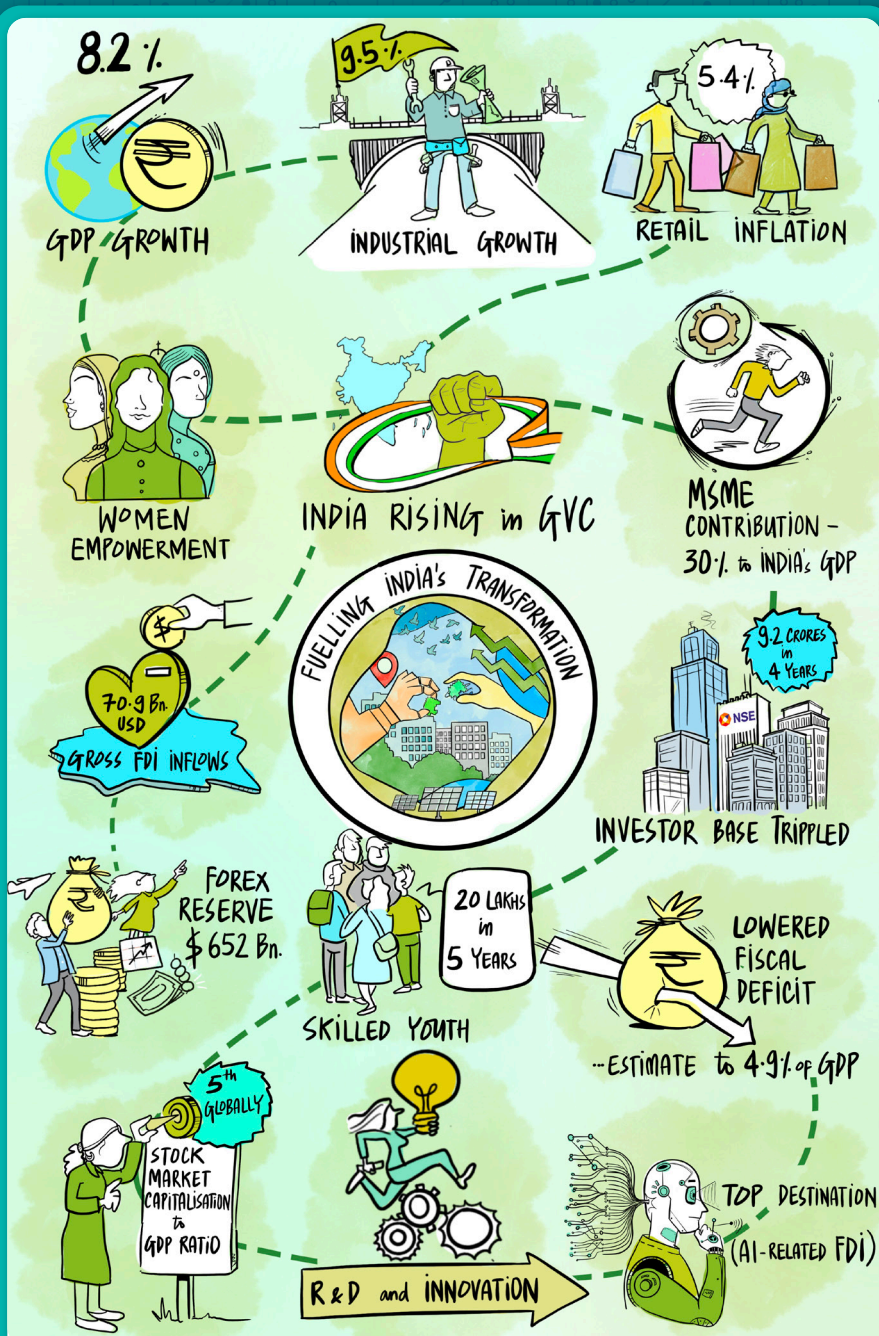


Economic indicators



- GDP grew by 8.2 percent in FY24. The economy is expected to grow 6.5–7 percent in FY25.*
- The fiscal deficit is expected to decline to 4.9 percent of GDP in FY25, down from the previous estimate of 5.1 percent. The aim is to reach a fiscal deficit of below 4.5 percent by FY26.
- CPI inflation moderated to 5.4 percent in FY24 from 6.7 percent in FY23. It could moderate to 4.5 percent in FY25 and 4.1 percent in FY26.
- The RBI has kept policy rates unchanged at 6.5 percent since February 2023.
- A 3 percent decline in merchandise exports was partly offset by 4.8 percent in services export growth in FY24. The current account deficit narrowed to 0.7 as a percent of GDP.
- Gross FDI inflows were US\$70.9 billion in FY24, down by US\$0.5 billion from FY23. However, FDI inflows in the infrastructure and power sectors doubled in FY24.

- India received 122 AI-related FDI projects in 2022, making it a top destination for AI-related FDI.
- Forex reserves hit a record high of US\$652.0 billion in June 2024, equivalent to 11 months of import cover, reaching US\$645.6 billion in FY24. 
- India's stock market capitalisation to GDP ratio ranked fifth globally, and the NSE's investor base tripled to 92 million in four years. 
- INR was the least volatile currency among its emerging market peers and depreciated by 3 percent in FY24 at INR/US\$83.4. Due to a narrow current account deficit and strong FPIs, INR remained unchanged in Q1 FY25.
- Industrial growth accelerated by 9.5 percent in FY24, with the manufacturing and construction sectors leading the way. 

*Growth is measured on a year-over-year basis on fundamental values. The predicted numbers are per the Economic Survey released on 22 July 2024.