

19 ECONOMY

GOLD ₹38,695 RUPEE 71.74 OIL \$64.00 SILVER ₹45,375

SENSEX: 40,793.81 ▼ 336.36 NIFTY: 12,056.05 ▼ 95.10 NIKKEI: 23,293.91 ▼ 115.23 HANG SENG: 26,346.49 ▼ 547.24 FTSE: 7,402.91 ▼ 13.52 DAX: 13,265.15 ▲ 19.57

International market data till 1900 IST

'CENTRE WON'T CUT EXPENDITURE BUT COULD ALTER SECTORAL ALLOCATION'

Barring govt spending, growth slumps across industrial and services sectors

SUNNY VERMA & ANCHAL MAGAZINE NEW DELHI, NOVEMBER 29

SECTORAL DATA on economic activity released Friday showed that growth fell sharply across the board in sectors including construction, agriculture, trade and financial services, while manufacturing sector recorded a contraction in the July-September quarter.

Table with 3 columns: SECTORS, JUL-SEPT 2019, JUL-SEPT 2018. Rows include Agriculture, Mining, Manufacturing, etc.

"The overall pace of growth weakened across key sectors. The prolonged and heavy monsoon, lower demand and liquidity constraints in the economy have impacted activity across sectors.

deficit at 3.3 per cent GDP by March-end 2020, and there will be no expansion in market borrowings. Privatisation of state-owned enterprises such as BPCL, Container Corporation of India Ltd and Shipping Corporation of India Ltd could enable the government generate resources to help demand-side of the economy.

FICCI president Sandip Somany said dip in growth was not "entirely unexpected as many of the lead indicators of economic activity were showing signs of weakness", but things should improve in second half of current fiscal. It is equally important to address problems in rural sector where more income enhancing measures are required, he added.

MoSPI issues clarification on GFCF data mismatch in GDP release

ENSE ECONOMIC BUREAU NEW DELHI, NOVEMBER 29

THE GDP release for July-September had two sets of figures for Gross Fixed Capital Formation (GFCF), an indicator for investment in the economy. The text of the release showed GFCF at Rs 10.83 lakh crore in the second quarter of FY20, as against Rs 11.16 lakh crore last fiscal, thus showing a 3 per cent contraction.

OUTPUT OF 8 INFRA INDUSTRIES SHRINKS 5.8% IN OCTOBER

Contraction in core sectors for second straight month; electricity sees steep fall

ENSE ECONOMIC BUREAU NEW DELHI, NOVEMBER 29

GROWTH IN the eight core sectors of India's economy contracted 5.8 per cent in October 2019, continuing a trend of unprecedented decline that started in September.

EXPLAINED Indicative of broader slowdown facing the economy

CONTRACTION IN eight key infrastructure sectors of the economy in October, which are lead indicators for performance of the industrial sector, reflect the broader slowdown facing the Indian economy.

Core sector growth in September had declined 5.1 per cent — a drop that analysts had said has not been witnessed so far. The growth of the country's eight core sectors — coal, crude oil, natural gas, refinery products, fertilizers, steel, cement and electricity — is a lead indicator of the monthly industrial performance.

Production in this sector during August and September had declined 0.9 per cent and 2.6 per cent, respectively. The coal sector, which makes up around 10 per cent of the index, also declined steeply by 17.6 per cent, according to the Ministry's data.

Growth concerns pull Sensex down 336 points

ENSE ECONOMIC BUREAU MUMBAI, NOVEMBER 29

BENCHMARK INDICES Sensex and Nifty Friday plunged from record highs amid fears that India's economic slowdown is deepening.

AHEAD OF RELEASE OF GDP NUMBERS

The 30-share BSE Sensex fell 336 points, or 0.82 per cent, to close at 40,793.81, while broader Nifty settled 95.10 points, or 0.78 per cent down, at 12,056.05 ahead of the GDP data release.

The GDP data for the July-September period, released after market hours, showed that growth declined to 4.5 per cent for the September quarter as against 5 per cent in the June quarter.

stimulus is required to stem this fall without which it could be still lower as we move into next fiscal." Investor sentiment in the bygone week was driven by positive news about US-China trade talks progress and continuation of measures by the Centre to boost consumer demand and economic growth.

GOVERNMENT EXPENDITURE RISES 15.6% IN Q2FY20

Government expenditure was the major component supporting overall GDP growth, rising by 15.6 per cent in July-September as against a growth of 10.9 per cent in the year-ago period

GDP ESTIMATES FROM EXPENDITURE SIDE (GROWTH PERCENTAGE OVER LAST YEAR)

Table with 3 columns: Category, Jul-Sept 2018, Jul-Sept 2019. Rows include Private Final Consumption, Government Final Consumption, etc.

- However, Private Final Consumption Expenditure, indicating private consumption demand, remained weak, growing by 5.1 per cent in July-September as against a growth rate of 9.8 per cent last year
- Investment, as measured by Gross Fixed Capital Formation, which has been slowing over last two quarters, grew only by 1 per cent in July-September 2019-20.



secularly joining the slowdown bandwagon even as investment story continues to languish. Policymakers need to address structural constraints to ensure secular growth pick up ahead, Madhavi Arora, Lead Economist, Edelweiss Securities said

"... The fundamentals of Indian Economy remain strong. GDP growth is expected to pick up from 3rd quarter of FY 2019-20 ... IMF has projected India's GDP growth at 6.1 per cent in FY 2019-20 and 7 per cent in FY 2020-21"

ATANU CHAKRABORTY SECRETARY, DEPARTMENT OF ECONOMIC AFFAIRS

"We expect the slowdown to be bottoming out ... My hope stems from the fact the private final consumption at about 5 per cent growth does indicate resilience in consumer demand. But we need to be shoring up the consumer sentiment, for sure"

DEEPAK SOOD SECRETARY GENERAL, ASSOCHAM

At ₹7.2 lakh crore, fiscal deficit at 102.4% of Budget Estimate

ENSE ECONOMIC BUREAU NEW DELHI, NOVEMBER 29

THE CENTRE'S fiscal deficit in April-October of 2019-20 came in at Rs 7.20 lakh crore, or 102.4 per cent of the Budget Estimate, for the whole of the fiscal year, according to the data released by the Controller General of Accounts (CGA) on Friday.

GOVERNMENT ACCOUNT: APR-OCT 2019

Table with 4 columns: Budget Estimates, Actuals up to, % of Actuals to Budget Estimates. Rows include Revenue receipts, Revenue expenditure, etc.

Additional transfer of Rs 58,000 crore extra receipts from the Reserve Bank of India, following the reformulation of its economic capital framework, helped the government's financial position, even though tax revenue growth slackened.

this year stood at Rs 16.54 lakh crore, or 59.4 per cent of the Budget Estimate. The government has pegged its total expenditure for 2019-20 at Rs 27.86 lakh crore. However, the quality of spending has improved in recent months. Budgetary capex grew by 13.6 per cent y-o-y in April-October quarter this fiscal, a bit lower than the 15.3 per cent seen in the first six months of the year.

Mandatory hallmarking for gold jewellery from Jan 15, 2021: Paswan

EXPRESS NEWS SERVICE NEW DELHI, NOVEMBER 29

THE HALLMARKING of gold jewellery will be made mandatory across the country from January 15, 2021, said Ram Vilas Paswan, Union Minister for Consumer Affairs, Food and Public Distribution, on Friday.

Under the proposed rules hallmarking for gold jewellery will be done in three categories — 14 carat, 18 carat and 22 carat. Before January 2017, hallmarking used to be done in 9 carat, 14 carat, 17 carat, 18 carat and 23 carat.

BIS has been running a hallmarking scheme for gold jewellery since April 2000 but hallmarking of gold is voluntary as of now. According to the Department of Consumer Affairs, as on October 31, 2019, there are 877 assaying and hallmarking centres spread in 234 district locations across the country and, so far, 26,019 jewellers have taken BIS registration.

WALMART, TARGET CORP, BEST BUY BULK UP ONLINE PRESENCE In US, Black Friday sales rush shifts online

REUTERS NEW YORK/WASHINGTON, NOVEMBER 29

FEWER PEOPLE lined up outside stores as Black Friday shopping kicked off, suggesting early discounts offered by retail chains and a surge in online buying may have taken the shine off America's biggest shopping day.



MEANWHILE IN BRAZIL, shoppers reach for television sets as they compete to purchase retail items on Black Friday at a store in Sao Paulo on Friday. Reuters

an important indicator, a lot of shopping during Thanksgiving and Black Friday now happens online. Adobe Analytics, which measures transactions from 80 of the top 100 US online retailers, estimates \$7.5 billion in online sales for Black Friday, growth of over 20.5 per cent year-over-year.