

EAI – Monthly Dashboard: Economic activity picked up in Sep'24

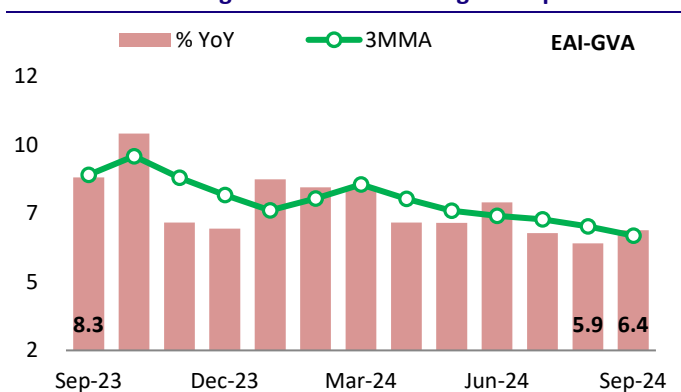
Expect real GDP growth at 6.0-6.5% in 2QFY25 vs. the RBI's projection of 7.2%

- Preliminary estimates indicate that India's EAI-GVA growth accelerated to a three-month high of 6.4% YoY in Sep'24 vs. 5.9%/8.3% in Aug'24/Sep'23. The acceleration was primarily led by four-month highest growth in the industrial sector and 24-month highest growth in the farm sector, which was partly offset by 23-month lowest growth in the services sector.
- At the same time, EAI-GDP growth picked up to a five-month high of 3.2% YoY in Sep'24 vs. 2.3%/8% YoY in Aug'24/Sep'23. Investment growth improved in Sep'24; however, total consumption growth decelerated sharply (vs. last month). Excluding fiscal spending, EAI-GDP grew 2.9% YoY in Sep'24, the highest in four months.
- Selected high-frequency indicators (HFIs) suggest that economic activity improved in Oct'24, likely on the back of the festive season. CV sales grew 3.0% in Oct'24 after declining for four straight months; vaahan registrations grew at a 24-month high rate; toll collections remained robust (highest growth in three months); and PMIs remained resilient. Meanwhile, air cargo traffic contracted for the third consecutive month, while power generation and PV sales saw sluggish growth (better than last month).
- After growing at ~8% or more (close to or above 8%) in each of four quarters in FY24, real GDP growth decelerated to 6.7% in 1QFY25, marking the first miss (vs. RBI expectations) in five quarters. For Sep'24, our estimates suggest that EAI-GVA growth improved but still remained below 6.5%. For 2QFY25, our estimates suggest that EAI-GVA grew 6.2% YoY. Accordingly, we believe that real GDP growth could soften further to 6.0-6.5% in 2QFY25, lower than the RBI's projection of 7.2% and the market forecast of 6.5-7.0%.

Preliminary estimates indicate that India's EAI-GVA grew 6.4% YoY in Sep'24, the highest in three months

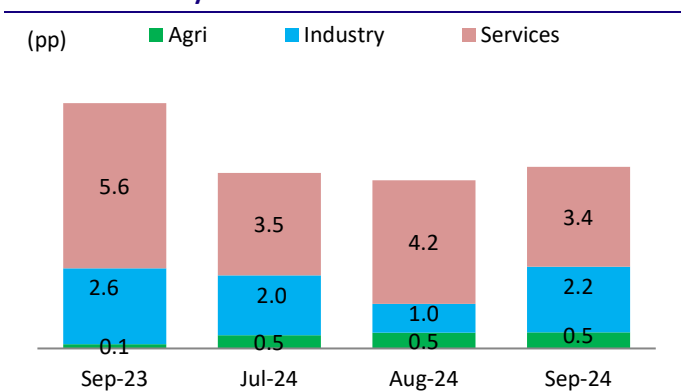
- **EAI-GVA growth at three-month high in Sep'24:** Preliminary estimates indicate that India's EAI-GVA growth accelerated to a three-month high of 6.4% YoY in Sep'24 vs. 5.9%/8.3% in Aug'24/Sep'23. The acceleration was primarily led by four-month highest growth in the industrial sector and 24-month highest growth in the farm sector, which was partly offset by 23-month lowest growth in the services sector (*Exhibits 1 and 2*).
- **EAI-GDP growth picked up to five-month high in Sep'24:** EAI-GDP growth picked up to a five-month high of 3.2% YoY in Sep'24 vs. 2.3%/8% YoY in Aug'24/Sep'23. Investment growth improved in Sep'24; however, total consumption growth decelerated sharply (vs. last month). Excluding fiscal spending, EAI-GDP grew 2.9% YoY in Sep'24, the highest in four months (*Exhibits 3 and 4*).

Exhibit 1: EAI-GVA growth at 3-month high in Sep'24...



Please refer to our earlier [report](#) for details

Exhibit 2: ...led by acceleration in the industrial sector



Contribution of various components to EAI-GVA
Source: Various national sources, CEIC, MOFSL

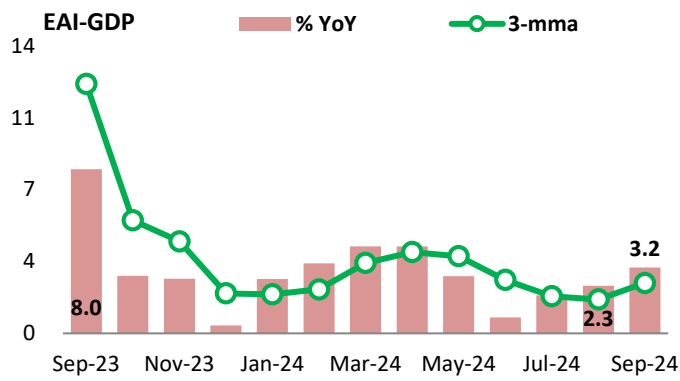
Nikhil Gupta – Research analyst (Nikhil.Gupta@MotilalOswal.com)

Tanisha Ladha – Research analyst (Tanisha.Ladha@MotilalOswal.com)

Investors are advised to refer through important disclosures made at the last page of the Research Report.

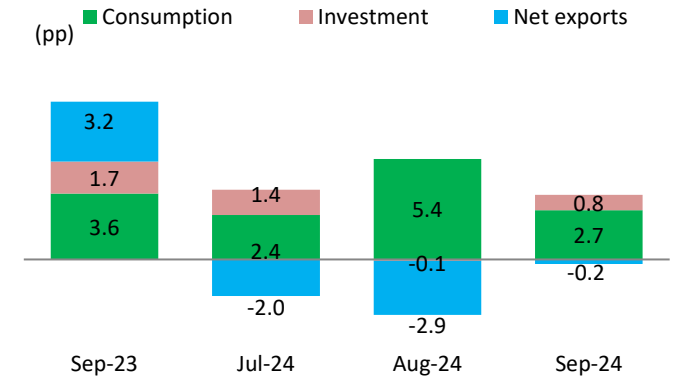
Motilal Oswal research is available on www.motilaloswal.com/Institutional-Equities, Bloomberg, Thomson Reuters, Factset and S&P Capital.

Exhibit 3: EAI-GDP growth picked up to a five-month high of 3.2% in Sep'24...



Please refer to our earlier [report](#) for details

Exhibit 4: ...led by investments and the external sector



Source: Various national sources, CEIC, MOFSL

The deceleration in consumption growth was led by lower fiscal spending and petrol sales growth.

Farm sector grew at a 24-month high rate of 4.5% in Sep'24 and industrial sector grew at a four-month high rate.

- Total consumption growth decelerated to 3.6% YoY in Sep'24:** Total consumption (private + government) grew 3.6% YoY in Sep'24 vs. 7.4%/4.7% in Aug'24/Sep'23, led by a deceleration in fiscal spending (up 3.3% in Sep'24 vs. 47.3% in Aug'24). At the same time, private consumption growth decelerated to 3.4% in Sep'24 (vs. 3.9%/4.5% in Aug'24/Sep'23), led by lower petrol sales growth and subdued rural wage growth (*Exhibit 11*).
- Investment growth accelerated to 2.8% in Sep'24:** According to our estimates, investments growth improved to 2.8% YoY in Sep'24, following a fall of 0.2% in Aug'24. The acceleration can be attributed to (an expected) improvement in IIP for capital goods, 13-month highest growth in capital goods' imports, better growth in the construction sector, robust industrial credit, and higher cargo traffic growth. These factors were partly offset by a decline in the government's capex, diesel sales and third-consecutive contraction in CV sales (*Exhibit 12*).
- Industrial sector grew at four-month high pace; services growth decelerated to the lowest in 23 months:** In terms of EAI-GVA, the non-farm sector grew 6.2% in Sep'24 vs. 5.7% in Aug'24, led by four-month highest growth in the industrial sector (7.5% in Sep'24 vs. 3.1% in Aug'24). Within the industrial sector, the acceleration was broad-based. Manufacturing and construction sectors posted robust growth, while mining and electricity sectors showed improvement in growth but was still subdued. On the other hand, farm sector growth was at a 24-month high of 4.5% in Sep'24, led by the third expansion in reservoir levels since Jan'23. Finally, services sector growth decelerated to a 23-month low of 4.9% YoY in Sep'24 vs. 6.1%/9% in Aug'24/Sep'23 (*Exhibits 13 and 14*).
- HFIs portray an improvement in economic activity in Oct'24:** Selected HFIs suggest that economic activity improved in Oct'24, likely on the back of the festive season. CV sales grew 3.0% in Oct'24 after declining for four straight months; vaahan registrations grew at a 24-month high pace; toll collections remained robust (highest growth in three months); and PMIs remained resilient. At the same time, air cargo traffic contracted for the third consecutive month, while power generation and PV sales saw sluggish growth, though better than last month (*Exhibit 15*).

We expect 2QFY25 real GDP growth in the range of 6.0-6.5%, lower than the RBI's projection of 7.2%

■ **Expect real GDP growth at 6.0%-6.5% YoY in 2QFY25, lower than RBI's forecast of 7.2%:** After growing at ~8% or more (close to or above 8%) in each of four quarters in FY24, real GDP growth decelerated to 6.7% in 1QFY25, marking the first miss (vs. RBI expectations) in five quarters. For Sep'24, our estimates suggest that EAI-GVA growth improved but still remained below 6.5%. For 2QFY25, our estimates suggest that EAI-GVA grew 6.2% YoY. Accordingly, we believe that real GDP growth could soften further to 6.0-6.5% in 2QFY25, lower than the RBI's projection of 7.2% and the market forecast of 6.5-7.0% (*Exhibits 9, 10*).

Exhibit 5: Total consumption – led by the government – eased to 3.6% YoY in Sep'24...

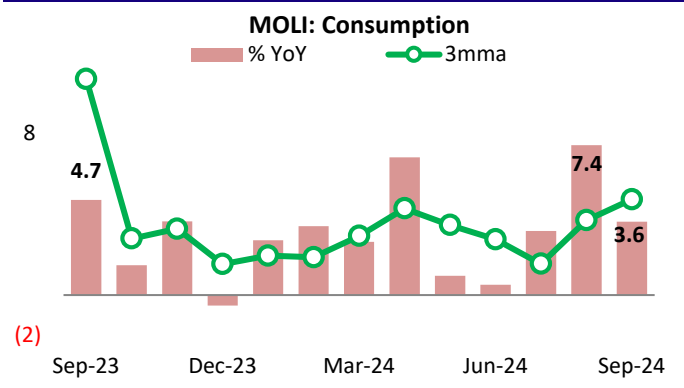


Exhibit 6: ...though investment growth picked up to 2.8% YoY, following a contraction of 0.2% in Aug'24

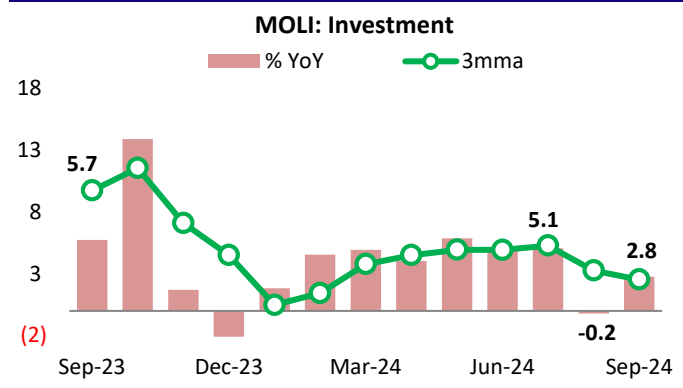


Exhibit 7: Industrial sector growth at 4-month high of 7.5% YoY in Sep'24...

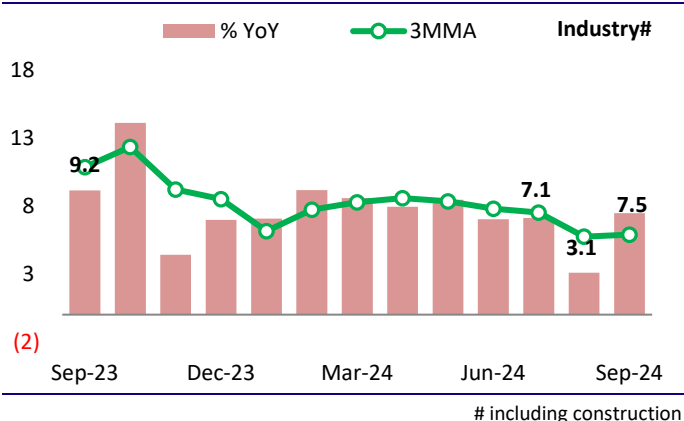


Exhibit 8: ...while services sector growth slowed to a 23-month low of 4.9% in Sep'24 from 6.1% in Aug'24

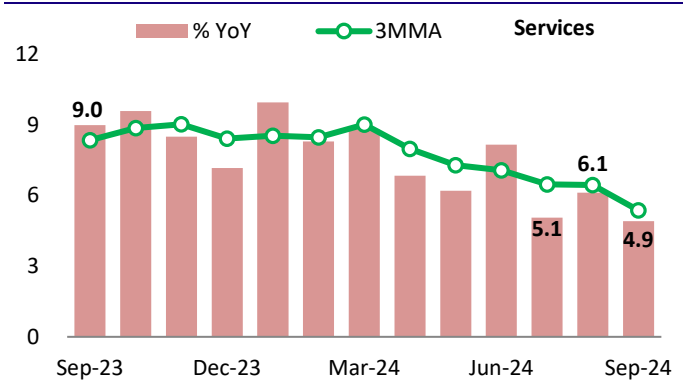


Exhibit 9: EAI-GVA moves in line with the official real GVA

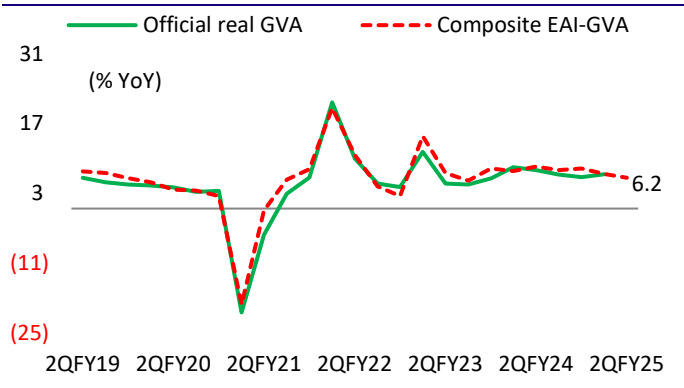
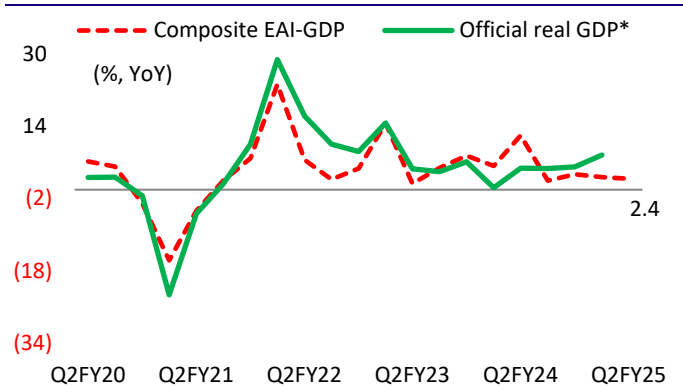


Exhibit 10: EAI-GDP moves in line with official real GDP*



Source: CEIC, Various official sources, MOFSL

*Excluding discrepancies

Exhibit 11: Key leading indicators for consumption (monthly)

% YoY	Passenger traffic ¹	Revenue spending ²	Petrol sales	Rural wages ³	Consumer durable: IIP	Currency	Auto sales ⁴	Imports ⁵	Foreign tourists arrival	Personal credit	Services PMI
Sep-23	4.6	3.1	8.2	(0.0)	2.7	4.3	3.4	(3.9)	17.5	15.3	61.0
Oct-23	8.6	(21.6)	4.8	(0.6)	9.3	2.7	22.3	(1.4)	19.8	17.9	58.4
Nov-23	8.9	7.7	9.4	(1.1)	(3.4)	4.3	29.4	(5.8)	31.8	18.5	56.9
Dec-23	8.5	(5.2)	0.2	(1.3)	3.0	4.0	17.0	7.2	7.8	17.6	59.0
Jan-24	8.6	(13.7)	9.7	(1.3)	0.3	3.9	27.4	(3.5)	10.4	18.3	61.8
Feb-24	11.6	10.0	8.9	(1.2)	(3.2)	3.7	33.1	9.0	15.8	18.0	60.6
Mar-24	11.3	(9.3)	7.0	(1.7)	5.2	3.9	17.3	21.2	8.0	17.7	61.2
Apr-24	17.1	15.7	14.2	(1.1)	(2.5)	3.2	25.0	8.6	7.7	17.4	60.8
May-24	15.0	(10.7)	3.4	(1.1)	2.8	2.7	9.0	2.9	0.3	17.8	60.2
Jun-23	17.6	(10.7)	4.6	(1.2)	(1.5)	6.0	17.7	8.6	9.0	16.6	60.5
Jul-24	17.2	(16.7)	10.4	(0.5)	(4.3)	6.4	9.3	6.5	(1.3)	20.8	60.3
Aug-24	18.0	47.3	8.6	0.5	(4.5)	6.1	7.2	3.7	10.4 ⁶	19.8	60.9
Sep-24	17.9	3.3	3.0	0.8 ⁶	11.6 ⁶	5.5 ⁶	12.8	1.2	11.1 ⁶	19.3	57.7

Exhibit 12: Key leading indicators for consumption (quarterly)

% YoY	Passenger traffic ¹	Revenue spending ²	Petrol sales	Rural wages ³	Consumer durable: IIP	Currency	Auto sales ⁴	Imports ⁵	Foreign tourists arrival	Personal credit	Services PMI
2QFY22	715.4	16.8	11.7	(0.3)	1.1	9.0	(11.0)	44.7	363.6	15.8	52.4
3QFY22	186.4	5.2	2.4	2.1	0.1	7.6	(24.1)	34.5	280.7	17.7	56.8
4QFY22	45.9	61.9	1.5	(0.6)	(2.7)	9.8	(20.3)	39.0	144.6	13.7	52.3
1QFY23	226.8	11.9	29.4	(0.7)	1.2	8.0	50.4	35.0	943.3	18.1	58.7
2QFY23	115.8	(13.2)	9.1	(0.6)	(5.9)	8.3	16.5	34.6	521.5	19.8	55.7
3QFY23	49.4	2.2	7.7	0.5	1.8	8.2	9.4	7.0	206.6	20.2	56.7
4QFY23	36.9	(2.8)	9.8	0.8	5.5	7.8	8.2	(40.0)	205.3	20.7	58.1
1QFY24	16.9	(7.3)	6.8	0.5	6.8	4.1	14.4	(8.6)	31.8	21.3	60.6
2QFY24	8.5	34.6	5.7	(0.2)	7.0	4.3	2.0	1.0	19.0	15.3	61.1
3QFY24	8.7	(7.5)	4.7	(1.0)	2.5	4.0	23.2	(0.1)	18.3	17.6	58.1
4QFY24	10.5	(5.2)	8.5	(1.4)	0.7	3.9	25.6	56.3	11.5	17.7	61.2
1QFY25	16.5	(1.5)	7.1	(1.1)	(0.4)	6.0	17.0	6.6	5.8	16.6	60.5
2QFY25	17.7	7.2	7.3	0.3 ⁶	0.7 ⁶	5.5	9.9	3.8	6.2 ⁶	19.3	59.6

¹ Railways and aviation government

² Revenue spending less interest payments of central

³ Real rural wages, deflated by CPI for rural workers

⁴ Includes passenger vehicles and two-wheelers

⁵ Import of agricultural items, leather products, newsprint and electronic goods, textiles (excluding gold, silver, precious metals)

⁶ Our forecasts

	Worse than previous month and a year ago
	Worse than the previous month but better than a year ago
	Better than the previous month but worse than a year ago
	Better than previous month and a year ago

Exhibit 13: Key leading indicators for investments (monthly)

% YoY	Cargo traffic ¹	Electricity	Auto sales ²	Diesel sales	Capital goods' imports ³	Cement Production	IIP: Non-metallic products	IIP: Capital goods	Industrial credit	Govt capex ⁴	Manufacturing PMI
Sep-23	4.5	9.9	24.9	3.8	(14.4)	4.7	4.7	8.4	5.4	29.0	57.5
Oct-23	10.2	20.4	25.3	9.3	(5.5)	16.9	12.9	21.7	7.0	(14.9)	55.5
Nov-23	8.5	5.8	13.9	(3.0)	(4.6)	(4.7)	(3.6)	(1.1)	7.7	1.6	56.0
Dec-23	4.4	1.2	6.6	(2.3)	(26.7)	3.8	3.0	3.7	9.6	105.4	54.9
Jan-24	5.3	5.7	2.5	3.5	(12.8)	4.1	3.0	3.2	9.5	(40.5)	56.5
Feb-24	7.5	7.6	1.6	6.2	(1.1)	7.8	8.0	1.7	9.9	315.2	56.9
Mar-24	7.0	8.6	(2.9)	3.2	(0.9)	10.6	8.2	7.0	8.9	(4.3)	59.1
Apr-24	1.4	10.2	14.3	1.4	(1.0)	0.2	1.4	2.8	6.9	26.5	58.8
May-24	3.7	13.7	7.3	2.4	11.3	(0.6)	0.5	2.6	8.9	(50.3)	57.5
Jun-23	8.9	8.6	2.1	1.0	6.7	1.8	3.1	3.8	7.7	(66.2)	58.3
Jul-24	5.1	7.9	(1.5)	4.4	(0.8)	5.5	1.9	11.8	10.7	107.8	58.1
Aug-24	2.3	(3.7)	(3.3)	(2.5)	8.4	(3.0)	(2.2)	0.7	10.4	(30.0)	57.5
Sep-24	7.1 ⁵	(0.5)	(4.0)	(1.8)	12.5	7.1	1.7 ⁵	3.0 ⁵	9.7	(2.4)	56.5

Exhibit 14: Key leading indicators for investments (quarterly)

% YoY	Cargo traffic ¹	Electricity	Auto sales ²	Diesel sales	Capital goods' imports ³	Cement Production	IIP: Non-metallic products	IIP: Capital goods	Industrial credit	Govt capex ⁴	Manufacturing PMI
2QFY22	10.5	9.3	31.5	8.9	28.0	22.5	19.4	16.7	3.2	51.9	53.8
3QFY22	5.4	2.7	4.6	(3.7)	22.9	8.7	5.4	(2.4)	6.8	13.4	56.3
4QFY22	3.9	3.9	9.2	(0.0)	3.5	9.0	9.7	1.9	4.3	35.8	54.3
1QFY23	11.0	17.1	124.7	20.4	14.2	17.2	15.8	29.6	8.1	57.0	54.4
2QFY23	9.9	4.9	49.3	11.4	36.1	4.8	3.5	6.9	10.6	42.4	55.9
3QFY23	3.9	7.9	31.3	10.3	25.4	10.1	7.5	8.2	10.6	(9.4)	56.3
4QFY23	5.4	6.0	31.0	6.7	23.1	3.7	0.7	10.5	7.2	57.6	55.7
1QFY24	0.8	1.3	20.3	8.0	12.5	12.5	7.4	5.1	6.9	59.1	57.9
2QFY24	4.2	11.1	25.8	4.3	6.7	10.3	8.4	8.8	4.8	26.4	57.9
3QFY24	7.6	9.0	15.6	1.0	(13.6)	5.1	3.9	7.5	8.1	24.4	55.5
4QFY24	6.6	7.3	0.2	4.2	(4.9)	7.5	6.4	4.1	9.4	10.1	57.5
1QFY25	5.2	10.8	7.5	1.6	5.8	0.5	1.6	3.1	7.8	(35.0)	58.2
2QFY25	4.8	1.1	(3.0)	0.1	6.7	3.0	0.4 ⁵	5.0 ⁵	10.2	10.3	57.4

¹ Railways and waterways² Includes commercial vehicles and three-wheelers³ Machinery and equipment, transport equipment, machine tools and project goods⁴ Capital spending of the central government⁵ Our forecasts

** - Data for total CV sales starting Apr'20 derived using CV sales of Ashok Leyland, Eicher Motors Ltd., Mahindra & Mahindra Ltd.; and Tata Motors; the three account for 95-98% of all CV sales

	Worse than previous month and a year ago
	Worse than the previous month but better than a year ago
	Better than the previous month but worse than a year ago
	Better than previous month and a year ago

Exhibit 15: Key indicators used in the creation of EAI-GVA on a monthly basis

% YoY	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24
Agriculture and allied activities													
IIP: Fertiliser	4.2	5.3	3.3	5.9	(0.6)	(9.5)	(1.3)	(0.8)	(1.7)	2.4	5.3	3.2	1.9
Domestic tractor sales	(15.6)	(5.3)	1.5	(21.3)	(14.5)	(25.7)	(19.5)	(2.9)	0.5	3.5	1.4	(5.5)	2.4
Real rural wages ¹	(0.0)	(0.6)	(1.1)	(1.3)	(1.3)	(1.2)	(1.7)	(1.1)	(1.1)	(1.2)	(0.5)	0.5	0.8 ⁸
Reservoir levels	(15.9)	(20.4)	(20.5)	(18.5)	(14.2)	(11.4)	(15.1)	(16.8)	(20.0)	(24.2)	6.5	27.3	20.8
Agriculture sector	1.6	2.0	2.5	1.2	2.1	1.9	1.9	2.6	2.7	2.5	3.7	4.4	4.5
Industrial sector													
Coal	16.0	18.4	10.9	10.8	10.6	11.6	8.7	7.5	10.2	14.8	6.8	(8.1)	2.6
Crude oil	(0.4)	1.3	(0.4)	(1.0)	0.6	7.9	2.1	1.7	(1.1)	(2.6)	(2.9)	(3.4)	(3.9)
Natural gas	6.5	10.0	7.5	6.7	5.5	11.2	6.3	8.6	7.5	3.3	(1.3)	(3.6)	(1.3)
IIP: Mining	11.5	13.1	7.0	5.2	6.0	8.1	1.3	6.8	6.6	10.3	3.8	(4.3)	6.7 ⁸
Mining	10.6	13.2	7.0	5.4	7.5	15.0	5.6	8.1	5.9	7.9	2.9	(4.7)	3.0
Electricity	9.9	20.4	5.8	1.2	5.7	7.6	8.6	10.2	13.7	8.6	7.9	(3.7)	(0.5)
IIP: Manufacturing	5.1	10.6	1.3	4.6	3.6	4.9	5.9	4.2	5.1	3.2	4.4	1.0	6.6 ⁸
Real credit growth ²	5.4	7.3	7.2	8.7	9.1	9.7	7.7	5.7	6.0	4.1	8.4	8.9	7.7
Fuel consumption	3.3	9.9	(1.4)	2.0	3.7	5.3	0.7	2.5	2.8	2.2	3.8	(1.8)	(0.6)
Manufacturing	8.5	13.9	5.2	8.4	7.8	9.1	9.3	7.7	8.5	6.6	8.3	5.2	9.8
Steel production	14.8	13.6	9.7	8.3	9.2	9.4	7.5	9.8	8.9	6.3	6.4	3.9	1.5
Cement output	4.7	16.9	(4.7)	3.8	4.1	7.8	10.6	0.2	(0.6)	1.8	5.5	(3.0)	7.1
IIP: NMMP ³	4.7	12.9	(3.6)	3.0	3.0	8.0	8.2	1.4	0.5	3.1	1.9	(2.2)	1.7 ⁸
IIP: Construction	10.1	12.6	1.5	5.5	5.5	8.3	7.4	8.5	7.6	7.1	4.6	1.9	5.6 ⁸
Construction	10.1	12.6	1.5	5.5	5.5	8.3	7.4	8.5	7.6	7.1	4.6	1.9	5.6
Industry	9.2	14.1	4.4	7.0	7.1	9.2	8.6	8.0	8.5	7.0	7.1	3.1	7.5
Services sector													
Auto sales	4.7	22.5	28.3	16.1	25.3	30.3	15.4	24.3	8.9	16.5	8.4	6.5	11.6
Trade credit ⁴	18.6	21.0	20.2	17.6	18.5	18.5	17.3	13.5	14.6	11.0	12.8	14.0	12.3
Foreign tourist arrivals													
Freight traffic ⁵	4.5	10.2	8.5	4.4	5.3	7.5	7.0	1.4	3.7	8.9	5.1	2.3	7.1
Passengers traffic ⁵													
MFs AUMs	21.3	18.6	21.0	26.2	32.7	37.9	35.1	36.0	32.7	33.2	37.2	41.2	41.4
Real CG spending ⁶	11.7	(19.5)	5.9	18.7	(22.8)	39.9	(8.1)	18.0	(28.1)	(36.5)	2.9	21.9	(0.7)
Real deposits ⁷	10.0	13.3	13.8	12.3	12.8	12.9	13.2	11.2	11.0	7.4	8.3	11.3	9.5
Telecom subscribers	0.8	1.0	1.3	1.7	1.9	2.4	2.3	2.4	2.7	2.7	2.4	1.8 ⁸	2.0 ⁸
PMI: Services	12.3	6.0	0.9	0.9	8.0	2.0	5.9	(1.9)	(1.6)	3.4	(3.2)	1.3	(5.4)
Services sector	9.0	9.6	8.5	7.2	10.0	8.3	8.8	6.9	6.2	8.2	5.1	6.1	4.9
Aggregates													
EAI-GVA	8.3	9.9	6.7	6.4	8.2	7.9	8.0	6.7	6.6	7.4	6.3	5.9	6.4
Non-farm EAI-GVA	8.8	10.9	7.0	7.0	8.9	8.6	8.7	7.4	6.9	7.8	6.2	5.7	6.2

¹ Rural wages; deflated by CPI for rural workers² Banks' industrial credit growth; deflated by WPI³ Non-metallic minerals products (NMMP)⁴ Bank's non-food trade credit; deflated by WPI⁵ Railways and aviation⁶ Total spending of the central government excluding interest and subsidies; deflated by WPI⁷ Deflated by WPI⁸ Our forecasts

Sale of commercial vehicles within total auto Sales starting Apr'20 has been derived using CV sales of Ashok Leyland, Eicher Motors Ltd., Mahindra & Mahindra Ltd.; and Tata Motors; the three account for ~98% of all CV sales

	Worse than previous month and a year ago
	Worse than the previous month but better than a year ago
	Better than the previous month but worse than a year ago
	Better than previous month and a year ago

Exhibit 16: Key indicators used in the creation of EAI-GVA on a quarterly basis

% YoY	2QFY22	3QFY22	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25
Agriculture and allied activities													
IIP: Fertiliser	(0.9)	2.0	3.3	13.3	9.9	6.3	16.6	11.2	3.1	4.8	(3.8)	0.00	3.4
Domestic tractor sales	(4.8)	(9.5)	(21.6)	17.4	4.0	7.2	12.4	(5.3)	(8.7)	(7.2)	(19.8)	0.6	0.0
Real rural wages ¹	(0.3)	2.1	(0.6)	(0.7)	(0.6)	0.5	0.8	0.5	(0.2)	(1.0)	(1.4)	(1.1)	0.3 ⁸
Reservoir levels	(4.9)	(2.7)	5.0	2.2	21.4	9.3	(3.3)	(2.6)	(18.4)	(19.9)	(13.5)	(20.0)	19.3
Agriculture sector	3.0	2.4	2.5	4.1	4.5	4.0	3.2	2.5	1.9	2.0	2.0	2.6	4.3
Industrial sector													
Coal	15.6	9.0	4.6	31.9	10.3	9.6	11.4	8.7	16.3	13.0	10.2	10.8	0.5
Crude oil	(2.4)	(2.1)	(2.7)	0.6	(3.2)	(1.5)	(2.9)	(2.0)	1.3	(0.0)	3.4	(0.7)	(3.4)
Natural gas	22.3	23.0	10.5	4.8	(1.0)	(0.8)	3.7	0.1	8.5	8.1	7.5	6.4	(2.1)
IIP: Mining	17.1	6.1	3.8	9.1	(0.9)	7.6	6.9	6.4	11.5	8.2	4.9	7.9	2.1 ⁸
Mining	10.4	3.2	1.7	13.0	0.5	6.8	5.0	5.4	12.0	8.3	9.1	7.3	0.4
Electricity	9.3	2.7	3.9	17.1	4.9	7.9	6.0	1.3	11.1	9.0	7.3	10.8	1.1
IIP: Manufacturing	8.6	1.4	1.2	12.8	1.5	1.4	3.9	5.1	6.8	5.4	4.8	4.2	4.0 ⁸
Real credit growth ²	(7.6)	(6.6)	(8.5)	(6.9)	(1.6)	3.8	3.8	10.1	5.4	7.8	8.9	5.2	8.3
Fuel consumption	6.2	(2.6)	0.1	11.4	7.9	4.1	3.9	8.9	3.8	3.3	3.1	2.5	0.5
Manufacturing	9.8	3.2	3.0	13.9	4.8	5.2	7.3	9.5	9.9	9.0	8.7	7.6	7.7
Steel production	7.8	2.0	4.5	7.0	7.0	10.1	11.5	16.4	15.4	10.5	8.7	8.3	3.9
Cement output	22.5	8.7	9.0	17.2	4.9	10.1	3.8	12.6	10.3	5.1	7.5	0.5	3.0
IIP: NMMP ³	19.4	5.4	9.7	15.8	3.5	7.5	0.7	7.4	8.4	3.9	6.4	1.6	0.4 ⁸
Construction	11.7	3.9	7.0	10.3	5.3	8.8	9.1	13.2	12.8	6.5	7.1	7.7	4.0 ⁸
Industry	9.8	3.2	3.8	12.6	4.4	5.8	7.5	9.3	10.9	8.4	8.3	7.8	5.9 ⁸
Services sector													
Auto sales	(9.6)	(22.8)	(18.5)	53.7	18.0	10.8	9.8	14.7	3.5	22.6	23.4	16.4	9.0
Trade credit ⁴	(1.5)	0.4	0.9	1.5	7.6	11.7	14.0	22.1	18.7	19.6	18.1	13.0	13.0
Foreign tourist arrivals													
Freight traffic ⁵	10.5	5.4	3.9	(0.8)	9.9	3.9	5.4	1.4	4.2	7.6	6.6	4.6	4.8
Passengers traffic ⁵													
MFs AUMs	19.4	10.2	6.2	(3.6)	(5.4)	(0.0)	1.3	20.0	21.6	22.0	35.2	33.9	39.9
Real CG spending ⁶	9.9	(6.2)	38.4	4.5	(11.6)	(6.9)	7.4	13.8	32.5	0.1	(1.4)	(16.5)	6.2
Real deposits ⁷	(1.9)	(3.5)	(4.6)	(6.0)	(1.8)	2.5	6.5	15.7	12.6	13.1	13.0	9.8	9.7
Telecom subscribers	3.1	1.1	(1.9)	(2.6)	(2.4)	(1.4)	0.3	0.2	0.5	1.4	2.2	2.6 ⁸	2.1 ⁸
PMI: Services	25.0	6.5	(3.6)	42.4	6.2	(0.3)	11.2	3.2	9.8	2.5	5.3	(0.1)	(2.5)
Services sector	12.1	5.2	1.7	19.5	7.9	5.6	9.5	7.7	8.5	8.4	9.0	7.0	5.4
Aggregates													
EAI-GVA	10.7	4.4	2.5	14.5	7.1	5.6	8.1	7.5	8.4	7.7	8.1	6.9	6.2
Non-farm EAI-GVA	11.6	4.7	2.6	16.2	7.3	5.9	8.9	8.2	8.9	8.3	8.7	7.4	6.0

¹ Rural wages; deflated by CPI for rural workers

² Banks' industrial credit growth; deflated by WPI

³ Non-metallic minerals products (NMMP)

⁴ Bank's non-food trade credit; deflated by WPI

⁵ Railways and aviation

⁶ Total spending of the central government excluding interest and subsidies; deflated by WPI

⁷ Deflated by WPI

⁸ Our forecasts

Sale of commercial vehicles within total auto Sales starting Apr'20 has been derived using CV sales of Ashok Leyland, Eicher Motors Ltd., Mahindra & Mahindra Ltd.; and Tata Motors; the three account for ~98% of all CV sales

	Worse than previous month and a year ago
	Worse than the previous month but better than a year ago
	Better than the previous month but worse than a year ago
	Better than previous month and a year ago

Exhibit 17: Economic activity improved in Oct'24

% YoY	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24
% YoY Water reservoir levels	-20.4	-20.5	-18.5	-14.2	-11.4	-15.1	-16.8	-20.0	-24.2	6.5	27.2	20.5	24.4
Index PMI: Manufacturing	55.5	56.0	54.9	56.5	56.9	59.1	58.8	57.5	58.3	58.1	57.5	56.5	57.5
Index PMI: Services	58.4	56.9	59.0	61.8	60.6	61.2	60.8	60.2	60.5	60.3	60.9	57.7	57.9
% YoY Toll collection¹(Units)	13.0	12.3	13.0	10.2	8.3	10.6	7.6	3.6	5.8	9.4	6.8	6.5	7.9
USD b FX reserves²	588.5	604.2	622.5	620.0	625.2	646.4	640.2	651.5	652.0	670.6	682.2	705.8	684.8
% YoY Currency in circulation²	2.9	4.3	4.0	3.9	3.7	4.1	3.2	3.8	6.0	6.4	5.5	5.9	3.4
% YoY Vahan registrations	-6.6	19.6	22.0	16.1	14.0	3.8	27.5	3.3	1.4	14.7	3.7	-8.8	32.0
% YoY PVs sales³	19.4	5.5	1.6	15.3	15.1	14.4	3.6	0.5	3.7	-5.1	-3.5	0.1	0.8
% YoY CVs sales⁴	12.5	1.9	-5.7	-2.2	-2.8	-9.1	12.8	1.9	-4.9	-8.5	-14.3	-14.7	1.4
% YoY Air cargo traffic	23.9	13.9	1.6	17.2	20.6	10.5	8.0	14.8	10.2	6.8	-6.6	-8.9	-8.1
% YoY Power Generation	24.8	10.7	4.8	6.5	4.5	8.3	10.4	15.2	9.0	8.3	-4.7	0.4	0.8

¹ In terms of daily data² Data as of 20th Oct, 2024³ PV sales based on data for Maruti, Tata Motors and Mahindra & Mahindra⁴ CV sales derived from Ashok Leyland, Eicher Motors Ltd., M&M; Tata motors

Source: Various national sources, CEIC, MOFSL

	Worse than previous month and a year ago
	Worse than the previous month but better than a year ago
	Better than the previous month but worse than a year ago
	Better than previous month and a year ago

Investment in securities market are subject to market risks. Read all the related documents carefully before investing

Explanation of Investment Rating	
Investment Rating	Expected return (over 12-month)
BUY	>=15%
SELL	< - 10%
NEUTRAL	< - 10 % to 15%
UNDER REVIEW	Rating may undergo a change
NOT RATED	We have forward looking estimates for the stock but we refrain from assigning recommendation

*In case the recommendation given by the Research Analyst is inconsistent with the investment rating legend for a continuous period of 30 days, the Research Analyst shall be within following 30 days take appropriate measures to make the recommendation consistent with the investment rating legend.

Disclosures

The following Disclosures are being made in compliance with the SEBI Research Analyst Regulations 2014 (herein after referred to as the Regulations).

Motilal Oswal Financial Services Ltd. (MOFSL) is a SEBI Registered Research Analyst having registration no. INH000000412. MOFSL, the Research Entity (RE) as defined in the Regulations, is engaged in the business of providing Stock broking services, Depository participant services & distribution of various financial products. MOFSL is a listed public company, the details in respect of which are available on www.motilaloswal.com. MOFSL (erstwhile Motilal Oswal Securities Limited - MOSL) is registered with the Securities & Exchange Board of India (SEBI) and is a registered Trading Member with National Stock Exchange of India Ltd. (NSE) and Bombay Stock Exchange Limited (BSE), Multi Commodity Exchange of India Limited (MCX) and National Commodity & Derivatives Exchange Limited (NCDEX) for its stock broking activities & is Depository participant with Central Depository Services Limited (CDSL) National Securities Depository Limited (NSDL), NERL, COMRIS and CCRL and is member of Association of Mutual Funds of India (AMFI) for distribution of financial products and Insurance Regulatory & Development Authority of India (IRDA) as Corporate Agent for insurance products. Details of associate entities of Motilal Oswal Financial Services Limited are available on the website at <http://onlinereports.motilaloswal.com/Dormant/documents/List%20of%20Associate%20companies.pdf> MOFSL and its associate company(ies), their directors and Research Analyst and their relatives may; (a) from time to time, have a long or short position in, act as principal in, and buy or sell the securities or derivatives thereof of companies mentioned herein. (b) be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the company(ies) discussed herein or act as an advisor or lender/borrower to such company(ies) or may have any other potential conflict of interests with respect to any recommendation and other related information and opinions; however the same shall have no bearing whatsoever on the specific recommendations made by the analyst(s), as the recommendations made by the analyst(s) are completely independent of the views of the associates of MOFSL even though there might exist an inherent conflict of interest in some of the stocks mentioned in the research report. MOFSL and / or its affiliates do and seek to do business including investment banking with companies covered in its research reports. As a result, the recipients of this report should be aware that MOFSL may have a potential conflict of interest that may affect the objectivity of this report. Compensation of Research Analysts is not based on any specific merchant banking, investment banking or brokerage service transactions. Details of pending Enquiry Proceedings of Motilal Oswal Financial Services Limited are available on the website at <https://galaxy.motilaloswal.com/ResearchAnalyst/PublishViewLitigation.aspx>

A graph of daily closing prices of securities is available at www.nseindia.com, www.bseindia.com. Research Analyst views on Subject Company may vary based on Fundamental research and Technical Research. Proprietary trading desk of MOFSL or its associates maintains arm's length distance with Research Team as all the activities are segregated from MOFSL research activity and therefore it can have an independent view with regards to Subject Company for which Research Team have expressed their views.

Regional Disclosures (outside India)

This report is not directed or intended for distribution to or use by any person or entity resident in a state, country or any jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject MOFSL & its group companies to registration or licensing requirements within such jurisdictions.

For Hong Kong:

This report is distributed in Hong Kong by Motilal Oswal capital Markets (Hong Kong) Private Limited, a licensed corporation (CE AYY-301) licensed and regulated by the Hong Kong Securities and Futures Commission (SFC) pursuant to the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong "SFO". As per SEBI (Research Analyst Regulations) 2014 Motilal Oswal Securities (SEBI Reg. No. INH000000412) has an agreement with Motilal Oswal capital Markets (Hong Kong) Private Limited for distribution of research report in Hong Kong. This report is intended for distribution only to "Professional Investors" as defined in Part I of Schedule 1 to SFO. Any investment or investment activity to which this document relates is only available to professional investor and will be engaged only with professional investors." Nothing here is an offer or solicitation of these securities, products and services in any jurisdiction where their offer or sale is not qualified or exempt from registration. The Indian Analyst(s) who compile this report is/are not located in Hong Kong & are not conducting Research Analysis in Hong Kong.

For U.S.

Motilal Oswal Financial Services Limited (MOFSL) is not a registered broker - dealer under the U.S. Securities Exchange Act of 1934, as amended (the "1934 act") and under applicable state laws in the United States. In addition MOFSL is not a registered investment adviser under the U.S. Investment Advisers Act of 1940, as amended (the "Advisers Act" and together with the 1934 Act, the "Acts"), and under applicable state laws in the United States. Accordingly, in the absence of specific exemption under the Acts, any brokerage and investment services provided by MOFSL, including the products and services described herein are not available to or intended for U.S. persons. This report is intended for distribution only to "Major Institutional Investors" as defined by Rule 15a-6(b)(4) of the Exchange Act and interpretations thereof by SEC (henceforth referred to as "major institutional investors"). This document must not be acted on or relied on by persons who are not major institutional investors. Any investment or investment activity to which this document relates is only available to major institutional investors and will be engaged in only with major institutional investors. In reliance on the exemption from registration provided by Rule 15a-6 of the U.S. Securities Exchange Act of 1934, as amended (the "Exchange Act") and interpretations thereof by the U.S. Securities and Exchange Commission ("SEC") in order to conduct business with Institutional Investors based in the U.S., MOFSL has entered into a chaperoning agreement with a U.S. registered broker-dealer, Motilal Oswal Securities International Private Limited. ("MOSIPL"). Any business interaction pursuant to this report will have to be executed within the provisions of this chaperoning agreement. The Research Analysts contributing to the report may not be registered /qualified as research analyst with FINRA. Such research analyst may not be associated persons of the U.S. registered broker-dealer, MOSIPL, and therefore, may not be subject to NASD rule 2711 and NYSE Rule 472 restrictions on communication with a subject company, public appearances and trading securities held by a research analyst account.

For Singapore

In Singapore, this report is being distributed by Motilal Oswal Capital Markets (Singapore) Pte. Ltd. ("MOCMSPL") (UEN 201129401Z), which is a holder of a capital markets services license and an exempt financial adviser in Singapore. This report is distributed solely to persons who (a) qualify as "institutional investors" as defined in section 4A(1)(c) of the Securities and Futures Act of Singapore ("SFA") or (b) are considered "accredited investors" as defined in section 2(1) of the Financial Advisers Regulations of Singapore read with section 4A(1)(a) of the SFA. Accordingly, if a recipient is neither an "institutional investor" nor an "accredited investor", they must immediately discontinue any use of this Report and inform MOCMSPL.

In respect of any matter arising from or in connection with the research you could contact the following representatives of MOCMSPL. In case of grievances for any of the services rendered by MOCMSPL write to grievances@motilaloswal.com.

Nainesh Rajani

Email: nainesh.raiani@motilaloswal.com

Contact: (+65) 8328 0276

Specific Disclosures

- 1 MOFSL, Research Analyst and/or his relatives does not have financial interest in the subject company, as they do not have equity holdings in the subject company.
- 2 MOFSL, Research Analyst and/or his relatives do not have actual/beneficial ownership of 1% or more securities in the subject company
- 3 MOFSL, Research Analyst and/or his relatives have not received compensation/other benefits from the subject company in the past 12 months
- 4 MOFSL, Research Analyst and/or his relatives do not have material conflict of interest in the subject company at the time of publication of research report
- 5 Research Analyst has not served as director/officer/employee in the subject company
- 6 MOFSL has not acted as a manager or co-manager of public offering of securities of the subject company in past 12 months
- 7 MOFSL has not received compensation for investment banking/ merchant banking/brokerage services from the subject company in the past 12 months
- 8 MOFSL has not received compensation for other than investment banking/merchant banking/brokerage services from the subject company in the past 12 months
- 9 MOFSL has not received any compensation or other benefits from third party in connection with the research report
- 10 MOFSL has not engaged in market making activity for the subject company

The associates of MOFSL may have:

- financial interest in the subject company
- actual/beneficial ownership of 1% or more securities in the subject company at the end of the month immediately preceding the date of publication of the Research Report or date of the public appearance.
- received compensation/other benefits from the subject company in the past 12 months
- any other potential conflict of interests with respect to any recommendation and other related information and opinions; however the same shall have no bearing whatsoever on the specific recommendations made by the analyst(s), as the recommendations made by the analyst(s) are completely independent of the views of the associates of MOFSL even though there might exist an inherent conflict of interest in some of the stocks mentioned in the research report.
- acted as a manager or co-manager of public offering of securities of the subject company in past 12 months
- be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the company(ies) discussed herein or act as an advisor or lender/borrower to such company(ies)
- received compensation from the subject company in the past 12 months for investment banking / merchant banking / brokerage services or from other than said services.

- Served subject company as its clients during twelve months preceding the date of distribution of the research report.
- The associates of MOFSL has not received any compensation or other benefits from third party in connection with the research report

Above disclosures include beneficial holdings lying in demat account of MOFSL which are opened for proprietary investments only. While calculating beneficial holdings, It does not consider demat accounts which are opened in name of MOFSL for other purposes (i.e holding client securities, collaterals, error trades etc.). MOFSL also earns DP income from clients which are not considered in above disclosures.

Analyst Certification

The views expressed in this research report accurately reflect the personal views of the analyst(s) about the subject securities or issues, and no part of the compensation of the research analyst(s) was, is, or will be directly or indirectly related to the specific recommendations and views expressed by research analyst(s) in this report.

Terms & Conditions:

This report has been prepared by MOFSL and is meant for sole use by the recipient and not for circulation. The report and information contained herein is strictly confidential and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent of MOFSL. The report is based on the facts, figures and information that are considered true, correct, reliable and accurate. The intent of this report is not recommendatory in nature. The information is obtained from publicly available media or other sources believed to be reliable. Such information has not been independently verified and no guaranty, representation of warranty, express or implied, is made as to its accuracy, completeness or correctness. All such information and opinions are subject to change without notice. The report is prepared solely for informational purpose and does not constitute an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments for the clients. Though disseminated to all the customers simultaneously, not all customers may receive this report at the same time. MOFSL will not treat recipients as customers by virtue of their receiving this report.

Disclaimer:

The report and information contained herein is strictly confidential and meant solely for the selected recipient and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent. This report and information herein is solely for informational purpose and may not be used or considered as an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments. Nothing in this report constitutes investment, legal, accounting and tax advice or a representation that any investment or strategy is suitable or appropriate to your specific circumstances. The securities discussed and opinions expressed in this report may not be suitable for all investors, who must make their own investment decisions, based on their own investment objectives, financial positions and needs of specific recipient. This may not be taken in substitution for the exercise of independent judgment by any recipient. Each recipient of this document should make such investigations as it deems necessary to arrive at an independent evaluation of an investment in the securities of companies referred to in this document (including the merits and risks involved), and should consult its own advisors to determine the merits and risks of such an investment. The investment discussed or views expressed may not be suitable for all investors. Certain transactions -including those involving futures, options, another derivative products as well as non-investment grade securities - involve substantial risk and are not suitable for all investors. No representation or warranty, express or implied, is made as to the accuracy, completeness or fairness of the information and opinions contained in this document. The Disclosures of Interest Statement incorporated in this document is provided solely to enhance the transparency and should not be treated as endorsement of the views expressed in the report. This information is subject to change without any prior notice. The Company reserves the right to make modifications and alternations to this statement as may be required from time to time without any prior approval. MOFSL, its associates, their directors and the employees may from time to time, effect or have effected an own account transaction in, or deal as principal or agent in or for the securities mentioned in this document. They may perform or seek to perform investment banking or other services for, or solicit investment banking or other business from, any company referred to in this report. Each of these entities functions as a separate, distinct and independent of each other. The recipient should take this into account before interpreting the document. This report has been prepared on the basis of information that is already available in publicly accessible media or developed through analysis of MOFSL. The views expressed are those of the analyst, and the Company may or may not subscribe to all the views expressed therein. This document is being supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, copied, in whole or in part, for any purpose. This report is not directed or intended for distribution to, or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject MOFSL to any registration or licensing requirement within such jurisdiction. The securities described herein may or may not be eligible for sale in all jurisdictions or to certain category of investors. Persons in whose possession this document may come are required to inform themselves of and to observe such restriction. Neither the Firm, not its directors, employees, agents or representatives shall be liable for any damages whether direct or indirect, incidental, special or consequential including lost revenue or lost profits that may arise from or in connection with the use of the information. The person accessing this information specifically agrees to exempt MOFSL or any of its affiliates or employees from, any and all responsibility/liability arising from such misuse and agrees not to hold MOFSL or any of its affiliates or employees responsible for any such misuse and further agrees to hold MOFSL or any of its affiliates or employees free and harmless from all losses, costs, damages, expenses that may be suffered by the person accessing this information due to any errors and delays. This report is meant for the clients of Motilal Oswal only.

Investment in securities market are subject to market risks. Read all the related documents carefully before investing.

Registration granted by SEBI and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors.

Registered Office Address: Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai-400025; Tel No.: 022 - 71934200 / 71934263; www.motilaloswal.com.

Correspondence Address: Palm Spring Centre, 2nd Floor, Palm Court Complex, New Link Road, Malad (West), Mumbai- 400 064. Tel No: 022 71881000. Details of Compliance Officer: Neeraj Agarwal,

Email Id: na@motilaloswal.com, Contact No.:022-40548085.

Grievance Redressal Cell:

Contact Person	Contact No.	Email ID
Ms. Hemangi Date	022 40548000 / 022 67490600	query@motilaloswal.com
Ms. Kumud Upadhyay	022 40548082	servicehead@motilaloswal.com
Mr. Ajay Menon	022 40548083	am@motilaloswal.com

Registration details of group entities.: Motilal Oswal Financial Services Ltd. (MOFSL): INZ000158836 (BSE/NSE/MCX/NCDEX); CDSL and NSDL: IN-DP-16-2015; Research Analyst: INH000000412 . AMFI: ARN : 146822. IRDA Corporate Agent – CA0579. Motilal Oswal Financial Services Ltd. is a distributor of Mutual Funds, PMS, Fixed Deposit, Insurance, Bond, NCDs and IPO products.

Customer having any query/feedback/ clarification may write to query@motilaloswal.com. In case of grievances for any of the services rendered by Motilal Oswal Financial Services Limited (MOFSL) write to grievances@motilaloswal.com, for DP to dpgrievances@motilaloswal.com.