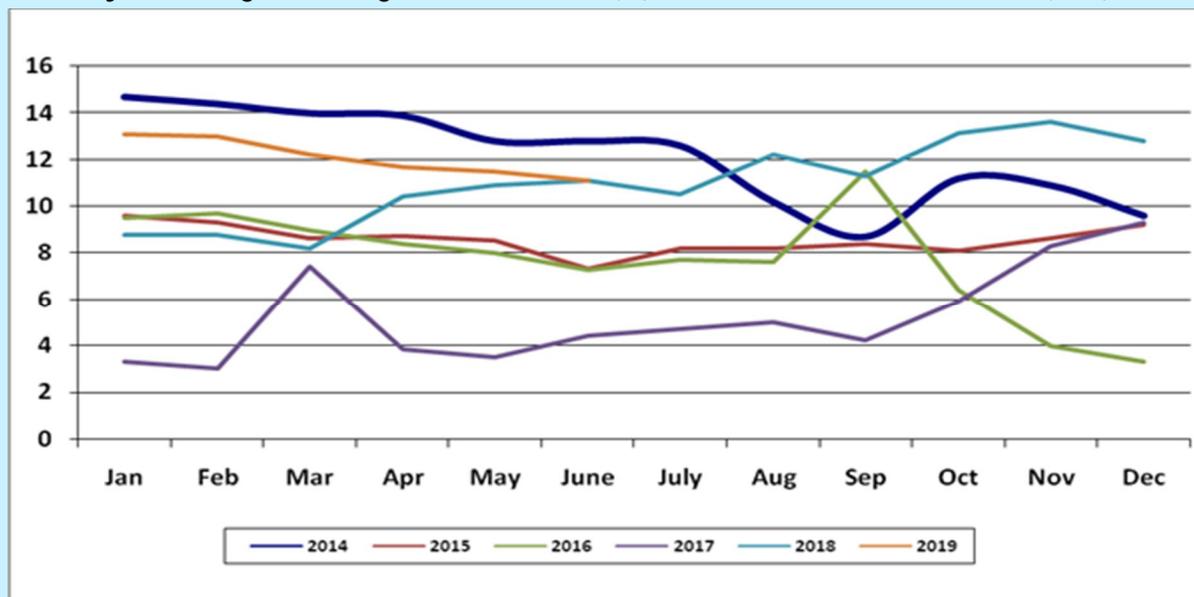


Gross Bank Credit grows at around 11% in June 2019

Gross bank credit grows at around 11% in June 2019 and May 2019 each. The gross bank credit growth also stands at 11% in June 2018. On a year-on-year (y-o-y) basis, non-food bank credit increased by 11% in June 2019 as against 11.4% in May 2019. Credit to agriculture and allied activities increased by around 9% in June 2019 as against 8% in May 2019.

Monthly trend in growth of gross bank credit (%)

(YoY)



Source: PHD Research Bureau, compiled from RBI

Credit to industry stands at 6.4% in June 2019 and in May 2019 each. Credit to industry rose by

6.4% in June 2019 as compared with an increase of 1% in June 2018. Credit growth to 'infrastructure', chemical & chemical products, vehicles, vehicle parts & transport equipment and all engineering, accelerated. However, credit growth to basic metal & metal products, textiles, food processing and petroleum, coal products & nuclear fuels decelerated/contracted.

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

Sector	May 2019*	June 2019**	May 2019^ Y-O-Y growth (%)	June 2019^^ Y-O-Y growth (%)
Gross Bank Credit	85167	85476	11.5	11.1
Food Credit	655	712	24.2	14.2
Non-food Credit	84512	84764	11.4	11.1
Agriculture & Allied Activities	11079	11258	7.8	8.7
Industry (Micro & Small, Medium and Large)	28140	28120	6.4	6.4
Services	22879	22847	14.8	13.0
Personal Loans	22414	22538	16.9	16.6
Priority Sector	27275	27520	9.9	10.2

Source: PHD Research Bureau, compiled from RBI, *Data pertains to as on May.24, 2019^ Growth pertains to May.24, 2019 over May.25, 2018. ** Data pertains to as on June.21, 2019.^ Growth pertains to June.21, 2019 over June.22, 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 under item Industry includes credit to micro & small industries in manufacturing sector. 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. Surbhi Sharma, Associate Economist at surbhi@phdcci.in with a cc to Dr. S P Sharma, Chief Economist at spsharma@phdcci.in of PHD Chamber of Commerce & Industry.

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