

# Banks Sectorial Credit

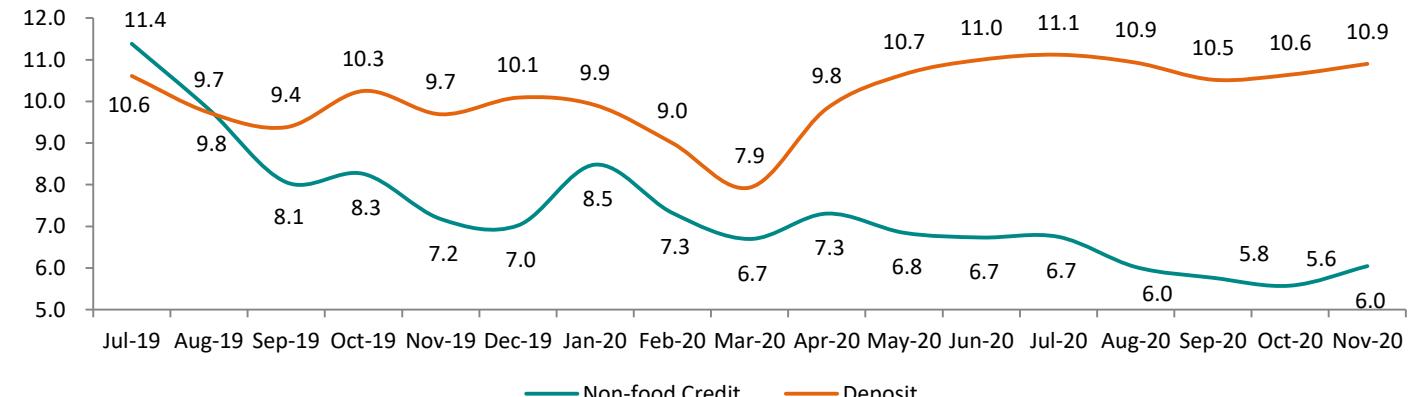
## Credit growth improves MoM

### Summary

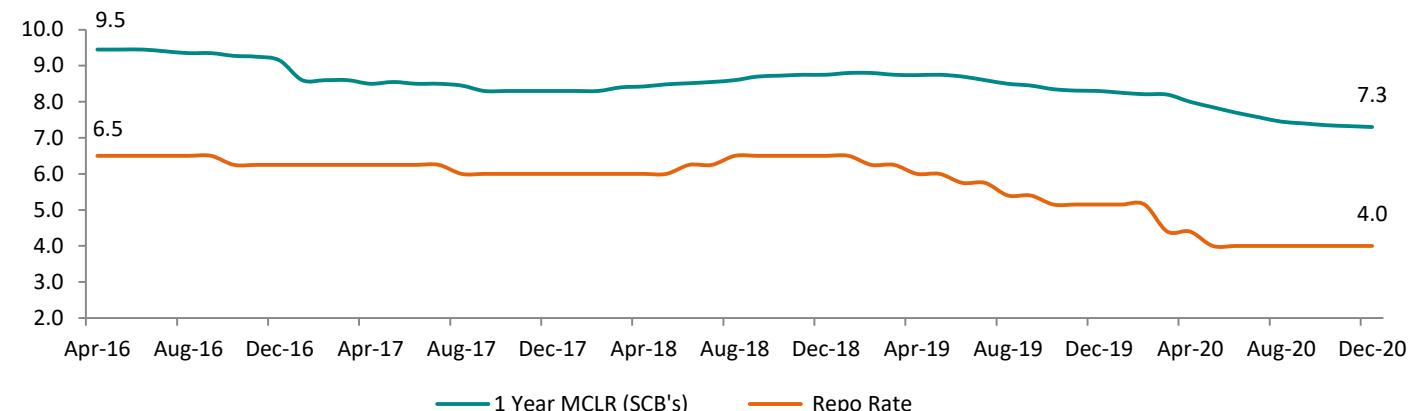
Credit growth surges 47 bps in November month to 6.0% YoY from 5.6% YoY growth in October month, led by strong agriculture and personal credit growth. Agriculture credit growth continues to grow strong at 8.5% YoY in Nov from 7.4% YoY growth in Oct led by better monsoon across the country, higher MSP, and strong Kharif & Rabi season. From June onwards Industry portfolio growth shows a downward trajectory; but in Nov month despite negative growth it shows some improvement and reported -0.7% YoY vs -1.7% in Oct as improvement seen in the large industry (-1.8% YoY vs -2.9% YoY in Oct). However, within the industry, the Medium industry continues to grow and in Nov registered a growth of 20.9% YoY (highest in last 1 year) as risk-averse banks lend under credit guarantee scheme to MSME borrowers. After two consecutive month of recovery, Service portfolio in Nov month falls to 8.8% YoY as compared to 9.5% YoY (Oct month) vs 9.1% YoY (Sept month). Retail growth surges in Nov month to 10.0% after continuous slide down from a high of 11.2% YoY (July'20) led by strong Credit card growth. Housing portfolio seen improvement to 8.5% YoY vs 8.2% YoY in Oct month as housing portfolio disbursements have reached pre-covid levels. Overall, the Credit demand saw improvement in Nov month, but from last 4 months hovering in the range of 5.5 to 6.0%. However, medium industries continue to report strong growth due to the MSME credit guarantee scheme and overall industry growth has seen improvement.

### Key Highlights

- Retail credit growth improves:** After slide down in retail credit from August, in November it shows improvement and grew at 10% YoY (reported 1.3% MoM growth). Within retail, Consumer durable portfolio reported lower growth from 65.1% YoY in August to 26.2% YoY (But upward trend since Sept month) in November, also improvement seen in Housing growth and remain at 8.5% YoY from 8.2% YoY in Oct, sudden upsurge seen in credit card and reported 8.0% YoY growth (4.9% YoY in Oct) while Vehicle loans seen uptrend from July onwards and improve to 10.0% YoY from low of 6.3% in May. Other personal loan seen slight increase at 14.9% YoY.
- Improvement in Industry growth; Disappoint growth in Service credit:** Despite negative growth of 0.7% in Nov month, Industry growth seen improvement from -2.7% in Oct month this led by improvement in large industry growth (-1.8% YoY) which was declining since June (3.7% YoY) however; medium industry Continues to report a strong growth at 20.9% YoY. After continues YoY improvement in Service credit, in November it seen sudden decline at 8.8% YoY led by Shipping (-20.5% YoY) and Professional services (-24.7% YoY). Within Service, credit growth in Tourism & hotels saw a growth at 18.0% YoY. Commercial real estate portfolio seen improvement and registered a growth of 5.6% YoY While, Credit to NBFC sector continues to see a sharp decline to 7.8% YoY (9.2% in Oct).
- Share of sectors improved MoM:** Share of sectors in November had seen improvement for agriculture credit at 13.4% (vs 13.3% Oct) from stable share at 12.9% in last few months. Industry credit share continue to decline and remain at 29.9% (high of 31.8% in June) led by large industry (24.6% vs 24.7% MoM). Share of retail loan continues to improve at 28.8% vs 28.6% MoM while services share seen decline from 28.2% to 27.9% MoM.
- Deposit growth maintains healthy growth**-Deposit continues to maintain healthy growth and on fortnight ended (4<sup>th</sup> December 2020) deposit grew at 11.3% vs 10.9% in previous fortnight (20<sup>th</sup> November 2020). While, it continues grow from a low growth at 7.9% (27<sup>th</sup> March 2020 fortnight) due to country wide lockdown.
- View:** Banking credit growth is expected to decline further to the low single-digit for FY21 as banks remain risk-averse with a focus on collections post moratorium ended in august. Credit guarantee schemes, Gold loan portfolios, and housing loans are the categories where significant traction is visible and support credit growth. We believe FY21 would be stressful for the banking sector however we expect a significant recovery in FY22. Among our banking coverage universe, our top picks are HDFC bank (fast revival post normalcy) and ICICI Bank (better to weather the storm).

**Exhibit 1: Non -food Credit seen surge after consecutive decline.**


Source: RBI; IDBI Capital Research; Note- Deposit growth is on fortnight basis

**Exhibit 2: MCLR rate continues to fall as banks pass on repo rate cut.**


Source: RBI; IDBI Capital Research

## Exhibit 3: Sector Credit

(Rs bn)

Sectors	Nov-20	Nov-19	Oct-20	YoY (%)	MoM (%)
<b>Non-Food Credit</b>	<b>91,982</b>	<b>86,739</b>	<b>91,466</b>	<b>6.0</b>	<b>0.6</b>
<b>Agriculture and Allied activities</b>	<b>12,305</b>	<b>11,340</b>	<b>12,187</b>	<b>8.5</b>	<b>1.0</b>
<b>Industry (MSME)</b>	<b>27,533</b>	<b>27,722</b>	<b>27,398</b>	<b>(0.7)</b>	<b>0.5</b>
Micro & Small	3,645	3,628	3,616	0.5	0.8
Medium	1,240	1,026	1,232	20.9	0.7
Large	22,647	23,069	22,551	(1.8)	0.4
<b>Services</b>	<b>25,698</b>	<b>23,630</b>	<b>25,766</b>	<b>8.8</b>	<b>(0.3)</b>
Transport Operators	1,548	1,398	1,482	10.7	4.4
Computer Software	191	191	194	0.4	(1.3)
Tourism, Hotels & Restaurants	513	435	486	18.0	5.6
Shipping	53	67	54	(20.5)	(0.7)
Professional Services	1,286	1,707	1,782	(24.7)	(27.8)
<b>Trade</b>	<b>5,755</b>	<b>5,017</b>	<b>5,759</b>	<b>14.7</b>	<b>(0.1)</b>
Wholesale Trade	2,753	2,176	2,681	26.5	2.7
Retail Trade	3,003	2,841	3,078	5.7	(2.5)
Commercial Real Estate	2,332	2,207	2,280	5.6	2.3
NBFCs	7,882	7,309	7,787	7.8	1.2
Other Services	6,138	5,300	5,943	15.8	3.3
<b>Personal Loans</b>	<b>26,446</b>	<b>24,047</b>	<b>26,115</b>	<b>10.0</b>	<b>1.3</b>
Consumer Durables	69	55	69	26.2	0.8
Housing	13,834	12,747	13,733	8.5	0.7
Advances against FDs	645	629	615	2.6	5.0
Advances to Individuals	47	50	63	(6.6)	(26.1)
Credit Card Outstanding	1,143	1,059	1,102	8.0	3.7
Education	652	669	654	(2.6)	(0.4)
Vehicle Loans	2,288	2,080	2,240	10.0	2.1
Other Personal Loans	7,768	6,758	7,639	14.9	1.7

Sectors (Contd...)	Nov-20	Nov-19	Oct-20	YoY (%)	MoM (%)
<b>Priority Sector</b>	<b>29,348</b>	<b>26,947</b>	<b>29,304</b>	<b>8.9</b>	<b>0.2</b>
Agriculture & Allied Activities	12,149	11,255	12,038	7.9	0.9
Micro & Small Enterprises	11,221	10,574	11,253	6.1	(0.3)
Manufacturing	3,645	3,628	3,616	0.5	0.8
Services	7,575	6,946	7,638	9.1	(0.8)
Housing	4,625	4,540	4,622	1.9	0.1
Micro-Credit	326	335	328	(2.6)	(0.4)
Education Loans	515	534	518	(3.6)	(0.5)
State-Sponsored Orgs. for SC/ST	6	4	5	51.9	8.9
Weaker Sections	7,666	6,984	7,278	9.8	5.3
Export Credit	129	132	139	(2.3)	(6.7)

Source: RBI; IDBI Capital Research

## Exhibit 4: Industry Credit

(Rs bn)

Sectors	Nov-20	Nov-19	Oct-20	YoY (%)	MoM (%)
<b>Mining &amp; Quarrying (incl. Coal)</b>	<b>438</b>	<b>414</b>	<b>429</b>	<b>5.9</b>	<b>2.1</b>
<b>Food Processing</b>	<b>1,478</b>	<b>1,369</b>	<b>1,442</b>	<b>7.9</b>	<b>2.5</b>
Sugar	203	246	184	(17.6)	10.5
Edible Oils & Vanaspati	184	174	180	5.3	2.2
Tea	58	58	59	(0.4)	(0.7)
Others	1,033	890	1,020	16.0	1.3
<b>Beverage &amp; Tobacco</b>	<b>145</b>	<b>140</b>	<b>148</b>	<b>3.0</b>	<b>(2.5)</b>
<b>Textiles</b>	<b>1,868</b>	<b>1,863</b>	<b>1,859</b>	<b>0.2</b>	<b>0.5</b>
Cotton Textiles	849	834	843	1.7	0.7
Jute Textiles	24	22	23	11.4	4.8
Man-Made Textiles	273	258	266	5.5	2.3
Other Textiles	722	749	726	(3.5)	(0.5)
<b>Leather &amp; Leather Products</b>	<b>114</b>	<b>108</b>	<b>114</b>	<b>5.5</b>	<b>0.3</b>
<b>Wood &amp; Wood Products</b>	<b>128</b>	<b>120</b>	<b>128</b>	<b>6.9</b>	<b>0.1</b>
<b>Paper &amp; Paper Products</b>	<b>340</b>	<b>302</b>	<b>332</b>	<b>12.4</b>	<b>2.5</b>
<b>Petroleum, Coal Products &amp; Nuclear Fuels</b>	<b>600</b>	<b>525</b>	<b>612</b>	<b>14.4</b>	<b>(1.9)</b>
<b>Chemicals &amp; Chemical Products</b>	<b>1,778</b>	<b>1,732</b>	<b>1,715</b>	<b>2.6</b>	<b>3.7</b>
Fertiliser	379	341	366	11.1	3.6
Drugs & Pharmaceuticals	489	485	485	0.8	0.8
Petro Chemicals	396	374	352	5.7	12.5
Others	515	532	513	(3.2)	0.4
<b>Rubber, Plastic &amp; their Products</b>	<b>495</b>	<b>470</b>	<b>476</b>	<b>5.3</b>	<b>4.1</b>
<b>Glass &amp; Glassware</b>	<b>88</b>	<b>87</b>	<b>87</b>	<b>1.1</b>	<b>0.4</b>
<b>Cement &amp; Cement Products</b>	<b>580</b>	<b>593</b>	<b>578</b>	<b>(2.2)</b>	<b>0.4</b>
<b>Basic Metal &amp; Metal Product</b>	<b>3,341</b>	<b>3,479</b>	<b>3,377</b>	<b>(4.0)</b>	<b>(1.1)</b>
Iron & Steel	2,451	2,656	2,474	(7.7)	(1.0)
Other Metal & Metal Product	890	823	903	8.1	(1.4)

Sectors (Contd...)	Nov-20	Nov-19	Oct-20	YoY (%)	MoM (%)
<b>All Engineering</b>	<b>1,372</b>	<b>1,627</b>	<b>1,374</b>	<b>(15.6)</b>	<b>(0.1)</b>
Electronics	275	329	271	(16.4)	1.3
Others	1,097	1,298	1,102	(15.4)	(0.4)
<b>Vehicles, Vehicle Parts &amp; Transport Equipment</b>	<b>862</b>	<b>815</b>	<b>884</b>	<b>5.7</b>	<b>(2.5)</b>
<b>Gems &amp; Jewellery</b>	<b>609</b>	<b>613</b>	<b>574</b>	<b>(0.7)</b>	<b>6.2</b>
<b>Construction</b>	<b>1,014</b>	<b>1,001</b>	<b>1,044</b>	<b>1.3</b>	<b>(2.9)</b>
<b>Infrastructure</b>	<b>10,071</b>	<b>10,252</b>	<b>9,991</b>	<b>(1.8)</b>	<b>0.8</b>
Power	5,517	5,627	5,526	(2.0)	(0.1)
Telecommunications	1,036	1,310	1,010	(20.9)	2.6
Roads	2,016	1,865	1,974	8.1	2.1
Other Infrastructure	1,503	1,450	1,482	3.7	1.4
<b>Other industries</b>	<b>2,213</b>	<b>2,212</b>	<b>2,235</b>	<b>0.0</b>	<b>(1.0)</b>
<b>Industries</b>	<b>27,533</b>	<b>27,722</b>	<b>27,398</b>	<b>(0.7)</b>	<b>0.5</b>

Source: RBI; IDBI Capital Research

**Exhibit 5: Sector credit % Share**

Sectors	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	July-20	Aug-20	Sept-20	Oct-20	Nov-20
<b>Non-Food Credit</b>	100	100	100	100	100	100	100	100	100	100	100	100	100
<b>Agriculture</b>	13.1	13.0	13.0	13.0	12.6	12.7	12.7	12.7	12.9	12.9	13.1	13.3	13.4
<b>Industry (MSME)</b>	32.0	32.0	31.7	31.3	31.5	31.7	31.7	31.8	31.1	30.7	30.4	30.0	29.9
Micro & Small	4.2	4.2	4.2	4.2	4.1	3.9	3.9	3.9	3.9	3.9	4.0	4.0	4.0
Medium	1.2	1.2	1.2	1.2	1.1	1.1	1.1	1.1	1.1	1.2	1.3	1.3	1.3
Large	26.6	26.6	26.3	26.0	26.2	26.7	26.7	26.8	26.1	25.6	25.2	24.7	24.6
<b>Services</b>	27.2	27.1	27.3	27.3	28.2	28.3	28.2	27.9	28.1	28.2	28.3	28.2	27.9
Transport Operators	1.6	1.6	1.6	1.6	1.6	1.6	1.7	1.6	1.6	1.6	1.6	1.6	1.7
Computer Software	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2
Tourism & Hotels	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.6
Shipping	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Professional Services	2.0	2.0	1.9	1.9	1.9	1.9	1.9	1.9	1.9	1.9	1.9	1.9	1.4
<b>Trade</b>	5.8	5.9	5.8	6.0	6.0	6.0	6.0	6.0	6.2	6.3	6.2	6.3	6.3
Wholesale Trade	2.5	2.6	2.7	2.9	2.9	2.7	2.8	2.8	3.0	2.9	2.9	2.9	3.0
Retail Trade	3.3	3.3	3.2	3.2	3.1	3.3	3.2	3.2	3.2	3.3	3.3	3.4	3.3
Commercial Real Estate	2.5	2.5	2.6	2.6	2.5	2.5	2.5	2.5	2.6	2.6	2.5	2.5	2.5
NBFCs	8.4	8.3	8.3	7.9	8.8	8.9	8.9	8.8	8.7	8.8	8.8	8.5	8.6
Other Services	6.1	6.0	6.3	6.5	6.6	6.5	6.4	6.2	6.2	6.2	6.4	6.5	6.7
<b>Personal Loans</b>	27.7	27.8	28.1	28.4	27.7	27.4	27.5	27.5	27.9	28.2	28.2	28.6	28.8
Consumer Durables	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Housing	14.7	14.8	14.8	14.9	14.5	14.6	14.7	14.8	14.9	14.9	14.9	15.0	15.0
Advances against FDs	0.7	0.7	0.8	0.8	0.9	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7
Advances to Individuals	0.1	0.1	0.1	0.1	0.1	0.1	0.0	0.1	0.1	0.1	0.1	0.1	0.1
Credit Card Outstanding	1.2	1.2	1.2	1.2	1.2	1.1	1.0	1.1	1.1	1.2	1.2	1.2	1.2
Education	0.8	0.8	0.8	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7
Vehicle Loans	2.4	2.4	2.5	2.5	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.5
Other Personal Loans	7.8	7.8	7.9	8.0	7.9	7.7	7.8	7.8	8.0	8.1	8.2	8.4	8.4

Sectors (Contd...)	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	July-20	Aug-20	Sept-20	Oct-20	Nov-20
<b>Priority Sector</b>	<b>31.1</b>	<b>31.9</b>	<b>31.1</b>	<b>30.2</b>	<b>31.5</b>	<b>30.9</b>	<b>31.0</b>	<b>31.0</b>	<b>31.2</b>	<b>31.4</b>	<b>31.6</b>	<b>32.0</b>	<b>31.9</b>
Agriculture & Allied Activities	13.0	13.0	12.8	12.8	12.4	12.6	12.6	12.7	12.7	12.8	12.9	13.2	13.2
Micro & Small Enterprises	12.2	12.2	12.4	12.3	12.5	12.1	11.9	12.5	12.1	12.2	12.4	12.3	12.2
Manufacturing	4.2	4.2	4.2	4.2	4.1	3.9	3.9	3.9	3.9	3.9	4.0	4.0	4.0
Services	8.0	8.0	8.2	8.1	8.3	8.2	8.0	8.6	8.2	8.3	8.4	8.4	8.2
Housing	5.2	5.2	5.2	5.2	4.9	5.1	5.1	5.1	5.1	5.2	5.1	5.1	5.0
Micro-Credit	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4
Education Loans	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6
State-Sponsored Orgs. for SC/ST	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Weaker Sections	8.1	8.1	8.0	7.9	7.9	8.2	8.2	8.2	8.2	8.2	8.2	8.0	8.3
Export Credit	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.1

Source: RBI; IDBI Capital Research

**Exhibit 6: Industry credit % share**

Sectors	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	July-20	Aug-20	Sept-20	Oct-20	Nov-20
<b>Mining (incl. Coal)</b>	<b>1.5</b>	<b>1.6</b>											
<b>Food Processing</b>	<b>4.9</b>	<b>5.2</b>	<b>5.3</b>	<b>5.4</b>	<b>5.3</b>	<b>5.3</b>	<b>5.2</b>	<b>5.5</b>	<b>5.6</b>	<b>5.6</b>	<b>5.3</b>	<b>5.3</b>	<b>5.4</b>
Sugar	0.9	0.9	0.9	1.0	0.9	0.9	0.9	0.9	0.8	0.8	0.7	0.7	0.7
Edible Oils & Vanaspati	0.6	0.7	0.7	0.7	0.7	0.6	0.6	0.6	0.6	0.7	0.7	0.7	0.7
Tea	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2
Others	3.2	3.4	3.5	3.5	3.5	3.5	3.5	3.8	4.0	4.0	3.7	3.7	3.8
<b>Beverage &amp; Tobacco</b>	<b>0.5</b>	<b>0.5</b>	<b>0.5</b>	<b>0.5</b>	<b>0.6</b>	<b>0.6</b>	<b>0.6</b>	<b>0.5</b>	<b>0.5</b>	<b>0.5</b>	<b>0.5</b>	<b>0.5</b>	<b>0.5</b>
<b>Textiles</b>	<b>6.7</b>	<b>6.8</b>	<b>6.7</b>	<b>6.7</b>	<b>6.6</b>	<b>6.6</b>	<b>6.6</b>	<b>6.6</b>	<b>6.7</b>	<b>6.8</b>	<b>6.8</b>	<b>6.8</b>	<b>6.8</b>
Cotton Textiles	3.0	3.1	3.1	3.1	3.1	3.0	3.0	3.0	3.1	3.1	3.1	3.1	3.1
Jute Textiles	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Man-Made Textiles	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	1.0	1.0	1.0	1.0	1.0
Other Textiles	2.7	2.7	2.6	2.6	2.6	2.6	2.6	2.6	2.6	2.7	2.7	2.7	2.6
<b>Leather</b>	<b>0.4</b>												
<b>Wood</b>	<b>0.4</b>	<b>0.5</b>	<b>0.5</b>	<b>0.5</b>	<b>0.5</b>	<b>0.5</b>							
<b>Paper</b>	<b>1.1</b>	<b>1.2</b>	<b>1.2</b>	<b>1.2</b>	<b>1.2</b>								
<b>Petroleum</b>	<b>1.9</b>	<b>1.9</b>	<b>2.0</b>	<b>2.1</b>	<b>2.6</b>	<b>2.8</b>	<b>2.6</b>	<b>2.6</b>	<b>2.0</b>	<b>2.0</b>	<b>2.2</b>	<b>2.2</b>	<b>2.2</b>
<b>Chemicals</b>	<b>6.2</b>	<b>6.3</b>	<b>6.5</b>	<b>6.6</b>	<b>7.0</b>	<b>6.7</b>	<b>6.4</b>	<b>6.3</b>	<b>6.2</b>	<b>6.3</b>	<b>6.3</b>	<b>6.3</b>	<b>6.5</b>
Fertiliser	1.2	1.2	1.2	1.3	1.7	1.2	1.2	1.2	1.3	1.3	1.2	1.3	1.4
Drugs & Pharma	1.7	1.8	1.8	1.8	1.8	1.8	1.8	1.8	1.8	1.7	1.8	1.8	1.8
Petro Chemicals	1.4	1.4	1.4	1.4	1.5	1.6	1.4	1.4	1.3	1.3	1.3	1.3	1.4
Others	1.9	1.9	2.0	2.0	2.0	2.0	1.9	1.9	1.9	1.9	2.0	1.9	1.9
<b>Rubber, &amp; Plastic</b>	<b>1.7</b>	<b>1.8</b>	<b>1.7</b>	<b>1.8</b>	<b>1.8</b>	<b>1.7</b>	<b>1.8</b>						
<b>Glass &amp; Glassware</b>	<b>0.3</b>												
<b>Cement</b>	<b>2.1</b>	<b>2.1</b>	<b>2.0</b>	<b>2.0</b>	<b>2.0</b>	<b>2.0</b>	<b>2.0</b>	<b>2.0</b>	<b>2.1</b>	<b>2.1</b>	<b>2.1</b>	<b>2.1</b>	<b>2.1</b>
<b>Basic Metal</b>	<b>12.5</b>	<b>12.1</b>	<b>11.9</b>	<b>11.9</b>	<b>12.1</b>	<b>12.3</b>	<b>12.4</b>	<b>12.2</b>	<b>12.0</b>	<b>12.4</b>	<b>12.4</b>	<b>12.3</b>	<b>12.1</b>
Iron & Steel	9.6	9.1	9.0	9.0	9.0	9.3	9.4	9.3	9.1	9.2	9.1	9.0	8.9
Other Metal	3.0	3.0	2.9	3.0	3.0	3.0	3.0	2.9	2.9	3.1	3.3	3.3	3.2

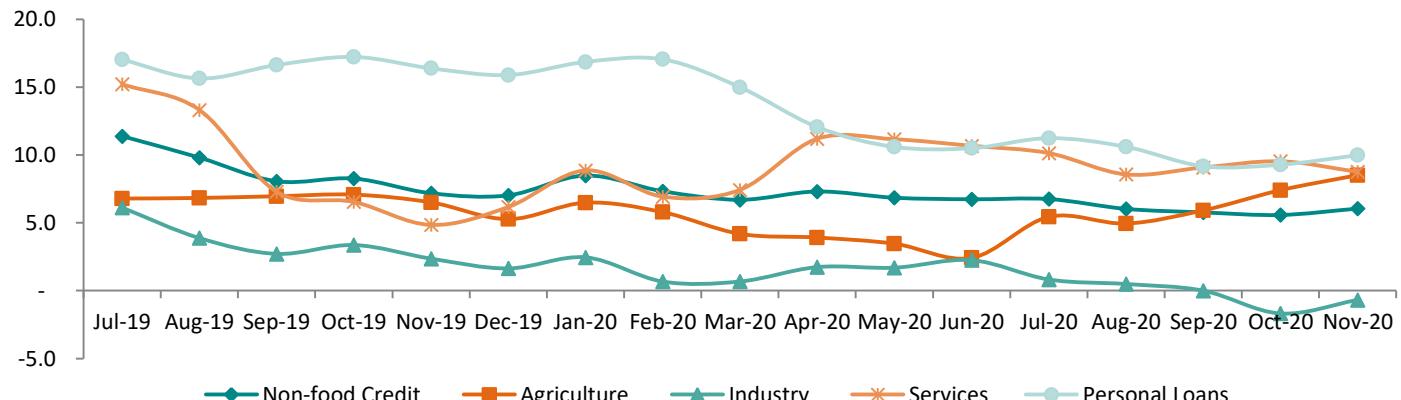
Sectors (Contd...)	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	July-20	Aug-20	Sept-20	Oct-20	Nov-20
<b>All Engineering</b>	<b>5.9</b>	<b>5.7</b>	<b>5.6</b>	<b>5.6</b>	<b>5.4</b>	<b>5.3</b>	<b>5.4</b>	<b>5.1</b>	<b>5.0</b>	<b>5.0</b>	<b>5.1</b>	<b>5.0</b>	<b>5.0</b>
Electronics	1.2	1.2	1.2	1.2	1.0	1.0	1.1	1.0	1.0	1.0	1.0	1.0	1.0
Others	4.7	4.5	4.4	4.4	4.4	4.3	4.4	4.1	4.0	4.0	4.1	4.0	4.0
<b>Vehicles &amp; Transport</b>	<b>2.9</b>	<b>3.0</b>	<b>2.8</b>	<b>2.8</b>	<b>2.8</b>	<b>2.9</b>	<b>3.0</b>	<b>3.0</b>	<b>3.1</b>	<b>3.2</b>	<b>3.2</b>	<b>3.2</b>	<b>3.1</b>
<b>Gems &amp; Jewellery</b>	<b>2.2</b>	<b>2.2</b>	<b>2.1</b>	<b>2.1</b>	<b>2.0</b>	<b>2.0</b>	<b>2.0</b>	<b>1.9</b>	<b>1.9</b>	<b>2.0</b>	<b>2.0</b>	<b>2.1</b>	<b>2.2</b>
<b>Construction</b>	<b>3.6</b>	<b>3.7</b>	<b>3.7</b>	<b>3.7</b>	<b>3.6</b>	<b>3.4</b>	<b>3.5</b>	<b>3.6</b>	<b>3.6</b>	<b>3.7</b>	<b>3.8</b>	<b>3.8</b>	<b>3.7</b>
<b>Infrastructure</b>	<b>37.0</b>	<b>36.8</b>	<b>36.8</b>	<b>36.5</b>	<b>36.3</b>	<b>36.6</b>	<b>36.9</b>	<b>37.2</b>	<b>37.4</b>	<b>36.8</b>	<b>36.6</b>	<b>36.5</b>	<b>36.6</b>
Power	20.3	20.1	19.9	19.3	19.3	19.6	19.9	19.8	20.1	19.8	19.9	20.2	20.0
Telecommunications	4.7	4.8	4.8	5.1	4.9	4.8	4.8	5.1	4.7	4.5	4.1	3.7	3.8
Roads	6.7	6.7	6.8	6.7	6.6	6.6	6.7	6.8	7.0	7.1	7.1	7.2	7.3
Other Infrastructure	5.2	5.2	5.3	5.5	5.5	5.6	5.5	5.5	5.6	5.5	5.4	5.4	5.5
<b>Other industries</b>	<b>8.0</b>	<b>8.2</b>	<b>8.4</b>	<b>8.5</b>	<b>8.2</b>	<b>8.0</b>	<b>8.1</b>	<b>8.3</b>	<b>8.1</b>	<b>8.1</b>	<b>8.0</b>	<b>8.2</b>	<b>8.0</b>
<b>Industries</b>	<b>100</b>												

Source: RBI; IDBI Capital Research

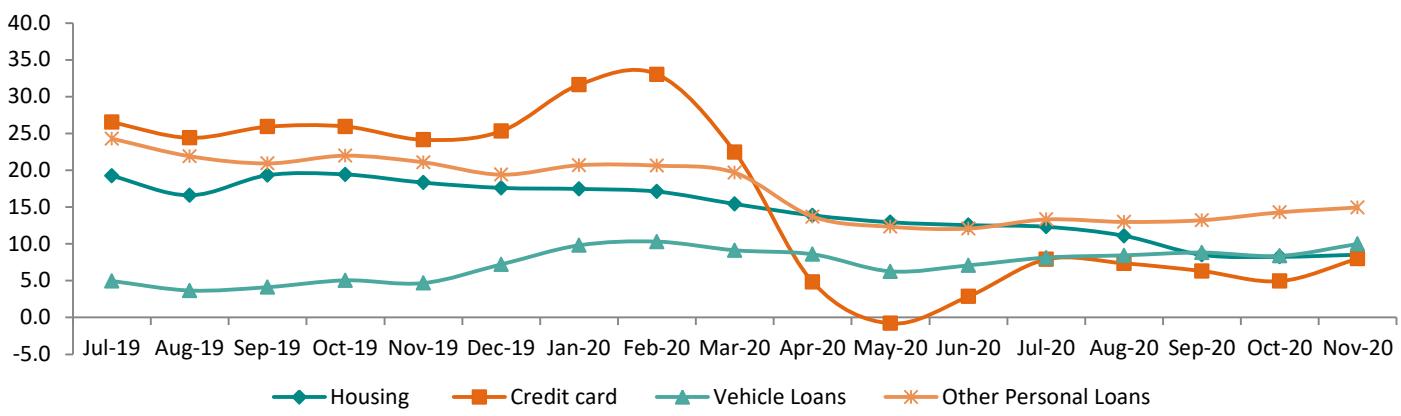
#### Exhibit 7: Bank group wise MCLR (1 year)

Months	Public sector Banks			Private sector Banks			Foreign Banks			SCBs		
	Min	Max	Median	Min	Max	Median	Min	Max	Median	Min	Max	Median
Apr-2020	7.40	8.45	7.98	7.85	10.80	9.03	3.03	9.60	7.43	3.03	10.80	8.00
May-2020	7.25	8.15	7.83	7.50	10.80	9.08	2.67	9.72	6.95	2.67	10.80	7.85
June-2020	7.00	7.95	7.63	7.65	10.70	8.95	2.67	9.48	6.82	2.67	10.70	7.70
July-2020	7.00	7.80	7.53	7.35	10.65	8.83	2.67	9.48	6.84	2.67	10.65	7.58
Aug-2020	7.00	7.75	7.40	7.35	10.10	8.73	2.21	9.48	6.43	2.21	10.10	7.45
Sept-2020	7.00	7.75	7.35	7.30	9.95	8.65	1.89	9.37	6.43	1.89	9.95	7.40
Oct-2020	7.00	7.70	7.33	7.30	9.95	8.65	2.31	9.39	6.09	2.31	9.95	7.35
Nov-2020	7.00	7.65	7.33	7.25	9.85	8.63	2.12	9.36	6.10	2.12	9.85	7.33
Dec-2020	7.00	7.65	7.33	7.25	9.67	8.55	2.08	9.34	5.95	2.08	9.67	7.30

Source: RBI; IDBI Capital Research

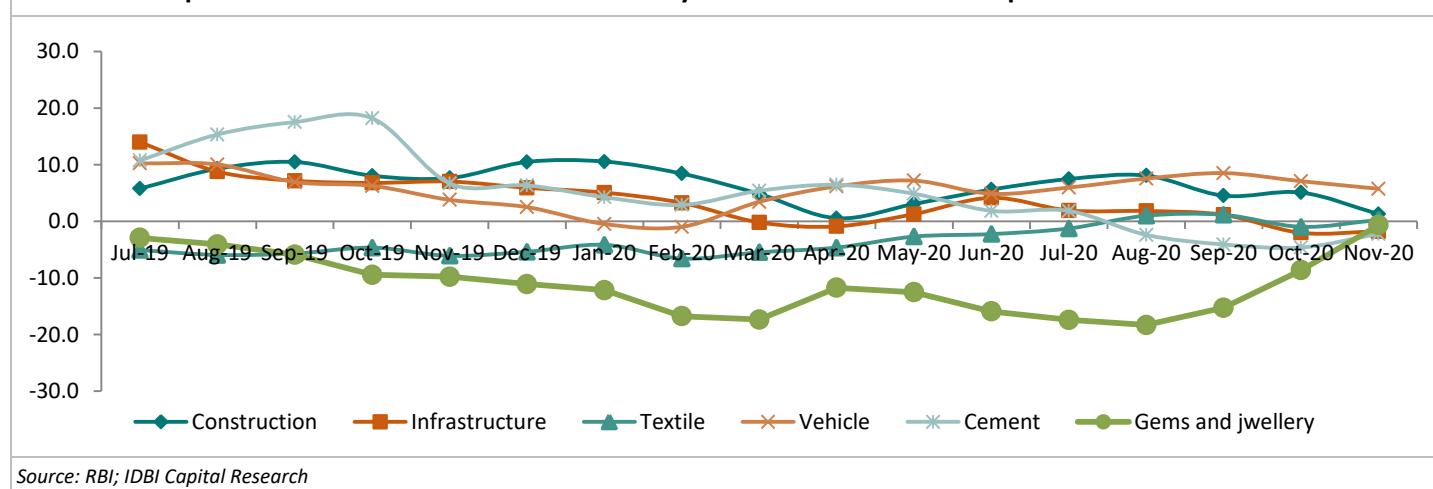
**Exhibit 8: Uptick seen in Industry growth from last month while Agriculture growth continues to improve**


Source: RBI; IDBI Capital Research

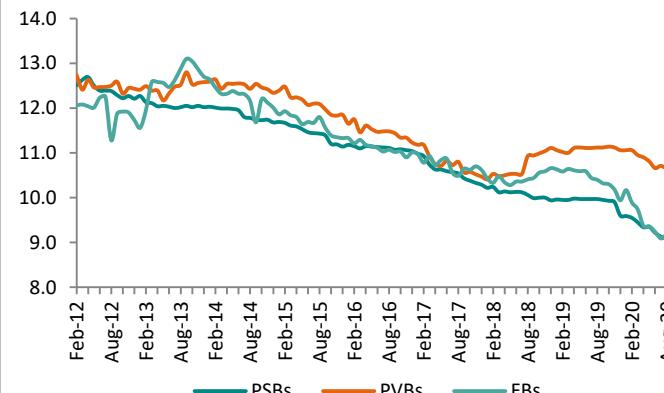
**Exhibit 9: Improvement seen in Vehicle since May onwards while growth in Credit cards observed in Nov'20.**


Source: RBI; IDBI Capital Research

**Exhibit 10: Commercial real estate and Tourism, Hotels & restaurants seen surge in Nov'20.**

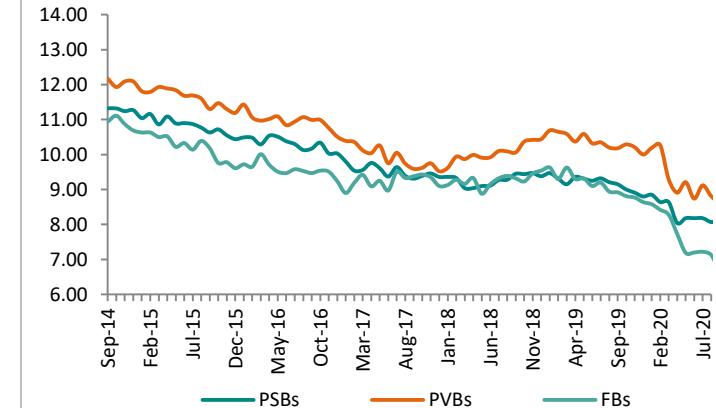
**Exhibit 11: Improvement continues in Gems and Jewelry sector which was most impacted due to Covid-19**


**Exhibit 12: Weighted Average Lending Rates (WALR)  
(On Fresh Rupee Loans Sanctioned)**



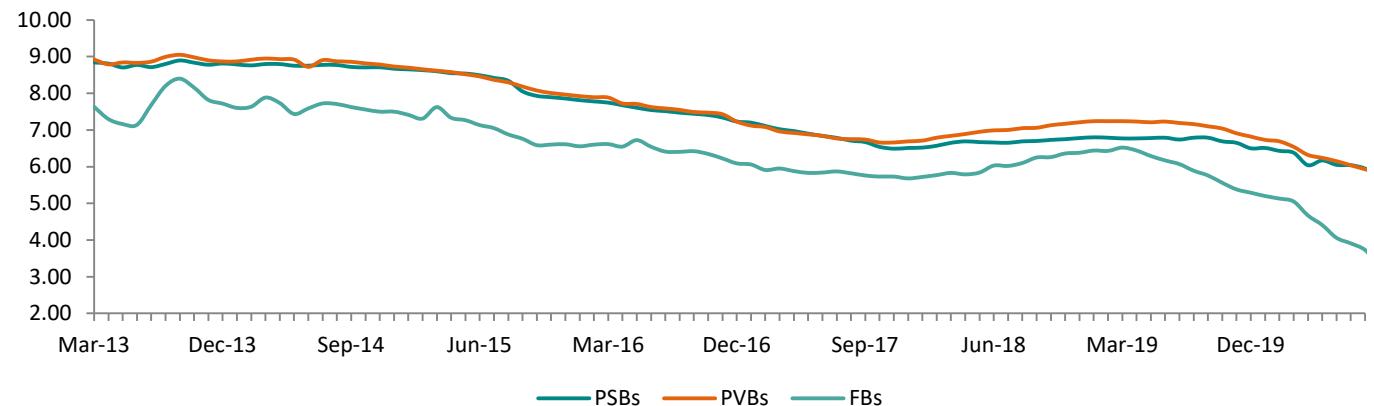
Source: RBI; IDBI Capital Research

**Exhibit 13: Weighted Average Lending Rates (WALR)  
(On Outstanding Rupee Loans)**



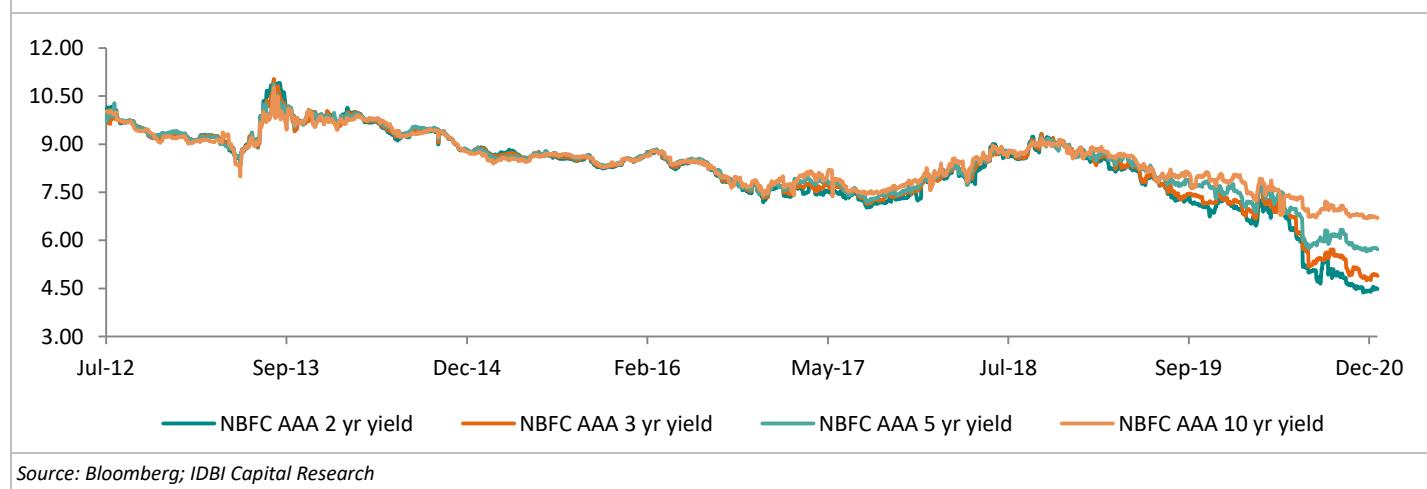
Source: RBI; IDBI Capital Research

**Exhibit 14: Weighted Average Domestic Term Deposit Rates (WADTDR) (Outstanding Rupee Term Deposits)**

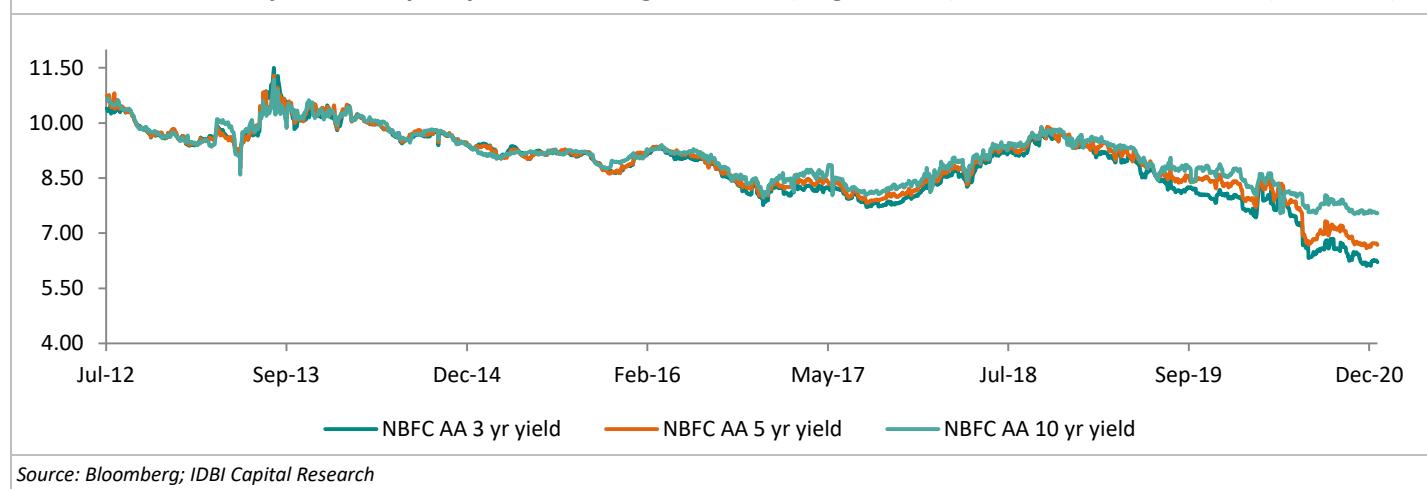


Source: RBI; IDBI Capital Research

**Exhibit 15: NBFC AAA yields- in 2 year yield high was 11.0% (August 2013) and low was 4.4% (November 2020).**



**Exhibit 16: NBFC AA yields- in 3 year yield from a high of 11.5% (August 2013) it touched a low of 6.2% (Nov 2020).**

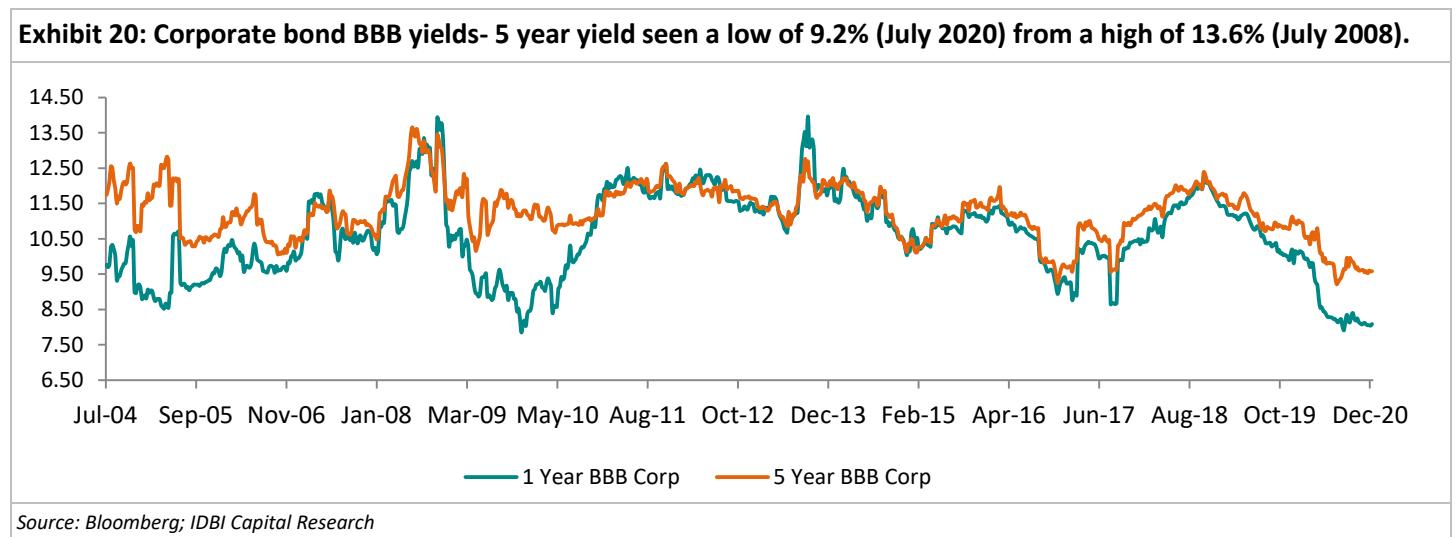


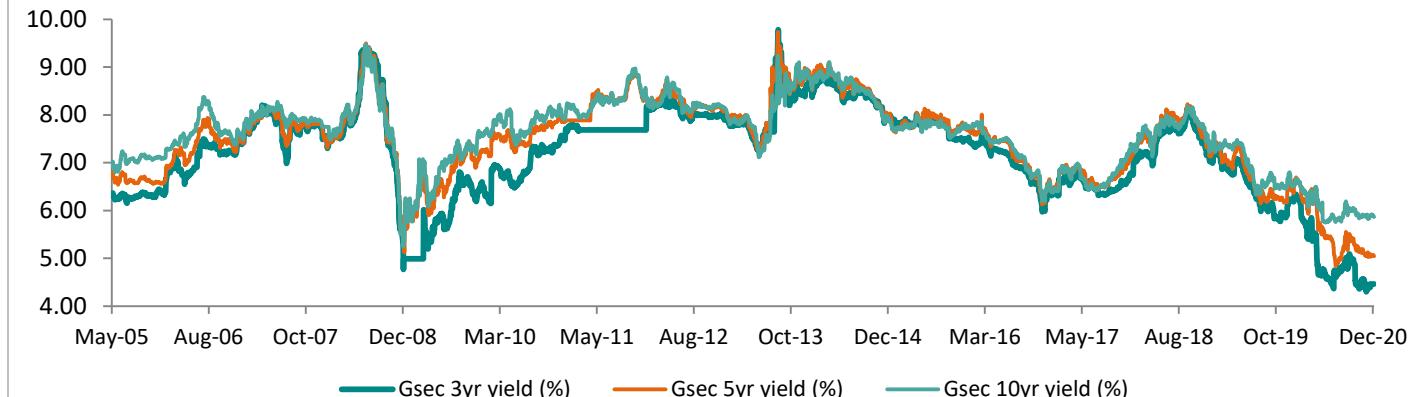
**Exhibit 17: Corporate bond AAA yields- in 5 year yield from a high of 12.8% (Oct 2008); 5.5% November 2020.**


Source: Bloomberg; IDBI Capital Research

**Exhibit 18: Corporate bond AA yields- 3 year yield continue to decline since 2018 onwards.**


Source: Bloomberg; IDBI Capital Research



**Exhibit 21: G-sec yield continue to move downwards**


Source: Bloomberg; IDBI Capital Research

**Exhibit 22: Corporate bond Raised by NBFCs on MoM basis**

NBFCs (Rs in Bn)	April-20	May-20	June-20	July-20	Aug-20	Sept-20	Oct-20	Nov-20	Dec-20
HDFC	37.5	75.0	90.0	-	36.9	70.0	-	30.0	56.5
LIC HF	-	-	10.2	-	10.0	5.0	-	-	46.0
PNB HF	-	-	-	-	11.2	-	3.5	3.0	-
Shriram Transport	-	2.5	-	-	-	0.4	3.2	1.9	3.2
Cholafin	4.1	1.5	6.0	9.3	-	-	6.9	4.5	8.8
Sundaram Finance	16.8	-	5.0	2.0	9.0	-	0.8	-	4.0
Shriram City Union	-	-	-	-	-	1.5	2.0	0.3	1.5
Muthoot Finance	-	1.0	21.4	10.9	0.8	6.5	4.6	20.0	-
Manappuram Finance	-	1.0	9.0	12.8	2.5	4.5	-	-	4.0
Bajaj Finance	2.0	-	2.5	-	14.9	4.0	-	-	10.1
M&M Financial	4.8	2.0	19.9	2.8	-	5.0	5.0	-	6.8
Piramal Enterprise	-	5.0	25.9	0.8	0.5	-	-	-	-
L&T Finance	10.8	8.0	3.0	3.5	0.5	-	-	-	6.0
Indiabulls Housing	2.0	10.3	7.8	1.5	-	6.3	-	-	-

Source: Bloomberg; IDBI Capital Research



# Notes

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