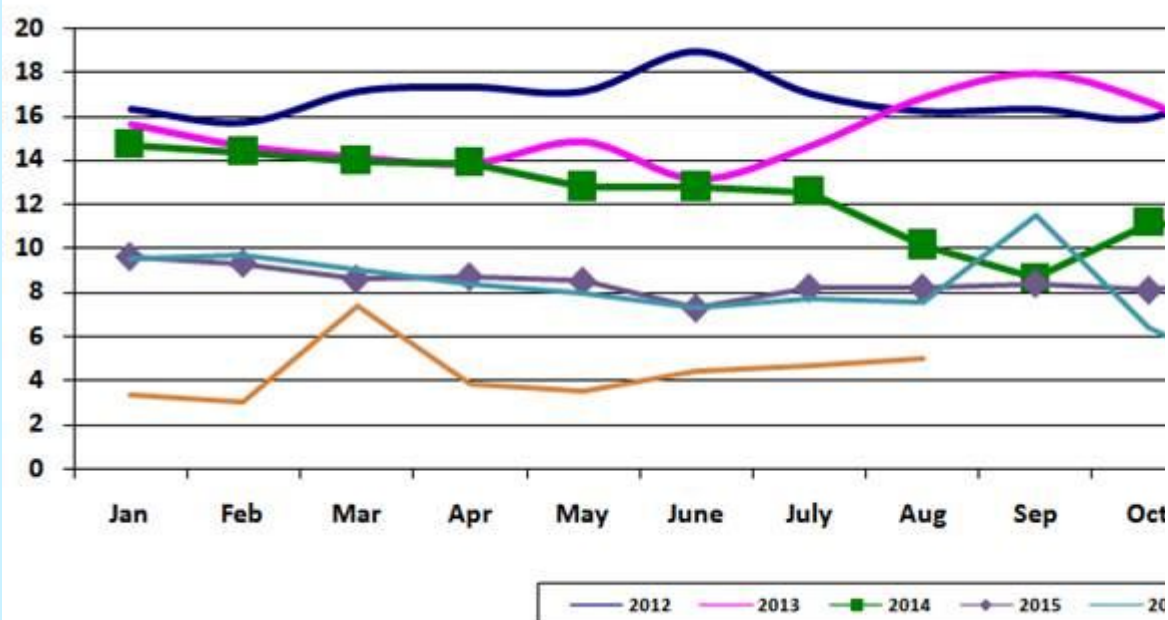


Gross Bank Credit grows at 5% in August 2017

Gross bank credit grows at 5% in August 2017 as compared to 4.7% in July 2017. The gross bank credit growth stands at 7.6% during August 2016. On a year-on-year (y-o-y) basis, non-food bank credit increased by 5.5% in August 2017 as against 5.3% in July 2017. Credit to agriculture and allied activities increased by 6.5% in August 2017 as against 6.8% in July 2017.

Monthly trend in growth of gross bank credit (%) (YoY)



Source: PHD Research Bureau, compiled from RBI

Credit to industry contracted by (-)0.3% in August 2017 as well as in July 2017. Credit to industry growth stood at (-) 0.2% in August 2016. Credit growth to major sub-sectors such as infrastructure, basic metal & metal products, textiles contracted. However, credit growth to construction, chemical & chemical products, gems & jewellery accelerated.

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

Sector	July 2017*	August 2017**	July 2017^	August 2017^^
			Y-O-Y growth (%)	Y-O-Y growth (%)
Gross Bank Credit	69452	69599	4.7	5.0
Food Credit	456	482	-42.6	-37.5
Non-food Credit	68996	69117	5.3	5.5
Agriculture & Allied Activities	9743	9777	6.8	6.5

Industry (Micro & Small, Medium and Large)	26280	26112	-0.3	-0.3
Services	16316	16375	4.9	5.0
Personal Loans	16657	16854	15.0	15.7
Priority Sector	23547	23642	3.3	4.4

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 Jul.21, 2017^ Growth pertains to Jul.21, 2017 over Jul.22, 2016. ** Data pertains to Aug.18, 2017. ^^ Growth pertains to Aug.18, 2017 over Aug.19, 2016.

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,

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