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Output of eight core industries surges to 18.1% in May

Synopsis

India's core sector output surged to 18.1% in May on a year-on-year basis as against 8.4% in the last month, revealed data by the commerce and industry ministry on Thursday.



The core sector makes up 40.27% of the Index of Industrial Production (IIP), making it a lead indicator of industrial activity.

India's <u>core sector output</u> surged to 18.1% in <u>May</u> on a year-on-year basis as against 8.4% in the last month, revealed data by the commerce and industry ministry on Thursday.

The growth can be attributed to increased production in **cement**, **coal**, fertilizers and **electricity** industries over the corresponding period of last fiscal.

Core sec	se Bo	% growth in May (y	(Oy)	Core output up 2.5% sequentially Growth
at a 13-	month high	Coal	25.1	expected to
Nov	3.2	Crude oil	4.6	moderate
Dec	4.1	NatGas	7	as the base
Jan	4	Refinery Prods	16.7	effect wanes
Feb	5.9	Fertilisers	22.8	May IIP growth seen at
Mar	4.9	Steel	15	16-19%
Apr	9.3	Cement	26.3	RIGHTS RESERVED.
May	18.1	Electricity	22	

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The cement industry recorded the highest growth of 26.3% in the month of May this year as against 8% last month.

Another key driver was the coal sector that witnessed a sharp incline of 25.1%. Other sectors including fertilizer, electricity and natural gas grew by 22.8%, 22% and 7% respectively.

According to the data, the crude oil sector witnessed a growth of 4.6% against a contraction of 0.9% last month. Similarly, steel industry grew by 15% in May.

The production of petroleum refinery products increased by 16.7% as compared to 9.2% last month.

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