

RESEARCH
BOB ECONOMICS RESEARCH | GLOBAL GDP COMPARISON

India on track to be the fastest growing economy

Daily macro indicators

Indicator	29-Nov	30-Nov	Chg (%)
US 10Y yield (%)	4.26	4.33	7bps
India 10Y yield (%)	7.25	7.28	3bps
USD/INR	83.33	83.40	(0.1)
Brent Crude (US\$/bbl)	83.1	82.8	(0.3)
Dow	35,430	35,951	1.5
Hang Seng	16,993	17,043	0.3
Sensex	66,902	66,988	0.1
India FII (US\$ mn)	28-Nov	29-Nov	Chg (\$ mn)
FII-D	52.8	36.5	(16.3)
FII-E	214.2	517.7	303.5

Source: Bank of Baroda Economics Research

SUMMARY
INDIA ECONOMICS: GLOBAL GDP COMPARISON

India's GDP expanded at a robust pace of 7.6% in Q2FY24, beating market expectations. The data lent support to the narrative that India is the fastest growing economy in the world, a fact which is often reiterated by international agencies. In this brief analysis, we compare India's GDP growth in the quarter ending Sep'23 with other major economies in the World. This gives a sense of India's relative under/over-performance vis-à-vis other major advanced as well as developing economies, which are comparable in terms of both structural and level of economic development. Figure 1, gives the year-on-year growth in real GDP for a total of 21 countries for the quarter ending Sep'23.

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GLOBAL GDP COMPARISON

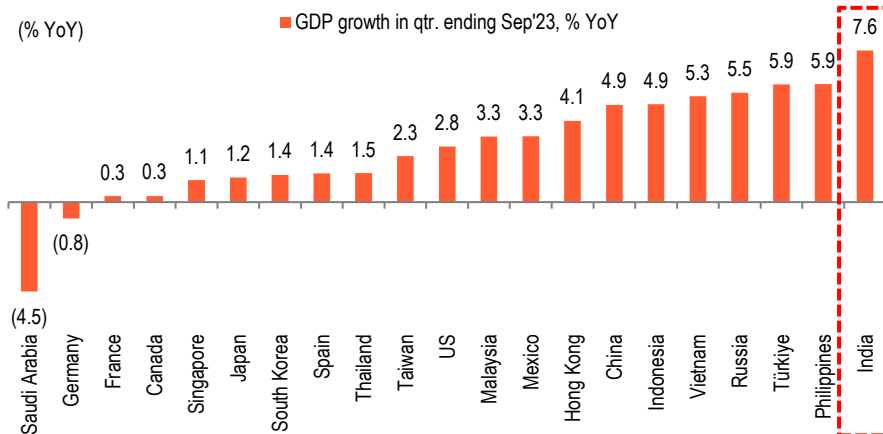
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India on track to be the fastest growing economy

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Aditi Gupta
Economist

Figure 1: Real GDP growth in quarter ending Sep'23 across countries



Source: CEIC, Bank of Baroda Research

As can be seen from the above figure, India has outperformed all major countries in terms of growth in real GDP in the Sep'23 quarter. In fact, India has done remarkably well when compared with its developed counterparts.

- Growth in the Eurozone continues to languish, led by a sharp and protracted slowdown in Germany.
- Amongst developed countries, US has performed the best, even so at 2.8%, it is still much below India.
- An interesting thing to note here is that Emerging economies have done much better than the developed economies, and the trend is likely to continue.
- To put this in perspective, while the average growth differential between India and advanced economies is about 7%, for EMs it is much lower at ~4%.



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