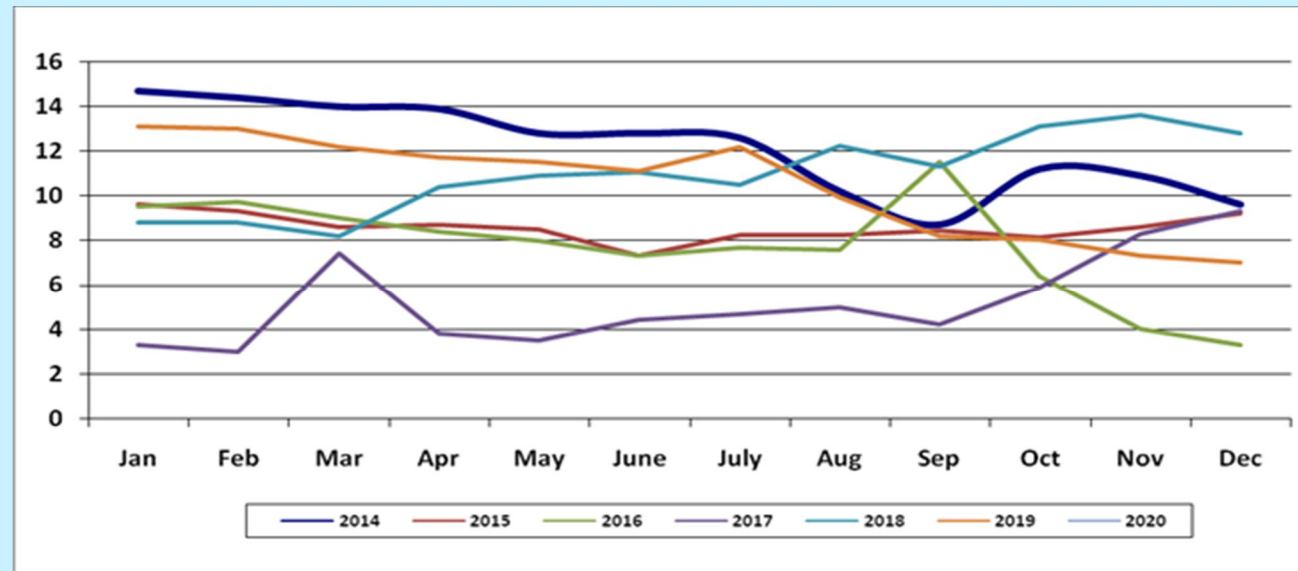


Gross Bank Credit grows at 8.5% in January 2020

Gross bank credit grows at 8.5% in January, 2020 around as against 7 % in December, 2019 (year-on-year). The gross bank credit growth stands at 13% in January 2019. On a year-on-year (y-o-y) basis, non-food bank credit growth stands at 8.5% in January 2020 as against 7% in December 2019. Credit to agriculture & allied activities increased to 6.5 in January 2020 as against 5.3 % in December 2019.

Monthly trend in growth of gross bank credit (%)

(YoY)



Source: PHD Research Bureau, compiled from RBI

Credit growth to agriculture & allied activities decelerated to 6.5 per cent in January 2020 from 7.6 per cent in January 2019. Credit growth to industry decelerated to 2.5 per cent in January 2020 from 5.2 per cent in January 2019. Within industry, credit growth to 'paper & paper products', 'rubber plastic & their products' and 'construction' accelerated. However, credit growth to 'textile', 'food processing', 'chemical & chemical products', 'basic metal & metal products', 'all engineering' and 'infrastructure' decelerated/contracted. Credit growth to the services sector decelerated to 8.9 per cent in January 2020 from 23.9 per cent in January 2019. Personal loans grew by 16.9 per cent in January 2020, the same rate as in January 2019.

Deployment of Gross Bank Credit by major sectors (Rs. crore)

Sector	Dec 2019*	Jan 2020**	Dec 2019^ Y-O-Y growth (%)	Jan 2020^^ Y-O-Y Growth (%)
Gross Bank Credit	8822209	8978800	7.0	8.5
Food Credit	84863	78664	10.1	11.3
Non-food Credit	8737346	8900136	7.0	8.5
Agriculture & Allied Activities	1139092	1153386	5.3	6.5
Industry (Micro & Small, Medium and Large)	2794372	2817525	1.6	2.5
Services	2370600	2431975	6.2	8.9
Personal Loans	2433282	2497250	15.9	16.9
Priority Sector	2787852	2772197	6.1	4.0

Source: PHD Research Bureau, compiled from RBI, *Data pertains to Dec 20, 2019, ^ Growth pertains to Dec 20, 2019 over Jan 18, 2019. ** Data pertains to as on Jan 31, 2020 ^^ Data pertains to as on Jan 31, 2020 over Jan 18 2019. Data are provisional and relate to select banks which cover about 90 per cent of total non-food credit extended by all scheduled commercial banks. Export

credit under priority sector relates to foreign banks only. Micro & small enterprises under item Priority sector includes credit to micro & small enterprises in manufacturing as well as services sector. Priority Sector is as per old definition and does not conform to FIDD Circular FIDD.CO.Plan.BC.54/04.09.01/2014-15 dated April 23, 2015

Please contact for any query related to this mail to Ms Preeti Rajput, Research Associate at Preeti.rajput@phdcci.in with a cc to Dr S P Sharma, Chief Economist at spsharma@phdcci.in and Ms Surbhi Sharma, Associate Economist at surbhi@phdcci.in, PHD Chamber of Commerce & Industry.

Regards,

Dr S P Sharma

Chief Economist

PHD Chamber of Commerce and Industry

PHD House, 4/2 Siri Institutional Area

August Kranti Marg, New Delhi-110016,

India

Tel: +91 49545454

Fax: +91 11 26855450

Email: spsharma@phdcci.in

Website: www.phdcci.in

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PHD House, 4/2 Siri Institutional Area, August Kranti Marg, New Delhi - 110 016 (India) • Tel. : +91-11-2686 3801-04, 49545454, 49545400
Fax : +91-11-2685 5450, 49545451 • E-mail : phdcci@phdcci.in • Website : www.phdcci.in, CIN: U74899DL1951GAP001947

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