

# Macro Insights

12<sup>th</sup> September, 2024

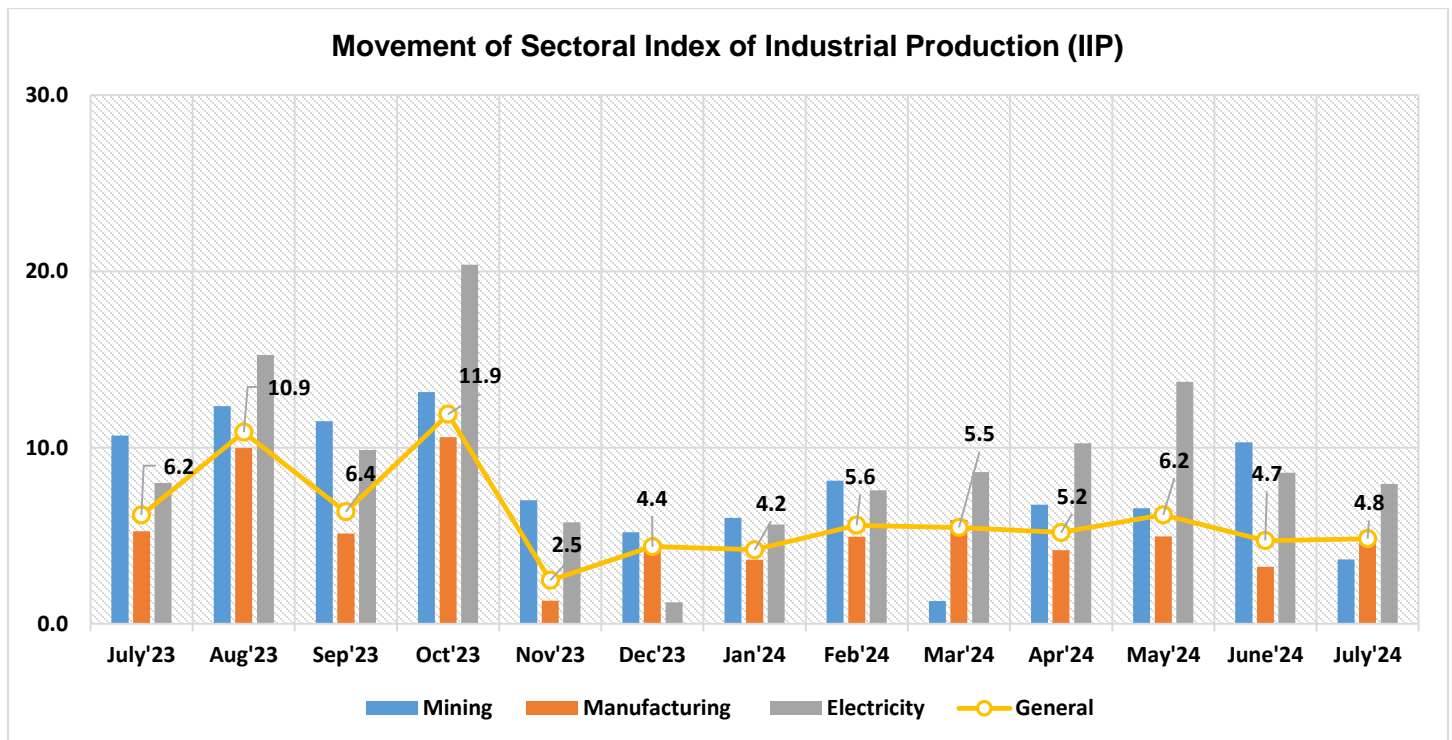
## Highlights

### IIP growth jumps to 4.8%

IIP growth rises to 4.8% in Jul'24 vis-à-vis 4.7% growth observed in June'24. In July'23, India's industrial output had grown by 6.2%.

- ☞ In Sector wise performance, Electricity Sector recorded the highest growth of 7.9%.
- ☞ Lowest growth was observed in Mining Sector with 3.7%.
- ☞ Manufacturing Growth picked up in July'24 as compared to June'24.
- ☞ Amongst Use Based, highest growth was observed in Capital Goods while the de-growth was in Consumer Non-Durables (-4.4%).
- ☞ Intermediate goods picked up from 3.0% to 6.8% in July'24.

Chart: IIP- July 2024



**Table: IIP growth % (Sector-wise)**

Component	Weight	July'23	June'24	July'24	Apr-July'23	Apr-July'24
Mining	14.37%	10.7	10.3	3.7	7.3	6.9
Manufacturing	77.63%	5.3	3.2	4.6	5.1	4.2
Electricity	7.99%	8.0	8.6	7.9	2.9	10.1
<b>IIP Index -General</b>	<b>100.0%</b>	<b>6.2</b>	<b>4.7</b>	<b>4.8</b>	<b>5.1</b>	<b>5.2</b>

**Table: IIP growth % (Usage-wise)**

Component	Weight	July'23	June'24	July'24	Apr-July'23	Apr-July'
Primary Goods	34.05%	7.7	6.3	5.9	4.6	6.6
Capital Goods	8.22%	5.1	3.8	12.0	5.1	5.4
Intermediate Goods	17.22%	3.2	3.0	6.8	3.4	4.4
Infra/Construction Goods	12.34%	12.6	7.1	4.9	13.1	6.7
Consumer Durables	12.84%	-3.6	8.7	8.2	-2.9	10.0
Consumer Non- Durables	15.33%	8.3	-1.5	-4.4	7.2	-1.5

**Views:**

- A broad way recovery in the private consumption remains crucial for the industry activity to pick up going forward. It must be highlighted that in Q1GDP data for FY'25, the recovery in private consumption expenditure compared to last year abodes well for future.
- Owing to good monsoon, private consumption is expected to get further boost due to improvement in Kharif sowing. **IIP growth may be around 5-6% in coming month.**

**Disclaimer:** The opinion/information expressed/compiled in this note is of Bank's Research team and does not reflect opinion of the Bank or its Management or any of its subsidiaries. The contents can be reproduced with proper acknowledgement to the original source/authorities publishing such information. Bank does not take any responsibility for the facts/ figures represented in the note and shall not be held liable for the same in any manner whatsoever.

**For any feedback or valuable suggestions: Reach us at [eicsmead@pnb.co.in](mailto:eicsmead@pnb.co.in)**

Follow our Official Page

[www.pnbindia.in](http://www.pnbindia.in)

