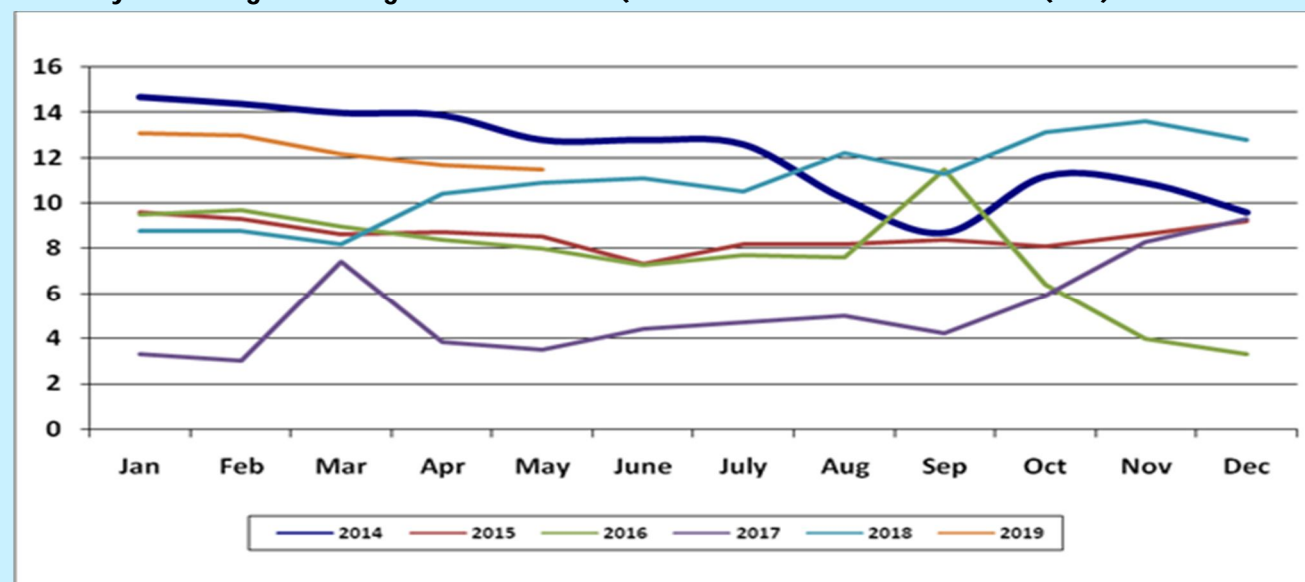


## Gross Bank Credit grows at around 12% in May 2019

Gross bank credit grows at around 12% in May 2019 and April 2019 each. The gross bank credit growth stands at 11% in May 2018. On a year-on-year (y-o-y) basis, non-food bank credit increased by 11% in May 2019 as against 12% in April 2019. Credit to agriculture and allied activities increased by around 8% in May 2019 and April 2019 each.

Monthly trend in growth of gross bank credit (%)

(YoY)



Source: PHD Research Bureau, compiled from RBI

Credit to industry increased by 6.4% in May 2019 as against 7% in April 2019. Credit to industry rose by 6.4% in May 2019 as compared with an increase of 1.4% in May 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                                     | April 2019* | May 2019** | April 2019^<br>Y-O-Y growth (%) | May 2019^^<br>Y-O-Y growth (%) |
|--|-------------|------------|---------------------------------|--------------------------------|
| Gross Bank Credit                          | 85241       | 85167      | 11.7                            | 11.5                           |
| Food Credit                                | 430         | 655        | -17.1                           | 24.2                           |
| Non-food Credit                            | 84810       | 84512      | 11.9                            | 11.4                           |
| Agriculture & Allied Activities            | 11080       | 11079      | 7.9                             | 7.8                            |
| Industry (Micro & Small, Medium and Large) | 28352       | 28140      | 6.9                             | 6.4                            |
| Services                                   | 23150       | 22879      | 16.8                            | 14.8                           |
| Personal Loans                             | 22228       | 22414      | 15.7                            | 16.9                           |
| Priority Sector                            | 27299       | 27275      | 9.5                             | 9.9                            |

Source: PHD Research Bureau, compiled from RBI, \* Data pertains to as on Apr.26, 2019.^ Growth pertains to Apr.26, 2019 over Apr.27, 2018 ; \*\* Data pertains to as on May.24, 2019^^ Growth pertains to May.24, 2019 over May.25, 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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