

Indian Economy trying to come back on track.

The Indian Economy has been slowly crippling back to normalcy with the Unlock 3.0 being implemented from August 5, 2020. The GST collections figures which came were quite encouraging since in April the GST collection was around Rs. 30,000 crore while in May it went to Rs. 60,000 crore and in June it was Rs. 90,000 crore and in July it has come to Rs. 87000 crore. This has encouraged that the economy is now trying to come back on track. The Auto sales for the month of July has also been encouraging with almost all the companies seeing revival in the demand as the sales have gone up for all the segments.

The COVID 19 stats for India seems to be better than the world as the recovery rate has touched 67 % and the mortality rate is only 2 % as compared to the rest of the world.

The RBI monetary policy was on expected lines that there was no change in the interest rates. The important announcement for the banks and NBFC who lend against gold jewellery was that now they can lend upto 90 per cent of their value of gold and jewellers as against earlier provision of 75 per cent.

In fact on the defence sector the government decision to ban import of 101 items and give push to local defence manufacturing was take with huge cheer by the stock markets.

The Indian stock markets have continued their upward journey, with the Foreign institutional investors pouring Rs. 20,000 crore into Indian markets (from 1st august to 13th August 2020) and

they have become net buyers in the year 2020 to the tune of Rs 9000 crore. The Indian mutual funds have been net buyers to the tune of Rs. 28000 crore from January 2020 till date. BSE SENSEX gave fabulous return of 30% in the last 3 months as the markets gave v shaped recovery after the fall of March 2020 when the Foreign institutional Investors had sold shares worth Rs. 61000 crore in one single month.

At the global level there seems to be no stop to the liquidity angel with all the central banks giving push near zero interest rates, the flow of money at the global level is pushing stock markets and yellow metal to new highs. The yellow metal has touched Rs. 57000 per 10 grams.