

Top 1

India economic outlook, August 2024

The country ended fiscal year 2023 to 2024¹ with a big bang, surpassing all market estimates of GDP, with 8.15% year-over-year (YoY) growth. For three consecutive years, India's economy has exceeded growth expectations (averaging 8.3% annual growth over this period) despite global uncertainties, driven by strong domestic demand and continuous government efforts toward reforms and capital expenditure. Optimism prevails, as highlighted by a Deloitte pre-budget expectation survey, which shows high confidence among industry leaders in India's continued robust growth.² With prevalent signs of the rural economy rebounding, strong growth in manufacturing, robust bank balance sheets and credit growth, and stronger exports in services and high-value manufacturing, there is confidence that India's underlying potential will help it outpace growth in the rest of the world.

TOP 2

India and Japan aim for \$42 billion investment by 2027, says EAM Jaishankar

External Affairs Minister S. Jaishankar emphasized the deepening economic relationship between India and Japan, revealing an ambitious investment target of Yen 5 trillion (approximately \$ 42 billion) to be achieved by 2027. The announcement was made during a press briefing in Tokyo, where Jaishankar outlined the robust growth and development in India-Japan relations over the past decade. Jaishankar highlighted the significant strides made in India's infrastructure and economic development under Prime Minister Narendra Modi's leadership. Over the last ten years, India has seen the construction of approximately eight new airports annually, the addition of 1.5 to 2 new metro lines in various cities, and the development of 28 kilometers of highways each day. The country has also laid 8 kilometers of railway tracks daily. Moreover, the number of educational institutions has doubled, contributing to the establishment of 1,600 global capability centers across India that collectively generate over USD 100 billion in exports each year.

Digitalization

UPI transactions cross ₹20 trillion for third successive month in July 2024

Payments through the Unified Payments Interface (UPI) reported a 45% yearly growth, according to data from the National Payment Corporation of India (NPCI). The value of transactions also saw a growth of over 35%, totaling ₹20.64 trillion. This marks the third consecutive month when total transactions exceeded ₹20 trillion. In June 2024, the total UPI transaction value was ₹20.07 trillion, while in May it was ₹20.44 trillion. NPCI data also showed that the average daily transaction value through UPI in July 2024 was ₹466 million, or about ₹66,590 crore. Compared with June, the volume of UPI transactions grew by 3.95% in July, while the value of transactions increased by 2.84%. In the first four months of the current fiscal year (2024-25), UPI recorded transactions amounting to ₹80.79 trillion across approximately 55.66 billion transactions.

Finance

India targets \$30 trillion economy and high-income status by 2047

India aims to become a \$30 trillion economy with an annual per capita income of \$18,000 by 2047, according to an approach paper for the vision of Vikshit Bharat in 2047. This vision was articulated in NITI Aayog's paper, 'Vision for Viksit Bharat @ 2047: An Approach Paper,' which emphasises the need to avoid the middle-income trap and strategically work towards overcoming it. The paper highlights that to achieve developed nation status, India's GDP must grow ninefold from the current \$3.36 trillion, and the per capita income must increase eightfold from \$2,392 per annum. Sustaining economic growth in the range of 7-10 per cent over 20-30 years is essential to transition from a middle-income to a high-income nation, a feat only a few countries have achieved.

Banking

India tops the world in digital payments with 48% global share: RBI

India accounts for nearly half of the world's digital payments, holding a 48.5 per cent share in the global real-time payments volume, a report from the Reserve Bank of India (RBI) said on Monday. The report also highlighted that India leads the world in global remittances, having received \$115.3 billion in 2023. "India is leading the world with a share of 48.5 per cent in global real-time payments volume. Global remittances that are increasingly being affected through mobile money and digital platforms are estimated to have increased to \$857.3 billion in 2023, led by India (\$115.3 billion)," the report said. Digital payments in India have recorded a compound annual growth rate (CAGR) of 50% and 10% in volume and value terms, respectively, in the last seven years, involving 164 billion transactions worth ₹2,428 lakh crore in 2023-24.

INVESTMENT

India, Saudi Arabia hold first High-Level Task Force meeting on investments

India and Saudi Arabia on Sunday discussed various opportunities for bilateral investments in diverse areas in the public and private sectors, including refining and petrochemical plants, new and renewable energy, and power. They reviewed measures aimed at promoting two-way investments in a mutually beneficial manner at the first meeting of the India-Saudi Arabia High-Level Task Force on Investments, co-chaired by the Principal Secretary to the Prime Minister PK Mishra and the Saudi Energy Minister Prince Abdulaziz bin Salman bin Abdulaziz Al Saud in the virtual mode. The two sides reviewed the discussions held between the technical teams of the task force, a statement issued by the Prime Minister's Office here said. Constructive discussions were held on various opportunities for bilateral investments in diverse areas in the public and private sector, including refining and petrochemical plants, new and renewable energy, power, telecom, innovation, among others, the statement said.

Currency	Rate (Rs)	Change	Index	Change	
USDINR	83.727	0.004	NIFTY 50	24,836.10	1.25
EURINR	90.555	-0.334	BSE Sensex	81,355.84	23.12
GBPINR	107.485	-0.25			
JPYINR	54.40	-0.0445			