

Indian GDP crashes amid pandemic

GDP data is at -23.9 % which is lowest in last 41 years. Except for the agriculture sector which grew at 3.4% positive, all the other sectors have negative growth. This GDP data is from April to June 2020. From July to September 2020 the data will come in November or October 2020 which will be very crucial as that will indicate the effect of UNLOCK done by the government. The GDP data may show come back as during last three months, the economic activity has started across India which means demand and consumption may be on the rise in the coming months. The above normal monsoon will also lead to rural demand picking up and thus the overall economy will get the boost.

GST collections have shown remarkable improvement. This also means that the economy is trying to get back on track with demand and consumption picking up slowly.

April 2020	Rs. 30,000 crore
May 2020	Rs. 60,000 crore
June 2020	Rs. 90,000 crore (UNLOCK 1.0)
July 2020	Rs. 87000 crore (UNLOCK 2.0)
August 2020	Rs. 86000 crore (UNLOCK 3.0).

July and August Automobiles sales data shows that total demand has reached 80 % of the pre covid levels. This shows that the consumer discretionary spending has started to some extent.

RUSSIA says that first time demand for crude oil has reached 90 % of the precovid levels. This indicates that at the global level things are improving slowly but surely.

Indian Stock market witnessed Rs. 45773 crore buying from Foreign Institutional Investors in August 2020 which is highest buying done by the FII in one month. This is result of USA printing \$ 2.5 trillion which through FII is coming into emerging stock markets. Currently huge liquidity is flowing into the global markets and that is the reason why the world stock markets are galloping up.