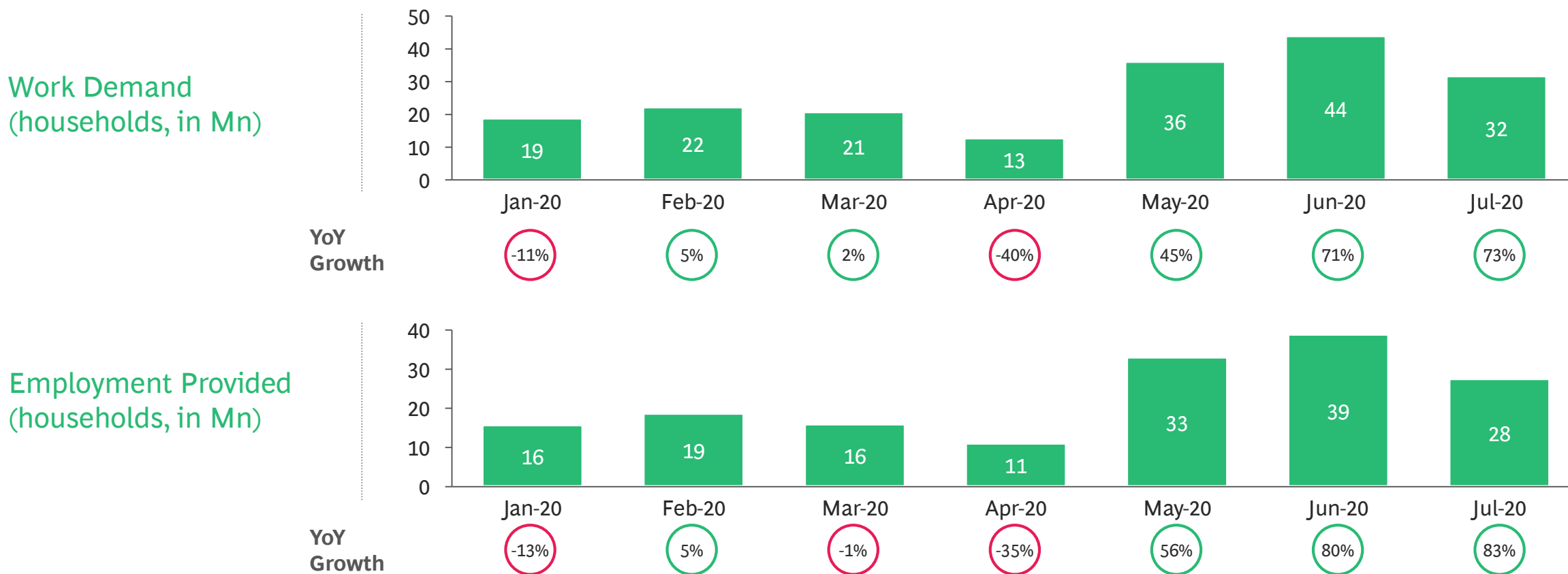


## Value of tenders announced by central & state govts (INR Tn)



# MGNREGA<sup>1</sup> work demand & employment still at 70-80% higher levels than last year; slight dip observed compared to June'20

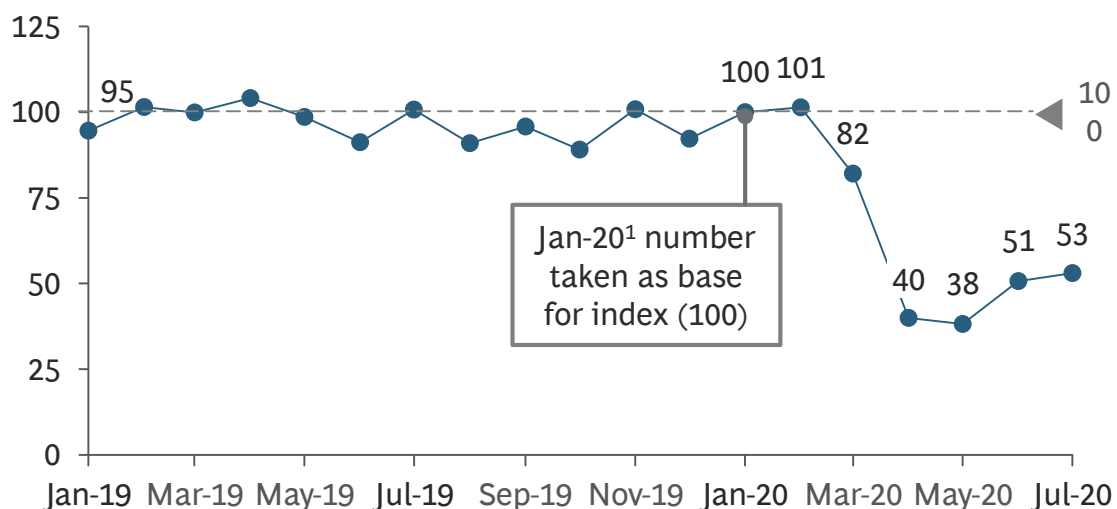
Job demand under the scheme has jumped sharply after lakhs of workers returned to their villages due to the crisis



# Organized sector hiring and joining activity improved in June-July'20 (based on select indicators)

Naukri Jobspeak Index observed gradual uptick in July'20 with MoM growth of ~4%

## Naukri Jobspeak Index



### Naukri Jobspeak Index

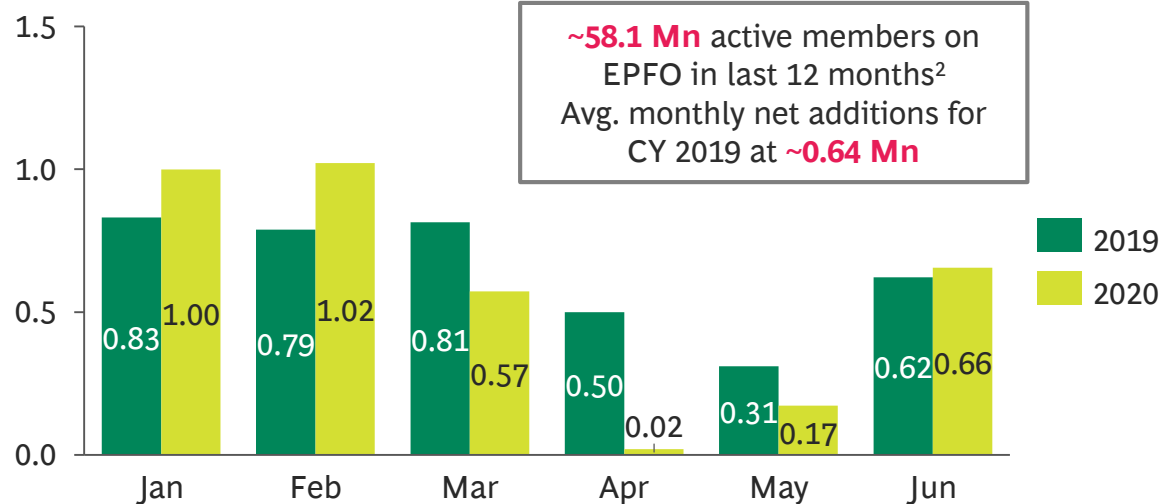
Monthly index which calculates and records hiring activity based on *newly added job listings on Naukri.com* every month

Jobs analyzed for the monthly index are qualified on the basis of *white-collar jobs belonging to the organized corporate sector*

1. Jan-20 level considered as pre-COVID-19 level 2. Active members refers to total contributing members during last one year as published on EPFO dashboard as on 24-Jul-20; 3. Covers every establishment in which 20+ people are employed and certain organizations are covered, subject to certain conditions and exemptions even if they employ less than 20 persons each  
Source: Ministry of Labor and Employment, InfoEdge, Naukri.com, BCG analysis

Net new EPF subscribers improved to ~0.66 Mn in June'20 vs. previous months

## Net new EPF Subscriber (in Mn)



### Net New EPF Subscriber Trend

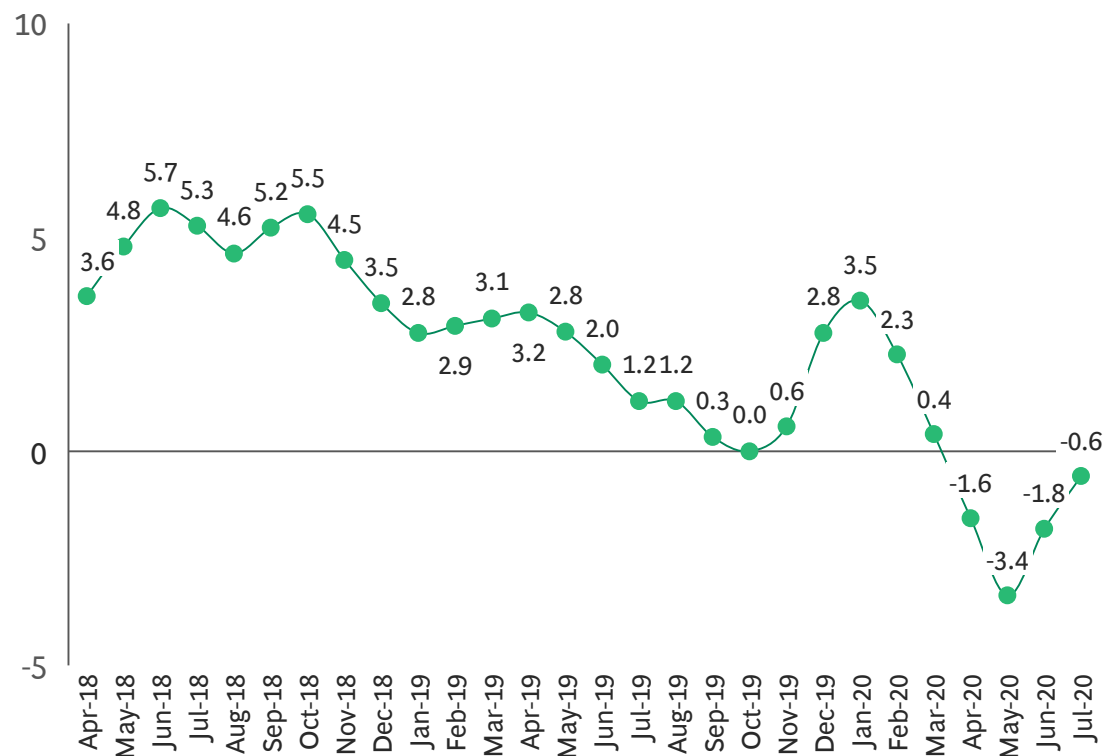
Net new EPF subscribers are net of the members newly enrolled, exited and rejoined during the month as per records of the EPFO

Employees in an establishment<sup>3</sup> drawing less than INR 15,000 per month have to mandatorily become members of the EPF upon joining

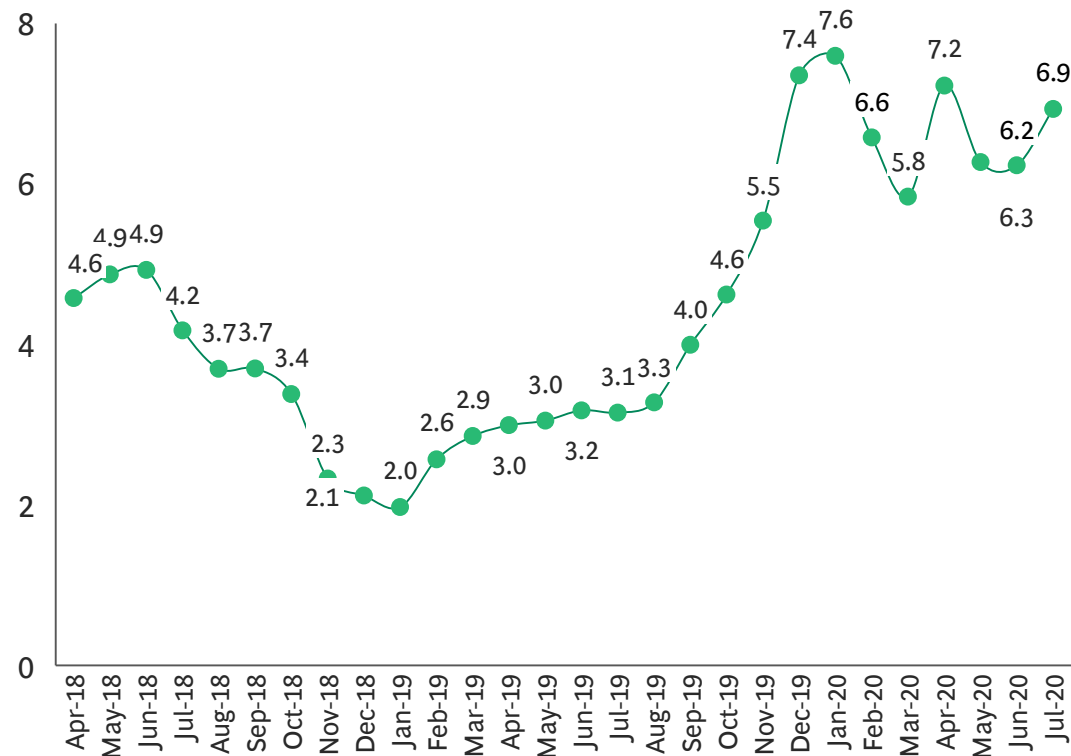
# Contraction in WPI to sub-zero levels in June-July, slight recovery in July'20; CPI also fluctuating due to falling food prices & low demand

## Monthly inflation rate (in %)

### Wholesale Price Index (WPI)<sup>2</sup>



### Consumer Price Index (CPI)<sup>1</sup>



1. The Consumer Price Index (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 year on year increase in prices of the commodities 2. The wholesale price index (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 year on year increase in prices of the commodities

Note: In May 2016, the Reserve Bank of India (RBI) Act, 1934 was amended to provide a statutory basis for the implementation of the flexible inflation targeting framework.

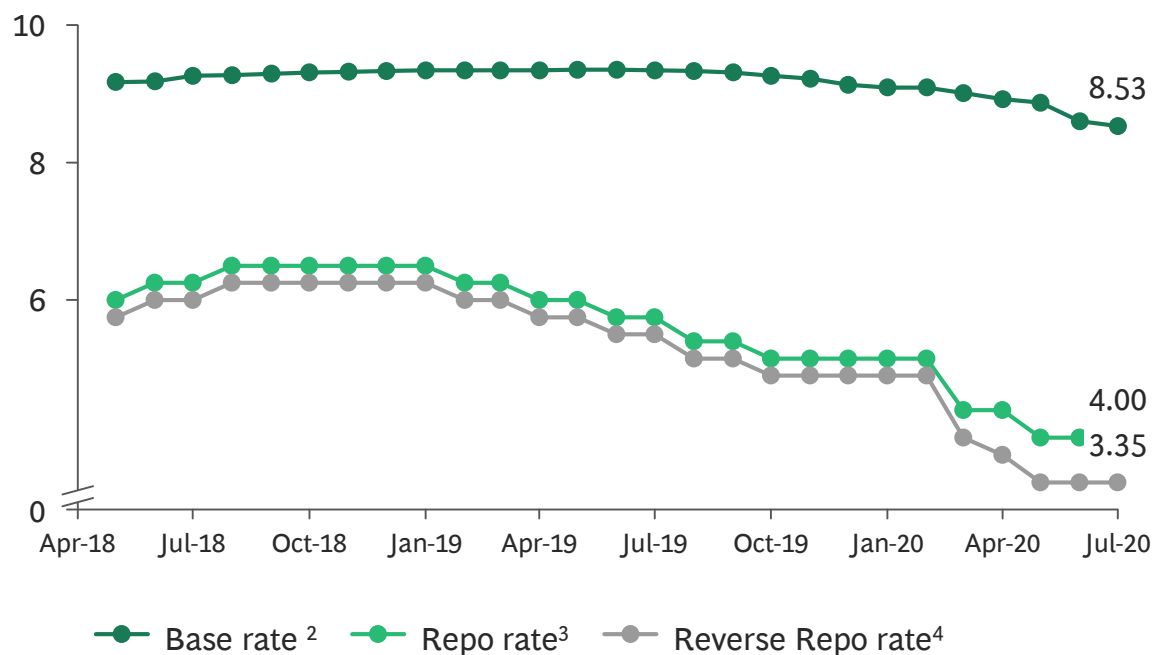
Source: BCG Analysis. DPIIT, MOSPI, Office of the Economic Advisor - Department for Promotion of Industry and Internal Trade, CMIE

# RBI retained policy rates in July'20 at the same level, while MCLR on bank borrowings recorded slight decline

Data as of 31 Aug

## Reserve bank's policy rates (%)

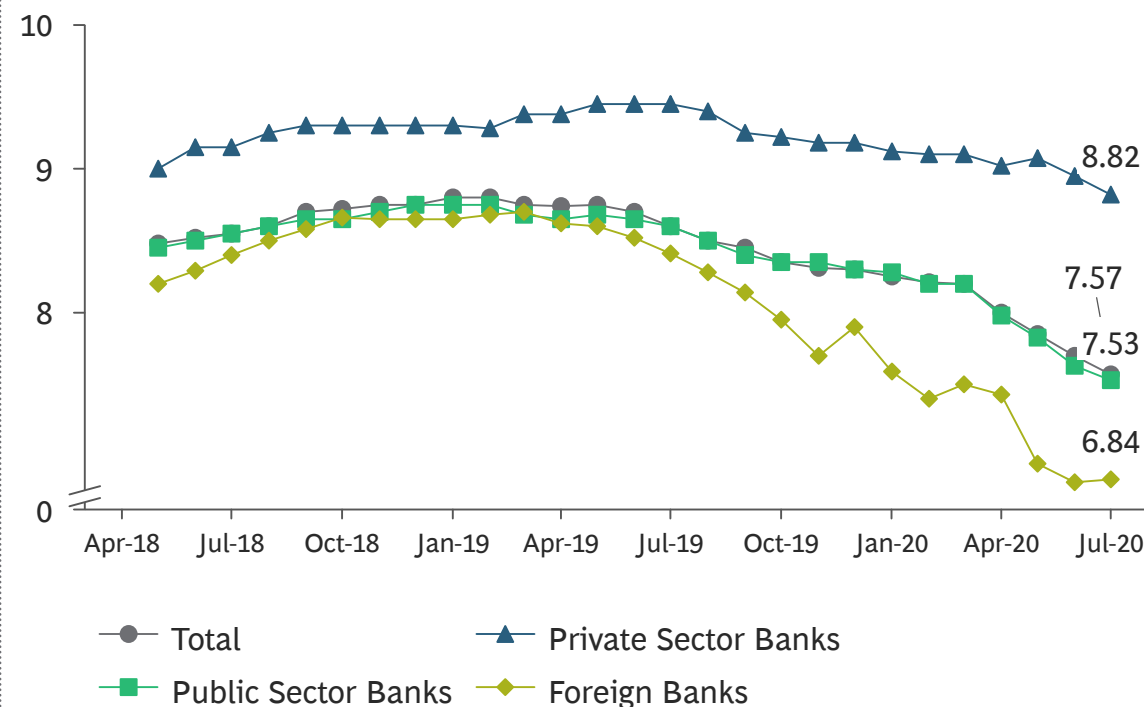
Policy rate %



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

(Median rate on one year borrowings, in %)

MCLR (%)



1. MCLR: Minimum interest rate at which scheduled commercial banks can lend to customers (based on incremental cost of funds). Marginal Cost of Funds based Lending Rate was introduced from April 2016 for fixing interest rates, and replaced the former Base rate methodology (based on average 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

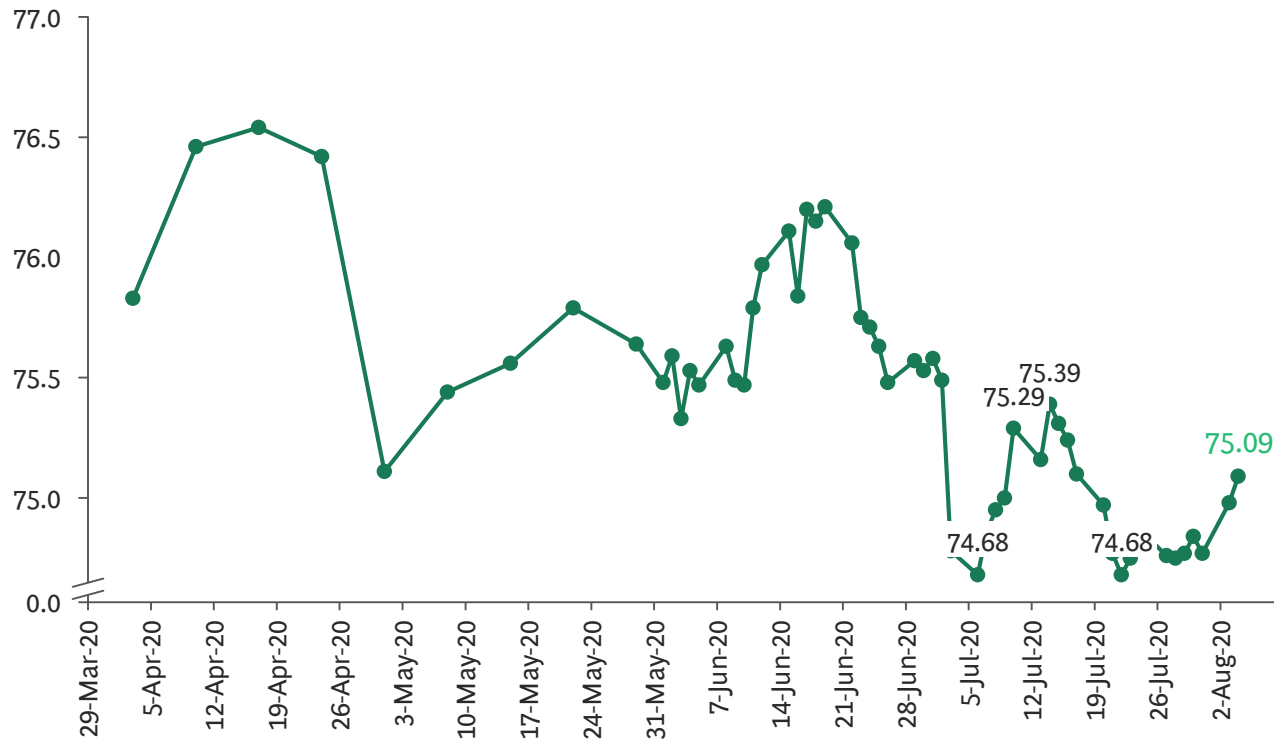
Source: CMIE, RBI DBIE

Indian Rupee remained rangebound at ~INR 75/dollar; Forex reserves continue to hit record high levels, at \$523 billion in the last week of July'20

Exchange Rate (INR/USD)

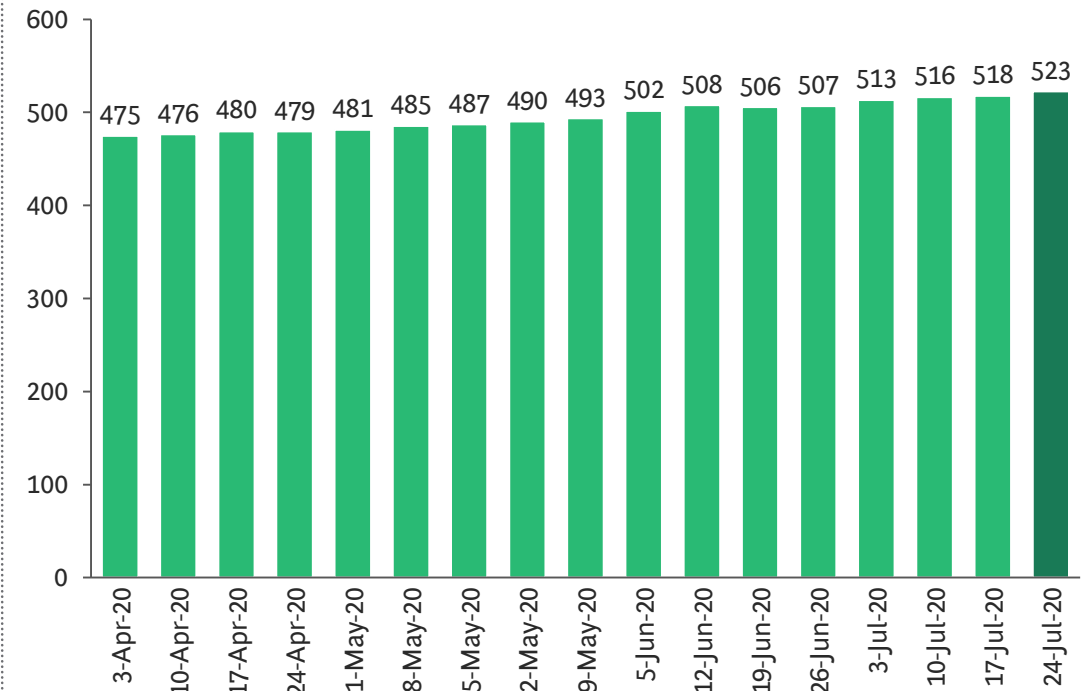
Exchange rate as on 4<sup>th</sup> Aug'20

Exchange Rate (INR/USD)



Forex reserves (US\$ Billion)

Forex reserves (US\$ Billion)

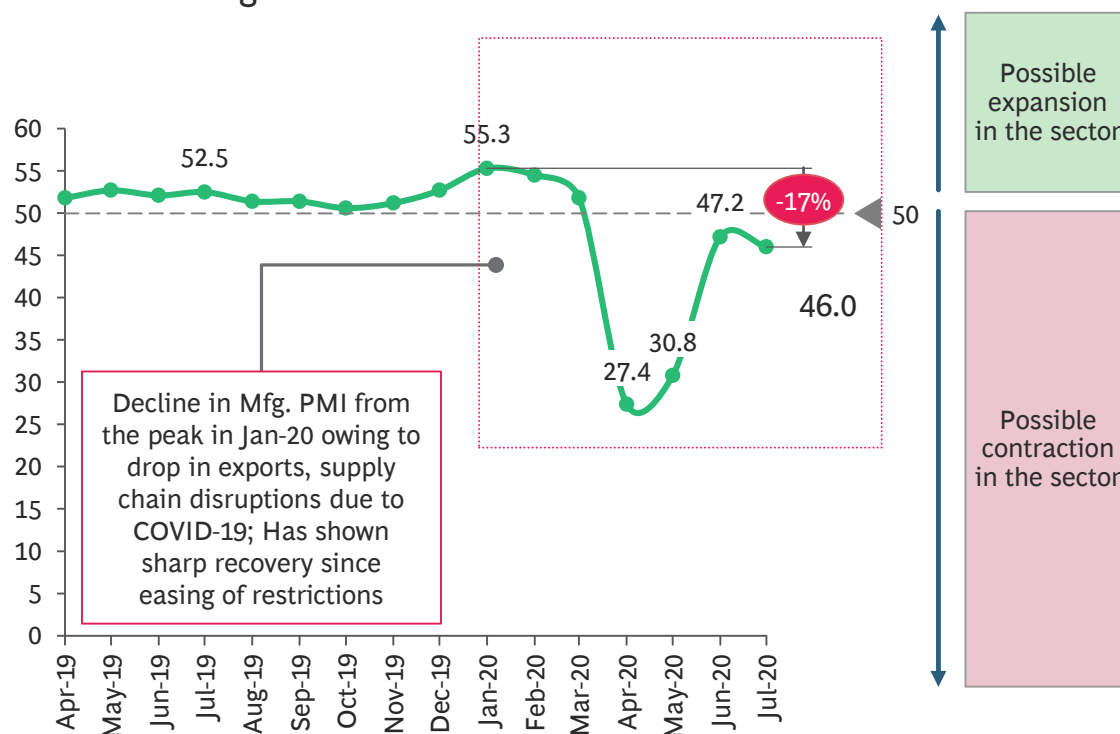


# While Manufacturing PMI contracted in July'20, Services PMI witnessed a marginal uptick; Sentiment still below 50 point mark

SENTIMENT –  
MFG. & SERVICES PMI

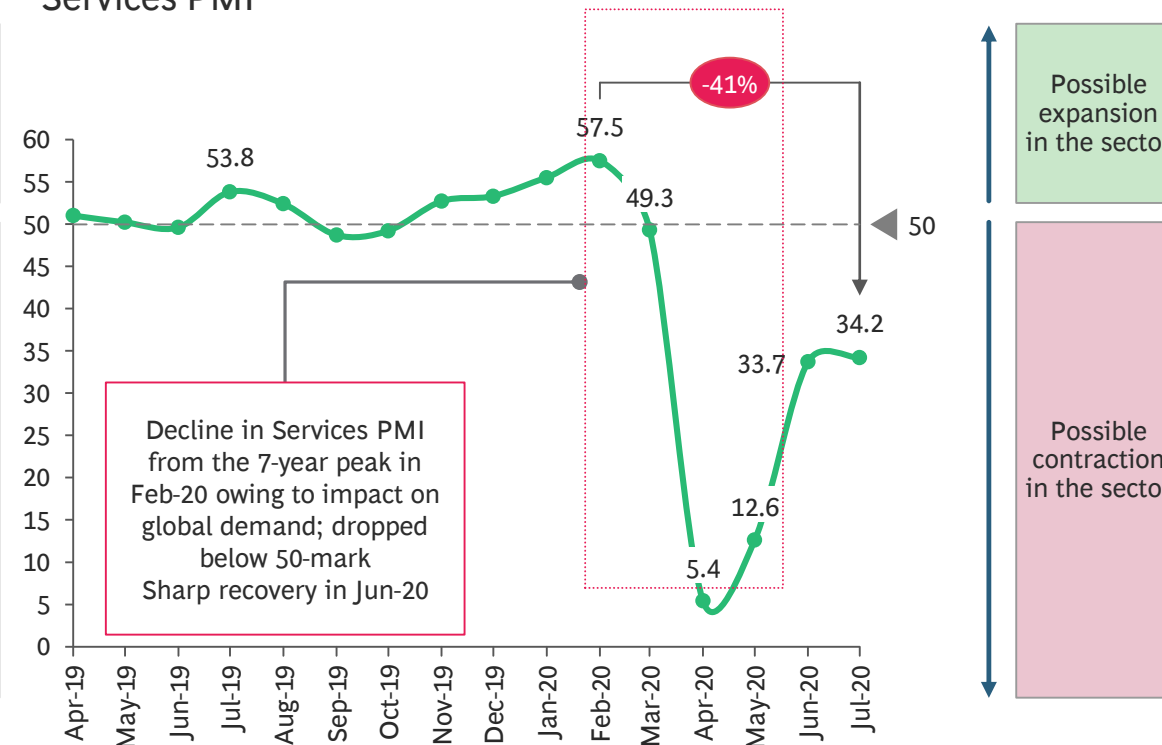
Manufacturing PMI contracted from 47.2 in June'20 to 46 in July'20

## Manufacturing PMI



Services PMI witnessed a marginal uptick from 33.7 in June'20 to 34.2 in July'20

## Services PMI



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



# Sentiment of rural & urban consumers remained stable in July'20

Data as of 31 Aug

## CMIE Consumer Sentiment Survey

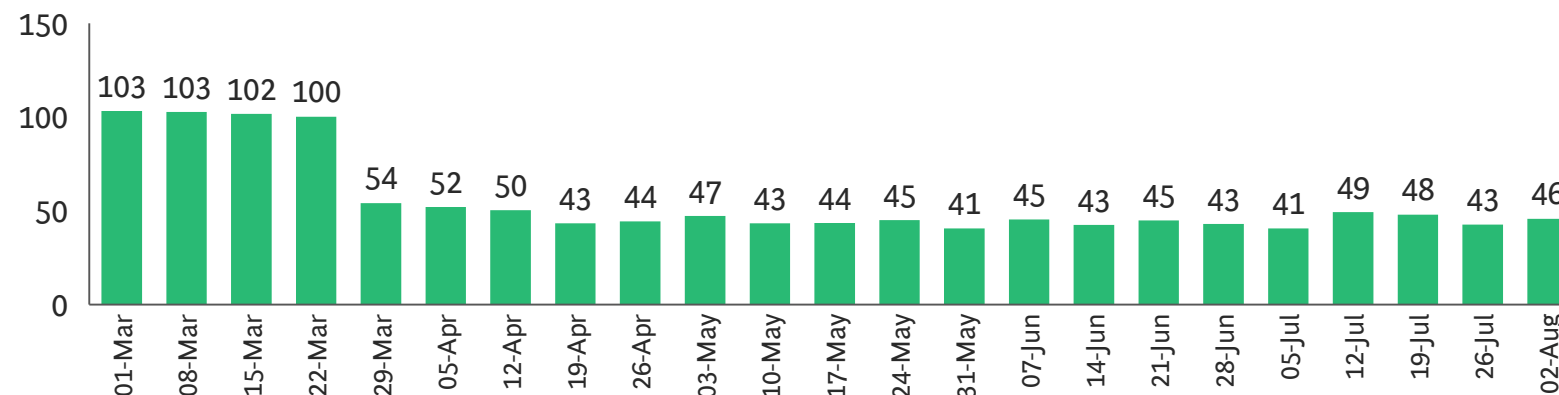
### Sample Size

- 1.74L households in 90 cities and 969 villages surveyed over 4 months

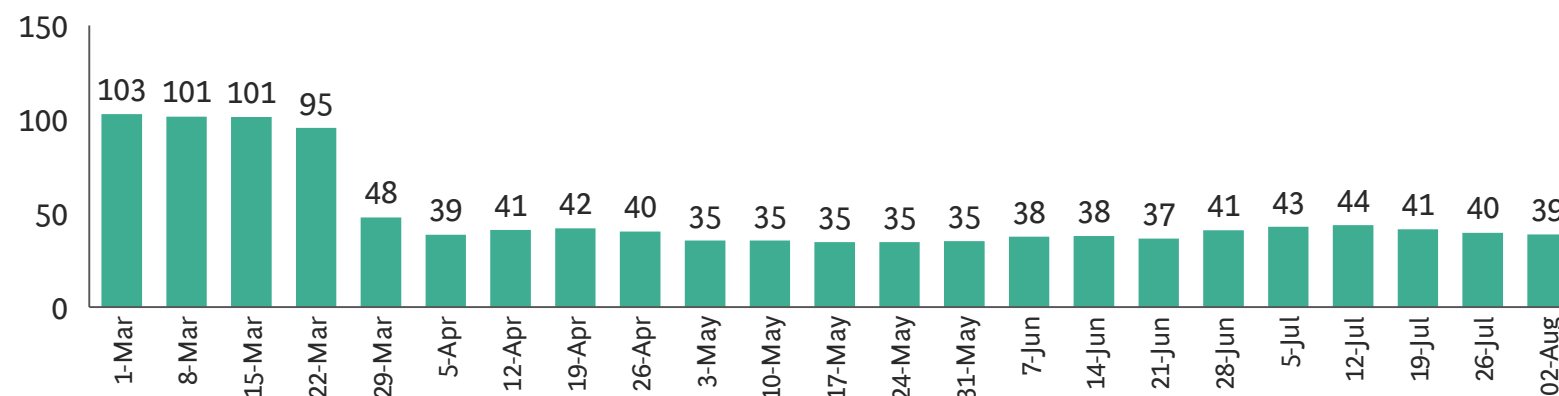
### Methodology

- Longitudinal survey: Same set of households surveyed in batches over time
- Scoring based on 5 questions:
  - Perception of current well-being
  - Expectations of future well-being
  - Perceptions of current economic conditions of the country
  - Perceptions of prospective economic conditions of the country
  - Household's propensity to spend on consumer durables

## Rural Consumer Sentiment Index



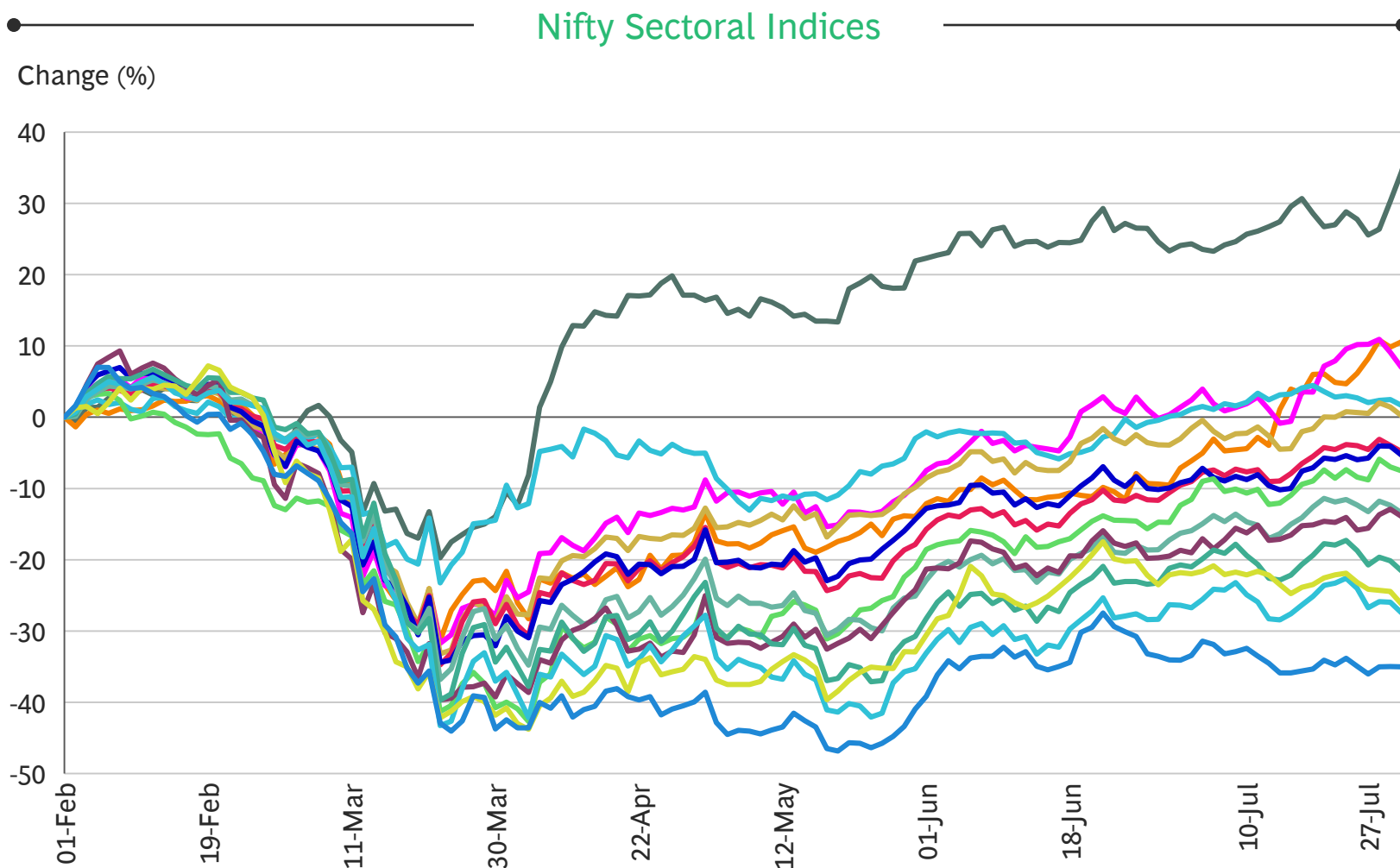
## Urban Consumer Sentiment Index



Source: CMIE Consumer Pyramids Survey, BCG analysis

# Pharma continues its positive trajectory in the Indian stock market while realty, media and bank Nifty see the maximum decline

Data as of 31 Aug



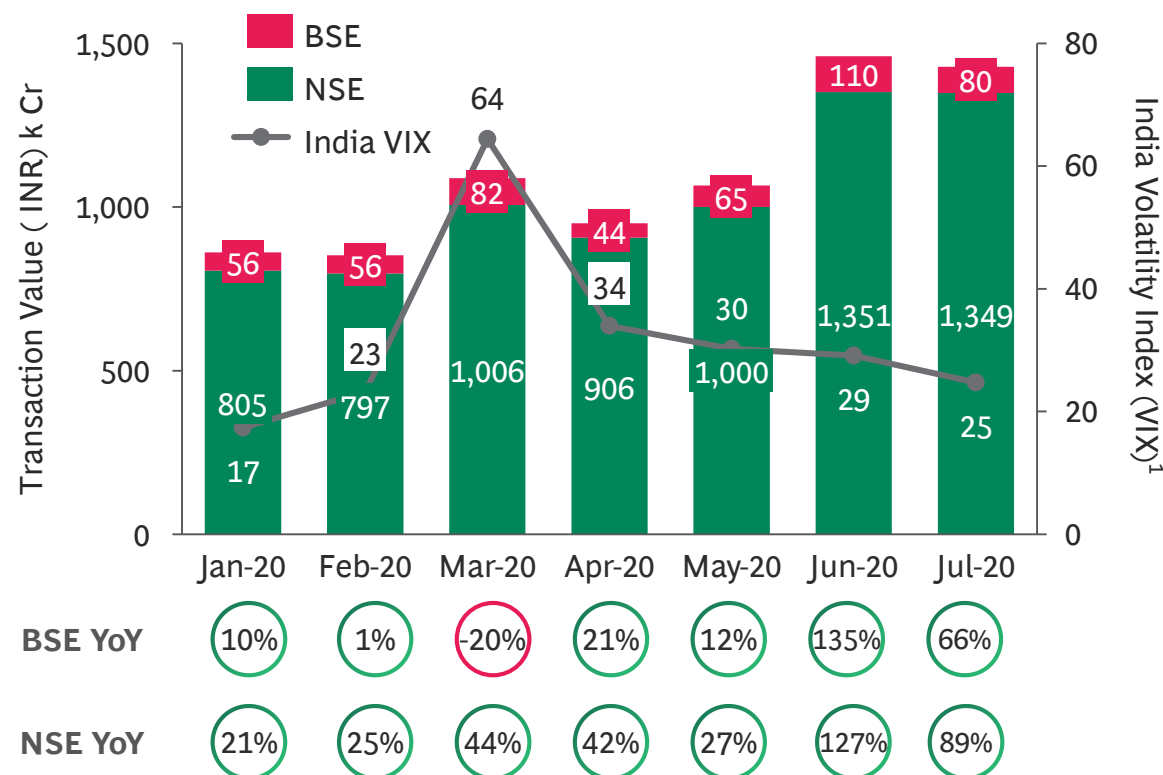
Descending order of performance<sup>1</sup>

Sectoral Index	Change (%)
Pharma	39.12%
IT	10.99%
Energy	6.12%
FMCG	2.24%
Infra	-0.06%
NIFTY	-5.05%
Commodities	-5.14%
Auto	-7.62%
Metal	-13.43%
Services	-13.58%
Financial Services	-22.02%
Media	-26.81%
Bank Nifty	-27.43%
Realty	-34.10%

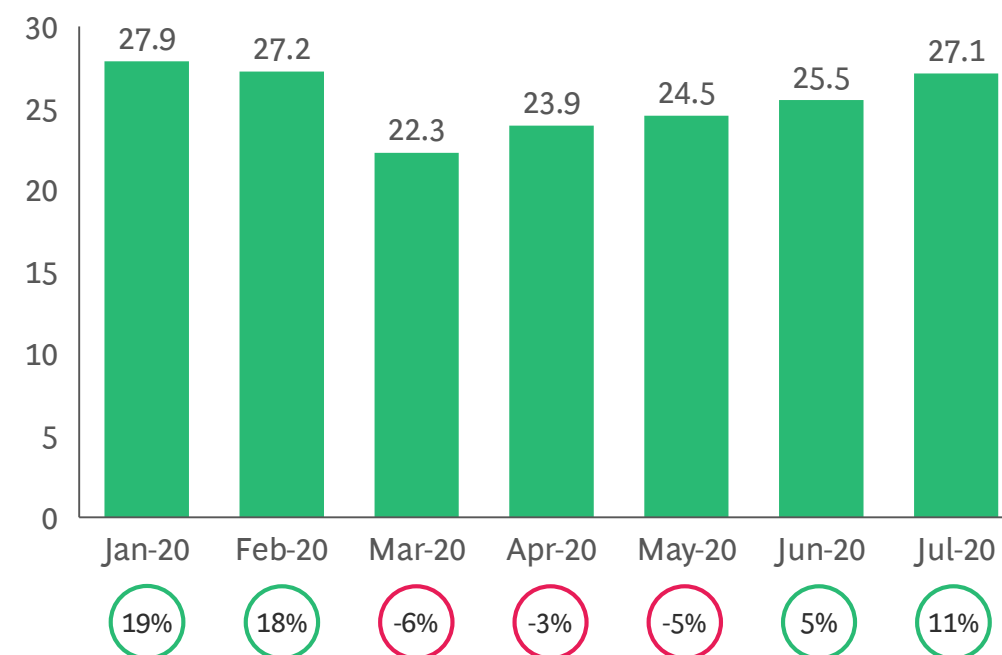
1. Growth rate vs. 01-Feb-20  
Source : NSE, Bloomberg, BCG analysis

# Increased volatility and trading volumes in leading stock exchanges; Recovery in mutual fund AUM at 11% YoY in July'20

## Stock Market Transactions (INR k Cr)



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



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

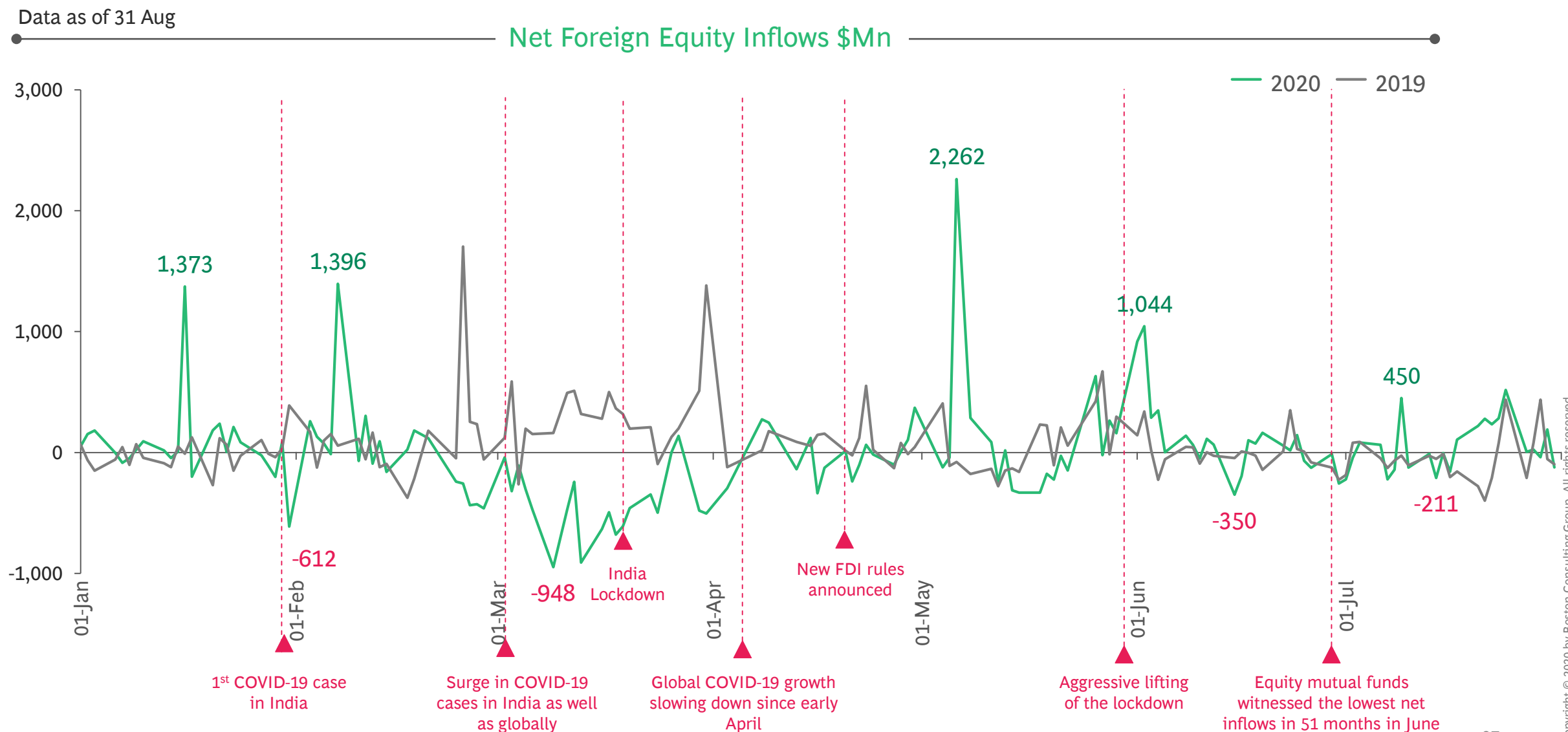
1. Volatility Index is a measure of market's expectation of volatility over the near term; India VIX is a volatility index based on the NIFTY50 Index Option prices providing the expected market volatility over the next 30 calendar days – figures represented are as of end of every month shown

2. Mutual funds Assets Under Management (AUM) represented as recorded at end of every month shown

Source: BSE, NSE, AMFI, BCG analysis

# Foreign equity inflows observed fluctuations amidst current uncertain situations

SENTIMENT - FOREIGN  
EQUITY INFLOW



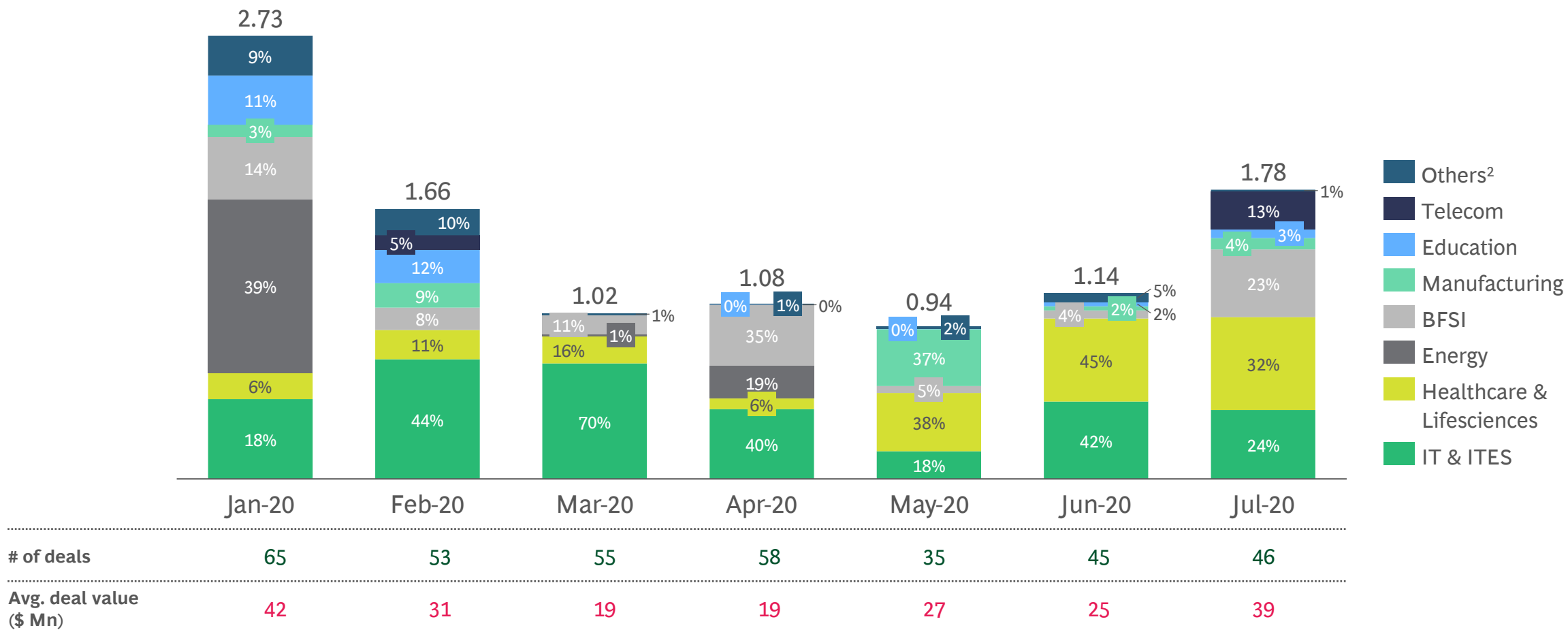
Source: Bloomberg, Press search, BCG analysis

# PE/VC investments saw an improvement in July'20 vs. last 3-4 months

SENTIMENT -  
PE/VC INVESTMENT

## Total deal value of PE/VC investments<sup>1</sup> (\$ Bn)

(Excluding Jio Platforms deals)



Note: 1. Deals include Angel/Seed, Venture Capital and Private Equity deals which are announced & closed between 01-Jan- 2020 and 31-Aug-2020; 2. Others includes Media & Entertainment, Retail, Shipping & Logistics, Sports & Fitness, Textiles & Garments, Travel & Transport, FMCG, Advertising, others  
Source: Venture Intelligence, BCG analysis

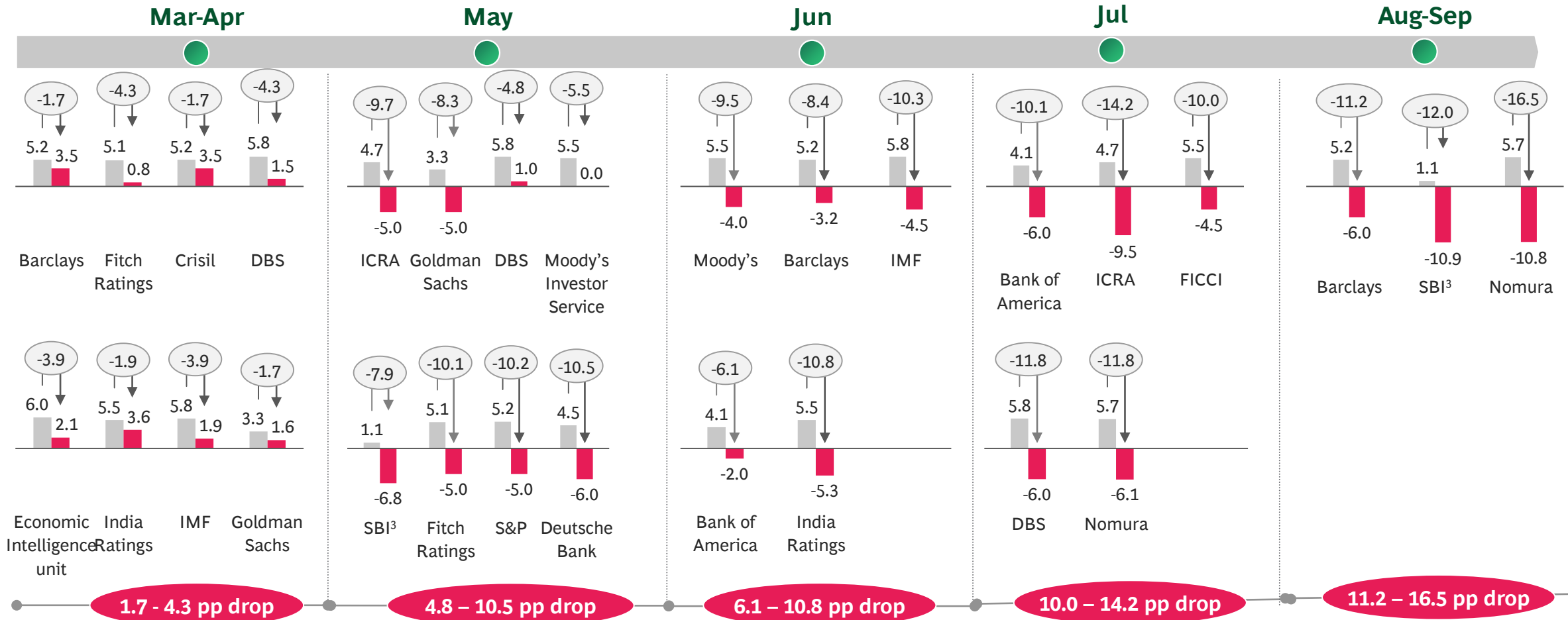
# Indian GDP growth forecasts continuously being revised downwards over the last few months amidst uncertainty around economic recovery

GDP FORECASTS

Data as of 1 Sep; Estimates likely to be revised further

NON - EXHAUSTIVE

## India GDP growth forecast for FY21 (YoY, %)



1. Pre-lockdown forecasts were made during Feb-2020/early Mar-2020; 2. Post-lockdown forecasts refer to forecasts made between 25-Mar to 22-Jul-2020

3. Pre-lockdown forecast for SBI is as of 16-Apr-2020

Source: Analysts reports, BCG analysis

Pre-lockdown forecasts<sup>1</sup>

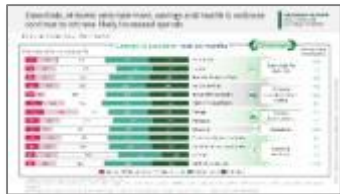
Post-lockdown forecasts<sup>2</sup>

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THANK YOU