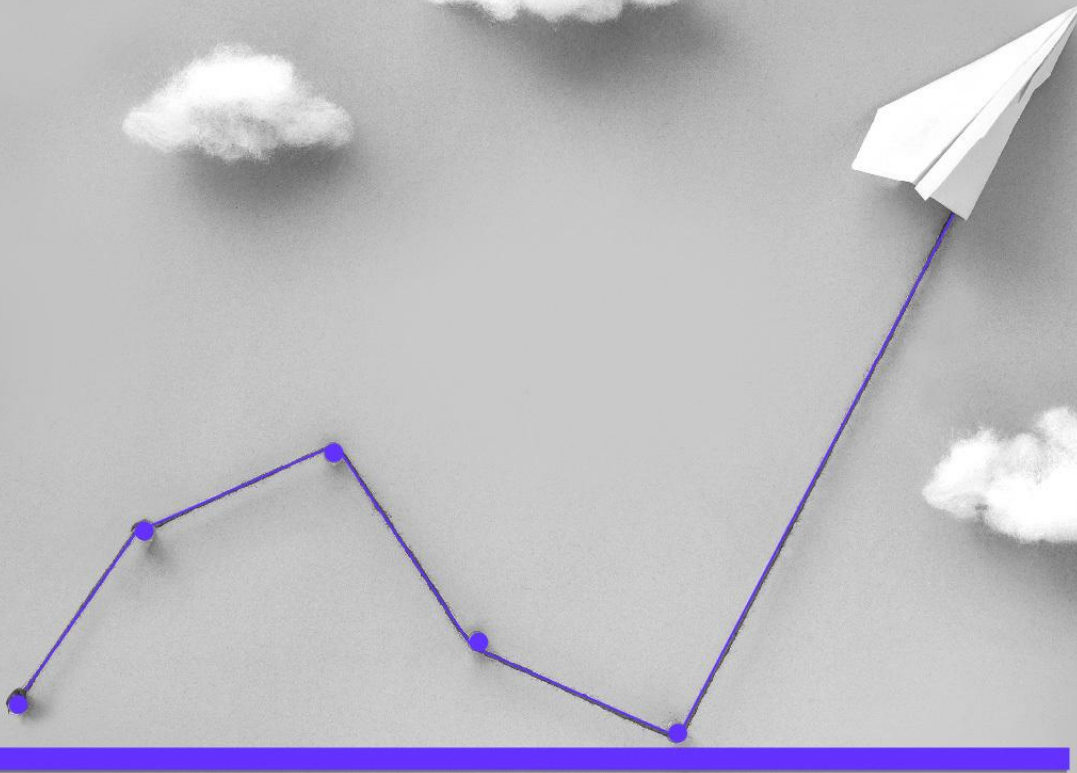


TRENDS & TIDES

**FY26 GDP growth accelerates
to 7.4% YoY as per the first
advance estimates**



Financials+ and Manufacturing drive the improvement in FY26 GDP growth

Trade+ and Public Admin+ also register robust growth in FY26

Sector	Share FY26	Real Growth YoY%				
		FY22	FY23	FY24	FY25	FY26
Agriculture	14%	4.6%	6.3%	2.7%	4.6%	3.1%
Industry	21%	9.6%	0.0%	11.0%	4.5%	5.8%
Mining	2%	6.3%	3.4%	3.2%	2.7%	(0.7%)
Manufacturing	17%	10.0%	(1.7%)	12.3%	4.5%	7.0%
Electricity	2%	10.3%	10.8%	8.6%	5.9%	2.1%
Services	65%	10.6%	10.2%	9.2%	7.5%	8.8%
Construction	9%	19.9%	9.1%	10.4%	9.4%	7.0%
Trade, Hotels, Transport, Communication	19%	15.2%	12.3%	7.5%	6.1%	7.5%
Financial services, Real estate, Professional Services	24%	5.7%	10.8%	10.3%	7.2%	9.9%
Public Admin, Defence & Other Services	13%	7.5%	6.7%	8.8%	8.9%	9.9%
Real GVA	100%	9.4%	7.2%	8.6%	6.4%	7.3%
Real GDP		9.7%	7.6%	9.2%	6.5%	7.4%

← FY26 First Advance Estimates

← Manufacturing sector growth driven by higher operating profits for listed manufacturers and an uptick in IIP manufacturing growth

← The construction sector reports marginally weaker growth in line with the weakness in steel consumption

← Financial services+ reports strong growth, aided by a recovery in credit growth, despite stagnant IT sector performance and mixed trends in other indicators

← GDP = GVA + (indirect taxes – subsidies)

Source: MOSPI, 360 ONE Asset Research

Fixed investment growth outpaces private consumption

Net exports act as a drag on FY26 GDP growth, as import growth remains significantly higher than export growth

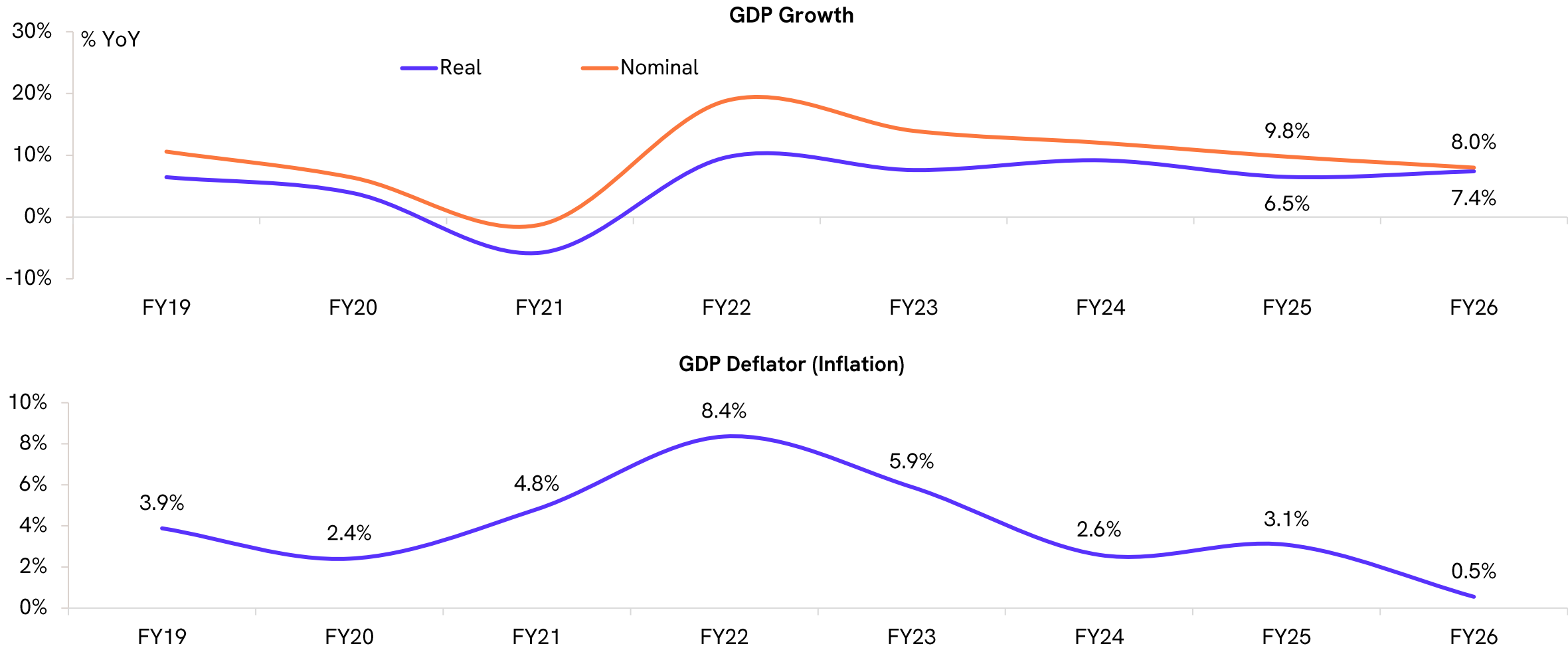
Real Growth YoY%	Share FY26	FY22	FY23	FY24	FY25	FY26	
Consumption Expenditure	65%	9.8%	7.0%	5.9%	6.5%	6.8%	
Private Consumption	56%	11.7%	7.5%	5.6%	7.2%	7.0%	← Marginal weakness in private consumption growth in comparison to the previous year
Government Consumption	9%	0.0%	4.3%	8.1%	2.3%	5.2%	
Gross Capital Formation	37%	25.4%	3.5%	7.3%	6.7%	7.0%	
Fixed Investments	34%	17.5%	8.4%	8.8%	7.1%	7.8%	← Fixed investments growth remains robust as government frontloads capital spending
Changes in Stocks	2%	525.4%	24.3%	53.4%	4.5%	4.9%	
Valuables	1%	32.5%	-16.9%	14.4%	0.6%	-10.6%	
Exports	21%	29.6%	10.3%	2.2%	6.3%	6.4%	
Less Imports	24%	22.1%	8.9%	13.8%	-3.7%	14.4%	← Net exports (exports minus imports) negatively contribute to GDP as import growth outpaces export growth in real terms
Real GDP	100%	9.7%	7.6%	9.2%	6.5%	7.4%	

Source: MOSPI, 360 ONE Asset Research

GCF: Gross Capital Formation = Fixed Investment + Change in stocks + Valuables

Nominal GDP growth slows to 8.0% YoY in FY26 from 9.8% in FY25

GDP deflator (inflation) falls to 0.5% YoY in FY26 from 3.1% in the previous year, weighing on nominal growth



Source: MOSPI, 360 ONE Asset Research

Auto sector reports strong growth following GST rate cuts

Logistics and capex-related indicators also point to a recovery, particularly in November 2025

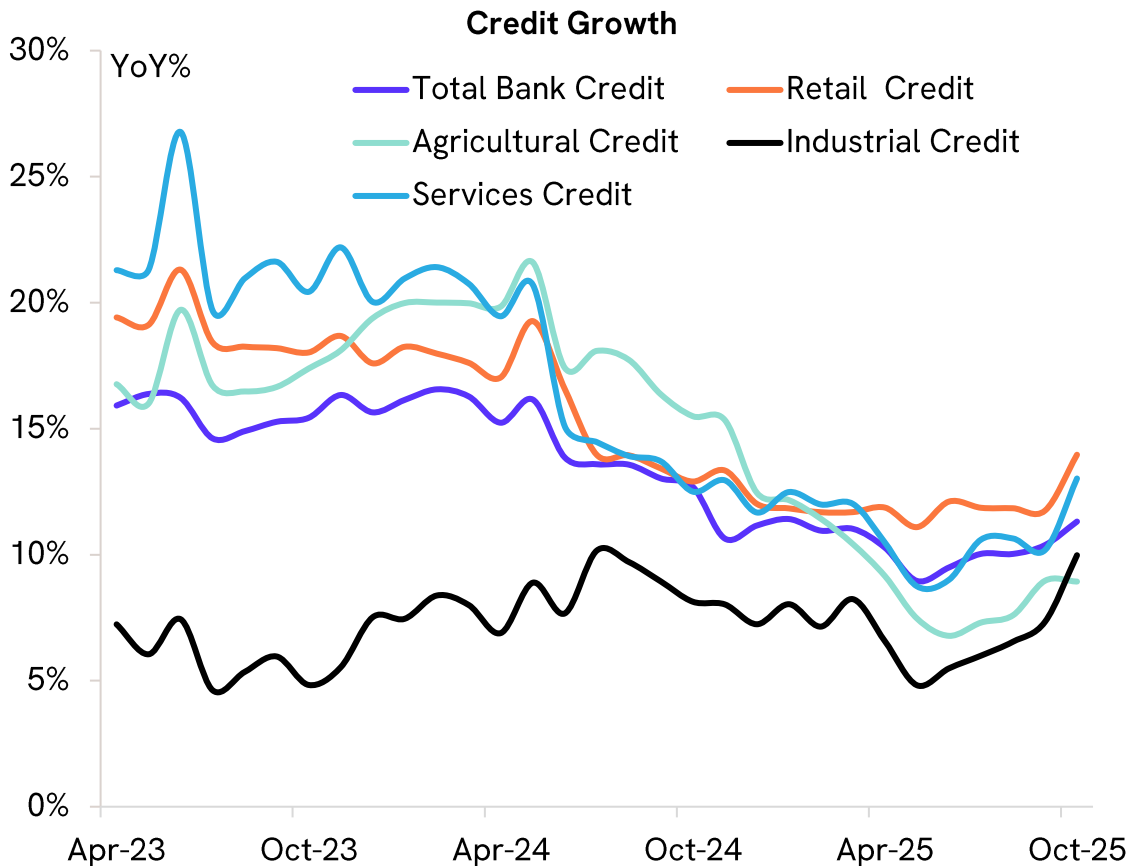
Indicator	Unit	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25
2 Wheeler Registrations	YoY%	8%	5%	-6%	3%	7%	53%	-3%
Tractor Registrations	YoY%	2%	8%	11%	32%	4%	14%	58%
3 Wheeler Registrations	YoY%	6%	7%	1%	-2%	-7%	5%	24%
Passenger Car Registrations	Cr Nos.	1%	6%	2%	4%	11%	14%	23%
MGNREGS Work Demanded	YoY%	3.8	3.5	2.0	1.4	1.4	1.3	1.5
Airport Passengers Handled	YoY%	3%	4%	-1%	1%	-1%	5%	7%
E-way Bill Generations	YoY%	19%	19%	26%	22%	21%	8%	28%
GST Collections	YoY%	16%	6%	8%	6%	9%	5%	-4%
Steel Consumption	YoY%	8%	9%	9%	8%	8%	2%	7%
Cement Production	YoY%	8%	6%	14%	7%	6%	7%	16%
Steel Production	YoY%	7%	11%	14%	14%	14%	7%	12%
Air Cargo Handled	YoY%	5%	0%	4%	5%	2%	-2%	16%
Railway Freight	YoY%	3%	1%	0%	9%	4%	2%	-100%
Port Cargo	YoY%	4%	6%	4%	2%	11%	12%	14%
PMI Manufacturing	Index	57.6	58.4	59.1	59.3	57.7	59.2	56.6
PMI Services	Index	58.8	60.4	60.5	62.9	60.9	58.9	59.8

Source: CMIE, 360 ONE Asset Research

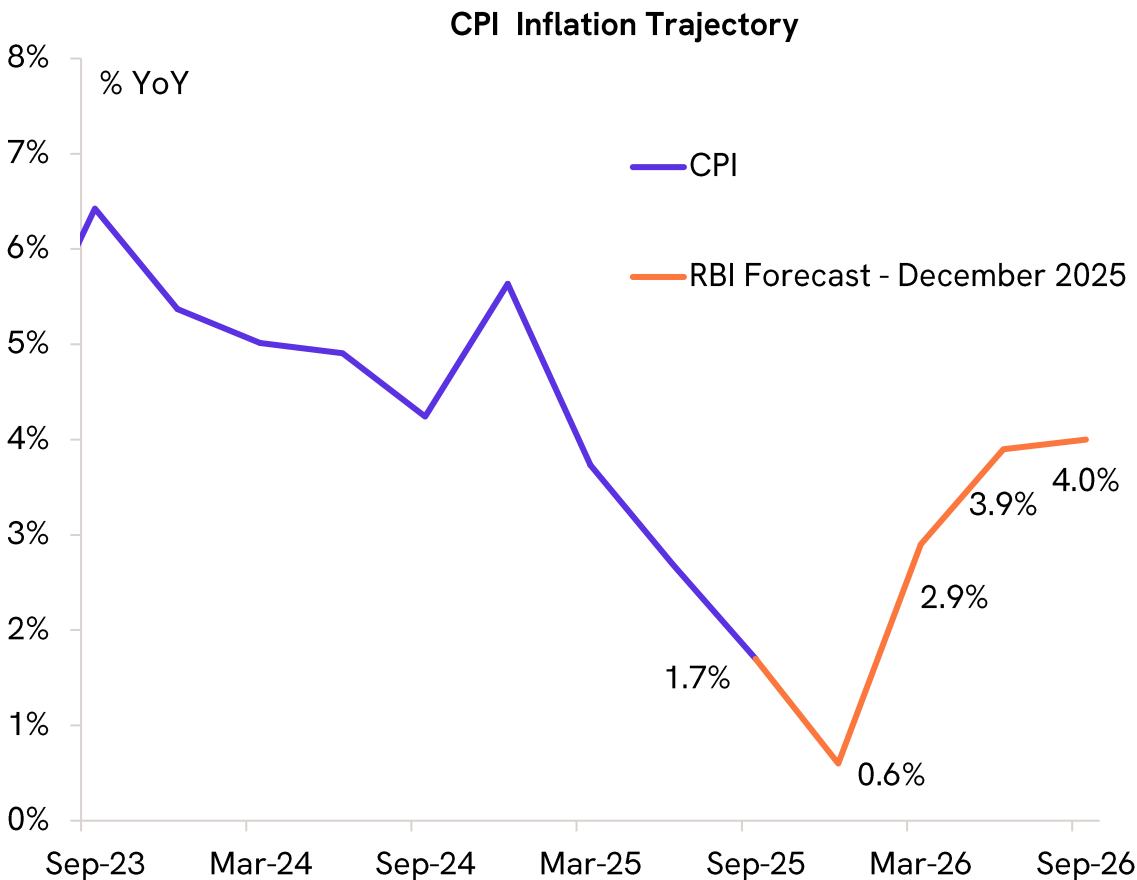
Outlook: FY27 GDP growth is expected to be around 6.5% YoY

We believe growth momentum will increasingly shift from capex to consumption

Broad based recovery in credit growth should be supportive of economic growth



Nominal GDP growth should also recover, as inflation is expected to pick up in FY27



Source: RBI, 360 ONE Asset Research

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