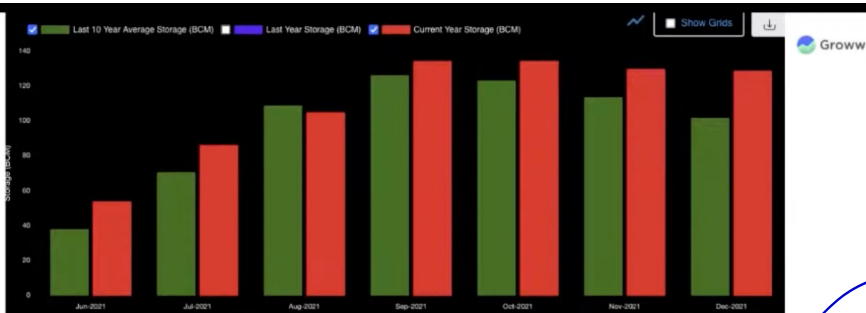
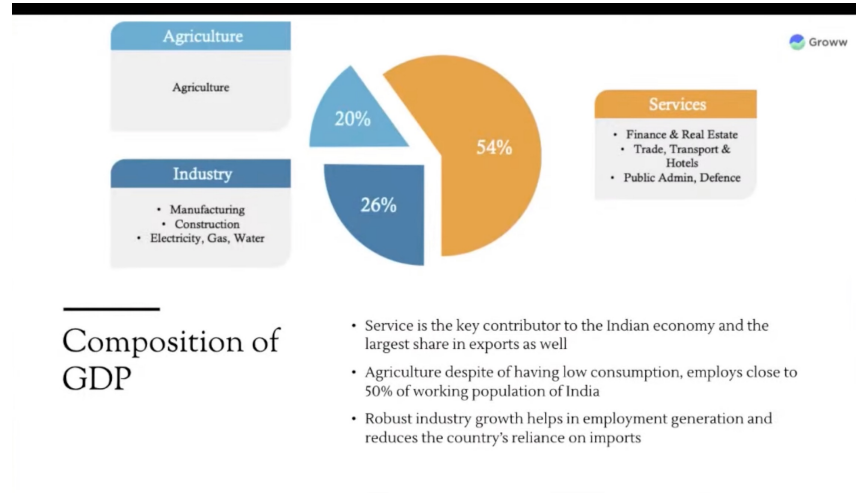


Key indicator on the basis of which market perform

- ① GDP
- ② Inflation / monetary policy
- ③ Fiscal Policy
- ④ external Accounts & global factor

⇒ We are a service based economy.  
& agriculture helps 15% of the population to earn money & spend on economy.  
therefore it's a big factor.



**Economic growth: Agriculture**

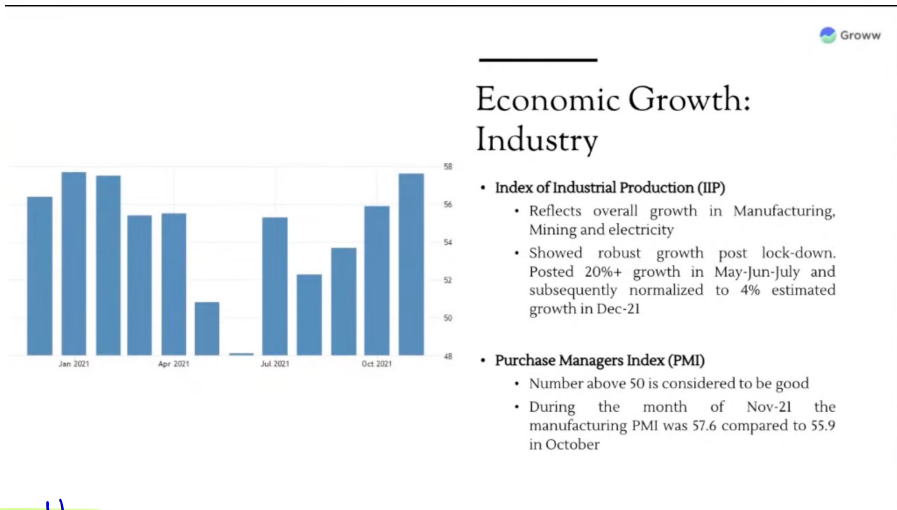
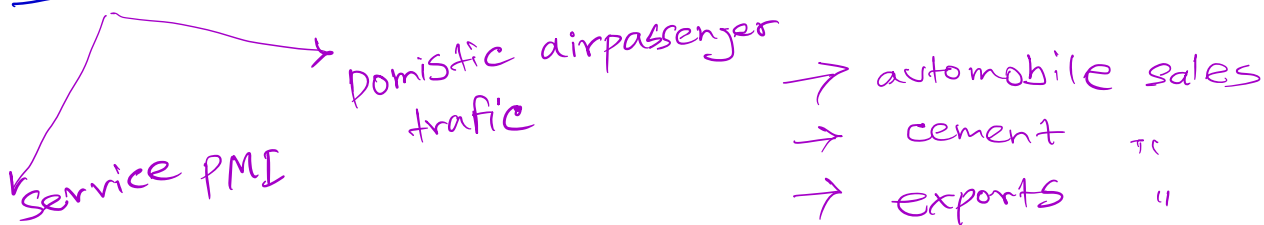
- **Monsoon and sowing pattern**
  - **Monsoon meets the target:** In the year 2021 99% of Long Period Average (LPA)
  - **Rabi crop sowing:** 200 Lakh hectares covered compared to 193 lakh hectares during last year
  - **Water Level in Reservoir:** Higher compared to last 10 years average

monsoon patterns  
Rabi crop sowing  
water level

IIP: they publish data every month & in order to compare you can compare with previous month with current month or last year this month to current year this month.

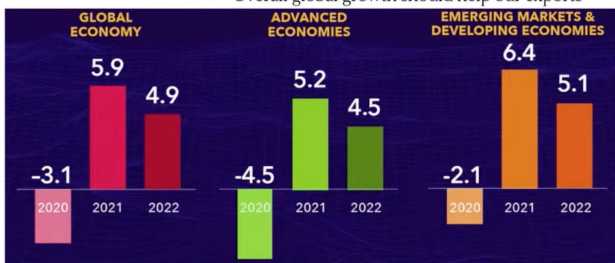
However in festival it's usually high.

PMI: How much consumption is happening in the economy



**Growth: World Economic outlook**

- India is expected to lead the pack with fastest growing economy tag. Expected to grow at 8.5% for 2022
- Overall global growth should help our exports



Source: IMF world economic outlook Oct-21

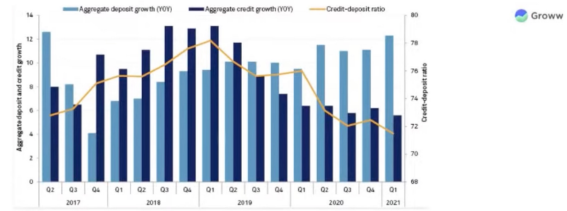
compare this with other big economy

inflation / monetary policy

RBI can control demand side inflation but not supply side inflation.

CRR, SLR, REPO, Re-REPO, MSF, OMOs

It's a good indicator, however credit without any base is bad.



Bank credit growth

- Higher the lending by banks, higher the economic activity
- For the month of Nov-21 the credit off-take rose to 7%

### Composition of Current Account

Balance of Payment	
Inflow	Outflow
Exports (Goods and Services)	Imports (Goods and Services)
Interest & Dividend received	Interest & Dividend paid
FPIs	Domestic investments
Travel and education	Travel and education
Inward remittances	Outward remittances
FDIs	
External borrowings	

- Volatile crude oil prices would have impact on the currency valuation and inflation
- For country like India CAD 1-3% is acceptable

export & import  
crude oil

global factors :

- ① quantitative easing
- ② interest rates of others central bank.

① Printing new money has a direct impact on economy.

Parameter	
<b>Economic Growth</b>	
1	GDP
2	Agri: Monsoon & Sowing Pattern
3	Industry: PMI & IIP
4	Service: Service PMI & Domestic Air Passenger Traffic
5	High Frequency Indicators
<b>Inflation and Monetary Policy</b>	
1	CPI
2	Monetary Policy rates
3	Credit Off-take
<b>Fiscal Policy</b>	
1	Expansionary / Contractionary Policy
2	Tax collection
<b>Global Factors</b>	
1	Crude oil
2	Current Account Deficit
3	Liquidity: QE and Global Interest Rates