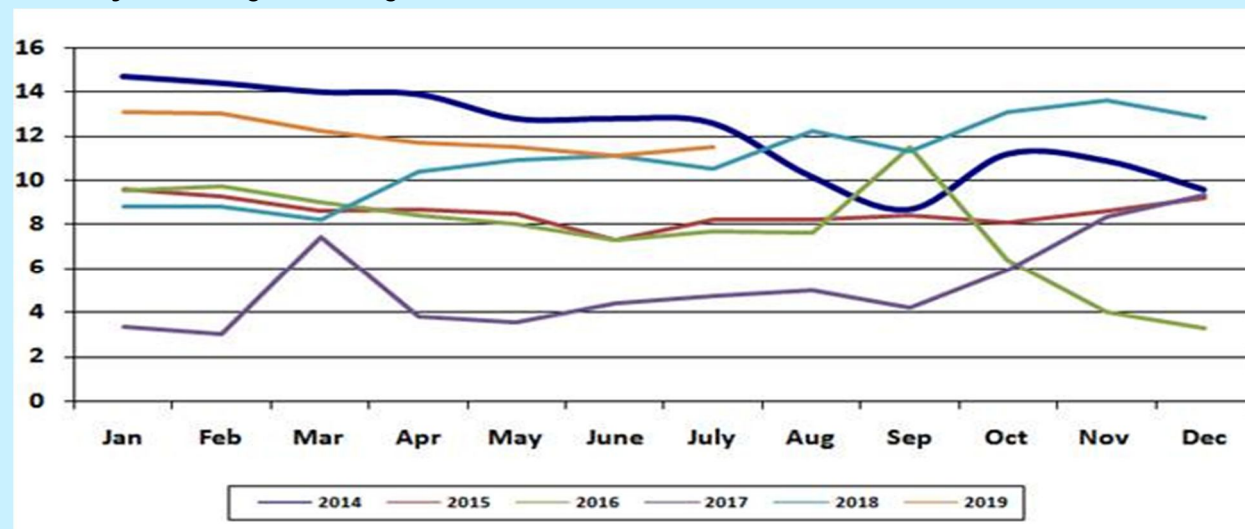


Gross Bank Credit grows at around 12% in July 2019

Gross bank credit grows at around 12% in July 2019 as against 11% in June 2019. The gross bank credit growth stands at 10% in July 2018. On a year-on-year (y-o-y) basis, non-food bank credit increased by 11.4% in July 2019 as against 11.1% in June 2019. Credit to agriculture and allied activities increased by around 7% in July 2019 as against 9% in June 2019.

Monthly trend in growth of gross bank credit (%)

(YoY)



Source: PHD Research Bureau, compiled from RBI

Credit to industry stands at 6.1% in July 2019 as against 6.4% in June 2019. Credit to industry rose by 6.1% in July 2019 as compared with an increase of 0.3% in July 2018. Within industry, credit growth to 'infrastructure', 'food processing', 'chemical & chemical products', 'vehicles, vehicle parts & transport equipment' 'rubber, plastic & their products' and 'all engineering'

accelerated. However, credit growth to 'basic metal & metal products', 'textiles', 'gems & jewellery' and 'construction' decelerated/contracted.

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

Sector	June 2019*	July 2019**	June 2019^ Y-O-Y growth	July 2019^^ Y-O-Y growth
				(%)
Gross Bank Credit	85476	85615	11.1	11.5
Food Credit	712	658	14.2	30.3
Non-food Credit	84764	84958	11.1	11.4
Agriculture & Allied Activities	11258	11090	8.7	6.8
Industry (Micro & Small, Medium and Large)	28120	27984	6.4	6.1
Services	22847	23129	13.0	15.2
Personal Loans	22538	22755	16.6	17.0
Priority Sector	27520	27170	10.2	7.3

Source: PHD Research Bureau, compiled from RBI, * Data pertains to as on June.21, 2019.^ Growth pertains to June.21, 2019 over June.22, 2018.** Data pertains to Jul.19, 2019 ^^ Growth pertains to Jul.19, 2019 over Jul.20, 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;

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