

Indian economy shows strong signs of recovery, upswing in 19 of 22 eco indicators

Synopsis

High-frequency indicators (HFIs) are being monitored to track the progress of economic recovery in India since the first COVID-19 case was reported in the country in January 2020.



Indian economy is showing strong signs of recovery from the devastation caused by the **pandemic**, with an upswing being reported in 19 out of the 22 **economic indicators** as compared to the pre-Covid levels.

High-frequency indicators (**HFIs**) are being monitored to track the progress of economic recovery in **India** since the first COVID-19 case was reported in the country in January 2020.

The latest information indicates that among 22 HFIs, full recovery has been achieved in respect of 19 HFIs, as their latest levels in the months of September, October and November this year are higher than their pre-pandemic levels in the corresponding months of 2019, official sources said.

Among the 19 HFIs, there are some indicators whose recovery is way beyond 100 per cent, such as e-way bill by volume, merchandize exports, coal production and rail freight traffic, which suggests that not only the recovery is complete, the economic growth is now gathering momentum over the pre-pandemic levels of output.

This is further confirmed by the estimates of GDP recently released for Q2 (July-September) of 2021-22, whose year-on-year growth in real terms at 8.4 per cent takes the output level higher than the pre-pandemic level of Q2 output in 2019-20.

While Electronic Toll Collection (ETC) at Rs 108.2 crore in October was 157 per cent of the pre-Covid levels of 2019, UPI volumes are nearly four times at 421.9 crore.

Merchandise imports at USD 55.4 billion in October are 146 per cent of 2019 levels. E-way bill volume has more than doubled to 7.4 crore in October.

Coal production has risen 131 per cent to 114.1 million tonnes in September while rail freight traffic has jumped 125 per cent.

Fertiliser sales, power consumption, tractor sales, cement production, port cargo traffic, fuel consumption, air cargo, IIP, and 8-core industries are all above pre-Covid levels, they said.

The only sectors that are yet to touch the pre-pandemic level are steel consumption which is 99 per cent of 2019 levels in October, domestic auto sales that are 86 per cent of pre-Covid levels and air passenger traffic which is 66 per cent of the October 2019 volume.