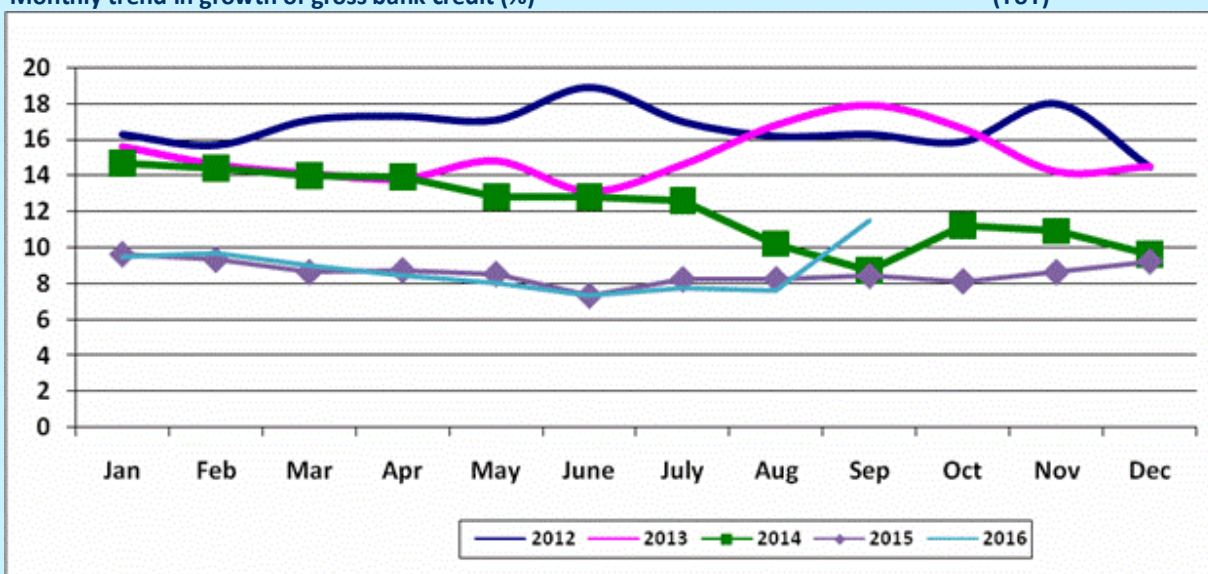


Gross Bank Credit grows at about 12% in September 2016

Gross bank credit grows at about 12% in September 2016 as against 7.6% in August 2016. The gross bank credit growth stands at 8.4% during September 2015. On a year-on-year (y-o-y) basis, non-food bank credit increased by 10.8% in September 2016 as against 8.2% in August 2016. Credit to agriculture and allied activities increased by 15.9% in September 2016 as compared to 13.6% in August 2016.

Monthly trend in growth of gross bank credit (%)

(YoY)



Source: PHD Research Bureau, compiled from RBI

Credit to industry increased by 0.9% in September 2016 as compared to -0.2% in August 2016. Credit to industry growth stood at 4.9% in September 2015. Credit to industry increased by 0.9% in September 2016 as compared with an increase of 4.9% in September 2015. Major sub-sectors which witnessed deceleration/contraction in credit include infrastructure, basic metal & metal products, food processing and chemical & chemical products.

Deployment of Gross Bank Credit by major sectors

(Rs. Billion)

Sector	August 2016*	September 2016**	August 2016^	September 2016 ^^
			Y-O-Y growth (%)	Y-O-Y growth (%)
Gross Bank Credit	66287	69167	7.6	11.5
Food Credit	771	1611	-26.5	56.5
Non-food Credit	65515	67556	8.2	10.8
Agriculture & Allied Activities	9177	9427	13.6	15.9
Industry (Micro & Small, Medium and Large)	26181	26522	-0.2	0.9

Services	15594	16590	12.1	18.4
Personal Loans	14563	15017	18.1	19.7
Priority Sector	22646	23389	9.4	11.4

Source: PHD Research Bureau, compiled from RBI. Note: Data are provisional and relate to select banks which cover 95 per cent of total non-food credit extended by all scheduled commercial banks * Data pertains to Aug 19, 2016 ^ Growth pertains to Aug 19, 2016 over Aug 21, 2015
 ** Data pertains to Sep 30, 2016 ^^ Growth pertains to Sep 30, 2016 over Sep 18, 2015

Please contact for any query related to this mail to Ms. Surbhi Sharma, Sr. Research Officer at surbhi@phdcci.in with a cc to Dr. S P Sharma, Chief Economist, PHD Chamber of Commerce & Industry.

Warm regards,

Dr. S P Sharma
Chief Economist & Director-Research

 PHD Chamber of Commerce and Industry
 PHD House, 4/2 Siri Institutional Area
 August Kranti Marg, New Delhi-110016
 Ph.: + 91-11-26863801-04, 49545454 Ext (135)
 Fax: +91- 26855450, 49545451
 Email: spsharma@phdcci.in
 Website: www.phdcci.in

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PHD CHAMBER OF COMMERCE AND INDUSTRY

PHD House, 4/2 Siri Institutional Area, August Kranti Marg, New Delhi - 110 016
 Tel: +91-11-26863801-04, 49545454, Fax: 91-11-26855450, Email : resarch@phdcci.in, Website : www.phdcci.in

