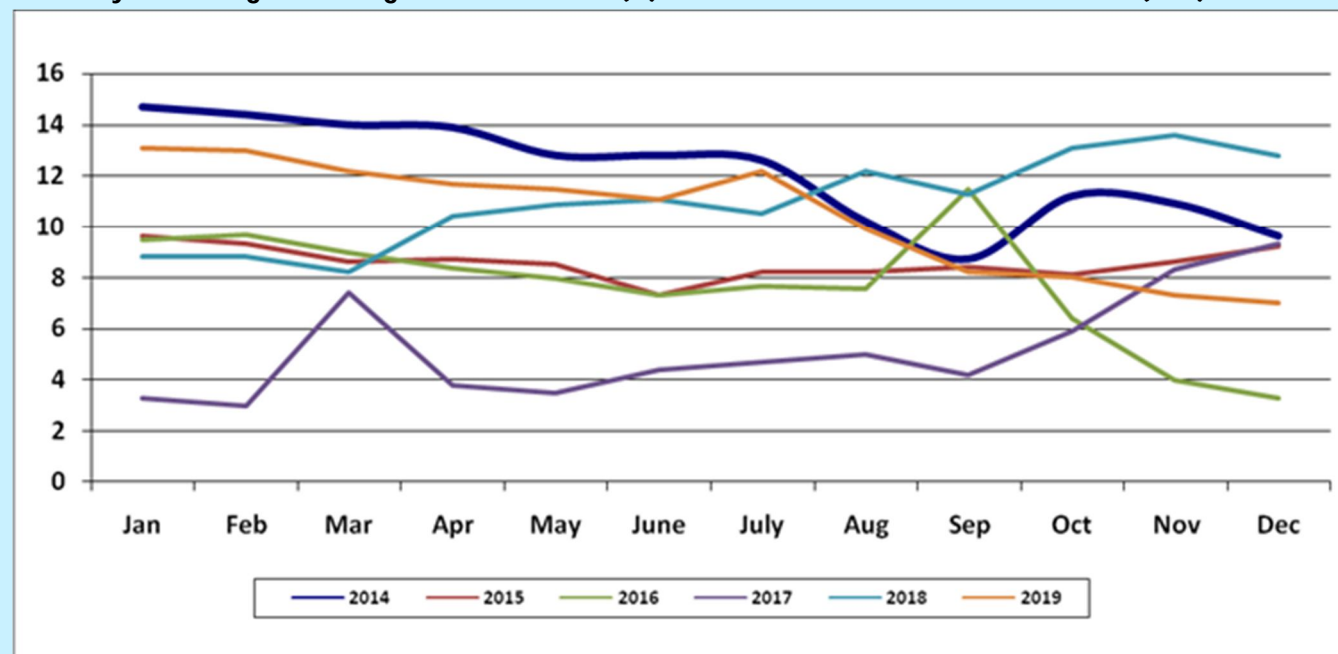


Gross Bank Credit grows at 7% in December 2019

Gross bank credit grows at around 7 % in December 2019 as against 7.3% in November,2019 (year-on-year). The gross bank credit growth stands at 13% in December 2018. On a year-on-year (y-o-y) basis, non-food bank credit growth stands at 7% in December 2019 from 7.2% in November 2019. Credit to agriculture & allied activities slowed down to 5.3 % in December 2019 from 6.5 % in November 2019.

Monthly trend in growth of gross bank credit (%)

(YoY)



Source: PHD Research Bureau, compiled from RBI

Credit growth to industry decelerated to 1.6 per cent in December 2019 from 4.4 per cent in December

2018. Within industry, credit growth to 'beverage & tobacco', 'leather & leather products', 'paper & paper products', 'rubber plastic & their products', 'cement & cement products' and 'construction' accelerated. However, credit growth to 'food processing', 'chemical & chemical products', 'basic metal & metal products', 'all engineering' and 'infrastructure' decelerated/contracted.

Deployment of Gross Bank Credit by major sectors

(Rs. crore)

Sector	Nov 2019*	Dec 2019**	Nov 2019^ Y-O-Y growth	Dec 2019^^ Y-O-Y growth (%)
Gross Bank Credit	8764913	8822209	7.3	7.0
Food Credit	91005	84863	26.3	10.1
Non-food Credit	8673908	8737346	7.2	7.0
Agriculture & Allied Activities	1134004	1139092	6.5	5.3
Industry (Micro & Small, Medium and Large)	2772248	2794372	2.4	1.6
Services	2362956	2370600	4.8	6.2
Personal Loans	2404701	2433282	16.4	15.9
Priority Sector	2694733	2787852	3.5	6.1

Source: PHD Research Bureau, compiled from RBI, *Data pertains to Nov 22, 2019, ^ Growth pertains to Nov 22, 2019 over Dec 21, 2018.

** Data pertains to as on Dec 20, 2019 ^^ Data pertains to as on Dec 20, 2019 over Dec 21 2018. 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

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