

## **INDIAN ECONOMY WITNESSING GREEN SHOOTS**

The Indian Economy data seems to be having some improvement in the month of September 2020 with many macro economic indicator showing increase in demand and consumption.

- GST collection for September 2020 is Rs. 95,480 crore (4 % higher than last year same time)
- E way bills generated 5.74 crore
- Exports up by \$ 27 billion
- Exports up by 5.3 %
- Demand of petrol up by 16 %
- PMI index is at 56.8 highest in 8 years
- Railway freight up by 15 %

The Purchase Manger Index is also witnessing the rise its highest jump in the last 8 years.

□ Month	PMI Reading
□ April	27.4
□ May	30.8
□ June	47.2
□ July	46.0
□ August	52.0
□ September	56.8

The auto sector which is one of the major employment generators has also registered huge growth rate in terms of the sales in all segments. Auto sales for September 2020 has been on the rise. All two and four wheeler companies have registered high sales. This is due to low base effect, coming festive season, preference to travel in private vehicle. Maruti sales up 33%, Hundai 23 %, Tata motors 162%, KIA 147% which is very positive for the economy.

RBI monetary policy was on expected lines as there was no rate cuts in the policy rate. The interest rates are already at all time low with deposit rates in the range of 5 to 5.15 per cent and Home loan rates at 6.90 per cent. The RBI is also positive by Q4 of 2021 the GDP growth will become positive as unlocking of the economy has ensured that all the sectors are witnessing starting of the economy activities.

The monthly inflows of the Systematic Investment Plans (SIP) for the last 3 months has been more than Rs. 7500 crores which means that the retail investors are having full faith in the India Growth story and future prospects.