

Key Data Releases

Eight Core Index

■The index of eight core industries rose by 7.4 per cent on a year-on-year basis in December 2022. In December 2022, electricity generation rose by 10 per cent and output of coal increased by an even sharper 11.5 per cent. Among other energy sources, output of crude oil fell by 1.2 per cent, but that of natural gas and refinery products rose by 2.6 per cent and 3.7 per cent, respectively. Steel production grew by 9.2 per cent and cement production grew by 9.1 per cent. Production of fertilizers increased by 7.3 per cent in December 2022.

PMI- Manufacturing

■The seasonally adjusted S&P Global India Manufacturing Purchasing Managers' Index (PMI) fell to 55.4 in January 2023 from 57.8 in December 2022. Despite a fall, the PMI reported an expansion in industrial activity for the 19th consecutive month. A PMI reading above 50 denotes expansion and below 50 denotes contraction.

Non-food Credit

■Year-on-year growth in outstanding non-food credit disbursed by scheduled commercial banks (SCBs) slowed to 15.3 per cent by end December 2022 from 16.4 per cent at the end of November 2022. Credit offtake by industry grew by 8.7 per cent at end December 2022, slower than the 13.1 per cent growth clocked at end November 2022.

Public Finance

■Central Government's gross fiscal deficit touched 59.8 per cent of its annual budgeted target by December 2022. In absolute terms, the deficit during April-December 2022 amounted to Rs.9.9 trillion, higher than the last year's Rs.7.6 trillion. Government expenditure increased year-on-year by 11.8 per cent to Rs.28.2 trillion during April-December 2022. Revenue expenditure rose by 9.3 per cent to Rs.23.3 trillion and capital expenditure rose by 25.1 per cent to Rs.4.9 trillion.

Foreign Exchange Reserves

■India's foreign exchange reserves increased by USD 3.1 billion to USD 576.8 billion during the week ended 27 January 2023.

Key Policy Announcements/ Notifications

Union Budget 2023-24

<https://www.indiabudget.gov.in/>

Manner of achieving minimum public shareholding

https://www.sebi.gov.in/legal/circulars/feb-2023/manner-of-achieving-minimum-public-shareholding_67801.html

Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) (Amendment) Regulations, 2023

https://www.sebi.gov.in/legal/regulations/feb-2023/securities-and-exchange-board-of-india-issue-and-listing-of-non-convertible-securities-amendment-regulations-2023_67798.html

Reports

Economic Survey 2022-23, Ministry Of Finance, January 2023

The Economic Survey projects real GDP to grow by 6-6.8 per cent in 2023-24. Its baseline forecast for real GDP growth is 6.5 per cent, depending on the trajectory of economic and political developments globally. The survey estimates India's GDP to grow by seven per cent in 2022-23. Growth is expected to be brisk in FY24 as a vigorous credit disbursal, and capital investment cycle is expected to unfold in India with the strengthening of the balance sheets of the corporate and banking sectors. Further support to economic growth will come from the expansion of public digital platforms and path-breaking measures such as PM GatiShakti, the National Logistics Policy, and the Production-Linked Incentive schemes to boost manufacturing output.

<https://www.indiabudget.gov.in/economicsurvey/index.php>

World Economic Outlook Update, IMF, January 2023

Global growth is projected to fall from an estimated 3.4 percent in 2022 to 2.9 percent in 2023, then rise to 3.1 percent in 2024. The rise in central bank rates to fight inflation and Russia's war in Ukraine continue to weigh on economic activity. The rapid spread of COVID-19 in China dampened growth in 2022, but the recent reopening has paved the way for a faster-than-expected recovery. Global inflation is expected to fall from 8.8 percent in 2022 to 6.6 percent in 2023 and 4.3 percent in 2024, still above pre-pandemic (2017-19) levels of about 3.5 percent. The IMF has retained India's real GDP growth forecast for 2022-23 and 2023-24 at 6.8 per cent and 6.1 per cent, respectively.

<https://www.imf.org/en/Publications/WEO/Issues/2023/01/31/world-economic-outlook-update-january-2023>

Forthcoming Data Releases

Index of Industrial Production, MOSPI, February 10, 2023

Forex Reserves, Reserve Bank of India, February 10, 2023

Sources:

Various Press Articles, CMIE, MOSPI, RBI, SEBI, PIB

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