

FORECAST

India's GDP growth in FY18 Q4 seen at 7.4%: ICRA

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OWING to improved corporate earnings and good rabi crop harvest, India's gross domestic product (GDP) growth in the fourth quarter of FY18 is estimated to be at 7.4 per cent, said ICRA.

"The domestic GDP growth rate is expected to improve to 7.4 percent in Q4 FY18 from 7.2 per cent in Q3 FY18, exceeding the implicit forecast of 7.1 per cent embedded in the CSO's second advance estimate of national income for 2017-18," the ratings agency said.

According to ICRA, the growth of the Indian gross value added (GVA) at basic prices in year-on-year terms is likely to record a considerable recovery to 7.3 per cent in the said quarter from 6.7 per cent in Q3 FY18, thereby rebounding above seven per cent after a gap of five quarters.

This revival, relative to the previous three months, is expected to be broad-based, supported by an uptick in industry (to 7.7 per cent from +6.8 per cent), agriculture, forestry and fishing (to 4.5 per cent from 4.1 per cent), and services (to 7.8 per cent from +7.7 per cent), it added.

The Central Statistics Office is scheduled to come out with GDP estimate for March 2018 quarter and provisional annual estimates for May 2018.