

Macro Insights

12th December 2023

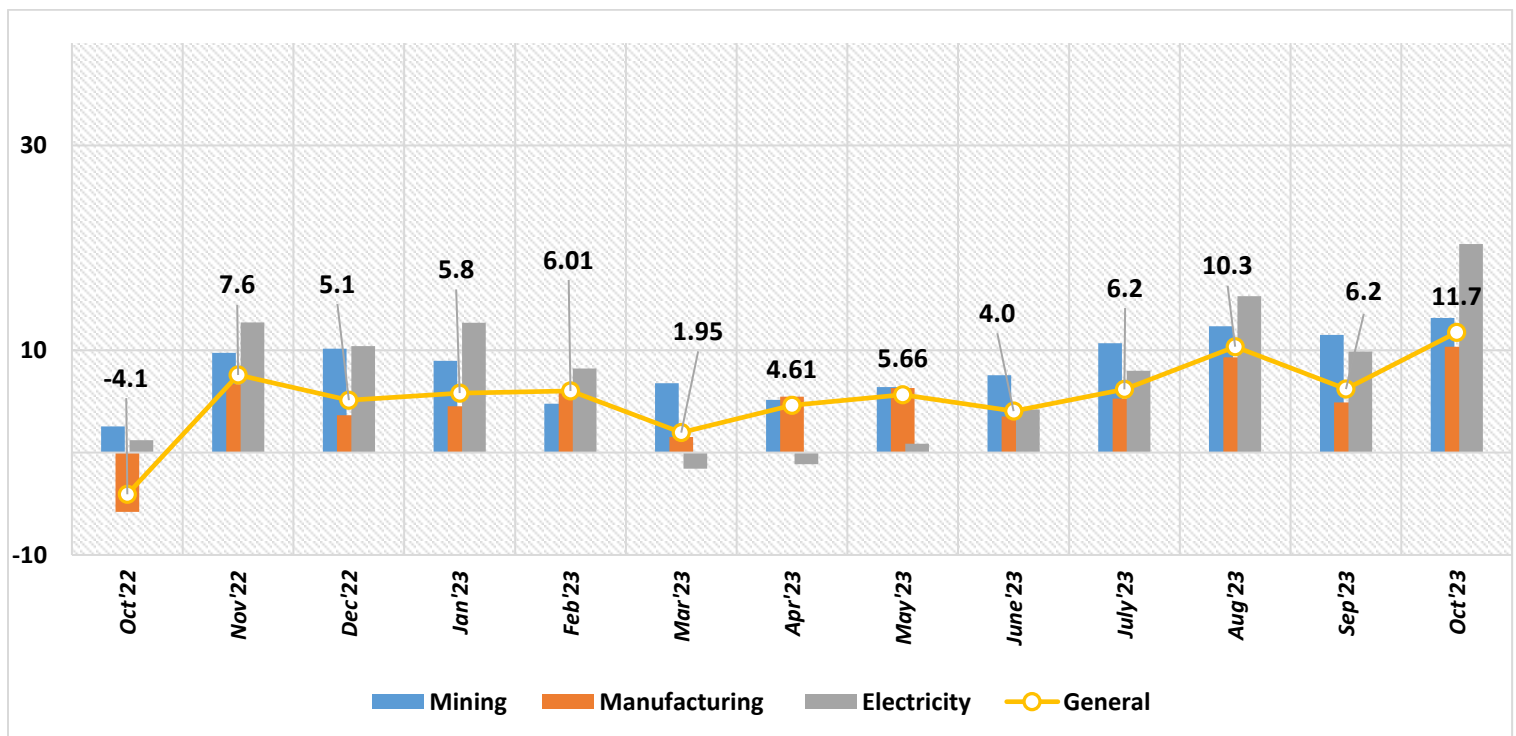
IIP growth zooms to 11.7%

This growth was mainly driven by double digit growth in mining, manufacturing and electricity sectors.

Highlights:

- ✿ In Sector wise performance, Electricity Sector showed the highest growth of 20.4% followed by Mining and Manufacturing.
- ✿ In Manufacturing Sector (highest weightage), out of 23 sectors, 4 sectors have registered negative growth.
- ✿ In Use Based, Highest growth has been observed in Capital Good (22.6%), followed by Consumer Durables (15.9%).
- ✿ Lowest growth in use based has been observed in consumer non-durables. (8.6%)

Chart: IIP Growth % (Sector-wise)



Note: General implies overall IIP

Table: IIP growth % (Sector-wise)

Component	Weight	Oct'22	Sep'23	Oct'23	Apr-Oct'22	Apr-Oct'23
Mining	14.37%	2.6	11.5	13.1	4.0	9.4
Manufacturing	77.63%	-5.8	4.9	10.4	5.0	6.4
Electricity	7.99%	1.2	9.9	20.4	9.4	8.0
IIP Index -General	100.0%	-4.1	6.2	11.7	5.3	6.9

Table: IIP growth % (Usage-wise)

Component	Weight	Oct'22	Sep'23	Oct'23	Apr-Oct'22	Apr-Oct'23
Primary Goods	34.05%	2.1	8.0	11.4	8.2	7.0
Capital Goods	8.22%	-2.9	7.4	22.6	14.0	9.0
Intermediate Goods	17.22%	-2.3	5.8	9.7	5.4	5.1
Infra/Construction Goods	12.34%	1.7	7.5	11.3	6.8	12.3
Consumer Durables	12.84%	-18.1	1.0	15.9	5.4	1.4
Consumer Non- Durables	15.33%	-13.0	2.7	8.6	-4.0	7.1

Views:

- Infrastructure Sector continued to show good growth in double digits which is auguring well for the economy and sustenance of demand in the economy.
- All the sectors have shown positive growth which delineate that the economic activities have resumed well and showing uptick.
- The high growth number also indicate towards the activities in all the sectors surged on account of festivities during the month of October and November 2023.
- It is expected that the momentum picked up by IIP growth numbers will continue in November and December as well and IIP growth numbers are likely to remain in the range of 7-10 percent in the coming months

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