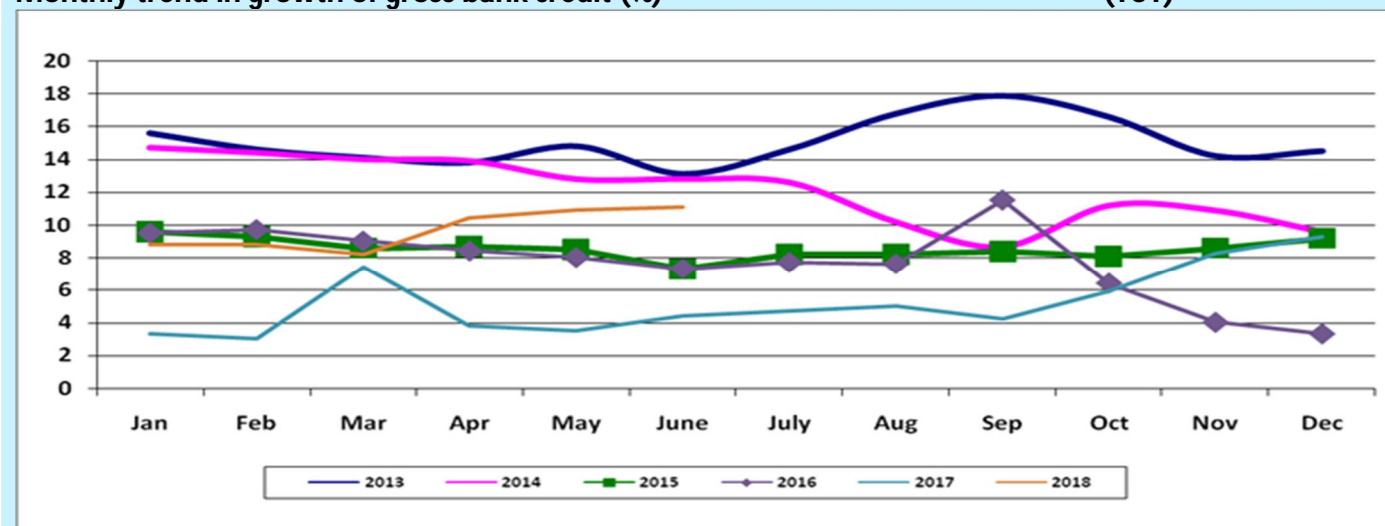


## Gross Bank Credit grows at 11% in June 2018

Gross bank credit grows at 11.07% in June 2018 as against 10.9% in May 2018. The gross bank credit growth stands at 4.2% in June 2017. On a year-on-year (y-o-y) basis, non-food bank credit increased by 11.1% in June 2018 as against 11.1% in May 2018. Credit to agriculture and allied activities increased by 6.5% in June 2018 as compared to 6.4% in May 2018.

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

(YoY)



Source: PHD Research Bureau, compiled from RBI

Credit to industry increased by 0.9% in June 2018 as against 1.4% in May 2018. Credit to industry increased by 0.9% in June 2018 as compared with a contraction of 1.1% in June 2017. Credit to major sub-sectors such as textiles, all engineering, food processing, construction, rubber, plastic & their products, chemicals & chemical products and cement & cement products have accelerated. However, credit to gems & jewellery, basic metal & metal products, paper & paper products and Beverage & Tobacco have contracted/declined.

### Deployment of Gross Bank Credit by major sectors

(Rs. Billion)

Sector	May 2018*	June 2018**	May 2018^ Y-O-Y growth	June 2018^^ Y-O-Y growth
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			(%)	(%)
Gross Bank Credit	76365	76949	10.9	11.07
Food Credit	527	624	-12.8	7.2
Non-food Credit	75838	76325	11.1	11.10
Agriculture & Allied Activities	10279	10355	6.4	6.5
Industry (Micro & Small, Medium and Large)	26446	26417	1.4	0.9
Services	19932	20218	21.9	23.3
Personal Loans	19181	19336	18.6	17.9
Priority Sector	24828	24975	6.2	6.3

Source: PHD Research Bureau, compiled from RBI, \* Data pertains to May 25, 2018. ^ Growth pertains to May.25, 2018 over May.26, 2017. \*\*Data pertains to as on June 22, 2018, ^^ Growth pertains to June.22, 2018 over June.22, 2017. 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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Warm regards,

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