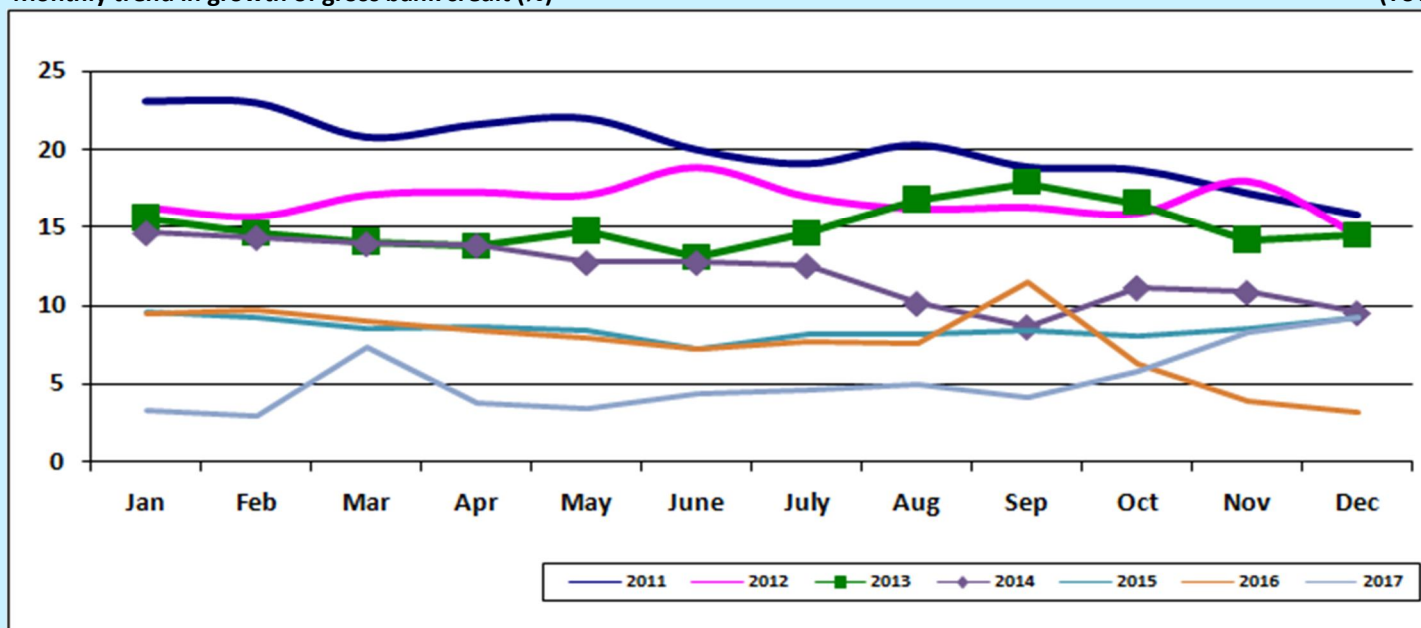


## Gross Bank Credit grows at 9.3% in December 2017

Gross bank credit grows at 9.3% in December 2017 as against 8.3% in November 2017. The gross bank credit growth stands at 3.3% during December 2016. On a year-on-year (y-o-y) basis, non-food bank credit increased by 10% in December 2017 as against 8.8% in November 2017. Credit to agriculture and allied activities increased by 9.5% in December 2017, in comparison to 8.4% in November 2017.

Monthly trend in growth of gross bank credit (%)

(YoY)



Source: PHD Research Bureau, compiled from RBI

Credit to industry increased by 2.1% in December 2017 as compared with a contraction of 1% in November 2017. Credit to major sub-sectors such as infrastructure, petroleum, coal products & nuclear fuels, basic metal & metal products and mining & quarrying have contracted. However, credit growth to textiles, chemical & chemical products, all engineering, food processing and construction have accelerated.

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

Sector	November 2017*	December 2017**	November 2017^	December 2017^^
			Y-O-Y growth	Y-O-Y growth
			(%)	(%)
Gross Bank Credit	71501	72631	8.3	9.3
Food Credit	356	238	-43.7	-64.5
Non-food Credit	71145	72393	8.8	10.0
Agriculture & Allied Activities	9882	9981	8.4	9.5
Industry (Micro & Small, Medium and Large)	26041	26341	1.0	2.1
Services	17593	18119	14.0	14.7
Personal Loans	17630	17952	17.3	18.9
Priority Sector	24017	24224	7.1	7.9

Source: PHD Research Bureau, compiled from RBI. \*Data pertains to Nov 24, 2017. ^Growth pertains to Nov.24, 2017 over Nov.25, 2016 \*\* Data pertains to Dec.22, 2017. ^^Growth pertains to Dec.22, 2017 over Dec.23, 2016. 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 2.1 (industry) includes credit to micro & small industries in manufacturing sector, Micro & small enterprises under item 5.2 (priority sector) includes credit to micro & small enterprises in manufacturing as well as services 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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