

# India Economics

## Monthly Chartbook

March 2025

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## Uncertain times ahead

Global market volatility has increased significantly since the start of this month as US government announced broad-based tariff measures. More recently, Trump administration has announced 90-day pause on country-specific tariff rates, except China. Escalating tensions between US and China has raised recessionary fears in the US. Major sell-off in US asset classes (bonds and stocks) has also been noted. On the domestic front, given the backdrop of global turmoil, RBI reduced policy rates by another 25bps and also revised its growth and inflation forecasts for FY26 downward. In Q4FY25, high frequency data (services PMI, diesel consumption, and air passenger traffic) shows subdued activity. However, some bright spots are visible with auto sales, digital transactions and E-way bill generation picking up pace. Apart from global developments, domestic markets will also lookout for heat-wave conditions in the country, which will impact domestic inflation.

**Demand picture:** India's consumption demand has been signalling mixed trend as has been exhibited by some high frequency indicators. This includes improvement in digital payments, power demand and recovery in auto sales. However, certain indicators noted moderation such as non-oil-non-gold imports, electronic imports along with tad slower credit growth. For rural demand, both tractor and two-wheeler sales have registered an improvement supported by festive buying and lucrative discounts.

**Central government finances:** Centre's fiscal deficit dropped to 4.6% as of Feb'25 (12MMA basis), down from 5.3% as of Jan'25. On FYTD basis, in Feb'25, total expenditure growth slowed to 3.9%, following 6.4% rise till Jan'25. Within this, revenue expenditure growth slowed to 4.7% (6.8% in Jan'25) as it has reached 83% of the targeted expenditure (Jan'25: 74.4%). Capex growth

also eased (0.8% versus 5%) and it has met 80% of the targeted expenditure, slightly lower than 85% last year. On the income side, centre's net revenue improved sharply as of Feb'25 (13.5% versus 6.9% as of Jan'25), thus reaching 78.8% of FY25RE. Within this, direct tax collection growth jumped (12.4% versus 10.7%), and indirect tax collection growth softened to 9.1% from 9.8%. Fiscal deficit in absolute terms is only at 85.8% of RE (Jan'25: 63.6%).

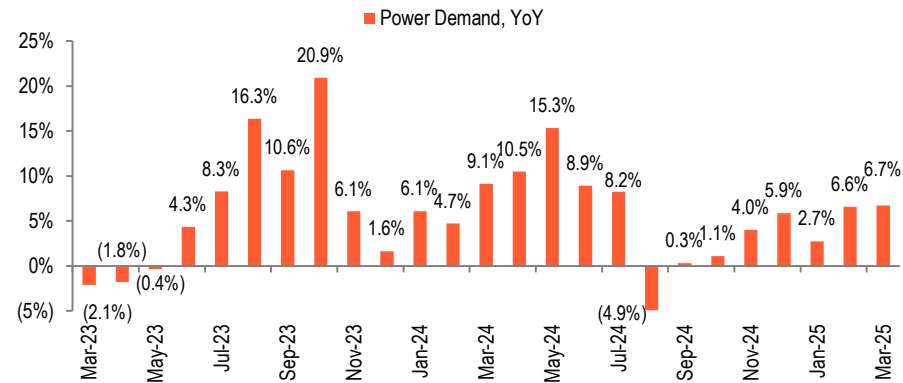
**Yields heading southbound:** India's 10Y yield witnessed considerable decline. In Mar'&Apr'25 (till date), India's 10Y yield fell by 29bps, at a sharper pace compared to major global yields. Favourable liquidity measures by RBI, fiscal prudence, stable FPI flows (FAR segment) and frontloading of demand buoyed by risk off sentiments, all contributed towards softer yields. Recent RBI's narrative is also expected to be supportive of yields. The hint of a deeper rate cut cycle amidst inflation on stride coupled with reassurance of surplus liquidity conditions, all point towards further downward correction in yields. The 1Y OIS curve (currently at 5.82%) also hints at a lower terminal repo. Taking all these factors into cognisance, sharp downward bias for domestic yields persist.

**INR to track dollar movement:** INR appreciated sharply by 2.4% in Mar'25, marking its largest single month rise since Nov'18. A sharp correction in the dollar (DXY declined by 3.2% in Mar'25), supported the strength in INR. Debt inflows, lower oil prices and moderation in domestic inflation also aided the domestic currency. In Apr'25, INR has depreciated by 1.4% on US tariff related uncertainty. Even so, we believe that the backdrop of a weaker DXY and lower oil prices bodes well for INR. However, FPI flows can be volatile, given the instability in global risk environment, which can weigh on INR.

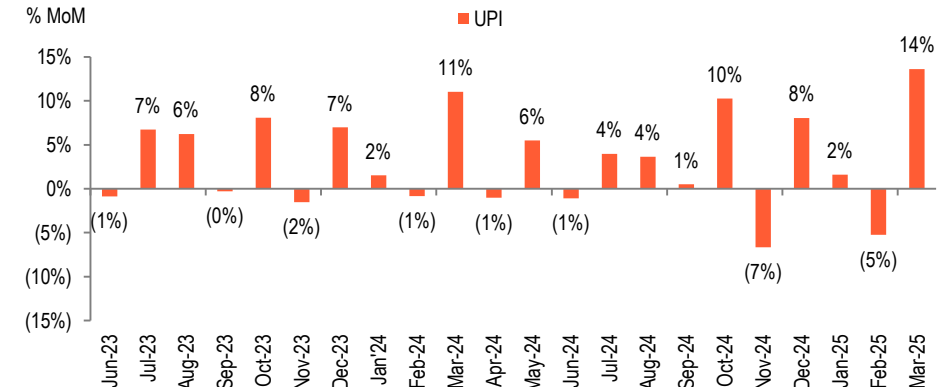
**Note:** The source for all exhibits is 'CEIC and Bank of Baroda' unless otherwise specified

## High frequency indicators

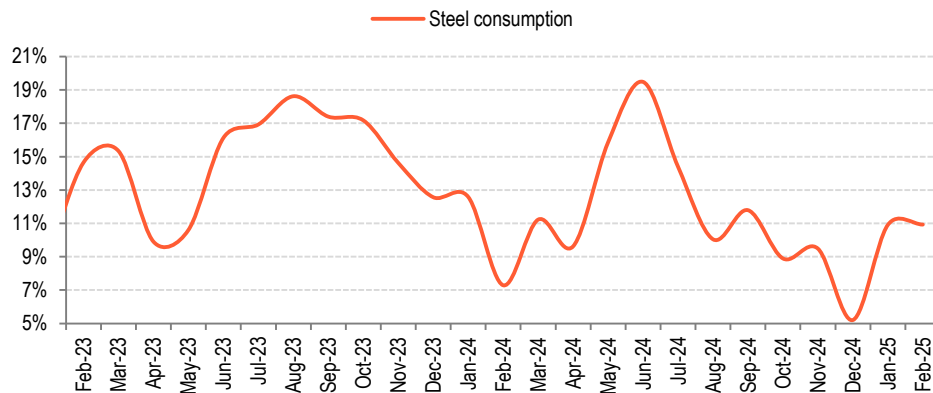
**Fig 1 – Steady growth in power demand**



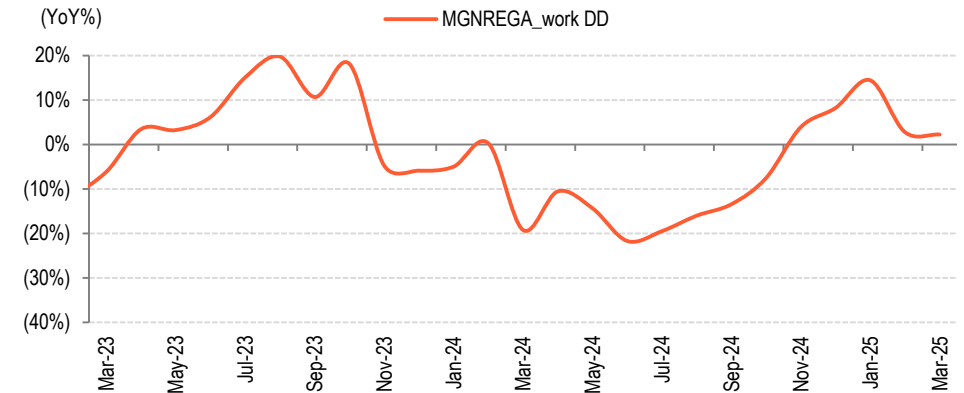
**Fig 2 – Volume of IMPS transactions rebounds**



**Fig 3 – Stable growth for steel consumption**

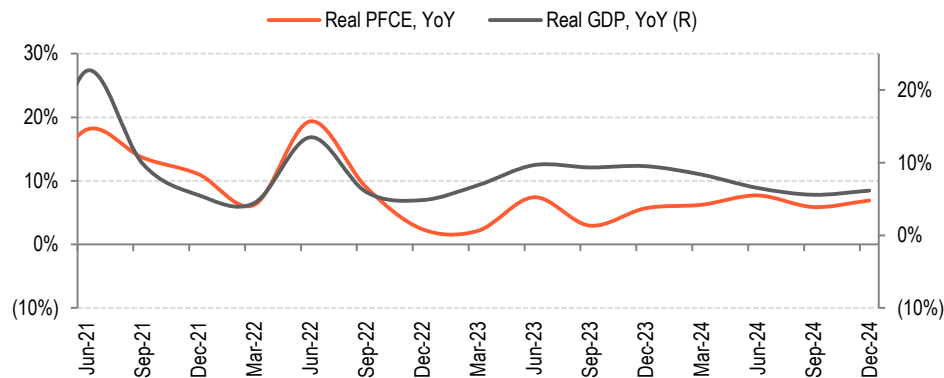


**Fig 4 – Demand for work (MGNREGA-household) eases further**

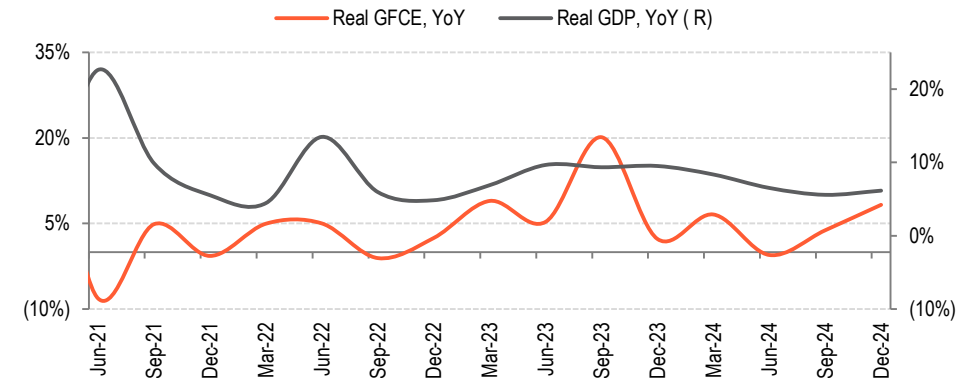


## Final consumption expenditure

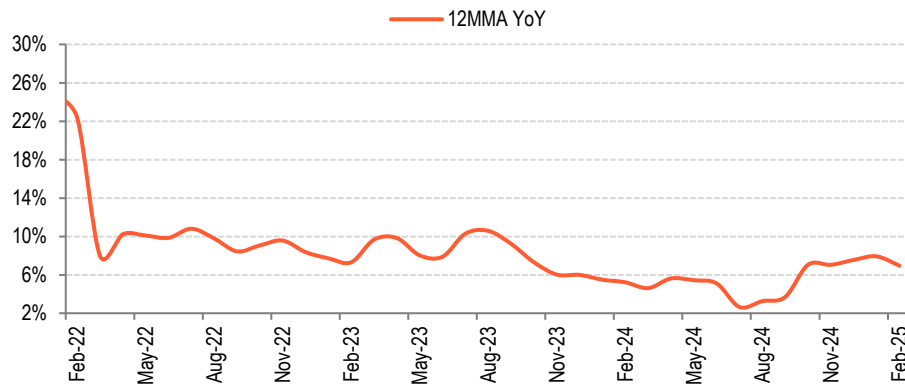
**Fig 5 – Private consumption edged up in Q3 versus last year**



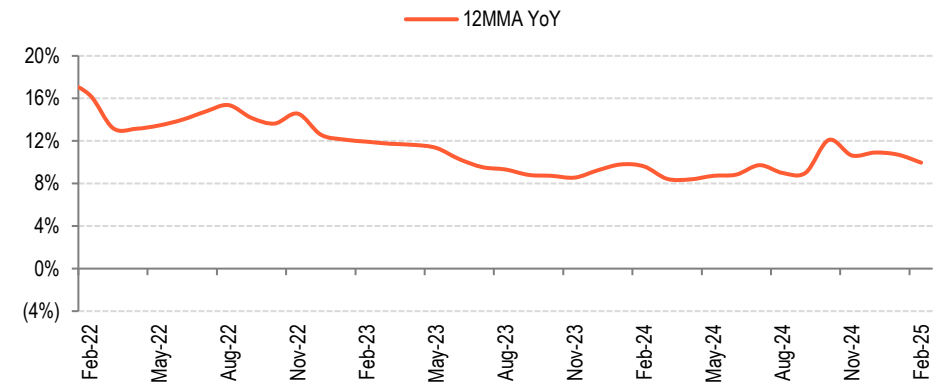
**Fig 6 – Government consumption growth accelerates in Q3**



**Fig 7 – General govt. revenue spending moderates**



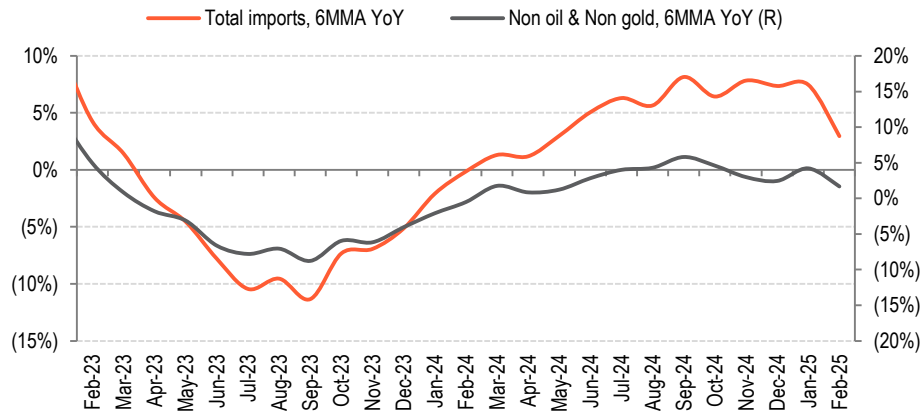
**Fig 8 – State\* govt. revenue spending too registers dip**



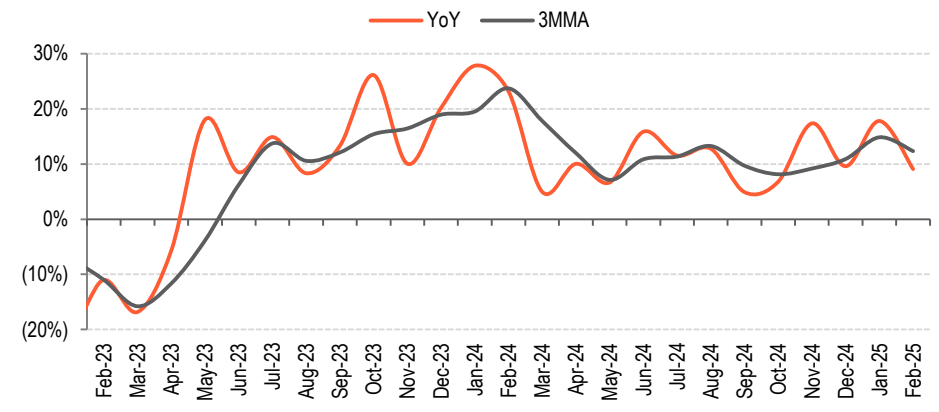
Note: \*All states excluding North Eastern states (ex Assam), Bihar, Goa, J&K and Telangana

## Non-oil imports, electronic imports

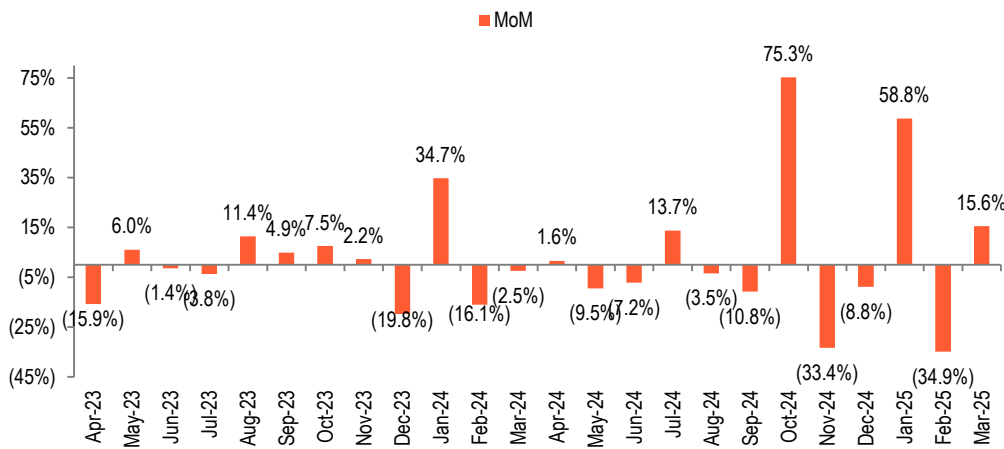
**Fig 9 – Non-oil-non-gold imports declines in Feb'25**



**Fig 10 – Electronic imports also moderates**

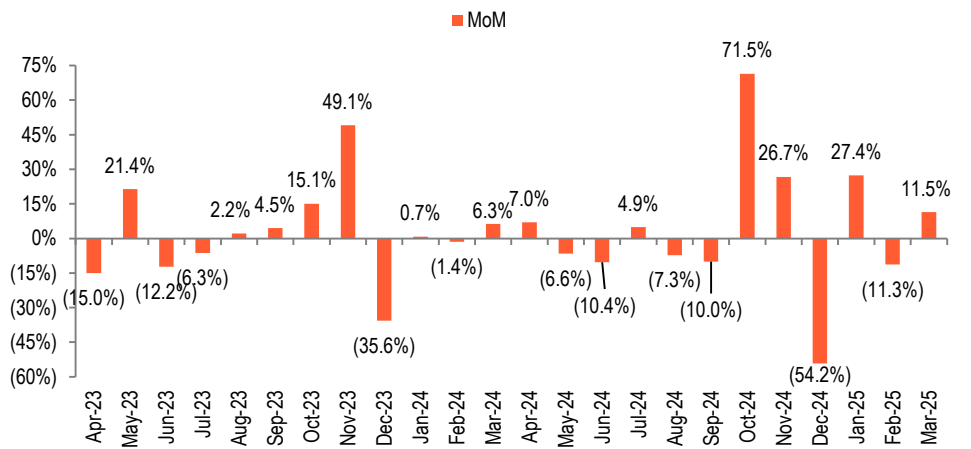


**Fig 11 – Retail passenger vehicle sales recovers in Mar'25**



Source: FADA

**Fig 12 – ...Similar trend for two-wheeler sales**



## Credit deployment of personal loans

Fig 13 – Steady growth in personal loans

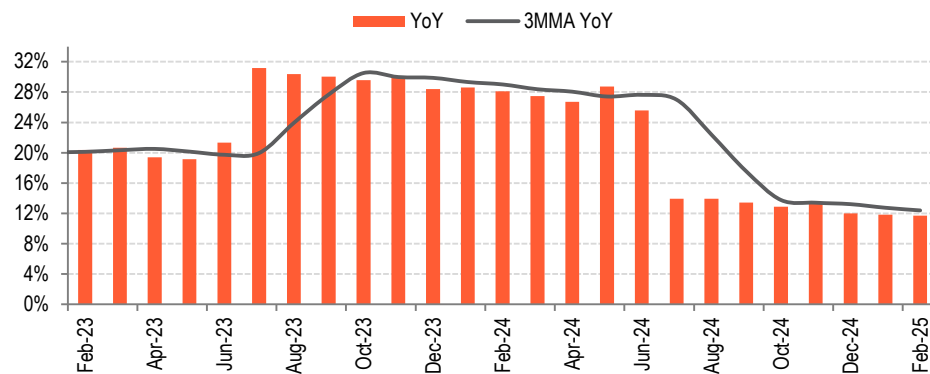


Fig 14 – Growth for credit card outstanding dips further

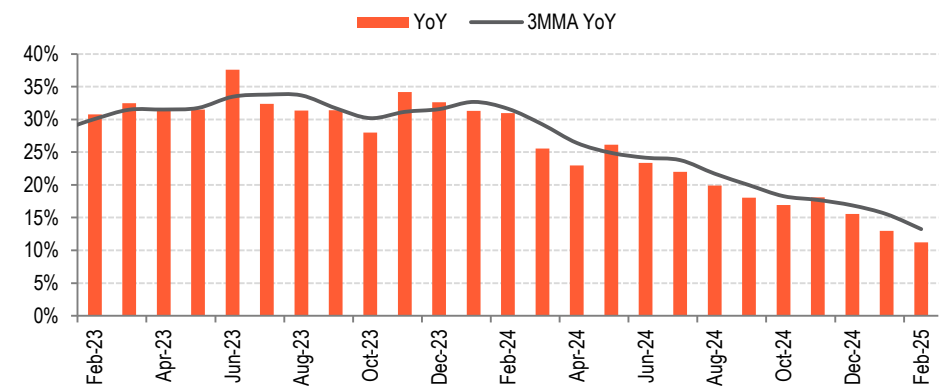


Fig 15 – Growth in vehicle loans remains stable

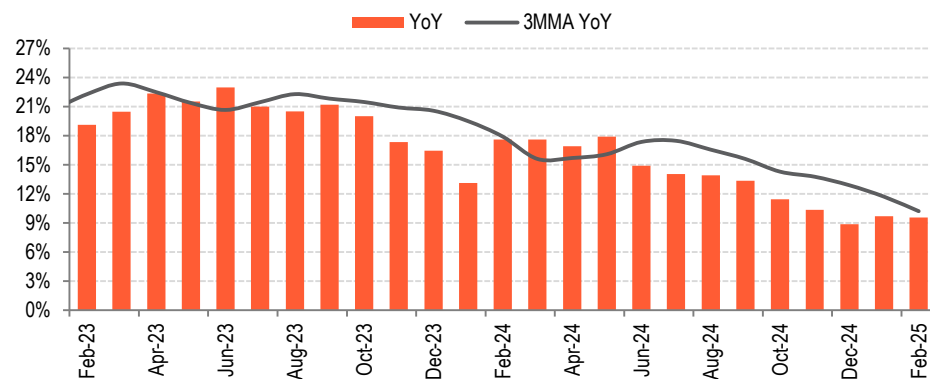
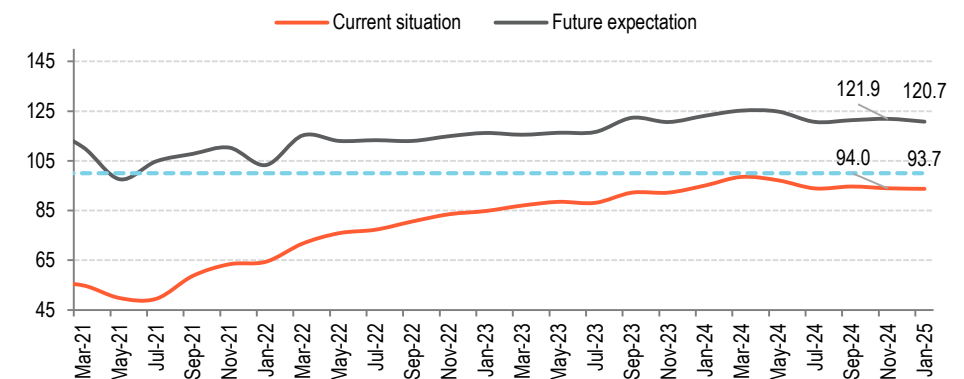
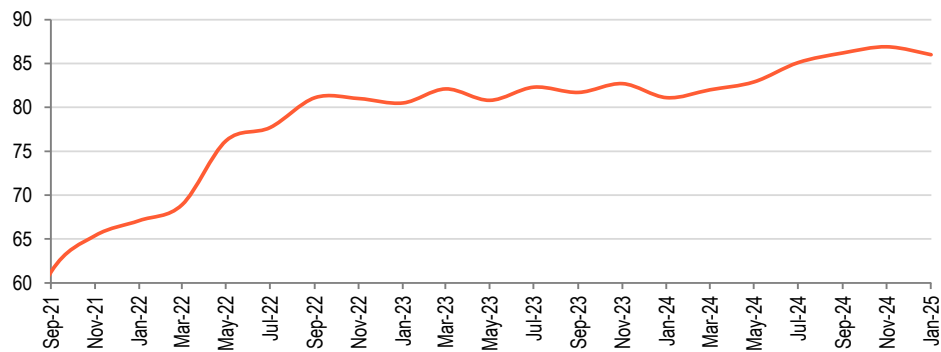
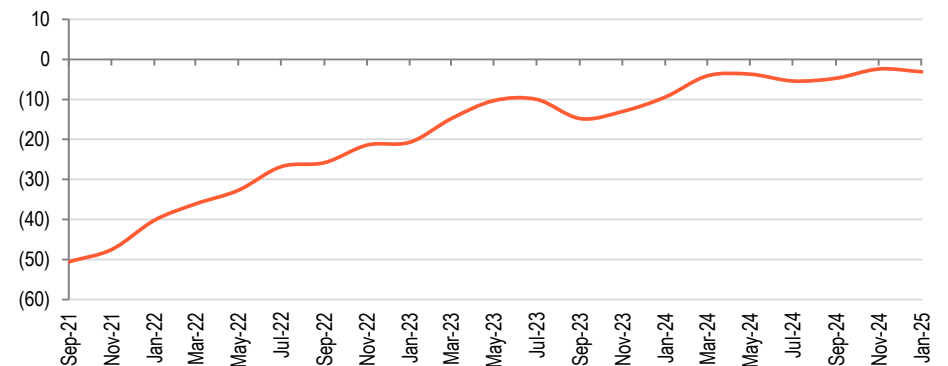
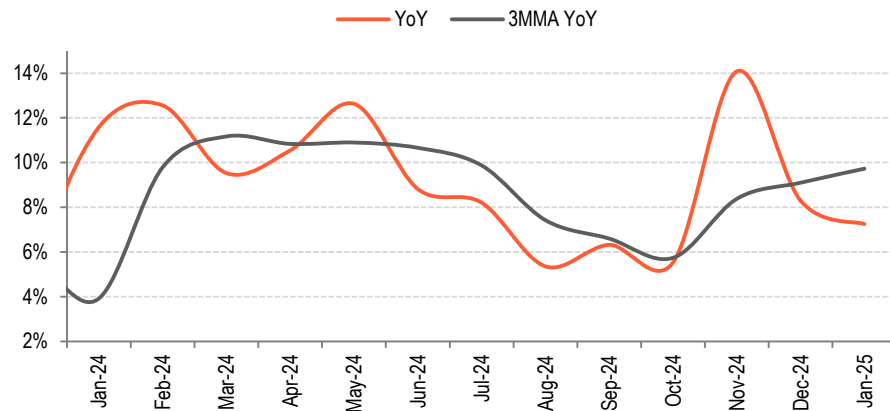
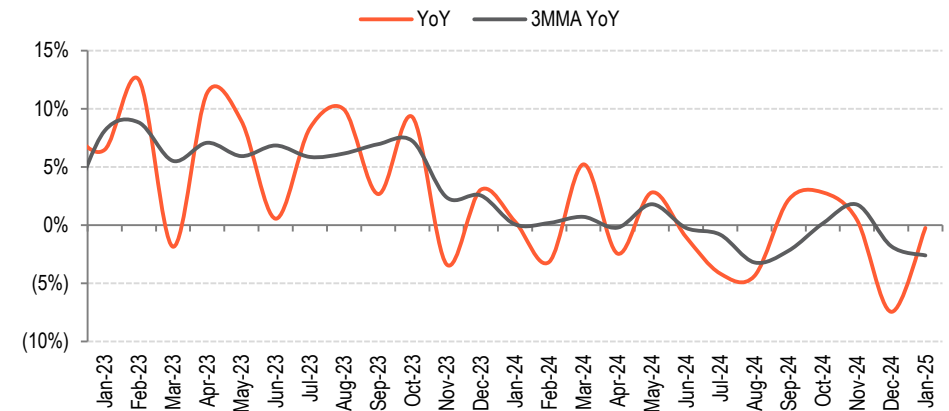


Fig 16 – Consumer's confidence turned marginally lower



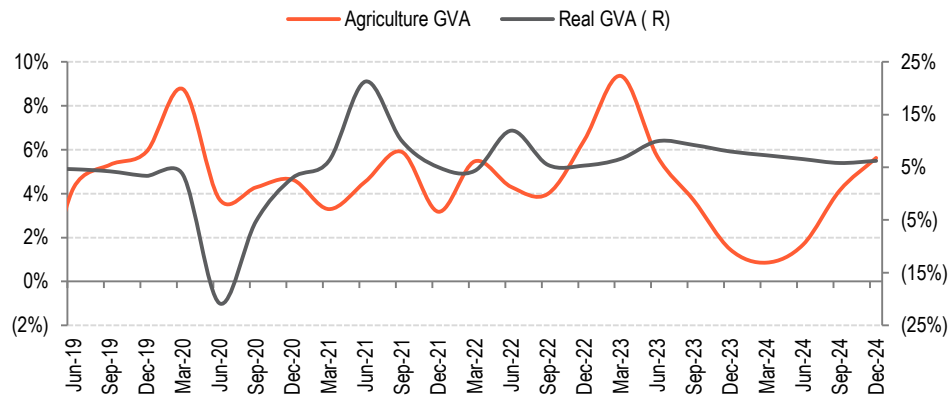
**Fig 17 – Lower spending on essential items as per RBI's survey****Fig 18 – Spending on non-essential items remains lower**

## Consumer durables & non-durables production

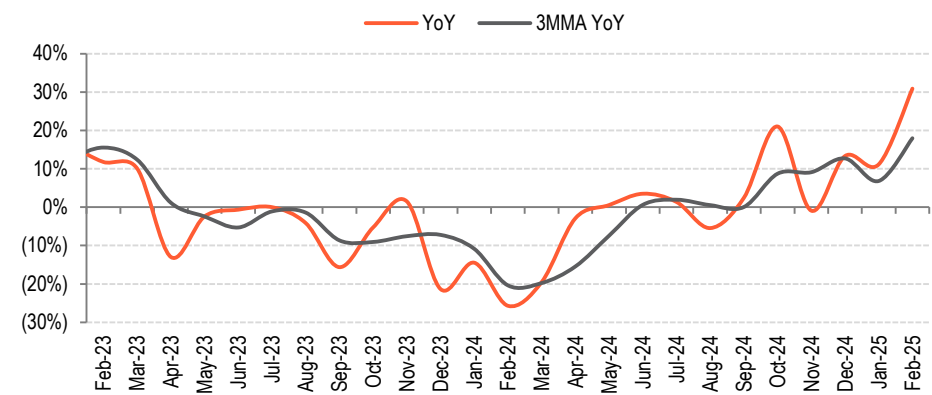
**Fig 19 – Consumer durables output eases****Fig 20 – FMCG output rebounds**

## Agriculture

**Fig 21 – Agriculture GVA rose at a robust pace**

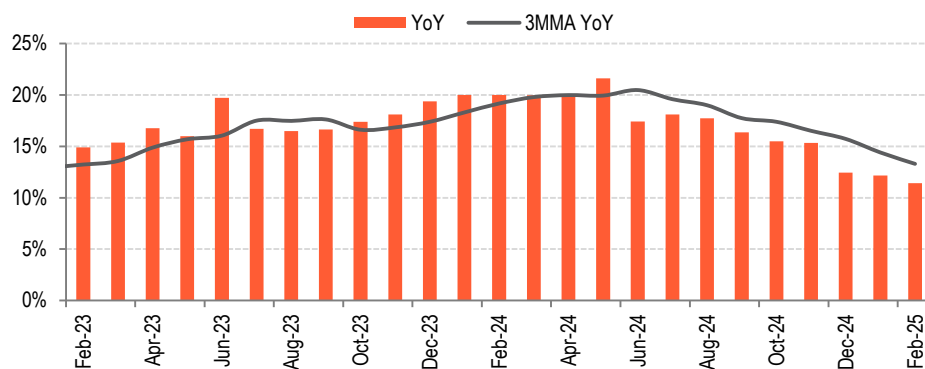


**Fig 22 – Growth in Tractor sales quickens**



Note: Tractor sales including exports

**Fig 23 – Growth in agriculture credit slows**

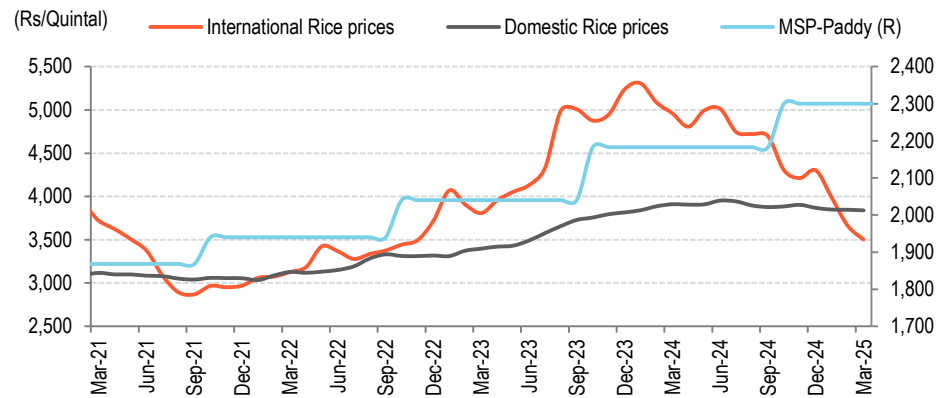
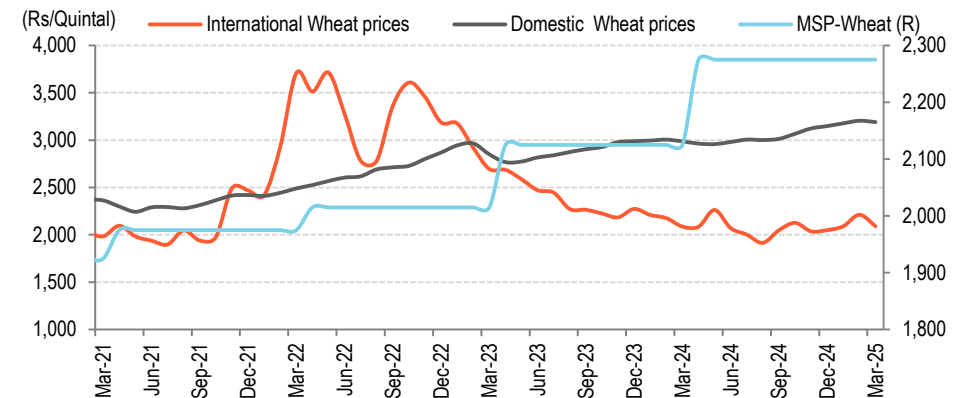
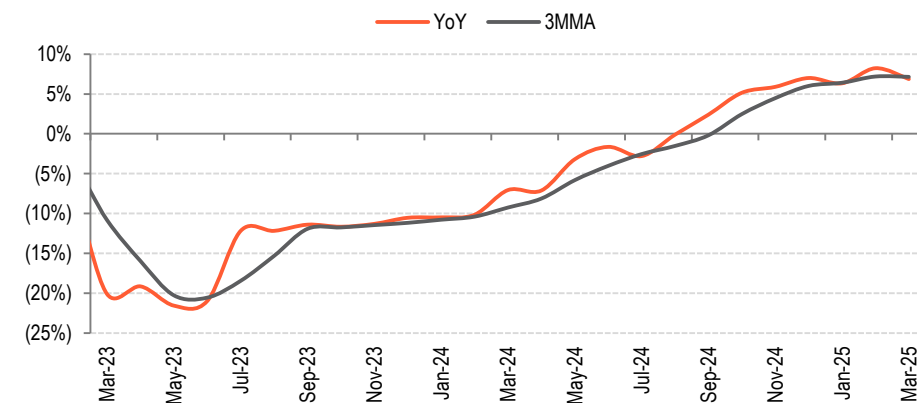
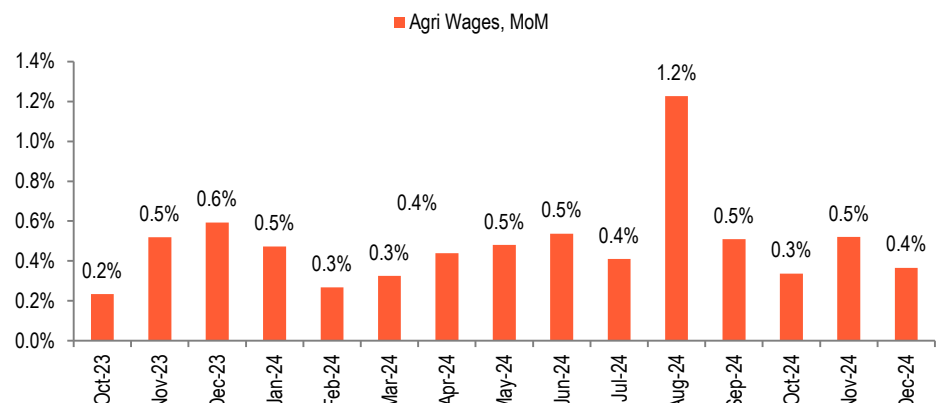


**Fig 24 – Procurement of rice and wheat**

Year	Wheat	Rice
2016-17	22.96	38.11
2017-18	30.83	38.19
2018-19	35.80	44.39
2019-20	34.13	51.83
2020-21	38.99	60.17
2021-22	43.34	57.59
2022-23	18.79	54.32
2023-24	26.20	52.53
2024-25	26.61*	45.84

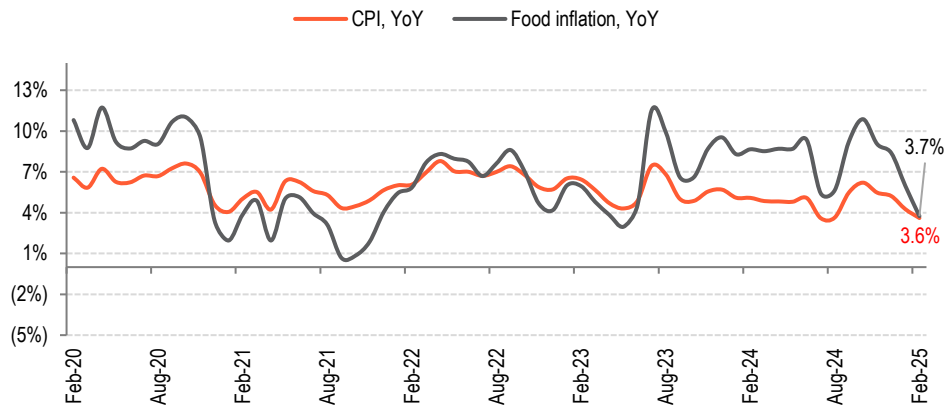
Source: Ministry of Consumer Affairs, Food and Public Distribution | \*As on: 28 Feb 2025



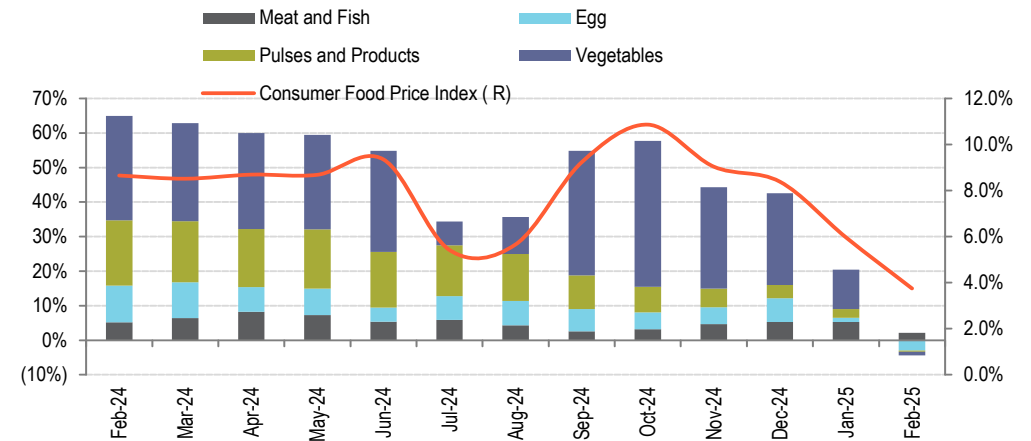
**Fig 25 – Both domestic and international rice prices fall****Fig 26 – Similar trend for wheat prices****Fig 27 – Global food prices steady in Mar'25****Fig 28 – Wage growth (men) moderates in Dec'24**

## Inflation

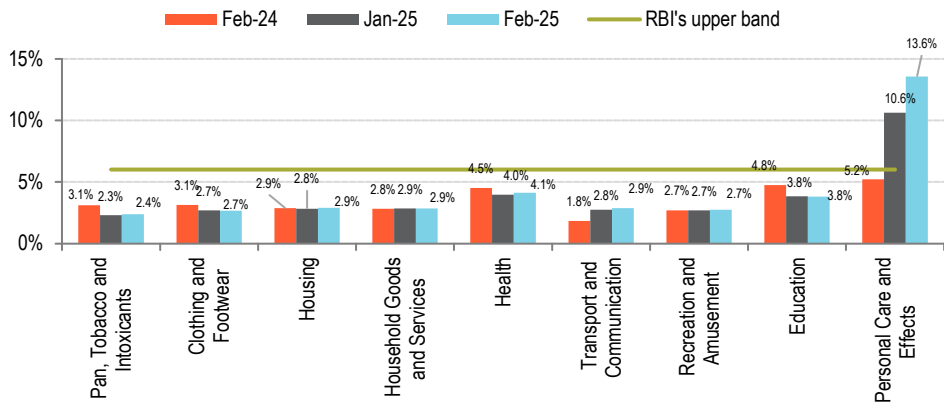
**Fig 29 – Headline CPI eased to its lowest since Jul'24 to 3.6% in Feb'25 compared to 4.3 % in Jan'25**



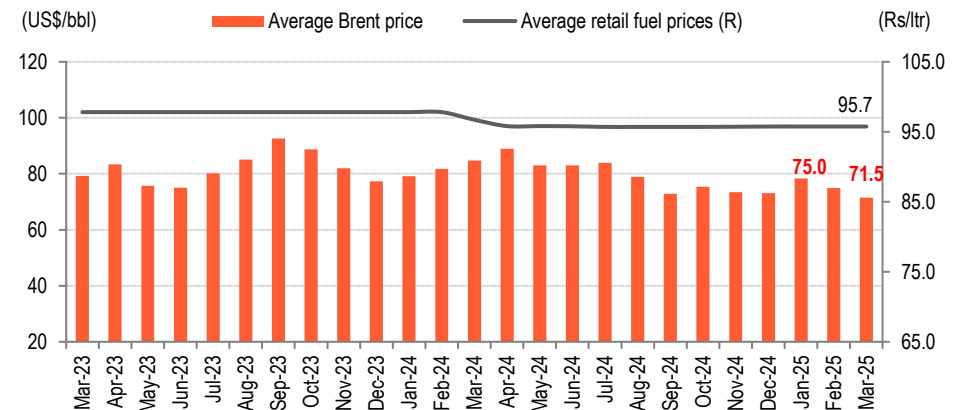
**Fig 30 – Food inflation eased to 3.7% from 6%, led by vegetables, pulses, meat and fish and eggs**



**Fig 31 – Except personal care and effects (influenced by gold price fluctuations), core inflation continues to remain rangebound**



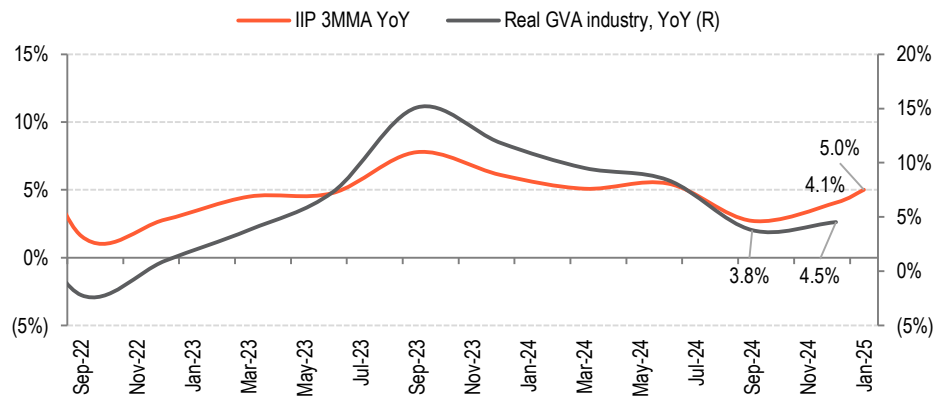
**Fig 32 – Domestic retail price was stable at Rs 95.7/lt in Mar'25, average crude price edged down to US\$ 71.5/bbl in Mar'25 and now lower at 67.6 (first 10 days of Apr'25)**



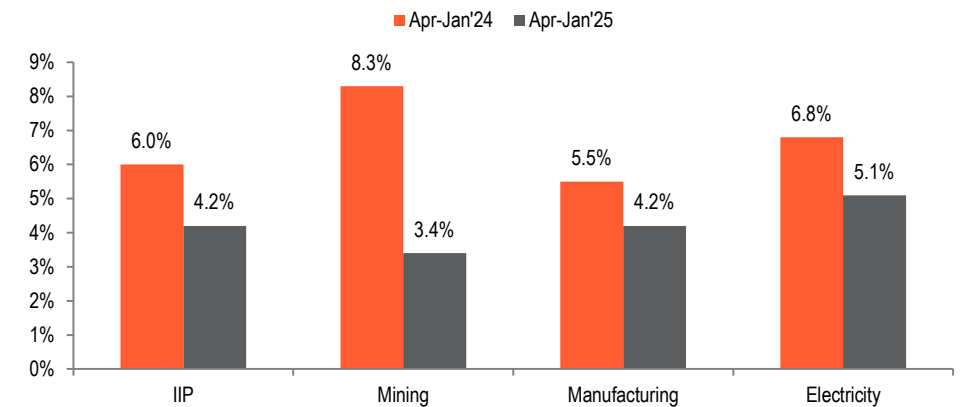
Note: Average retail price of petrol and diesel for Delhi, Kolkata, Mumbai and Chennai have been taken

## Industry

**Fig 33 – Higher IIP growth expected in Q4**



**Fig 34 – Sectorwise growth lower in FYTD25**

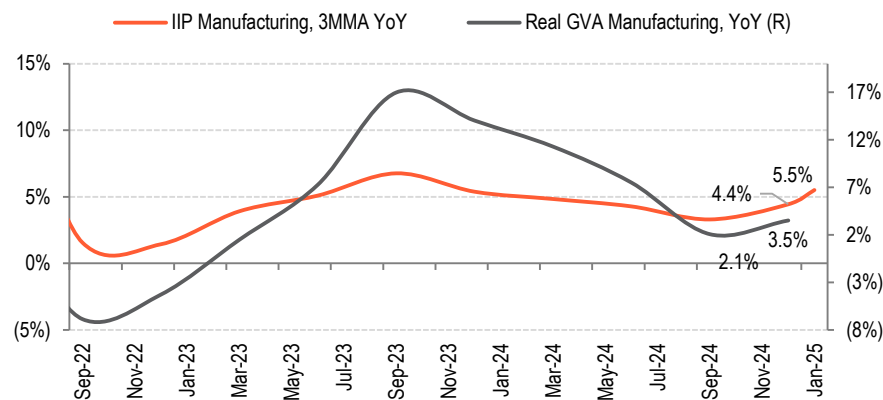


**Fig 35 – Stronger IIP growth noted in Jan'25**

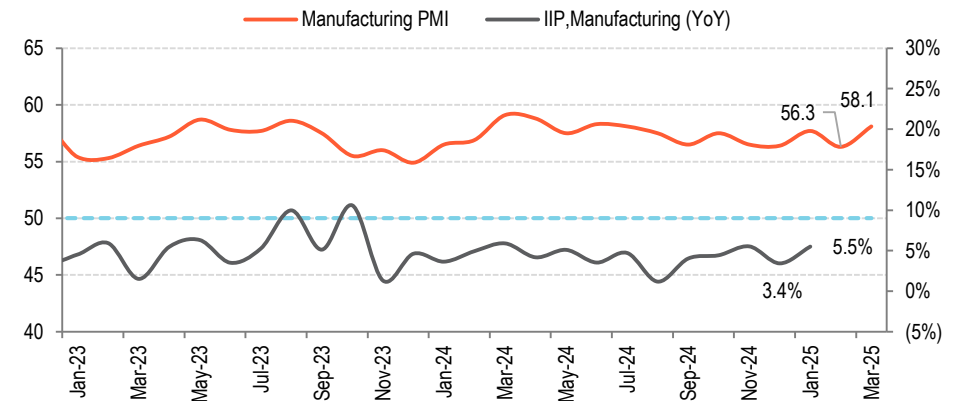
Sectoral (%)	Weight	Jan-24	Dec-24	Jan-25	Apr-Jan'24	Apr-Jan'25
IIP	100.0	4.2	3.5	5.0	6.0	4.2
Mining	14.4	6.0	2.7	4.4	8.3	3.4
Manufacturing	77.6	3.6	3.4	5.5	5.5	4.2
Electricity	8.0	5.6	6.2	2.4	6.8	5.1
<b>Use-Based</b>						
Primary Goods	34.1	2.9	3.8	5.5	6.5	4.0
Capital Goods	8.2	3.2	10.4	7.8	6.8	5.4
Intermediate Goods	17.2	5.3	6.4	5.2	4.8	4.6
Infrastructure and Construction Goods	12.3	5.5	7.4	7.0	10.1	6.3
Consumer Durables Goods	12.8	11.6	8.3	7.2	2.1	8.6
Consumer Non-Durables Goods	15.3	0.3	(7.5)	(0.2)	4.8	(1.3)

## Manufacturing

**Fig 36 – Manufacturing growth to be higher in Q4**



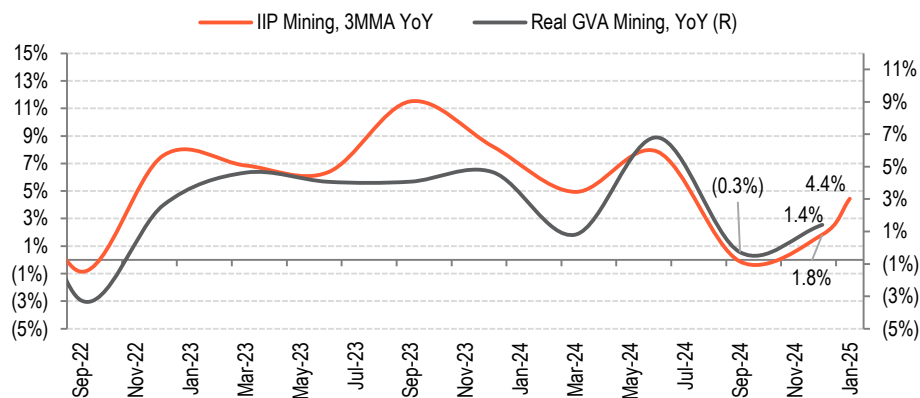
**Fig 37 – Manufacturing PMI climbs upwards**



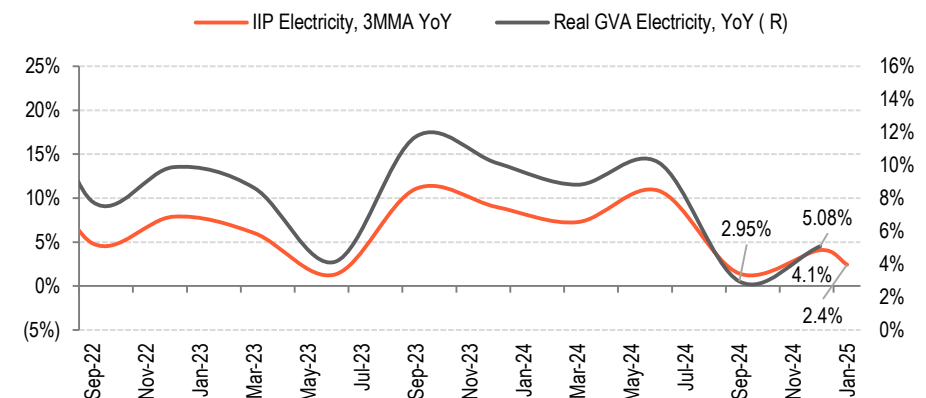
Source: Markit

## Mining & Electricity

**Fig 38 – Mining activity likely to be higher in Q4**

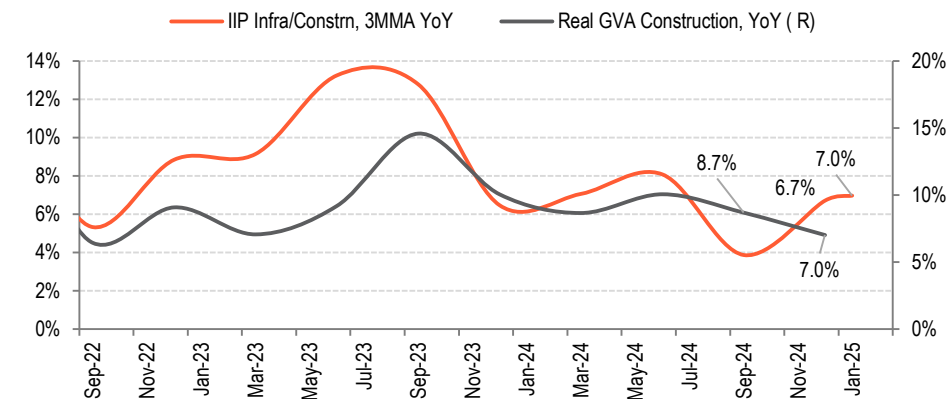


**Fig 39 – Lower growth expected in Electricity in Q4**

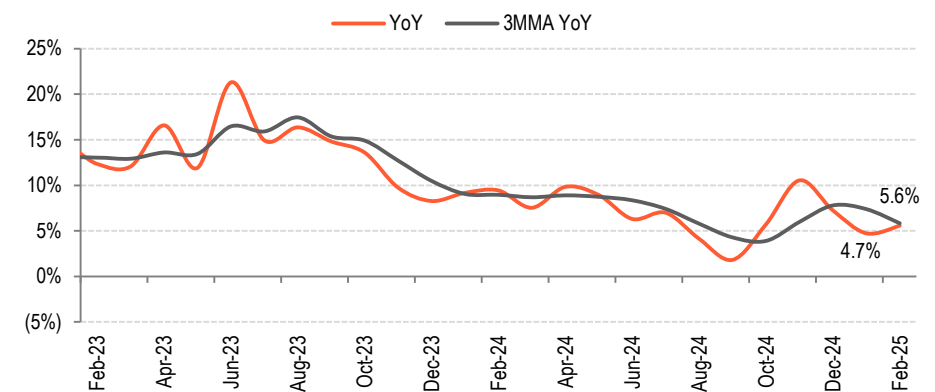


## Infrastructure and construction

**Fig 40 – Construction growth anticipated to be higher in Q4**

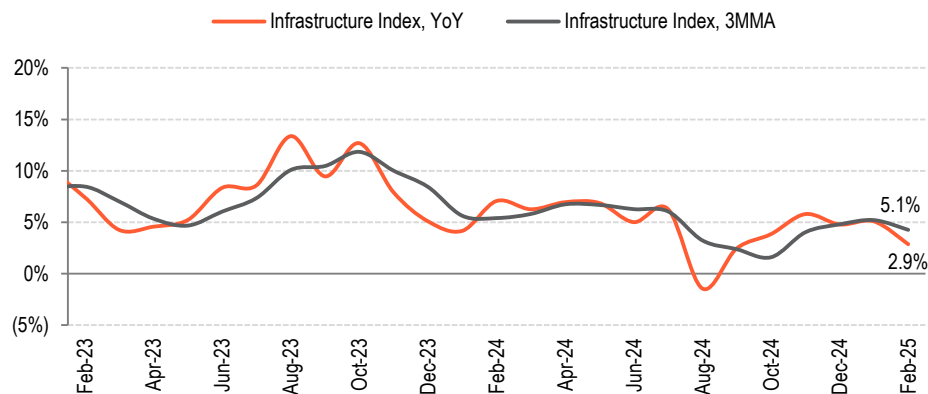


**Fig 41 – Higher growth in steel output**

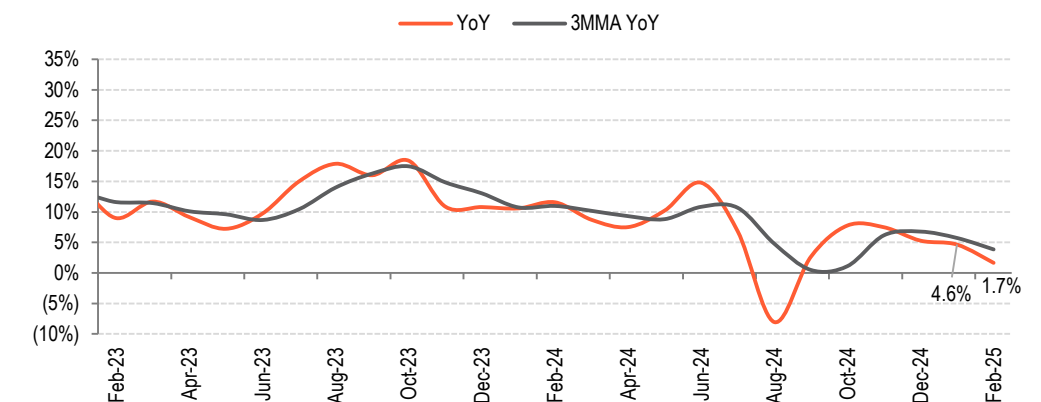


## Infrastructure index

**Fig 42 – Growth in Core sector output eases**

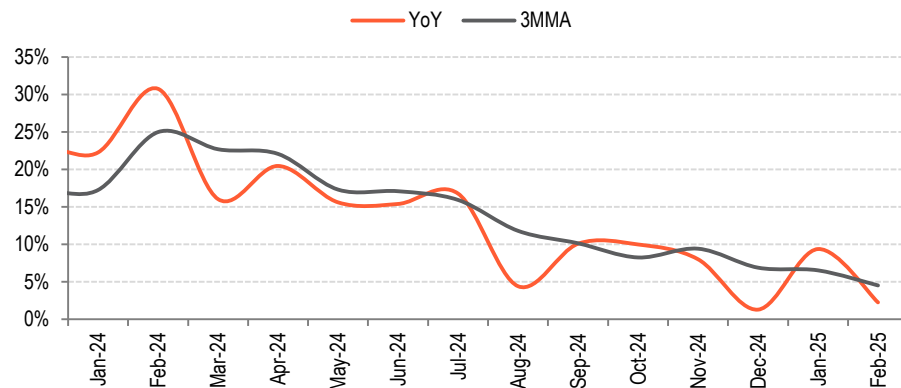


**Fig 43 – Moderation in Coal output**

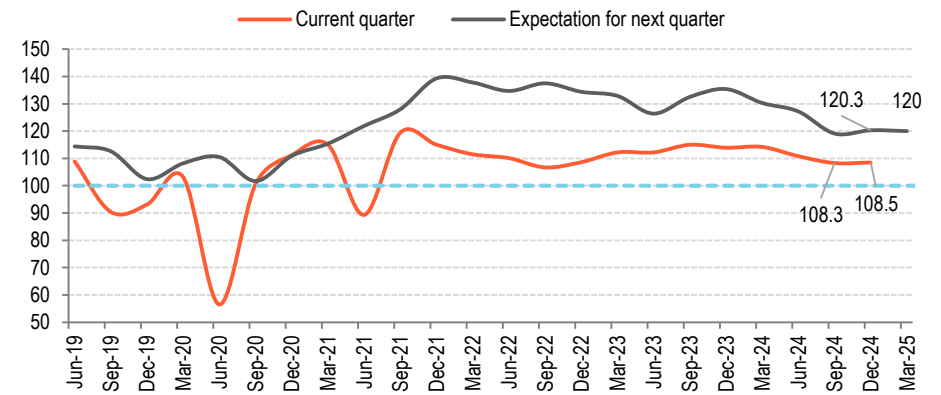


## Auto production & business expectation index

**Fig 44 – Lower growth in Auto production**



**Fig 45 – Business sentiments for Q4 remained optimistic**

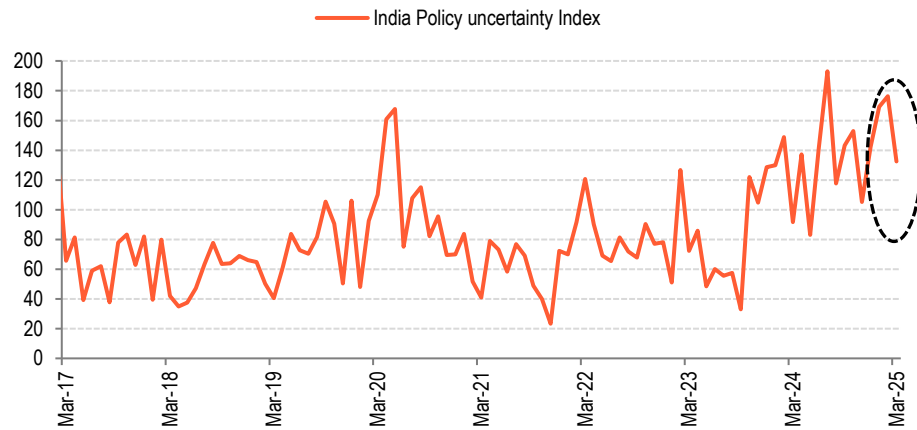


**Fig 46 – Infrastructure index slows in Feb'25**

(%)	Weight	Jan-25	Feb-24	Feb-25	Apr-Feb'24	Apr-Feb'25
Infrastructure Index	100	5.1	7.1	2.9	7.8	4.4
Coal	10.3	4.6	11.6	1.7	12.2	5.6
Crude Oil	9.0	(1.1)	7.9	(5.2)	0.5	(2.2)
Natural Gas	6.9	(1.5)	11.2	(6.0)	6.1	(0.1)
Petroleum Refinery Products	28.0	8.3	2.6	0.8	3.7	3.1
Fertilizers	2.6	3.0	(9.5)	10.2	4.1	2.4
Steel	17.9	4.7	9.4	5.6	13.1	6.5
Cement	5.4	14.6	7.8	10.5	8.7	5.1
Electricity	19.9	2.4	7.6	2.8	6.9	4.9

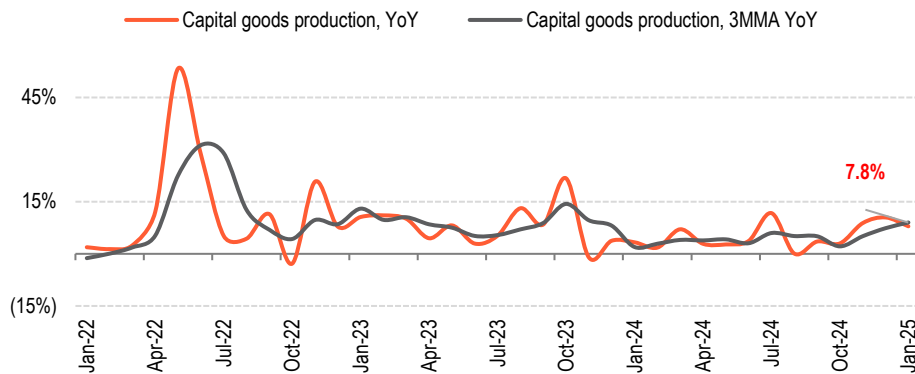
## Investment

**Fig 47 – Policy uncertainty index in India inched down in Mar'25**

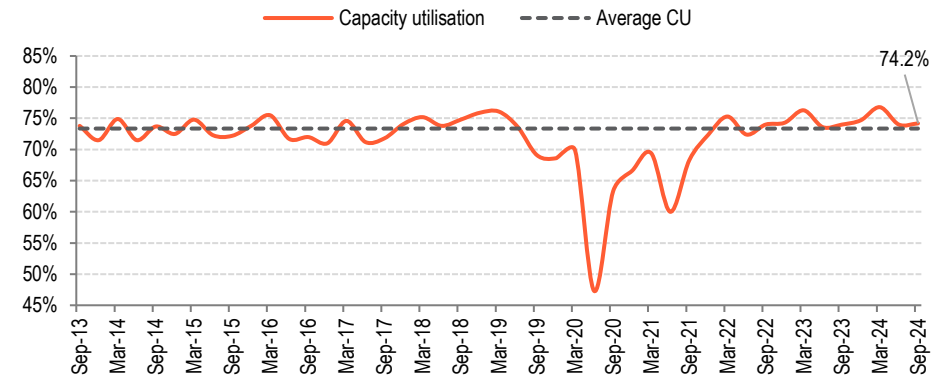


Source: <https://www.policyuncertainty.com>

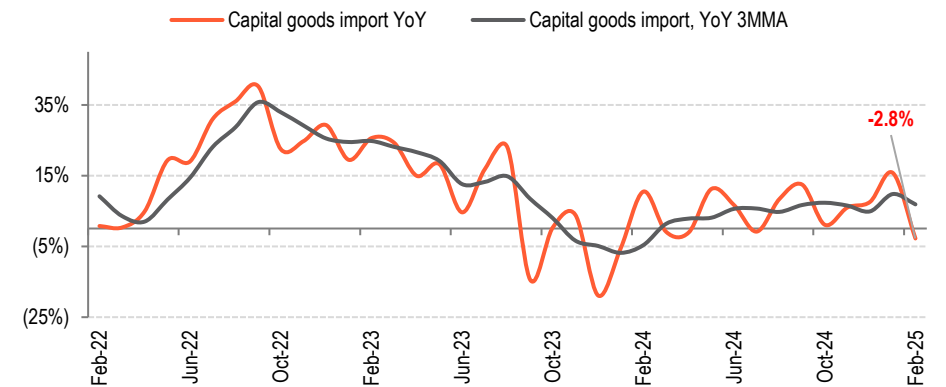
**Fig 49 – Capital goods production moderated to 7.8% in Jan'25 compared to 10.4% in Dec'24**

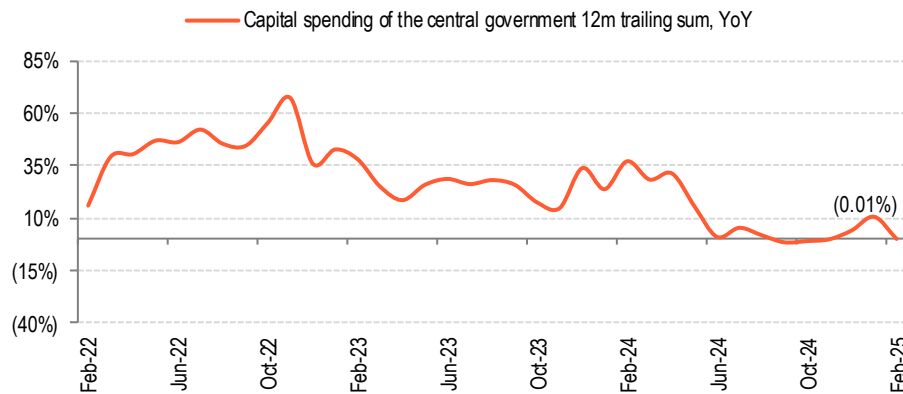
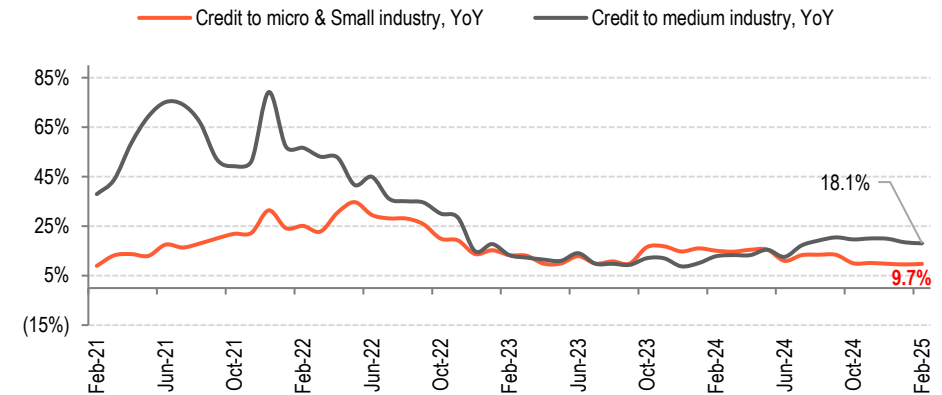
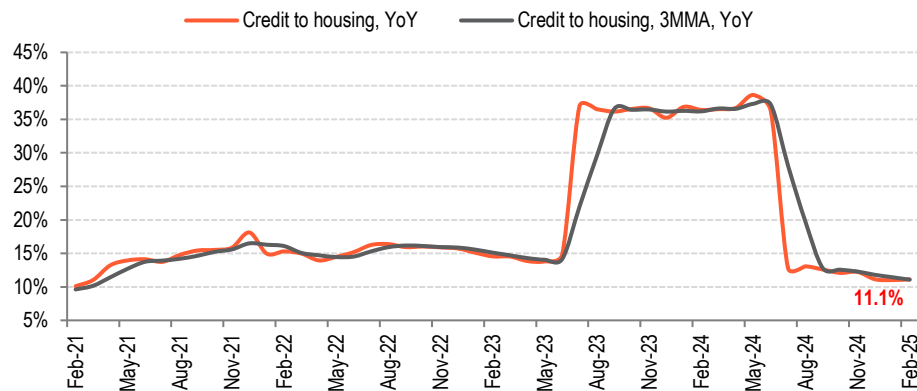
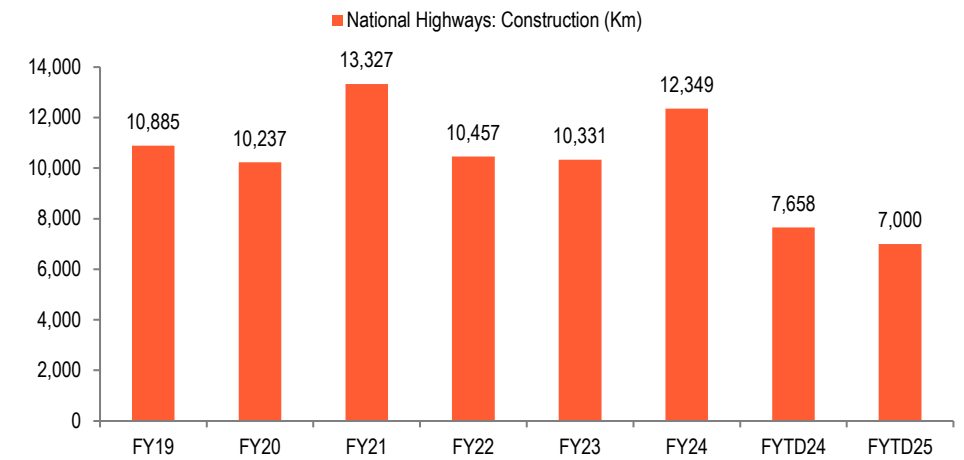


**Fig 48 – Capacity utilisation is above long run average**



**Fig 50 – Capital goods imports fell by -2.8% in Feb'25 compared to 15.8% in Jan'25, led by an elevated base**



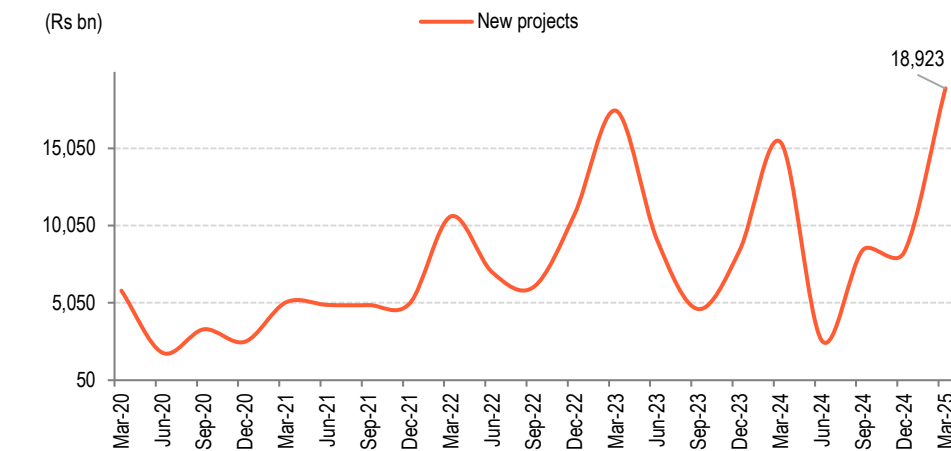
**Fig 51 – Centre's capex spending was flat on a 12M trailing basis in Feb'25****Fig 52 – Credit to micro and small industry inched up to 9.7% in Feb'25 compared to 9.5% in Jan'25, for medium industry it was tad lower at 18.1% from 18.5%****Fig 53 – Credit to housing picked up to 11.1%****Fig 54 – Highway construction**

FYTD: Apr-Jan



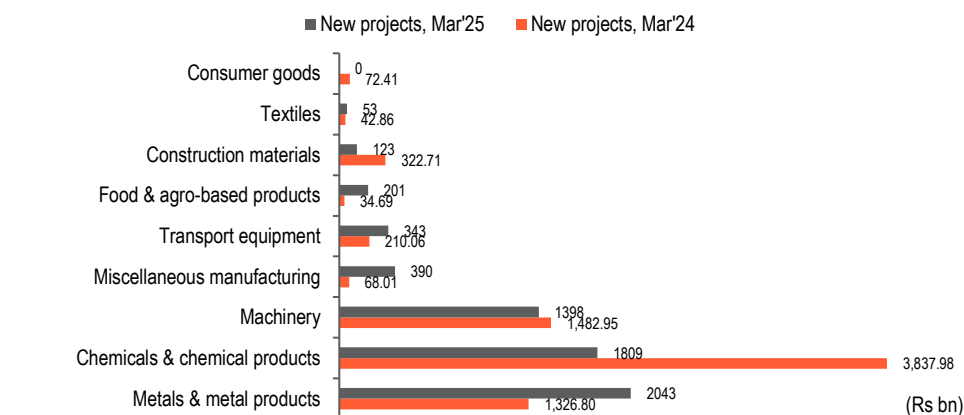
## Capex data

**Fig 55 – New project announcements rose sharply to Rs 18.3tn in Q4FY25 compared to Rs 15.4tn in the same period of previous year**



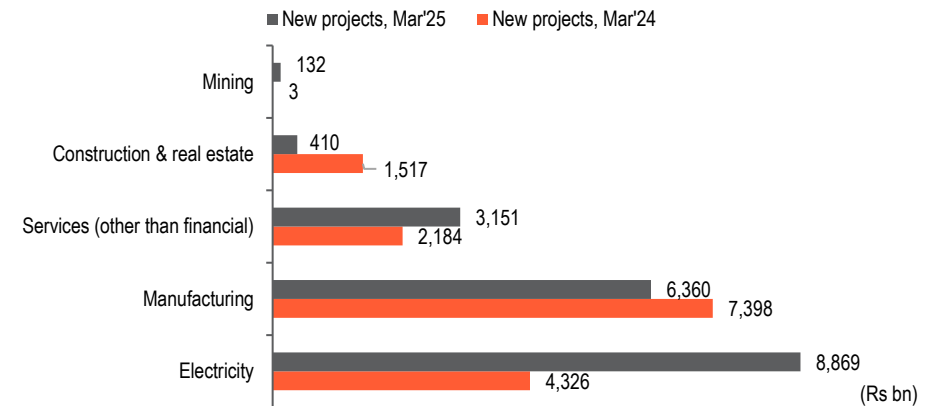
Source: CMIE

**Fig 57 – ...within manufacturing, chemicals witnessed sharp drop in announcements**



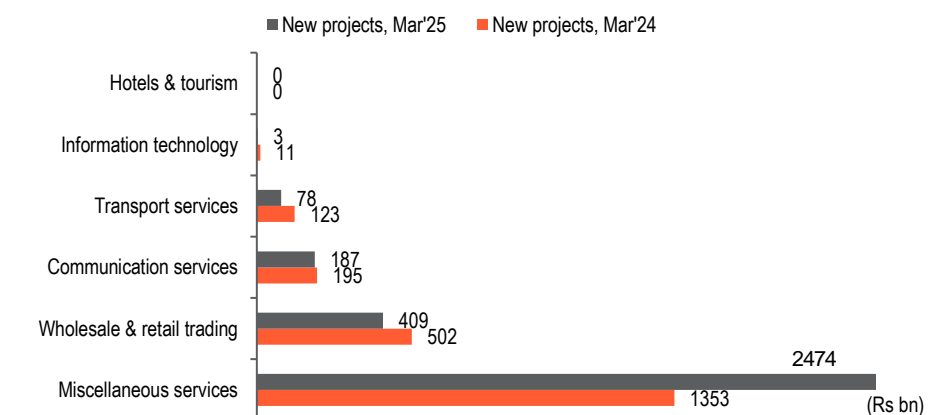
Source: CMIE

**Fig 56 – Driven by electricity and services sector**



Source: CMIE

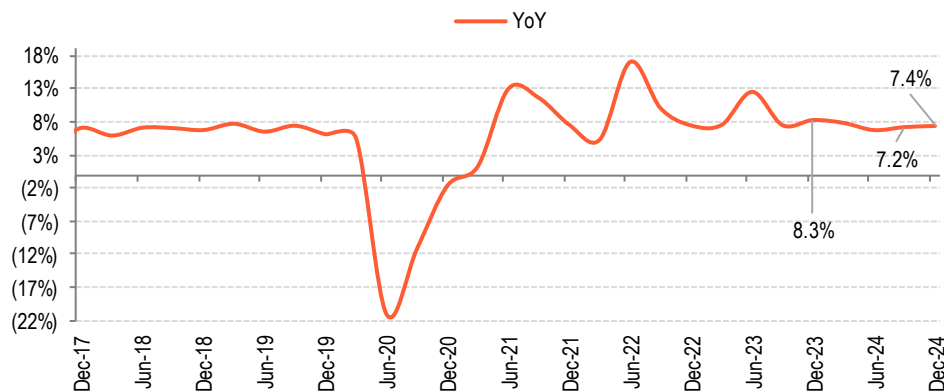
**Fig 58 – Within services, miscellaneous services captured the maximum jump in announcements**



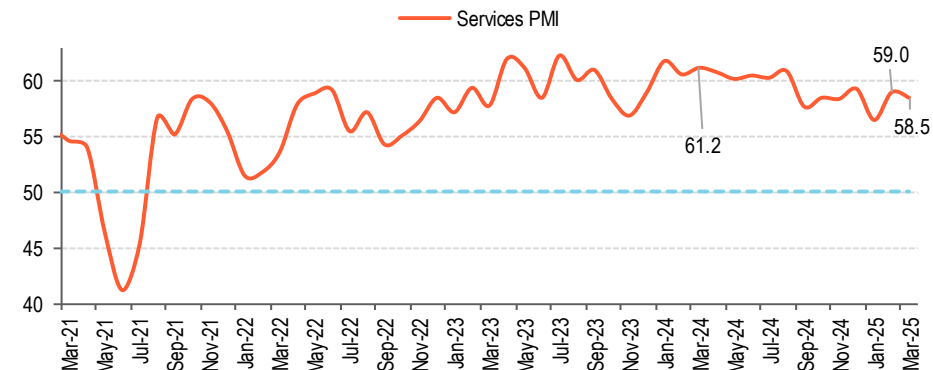
Source: CMIE

## Services sector

**Fig 59 – GVA: Services sector growth improved marginally in Q3FY25 versus Q2**

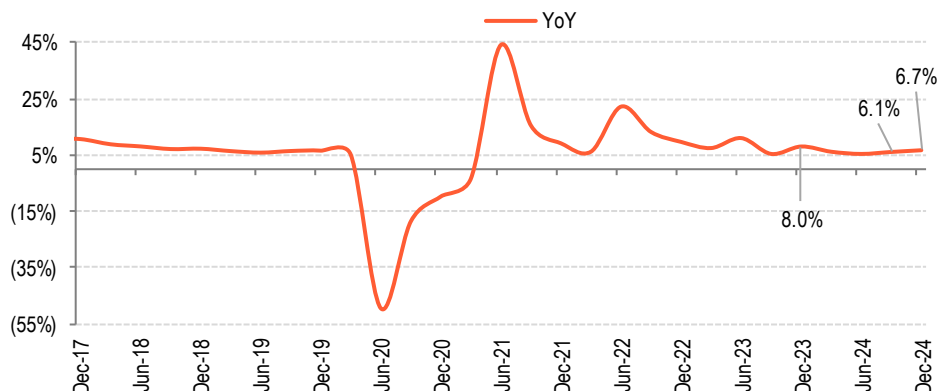


**Fig 60 – Services PMI shows activity eased a tad in Mar'25; Q4FY25 avg (58) lower than Q3 (58.7) and Q4 last year (61.2)**

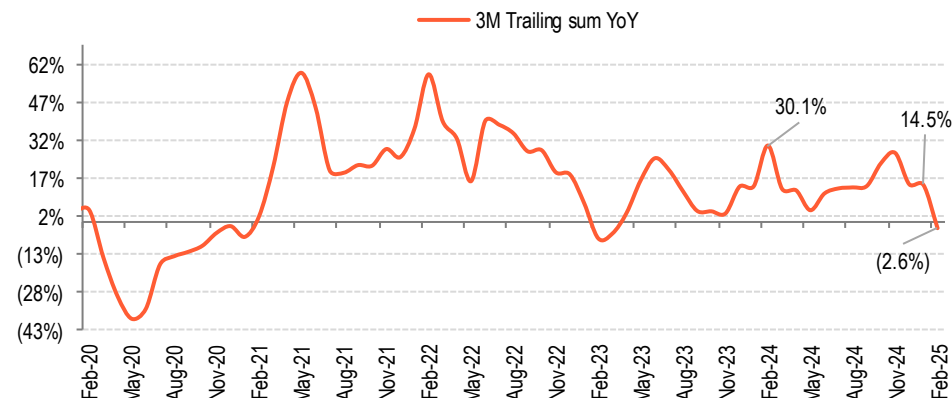


Source: Markit

**Fig 61 – GVA: Trade & related services activity jumped in Q3 versus Q2**

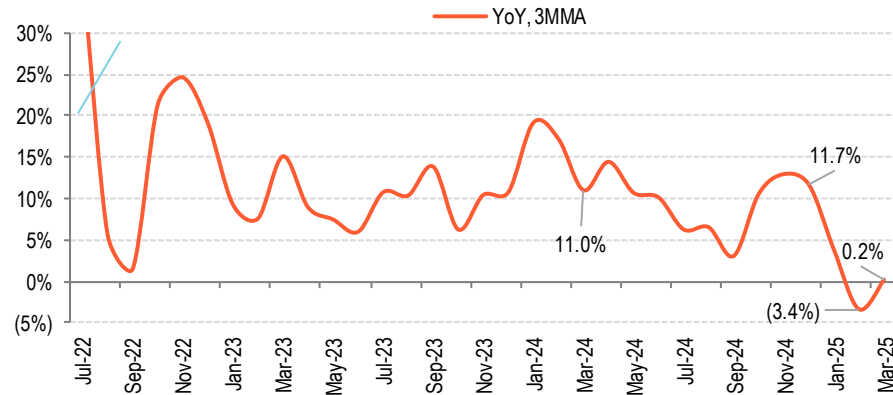
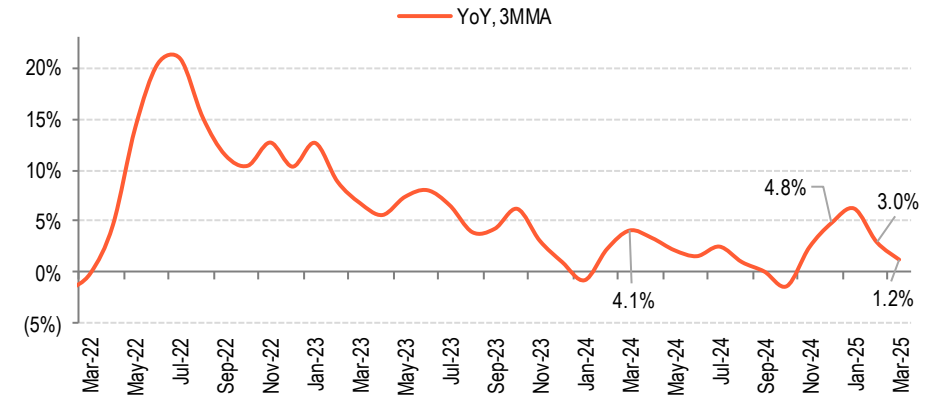
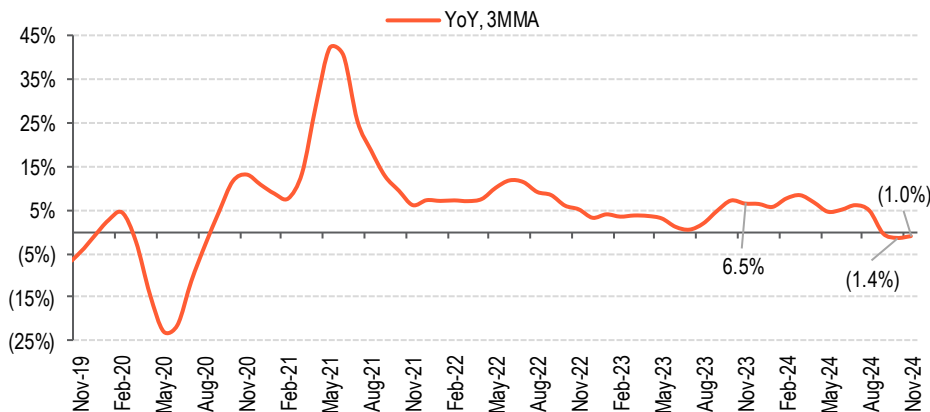
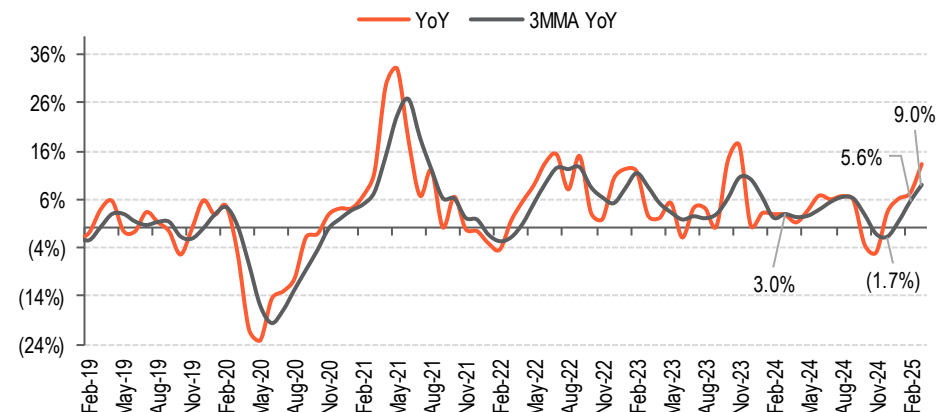


**Fig 62 – States' tax revenue growth declined in Q4 (Jan-Feb)**

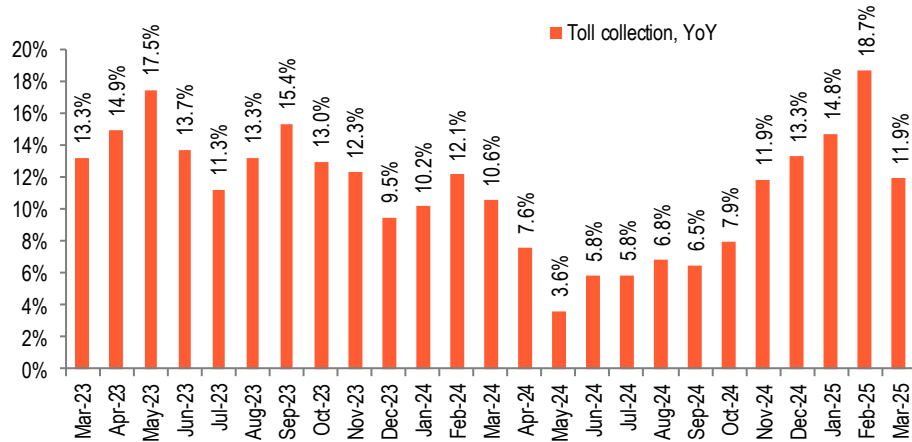


Note: \*All states excluding North Eastern states (ex Assam), Bihar, Goa, J&K, and Telangana

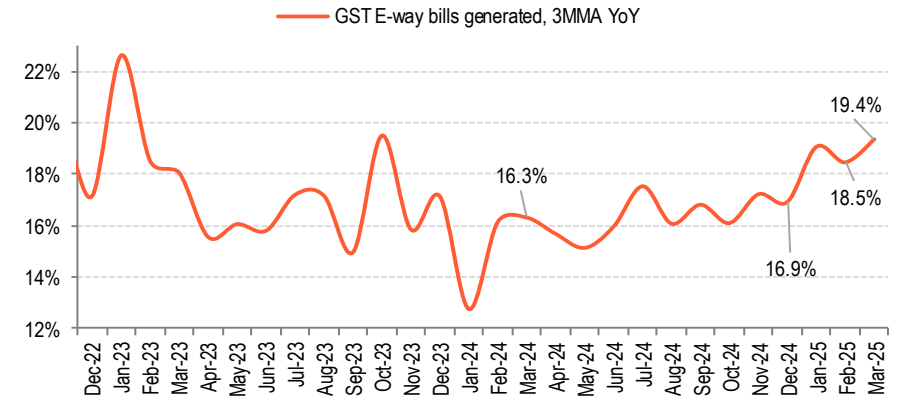
## Trade

**Fig 63 – Vehicle registration growth was subdued in Q4, mainly due to base effect****Fig 64 – Diesel consumption also slowed in Q4FY25 versus Q3 and Q4FY24****Fig 65 – Railway freight traffic growth fell at a slower pace in Nov'24****Fig 66 – Port cargo traffic growth rebounded in Q4 (9%) versus Q3 (-1.7%) and Q4 last year (3%)**

**Fig 67 – Toll collection growth in Q4FY25 (17.2%) was better than Q3 (14%), and broadly similar to last year (17.3%)**

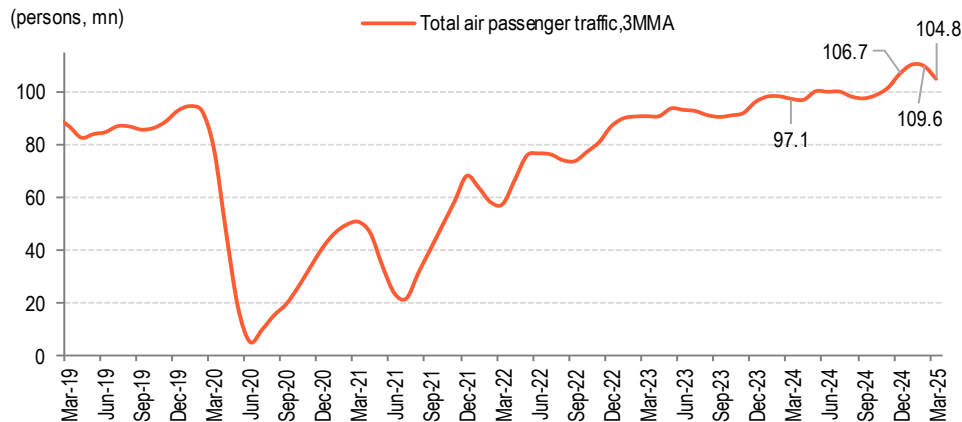


**Fig 68 – E-way bill generation jumped in Mar'25, Q4 avg higher than Q3 and Q4FY24**

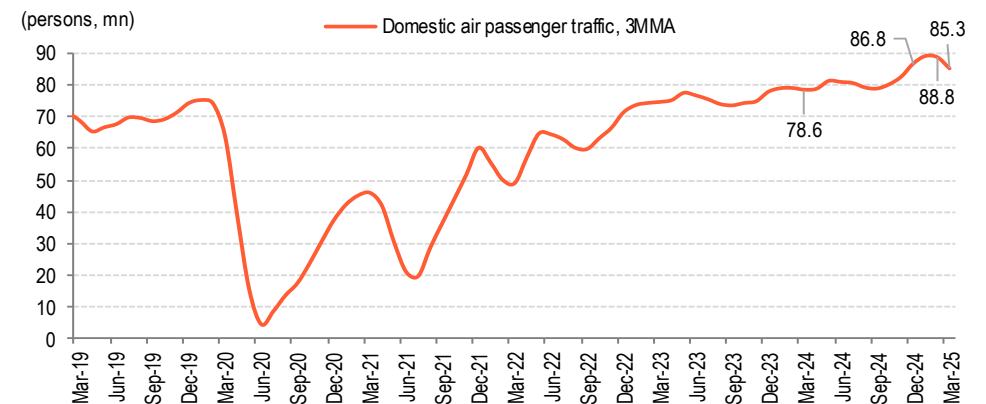


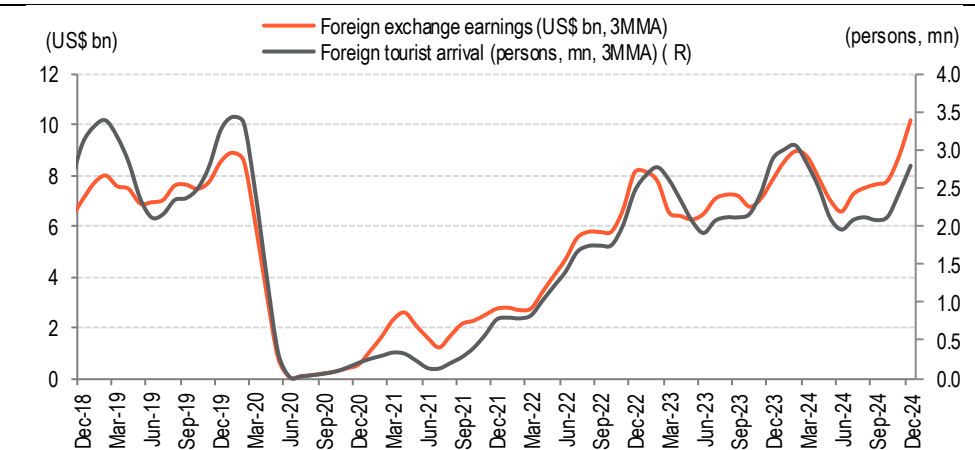
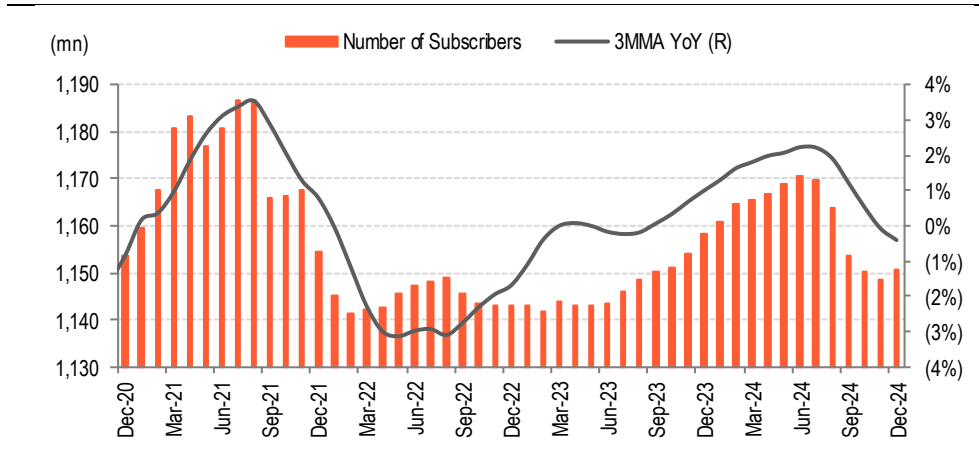
## Hotels and communications

**Fig 69 – Airline passenger traffic eased in Q4 versus Q3, but remains higher than last year...**

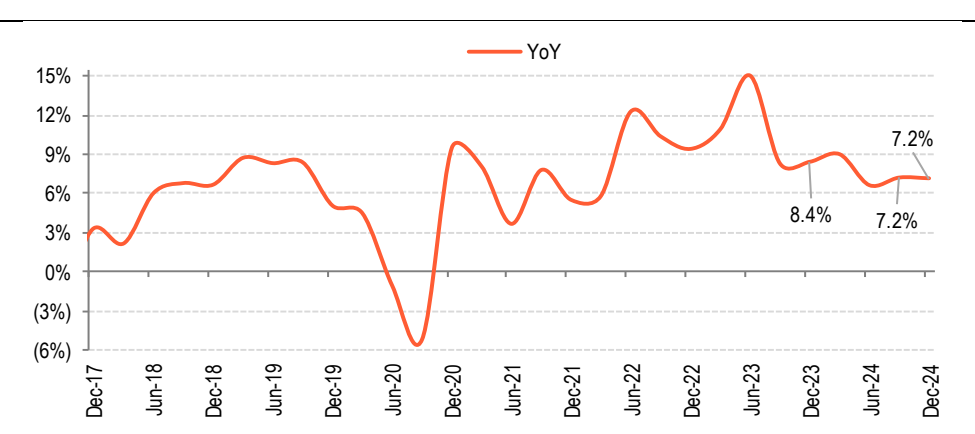
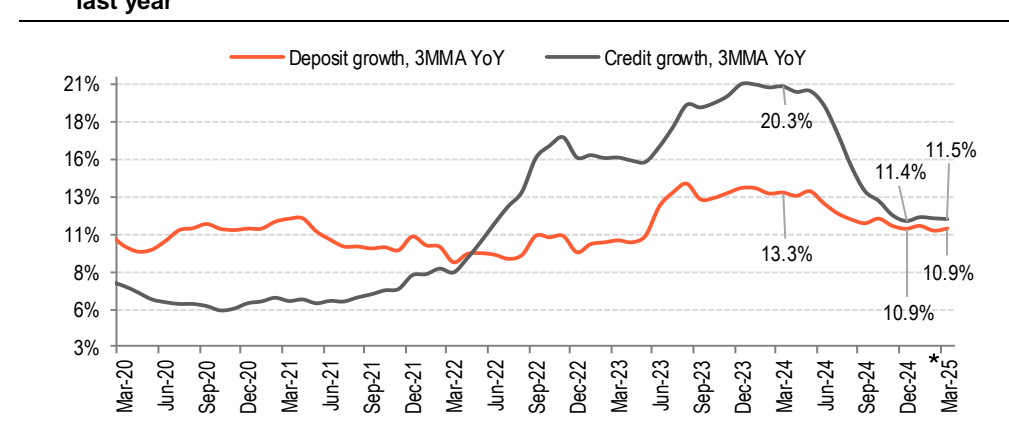


**Fig 70 – ...Domestic passenger traffic driving the trend**

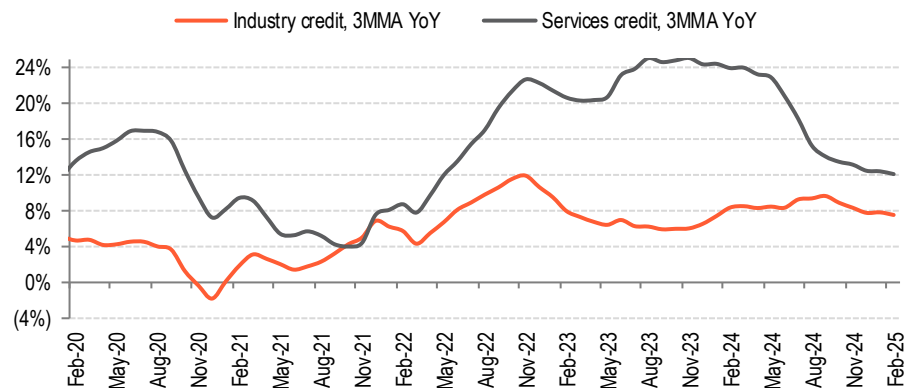
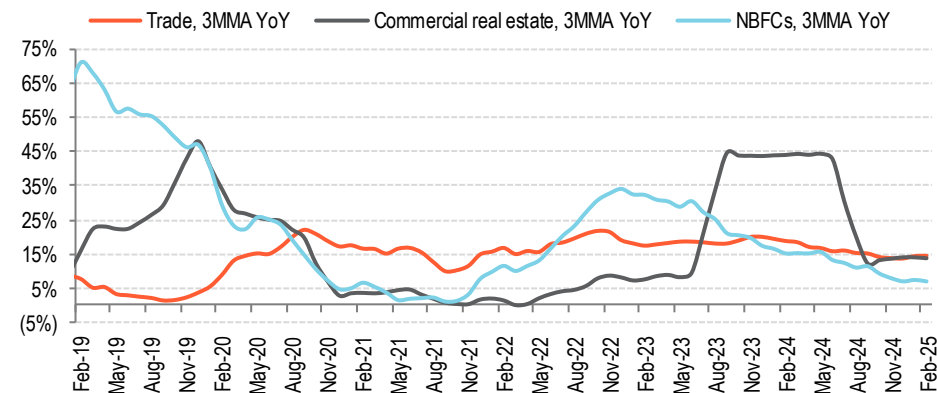
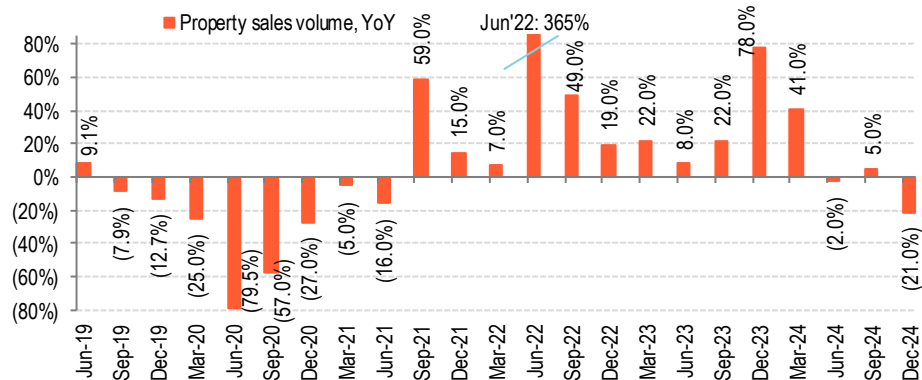


**Fig 71 – Foreign tourist arrivals registered an improvement in Dec'24****Fig 72 – Number of telecom subscribers fell by 3.1mn in Q3FY25 following 16.8mn decline in subscribers in Q2**

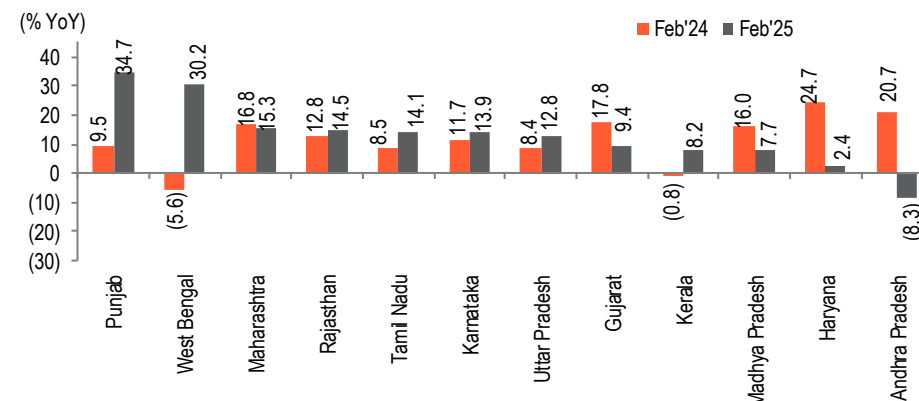
## Finance and real estate

**Fig 73 – Growth in GVA: Finance, real estate & prof. was stable in Q3 versus Q2****Fig 74 – Credit and deposit growth held ground in Q4 versus Q3; growth lower than last year**

\*Data as of 21 Mar 2025

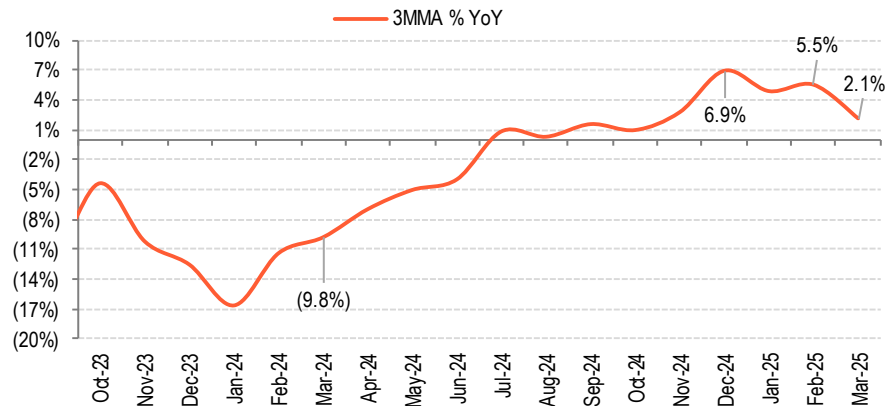
**Fig 75 – Credit to both industry and services slowed a tad in Feb'25****Fig 76 – Within services, credit to trade improved in Feb'25, while that to commercial real estate and NBFCs moderated****Fig 77 – Property sales volume declined sharply in Q3FY25, due to base effect**

Source: Proptiger

**Fig 78 – Stamp duties of Haryana, MP, Gujarat, and AP record weaker collections in FYTD so far (till Feb'25) versus last year**

## Labour market

**Fig 79 – Naukri job index also improved at a slower pace in Mar'25, but was better than Q4FY24**

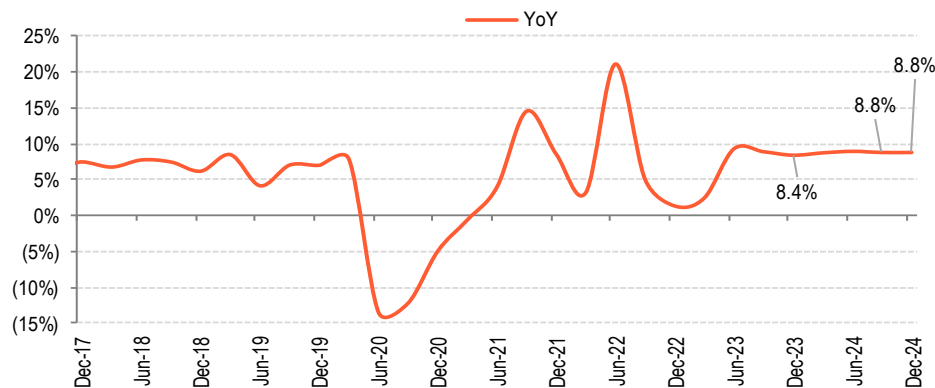


**Fig 80 – Overall unemployment rate eased in Mar'25**



## Public administration

**Fig 81 – GVA: Public admin & defence services growth was stable in Q3 versus Q2**



**Fig 82 – General govt. spending continue to moderate at the end of the year**

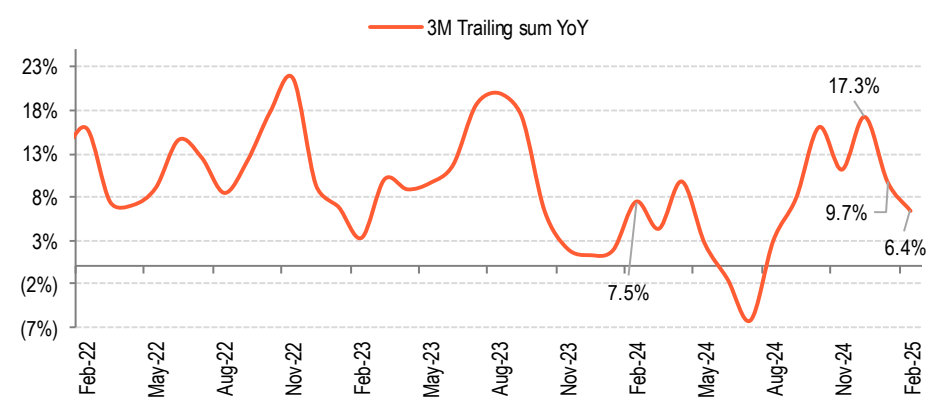


Fig 83 – ...Mirroring the trend in central government spending

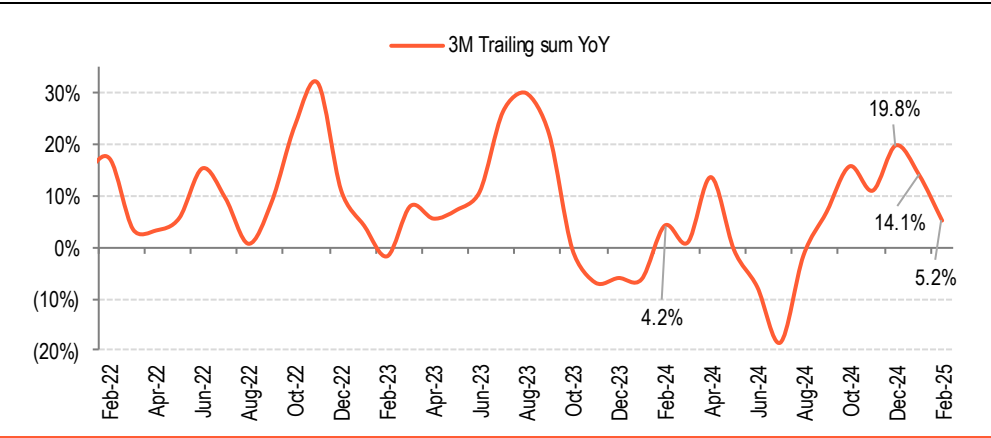
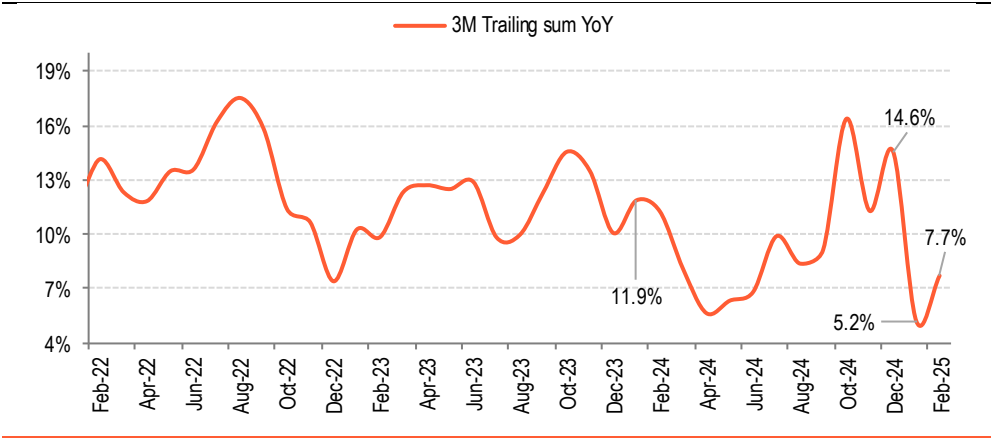


Fig 84 – State\* Govt. spending noted a revival



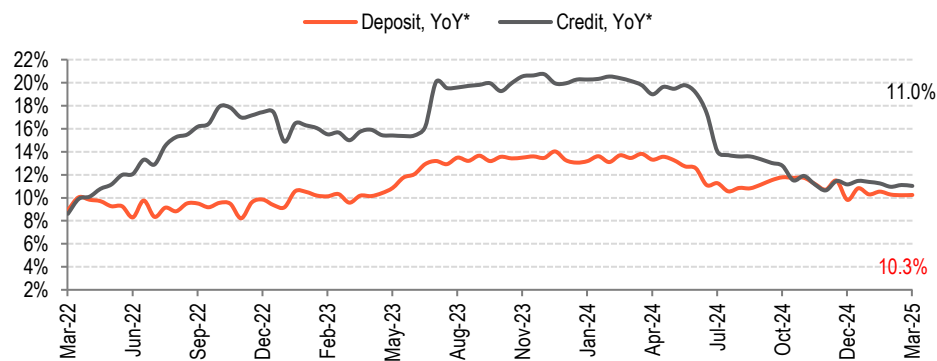
Note: \*All states excluding North Eastern states (ex Assam), Bihar, Goa, J&K and Telangana



## Financial sector

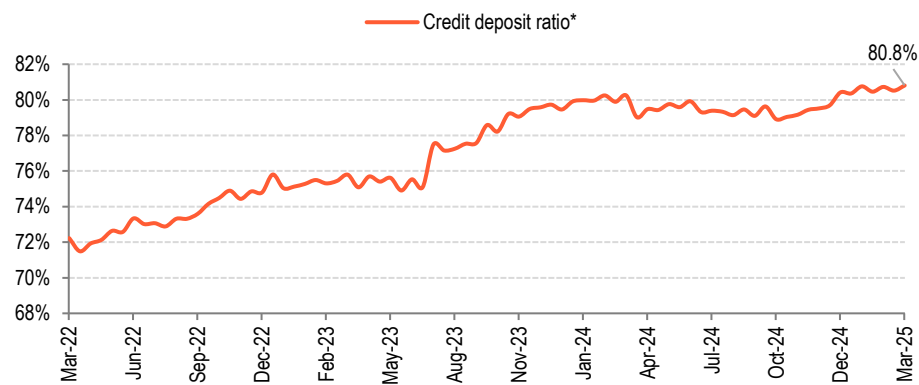
### Money and banking

**Fig 85 – Credit and deposits growth were stable at 11% and 10.3% respectively, in Mar'25**



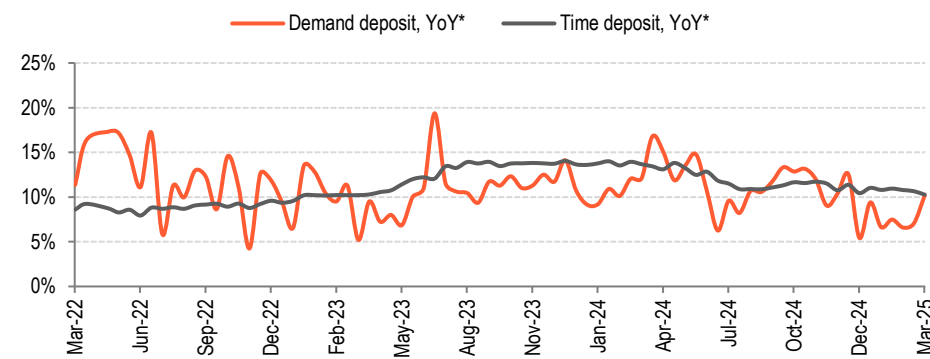
Note: Fortnight as of 21 Feb 2025

**Fig 87 – CD ratio was at 80.8**



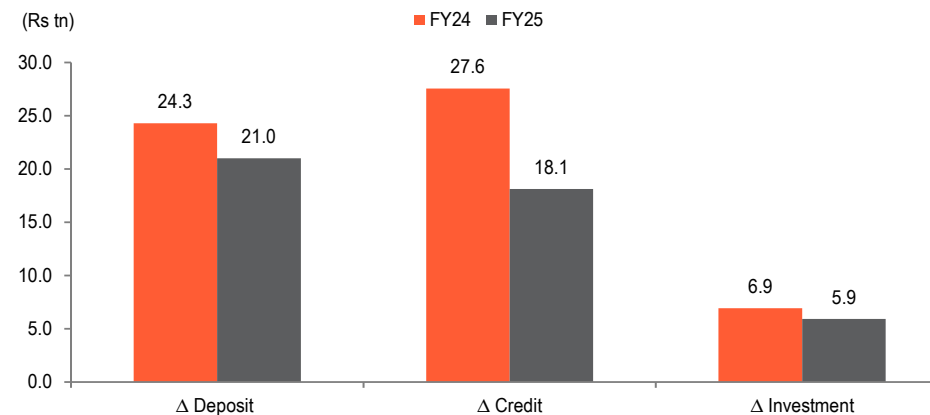
Note: Fortnight as of 21 Feb 2025

**Fig 86 – ...Demand deposits picked pace, time deposits maintained its momentum**



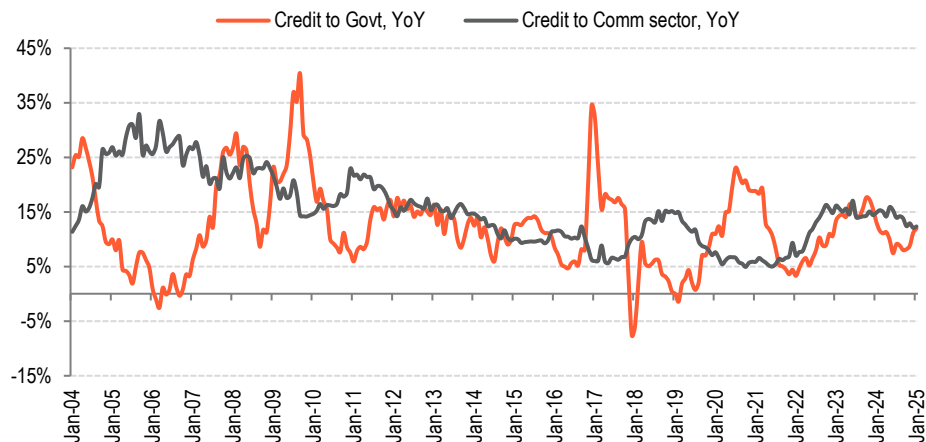
Note: Fortnight as of 21 Feb 2025

**Fig 88 – Credit, deposit and investment accretion**

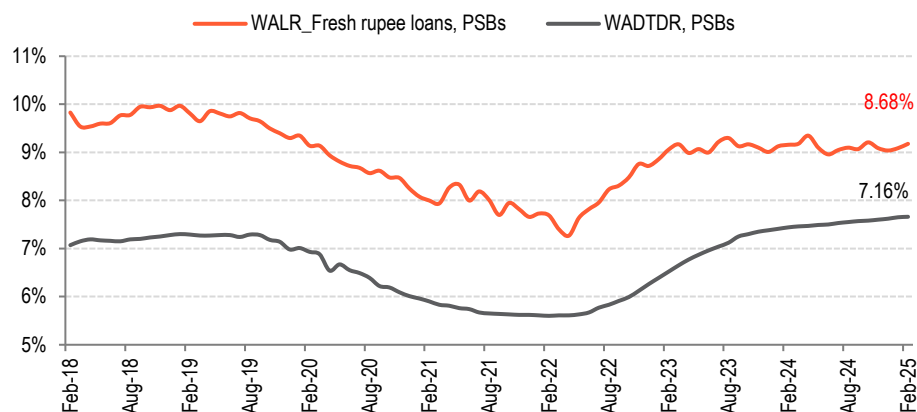


Note: Fortnight as of 21 Mar 2025, Accretion from March

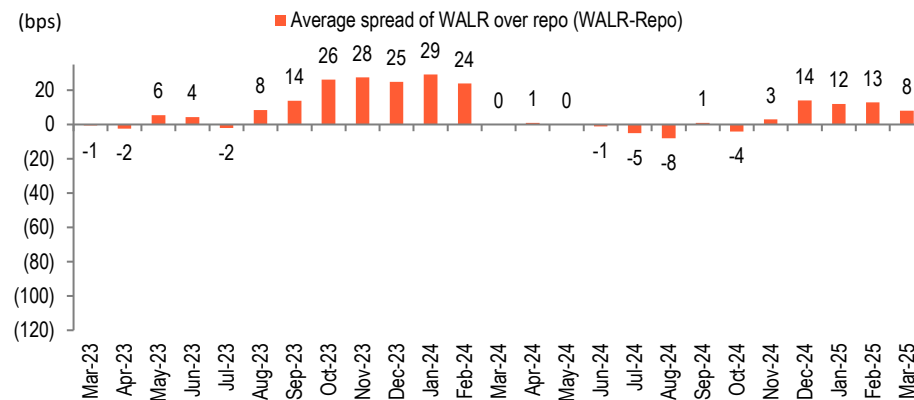
**Fig 89 – Credit to govt rose to 12% in Jan'25 from 11.1% in Dec'24, credit to commercial sector also inched up to 12.3% from 12.1%**



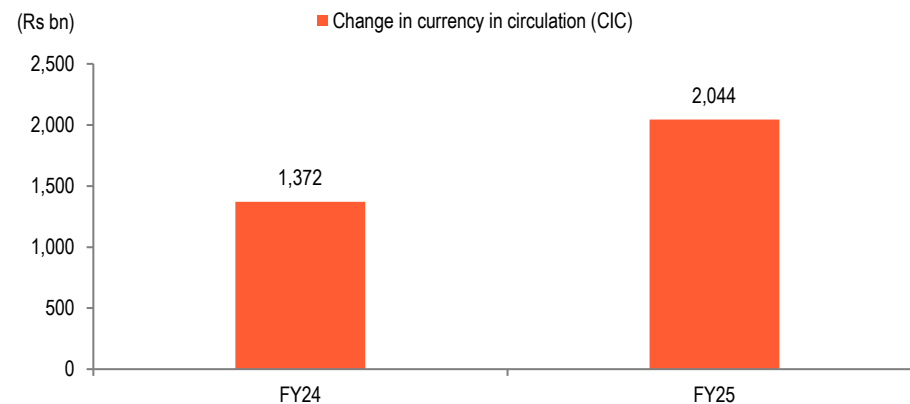
**Fig 91 – WALR on fresh loans inched up to 8.68% in Feb'25 from 8.59% in Jan'25, WADTDR also edged up a tad to 7.16% from 7.15%**



**Fig 90 – Spread between WALR and repo**

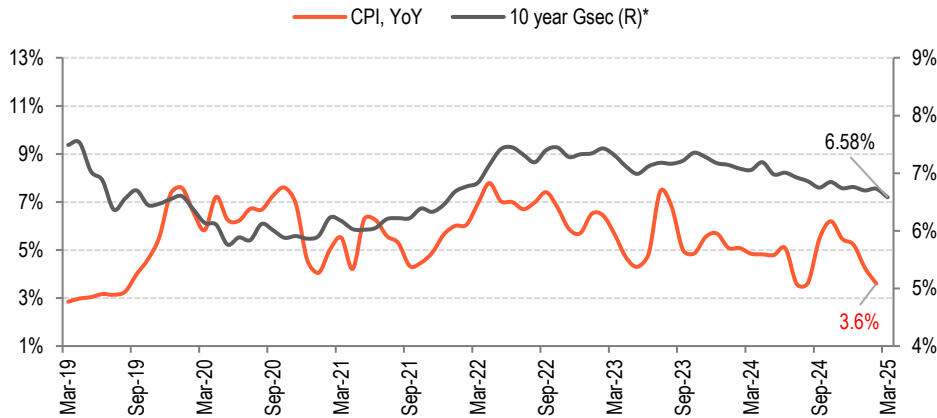


**Fig 92 – CIC accretion picked pace**

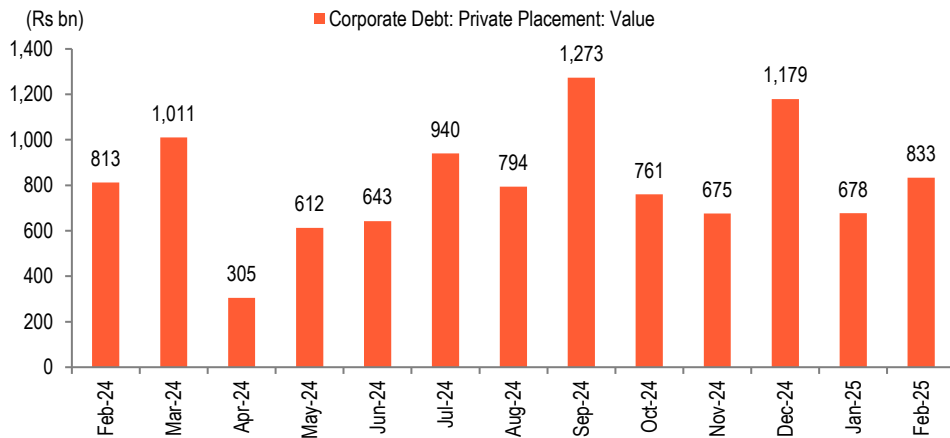


Note: Accretion from Mar

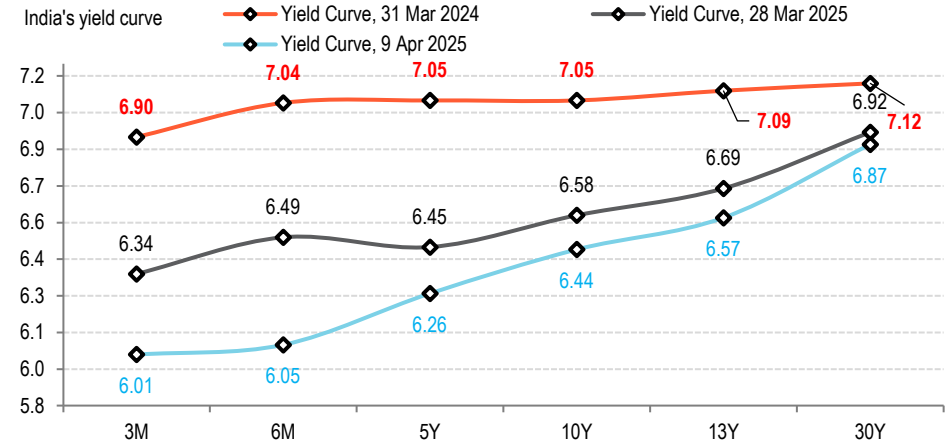
**Fig 93 – 10Y GSec yield softened to 6.58% in Mar'25 and is trading lower at 6.43%, inflation moderated to 3.6% in Feb'25 from 4.3% in Jan'25**



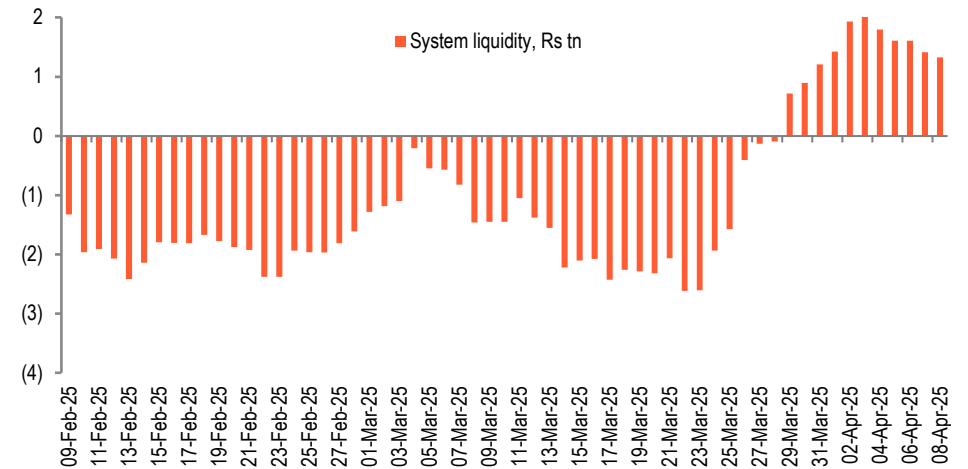
**Fig 95 – Corporate debt issuances rose to Rs 833bn in Feb'25 compared to Rs 678bn in Jan'25**



**Fig 94 – India's yield curve have shifted downwards completely**

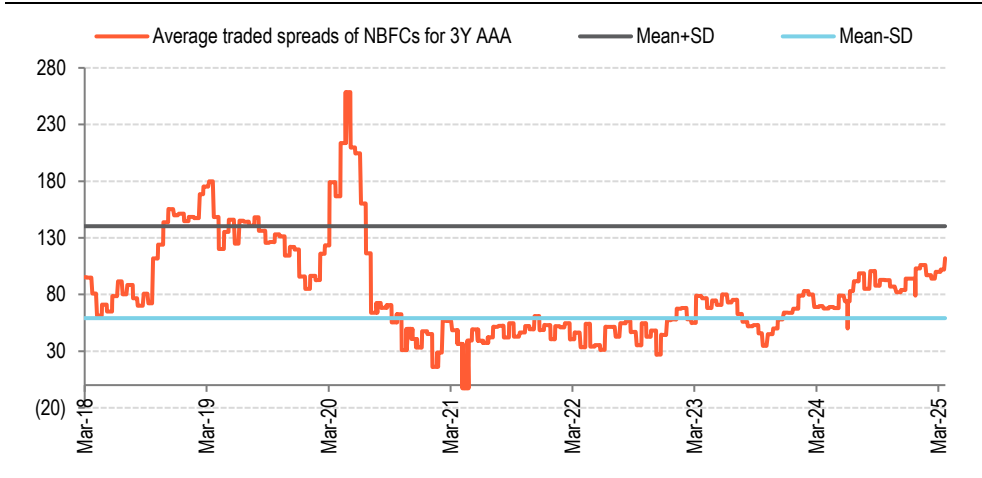


**Fig 96 – Avg. system liquidity deficit was at Rs 1.2tn in Mar'25 compared to deficit of Rs 1.7tn in Feb'25 and currently at a surplus of Rs 1.7tn in Apr'25 (1-9<sup>th</sup>)**

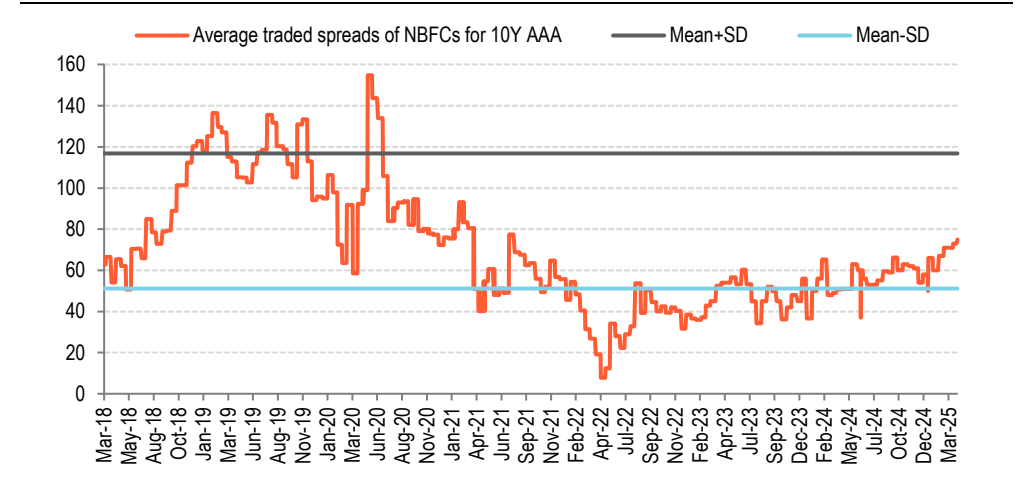


Source: RBI

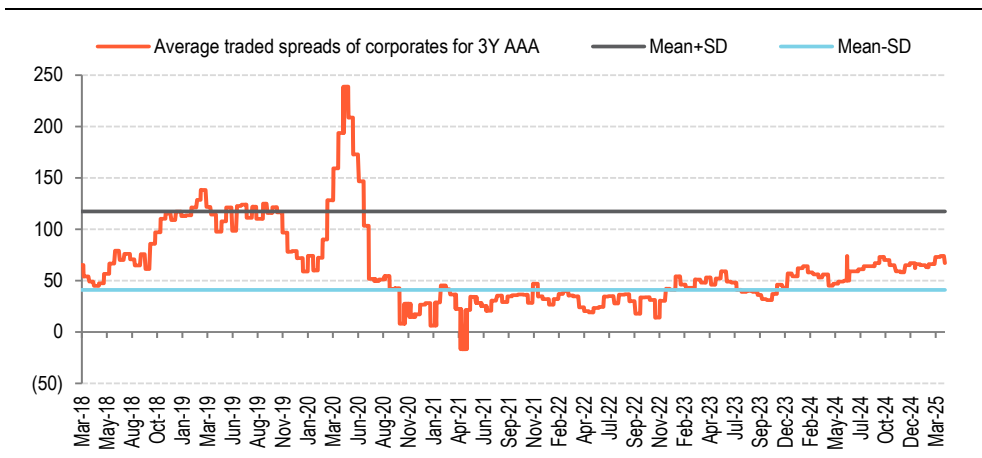
**Fig 97 – 3Y AAA NBFC spread inched up to 112bps as on 31 Mar 2025 compared to 94bps as on 28 Feb 2025**



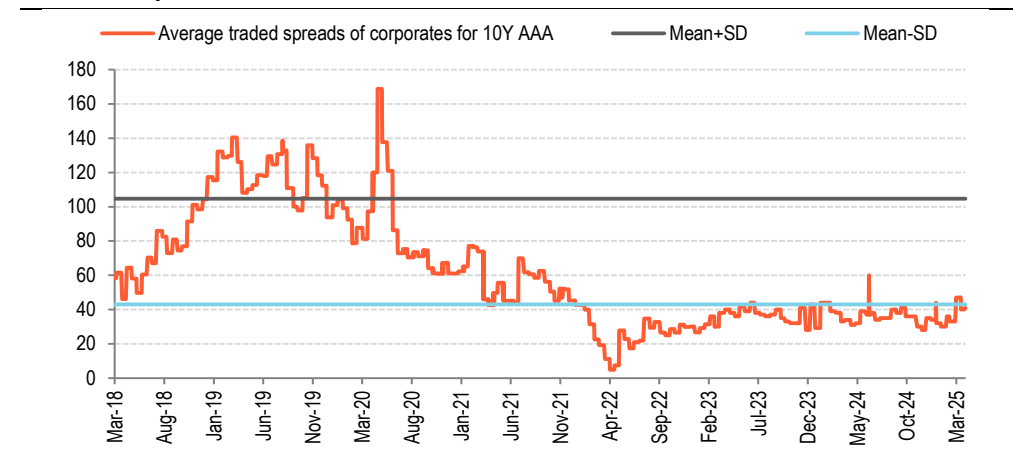
**Fig 98 – For 10Y AAA NBFC, it inched up to 75bps from 71bps**



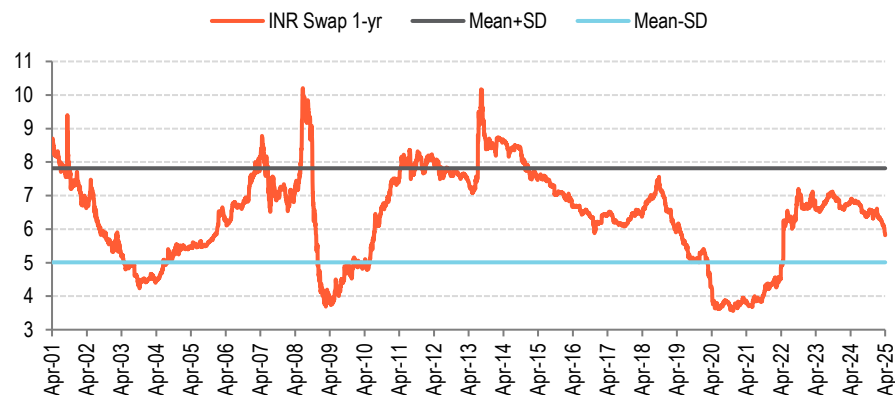
**Fig 99 – 3Y AAA corp spread was broadly stable at 67bps as on 31 Mar 2025**



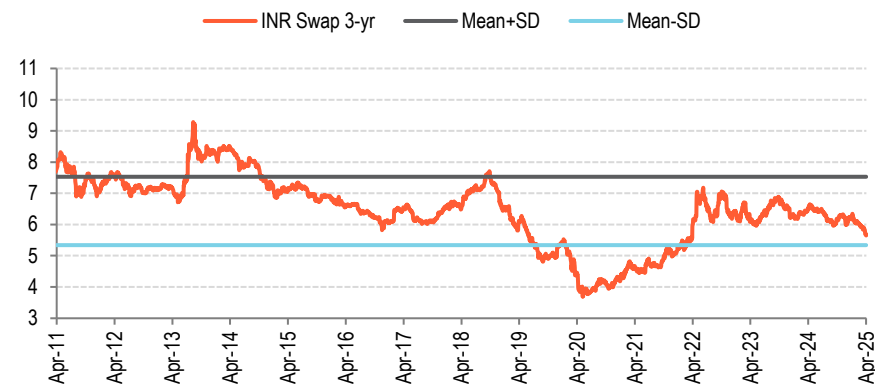
**Fig 100 – For 10Y AAA corp spread, it stiffened to 41bps as on 31 Mar 2025 compared to 33bps as on 28 Feb 2025**



**Fig 101 – INR 1Y swap moderated to 5.82 as on 10 Apr (post policy) indicative of a lower terminal rate reppo**



**Fig 102 – For 3Y as well, it softened to 5.65 as on 10 Apr 2025 compared to 5.84 as on 31 Mar 2025**



## Interest rates on small savings schemes

**Fig 103 – Interest rate on small savings scheme to remain unchanged in Q1FY26**

Instrument (%)	Q4FY21	Q1FY22	Q2FY22	Q3FY22	Q4FY22	Q1FY23	Q2FY23	Q3FY23	Q4FY23	Q1FY24	Q2FY24	Q3FY24	Q4FY24	Q1FY25	Q2FY25	Q3FY25	Q4FY25	Q1FY26
Savings deposit	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
1 year time deposit	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	6.6	6.8	6.9	6.9	6.9	6.9	6.9	6.9	6.9	6.9
2 year time deposit	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.7	6.8	6.9	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0
3 year time deposit	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.8	6.9	7.0	7.0	7.0	7.1	7.1	7.1	7.1	7.1	7.1
5 year time deposit	6.7	6.7	6.7	6.7	6.7	6.7	6.7	6.7	7.0	7.5	7.5	7.5	7.5	7.5	7.5	7.5	7.5	7.5
5 year recurring deposit	5.8	5.8	5.8	5.8	5.8	5.8	5.8	5.8	5.8	6.2	6.5	6.7	6.7	6.7	6.7	6.7	6.7	6.7
5 year senior citizen savings scheme	7.4	7.4	7.4	7.4	7.4	7.4	7.4	7.6	8.0	8.2	8.2	8.2	8.2	8.2	8.2	8.2	8.2	8.2
5 Y monthly income scheme	6.6	6.6	6.6	6.6	6.6	6.6	6.6	6.7	7.1	7.4	7.4	7.4	7.4	7.4	7.4	7.4	7.4	7.4
5Y national savings certificate	6.8	6.8	6.8	6.8	6.8	6.8	6.8	6.8	7.0	7.7	7.7	7.7	7.7	7.7	7.7	7.7	7.7	7.7
PPF	7.1	7.1	7.1	7.1	7.1	7.1	7.1	7.1	7.1	7.1	7.1	7.1	7.1	7.1	7.1	7.1	7.1	7.1
Kisan vikas patra	6.9	6.9	6.9	6.9	6.9	6.9	6.9	7.0	7.2	7.5	7.5	7.5	7.5	7.5	7.5	7.5	7.5	7.5
Sukanya samridhi account scheme	7.6	7.6	7.6	7.6	7.6	7.6	7.6	7.6	7.6	8.0	8.0	8.0	8.2	8.2	8.2	8.2	8.2	8.2

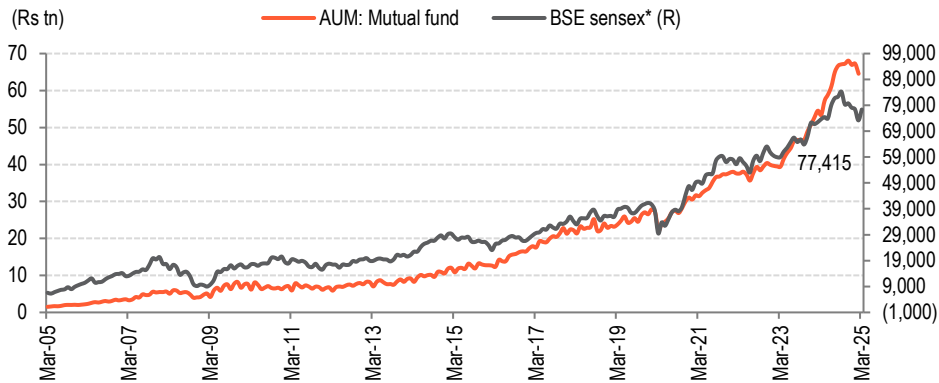
Source: Department of Economic Affairs, Ministry of Finance, Government of India

**Fig 104 – MCLR rate of banks broadly unchanged**

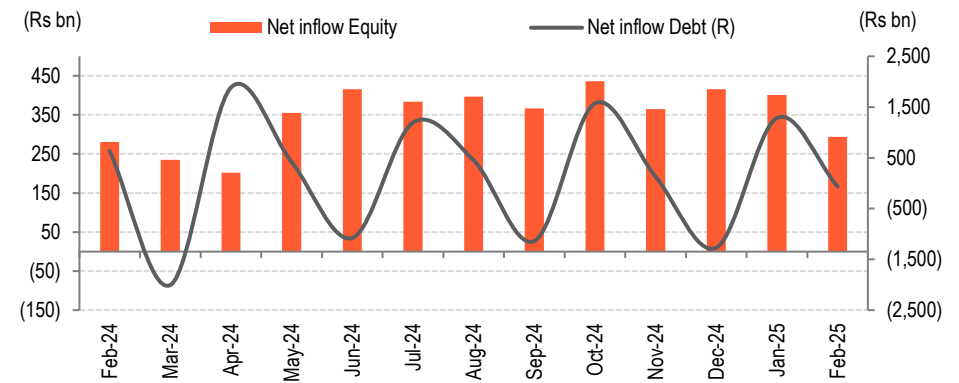
1Y MCLR (%)	Dec'23	Jan'24	Feb'24	Mar'24	Apr'24	May'24	Jun'24	Jul'24	Aug'24	Sep'24	Oct'24	Nov'24	Dec'24	Jan'25	Feb'25	Mar'25
<b>Public Sector Banks</b>																
Bank of Baroda	8.75	8.80	8.80	8.80	8.85	8.85	8.85	8.90	8.95	8.95	8.95	9.00	9.00	9.00	9.00	9.00
Bank of India	8.80	8.80	8.80	8.85	8.85	8.85	8.90	8.90	8.95	8.95	8.95	9.00	9.00	9.05	<b>9.05</b>	<b>9.05</b>
Canara Bank	8.75	8.80	8.85	8.90	8.90	8.90	8.90	8.95	9.00	9.00	9.05	9.05	9.10	9.10	9.10	9.10
Indian Bank	8.75	8.80	8.85	8.85	8.85	8.85	8.90	8.95	8.95	9.00	9.00	9.00	9.05	9.05	9.10	9.10
Punjab National Bank	8.65	8.70	8.80	8.80	8.80	8.80	8.85	8.85	8.90	8.90	8.95	8.95	9.00	9.00	9.05	9.05
State Bank of India	8.65	8.65	8.65	8.65	8.65	8.65	8.75	8.85	8.95	8.95	8.95	9.00	9.00	9.00	9.00	9.00
Union Bank of India	8.80	8.80	8.90	8.90	8.90	8.90	8.90	8.90	8.95	8.95	8.95	9.00	9.00	9.00	9.00	9.00
<b>Private Sector Banks</b>																
Axis Bank Ltd.	9.25	9.25	9.30	9.30	9.30	9.30	9.30	9.30	9.35	9.35	9.35	9.35	9.35	9.40	9.40	9.40
HDFC Bank Ltd.	9.20	9.25	9.30	9.30	9.30	9.30	9.30	9.40	9.45	9.45	9.45	9.45	9.45	9.40	9.40	9.40
ICICI Bank Ltd.	9.00	9.10	9.10	9.10	9.10	9.10	9.10	9.10	9.10	9.10	9.10	9.10	9.10	9.10	9.10	9.10
Indusind Bank	10.35	10.35	10.40	10.40	10.40	10.45	10.45	10.45	10.55	10.55	10.55	10.55	10.55	10.55	10.55	<b>10.45</b>
Kotak Mahindra Bank	9.35	9.35	9.45	9.45	9.45	9.45	9.50	9.50	9.55	9.55	9.55	9.55	9.55	9.55	9.55	9.55

Source: RBI, Note: Bank whose MCLR changed in Mar'25 has been marked red

## Mutual fund (MF) indicators

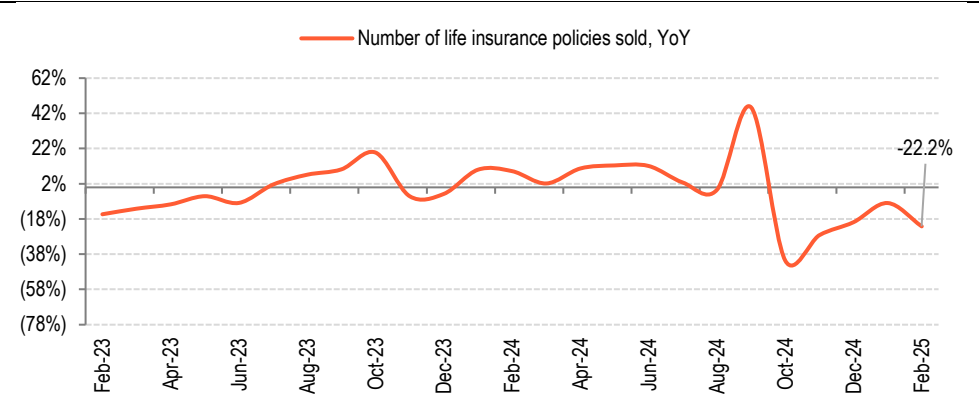
**Fig 105 – Sensex inched up by 5.8% in Mar'25, AUM of MFs moderated to Rs 64.5tn in Feb'25 from Rs 67.3tn in Jan'25**

Source: \*Sensex as on last trading day of the month.

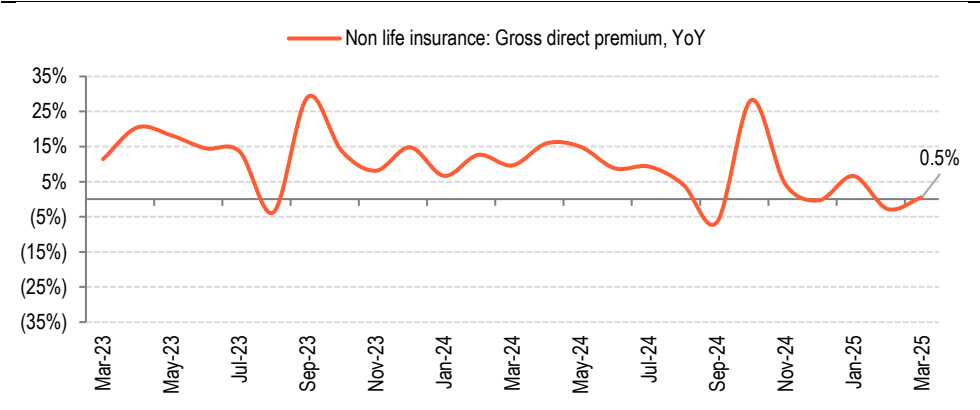
**Fig 106 – MF equity inflows was lower at Rs 293bn in Feb'25 compared to Rs 401bn in Jan'25; debt outflow was at (-) Rs 65bn from Rs 1.3tn inflow seen in Jan'25**

Insurance sector indicators

**Fig 107 – Sale of life insurance policies continued to be on the negative trajectory and declined at a sharp pace by -22.2% in Feb’25 compared to -8.9% in Jan’25**



**Fig 108 – Gross direct premium for non-life insurance inched up a tad by 0.5% in Mar’25 compared to -2.8% decline seen in Feb’25, led by favourable base**



## Public finance

## Central government finances

Fig 109 – Fiscal deficit inched down in Feb'25 (12MMA basis)

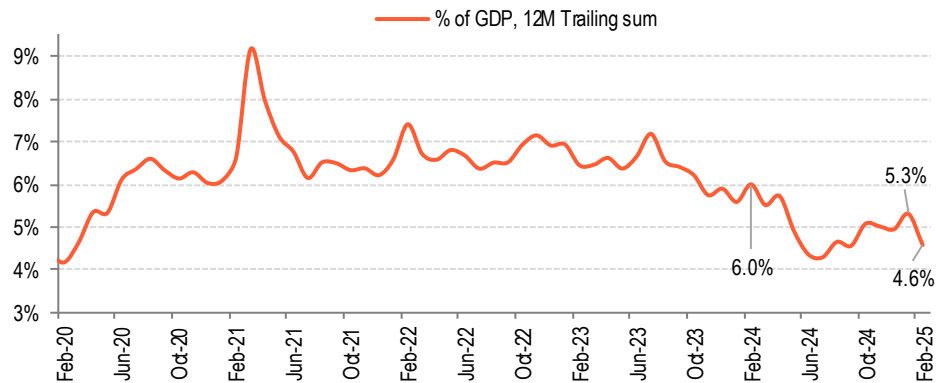


Fig 110 – Revenue deficit also eased in Feb'25

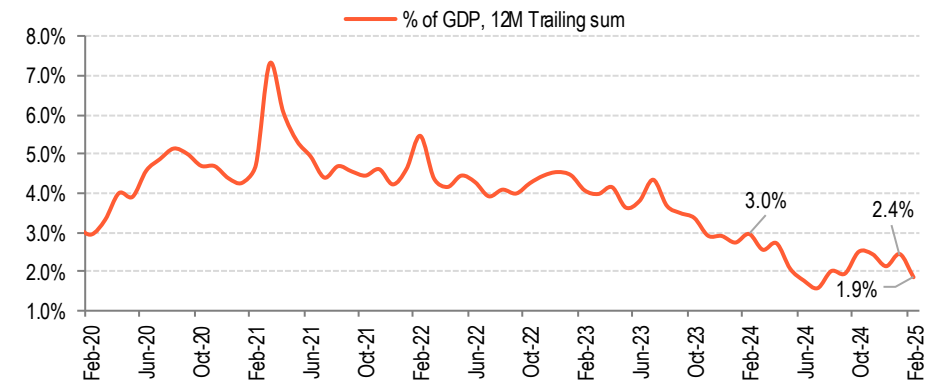


Fig 111 – Primary deficit was lower at 1.1% as of Feb'25

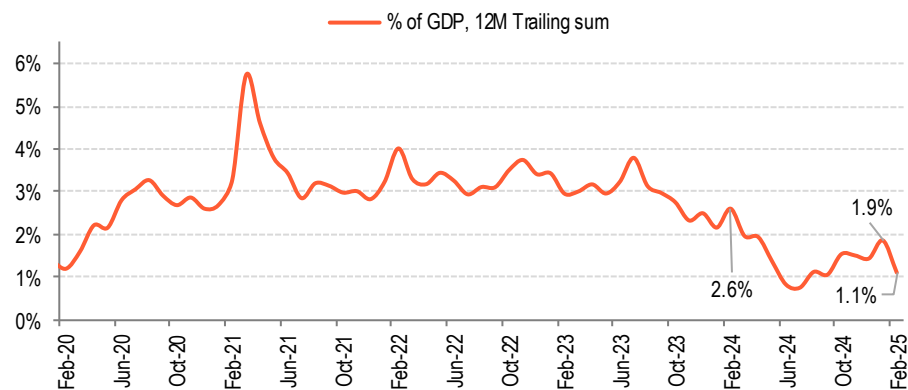
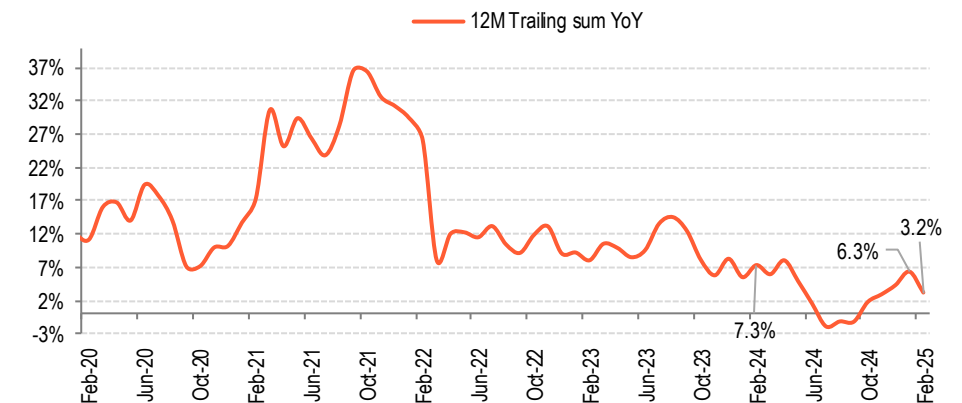
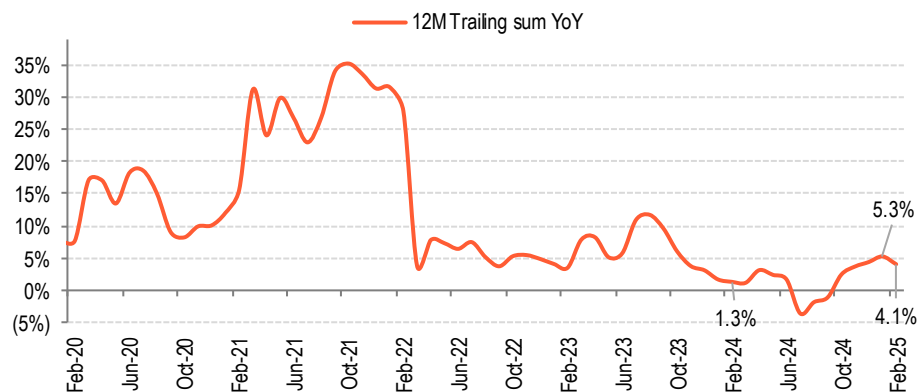
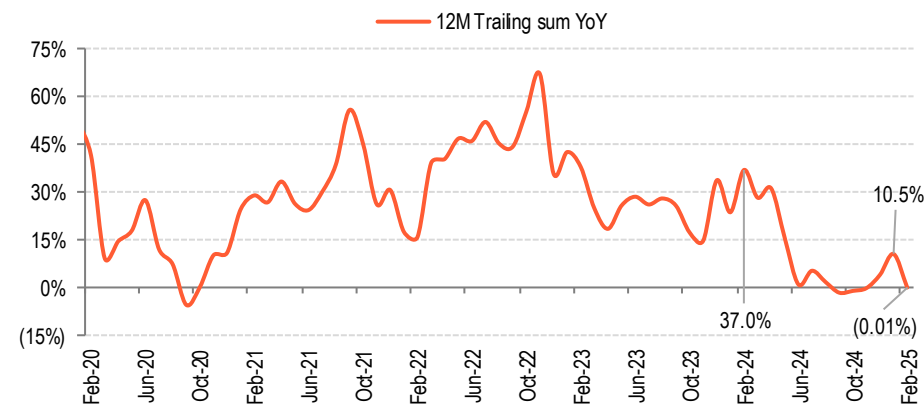


Fig 112 – Government spending moderated in Feb'25 (12MMA basis)...

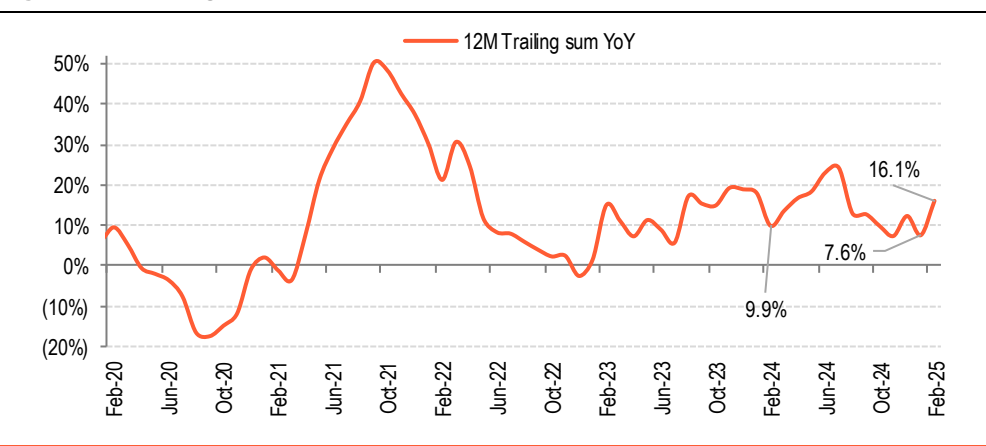




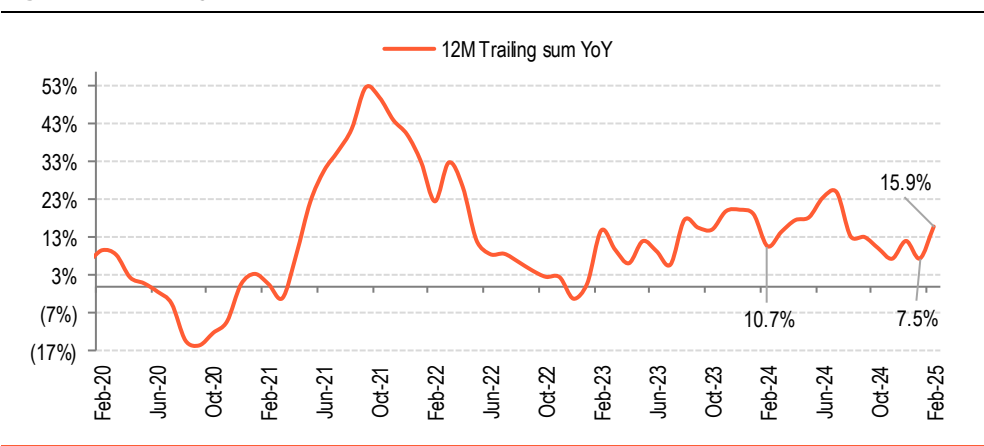
**Fig 113 – ...Led by both revenue spending****Fig 114 – ...And capital expenditure****Fig 115 – Spending slowdown led by ministries of defence, road transport, finance, education and chemicals**

Ministry	Apr-Feb'23	Apr-Feb'24	% change	Apr-Feb'25	% change
Ministry of Finance	12,010	13,263	10.4	14,258	7.5
Ministry of Defence	4,738	5,485	15.8	5,634	2.7
Ministry of Consumer Affairs, Food and Public Distribution	2,316	1,871	(19.2)	2,003	7.0
Ministry of Rural Development	1,406	1,249	(11.2)	1,355	8.5
Ministry of Home Affairs	1,724	1,823	5.8	2,052	12.6
Ministry of Education	752	807	7.4	848	5.0
Ministry of Road Transport and Highways	2,064	2,500	21.1	2,474	(1.0)
Ministry of Chemicals and Fertilisers	2,349	1,761	(25.0)	1,656	(6.0)
Ministry of Petroleum and Natural Gas	254	105	(58.7)	115	10.0
Ministry of Agriculture	952	1,060	11.3	1,215	14.7
Ministry of Health and Family Welfare	630	685	8.8	805	17.4

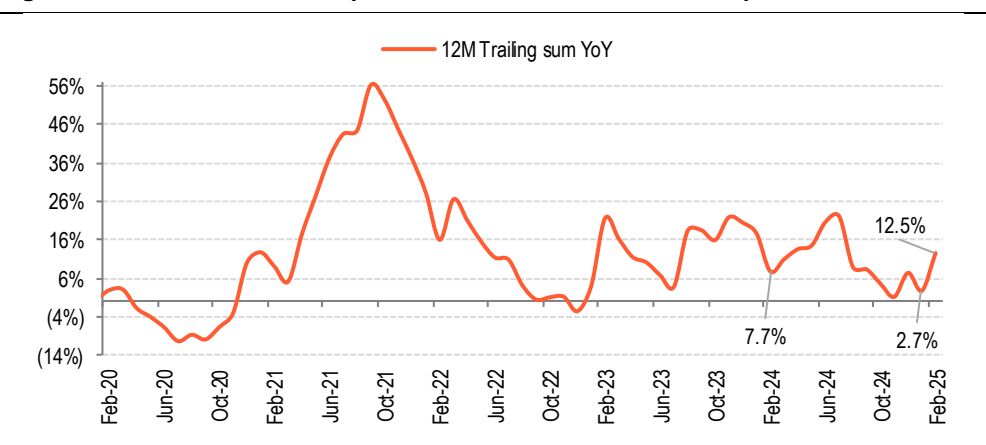
**Fig 116 – Receipt growth picked up pace in Feb'25...**



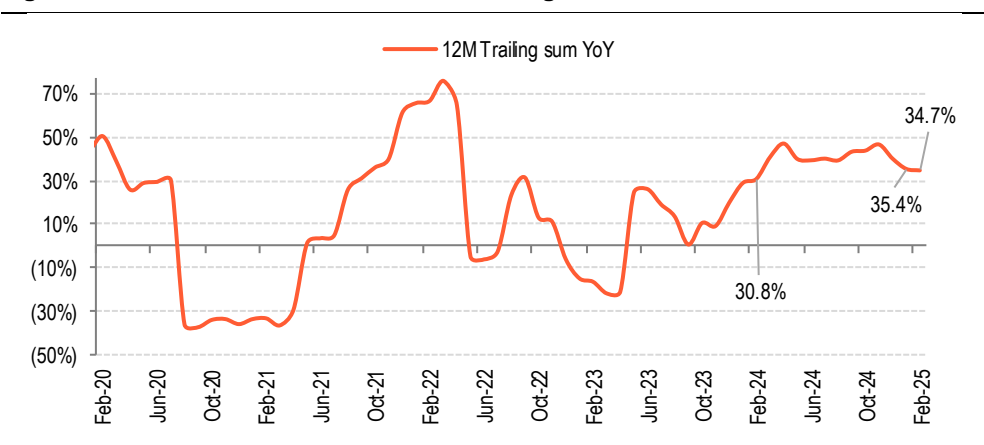
**Fig 117 – ...Led by rebound in revenue receipts**



**Fig 118 – Net tax revenue receipts led the revival in revenue receipts**

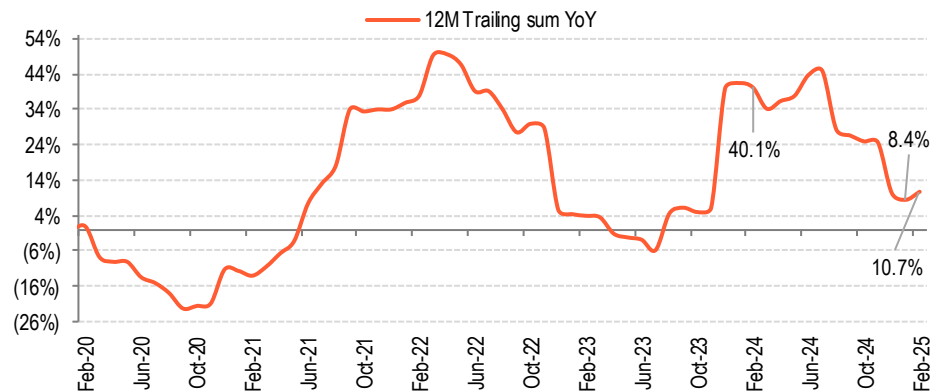
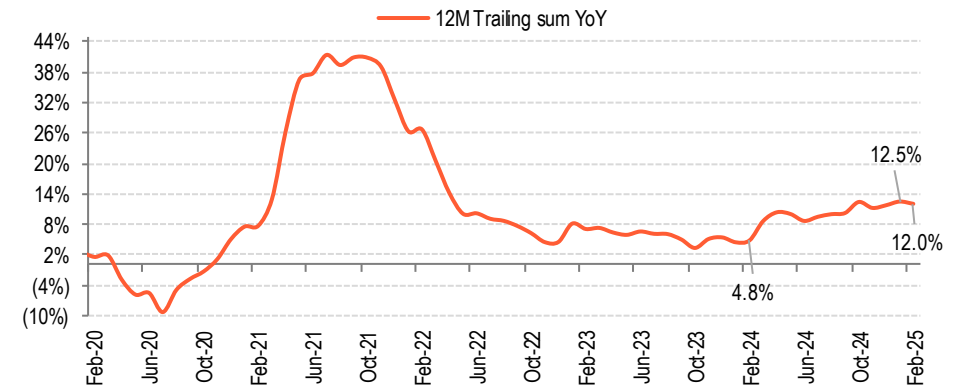


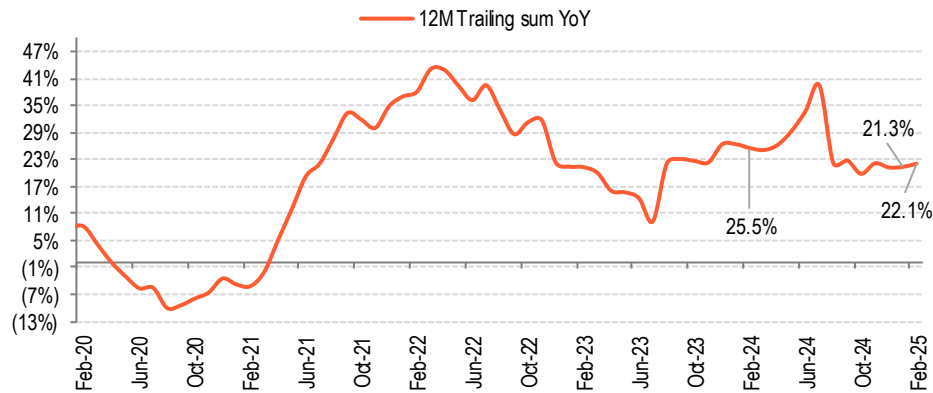
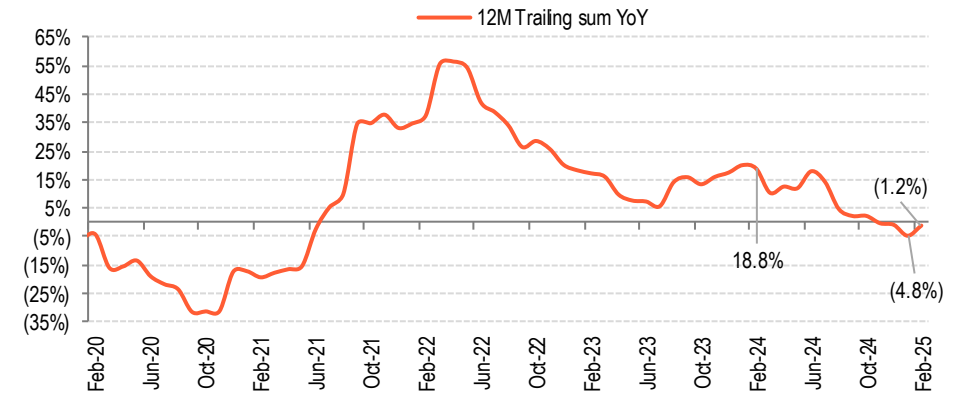
**Fig 119 – Non-tax collections noted some easing**



**Fig 120 – Centre’s net tax revenue growth sees a revival in Feb’25; capex gradually improving from last year, limited by high base**

	Apr-Feb’23	Apr-Feb’24	% change	Apr-Feb’25	% change
Gross Tax revenue	23,462	28,899	23.2	32,042	10.9
Direct taxes	10,863	15,651	44.1	17,586	12.4
Corp Tax	6,418	7,527	17.3	7,672	1.9
Income Tax	6,456	8,124	25.8	9,915	22.0
Indirect taxes	12,599	13,248	5.1	14,456	9.1
Non-tax revenue	2,486	3,603	44.9	4,933	36.9
Centre's revenue (net)	19,808	22,098	11.6	25,090	13.5
Total expenditure	34,936	37,473	7.3	38,932	3.9
Capital exp	5,902	8,056	36.5	8,119	0.8
Revenue exp	29,034	29,417	1.3	30,813	4.7
Fiscal deficit	14,539	15,014	-	13,469	-

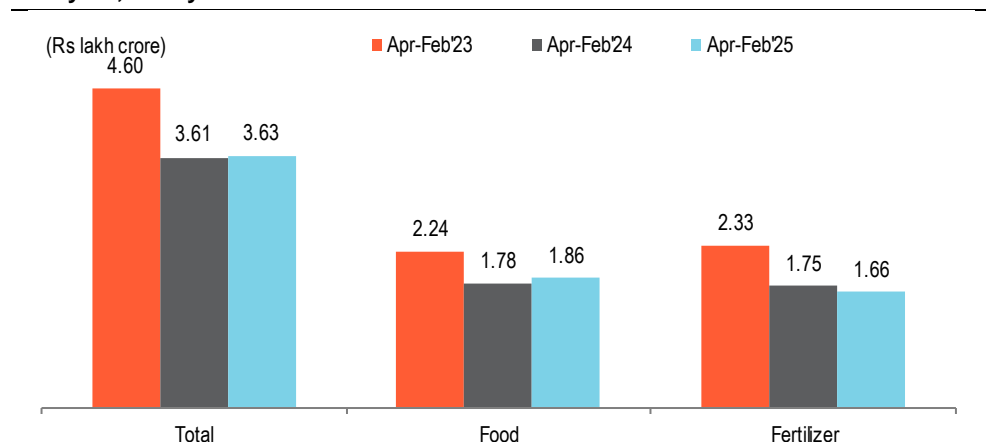
**Fig 121 – Gross direct tax collections registered improvement****Fig 122 – Gross indirect tax collections softened**

**Fig 123 – Amongst direct taxes, income tax collections stabilized****Fig 124 – Corporate tax collection growth fell less sharply****Fig 125 – GST collections in Feb'25 noted slight moderation**

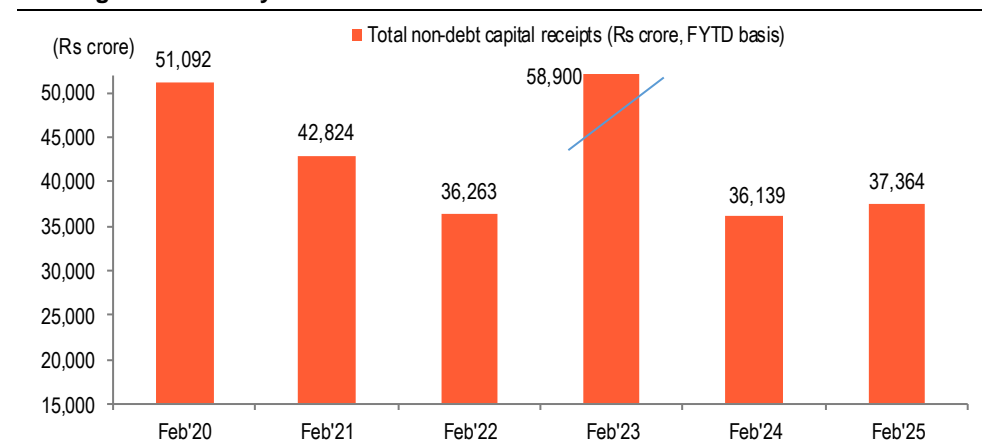
(Rs bn)	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Monthly run rate (FYTD25)	FYTD25	FY25 (RE)
CGST	711	731	912	677	695	723	706	700	804	823	694	793	776	755	8,301	9,085
UT GST	3.8	7.0	2.9	3.1	2.8	0.6	3.5	3.4	3.2	4.8	2.7	8.6	3.0	4	39	-
IGST	(127)	383	(26)	(82)	7	(5)	82	16	(96)	(174)	(37)	40	(100)	(34)	(376)	-
SGST*	970	537	1,084	1,012	904	974	839	894	1,041	1,038	990	980	1,024	980	10,780	-
Cess	125	127	130	118	129	128	119	119	122	131	120	134	134	126	1,383	1,534
<b>Total GST</b>	<b>1,683</b>	<b>1,785</b>	<b>2,103</b>	<b>1,727</b>	<b>1,738</b>	<b>1,821</b>	<b>1,750</b>	<b>1,732</b>	<b>1,873</b>	<b>1,823</b>	<b>1,769</b>	<b>1,955</b>	<b>1,836</b>	<b>1,830</b>	<b>20,127</b>	<b>-</b>

Source: PIB | \*Computed from PIB and CGA data

**Fig 126 – Total subsidy disbursed in FYTD25 so far has been a tad higher than last year, led by food subsidies**



**Fig 127 – Central govt's non-debt capital receipts as of FYTD25 tracking slightly higher than last year**



## Central government borrowing

**Fig 128 – Centre's borrowing through T-bill in Q4 was at Rs 4.3tn**

Total accepted amount (T-bills), (Rs bn)	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26 (planned)
Q1	2,888	3,089	3,364	5,328	5,375	5,247	4,963	3,469	2,470
Q2	3,186	3,299	3,024	5,417	3,215	3,704	3,899	3,242	
Q3	2,632	3,070	2,889	3,745	3,630	3,589	3,611	3,976	
Q4	2,486	1,812	2,511	2,714	4,766	4,566	4,258	4,337	
<b>Total</b>	<b>11,192</b>	<b>11,271</b>	<b>11,788</b>	<b>17,204</b>	<b>16,986</b>	<b>17,105</b>	<b>16,731</b>	<b>15,024</b>	

Source: RBI, Note: In Apr'25 auction amount has been Rs 485bn (till 9 Apr'25)

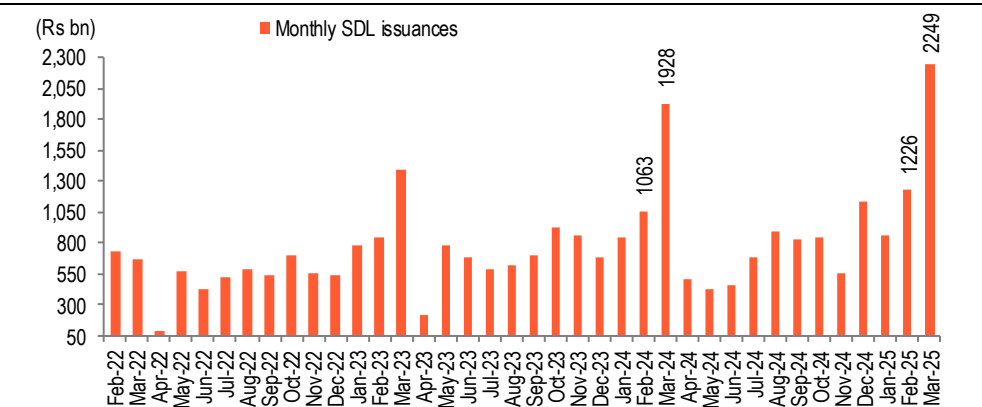
**Fig 129 – Centre will be raising Rs 8tn in H1FY26**

Total accepted amount (G-Sec), (Rs bn)	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26 (planned)
Q1	1,680	1,320	2,040	3,140	3,064	3,570	4,080	3,410	4,060
Q2	1,890	1,440	2,210	4,220	3,649	4,390	4,800	3,647	3,940
Q3	1,640	1,270	1,930	2,910	3,190	3,510	3,850	3,840	-
Q4	670	1,680	920	3,191	1,370	2,740	2,700	2,790	-
<b>Total</b>	<b>5,880</b>	<b>5,710</b>	<b>7,100</b>	<b>13,461#</b>	<b>11,273</b>	<b>14,210</b>	<b>15,430</b>	<b>13,687</b>	<b>14,820</b>

Source: RBI# Against budgeted Rs 12.8tn Note: In Apr'25 auction amount has been Rs 360bn (till 4 Apr'25)

## State government borrowing

**Fig 130 – State government borrowings rose sharply in Mar'25**



Source: RBI

**Fig 131 – States have borrowed ~83% of the planned amount in FY25; Q1FY26 off to slow start**

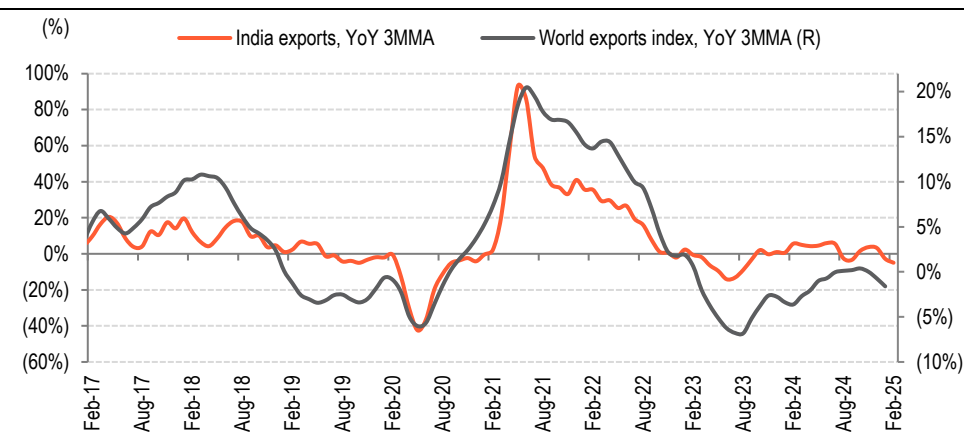
Quarterly SDL issuances, (Rs bn)	FY20	FY21	FY22	FY23	FY24	FY25	FYTD26 (actual)	FY26 (planned)
Q1	815	1,673	1,446	1,102	1,677	1,401	153*	2,733
Q2	1,439	1,614	1,644	1,661	1,903	2,536		
Q3	1,470	2,023	1,653	1,879	2,460	2,532		
Q4	2,006	1,898	2,184	3,009	3,838	4,344		
<b>Total</b>	<b>5,731</b>	<b>7,206</b>	<b>6,927</b>	<b>7,652</b>	<b>9,879</b>	<b>10,814</b>		

Source: RBI; \*as of 8 Apr 2025

## External sector

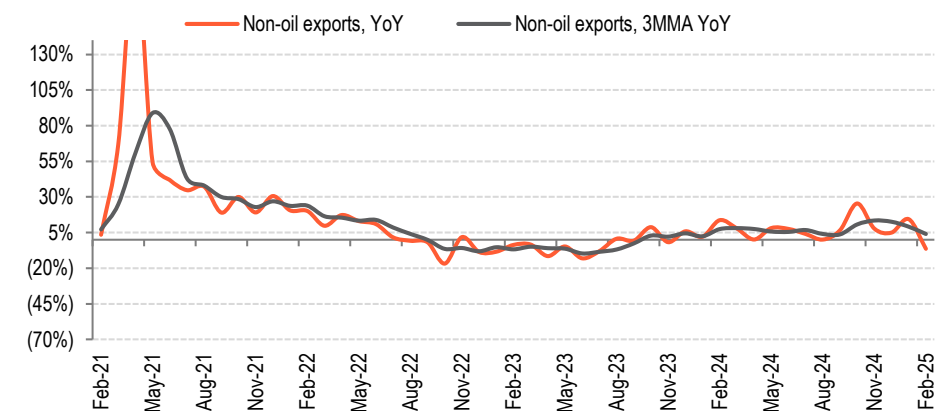
### Exports

**Fig 132 – Global exports continued to decline even in Jan'25**

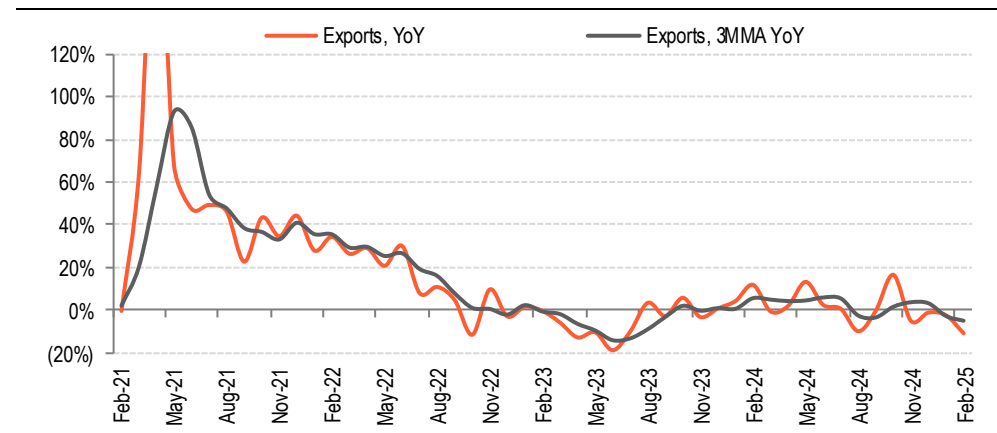


### Exports by major sectors

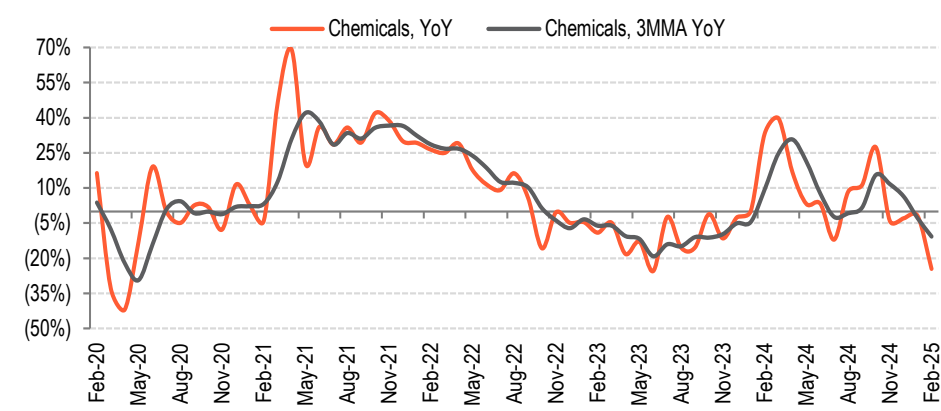
**Fig 134 – Non-oil exports led the decline, with a fall of 6.3% in Feb'25**

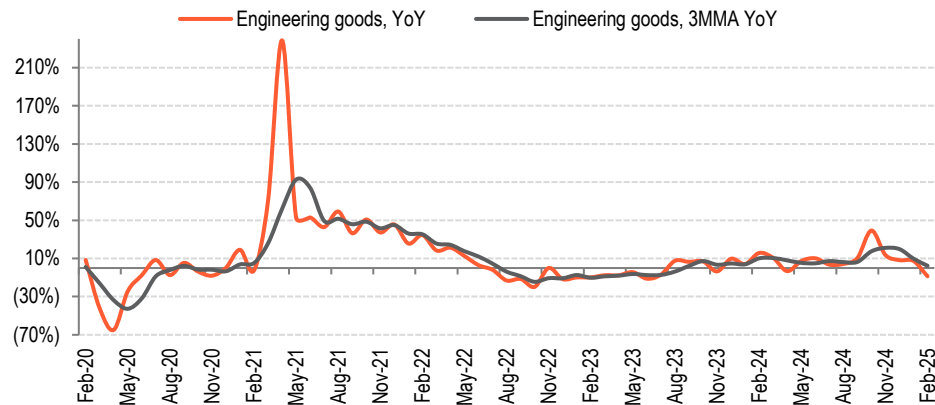
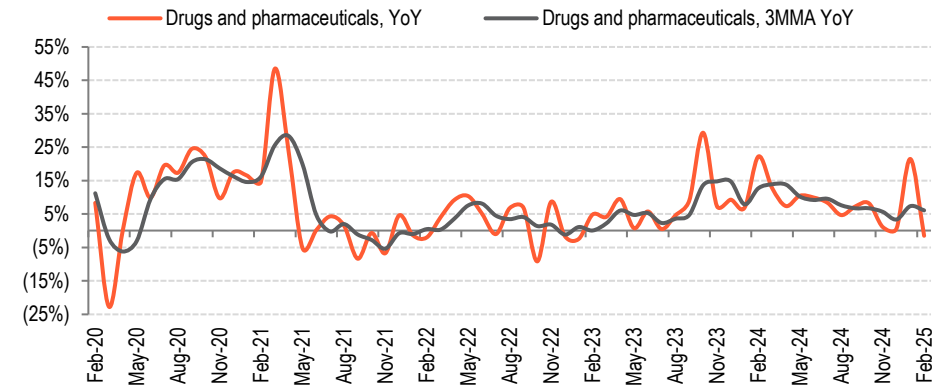


**Fig 133 – India's exports slipped in Feb'25 to decline by 10.9% following a 2.4% drop in Jan'25**

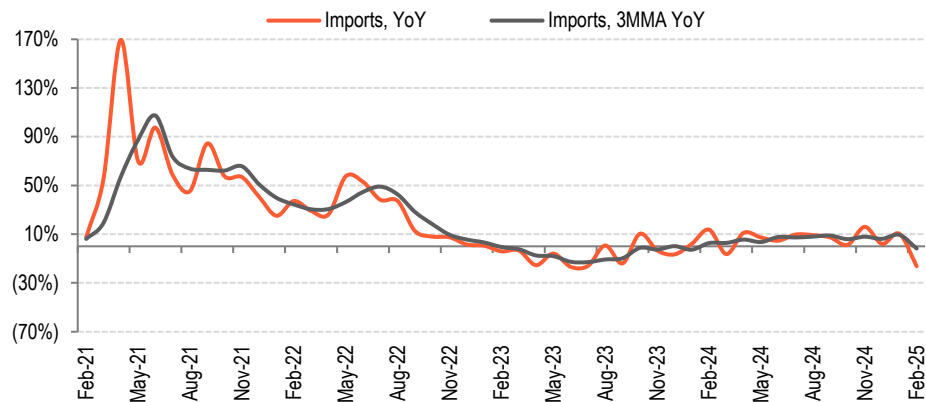
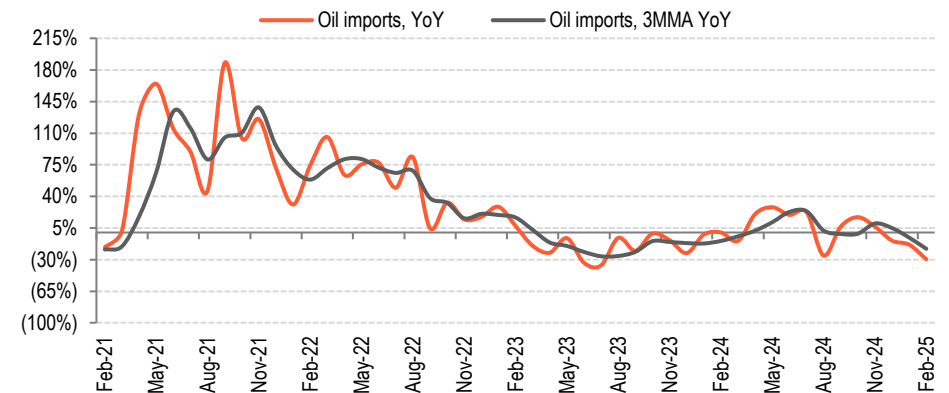


**Fig 135 – Sharp fall in exports of chemicals**

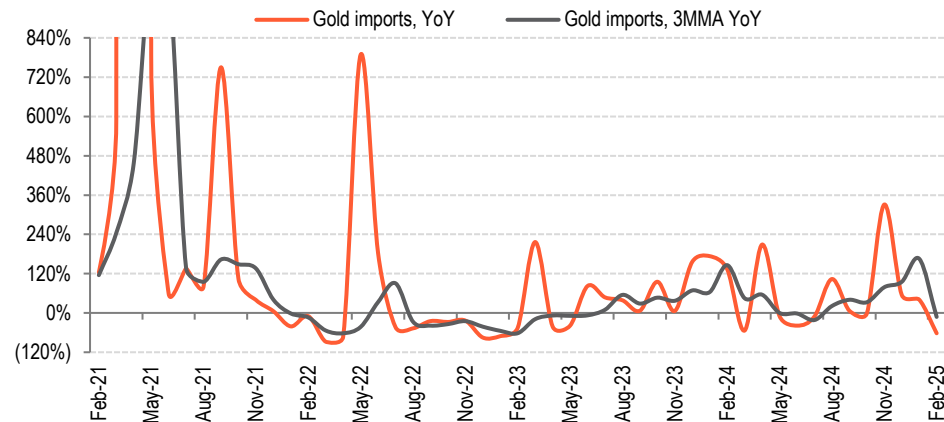
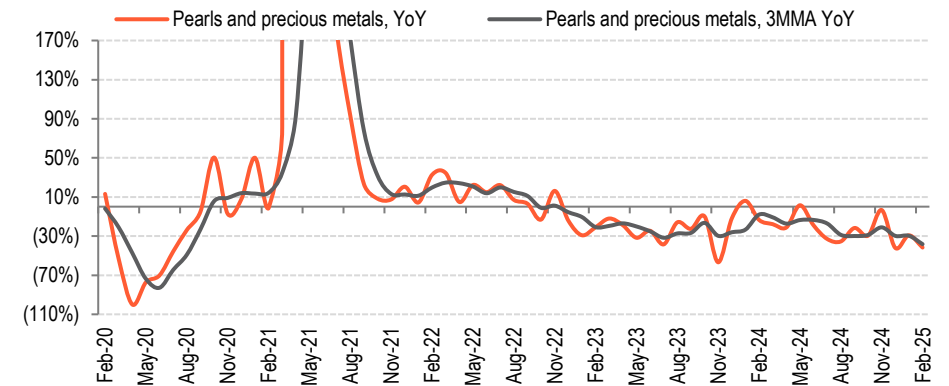
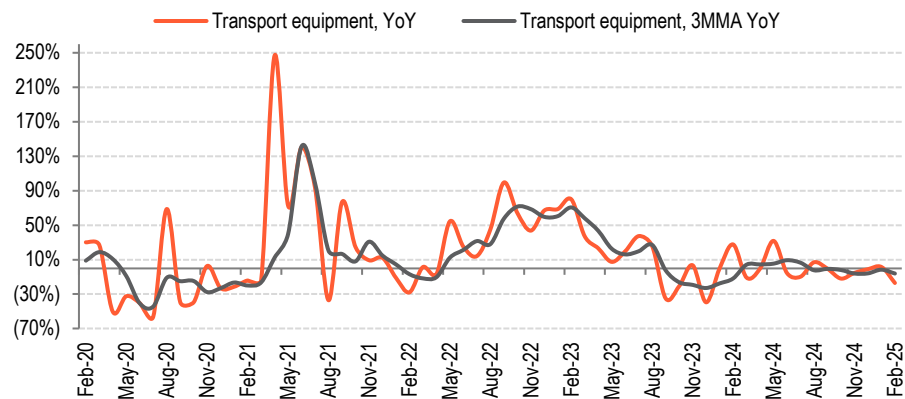
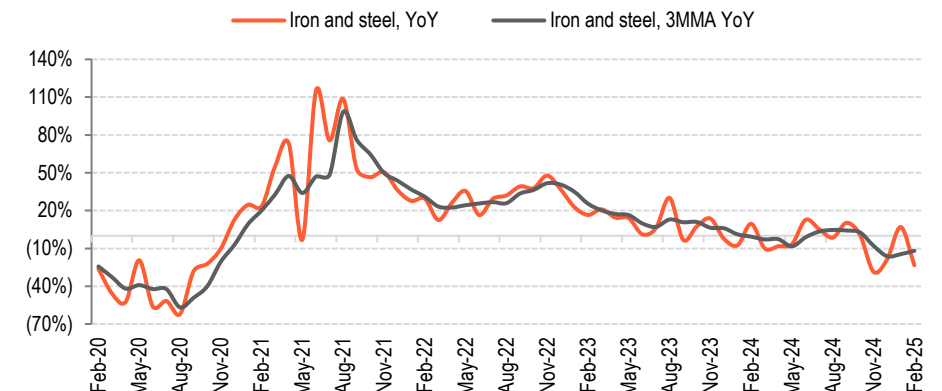


**Fig 136 – Exports of engineering goods also lower in Feb'25 on a YoY basis****Fig 137 – ..Similar trend seen in exports of drugs and pharmaceutical products**

## Imports

**Fig 138 – Imports fall by 16.3% in Feb'25, after increasing by 10.3% in Jan'25****Fig 139 – .. led by a decline in oil imports**



**Fig 140 – ...and gold imports****Fig 141 – Imports of pearls and precious stones continue to decline even in Feb'25****Fig 142 – Imports of transport equipment slip by 16.9% in Feb'25, after increasing by 1.6% in Jan'25****Fig 143 – Even imports of iron and steel contract in Feb'25**

## Exports and imports by major regions

**Fig 144 – Exports to China continued to remain downbeat in FY25 due to continued weakness in domestic demand in China**

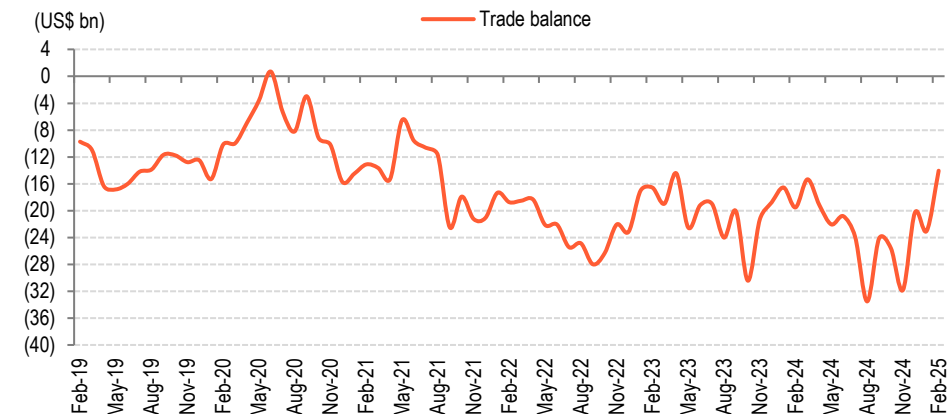
Region (% YoY)	Share in FY24	FYTD24	FYTD25	Nov-24	Dec-24	Jan-25
Americas	23.5	(6.6)	8.1	(3.9)	8.7	32.1
Asia and Pacific (Ex. China)	22.5	(9.0)	(0.3)	7.9	2.1	(21.2)
China	3.9	10.8	(14.8)	(15.8)	(26.5)	(31.7)
Europe	22.9	(0.2)	1.5	(8.4)	(0.5)	(13.5)
Middle East and Africa	26.3	(6.8)	(3.0)	(10.4)	(9.6)	(4.4)
Other	1.0	5.7	(7.1)	(12.4)	(6.1)	85.5

**Fig 145 – .. However imports from China have risen by 10.2% in FYTD25 (upto Jan'25)**

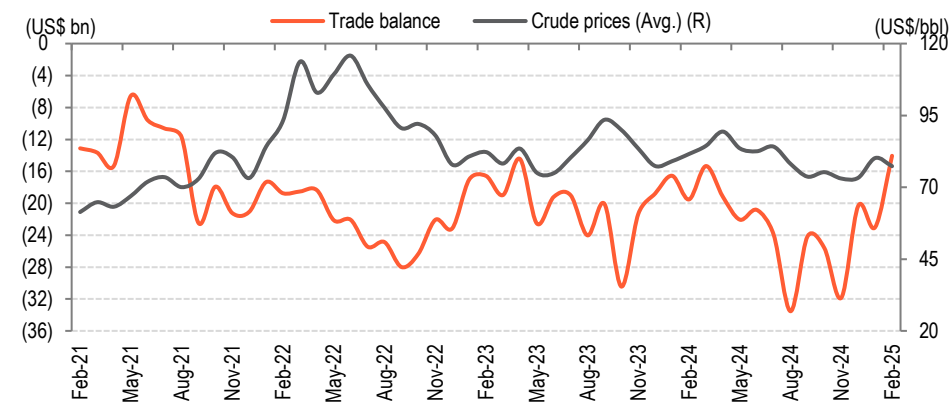
Region (% YoY)	Share in FY24	FYTD24	FYTD25	Nov-24	Dec-24	Jan-25
Americas	10.4	(14.9)	8.0	7.6	13.0	40.8
Asia and Pacific (Ex. China)	25.0	(5.5)	2.7	3.7	3.1	14.3
China	15.0	2.6	10.2	8.6	9.1	17.1
Europe	14.1	5.3	(2.0)	39.5	2.8	54.2
Middle East and Africa	26.3	(23.1)	9.5	24.4	(3.6)	1.0
Other	9.2	37.3	5.9	13.7	(6.2)	(13.8)

## Trade deficit

**Fig 146 – Trade deficit narrowed in Feb'25 to a 42-month low**

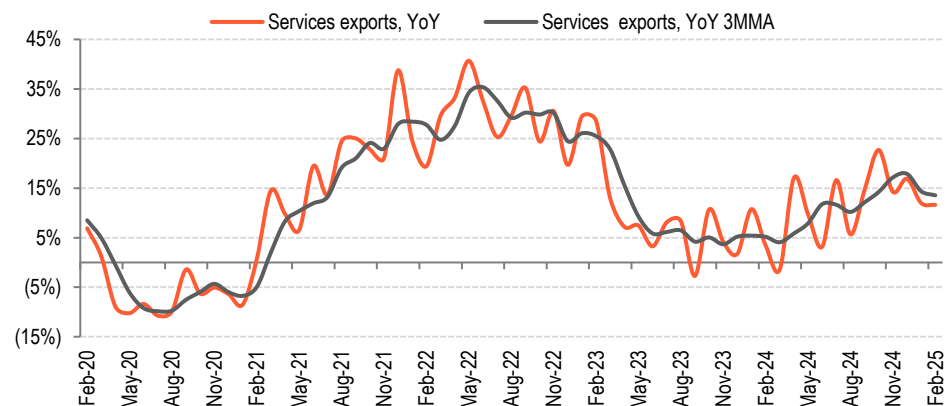


**Fig 147 – ... led by lower oil prices**



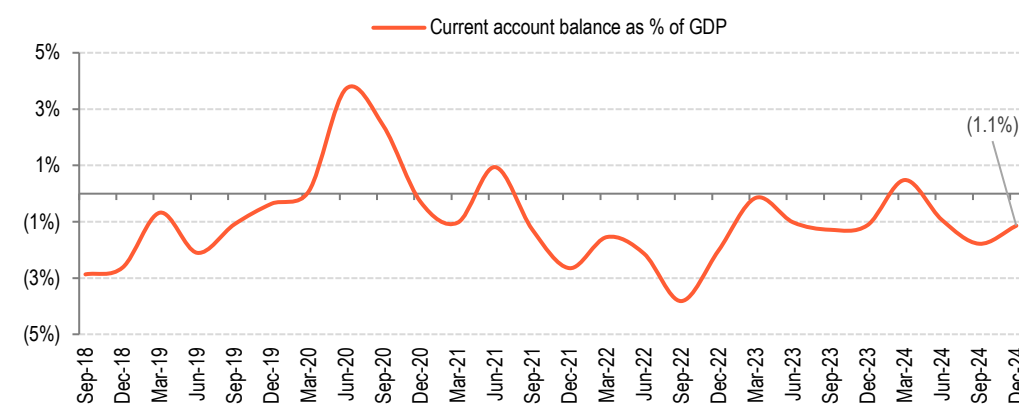
## Trade in services

**Fig 148 – Services exports have increased at a robust pace of 13.6% in FYTD25**



## BoP

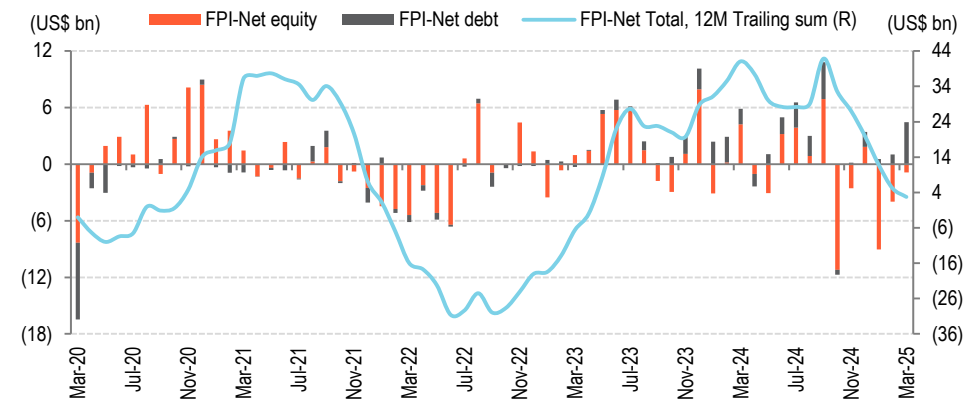
**Fig 149 – India's current account deficit at 1.1% of GDP in Q3 FY25**



## Foreign inflows

### FPI inflows

**Fig 150 – FPIs reverse course in Mar'25, led by inflows in debt segment; equity outflows also moderating**



Source: NSDL

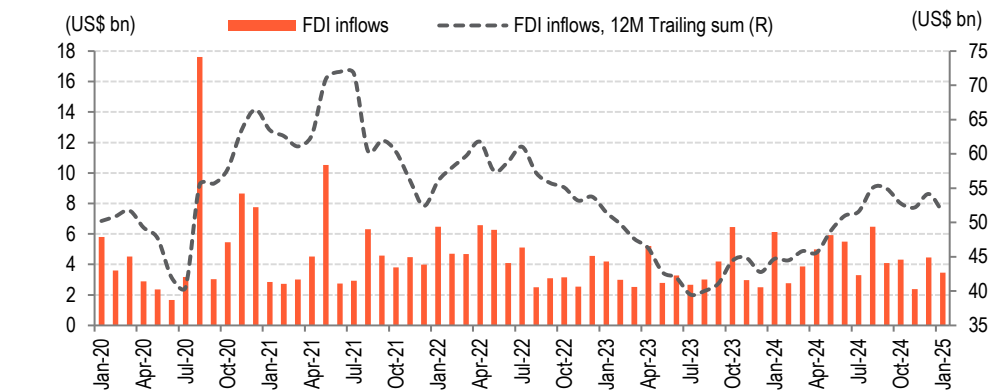
**Fig 152 – In FYTD25, FDI inflows into services sector and computer hardware and software sector have increased**

Sector	% Share FY24	FYTD24	FYTD25	Q3FY24	Q2FY25	Q3FY25
Computer software and hardware	17.9	3.4	5.5	1.0	1.4	1.3
Services Sector	14.9	5.2	7.2	1.3	1.7	1.5
Construction (Infrastructure) activities	9.5	3.8	1.8	1.4	0.7	0.5
Trading	8.7	2.7	3.3	1.7	2.3	0.6
Non Conventional Energy	8.5	2.1	3.4	0.9	1.1	1.4
Automobile industry	3.4	0.9	1.3	0.2	0.6	0.3
Drugs and Pharmaceuticals	2.4	0.9	0.8	0.8	0.3	0.3

Source: DIPP

### FDI inflows

**Fig 151 – FDI inflows lower at US\$ 3.5bn in Jan'25 versus US\$ 4.5bn in Dec'24**



Source: RBI, Bank of Baroda Research

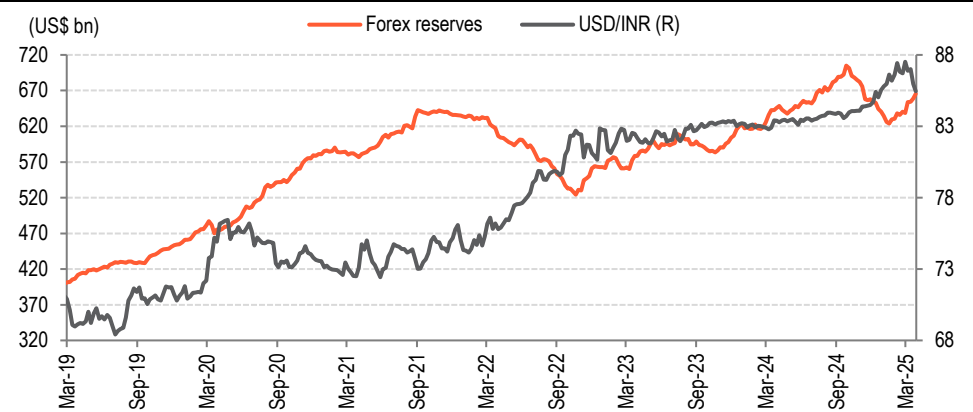
**Fig 153 – Country wise, inflows from Singapore and Netherlands have increased the most in FYTD25**

Country (US\$ bn)	Share in FY24	FYTD24	FYTD25	Q3FY24	Q2FY25	Q3FY25
Singapore	26.5	7.4	12.0	2.2	3.6	4.4
Mauritius	17.9	7.0	7.0	4.1	2.1	1.6
US	11.3	2.8	3.7	0.8	1.1	1.2
Netherlands	11.1	2.3	4.1	0.4	1.1	0.5
Japan	7.2	2.7	1.4	0.6	0.6	0.2
UK	2.7	0.9	0.6	0.3	0.1	0.4

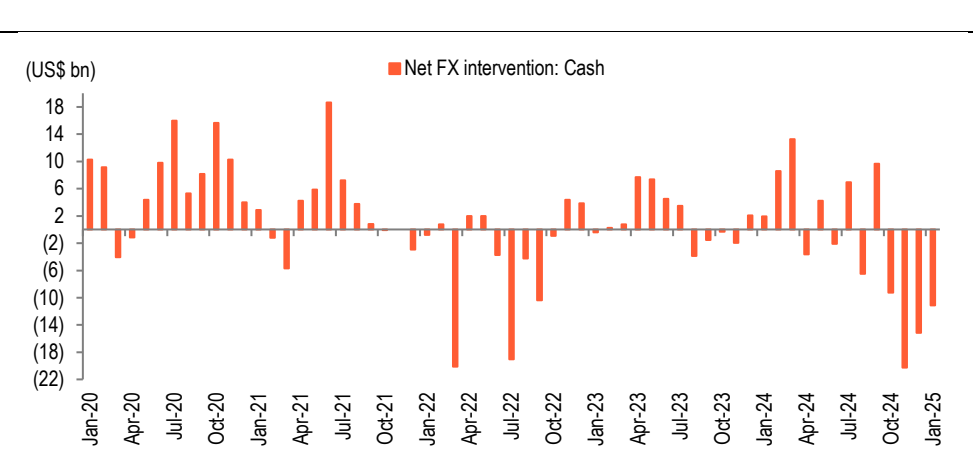
Source: DIPP

## Forex reserves and external debt

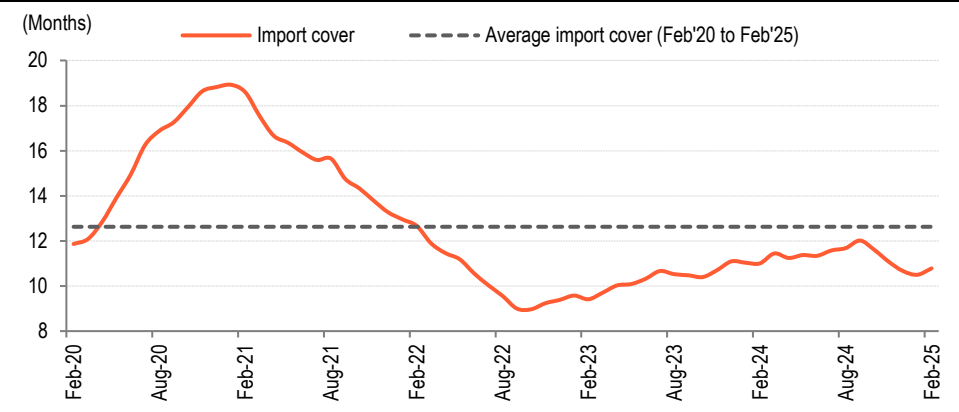
**Fig 154 – India's FX reserves at US\$ 665bn; accretion of ~US\$ 19.8bn in FY25 supported by RBI's forex swap auctions**



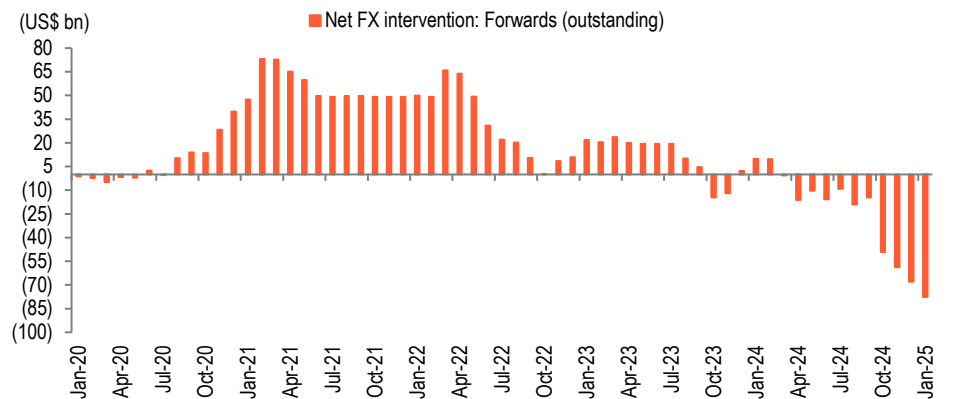
**Fig 156 – RBI's sold net US\$ 11.1bn in the spot market in Jan'25**



**Fig 155 – India's import cover at ~11 months**



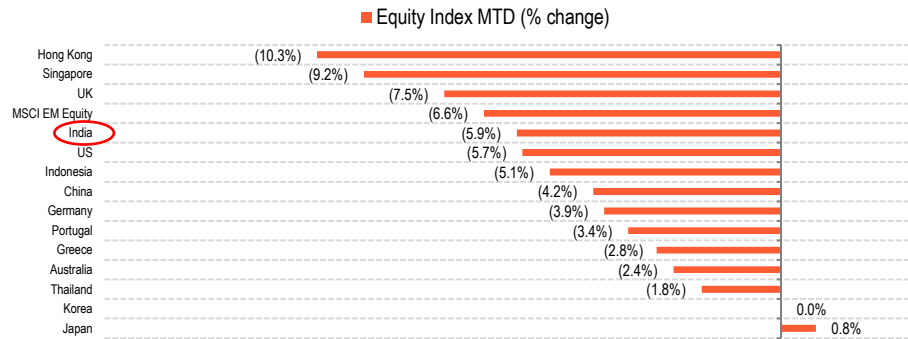
**Fig 157 – RBI's outstanding forwards book at a record high of US\$ 77.5bn as of Jan'25**



## Markets

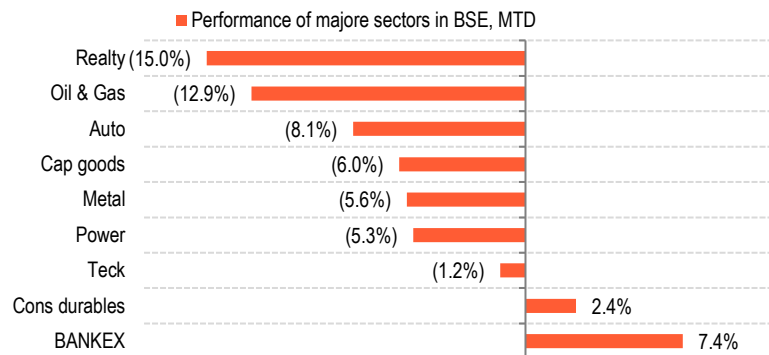
## Equity

Fig 158 – In Apr'25\*, Sensex fell by -5.9% in line with MSCI EM



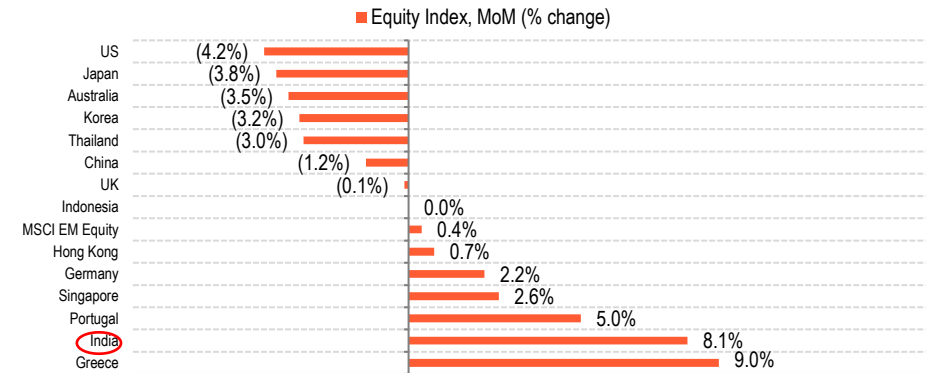
Source: Bloomberg | \* As on 10 Apr 2025, Indices are in US\$ terms

Fig 160 – Real estate stocks fell the most



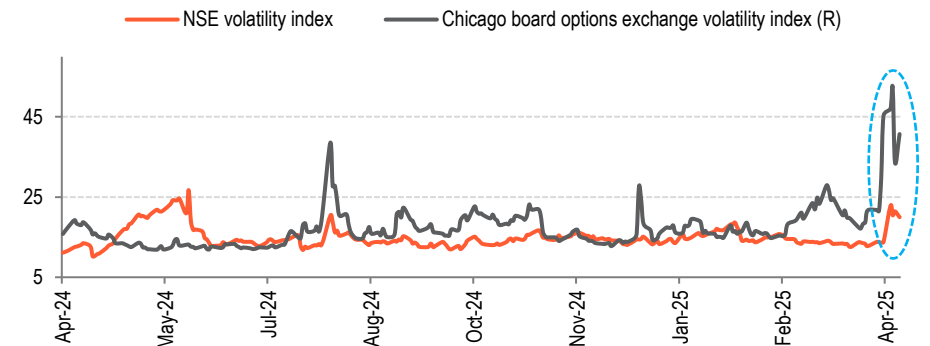
Source: Bloomberg | As on 10 Apr 2025

Fig 159 – In Mar'25, Sensex outperformed MSCI EM



Source: Bloomberg | Point on point comparison of last working day of Mar to Feb, Indices are in US\$ terms

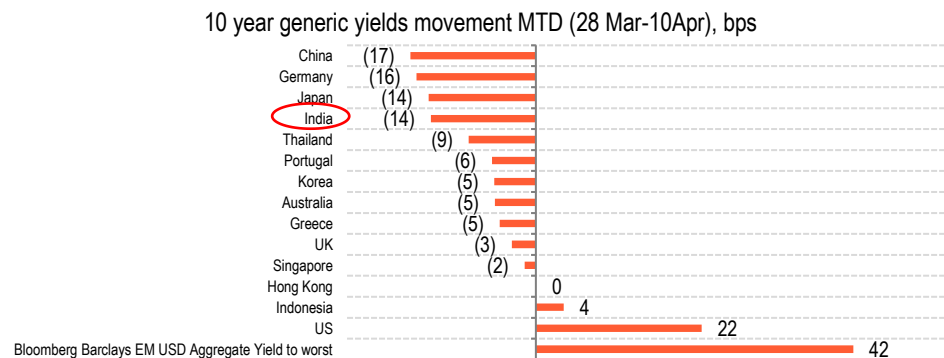
Fig 161 – VIX index heightened amidst ongoing tariff turmoil



Source: Bloomberg

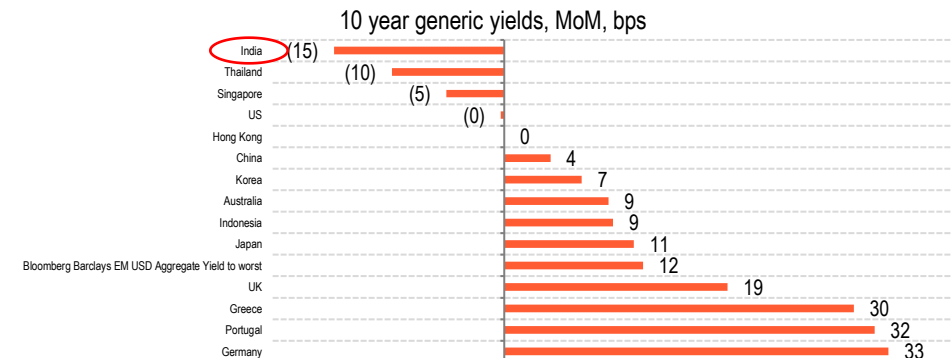
## 10-year bond yields

**Fig 162 – In Apr'25\*, India's 10Y yield fell by 14bps**



Source: Bloomberg, | Note:\* As on 10 Apr 2025

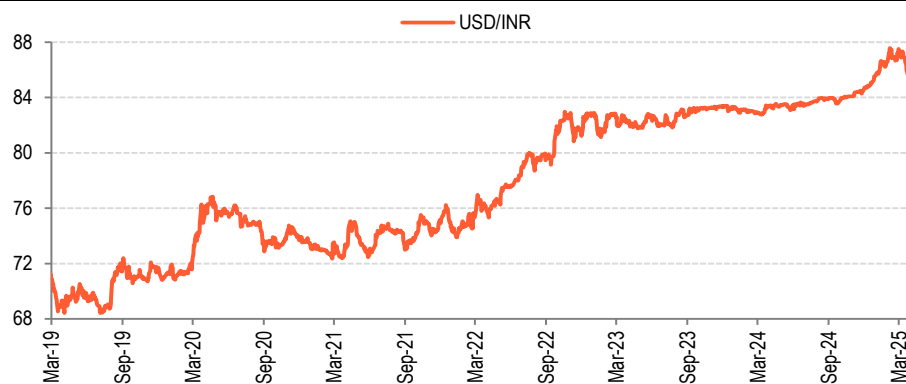
**Fig 163 – In Mar'25, India's 10Y yield softened by 15bps**



Source: Bloomberg, | Note: Point on point comparison of last working day of Mar to Feb

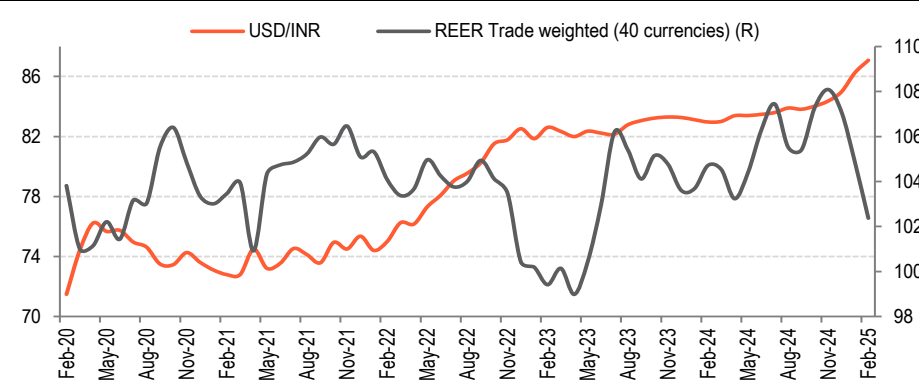
## Currencies

**Fig 164 – INR recouped its losses in Mar'25**

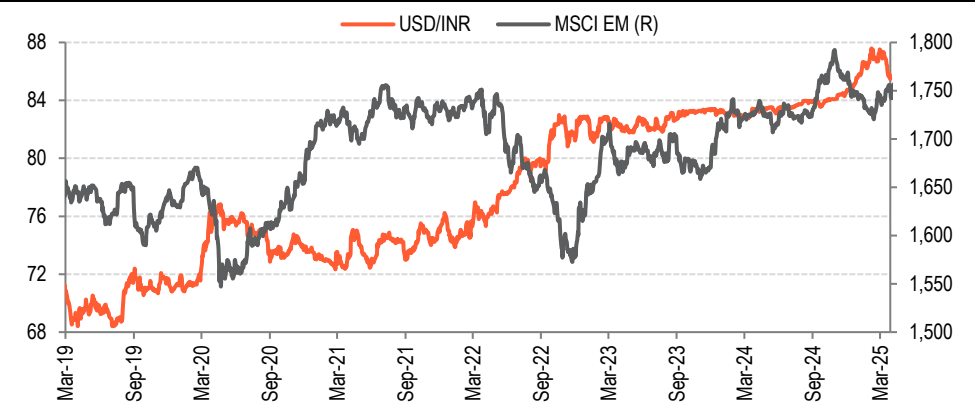


Source: Bloomberg | \*As on 28 Mar 2025

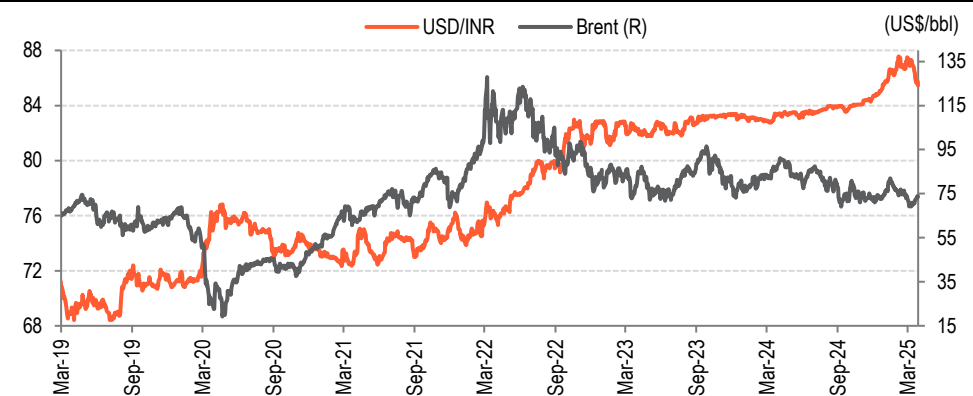
**Fig 165 – INR overvalued by 2.4% on REER basis (Feb'25)**



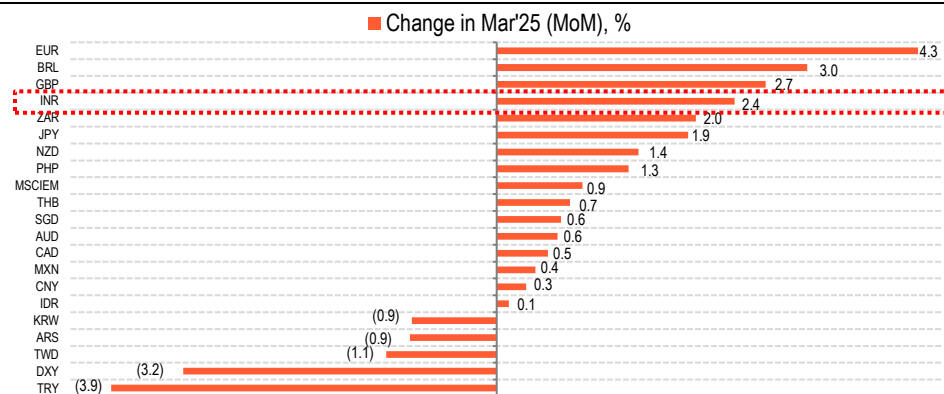
Source: Bloomberg

**Fig 166 – EM currencies appreciated by 0.8% in Mar'25**

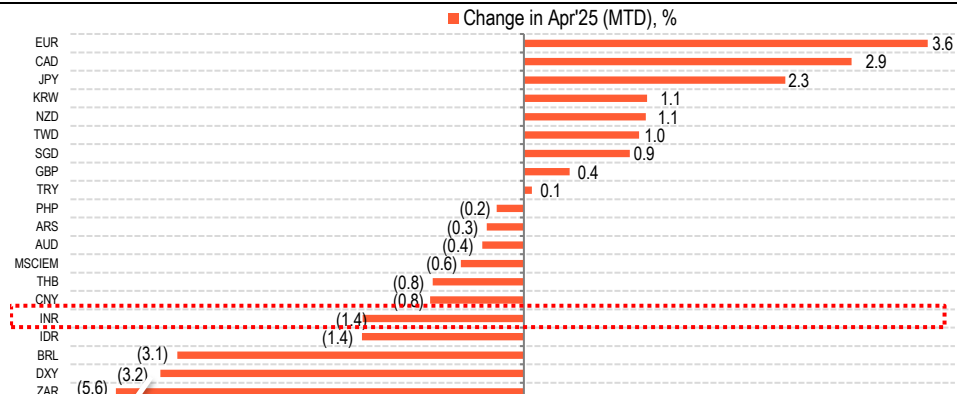
Source: Bloomberg | \*As on 28 Mar 2025

**Fig 167 – ... as oil prices were on an average lower**

Source: Bloomberg | \*As on 28 Mar 2025

**Fig 168 – INR appreciated by 2.4% in Mar'25**

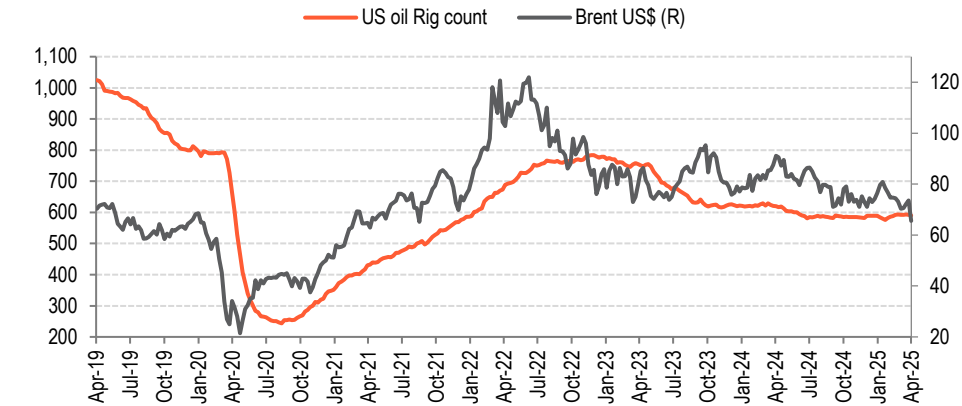
Source: Bloomberg | \*As on 28 Mar 2025

**Fig 169 – In Apr'25, INR has depreciated by 1.4%**

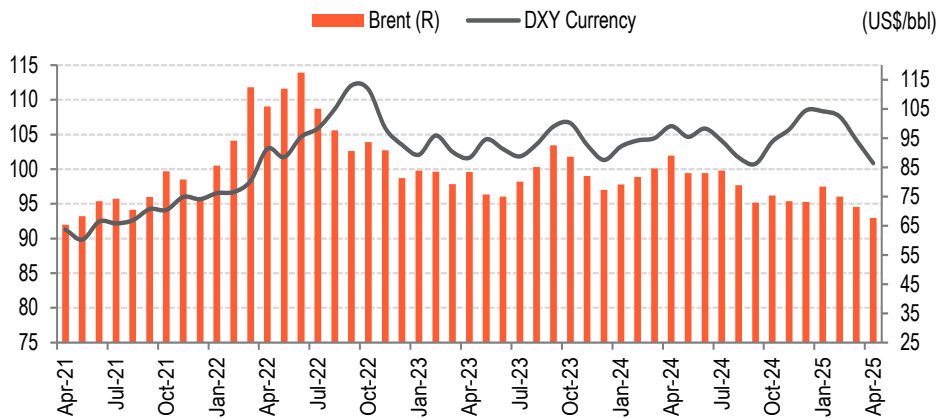
Source: Bloomberg | \*As on 10 Apr 2025



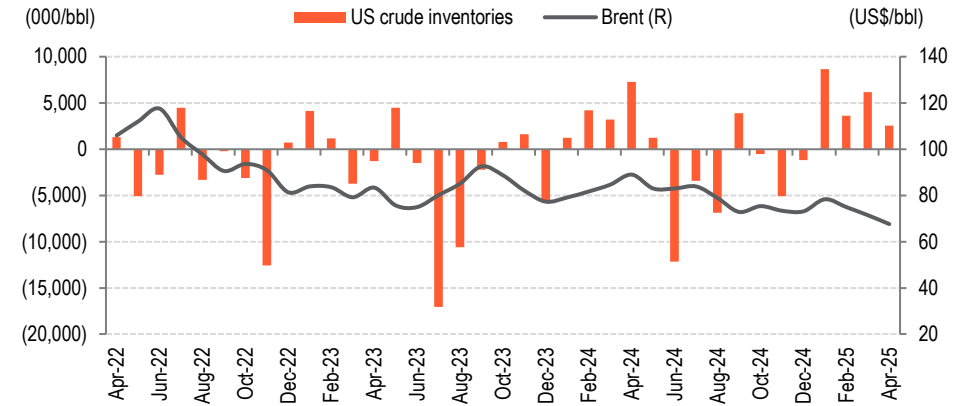
## Commodities

**Fig 170 – US rig count remained stable**

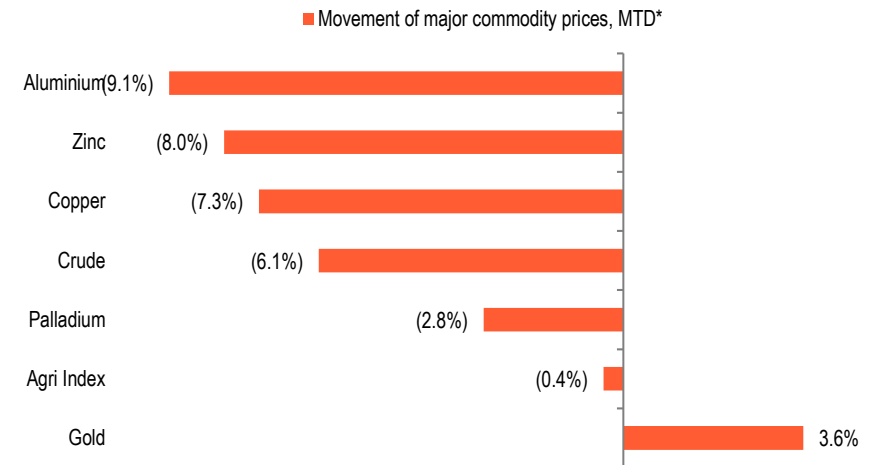
Source: Bloomberg

**Fig 172 – Oil price averaged to US\$ 67.6 in Apr (first 10days) compared to an average of US\$ 71.5/bbl in Mar'25, DXY also softened**

Source: Bloomberg | DXY Index as on last trading day of the month

**Fig 171 – Crude inventories moderated**

Source: Bloomberg

**Fig 173 – Except Gold (safe haven demand), all other commodities witnessed broad based fall**

Source: Bloomberg | Index as on last trading day of the month, \* For MTD avg. of first 10days of Apr'25 compared to previous month's fig

**Fig 174 – Performance of high frequency indicators**

Indicators	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25
<b>Agriculture</b>													
Tractor sales	(19.5)	(2.9)	0.5	3.5	1.4	(5.5)	2.4	21.0	(0.9)	13.3	11.1	30.9	-
Two wheeler sales	5.4	33.2	2.5	4.7	17.2	6.3	(8.5)	36.3	15.8	(17.6)	4.2	(6.3)	(1.8)
MNREGA work (HH)	(19.2)	(10.6)	(14.3)	(21.7)	(19.5)	(16.0)	(13.4)	(7.6)	3.9	8.2	14.4	2.8	2.2
<b>Manufacturing</b>													
IIP: General index	5.5	5.2	6.3	4.7	4.7	(0.1)	3.1	3.7	5.0	3.5	5.0	-	-
IIP: Manufacturing	5.9	4.2	5.1	3.2	4.4	1.1	3.9	4.4	5.5	3.4	5.5	-	-
IIP: Capital goods	7.0	2.8	2.6	3.8	11.8	0	3.6	2.9	8.8	10.3	7.8	-	-
IIP: Infra & construction goods	7.4	8.5	7.6	7.1	4.6	2.2	3.2	4.8	8.1	7.4	7.0	-	-
IIP: Consumer goods	9.5	10.5	12.6	8.7	8.3	5.3	6.5	5.7	14.1	8.3	7.2	-	-
Steel	7.5	9.8	8.9	6.3	6.4	3.9	1.6	5.2	4.4	7.3	4.7	5.6	-
Cement	10.6	0.2	(0.6)	1.8	5.5	(3.0)	7.2	3.1	13.5	4.6	14.5	10.5	-
Electricity	8.6	10.2	13.7	8.6	7.9	(3.7)	0.5	2.0	4.4	6.2	2.4	2.8	-
PMI: Manufacturing	59.1	58.8	57.5	58.3	58.1	57.5	56.5	57.5	56.5	56.4	57.7	56.3	58.1
<b>Services</b>													
Services PMI index	61.2	60.8	60.2	60.5	60.3	60.9	57.7	58.5	58.4	59.3	56.5	59.0	58.5
Automobile sales	3.1	26.7	2.6	0.7	13.8	2.9	(9.3)	32.1	11.2	(12.5)	6.6	(7.2)	(0.7)
Passenger vehicle sales	(6.2)	15.9	(1.0)	(6.8)	10.2	(4.5)	(18.8)	32.4	(13.7)	(2.0)	15.5	(10.3)	6.3
Vehicle registration	3.8	27.5	3.3	1.4	14.7	3.8	(8.6)	33.4	11.9	(11.9)	7.6	(6.6)	(0.7)
Rail freight traffic	8.6	1.4	3.7	10.1	4.5	0.0	(5.8)	1.5	1.2	-	-	-	-
Port cargo volume	2.8	1.3	3.7	6.8	6.0	6.7	5.9	(3.4)	(5.0)	3.4	6.2	7.4	13.3
Credit growth	20.2	19.2	20.7	17.4	13.7	14.0	12.3	11.8	11.2	11.2	12.5	11.0	11.0
Deposit growth	13.5	12.6	14.0	11.1	10.6	12.7	10.4	11.5	11.2	9.8	12.1	10.3	10.3
CIC	4.1	3.2	4.6	6.0	6.4	5.7	5.9	7.0	5.9	5.9	5.3	5.6	5.8
Toll collection (in mn)	338.7	328.1	347.4	334.4	312.3	329.0	318.4	345.0	358.8	382.0	380.3	383.9	379.1
Diesel consumption	2.7	1.4	2.4	1.0	4.5	(2.5)	(1.9)	0.1	8.5	5.9	4.2	(1.3)	0.9
GST E-way bill (in mn)	103.5	96.7	103.2	100.1	104.9	105.5	109.1	117.3	101.8	112.0	118.1	111.6	124.5
<b>External Trade</b>													
Merchandise exports	(0.6)	2.0	13.3	2.4	0.6	(9.9)	(0.2)	16.6	(5.1)	(1.2)	(2.4)	(10.9)	-
Merchandise imports	(6.4)	11.1	7.2	4.6	9.6	9.2	7.3	1.1	16.0	1.9	10.3	(16.3)	-
Services exports	(1.4)	17.1	9.7	3.2	16.6	5.7	14.6	22.7	14.2	16.9	12.0	11.6	-
Services imports	(2.1)	20.0	6.2	(3.1)	16.0	9.1	13.5	28.0	26.1	13.9	12.6	(4.8)	-

Source: CEIC, Posoco, Markit, RBI, Bank of Baroda Research

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