

# Economy Watch

Monitoring India's  
macro-fiscal performance

November 2025



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# CONTENTS



Highlights	3
Foreword: India's CPI inflation falling to historic lows after GST reforms	4
1. Growth: Manufacturing and services PMI remained at high levels of 59.2 and 58.9 in October 2025	5
2. Inflation: CPI inflation fell to a historic low of 0.3% in October 2025	7
3. Fiscal: GoI's capital expenditure grew by 40% during 1HFY26	9
4. Comparative trends: IMF projected India's general government debt-GDP ratio to fall to 77% by 2030	12
5. In-focus: EMDEs slated to lead global growth - India to serve as growth fulcrum of EMDE group	14
6. Money and finance: Gross bank credit grew by 10.4% in September 2025	23
7. Trade and CAB: Merchandise trade deficit surges to an all-time high of US\$41.7 billion in October 2025	26
8. Global growth: IMF projected global growth at 3.2% in 2025 and 3.1% in 2026	28
9. Index of Aggregate Demand (IAD): Growth in IAD accelerated to 6.5% in September 2025	30
10. Index of Macro Imbalance (IMI): Indicated an improvement in the macro balance in 1QFY26	31
11. Capturing macro-fiscal trends: Data appendix	32
List of abbreviations	37

Prepared by Macro-fiscal Unit, Tax and Economic Policy Group, EY India

D.K. Srivastava, Chief Policy Advisor, EY: [dk.srivastava@in.ey.com](mailto:dk.srivastava@in.ey.com)  
Muralikrishna Bharadwaj, Senior Manager, EY: [muralikrishna.b@in.ey.com](mailto:muralikrishna.b@in.ey.com)  
Tarrung Kapur, Senior Manager, EY: [tarrung.kapur@in.ey.com](mailto:tarrung.kapur@in.ey.com)  
Ragini Trehan, Senior Manager, EY: [ragini.trehan@in.ey.com](mailto:ragini.trehan@in.ey.com)





# Highlights

1. In October 2025, manufacturing and services PMI were at 59.2 and 58.9 respectively, remaining well above the neutral mark of 50 and their respective long-run averages.
2. Reflective of higher growth in industrial activity, IIP growth improved to 4.1% in 2QFY26 from 2.0% during 1QFY26, largely driven by higher growth in manufacturing and electricity output.
3. Headline CPI inflation fell to a historic low (2012 base series) of 0.3% in October 2025 led by favorable base effects in inflation in vegetables, while core CPI inflation remained elevated at 4.4% during the month.
4. WPI inflation turned negative at (-)1.2% in October 2025 from 0.1% in September 2025, reflecting sustained contraction in wholesale food prices, attributable to a rich harvest and a slower pace of inflation in non-food articles and manufactured food products.
5. Govt's gross tax revenues (GTR) grew by 2.84% during 1HFY26 with a growth of 3.08% in direct taxes and 2.77% in indirect taxes.
6. Govt's total expenditure grew by 9.1% during 1HFY26, with growth in revenue expenditure at 1.5% and that in capital expenditure at 40%.
7. Govt's fiscal and revenue deficits during 1HFY26 stood at 36.5% and 5.2% of their respective annual budget estimates.
8. Growth in gross bank credit improved to 10.4% in September 2025 from 10.0% in August 2025.
9. Net FDI outflows were higher at US\$2.4 billion while net FPI outflows were lower at US\$0.7 billion in September 2025 as compared to outflows of US\$0.6 billion and US\$3.4 billion respectively in August 2025.
10. Merchandise exports showed a contraction of (-)11.8% in October 2025, while merchandise imports growth remained relatively stable at a high level of 16.6%.
11. Merchandise trade deficit widened to an unprecedented high of US\$41.7 billion in October 2025 from US\$32.1 billion in September 2025.
12. Average global crude price fell to a five-month low of US\$63/bbl. in October 2025, reflecting an oversupplied market and sluggish global growth. However, in end-October 2025, there was a temporary spike in oil prices owing to the announcement of a new set of US sanctions on Russian oil companies.
13. IMF projected global growth at 3.2% in 2025 and 3.1% in 2026 with India's FY26 and FY27 growth rates forecasted at 6.6% and 6.2%, respectively.
14. 1HFY26 real GDP growth is likely to be close to 7.5% with 2QFY26 growth expected to exceed 7%. RBI's 2HFY26 growth projection is at 6.3%. This may imply an annual real GDP growth of 6.8% or marginally above for FY26.





# Foreword

## India's CPI inflation falling to historic lows after GST reforms

Available CPI inflation data for the first and second quarters of FY26 indicate an average inflation level of 2.7% and 1.7%, respectively. This is below the mean inflation rate of the RBI's target range of 4%. The RBI has projected CPI inflation at 2.6% for FY26 with the 2HFY26 level at 2.9%. With substantial reduction in the GST rates, CPI inflation in 2HFY26 may remain quite low.

Part of the sharp reduction in the CPI inflation numbers in October 2025 is due to the negative inflation in consumer food price index at (-)5.0%, which may partly reflect a base effect but also the impact of GST rate revisions which involved substantial reduction of rates for food items. These effects are likely to continue for the remaining quarters and therefore, CPI inflation may remain subdued, turning out to be even lower than the RBI expectations. Our projection for 2HFY26 CPI inflation is 2%. We expect that there may be one more rate reduction of 25 basis points in this fiscal year. Moderate crude oil prices are also likely to keep India's inflation low.

Average global crude prices fell to a five-month low of US\$63/bbl. in October 2025. In fact, global crude prices have shown a falling trend since the beginning of 2025, interrupted only by occasional spikes in response to geopolitical developments, as trade policy tensions compounded concerns about excess supply. Further, the OPEC+ group has markedly increased its production targets since April 2025 through a series of monthly policy decisions. The planned production increases relate to the announced full reversal of the 2.2 mb/day cuts introduced in November 2023 and a partial reversal of the 1.6 mb/day cuts implemented in April 2023. It was only towards the end of October 2025 that oil prices witnessed a temporary spike following the announcement of new US sanctions on Russian oil companies. As per the World Bank Commodity Markets Outlook (October 2025), Brent oil price is projected to average US\$68/bbl. in 2025, US\$13 less than that in 2024. This is forecasted to fall further to US\$60/bbl. in 2026, as oil consumption growth continues to moderate and oil supply continues to rise, before increasing to US\$65/bbl. in 2027. The price increase in 2027 reflects a projected rebalancing of the oil market, as low prices in 2026 curtail excess supply.

Fiscal data for the first six months for the central government shows subdued tax revenue growth. Gross central taxes have grown by only 2.8% in 1HFY26 over the corresponding period of FY25 as per the CGA data. This is lower than the budget assumption of 10.8% over the revised estimates of FY25. Both direct and indirect taxes posted low growth rates of 3.1% and 2.8% respectively in 1HFY26. In contrast, strong growth was witnessed in Gol's non-debt capital receipts owing to an inflow of INR18,837.42 crore on account of other miscellaneous capital receipts that were not budgeted during the FY26 Union Budget presentation. However, non-debt capital receipts constitute only a small share of Gol's total receipts (2.1% on average during FY23 to FY25). In this background, the Gol has maintained a robust growth of its capital expenditure at 40% in the 1HFY26. This has served as the main driver of growth for the Indian economy. Overall capital expenditure measured in terms of gross fixed capital formation (GFCF), which includes private capital expenditure, has grown by 7.8% in 1QFY26. Capacity utilization at 74.1% in 1QFY26 was lower than the 4QFY25 peak of 77.7%, indicating a loss of momentum in private investment growth. In this background, reliance on government capital expenditure to drive growth is quite appropriate and may be continued. Gol's revenue expenditure growth was limited to 1.5% during 1HFY26. In 1HFY26, Gol has relied on containing the growth of revenue expenditure and accommodating capital expenditure growth.

Gol's fiscal and revenue deficits during 1HFY26 were low at 36.5% and 5.2% of the respective annual budget estimates (BE). There may, however, be pressure on fiscal deficit, which was budgeted at 4.4% of GDP in FY26. While PIT reforms were announced at the time of the budget, the latest GST reforms are also likely to cause some slowdown in tax revenue growth because of the sharp reduction in GST rates. So far, data for only one month of all-India gross GST revenue collections have become available, for October 2025, which shows a low growth of 4.6% compared to October 2024. If this growth is reflective of the post-reform growth of gross GST revenues, it implies a gross GST buoyancy of less than 0.5, considering the budgeted nominal GDP growth of 10.1%. Compared to a budgeted GTR growth of 12.5% in FY26 over CGA actuals, a GTR growth of 2.8% during 1HFY26 requires a growth of 21.4% in 2HFY26 to meet the budgeted target.

High-frequency indicators for September and October 2025 give growth-positive signals. Manufacturing PMI increased from 57.7 in September 2025 to 59.2 in October 2025, remaining well above its long run average of 54.2. Services PMI at 58.9 in October 2025 also remained above its long-run average of 54.3 although easing from 60.9 in September 2025. IIP growth remained stable at 4.0% in September 2025, close to its level of 4.1% in August 2025. Growth in gross bank credit improved to 10.4% in September 2025 from 10.0% in August 2025. Monthly gross GST



collections were at INR1.96 crore in October 2025, increasing from INR1.89 lakh crore in September 2025. However, performance under the new GST rate structure will have to be assessed as data becomes available for subsequent months. Merchandise exports showed a sharp contraction of (-)11.8% in October 2025, while merchandise imports growth remained relatively stable at a high level of 16.6%. Merchandise trade deficit widened to an unprecedented high of US\$41.7 billion in October 2025 from US\$32.1 billion in September 2025. Net FDI outflows increased to US\$2.4 billion in September 2025 from US\$0.6 billion in August 2025 attributable to increased repatriation/disinvestment and FDI by India. However, gross FDI inflows were higher at US\$6.6 billion in September 2025 as compared to US\$6.0 billion in August 2025.

With regard to global growth prospects, in IMF's October 2025 issue of the World Economic Outlook, global growth is projected to ease from 3.3% in 2024 to 3.2% in 2025 and 3.1% in 2026. This growth forecast is marginally higher than the July 2025 forecast, reflecting gradual adaptation to trade tensions, but is below the pre-pandemic average of 3.7% (2000 to 2019). Growth in advanced economies (AEs) is projected at 1.6% in both 2025 and 2026 and that in emerging market and developing economies (EMDEs) at 4.2% and 4.0%, respectively. Amid this global uncertainty, India's real GDP growth is forecasted to remain above 6% in all years from 2025 (FY26) to 2030 (FY31). For FY26, growth is projected at 6.6% with carryover from a strong first-quarter growth more than offsetting the increase in the US effective tariff rate on imports from India since July 2025. Growth is expected to ease to 6.2% in FY27 before increasing to 6.4% in FY28 and 6.5% during the next three years.

Given the uncertain global economic conditions and the adverse impact of US tariffs, Govt's reliance on capital expenditure growth may be continued subject to constraints posed by revenue growth prospects. It may be desirable to continue emphasizing capex growth even if it involves exceeding the budgeted growth of 10.1% over FY25 RE. Some changes may be brought about in the composition of government capital expenditure, which tends to be capital intensive with its focus on physical infrastructure. A greater emphasis is needed for creating public infrastructure which can be accessed by private entrepreneurs in futuristic areas including AI, GenAI, robotics, space technology, ocean related initiatives with economic potential and research, and development and innovation in general. Further, capital expenditure may be directed to sectors with a high potential to absorb linked skilled labor.

This month's In-focus section discusses the growth strategy for India to become a Viksit nation. The drivers of growth are likely to change in future, affecting growth potential and performance of different countries in significant ways. While there may be a number of countries with the demographic advantage of a large and young population, there may also be another set of countries whose population is expected to account for a smaller share of global population and may be older. Growth in the latter group of countries is likely to be led by advanced and new technologies including AI and GenAI. Further, in these countries, capital may be abundant while labor may be abundant in the first set of countries. Regulated migration from one group to another might augment global growth and may prove to be 'welfare improving' as compared to these groups finding solutions in isolation. Since new technologies are by nature labor-saving, there may be unemployment problems across the world. The technology-led countries may need adequately trained workforce and their aged populations may not suit their requirements. The labor abundant countries may also require to suitably educate and train their populations to absorb the new technologies which may be developed within the country or inducted from abroad. Going forward, the Indian economy has notable advantages compared to many of its peers and the AEs. It is projected to be a labor abundant economy with a relatively young population in a global economy that is likely to keep tilting towards labor-saving advanced technologies. In this context, development of human resources through education, skilling and training supplemented by a robust employment augmentation strategy, maintaining a real investment rate at 35% of GDP or above, a fast pace of technology adoption and productive integration with high-income-scarce-labor countries may be critical elements in India's growth strategy. This is likely to help India transition to a developed status in the next two to two-and-a-half decades.

NSO's latest estimate (August 2025) shows that India's real GDP grew by 7.8% in 1QFY26. We expect the 2QFY26 growth to exceed 7% as well. The RBI has projected the 2HFY26 growth at 6.3%. Combining these three growth numbers, the annual growth for FY26 may turn out to be 6.8% or marginally higher. In the medium to long term, India may maintain a real investment (GFCF) rate, of about 35% of GDP so that a real GDP growth in the range of 6.5% to 7% can be achieved on a sustained basis. This implies an increase of 1.3% points in the GFCF rate from 33.7% in FY25 and only of 0.4% points from 34.6% in 1QFY26.



**D.K. Srivastava**  
Chief Policy Advisor, EY India



1.

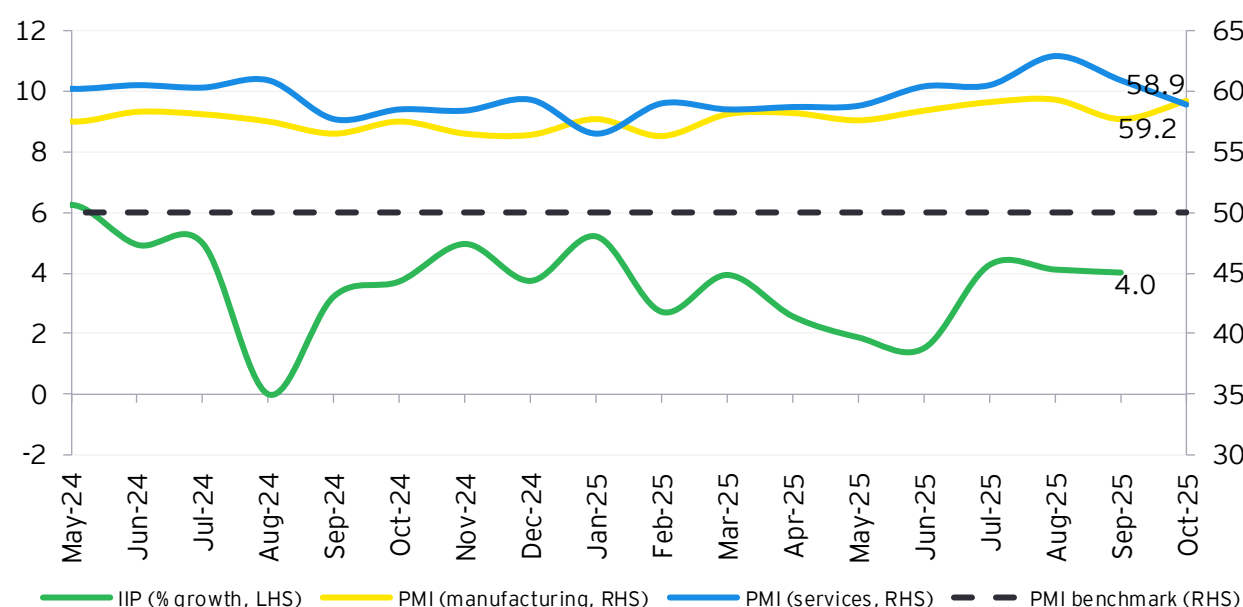
## Growth: Manufacturing and services PMI remained at high levels of 59.2 and 58.9 in October 2025

### 1.1. PMI: Manufacturing and services PMI remained at high levels of 59.2 and 58.9 in October 2025

- Manufacturing PMI (seasonally adjusted or sa) increased from 57.7 in September 2025 to 59.2 in October 2025, remaining well above its long run average of 54.2 (Chart 1). A robust domestic demand resulted in an expansion in output, new orders, and job creation.
- Although easing from 60.9 in September 2025 to 58.9 in October 2025, services PMI (sa) remained comfortably above both the neutral mark of 50 as well as the long-run average of 54.3.
- Reflecting an easing growth momentum in services PMI, the composite PMI Output Index (sa) fell from 61 in September 2025 to 60.4 in October 2025, its slowest pace of expansion since May 2025.

In October 2025, manufacturing and services PMI were at 59.2 and 58.9 respectively, remaining well above the neutral mark of 50 and their respective long-run averages.

Chart 1: PMI and IIP growth



Source: MoSPI and S&P Global.

### 1.2. IIP: Growth remained nearly stable at 4.0% in September 2025

- According to the quick estimates, IIP grew by 4.0% in September 2025, close to its level of 4.1% (revised) in August 2025 (Chart 1).
- In 2QFY26, overall IIP posted a higher growth of 4.1% on average compared to just 2.0% during 1QFY26 as growth in manufacturing and electricity sector output increased to 4.9% and 3.7%, respectively, during the quarter.

- Manufacturing output grew by 4.8% in September 2025, improving from 3.8% in August 2025. However, growth in the output of electricity moderated to 3.1% in September 2025 from 4.1% in August 2025. Output of the mining sector contracted by (-)0.4% in September 2025 compared to a growth of 6.6% (revised) in August 2025.
- Within manufacturing, among the key sub-industries, output of motor vehicles, trailers and semi-trailers (14.6%), basic metals (12.3%), and other non-metallic mineral products (4.3%) witnessed improvement in their respective growth rates. Further, the pace of contraction in the output of pharmaceuticals et al. ((-)3.5%), food products ((-)1.9%) and chemical and chemical products ((-)1.3%) moderated during the month.
- Within the 'use-based' classification of industries, growth in the output of consumer durables accelerated to 10.2% in September 2025 from 3.5% in August 2025.
- Output of infrastructure/construction grew by 10.5% in September 2025, close to its level of 10.4% in August 2025. Similarly, growth in the output of capital goods improved marginally to 4.7% in September 2025 from 4.5% in August 2025.
- Output of consumer non-durables showed a lower contraction of (-)2.9% in September 2025 compared to (-)6.4% (revised) in August 2025.
- Growth in the output of eight core infrastructure industries (Core IIP) moderated to a three-month low of 3.0% in September 2025 compared to 6.5% in August 2025. Within the key sub-industries, despite a strong growth in the output of steel (14.1%) and a near stable growth in the output of cement (5.3%), there was contraction in the output of petroleum refinery products ((-)3.7%), natural gas ((-)3.8%), crude oil ((-)1.3%) and coal ((-)1.0%) during the month.
- In 2QFY26, core IIP growth increased to 4.4% on average compared to 1.5% during 1QFY26.

**Reflective of higher growth in industrial activity, IIP growth improved to 4.1% in 2QFY26 from 2.0% during 1QFY26 largely driven by higher growth in manufacturing and electricity output.**



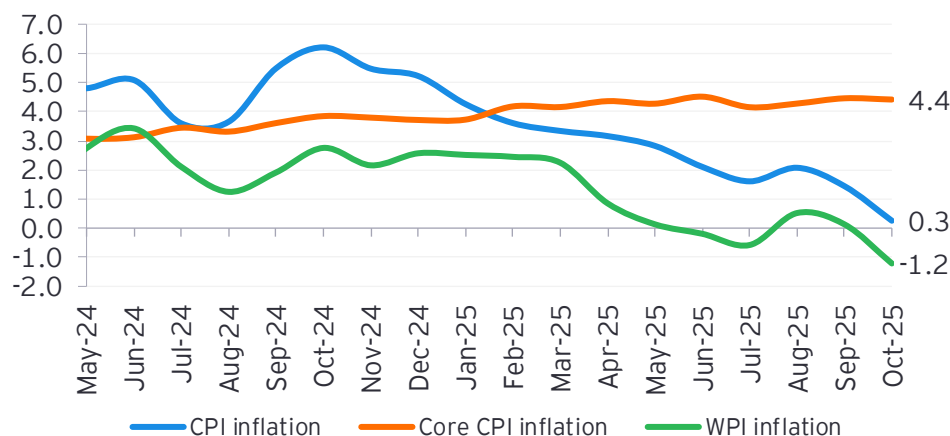
## 2.

# Inflation: CPI inflation fell to a historic low of 0.3% in October 2025

## 2.1. CPI inflation

- CPI inflation plunged to an unprecedented low of 0.3% in October 2025, remaining below the lower end of RBI's target band, compared to 1.4% in September 2025.
- The sharp fall is primarily attributable to a sustained increase in the pace of contraction in prices of vegetables which reached a historic high of (-)27.6% in October 2025 led by favorable base effects and benefitting from a strong harvest.
- The pace of contraction in consumer food prices was at an unprecedented level of (-)5.0% in October 2025, exceeding (-)2.3% in September 2025 (Chart 2). Besides the increasing pace of contraction in vegetable prices, this was attributable to the moderation in inflation in oils and fats (11.2%), cereals and products (0.9%), milk and products (2.3%), egg (1.3%) and meat and fish (1.7%).
- Inflation in fuel and light remained stable at a seven-month low of 2.0% in October 2025, the same level as seen in September 2025.
- Housing-based inflation remained stable at 3.0% in October 2025, its lowest level since February 2025.
- Inflation in miscellaneous items firmed up to 5.7% in October 2025 from 5.4% in September 2025, as rising silver and gold prices led to inflation in personal care and effects reaching a historic (2012 base series) high of 23.9%.
- Inflation in transportation and communication services eased to 0.9% in October 2025, its lowest level since October 2019, reflecting moderating crude prices.
- Core CPI inflation<sup>1</sup> eased marginally to 4.4% in October 2025 from 4.5% in September 2025. The sharp divergence from headline CPI is mainly on account of the impact of higher inflation in gold and silver.

Chart 2: Inflation (y-o-y, in %)



**CPI inflation fell to its lowest level (2012 base series) at 0.3% in October 2025, while core CPI inflation remained elevated at 4.4% during the month.**

Source: MoSPI, Office of the Economic Adviser, Government of India (GoI)

<sup>1</sup> Core CPI inflation is measured as CPI inflation excluding food and beverages, pan, tobacco and intoxicants, and fuel and light.



## 2.2. WPI inflation turned negative at (-)1.2% in October 2025

- WPI inflation turned negative at (-)1.2% in October 2025 from 0.1% in September 2025, reflecting sustained contraction in wholesale food prices attributable to a rich harvest and a slower pace of inflation in non-food articles and manufactured food products.
- The pace of contraction in prices of vegetables quickened to (-)35.0% in October 2025 from (-)24.4% in September 2025, led by a favorable base effect.
- WPI food index-based inflation was negative for the second successive month at (-)5.0% in October 2025 compared to (-)2.0% in September 2025, partly due to favorable monsoons.
- The wholesale price of crude petroleum and natural gas contracted for the fourteenth successive month at (-)7.5% in October 2025 compared to (-)3.8% in September 2025, reflecting a sustained fall in global crude prices on y-o-y basis.
- The pace of contraction in the prices of fuel and power remained stable for the second successive month at (-)2.6% in October 2025 as a lower pace of contraction in mineral oil prices was offset by an increased pace of contraction in electricity prices.
- Inflation in manufactured products moderated to a 13-month low of 1.5% in October 2025 led by an easing pace of inflation in manufactured food products at 1.8%, its lowest since March 2024, accompanied by a sustained contraction in prices of manufactured basic metals at (-)1.6%.
- Core WPI inflation eased to 1.5% in October 2025 from 1.9% in September 2025 mainly owing to an increased pace of contraction in prices of manufactured basic metals.

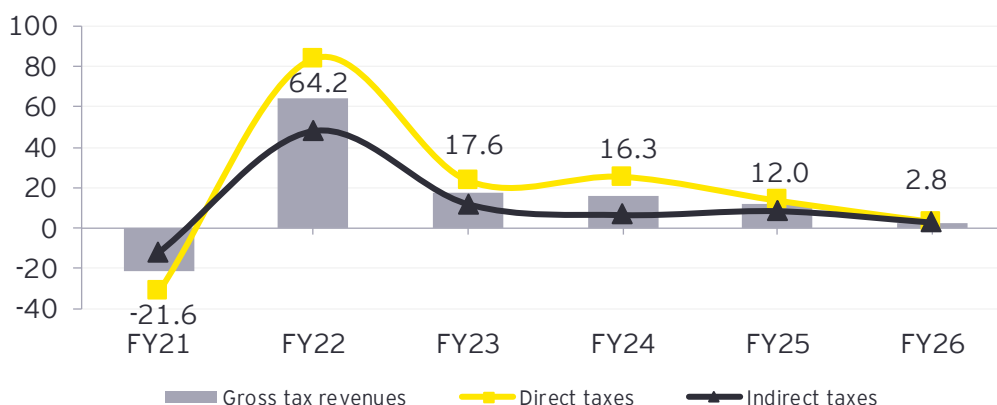


### 3. Fiscal: Gol's capital expenditure grew by 40% during 1HFY26

#### 3.1. Tax and non-tax revenues

- As per the CGA, Gol's GTR<sup>(b)</sup> showed a growth of 2.8% during April-September FY26, much lower than 12% during the corresponding period of FY25. This was on account of a subdued growth in both direct and indirect taxes (Chart 3).
- An estimated growth of 21.4% (y-o-y) is required during 2HFY26 in order to realize the budget target of GTR at INR42.7 lakh crore.
- During 1HFY26, direct taxes<sup>(a)</sup> grew by 3.1% compared to a double-digit growth of 13.6% during the corresponding period of FY25. Similarly, growth in indirect taxes<sup>(a)</sup> was also lower at 2.8% during the first six months of FY26 compared to 8.4% during the corresponding period of FY25.
- PIT revenues showed a growth of 4.7% during April-September FY26 compared to a strong growth rate of 25% in the corresponding period of FY25. This may partly be due to PIT rate rationalization measures announced in the FY26 Budget.
- CIT revenues grew by 1.1% during 1HFY26 compared to 2.3% during 1HFY25.
- Among indirect taxes, Gol's GST revenues posted a subdued growth of 3.2% during April-September FY26, lower than 10.4% during the corresponding period of FY25.
- Union excise duties (UED) showed a growth of 8.1% during the first six months of FY26, higher than 3% during the corresponding period of the previous year.
- There was a contraction in customs duties at (-)5.2% during 1HFY26 compared to a growth of 6.4% during 1HFY25.

**Chart 3: Growth in central gross tax revenues during April-September (% , y-o-y)**



Gol's GTR grew by 2.8% during 1HFY26 with a growth of 3.1% in direct taxes and 2.8% in indirect taxes.

Source: Monthly Accounts, CGA, Government of India

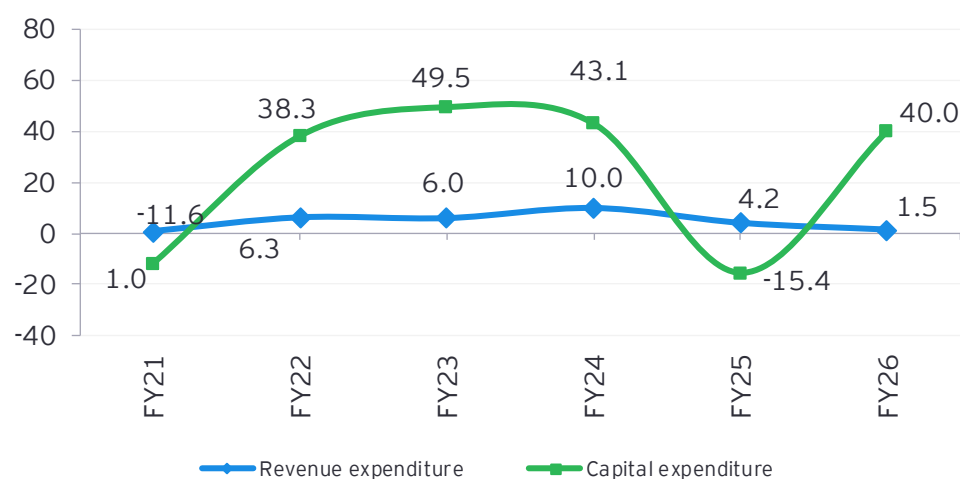
Notes: (a) Direct taxes include personal income tax (excluding STT) and corporation tax, and indirect taxes include union excise duties, arrears of service tax, customs duty, and GST (comprising CGST, UTGST IGST and GST compensation cess) (b) Other taxes (securities transaction tax, wealth tax, fringe benefit tax, banking cash transaction tax, etc.) are included in the Gol's GTR along with direct and indirect taxes.

- Gol's non-tax revenues showed a growth of 30.5% during April-September FY26 compared to 50.9% during the corresponding period of the previous year. Within non-tax revenues, dividends and profits of the Gol during 1HFY26 stood at 99% of the FY26 (BE) at INR3,25,000 crore.
- Non-debt capital receipts of the Gol during 1HFY26 showed a substantially high growth of 138.1% owing to other miscellaneous capital receipts to the tune of INR18,837.42 crore that were not budgeted for in the FY26 Union Budget.
- As per the Department of Investment and Public Asset Management (DIPAM)<sup>2</sup>, Gol's disinvestment receipts as of 25 November 2025 were at INR4,724.42 crore, amounting to 10% of the FY26 BE at INR47,000 crore.

### 3.2. Expenditures: Revenue and capital

- Growth in Gol's total expenditure was at 9.1% during 1HFY26 compared to a contraction of (-)0.4% during the corresponding period of FY25 (Chart 4).
- As a proportion of FY26 BE, total expenditure in the first six months stood at 45.5%, exactly equal to the three-year average ratio during FY23 to FY25 based on actual data.
- Gol's revenue expenditure growth was limited to 1.5% during the first six months of FY26, lower than 4.2% during the corresponding period of FY25.
- Gol's capital expenditure has shown strong growth of 40% during 1HFY26 compared to a contraction of (-)15.4% during the corresponding period of FY25.

**Chart 4: Growth in central expenditures during April-September (% , y-o-y)**



Gol's total expenditure grew by 9.1% during 1HFY26, with growth in revenue expenditure at 1.5% and that in capital expenditure at 40%.

Source (basic data): Monthly Accounts, CGA, Government of India

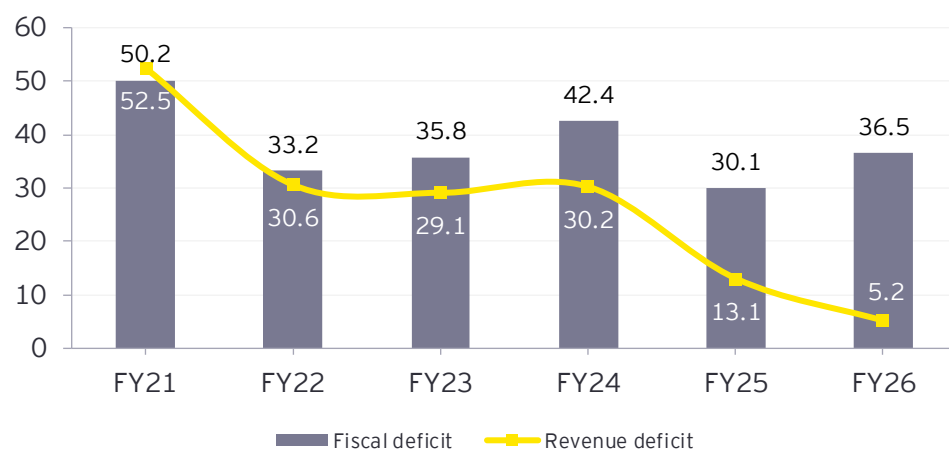
### 3.3. Fiscal imbalance

- Gol's fiscal deficit during 1HFY26 was at 36.5% of FY26 (BE), higher than 30.1% in the previous fiscal year (based on actual data) owing to a low growth in GTR accompanied by a high growth in capital expenditure during this period (Chart 5).
- Gol's revenue deficit during the first six months of FY26 stood at a low level of 5.2% of the FY26 (BE) compared to 13.1% during the corresponding period of FY25 based on actual data. This may be attributable to a low growth of just 1.5% in Gol's revenue expenditure during this period.

<sup>2</sup> <https://dipam.gov.in/>



**Chart 5: Fiscal and revenue deficit during April-September as a percentage of annual actuals (BE for FY26)**



Gol's fiscal and revenue deficits during 1HFY26 stood at 36.5% and 5.2% of their respective annual budget estimates.

Source: Monthly Accounts, CGA, Government of India and MoSPI



## 4.

# Comparative trends: IMF projected India's general government debt-GDP ratio to fall to 77% by 2030

## 4.1. General government net lending/borrowing

- As per the IMF (World Economic Outlook - WEO, October 2025), advanced economies (AEs) as a group are expected to maintain a broadly neutral fiscal policy stance, which marks a significant departure from the tighter fiscal policy stance assumed in the April 2025 WEO.
- In the US, general government fiscal deficit relative to GDP is projected to increase by 0.5% points in 2026 to 7.9% largely reflecting the passage of the One Big Beautiful Bill Act (OBBBA) despite an offset of about 0.7% points of GDP from projected tariff revenues (**Table 1**). Fiscal deficit is forecasted to remain at high levels during 2027 to 2030 with a slight moderation in 2029 and 2030.

**Table 1: General government net lending/borrowing (% to GDP)**

Country	2024	2025	2026	2027	2028	2029	2030
AEs	-5.0	-4.6	-4.9	-4.9	-5.0	-4.8	-4.8
US	-8.0	-7.4	-7.9	-8.0	-8.1	-7.7	-7.6
UK	-5.7	-4.3	-3.6	-3.0	-2.7	-2.5	-2.2
Euro area	-3.1	-3.2	-3.4	-3.6	-3.6	-3.6	-3.7
Japan	-1.5	-1.3	-2.0	-2.5	-3.1	-3.7	-4.4
<b>EMDEs</b>	<b>-5.5</b>	<b>-6.1</b>	<b>-5.9</b>	<b>-5.7</b>	<b>-5.4</b>	<b>-5.3</b>	<b>-5.2</b>
Brazil	-6.2	-8.4	-7.5	-6.0	-5.1	-4.8	-4.6
Russia	-1.6	-2.7	-1.8	-1.9	-2.0	-2.1	-2.1
<b>India*</b>	<b>-7.9</b>	<b>-7.1</b>	<b>-7.2</b>	<b>-7.1</b>	<b>-6.9</b>	<b>-6.8</b>	<b>-6.6</b>
China	-7.3	-8.6	-8.5	-8.4	-8.2	-8.0	-8.0
S. Africa	-5.8	-6.0	-5.6	-5.3	-5.0	-4.8	-4.7

Source: IMF World Economic Outlook, October 2025; \*Data pertains to fiscal year; -ve indicates deficit and +ve indicates surplus

- The fiscal balance is projected to worsen in the Euro area as well, majorly impacted by significant widening of the fiscal deficit in Germany resulting from increased spending on infrastructure and military capability. General government fiscal deficit relative to GDP in the Euro area is projected to increase from 3.1% in 2024 to 3.7% by 2030.
- Similarly, in Japan, general government fiscal deficit relative to GDP is forecasted to increase from 1.3% in 2025 to 4.4% by 2030 as the government continues to use expansionary fiscal policy and supplementary budgets to support economic growth and mitigate external shocks.
- Governments in emerging market and developing economies (EMDEs), on average, are projected to modestly tighten fiscal policy in 2026 by about 0.2% points of GDP, reversing the widening expected in 2025. By 2030, general government fiscal deficit to GDP ratio for the group is projected to fall to 5.2%.
- Among EMDEs, China's general government fiscal deficit is expected to widen by 1.2% points to 8.6% in 2025 owing to expanded spending measures to boost domestic demand. It is projected to narrow only slightly during the forecast period.
- In Brazil, India and South Africa, general government fiscal deficit to GDP ratios are projected to gradually fall from their 2025/2026 levels, reaching 4.6%, 6.6% and 4.7%, respectively, by 2030.

- In contrast, Russia's general government fiscal deficit to GDP ratio is projected to witness an increasing trajectory during the projection period although the levels are fairly low in a cross-country perspective.

## 4.2. General government gross debt

- General government debt relative to GDP for AEs as a group is projected to witness an increase of 9.4% points, reaching a level of 118.5% by 2030 from 109.1% in 2024 primarily led by a significant increase in the government debt-GDP ratio of the US (Table 2).
- As per the IMF, under current policies, public debt in the US is projected to rise from 122.3% of GDP in 2024 to 143.4% by 2030, an increase of 21.1% points and 15% points higher than the projections in April 2025.
- General government debt-GDP ratios in the UK and the Euro area are also expected to increase during the period from 2024 to 2030 although by much lower margins when compared to the US. The respective increases for these regions amount to 4.2% points and 5% points.
- General government debt to GDP ratio in Japan exceeds 200%, one of the highest globally. However, a falling debt trajectory is forecasted during the period 2024 to 2030.

**Table 2: General government gross debt (% to GDP)**

Country	2024	2025	2026	2027	2028	2029	2030	2030 minus 2024 (% pts)
<b>AEs</b>	<b>109.1</b>	<b>110.2</b>	<b>111.8</b>	<b>113.6</b>	<b>115.5</b>	<b>117.0</b>	<b>118.5</b>	<b>9.4</b>
US	122.3	125.1	128.7	132.7	136.6	140.1	143.4	21.1
UK	101.2	103.4	104.8	105.4	105.8	105.9	105.4	4.2
Euro area	87.2	87.8	88.9	89.7	90.5	91.3	92.2	5.0
Japan	236.1	229.6	226.8	224.5	222.9	222.2	222.2	-13.9
<b>EMDEs</b>	<b>69.0</b>	<b>72.7</b>	<b>75.8</b>	<b>77.6</b>	<b>79.1</b>	<b>80.4</b>	<b>81.6</b>	<b>12.6</b>
Brazil	87.3	91.4	95.0	97.0	98.0	98.2	98.1	10.8
Russia	20.3	23.1	24.8	26.6	28.7	30.7	32.8	12.6
<b>India*</b>	<b>81.6</b>	<b>81.4</b>	<b>80.8</b>	<b>80.0</b>	<b>79.1</b>	<b>78.1</b>	<b>76.9</b>	<b>-4.8</b>
China	88.3	96.3	102.3	106.3	109.7	112.9	116.1	27.8
S. Africa	76.0	77.3	79.5	81.9	83.9	85.5	87.1	11.1

Source: IMF World Economic Outlook, October 2025; \*Data pertains to fiscal year

- For EMDEs as a group, general government debt relative to GDP is forecasted to increase from 69% in 2024 to 81.6% by 2030, an increase of 12.6% points led by a sharp increase in China's debt-GDP ratio which is expected to exceed 100% in 2026.
- During the period 2024 to 2030, increase in the general government debt to GDP ratio is projected to be the highest for China at 27.8% points, followed by Russia at 12.6% points, South Africa at 11.1% points and Brazil at 10.8% points.
- In contrast, India's general government debt-GDP ratio is forecasted to decline from 81.6% in 2024 to 76.9% in 2030, a fall of 4.8% points, reflecting the central government's continued emphasis on fiscal consolidation.



## 5. In-focus: EMDEs slated to lead global growth - India to serve as growth fulcrum of EMDE group

### 5.1. Introduction

In this writeup, we look at the comparative growth performance of various region-wise country groups to decipher their historical performance as well as that under the current challenging global conditions. The period considered for assessing the historical performance spans from 2005 to 2025. We also look at the medium-term prospects for the period 2026 to 2030. We have looked at GDP in terms of US\$ in market exchange rates as well as purchasing power parity (PPP). We highlight the relative shares of the regional groupings in global GDP and their growth performance. The broad groupings that we have considered are advanced economies (AEs) and emerging market and developing economies (EMDEs). Following the IMF's classification, we further subdivide these into the following regional groupings: (1) AEs covering Euro Area (EA) (excluding G7 economies), (2) G7 economies, and (3) other advanced economies. EMDEs include (1) Emerging and Developing Asia (EMDA), (2) Emerging and Developing Europe, (3) Latin America and the Caribbean, (4) Middle East and Central Asia and (5) Sub-Saharan Africa (SSA)<sup>3</sup>. Within the broad regional groups, we also provide a focus on selected individual countries such as the US, South Korea, China, India and Indonesia.

### 5.2. Global GDP and its region-wise composition

**Table 3** highlights how the share in GDP, measured in constant 2021 PPP terms, of different regions has changed over time. The share of the AE group in global GDP has fallen from an average of 50% over 2006-10 to 39.1% in 2025, a fall of close to 11% points (Column 10 of **Table 3**). Most of this is explained by a corresponding fall in the share of major advanced economies, including G7, where the fall in the corresponding period is from 37% to 28.3%, i.e., close to 9% points. Other advanced economies as also the Euro area see marginal declines in their shares over this period.

**Table 3: Share in global GDP measured in constant 2021 PPP\$ terms (%)**

Country/country group	Average				Annual				% pts. change (2025 minus 2006-2010)
	2006-2010	2011-2015	2016-2020	2021	2022	2023	2024	2025	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
<b>AEs</b>	<b>50.06</b>	<b>45.11</b>	<b>42.41</b>	<b>41.22</b>	<b>40.95</b>	<b>40.25</b>	<b>39.66</b>	<b>39.15</b>	<b>-10.91</b>
Euro Area (EA, excl. G7)	5.87	4.95	4.68	4.55	4.62	4.51	4.45	4.43	-1.45
Major Advanced Economies (G7)	37.02	33.18	30.94	29.92	29.64	29.18	28.72	28.30	-8.72
US	17.28	15.81	15.20	15.13	14.97	14.90	14.83	14.69	-2.59
Other Advanced Economies	7.16	6.98	6.79	6.75	6.69	6.56	6.49	6.42	-0.74
South Korea	1.71	1.74	1.72	1.71	1.70	1.67	1.65	1.61	-0.09
<b>EMDEs</b>	<b>49.94</b>	<b>54.89</b>	<b>57.59</b>	<b>58.78</b>	<b>59.05</b>	<b>59.75</b>	<b>60.34</b>	<b>60.85</b>	<b>10.91</b>
EMDA	21.63	26.46	30.85	32.70	33.01	33.84	34.50	35.07	13.43

<sup>3</sup> (1) GDP magnitude in constant 2021 PPP\$ terms has been derived using country wise per-capita GDP measured in constant 2021 PPP\$ terms and the country wise population data sourced from the IMF WEO; (2) Since per-capita GDP measured in constant 2021 PPP\$ terms was not available on a consistent basis for Nauru, Tuvalu, Andorra, Central African Republic, Eritrea, Macao Special Administrative Region, San Marino, Somalia, South Sudan, Syrian Arab Republic, Lebanon, West Bank and Gaza and Afghanistan, we have excluded these countries from their respective country groups.

Country/country group	Average				Annual				% pts. change (2025 minus 2006- 2010)
	2006- 2010	2011- 2015	2016- 2020	2021	2022	2023	2024	2025	
<i>China</i>	10.90	14.30	17.06	18.77	18.67	19.02	19.34	19.69	8.79
<i>India</i>	5.18	6.03	7.07	7.26	7.54	7.96	8.21	8.50	3.32
<i>Indonesia</i>	1.83	2.07	2.25	2.25	2.29	2.32	2.36	2.41	0.58
Emerging and Developing Europe	8.72	8.39	7.97	8.07	7.78	7.79	7.80	7.72	-1.00
Latin America and the Caribbean	8.99	8.89	7.76	7.30	7.33	7.26	7.19	7.15	-1.84
Middle East and Central Asia	7.33	7.54	7.45	7.27	7.46	7.39	7.34	7.38	0.05
Sub-Saharan Africa (SSA)	3.27	3.61	3.56	3.44	3.47	3.48	3.51	3.54	0.27
<b>World</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>0.0</b>

Source (basic data): IMF WEO October 2025

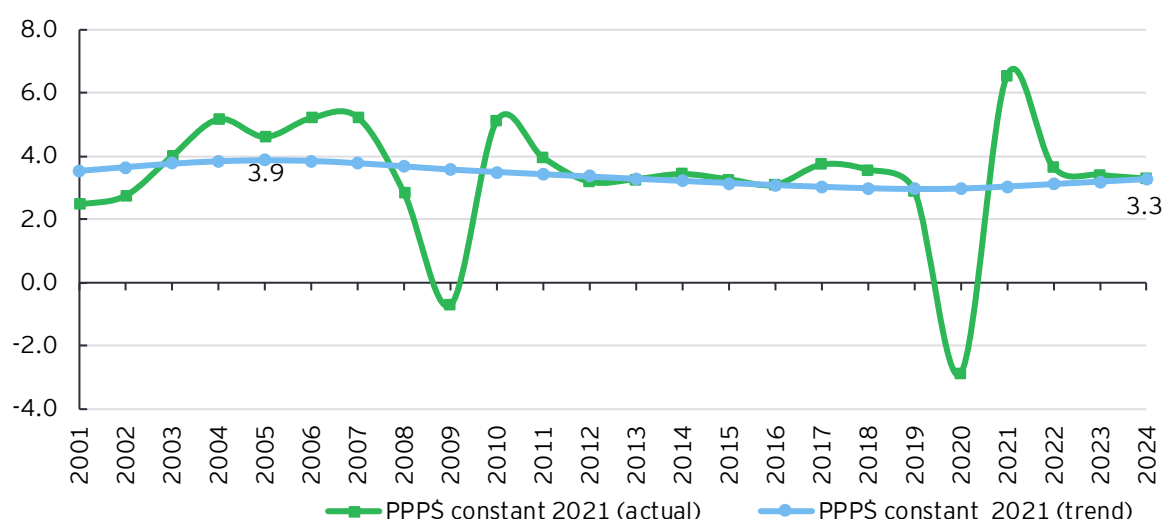
Correspondingly, the share of EMDEs has increased from an average of close to 50% during 2006–10 to 60.9% in 2025, a rise of nearly 11 percentage points. Thus, from a near-equal share of AEs and EMDEs in global GDP during 2006–10, the share has now changed in favor of the EMDE group that accounts for 61% of global GDP vis-a-vis. 39% for AEs. Within the EMDE group, the maximum increase in share is for emerging and developing Asia. This has increased by 13.43 percentage points from an average of 21.6% during 2006–10 to close to 35.1% in 2025. This is also the highest margin of increase considering all regional aggregates. It is notable that for two major regional groupings in the EMDEs, namely emerging and developing Europe and Latin America and the Caribbean, there is a marginal fall in shares of (-)1.0 percentage point and (-)1.8 percentage points, respectively.

If we consider major countries that have a tangible share in global GDP, China's share has increased from 10.9% to 19.7% from 2006–10 (average) to 2025. India's increase considering this period is from 5.2% to 8.5%. However, when we consider recent years from 2021 to 2025, China's share in global GDP increased from 18.7% to 19.7%, an increase of about 1 percentage point, while India's share increased from 7.3% to 8.5%, an increase of 1.2 percentage points.

**Chart 6** shows the level of global growth in constant 2021 PPP\$ for the last two-and-a-half decades. The two crises in 2009 and 2020 are highlighted. The first was due to the global financial and economic crisis and the latter due to COVID 19. It is particularly notable that global growth has been stable or stagnant at an average of 3% over a long period. On a trend basis<sup>4</sup>, global growth appears to have fallen from a peak of a little less than 4% in 2005 to about 3.3% in 2024.

<sup>4</sup> Trend is measured using Hodrick-Prescott filter in E-Views (Version 13)

**Chart 6: Global GDP growth (actual and trend)**



Source (basic data): IMF WEO October 2025

**Table 4** shows the growth performance, measured in constant 2021 PPP\$ terms, of different regional groups and the selected countries. In 2025 (FY26 for India), India shows the highest growth at 6.6%, followed by Indonesia at 4.9% and China at 4.8%. Thus, in 2025, EMDA as a region, shows a growth of 5.2%, which far exceeds the growth of the AEs at 1.6% as well as the global growth of 3.1%. Thus, it is the EMDA group which is leading global growth in which India is playing a key role.

**Table 4: Growth in GDP measured in constant 2021 PPP\$ terms**

Country/country groups	CAGR			Annual growth				
	2005-2010	2010-2015	2015-2020	2021	2022	2023	2024	2025*
<b>AEs</b>	1.1	1.7	0.9	6.0	3.0	1.6	1.8	1.6
Euro Area (EA, excl. G7)	1.1	0.7	0.9	7.2	5.2	0.9	2.0	2.5
Major Advanced Economies (G7)	0.7	1.7	0.7	5.9	2.7	1.8	1.7	1.4
US	1.0	2.3	1.5	6.2	2.5	2.9	2.8	2.0
Other Advanced Economies	3.2	2.7	1.8	5.7	2.8	1.4	2.3	1.8
South Korea	4.4	3.1	2.3	4.6	2.7	1.6	2.0	0.9
<b>EMDEs</b>	6.0	4.9	2.9	7.0	4.1	4.7	4.3	4.1
Emerging and Developing Asia	8.7	7.0	4.9	7.7	4.6	6.0	5.3	5.2
China	11.3	7.9	5.8	8.6	3.1	5.4	5.0	4.8
India	7.0	6.5	3.8	9.7	7.6	9.2	6.5	6.6
Indonesia	6.1	5.5	3.6	3.7	5.3	5.0	5.0	4.9
Emerging and Developing Europe	3.3	2.5	2.0	7.1	-0.1	3.6	3.5	1.8
Latin America and the Caribbean	3.7	2.3	-1.2	7.3	4.2	2.3	2.3	2.4
Middle East and Central Asia	4.7	3.5	1.7	4.7	6.4	2.5	2.6	3.5
Sub-Saharan Africa (SSA)	5.9	4.6	1.3	3.8	4.4	3.7	4.2	4.1
<b>World</b>	<b>3.5</b>	<b>3.4</b>	<b>2.1</b>	<b>6.6</b>	<b>3.7</b>	<b>3.4</b>	<b>3.3</b>	<b>3.1</b>

Source (basic data): IMF WEO October 2025

\* Per-capita GDP measured in constant 2021 PPP\$ and population for Sri Lanka is not available from the IMF data for 2025 and hence the aggregates and the growth numbers for 2025 have been estimated by excluding Sri Lanka from both 2025 and 2024.



**Table 5** shows the share of contribution of different regions to global growth. Contributions depend on (1) the share of a group or a country in global GDP and (2) their respective levels of growth. In this context, China is assessed to make the largest contribution to global growth at 29.8% followed by India at 17.5% in 2025 (FY26 for India). Comparing the broad contributions for the two groups, the AEs are estimated to contribute only 20.3% while the remaining contribution is estimated to come from EMDEs at 79.7% in 2025. Within the EMDE group, in 2025, the largest share in contribution is that of EMDA at 56.8%, and the remaining four groups contribute only 22.9%. Thus, global growth is being led by EMDA with India's contribution nearly doubling from 9.0% in 2010 to 17.5% in 2025.

**Table 5: Share of contribution to global GDP growth measured in constant 2021 PPP\$ terms (%)**

Country/country groups	2010	2015	2020	2021	2022	2023	2024	2025*
<b>AEs</b>	<b>28.7</b>	<b>32.2</b>	<b>58.2</b>	<b>37.8</b>	<b>33.5</b>	<b>19.6</b>	<b>22.0</b>	<b>20.3</b>
Euro Area (EA, excl. G7)	0.9	5.3	9.8	4.9	6.5	1.2	2.7	3.5
Major Advanced Economies (G7)	20.0	21.5	45.1	26.9	21.9	15.7	14.8	13.1
US	8.9	14.1	10.9	14.3	10.5	12.9	12.6	9.6
Other Advanced Economies	7.8	5.4	3.4	5.9	5.1	2.6	4.5	3.7
South Korea	2.3	1.5	0.4	1.2	1.3	0.8	1.0	0.5
<b>EMDEs</b>	<b>71.3</b>	<b>67.8</b>	<b>41.8</b>	<b>62.2</b>	<b>66.5</b>	<b>80.4</b>	<b>78.0</b>	<b>79.7</b>
Emerging and Developing Asia	41.0	56.9	7.5	38.0	41.5	58.2	54.5	56.8
China	24.5	31.9	-14.2	24.0	16.0	29.4	28.9	29.8
India	9.0	15.2	14.6	10.4	15.1	20.3	15.7	17.5
Indonesia	2.4	3.2	1.7	1.3	3.3	3.4	3.5	3.7
Emerging and Developing Europe	7.1	0.5	5.2	8.7	-0.3	8.1	8.2	4.5
Latin America and the Caribbean	10.6	0.4	18.7	8.1	8.4	5.0	5.1	5.5
Middle East and Central Asia	7.7	6.5	6.5	5.3	12.7	5.4	5.8	8.2
Sub-Saharan Africa (SSA)	4.9	3.5	4.0	2.0	4.2	3.8	4.4	4.6
<b>World</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

Source (basic data): IMF WEO October 2025

Note: \*Same as in Table 4

### 5.3. Comparing per-capita GDP in PPP\$ and market exchange rate terms

In spite of a comparatively large share of the world GDP as also a larger contribution to world GDP growth, the per-capita GDP of the EMDEs is below that of the AEs. In 2025, the per-capita GDP was PPP\$63,232 for the AE group compared to PPP\$15,901 for the EMDE group, i.e., nearly one fourth of the per-capita GDP of the AE group (**Table 6**). At the country level, the US had the highest per-capita GDP at PPP\$76,842 compared to PPP\$25,035 for China (about one-third of the US) and PPP\$10,378 for India. India's per-capita GDP increased by a multiple of 2.3 in 2025 compared to the average for 2006-10.

**Table 6: Per-capita GDP measured in constant 2021 PPP\$ terms**

Country/country groups	Average			Annual magnitudes				
	2006-2010	2011-2015	2016-2020	2021	2022	2023	2024	2025*
<b>AEs</b>	<b>51,903</b>	<b>53,535</b>	<b>57,287</b>	<b>59,753</b>	<b>61,220</b>	<b>61,765</b>	<b>62,471</b>	<b>63,232</b>
Euro Area (EA, excl. G7)	46,838	45,884	50,032	52,173	54,568	54,546	55,233	56,195
Major Advanced Economies (G7)	53,677	55,103	58,527	60,753	62,114	62,843	63,486	64,197

	Average			Annual magnitudes				
Country/country groups	2006-2010	2011-2015	2016-2020	2021	2022	2023	2024	2025*
<i>US</i>	60,154	62,231	67,333	71,365	72,768	74,295	75,676	76,842
Other Advanced Economies	47,959	52,636	57,483	61,279	62,492	62,676	63,688	64,530
<i>South Korea</i>	37,016	42,859	48,476	51,880	53,395	54,199	55,244	55,814
<b>EMDEs</b>	<b>9,458</b>	<b>11,408</b>	<b>13,054</b>	<b>13,950</b>	<b>14,400</b>	<b>14,924</b>	<b>15,409</b>	<b>15,901</b>
Emerging and Developing Asia	6,942	9,468	12,258	13,752	14,317	15,104	15,821	16,576
<i>China</i>	8,732	13,055	17,632	20,827	21,488	22,677	23,835	25,035
<i>India</i>	4,550	5,802	7,462	8,050	8,594	9,302	9,818	10,378
<i>Indonesia</i>	8,402	10,385	12,357	12,948	13,485	14,014	14,567	15,123
Emerging and Developing Europe	25,180	28,175	30,816	33,813	34,446	35,759	37,121	37,908
Latin America and the Caribbean	17,077	18,711	18,118	17,986	18,631	18,928	19,225	19,547
Middle East and Central Asia	12,727	13,886	14,290	14,323	14,931	15,007	15,098	15,351
Sub-Saharan Africa (SSA)	4,586	5,164	5,190	5,034	5,130	5,193	5,274	5,357
<b>World</b>	<b>16,007</b>	<b>17,681</b>	<b>19,407</b>	<b>20,395</b>	<b>20,966</b>	<b>21,480</b>	<b>21,976</b>	<b>22,492</b>

Source (basic data): IMF WEO October 2025

Note: \*Same as in Table 4

Corresponding comparison in market exchange (MX) rate terms is provided in **Table 7**. Here the differences become much sharper. In 2025, the per-capita GDP of the AE group is US\$61,960 compared to only US\$7,078 of the EMDE group. Further, at the country level, the US has a per-capita income of US\$89,599 compared to US\$2,818 for India in 2025.

**Table 7: Per-capita GDP (nominal) measured in MX terms**

	Average			Annual magnitudes				
Country/country groups	2006-2010	2011-2015	2016-2020	2021	2022	2023	2024	2025*
<b>AEs</b>	<b>41,068</b>	<b>44,722</b>	<b>46,897</b>	<b>53,232</b>	<b>54,201</b>	<b>56,859</b>	<b>58,838</b>	<b>61,960</b>
Euro Area (EA, excl. G7)	34,520	33,645	34,440	39,697	39,227	42,536	44,596	48,550
Major Advanced Economies (G7)	43,888	47,385	50,019	56,259	57,699	60,865	62,936	66,091
<i>US</i>	47,664	53,476	62,343	71,365	77,944	82,523	86,145	89,599
Other Advanced Economies	33,542	41,641	42,784	50,415	50,449	50,392	51,906	54,275
<i>South Korea</i>	22,793	28,413	33,393	37,518	34,822	35,674	36,239	35,962
<b>EMDEs</b>	<b>3,325</b>	<b>4,987</b>	<b>5,258</b>	<b>6,146</b>	<b>6,521</b>	<b>6,631</b>	<b>6,796</b>	<b>7,078</b>
Emerging and Developing Asia	2,209	4,039	5,292	6,701	6,821	6,885	7,080	7,334
<i>China</i>	3,365	7,029	9,645	12,878	12,968	12,961	13,314	13,806
<i>India</i>	1,052	1,489	1,914	2,240	2,347	2,530	2,695	2,818
<i>Indonesia</i>	2,379	3,601	3,910	4,351	4,784	4,920	4,958	5,074
Emerging and Developing Europe	8,746	11,068	9,755	11,539	13,277	14,013	15,431	17,764
Latin America and the Caribbean	7,454	9,925	8,210	8,066	9,165	10,256	10,460	10,713
Middle East and Central Asia	4,345	5,801	4,902	5,161	6,099	5,905	6,004	5,987

Country/country groups	Average			Annual magnitudes				
	2006-2010	2011-2015	2016-2020	2021	2022	2023	2024	2025*
Sub-Saharan Africa (SSA)	1,691	2,187	1,874	1,937	2,015	1,845	1,657	1,754
<b>World</b>	<b>9,164</b>	<b>10,923</b>	<b>11,255</b>	<b>12,790</b>	<b>13,227</b>	<b>13,682</b>	<b>14,078</b>	<b>14,720</b>

Source (basic data): IMF WEO October 2025

Note: \*Same as in Table 4

## 5.4. Comparative population growth and magnitudes

As far as size of population is concerned, as shown in **Table 8**, the total population of the AE group appears to be falling and that of the EMDE group appears to be rising. Within the EMDE group, in 2025, India has the largest population followed by that of China. Both India and China's populations are individually larger than the entire population of the AE group. The population of the EMDE group is more than six times that of the AE group.

**Table 8: Total population (in million)**

Country/country groups	Average			Annual numbers				
	2006-2010	2011-2015	2016-2020	2021	2022	2023	2024	2025*
<b>AEs</b>	<b>1,022</b>	<b>1,049</b>	<b>1,073</b>	<b>1,082</b>	<b>1,087</b>	<b>1,095</b>	<b>1,102</b>	<b>1,106</b>
Euro Area (EA, excl. G7)	133	134	135	137	138	139	140	141
Major Advanced Economies (G7)	731	749	766	772	775	780	785	788
<i>US</i>	305	316	327	332	334	337	340	342
Other Advanced Economies	158	165	171	173	174	176	177	178
<i>South Korea</i>	49	50	52	52	52	52	52	52
<b>EMDEs</b>	<b>5,605</b>	<b>5,995</b>	<b>6,396</b>	<b>6,605</b>	<b>6,663</b>	<b>6,728</b>	<b>6,796</b>	<b>6,838</b>
Emerging and Developing Asia	3,311	3,486	3,651	3,728	3,746	3,765	3,785	3,780
<i>China</i>	1,328	1,367	1,404	1,413	1,412	1,410	1,408	1,405
<i>India</i>	1,208	1,295	1,374	1,414	1,425	1,438	1,451	1,464
<i>Indonesia</i>	231	249	264	273	276	279	282	284
Emerging and Developing Europe	367	371	375	374	367	366	365	364
Latin America and the Caribbean	559	591	620	636	640	644	649	654
Middle East and Central Asia	611	677	756	795	812	827	844	859
Sub-Saharan Africa (SSA)	758	871	994	1,072	1,099	1,125	1,154	1,182
<b>World</b>	<b>6,627</b>	<b>7,044</b>	<b>7,469</b>	<b>7,687</b>	<b>7,750</b>	<b>7,823</b>	<b>7,899</b>	<b>7,944</b>

Source (basic data): IMF WEO October 2025

Note: \*Same as in Table 4

In fact, the growth of population of the AE and EMDE groups has been falling progressively on trend basis. In 2025, growth in population of the EMDE group is estimated to be lower at 0.95% mainly because of the higher contraction in China's population. China's population has been contracting since 2022 (**Table 9**). Also, the population of Emerging and Developing Europe has been contracting since 2020. On the whole, the growth in world population is also trending downwards.



Table 9: Growth in population (%)

Country/groups	CAGR			Annual growth				
	2005-2010	2010-2015	2015-2020	2021	2022	2023	2024	2025*
<b>AEs</b>	<b>0.61</b>	<b>0.48</b>	<b>0.41</b>	<b>0.07</b>	<b>0.50</b>	<b>0.74</b>	<b>0.65</b>	<b>0.37</b>
Euro Area (EA, excl. G7)	0.60	0.04	0.32	0.18	0.58	0.96	0.70	0.70
Major Advanced Economies (G7)	0.55	0.49	0.39	0.09	0.43	0.62	0.64	0.30
US	0.90	0.71	0.64	0.35	0.55	0.82	0.92	0.47
Other Advanced Economies	0.88	0.79	0.61	-0.09	0.77	1.05	0.63	0.43
South Korea	0.56	0.58	0.32	-0.13	-0.19	0.08	0.07	-0.14
<b>EMDEs</b>	<b>1.35</b>	<b>1.36</b>	<b>1.22</b>	<b>0.94</b>	<b>0.88</b>	<b>0.98</b>	<b>1.01</b>	<b>0.95</b>
Emerging and Developing Asia	1.03	1.02	0.84	0.56	0.50	0.50	0.53	0.47
China	0.50	0.62	0.41	0.03	-0.06	-0.15	-0.10	-0.23
India	1.49	1.32	1.10	0.83	0.79	0.89	0.89	0.89
Indonesia	1.43	1.43	1.15	0.92	1.12	1.08	1.04	1.01
Emerging and Developing Europe	0.05	0.25	0.17	-0.40	-1.95	-0.25	-0.31	-0.30
Latin America and the Caribbean	1.21	1.09	0.90	0.69	0.60	0.72	0.71	0.72
Middle East and Central Asia	2.19	2.15	2.00	1.52	2.04	1.94	1.97	1.78
Sub-Saharan Africa (SSA)	2.86	2.78	2.63	2.49	2.47	2.44	2.54	2.45
<b>World</b>	<b>1.24</b>	<b>1.23</b>	<b>1.10</b>	<b>0.82</b>	<b>0.83</b>	<b>0.94</b>	<b>0.96</b>	<b>0.87</b>

Source (basic data): IMF WEO October 2025

Note: Same as in Table 4

## 5.5. Medium and long-term growth prospects

Table 10 shows medium and long-term growth prospects based on IMF projections covering the period 2026 to 2030. A growth slowdown is visible for the AE group including that for the US. For the EMDE group, growth appears to be in the range of 3.9% to 4.1% during this period. Within the EMDE group, China's growth shows a progressive decline while India's growth remains stable at 6.5% after showing a lower growth rate of 6.2% and 6.4% in 2026 (FY27) and 2027 (FY28), respectively. In most country groups and countries, growth levels appear to be relatively stable over the projection period.

Table 10: Medium term growth measured in constant 2021 PPP\$ terms (%)

Country/groups	Annual growth				
	2026	2027	2028	2029	2030
<b>AEs</b>	<b>1.6</b>	<b>1.7</b>	<b>1.7</b>	<b>1.6</b>	<b>1.5</b>
Euro Area (EA, excl. G7)	1.6	1.7	1.7	1.6	1.6
Major Advanced Economies (G7)	1.5	1.6	1.6	1.5	1.4
US	2.1	2.1	2.1	1.9	1.8
Other Advanced Economies	2.0	2.1	2.2	2.1	2.1
South Korea	1.8	2.2	2.2	2.0	1.9
<b>EMDEs</b>	<b>4.0</b>	<b>4.1</b>	<b>4.1</b>	<b>4.0</b>	<b>3.9</b>
Emerging and Developing Asia	4.7	4.8	4.7	4.6	4.5
China	4.2	4.2	4.0	3.7	3.4
India	6.2	6.4	6.5	6.5	6.5
Indonesia	4.9	5.0	5.0	5.1	5.1
Emerging and Developing Europe	2.2	2.4	2.4	2.4	2.4
Latin America and the Caribbean	2.4	2.7	2.7	2.8	2.6

Country/groups	Annual growth				
	2026	2027	2028	2029	2030
Middle East and Central Asia	3.8	3.8	3.7	3.7	3.7
Sub-Saharan Africa (SSA)	4.3	4.4	4.5	4.6	4.6
<b>World</b>	<b>3.1</b>	<b>3.2</b>	<b>3.2</b>	<b>3.1</b>	<b>3.0</b>

Source (basic data): IMF WEO October 2025

Note: For the projection period that is 2026 to 2030, data for Nauru, Tuvalu, Andorra, Central African Republic, Eritrea, Macao Special Administrative Region, San Marino, Somalia, South Sudan, Syrian Arab Republic, Lebanon, West Bank and Gaza, Afghanistan, Bolivia, Venezuela and Sri Lanka were not available in the IMF base data source. Hence, we have excluded these countries from their respective country groups and the growth rates for all the aggregates are calculated accordingly.

## 5.6. Recentering of growth from west to south Asia

Table 11 shows a gradual shifting of the center of gravity of the world economy away from the G7 group excluding Japan to the EMDE including Japan and South Korea. By 2030, this group is projected to account for 42.3% of global GDP measured in constant 2021 PPP\$. Given the current rate of annual changes, in another decade or so, the EMDE group is likely to account for half of the global GDP whereas the share of the G7 group excluding Japan is likely to fall to close to 20%.

Table 11: Shares in global GDP measured in constant 2021 PPP\$ terms (%)

Country and country group	Annual				
	2026	2027	2028	2029	2030
Major Advanced Economies (G7 excl. Japan) of which	24.7	24.4	24.1	23.7	23.4
US	14.6	14.4	14.3	14.1	13.9
(EMDA + Japan and South Korea) of which	40.4	40.9	41.4	41.8	42.3
China	19.9	20.1	20.3	20.4	20.5
India	8.8	9.0	9.3	9.6	10.0
Indonesia	2.5	2.5	2.5	2.6	2.6
Japan	3.2	3.1	3.0	2.9	2.9
South Korea	1.6	1.6	1.6	1.5	1.5
Others	34.8	34.7	34.5	34.4	34.4
<b>World</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

Source (basic data): IMF WEO October 2025

Note: Same as for Table 10

Table 12 gives projected median age for selected countries. India is relatively well placed compared to other countries except Indonesia. However, India is also projected to age after 2050. Thus, the next few decades are critical for accelerating growth and employment in India.

Table 12: Median age for selected countries (in years)

Countries	2000	2010	2020	2026	2030	2040	2050
US	34.2	36.1	37.5	38.8	39.7	41.5	43.1
China	28.9	34.1	37.4	40.5	42.7	48.0	50.7
South Korea	29.1	32.9	35.4	36.9	38.0	41.1	42.8
India	21.6	24.0	27.3	29.4	30.9	34.6	38.1
Indonesia	23.7	26.7	29.3	30.7	31.7	34.0	36.5
Japan	40.7	44.2	48.0	50.3	51.5	53.0	53.6

Source (basic data): UN Population prospects 2022

## 5.7. Growth strategy for a Viksit Bharat

A World Bank report<sup>5</sup> (2024) identified about 100 countries belonging to the middle-income group. The World Bank identifies 'middle-income' countries on the basis of per-capita gross national income measured

<sup>5</sup> <https://www.worldbank.org/en/publication/wdr2024>

in market exchange rate terms. In the report, it defines the thresholds for lower-middle income and upper middle-income groups at US\$610 and US\$2,465 in 1990 in MX terms. In 2026<sup>6</sup>, the equivalent ranges for lower middle-income and upper-middle income countries are US\$1,136-US\$4,495 and US\$4,496-US\$13,935, respectively. Accordingly, since India's per-capita GDP for 2026 (FY27) is projected at US\$3,051, India is presently placed in the lower middle-income group. It is likely to transition to an upper middle-income group in the next few years. The IMF projects India's per-capita GDP in MX terms to reach US\$4,346 by 2030 (FY31).

It is arguable that it is the per-capita GDP in PPP\$ terms which is more relevant for identifying a country as a middle-income country. For example, in India's case, the share of imports in GDP is limited to only about 24% (FY23 to FY25 average) and it is mostly domestic purchases that are relevant. At any rate, India needs to put in place policies that may enable its successful transition from middle income levels closer to a Viksit status in the next two to two-and-a-half decades. The World Bank report recommends a 'three-I' strategy namely, a focus on 'investment', then 'infusion' of new technology from around the world, and then 'innovation'. India's growth strategy does recognize the importance of investment (gross fixed capital formation), which in real terms has been in the range of 33.4% to 33.7% during FY22 to FY25. India is adept in adopting new technology available from around the world. It is the thrust on innovation developed within India which is required. Larger resources need to be devoted to research and development both by the private and public sectors and public sector infrastructure that facilitates innovation by individuals and industries needs to be emphasized. The PLI scheme, which already covers 14 sectors, may be expanded to cover advanced technology sectors like space and robotics.

In this context, it is heartening to note that the GoI, on 4 November 2025, launched a Research Development and Innovation (RDI) scheme with a corpus of INR1 lakh crore<sup>7</sup> aimed at spurring a private sector-driven R&D ecosystem. This fund is to be managed at the first level by the Anusandhan Foundation under the Department of Science and Technology. The investment rate also needs to be marginally increased to at least 35%. Further, a more aggressive adoption of AI and GenAI technologies, both by the public and private sectors, being developed in India and abroad, is also likely to facilitate transition beyond the middle-income ranges as India heads towards a developed status.

## 5.8. Conclusions: New sources of growth

The drivers of growth are likely to change in future, affecting growth potential and performance of different countries in significant ways. While there may be a number of countries with the demographic advantage of a large and young population, there may also be another set of countries whose population is expected to account for a smaller share of global population and may be older. Growth in the latter group of countries is likely to be led by advanced and new technologies including AI and GenAI. Further, in these countries, capital may be abundant while labor may be abundant in the first set of countries. Regulated migration of labor from one group to another might augment global growth and may prove to be 'welfare-improving' as compared to these groups finding solutions in isolation. Since new technologies are by nature labor-saving, there may be unemployment problems across the world. The technology-led countries may need adequately trained workforce, and their aged populations may not suit their requirements. The labor abundant countries may also require to suitably educate and train their populations to absorb the new technologies which may be developed within the country or inducted from abroad.

Going forward, the Indian economy has notable advantages compared to many of its peers and the AEs. It is projected to be a labor abundant economy with a relatively young population in a global economy that is likely to keep tilting towards labor-saving advanced technologies. In this context, development of human resources through education, skilling and training supplemented by a robust employment augmentation strategy, maintaining a real investment rate at 35% of GDP or above, a fast pace of technology adoption and productive integration with high-income-labor-scarce countries may be critical elements in India's growth strategy. This is likely to help India transition to a developed status in the next two to two-and-a-half decades.

<sup>6</sup> Understanding country income: World Bank Group income classifications for FY26 (July 1, 2025-June, 2026) (<https://blogs.worldbank.org/en/opendata/understanding-country-income--world-bank-group-income-classifica>)

<sup>7</sup> <https://www.pib.gov.in/PressReleasePage.aspx?PRID=2186327>



## 6.

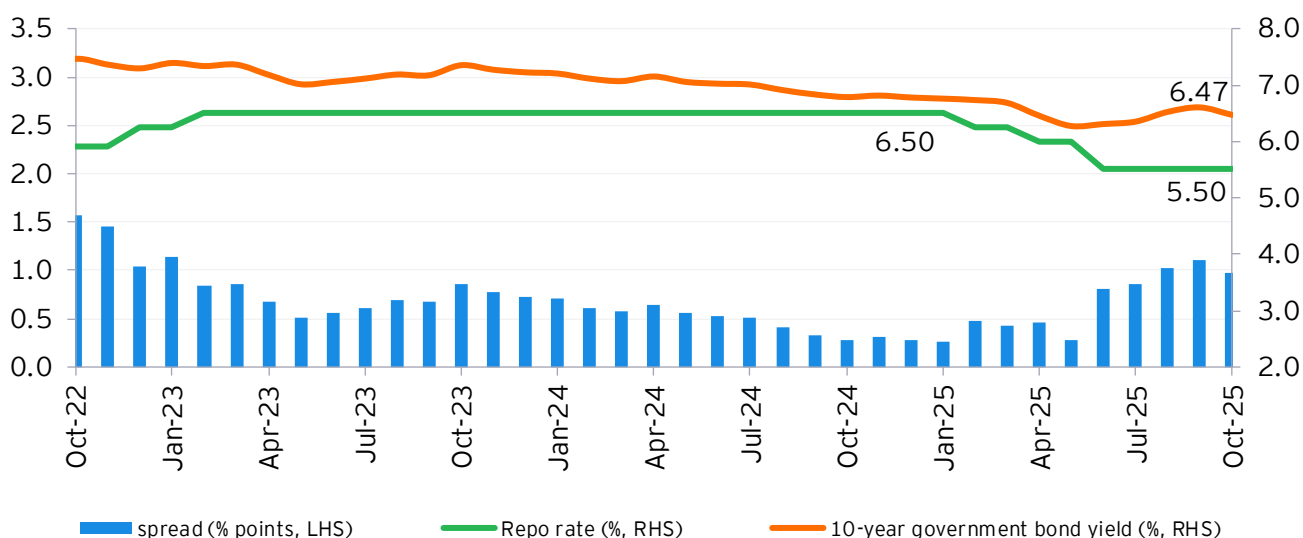
# Money and finance: Gross bank credit grew by 10.4% in September 2025

## 6.1. Monetary sector

### Monetary policy

- The Monetary Policy Committee (MPC) had retained the repo rate at 5.5% and maintained a neutral policy stance in its monetary policy review held in October 2025 (Chart 7).
- The RBI assesses that prevailing global uncertainties and tariff-related developments could weigh on India's growth in the second half of FY26 and beyond. While the MPC noted that current macroeconomic conditions and outlook provide policy space to support growth, it stressed that the impact of earlier front-loaded monetary easing and recent fiscal measures is still unfolding, making it prudent to let these actions take full effect before considering further adjustments.

**Chart 7: Movements in the repo rate and 10-year government bond yield**



Source: Database on Indian Economy, RBI

### Money stock

- Growth in broad money stock (M3)<sup>8</sup> remained stable at 9.2% in September and October 2025 led by higher growth in M1.
- Growth in narrow money (M1) increased to 12.3% in October 2025 from 11.4% in September 2025. This is due to a higher growth of demand deposits at 16.0% in October 2025 compared to 13.8% in September 2025. Growth in currency with the public remained nearly stable at 9.2% in October 2025 compared to 9.3% in September 2025.
- Growth in time deposits, the largest component of M3, moderated to 8.3% in October 2025 compared to 8.6% in September 2025.

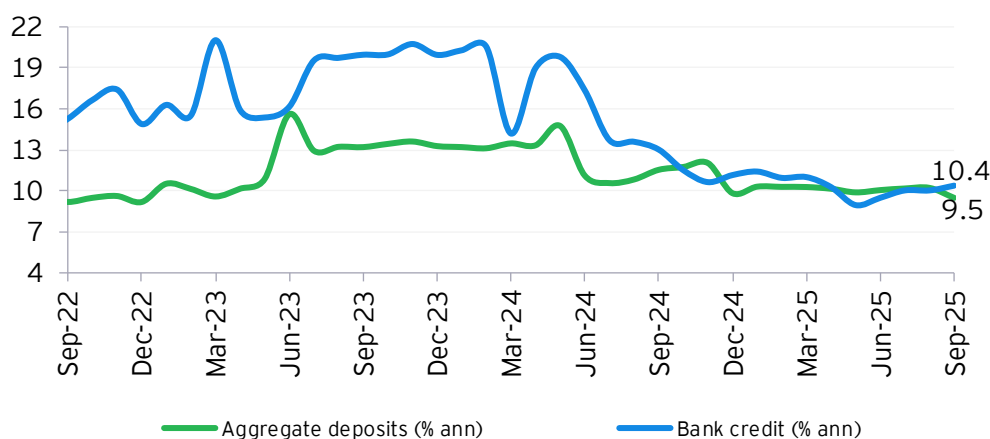
<sup>8</sup> The RBI has stopped reporting data on 'Money Stock: components and sources' excluding the impact of merger of a non-bank with bank from 11-July-2025. Therefore, we have used M3 data that includes the impact of merger of a non-bank with a bank as reported by the RBI.



## Aggregate credit and deposits

- Growth in gross bank credit<sup>9</sup> improved marginally to 10.4% in September 2025 after remaining stable at 10.0% in July and August 2025 (**Chart 8**). In 2QFY26, growth in bank credit averaged higher at 10.1% compared to 9.6% in 1QFY26.
- Non-food credit also showed a higher growth of 10.2% in September 2025 compared to 9.9% in August 2025.

**Chart 8: Growth in credit and deposits**



Growth in gross bank credit improved to 10.4% in September 2025 from 10.0% in August 2025.

Source: Database on Indian Economy, RBI

- Credit to services sector, with an average share of about 27% in total non-food credit (last five years) grew by 10.2% in September 2025, moderating from 10.6% in August 2025.
- Growth in personal loans (share of close to 30% in total non-food credit) has remained within a narrow range of 11.1% to 11.9% since January 2025. In September 2025, personal loans grew by 11.7%, close to its level of 11.8% in August 2025. Among its sub-components, growth in housing loans improved to 10.1% in September 2025 from 9.7% in August 2025. On the other hand, growth in vehicle loans moderated for the third consecutive month to 7.3% in September 2025 from 8.7% in August 2025. Loans for consumer durables contracted by (-)6.2% in September 2025, its sharpest decline since August 2021, the COVID year.
- Growth in outstanding credit to industries, having a share of about 25% on average in total non-food credit (last five years), increased to a six-month high of 7.3% in September 2025 from 6.5% in August 2025.
- Within industrial credit, among major segments, growth in credit to infrastructure, having the largest share in industrial credit, improved to 3.7% in September 2025 from 2.1% in August 2025. Growth in credit to textiles also increased to 7.1% in September 2025 from 6.4% in August 2025.
- Growth in agricultural credit increased to a five-month high of 9.0% in September 2025 from 7.6% in August 2025.
- Growth in other non-food credit, i.e., non-food credit excluding credit to agriculture, industry, services and personal loans, surged to 17.4% in September 2025 from 13.9% in August 2025.
- Growth in aggregate deposits fell to a 33-month low of 9.5% in September 2025 from 10.2% in August 2025. Aggregate deposits posted a stable growth of 10.0% in both 1Q and 2Q FY26.

<sup>9</sup> The RBI has stopped publishing data on bank credit and aggregate deposits excluding the impact of merger of a non-bank with a bank since July 2025. Hence, bank credit and aggregate deposits data analyzed here includes the impact of merger of a non-bank with a bank.

## 6.2. Financial sector

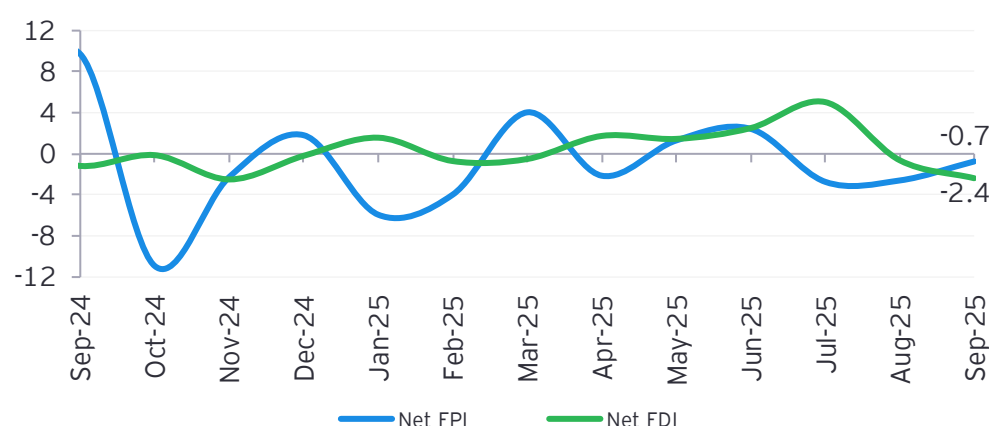
### Interest rates

- As per the data released by the RBI in the first week of November 2025, the yield on 10-year government bonds (benchmark) fell to 6.47% in October 2025 from 6.60% in September 2025 (Chart 7).
- The average interest rate on term deposits with a maturity period of more than one year was stable at 6.23% in September and October 2025, with actual rates ranging between 5.85% and 6.60%.
- The average MCLR moderated for the sixth successive month to 7.90% in October 2025 from 7.92% in September 2025, with the actual MCLR ranging between 7.80% and 8.00% during the month.
- WALR on 'Fresh Rupee Loans' (FRL) by SCBs fell to a four-month low of 8.50% in September 2025 from 8.74% in August 2025.

### FDI and FPI

- As per provisional data released by the RBI on 24 November 2025, overall foreign investments (FIs) remained negative for the second consecutive month with outflows amounting to US\$3.1 billion in September 2025 as compared to US\$3.2 billion in August 2025.

**Chart 9: Net FDI and FPI inflows (US\$ billion)**



Net FDI outflows were higher at US\$2.4 billion while net FPI outflows were lower at US\$0.7 billion in September 2025 as compared to outflows of US\$0.6 billion and US\$2.6 billion respectively in August 2025.

Source: Database on Indian Economy, RBI

- Net FDI outflows increased to US\$2.4 billion in September 2025 from US\$0.6 billion in August 2025 (Chart 9). This is attributable to increased repatriation/disinvestment and FDI by India, together amounting to US\$9.0 billion in September 2025 as compared to US\$6.7 billion in August 2025. However, gross FDI inflows were higher at US\$6.6 billion in September 2025 as compared to US\$6.0 billion in August 2025.
- On a cumulated basis, during 1HFY26, net FDI inflows were higher at US\$7.6 billion as compared to US\$3.4 billion during the corresponding period of FY25. Similarly, during April-September FY26, gross FDI inflows were also higher at US\$50.4 billion as compared to US\$43.4 billion during the corresponding period of FY25.
- Net FPI witnessed outflows for the third successive month although at a lower level of US\$0.7 billion in September 2025 as compared to US\$2.6 billion in August 2025.
- During April-September FY26, on a cumulated basis, net FPI outflows amounted to US\$4.5 billion as compared to net inflows amounting to US\$20.8 billion during the corresponding period of FY25.



## 7.

### Trade and CAB: Merchandise trade deficit surges to an all-time high of US\$41.7 billion in October 2025

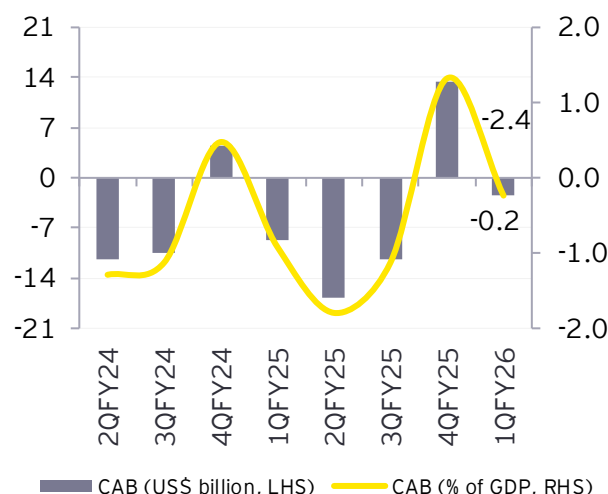
#### 7.1. CAB posted a deficit of 0.2% of GDP in 1QFY26 compared to a surplus of 1.3% in 4QFY25

- Led by an increase in net merchandise trade deficit accompanied by narrowing of surplus in invisibles, current account posted a deficit in 1QFY26 compared to a surplus in 4QFY25 (Table 13 and Chart 10).
- Net merchandise trade deficit widened to 6.8% of GDP in 1QFY26 from 5.8% (Table 13) in 4QFY25, as merchandise imports increased to 18.0% of GDP from 17.3% and merchandise exports moderated to 11.2% from 11.4% of GDP over the same period. The increase in merchandise imports is partly attributable to higher imports of chemicals, oil, silver and coal.
- Net invisibles fell from 7.2% of GDP in 4QFY25 to 6.6% in 1QFY26 driven by a moderation in net services surplus to 4.8% of GDP from an all-time high of 5.2% over the same period.
- Net transfers remained nearly stable at 3.1% of GDP while the net income account reflected a deficit of 1.3% of GDP in 1QFY26.

**Table 13: Components of CAB (in US\$ billion)**

Fiscal year	CAB as % of nominal GDP	CAB	Merchandise net	Invisibles *net
FY22	-1.2	-38.8	-189.5	150.7
FY23	-2.0	-67.1	-265.3	198.2
FY24	-0.7	-26.1	-244.9	218.8
FY25	-0.6	-23.4	-287.2	263.8
2QFY25	-1.8	-16.8	-84.6	67.8
3QFY25	-1.1	-11.3	-79.3	68.0
4QFY25	1.3	13.4	-59.5	72.9
1QFY26	-0.2	-2.4	-68.5	66.1

**Chart 10: CAB**



Source: Database on Indian Economy, RBI; Note: (-) deficit; (+) surplus; \*invisibles include services, current transfers and income components

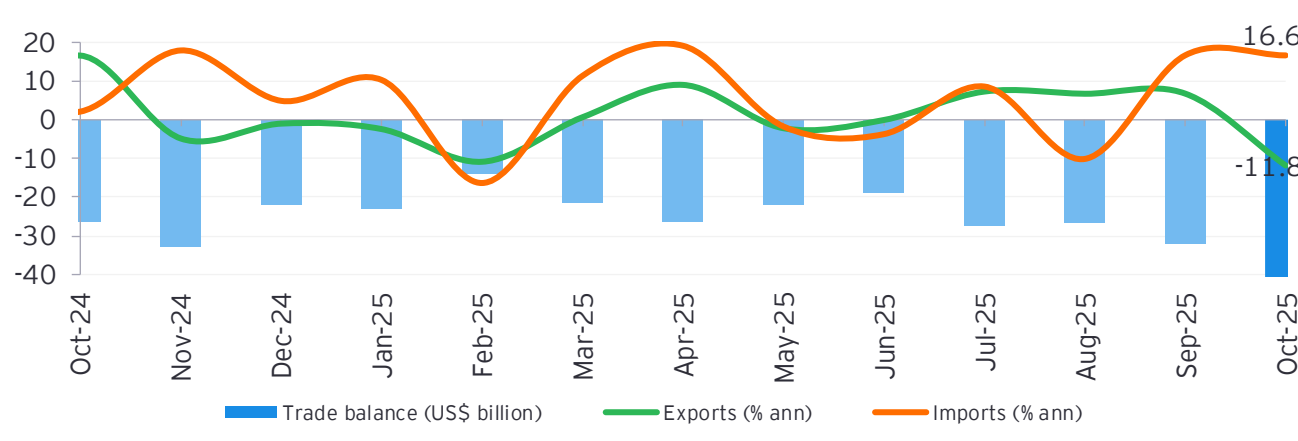
- Compared to 1QFY25, current account deficit relative to GDP in 1QFY26 eased to 0.2% from 0.9%, supported by robust services exports and strong remittances receipts. As per the RBI, these trends exhibit India's external sector resilience and are expected to keep the deficit low and rangebound throughout the year.

## 7.2. Merchandise trade and exchange rates

Merchandise exports showed a sharp contraction of (-)11.8% in October 2025, while merchandise imports growth remained relatively stable at a high level of 16.6%. Their respective growth rates in September 2025 were 6.8% and 16.7%.

- Merchandise exports were driven down by contractions in oil exports ((-)10.5%), engineering goods ((-)16.7%), gems and jewelry ((-)29.5%), and chemicals ((-)21.0%) in October 2025.
- The contraction in oil exports was partly attributable to a moderation in crude prices during the month.
- Exports to the US, which is a major destination for exports of engineering goods, electronic goods and chemicals, contracted by (-)8.6% during October 2025 likely led by falling demand on account of higher tariffs.
- Growth in exports of electronic goods, of which US is a major destination, eased significantly to 19.1% in October 2025 from 50.5% in September 2025.
- Growth in merchandise imports remained firm at 16.6% in October 2025, close to the level of 16.7% in September 2025, despite a fall in petroleum imports by (-)21.7% in October 2025.
- Merchandise imports growth was driven by a sustained surge in gold and silver imports, which rose by 199.2% and 528.7% in October 2025 compared to 106.9% and 139.0% respectively in the previous month, reflecting strong festive demand. This sharp increase in gold and silver imports was largely offset by the contractionary impact of a decline in oil imports.
- Exports excluding oil/coal, gold/silver and jewelry contracted by (-)10.2% in October 2025 after showing seven successive months of growth since March 2025. Growth in imports of the same category eased to 8.9% in October 2025 from 15.0% in September 2025.

**Chart 11: Developments in merchandise trade**



Source: Ministry of Commerce and Industry, GoI

- Merchandise trade deficit widened to an unprecedented high of US\$41.7 billion in October 2025 from US\$32.1 billion in September 2025 (**Chart 11**).
- Services trade surplus widened to a nine-month high of US\$18.8 billion in September 2025 as services imports contracted by (-)5.1% while services exports showed a growth of 2.8%.
- The goods and services balance expanded to a 10-month high of US\$13.3 billion in September 2025 as the increase in merchandise trade deficit more than offset the increase in services trade surplus.
- The Indian Rupee remained nearly stable at INR88.4/US\$ (average) in October 2025 as compared to INR88.3/US\$ (average) in September 2025. The marginal depreciation was mainly due to sustained foreign portfolio outflows, heightened import-related dollar demand (particularly for gold and oil), and some adverse sentiment stemming from US tariff and visa policy changes affecting India's exports.



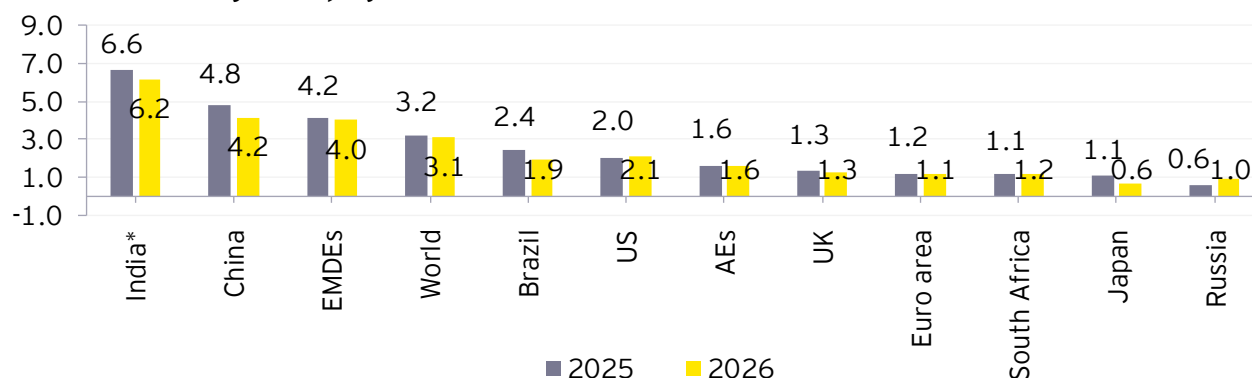
## 8. Global growth: IMF projected global growth at 3.2% in 2025 and 3.1% in 2026

### 8.1. Global growth

- As per the IMF (World Economic Outlook, October 2025), global growth is projected to ease from 3.3% in 2024 to 3.2% in 2025 and 3.1% in 2026 (Chart 12). This growth forecast is nearly unchanged from the July 2025 forecast, reflecting gradual adaptation to trade tensions, but is below the pre-pandemic average of 3.7% during 2000 to 2019.
- Growth in AEs is projected at 1.6% in both 2025 and 2026 while that in EMDEs at 4.2% and 4.0%, respectively.
- Growth in the US is projected to slow from 2.8% in 2024 to 2.0% in 2025 and remain steady at 2.1% in 2026 on account of lower effective tariff rates, a fiscal boost from the passage of the One Big Beautiful Bill Act and easing financial conditions.
- Growth in the Euro area is expected to pick up modestly from 0.9% in 2024 to 1.2% in 2025 and to 1.1% in 2026. In the UK, growth in 2025 and 2026 is forecasted at 1.3% each, marginally higher compared to the projections pertaining to April 2025, primarily reflecting stronger activity in the first half of 2025 and an improvement in external environment including a UK-US trade deal announced in May 2025.
- In Japan, growth is expected to accelerate from 0.1% in 2024 to 1.1% in 2025, moderating to 0.6% in 2026. These dynamics are driven by an expected pickup in real wage growth supporting private consumption, despite headwinds from elevated trade policy uncertainty and softening external demand.
- China's growth is projected at 4.8% in 2025 and 4.2% in 2026. A stronger-than-expected outturn in the past few quarters, reflecting front-loading in international trade and relatively robust domestic consumption supported by fiscal expansion in 2025, more than offset the headwinds from higher uncertainty and tariffs.
- India's growth is projected at 6.6% in 2025 (FY26) and 6.2% in 2026 (FY27). Compared with the July 2025 WEO Update, this is an upward revision for 2025, with carryover from a strong first quarter more than offsetting the increase in the US effective tariff rate on imports from India since July 2025, and a downward revision for 2026 (FY27).

**IMF projected global growth at 3.2% in 2025 and 3.1% in 2026 with India's FY26 and FY27 growth rates forecasted at 6.6% and 6.2%, respectively.**

**Chart 12: Global growth projections (% annual)**

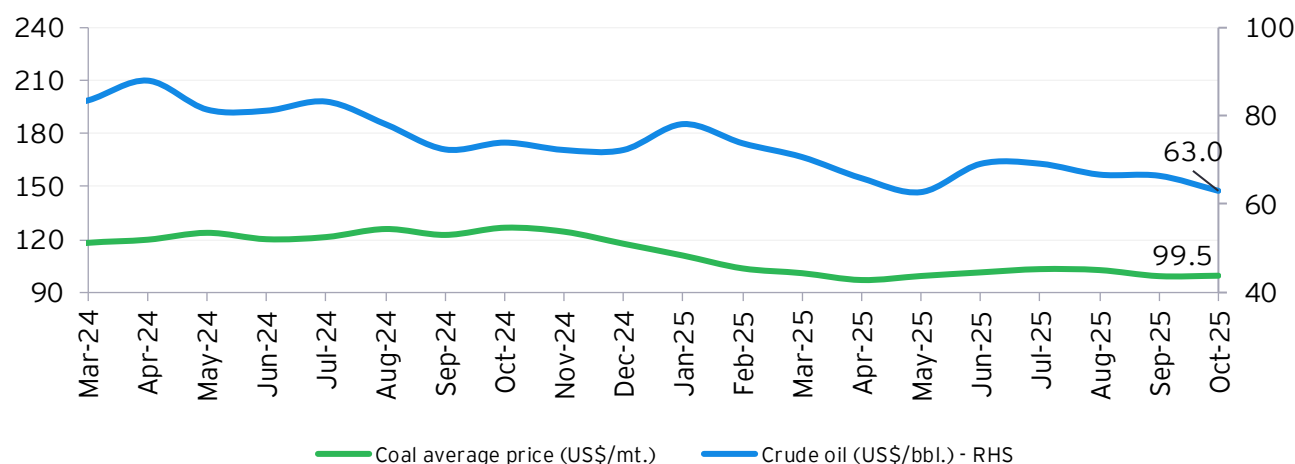


Source: IMF World Economic Outlook (October 2025)  
\*data pertains to fiscal years

## 8.2. Global energy prices: Global crude price fell to a five-month low of US\$63/bbl. in October 2025

- Average global crude price<sup>10</sup> fell to a five-month low of US\$63/bbl. in October 2025 (**Chart 13**). It is notable that global crude prices have shown a broadly falling trend since the beginning of 2025 interrupted only by occasional spikes in response to geopolitical developments, as trade policy tensions compounded concerns about excess supply. Further, the OPEC+ group has markedly increased its production targets since April 2025 through a series of monthly policy decisions. The planned production increases relate to the announced full reversal of the 2.2 mb/day cuts introduced in November 2023 and a partial reversal of the 1.6 mb/day cuts implemented in April 2023.
- As per the World Bank Commodity Markets Outlook (October 2025), it was only towards the end of October 2025 that oil prices rose by 5% following the announcement of new US sanctions on Russian oil companies.
- The World Bank projected the Brent oil price to average US\$68/bbl. in 2025, US\$13 less than that in 2024. Prices are forecast to fall further to US\$60/bbl. in 2026, as oil consumption growth continues to moderate and oil supply continues to rise, before increasing to US\$65/bbl. in 2027. The price increase in 2027 reflects a projected rebalancing of the oil market, as low prices in 2026 curtail excess supply. These forecasts assume no major escalation in armed conflicts, weak demand growth relative to the 2015-19 average, a well-supplied oil market and stable OPEC+ production.
- At US\$99.5/mt., average global coal price<sup>11</sup> remained almost stable in October 2025 compared to US\$99.3/mt. in September 2025.
- As per the World Bank, the Australian coal price is projected to fall by 21% (y-o-y) in 2025 to US\$107/mt., decrease by a further 7% to US\$100/mt. in 2026, and recover to US\$105/mt. in 2027. This forecast assumes subdued global economic growth and adequate supply conditions, while accounting for the prospect of increased power demand in EMDEs, and the continued expansion of renewable power sources.

**Chart 13: Global crude and coal prices**



Source (basic data): World Bank Pink Sheets, November 2025

<sup>10</sup> Simple average of three spot prices, namely, Dated Brent, West Texas Intermediate and Dubai Fateh

<sup>11</sup> Simple average of Australian and South African coal prices.



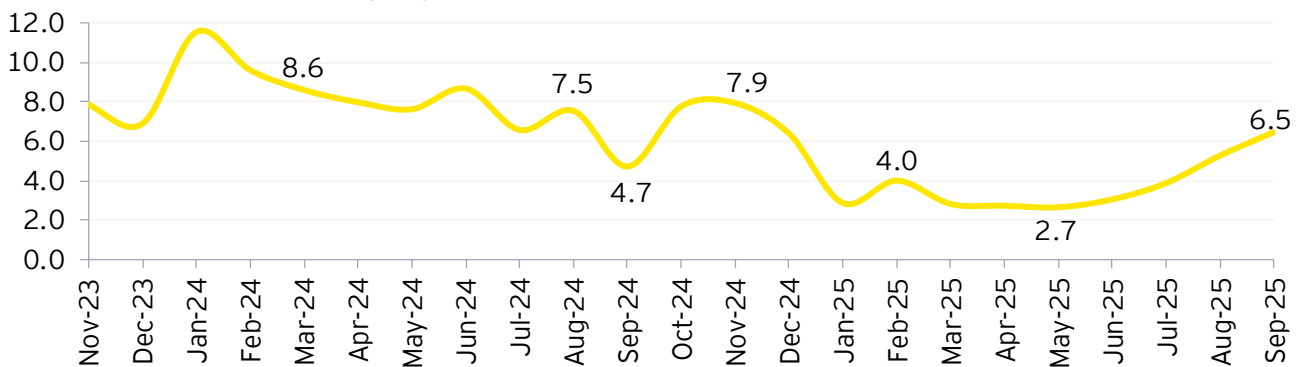
9.

## Index of Aggregate Demand (IAD): Growth in IAD accelerated to 6.5% in September 2025

### 9.1. Growth in IAD increased to a 10-month high of 6.5% in September 2025

- Reflecting robust demand conditions across major sectors of the economy, IAD<sup>12</sup> grew by 6.5% in September 2025, up from 5.3% in August 2025. However, part of this growth may be attributable to a favorable base effect (Chart 14 and Table 14).
- The agricultural sector witnessed improved demand conditions during the month as reflected by a higher growth in agricultural credit at 9.0% (sa) in September 2025 compared to 7.6% in August 2025.
- Pointing to robust demand conditions in the services sector, the PMI services (sa) continued to expand at a healthy pace of 60.9 in September 2025, although lower than 62.9 in August 2025.
- Demand conditions in the manufacturing sector also remained healthy as reflected by PMI manufacturing (sa) at 57.7 in September 2025, although lower than 59.3 in August 2025.

**Chart 14: Growth in IAD (% y-o-y)**



Source (Basic data): S&P - IHS Markit PMI, RBI and EY estimates

**Table 14: IAD**

Month	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25
IAD	179.8	181.6	182.7	183.3	183.2	185.8	187.3	190.7	189.1
Growth (% y-o-y)	2.9	4.0	2.8	2.7	2.7	3.1	3.9	5.3	6.5
Growth in agr. credit	12.1	11.4	10.5	9.1	7.4	6.7	7.4	7.6	9.0
Mfg. PMI**	7.7	6.3	8.1	8.2	7.6	8.4	9.1	9.3	7.7
Ser. PMI**	6.5	9.0	8.5	8.7	8.8	10.4	10.5	12.9	10.9

Source (basic data): S&P Global, RBI and EY estimates; \*\*Values here indicate deviation from the benchmark value of 50. A positive value indicates expansion in demand while a negative value implies contraction in demand; PMI for Manufacturing and Services are seasonally adjusted (sa).

<sup>12</sup> EY has developed an Index of Aggregate Demand (IAD) to reflect the monthly combined demand conditions in the agriculture, manufacturing, and services sectors. It considers the movements in PMI for manufacturing and services, both measured in seasonally adjusted (sa) terms, tracing the demand conditions in these sectors. Movements in the monthly agricultural credit off-take (sa) capture the demand conditions in the agricultural sector.

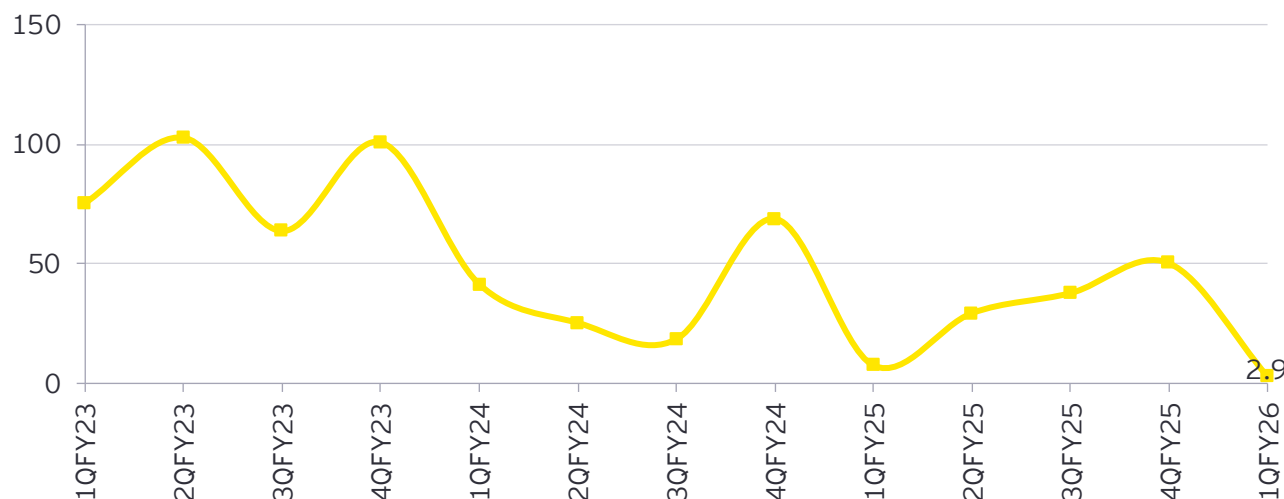
## 10.

# Index of Macro Imbalance (IMI): Indicated an improvement in the macro balance in 1QFY26

## 10.1. The level of IMI fell sharply to 2.9 in 1QFY26 from 50.2 in 4QFY25

- Index of Macro Imbalance (IMI)<sup>13</sup> pointed to sharp improvement in macro balance in 1QFY26 with the index value falling to 2.9 in 1QFY26 from 50.2 in 4QFY25 (**Chart 15**), that is a fall of 47.3 points.
- CPI inflation fell to a 26-quarter low of 2.7% in 1QFY26 from 3.7% in 4QFY25 and was 1.3% points below its benchmark value of 4%. Thus, CPI inflation did not contribute to macro imbalance during the quarter.
- Despite current account showing a deficit of 0.2% of GDP in 1QFY26 compared to a surplus of 1.3% in 4QFY25, the CAB did not contribute to the macro imbalance during the quarter as its value was lower than the corresponding benchmark value of 1.3% of GDP.
- Gol's fiscal deficit to GDP ratio was lower at 3.3% in 1QFY26 compared to 7.5% in 4QFY25. However, it was 0.3% points above the benchmark value of 3% of GDP, thereby contributing marginally to the macro imbalance during the quarter.

Chart 15: Index of Macro Imbalance (IMI; quarterly)



Source (Basic data): RBI, MoSPI and EY estimates

<sup>13</sup> The IMI is obtained by adding the percentage deviation of inflation rate (based on new CPI 2012 = 100), fiscal deficit (as a percentage of GDP) and current account deficit (as a percentage of GDP) from their respective benchmarks of 4%, 3% of GDP and (-)1.3% of GDP (Rangarajan 2016). All three components of IMI have been given equal weightage (33.33%). The state of balance is judged by a value of 0. An index value greater than zero indicates the presence of an imbalance in the economy. While considering the percentage deviation of each of the indicators from its selected norm, only the positive deviations are taken. Negative deviations are equated to zero to ensure that the negative and positive deviations across indices are not canceled out.

Rangarajan, C (2016): "Can India grow at 8 to 9 per cent?" The Hindu, (<http://www.thehindu.com/opinion/lead/can-india-grow-at-8-to-9-per-cent/article8596824.ece>, Accessed on 17 May 2016.)





## 11.

### Capturing macro-fiscal trends: Data appendix

Table A1: Industrial growth indicators (annual, quarterly and monthly growth rates, y-o-y)

Fiscal year/ quarter/ month	IIP	Mining	Manufacturing	Electricity	Core IIP	Fiscal year/ quarter /month	PMI mfg.	PMI ser.
	% change y-o-y							
FY22	11.4	12.2	11.8	7.9	10.4	FY22	54.0	52.3
FY23	5.2	5.8	4.7	8.9	7.8	FY23	55.6	57.3
FY24	5.9	7.5	5.5	7.1	7.6	FY24	57.2	60.3
FY25	4.0	2.9	3.9	5.1	4.4	FY25	57.4	59.2
3QFY25	4.1	1.8	4.5	4.1	4.9	3QFY25	56.8	58.7
4QFY25	4.0	2.4	4.2	4.6	4.3	4QFY25	57.4	58.0
1QFY26	2.0	-3.0	3.3	-1.5	1.5	1QFY26	58.1	59.3
2QFY26	4.1	-0.5	4.9	3.7	4.4	2QFY26	58.7	61.4
Jun-25	1.5	-8.7	3.7	-1.2	2.2	Jul-25	59.1	60.5
Jul-25	4.3	-7.2	6.0	3.7	3.7	Aug-25	59.3	62.9
Aug-25	4.1	6.6	3.8	4.1	6.5	Sep-25	57.7	60.9
Sep-25	4.0	-0.4	4.8	3.1	3.0	Oct-25	59.2	58.9

Source: MoSPI, Office of the Economic Adviser, Ministry of Commerce and Industry and S&P Global

Table A2: Inflation indicators (annual, quarterly and monthly growth rates, y-o-y)

Fiscal year/ quarter/ month	CPI	Food Price Index	Fuel and light	Core CPI	WPI	Food Price Index	Mfg. products	Fuel and power	Core WPI
	% change y-o-y					% change y-o-y			
FY22	5.5	3.8	11.3	6.1	13.0	6.8	11.1	32.5	11.0
FY23	6.7	6.6	10.3	6.3	9.4	6.3	5.6	28.1	5.8
FY24	5.4	7.5	1.2	4.4	-0.7	3.2	-1.7	-4.7	-1.4
FY25	4.6	7.3	-2.5	3.6	2.3	7.3	1.7	-1.3	0.7
3QFY25	5.6	9.4	-1.6	3.8	2.5	10.0	2.0	-3.6	0.5
4QFY25	3.7	4.1	-0.5	4.0	2.4	6.2	3.0	-1.0	1.4
1QFY26	2.7	0.6	2.8	4.4	0.3	1.6	2.2	-3.9	1.0
2QFY26	1.7	-1.6	2.3	4.3	0.0	-1.3	2.3	-3.0	1.5
Jul-25	1.6	-1.8	2.7	4.2	-0.6	-2.1	2.0	-3.0	1.1
Aug-25	2.1	-0.6	2.3	4.3	0.5	0.2	2.6	-3.2	1.7
Sep-25	1.4	-2.3	2.0	4.5	0.1	-2.0	2.3	-2.6	1.9
Oct-25	0.3	-5.0	2.0	4.4	-1.2	-5.0	1.5	-2.6	1.5

Source: Office of the Economic Adviser, Ministry of Commerce and Industry and MoSPI

Note: Core CPI inflation is measured as CPI inflation excluding food and beverages, pan, tobacco and intoxicants, and fuel and light.

**Table A3: Fiscal indicators (annual growth rates, cumulated monthly growth rates, y-o-y, unless otherwise specified)**

Fiscal year/month	Gross tax revenue	Corporate tax	Income tax	Direct taxes*	Indirect taxes**	Fiscal deficit % of GDP	Revenue deficit % of GDP
FY22	33.7	55.6	42.9	49.0	20.2	6.7	4.4
FY23	12.7	16.0	19.7	17.8	7.2	6.4	4.0
FY24	13.5	10.3	25.4	17.9	8.5	5.6	2.6
FY25 (RE over act.)	11.2	7.6	20.3	14.4	6.8	4.8	1.9
FY26 (BE over RE)	10.8	10.4	14.4	12.7	8.3	4.4	1.5
Cumulated growth (% , y-o-y)						% of budgeted target	
Feb-25	10.9	1.9	22.0	12.4	7.9	85.8#	93.8#
Mar-25	9.5	8.3	17.0	12.9	4.2	100.5#	92.9#
Apr-25	6.5	-40.7	10.8	-3.0	17.4	11.9	9.4
May-25	12.1	-0.8	6.4	5.0	19.4	0.8	-34.9
Jun-25	4.6	-1.2	-0.5	-0.8	11.5	17.9	6.4
Jul-25	0.8	7.6	-9.9	-4.3	6.9	29.9	28.9
Aug-25	0.8	2.1	-2.5	-1.0	2.9	38.1	37.9
Sep-25	2.8	1.1	4.7	3.1	2.8	36.5	5.2

Source: Monthly Accounts, Controller General of Accounts, Government of India, Union Budget documents; # indicates that the values as percent of revised estimates; annual data is sourced from Union budget documents.

\* Includes corporation tax and income tax

\*\* Includes customs duty, excise duty, service tax, CGST, UTGST, IGST and GST compensation cess

Fiscal year/month	CGST	UTGST	IGST	GST compensation cess	Total GST (Gol)
INR crore					
FY25 (RE)	9,08,459	-	0	1,53,440	10,61,899
FY26 (BE)	10,10,890	-	0	1,67,110	11,78,000
Feb-25	77,623	304	-9,998	ss 13,356	81,285
Mar-25	78,843	1,230	4,613	12,179	96,865
Apr-25	78,240	119	31,097	12,696	1,22,152
May-25	76,744	372	2,333	12,310	91,759
Jun-25	76,739	288	-6,118	13,319	84,228
Jul-25	79,902	336	-15,405	11,980	76,813
Aug-25	78,877	372	-11,537	11,655	79,367
Sep-25	76,234	529	-9,208	11,212	78,767

Source: Monthly Accounts, Controller General of Accounts, Government of India, Union Budget documents

Note: IGST revenues are subject to final settlement

Table A4: Monetary and financial indicators (annual, quarterly and monthly growth rates, y-o-y)

Fiscal year/ month	Repo rate (end of period)	Fiscal year/ quarter/ month	Bank credit	Agg. deposits	Net FDI	Net FPI	Fiscal year/ quarter/ month	M1	M3	10-year govt. bond yield	FX reserves
	%		% change y-o-y		US\$ billion			% change y-o-y		%	US\$ billion
Nov-24	6.50	FY22	7.0	9.7	38.6	-16.8	FY22	10.7	8.8	6.40	617.6
Dec-24	6.50	FY23	14.4	9.5	28.0	-5.2	FY23	6.9	9.0	7.35	578.4
Jan-25	6.50	FY24	15.7	13.0	10.1	44.1	FY24	7.3	11.1	7.16	645.6
Feb-25	6.25	FY25	13.6	11.3	2.3	2.7	FY25	7.8	9.6	6.88	665.4
Mar-25	6.25	3QFY25	11.1	11.2	-2.8	-11.4	3QFY25	6.0	9.0	6.79	640.3
Apr-25	6.00	4QFY25	11.1	10.3	0.4	-5.9	4QFY25	7.9	9.4	6.72	665.4
May-25	6.00	1QFY26	9.6	10.0	5.7	1.6	1QFY26	12.1	9.5	6.34	702.8
Jun-25	5.50	2QFY26	10.1	10.0	2.0	-6.1	2QFY26	11.4	9.2	6.49	700.2
Jul-25	5.50	Jun-25	9.5	10.1	2.5	2.4	Jul-25	11.9	9.6	6.35	698.2
Aug-25	5.50	Jul-25	10.0	10.2	5.0	-2.7	Aug-25	12.7	9.8	6.52	694.2
Sep-25	5.50	Aug-25	10.0	10.2	-0.6	-2.6	Sep-25	11.4	9.2	6.60	700.2
Oct-25	5.50	Sep-25	10.4	9.5	-2.4	-0.7	Oct-25	12.3	9.2	6.47	689.7

Source: Database on Indian Economy - RBI

Table A5: External trade and US Dollar Index

External trade indicators (annual, quarterly and monthly growth rates)							Calendar year	DXY
Fiscal year/ quarter/ month	Exports	Imports	Trade balance	Ex. rate (avg.)	Crude prices (avg.)	Coal prices (avg.)		
	% change y-o-y		US\$ billion	INR/US\$	US\$/bbl.	US\$/mt.		
FY22	44.8	56.0	-191.0	74.5	78.4	164.8	2021	92.5
FY23	6.0	16.8	-268.5	80.4	92.7	283.4	2022	104.0
FY24	-2.3	-5.3	-241.1	82.8	81.1	126.4	2023	103.4
FY25	0.1	6.2	-282.8	84.6	77.1	118.2	2024	104.2
3QFY25	3.6	8.6	-81.9	84.5	72.9	122.9	4QCY24	105.4
4QFY25	-4.2	1.2	-58.6	86.7	74.2	105.2	1QCY25	106.7
1QFY26	2.1	4.2	-67.1	85.6	65.9	99.3	2QCY25	99.7
2QFY26	6.9	4.3	-86.0	87.3	67.5	101.8	3QCY25	98.0
Jul-25	7.3	8.6	-27.3	86.1	69.2	103.3	Jul-25	98.0
Aug-25	6.7	-10.1	-26.5	87.5	66.7	102.7	Aug-25	98.3
Sep-25	6.8	16.7	-32.1	88.3	66.5	99.3	Sep-25	97.8
Oct-25	-11.8	16.6	-41.7	88.4	63.0	99.5	Oct-25	98.8

Source: Database on Indian Economy - RBI, Pink Sheet - World Bank.

Table A6: Global growth

Calendar year	Growth (annual)			
	World GDP	Adv. econ.	Emer. econ.	India <sup>#</sup>
	% change y-o-y			
2019	2.9	1.9	3.7	3.9
2020	-2.7	-4.0	-1.7	-5.8
2021	6.6	6.0	7.0	9.7
2022	3.6	2.9	4.1	7.6
2023	3.5	1.7	4.7	9.2
2024	3.3	1.8	4.3	6.5
2025*	3.2	1.6	4.2	6.6
2026*	3.1	1.6	4.0	6.2
2027*	3.2	1.7	4.2	6.4
2028*	3.2	1.7	4.1	6.5
2029*	3.2	1.6	4.1	6.5
2030*	3.1	1.5	4.0	6.5

Source: IMF WEO October 2025; \* indicates projections # data is on fiscal year basis

**Table A7: Macroeconomic aggregates (annual and quarterly real growth rates, % change y-o-y)**

Fiscal year/quarter	Output: Major sectors									IPD inflation
	GVA	Agr.	Ming.	Mfg.	Elec.	Cons.	Trans.	Fin.	Publ.	GVA
FY22	9.4	4.6	6.3	10.0	10.3	19.9	15.2	5.7	7.5	8.6
FY23	7.2	6.3	3.4	-1.7	10.8	9.1	12.3	10.8	6.7	6.3
FY24 (1st RE)	8.6	2.7	3.2	12.3	8.6	10.4	7.5	10.3	8.8	2.5
FY25 (PE)	6.4	4.6	2.7	4.5	5.9	9.4	6.1	7.2	8.9	2.9
1QFY24	9.9	5.7	4.1	7.3	4.1	9.2	11.0	15.0	9.3	1.1
2QFY24	9.2	3.7	4.1	17.0	11.7	14.6	5.4	8.3	8.9	2.5
3QFY24	8.0	1.5	4.7	14.0	10.1	10.0	8.0	8.4	8.4	3.3
4QFY24	7.3	0.9	0.8	11.3	8.8	8.7	6.2	9.0	8.7	2.9
1QFY25	6.5	1.5	6.6	7.6	10.2	10.1	5.4	6.6	9.0	2.8
2QFY25	5.8	4.1	-0.4	2.2	3.0	8.4	6.1	7.2	8.9	2.3
3QFY25	6.5	6.6	1.3	3.6	5.1	7.9	6.7	7.1	8.9	3.9
4QFY25	6.8	5.4	2.5	4.8	5.4	10.8	6.0	7.8	8.7	2.6
1QFY26	7.6	3.7	-3.1	7.7	0.5	7.6	8.6	9.5	9.8	1.0

Source: National Accounts Statistics, MoSPI

\*Growth numbers for FY23 pertain to final estimates while that for FY24 pertain to first revised estimates as per the National statistics released on 28 February 2025. Growth numbers for FY25 are based on provisional estimates released on 31 May 2025.

Fiscal year/quarter	Expenditure components						IPD inflation
	GDP	PFCE	GFCE	GFCF	EX	IM	GDP
FY22	9.7	11.7	0.0	17.5	29.6	22.1	8.4
FY23	7.6	7.5	4.3	8.4	10.3	8.9	5.9
FY24 (1st RE)	9.2	5.6	8.1	8.8	2.2	13.8	2.6
FY25 (PE)	6.5	7.2	2.3	7.1	6.3	-3.7	3.1
1QFY24	9.7	7.4	5.3	8.4	-7.0	18.0	1.2
2QFY24	9.3	3.0	20.1	11.7	4.6	14.3	2.5
3QFY24	9.5	5.7	2.3	9.3	3.0	11.3	3.1
4QFY24	8.4	6.2	6.6	6.0	7.7	11.4	3.4
1QFY25	6.5	8.3	-0.3	6.7	8.3	-1.6	3.0
2QFY25	5.6	6.4	4.3	6.7	3.0	1.0	2.5
3QFY25	6.4	8.1	9.3	5.2	10.8	-2.1	3.7
4QFY25	7.4	6.0	-1.8	9.4	3.9	-12.7	3.1
1QFY26	7.8	7.0	7.5	7.8	6.3	10.9	0.9

Source: National Accounts Statistics, MoSPI

\* Growth numbers for FY23 pertain to final estimates while that for FY24 pertain to first revised estimates as per the National statistics released on 28 February 2025. Growth numbers for FY25 are based on provisional estimates released on 31 May 2025.





## List of abbreviations

Sr. no.	Abbreviations	Description
1	AD	aggregate demand
2	AEs	advanced economies
3	Agr.	agriculture, forests and fishing
4	AY	assessment year
5	Bcm	billion cubic meters
6	bbl.	barrel
7	BE	budget estimate
8	CAB	current account balance
9	CGA	Comptroller General of Accounts
10	CGST	Central Goods and Services Tax
11	CIT	corporate income tax
12	Cons.	construction
13	CPI	Consumer Price Index
14	COVID-19	Coronavirus disease 2019
15	CPSE	central public-sector enterprise
16	CRAR	Credit to Risk- weighted Assets Ratio
17	Disc.	discrepancies
18	ECBs	External Commercial borrowings
19	Elec.	electricity, gas, water supply and other utility services
20	EMDEs	Emerging Market and Developing Economies
21	EXP	exports
22	FAE	first advance estimates
23	FC	Finance Commission
24	FII	foreign investment inflows
25	Fin.	financial, real estate and professional services
26	FPI	foreign portfolio investment
27	FRBMA	Fiscal Responsibility and Budget Management Act
28	FRL	Fiscal Responsibility Legislation
29	FY	fiscal year (April–March)
30	GDP	Gross Domestic Product
31	GFCE	government final consumption expenditure
32	GFCF	gross fixed capital formation
33	GoI	Government of India
34	G-secs	government securities

Sr. no.	Abbreviations	Description
35	GST	Goods and Services Tax
36	GVA	gross value added
37	IAD	Index of Aggregate Demand
38	IBE	interim budget estimates
39	ICRIER	Indian Council for Research on International Economic Relations
40	IEA	International Energy Agency
41	IGST	Integrated Goods and Services Tax
42	IIP	Index of Industrial Production
43	IMF	International Monetary Fund
44	IMI	Index of Macro Imbalance
45	IMP	imports
46	INR	Indian Rupee
47	IPD	implicit price deflator
48	MCLR	marginal cost of funds-based lending rate
49	Mfg.	manufacturing
50	MGNREGA	Mahatma Gandhi National Rural Employment Guarantee Act
51	Ming.	mining and quarrying
52	m-o-m	month-on-month
53	Mt	metric ton
54	MoSPI	Ministry of Statistics and Programme Implementation
55	MPC	Monetary Policy Committee
56	MPF	Monetary Policy Framework
57	n.i.e	Not indicated elsewhere
58	NEXP	net exports (exports minus imports of goods and services)
59	NSO	National Statistical Office
60	NSSO	National Sample Survey Organisation
61	NPA	non-performing assets
62	OECD	Organization for Economic Co-operation and Development
63	OPEC	Organization of the Petroleum Exporting Countries
64	PFCE	private final consumption expenditure
65	PIT	personal income tax
66	PMI	Purchasing Managers' Index (reference value = 50)
67	PoL	petroleum oil and lubricants
68	PPP	Purchasing power parity
69	PSBR	public sector borrowing requirement
70	PSU/PSE	public sector undertaking/public sector enterprises
71	RE	revised estimates
72	REE	Rare earth elements

Sr. no.	Abbreviations	Description
73	RBI	Reserve Bank of India
74	sa	Seasonally adjusted
75	SLR	Statutory Liquidity Ratio
76	Trans.	trade, hotels, transport, communication and services related to broadcasting
77	US\$	US Dollar
78	UNCTAD	United Nations
79	UTGST	Union Territory Goods and Services Tax
80	WALR	weighted average lending rate
81	WHO	World Health Organization
82	WPI	Wholesale Price Index
83	y-o-y	year-on-year
84	1HFY20	first half of fiscal year 2019-20, i.e., April 2019-September 2019

# Our offices

## Ahmedabad

22nd Floor, B Wing, Privilon  
Ambli BRT Road, Behind Iskcon Temple  
Off SG Highway  
Ahmedabad - 380 059  
Tel: + 91 79 6608 3800

8th Floor, Building No. 14A  
Block 14, Zone 1  
Brigade International Financial Centre  
GIFT City SEZ  
Gandhinagar - 382355, Gujarat  
Tel +91 79 6608 3800

## Bengaluru

12th & 13th Floor  
"UB City", Canberra Block  
No.24 Vittal Mallya Road,  
Bengaluru - 560 001  
Tel: + 91 80 6727 5000

Ground & 1st Floor  
# 11, 'A' wing  
Divyasree Chambers  
Langford Town,  
Bengaluru - 560 025  
Tel: + 91 80 6727 5000

3rd & 4th Floor  
MARKSQUARE  
#61, St. Mark's Road  
Shantala Nagar,  
Bengaluru - 560 001  
Tel: + 91 80 6727 5000

1st & 8th Floor, Tower A  
Prestige Shantiniketan  
Mahadevapura Post  
Whitefield,  
Bengaluru - 560 048  
Tel: + 91 80 6727 5000

## Bhubaneswar

8th Floor, O-Hub, Tower A  
Chandaka SEZ, Bhubaneswar,  
Odisha – 751024  
Tel: + 91 674 274 4490

## Chandigarh

Elante offices, Unit No. B-613 & 614  
6th Floor, Plot No- 178-178A  
Industrial & Business Park, Phase-I  
Chandigarh - 160 002  
Tel: + 91 172 6717800

## Chennai

6th & 7th Floor, A Block,  
Tidel Park, No.4, Rajiv Gandhi Salai  
Taramani, Chennai - 600 113  
Tel: + 91 44 6654 8100

## Delhi NCR

Aikyam  
Ground Floor  
67, Institutional Area  
Sector 44w, Gurugram - 122 003  
Haryana  
Tel: + 91 124 443 4000

3rd & 6th Floor, Worldmark-1  
IGI Airport Hospitality District  
Aerocity, New Delhi - 110 037  
Tel: + 91 11 4731 8000

## Hyderabad

THE SKYVIEW 10  
18th Floor, "SOUTH LOBBY"  
Survey No 83/1, Raidurgam  
Hyderabad - 500 032  
Tel: + 91 40 6736 2000

## Jaipur

9th floor, Jewel of India  
Horizon Tower, JLN Marg  
Opp Jaipur Stock Exchange  
Jaipur, Rajasthan – 302018

## Kochi

9th Floor, ABAD Nucleus  
NH-49, Maradu PO  
Kochi - 682 304  
Tel: + 91 484 433 4000

## Kolkata

22 Camac Street  
3rd Floor, Block 'C'  
Kolkata - 700 016  
Tel: +91 33 6615 3400

6th floor, Sector V,  
Building Omega, Bengal Intelligent Park,  
Salt Lake Electronics Complex, Bidhan  
Nagar, Kolkata - 700 091  
Tel: +91 33 6615 3400

## Mumbai

14th Floor, The Ruby  
29 Senapati Bapat Marg  
Dadar (W), Mumbai - 400 028  
Tel: + 91 22 6192 0000

5th Floor, Block B-2  
Nirlon Knowledge Park  
Off. Western Express Highway, Goregaon  
(E),  
Mumbai - 400 063  
Tel: + 91 22 6192 0000

3rd Floor, Unit No.301  
Building No.1, Mindspace-Gigaplex  
IT Park, MIDC, Plot No. IT-5  
Airoli Knowledge Park  
Airoli West, Navi Mumbai - 400 708  
Tel: + 91 22 6192 0003

Altimus, 18th Floor  
Pandurang Budhkar Marg  
Worli, Mumbai - 400 018  
Tel: +91 22 6192 0503

## Pune

C-401, 4th Floor  
Panchshil Tech Park, Yerwada  
(Near Don Bosco School)  
Pune - 411 006  
Tel: + 91 20 4912 6000

10th Floor, Smartworks  
M-Agile, Pan Card Club Road  
Baner, Pune - 411 045  
Tel: + 91 20 4912 6800

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