

Bajaj Allianz Life Insurance

Macro-Economic Heatmap

LIFE GOALS. DONE.



		Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22
Industry & Economy														
IIP	2Yr CAGR	0.9	0.5	(0.2)	(7.8)	(2.5)	(0.1)	2.4	2.6	4.3	(0.2)	1.4	0.4	
IIP Manufacturing	2Yr CAGR	0.2	(0.5)	(0.6)	(9.4)	(3.1)	(1.0)	1.4	2.3	3.9	(0.4)	1.4	0.1	
IIP Capital Goods	2Yr CAGR	(6.9)	(4.0)	(9.4)	(22.8)	(10.7)	0.3	1.3	1.0	0.7	(4.8)	(0.8)	(5.3)	
IIP Consumer Goods	2Yr CAGR	(1.2)	0.3	(4.1)	(13.6)	(2.7)	(2.1)	0.7	2.1	5.1	(1.8)	1.2	(1.7)	
E-way bills per day	000s	2,280	2,298	1,959	1,290	1,823	2,070	2,126	2,265	2,371	2,038	2,311	2,221	2,359
Railway Freight Traffic	2Yr CAGR	6.0	4.4	5.1	4.6	5.5	6.3	10.2	9.4	11.8	7.5	7.9	8.2	6.0
Manufacturing PMI		57.5	55.4	55.5	50.8	48.1	55.3	52.3	53.7	55.9	57.6	55.5	54.0	54.9
Services PMI		55.3	54.6	54.0	46.4	41.2	45.4	56.7	55.2	58.4	58.1	55.5	51.5	51.8
Coal Production	2Yr CAGR	3.1	2.1	(3.8)	(4.1)	(4.8)	5.9	11.8	14.2	13.2	5.7	3.7	3.0	
Steel Production	2Yr CAGR	2.6	1.3	1.1	(3.9)	(2.0)	1.1	3.7	6.6	5.9	1.1	1.4	5.5	
Cement Production	2Yr CAGR	3.9	2.6	2.1	(6.3)	0.1	2.6	8.0	3.7	8.7	(5.4)	2.8	3.5	
GST Revenue	2Yr CAGR	7.9	7.8	11.4	1.2	(3.6)	6.8	6.8	12.8	16.8	12.7	12.1	11.7	12.4
Merchandise Exports	2Yr CAGR	1.4	3.0	8.7	4.0	13.9	16.4	13.3	14.0	16.7	11.1	20.4	16.6	11.6
Merchandise Imports	2Yr CAGR	5.5	5.2	4.2	(8.8)	1.3	6.9	6.4	22.2	19.1	17.7	23.4	13.5	21.0
Trade Balance	US\$ bn	(13.1)	(13.7)	(15.3)	(6.5)	(9.6)	(10.6)	(11.7)	(22.4)	(18.2)	(21.6)	(21.0)	(17.9)	(20.9)
Brent Crude	US\$/bbl	64	62	67	69	75	75	71	79	84	70	77	91	101

High frequency economic indicators have seen some moderation in recent months. Industrial production has slowed down (partly due to base effect). PMI data remains healthy and in expansion, but has softened from earlier highs, and so have coal, cement and steel production (although still in positive growth territory) . E-Way bills, GST revenue and railway freight data remains healthy. Trade deficit has widened due to sharper rise in imports (partly contributed by rising crude oil prices).

		Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22
Consumption														
Diesel Consumption	2Yr CAGR	(1.3)	(1.6)	(4.5)	(15.7)	(8.8)	(5.3)	(4.2)	(2.8)	0.8	(7.2)	(0.6)	(4.3)	(4.7)
Petrol Consumption	2Yr CAGR	4.7	3.1	(1.5)	(14.7)	(4.4)	2.1	2.2	4.6	4.1	2.2	6.7	0.4	0.8
Domestic Air Passenger Traffic	2Yr CAGR	(17.0)	(17.9)	(28.2)	(59.1)	(49.7)	(35.7)	(25.4)	(22.5)	(15.4)	(9.9)	(7.3)	(29.1)	
Passenger Vehicle Sales	2Yr CAGR	1.7	(0.2)	2.8	(37.7)	5.1	17.9	10.8	(13.7)	(8.7)	(7.7)	(0.7)	1.1	5.0
Two Wheelers Sales	2Yr CAGR	(6.0)	1.9	(22.1)	(54.8)	(20.0)	(8.9)	(6.2)	(3.9)	(6.3)	(13.7)	(2.1)	(8.3)	(10.5)
Tractors Sales	2Yr CAGR	26.1	16.8	5.2	(2.2)	20.6	19.6	20.4	4.5	4.0	8.2	1.9	(0.6)	(5.1)
Rural Wages Real	2Yr CAGR	(1.5)	(0.7)	(0.5)	(0.5)	(0.5)	(0.3)	0.0	0.5	0.3	0.4	1.0	0.7	

Petrol & Diesel consumption growth has moderated a bit. Passenger Vehicle Sales is still healthy, but two-wheeler and tractor sales growth are still in negative territory.

		Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22
Banking & Interest Rates														
Non-Food Credit Growth	YoY	6.6	5.5	5.7	5.9	5.9	6.2	6.7	6.8	6.9	7.1	9.3	8.3	
Bank Deposit Growth	YoY	12.1	11.4	11.2	9.5	9.8	9.8	9.5	9.4	10.0	8.9	12.1	8.3	8.6
Bank Deposit Rate	%	5.3	5.3	5.3	5.2	5.2	5.1	5.1	5.1	5.1	5.0	5.0	5.0	
Call Money Rate	%	3.22	3.16	3.31	3.32	3.09	3.28	3.27	3.25	3.24	3.27	3.32	3.44	3.25
10 Yr GSec Yield	%	6.09	6.19	6.06	5.99	6.02	6.17	6.23	6.18	6.33	6.35	6.41	6.60	6.75

Bank credit growth is recovering with the economy picking-up. Bank deposit growth has moderated a bit. Interest rates harden with the benchmark 10 year G-Sec yield rising in recent months.

		Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22
Inflation														
CPI	YoY	5.03	5.52	4.23	6.30	6.26	5.59	5.30	4.35	4.48	4.91	5.66	6.01	6.07
CPI Food	YoY	3.87	4.87	1.96	5.01	5.15	3.96	3.11	0.68	0.85	1.87	4.05	5.43	5.85
Core CPI	YoY	5.88	6.00	5.39	6.40	6.11	5.93	5.77	5.76	6.06	6.08	6.01	5.95	5.95

Consumer Price Index (CPI) inflation has hardened in recent months contributed primarily due to rise in food prices and partially also due to rise in fuel and transport prices. Core CPI continues to remain elevated.

		Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22
Capital Flows														
FII Equity	US\$ bn	3.0	2.3	(1.5)	0.7	1.5	(1.7)	1.0	1.1	(2.3)	(0.8)	(1.7)	(4.8)	(5.0)
MF Equity	US\$ bn	(2.2)	0.7	0.7	0.1	0.9	2.9	1.6	1.0	0.8	3.2	2.9	2.2	3.8
Non-MF DII Equity	US\$ bn	(0.0)	0.1	0.7	0.2	0.1	(0.4)	(0.6)	(0.2)	(0.2)	0.9	1.2	0.7	1.8
FII Debt	US\$ bn	(1.0)	(0.5)	(0.4)	(0.2)	(0.6)	(0.1)	1.8	1.5	(0.1)	0.2	(1.6)	0.7	(0.5)
MF Equity Collections	Rs bn	4	183	136	215	205	463	313	185	200	272	419	279	381
MF Debt Collections	Rs bn	-251	-291	-25	-102	10	69	110	-262	165	-228	-360	-24	-477
FX Reserves	US\$ bn	585	579	588	598	609	621	634	639	642	638	634	630	632

FII Equity flows turn sharply negative, but have been countered by strong DII inflows (especially into mutual funds). Forex reserves have been healthy but moderated marginally from earlier record high.

Source: IIFL, Bajaj Allianz Life Insurance



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