

INDIA ECONOMICS

The Covid-19 files

26 Jul 2020

Daily cases growth surges back to 3.7%

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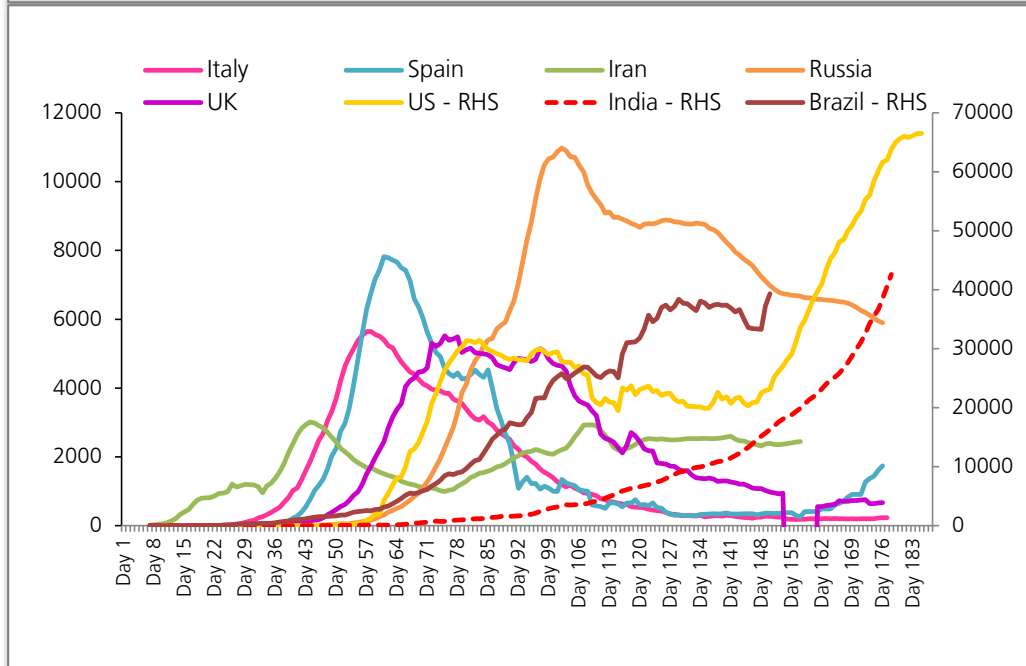
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India vs. Rest of World India's COVID-19 tally 3rd largest in the world

Uptick in trajectories of India, Spain and Brazil; Second wave in Spain besides the US



Source WHO as on 25Jul'20 JM Financial, Note, Cases in China peaked in early Feb 2020 (Day 15-Day 25, we have not plotted as it stands as an outlier), *7 Day Moving Average

Daily case growth highest amongst top hit nations at 3.7% vs. 3.4% last week

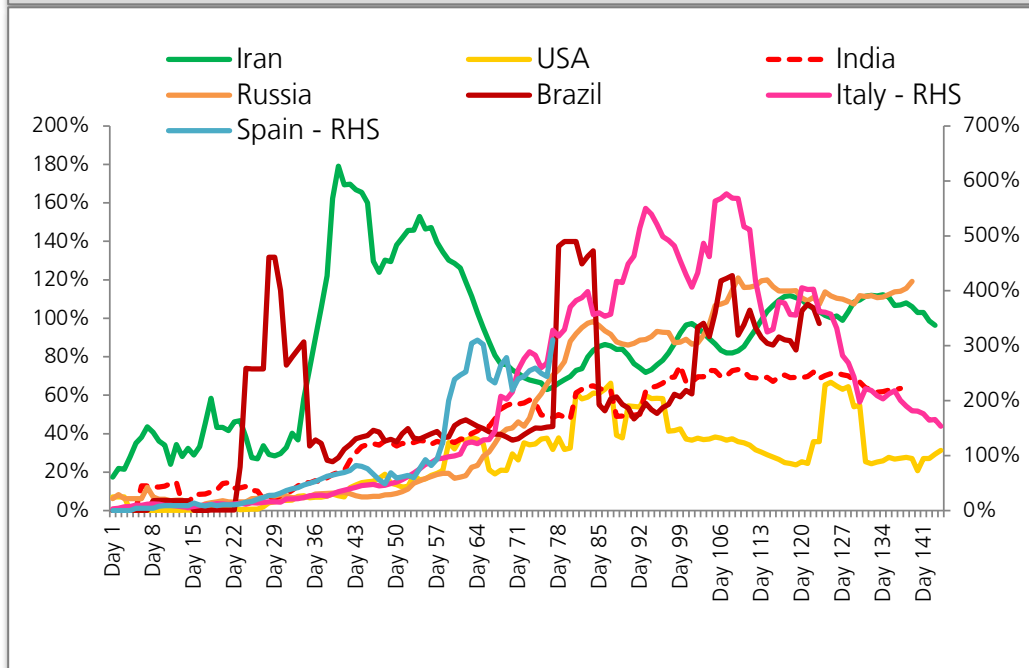
	Until Lockdown	3 days after the lockdown	2 weeks after the lockdown	Since lockdown	Past one week
China*	44%	34%	29%	3%	0.1%
Italy	24%	19%	16%	3%	0.1%
France	16%	19%	15%	3%	0.4%
Spain	22%	30%	21%	3%	0.7%
Iran	47%	14%	8%	3%	0.9%
India	25%	9%	17%	7%	3.7%
Russia	12%	13%	2%	4%	0.8%
UK	17%	19%	12%	3%	0.2%
Brazil					1.8%
US					1.8%

As on 25th Jul; * Hubei lockdown

Source: WHO, JM Financial; As on 25Jul'20

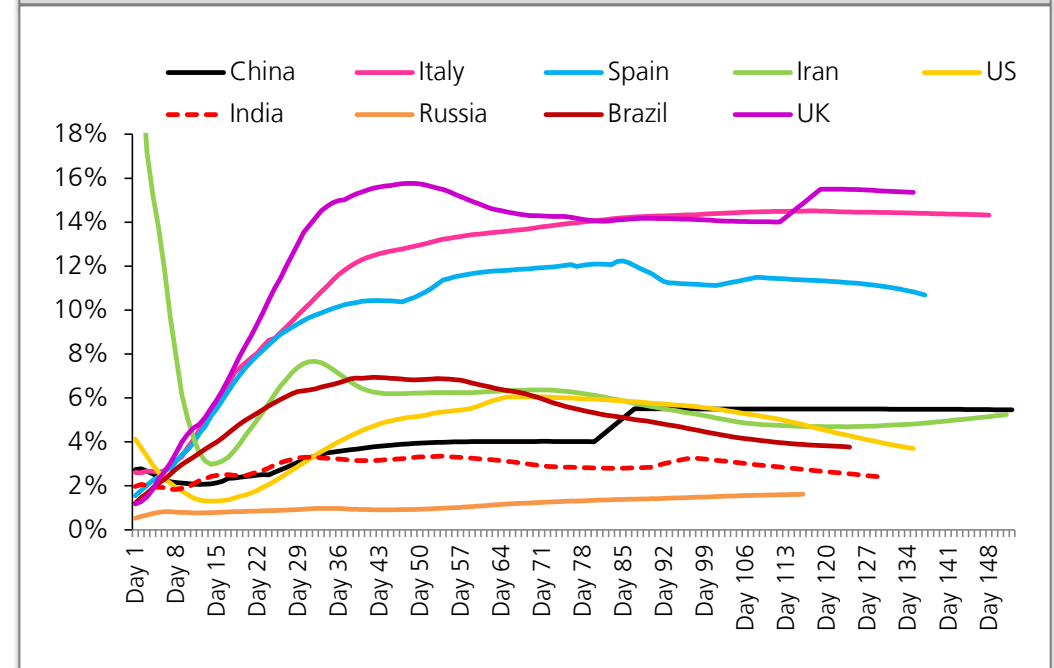
India vs. Rest of World India's recovery rate improves, death rate moderating

Daily recoveries-to-positives ratio for India averaged c.66% vs. c.64% in previous week



Source Bloomberg., As on 25Jul'20, JM Financial, Recovery cases not available for UK, * 7 day Moving Average

India's deaths-to-positives ratio moderates to 2.42%



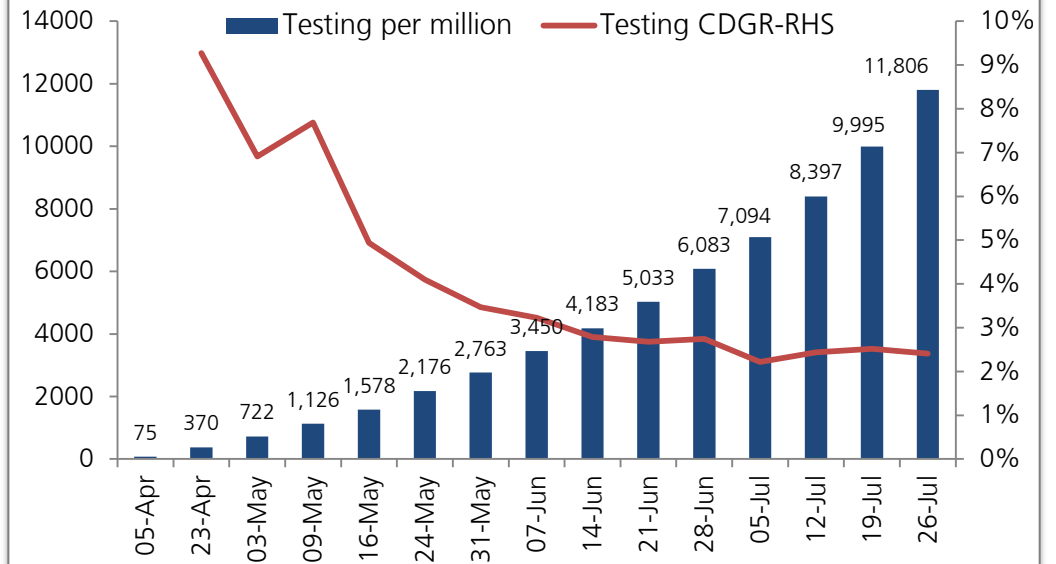
Source: WHO, JM Financial; As on 25Jul'20, * 7 day Moving Average

Deaths per test for India remain below most nations....

	Positives per tests	Deaths per tests	As on
France	5%	0.9%	21-Jul
Iran	13%	0.4%	19-Jun
Spain	4%	0.5%	02-Jul
US	8%	0.3%	23-Jul
Italy	4%	0.6%	14-Jul
India	9%	0.2%	26-Jul
Russia	3%	0.0%	15-Jul
Brazil	43%	1.6%	21-Jul
UK	3%	0.4%	24-Jul

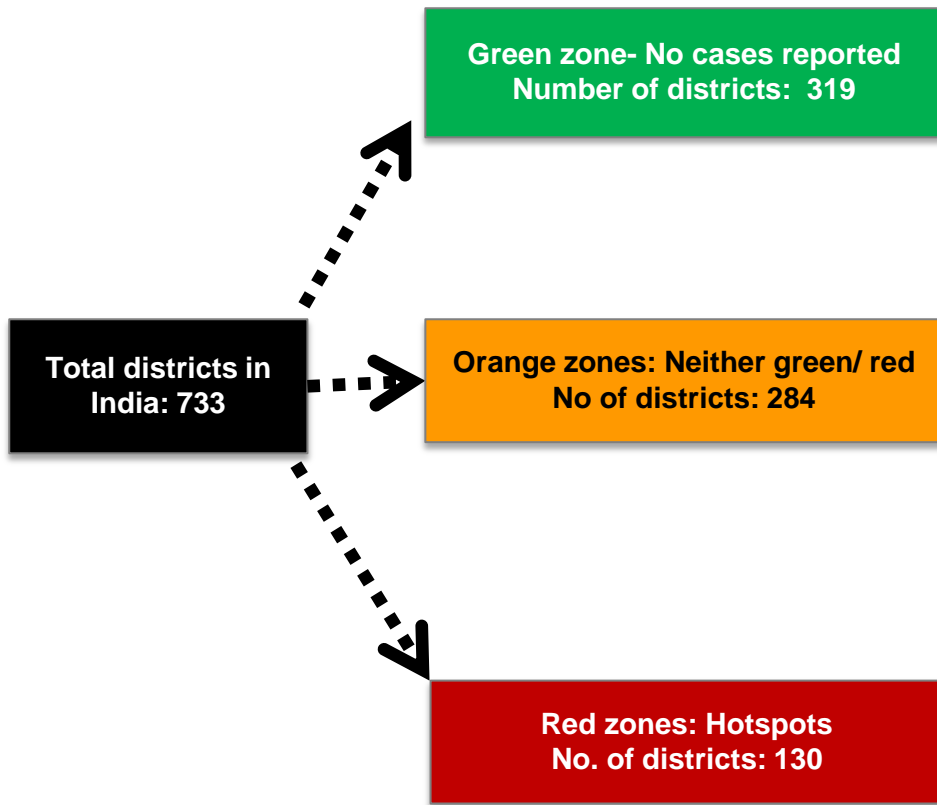
Source Official Health ministry, Bloomberg, JM Financial

The daily growth in testing per million (at 2.4%) remains lower than daily case growth (at 3.7%)



Source: Ministry of Health and Family Welfare, JM Financial, CDGR= Compounded Daily Growth Rate

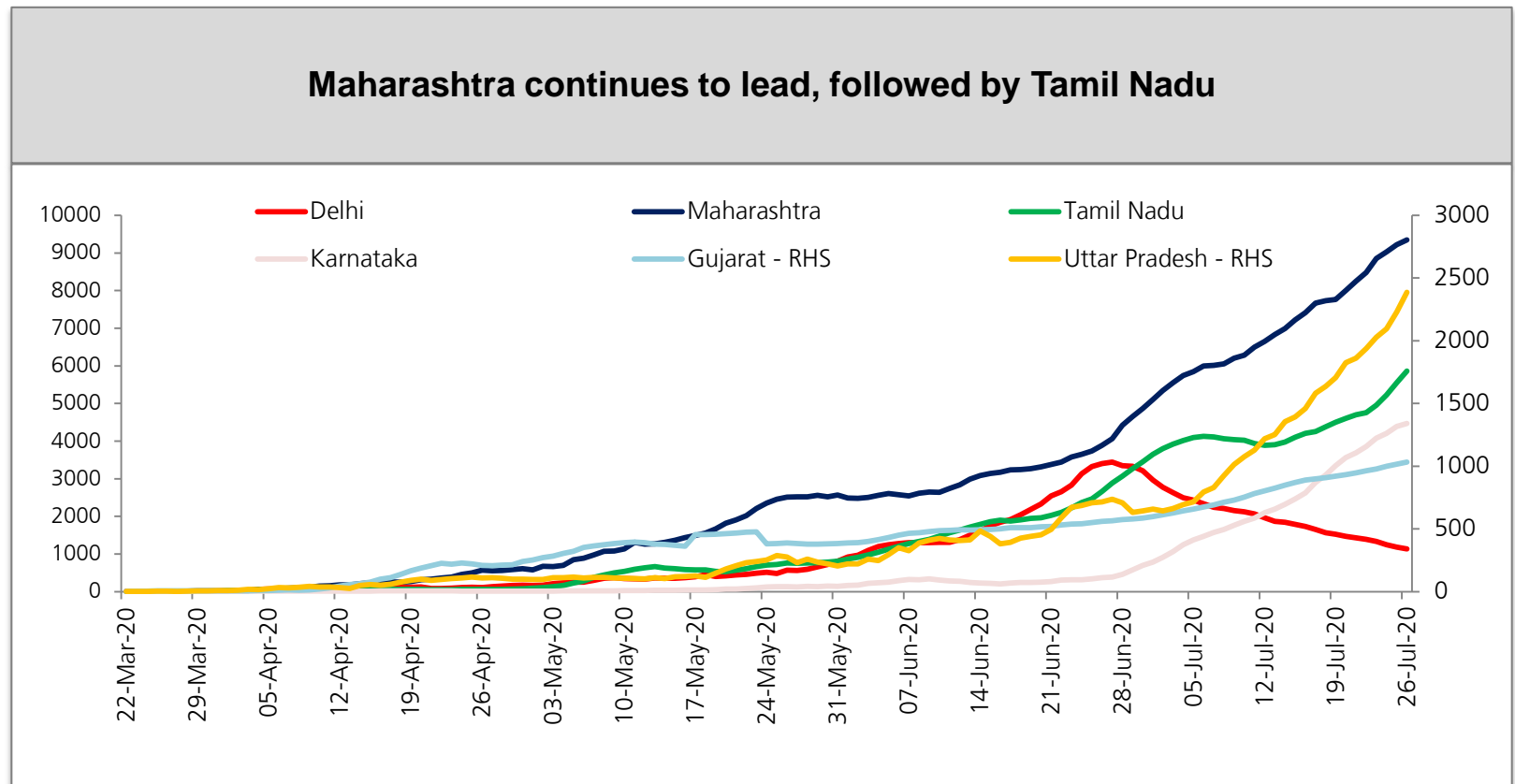
Delhi tops total cases; cases spike in Andhra Pradesh



Top 20 hotspots districts constitute 54% of total cases

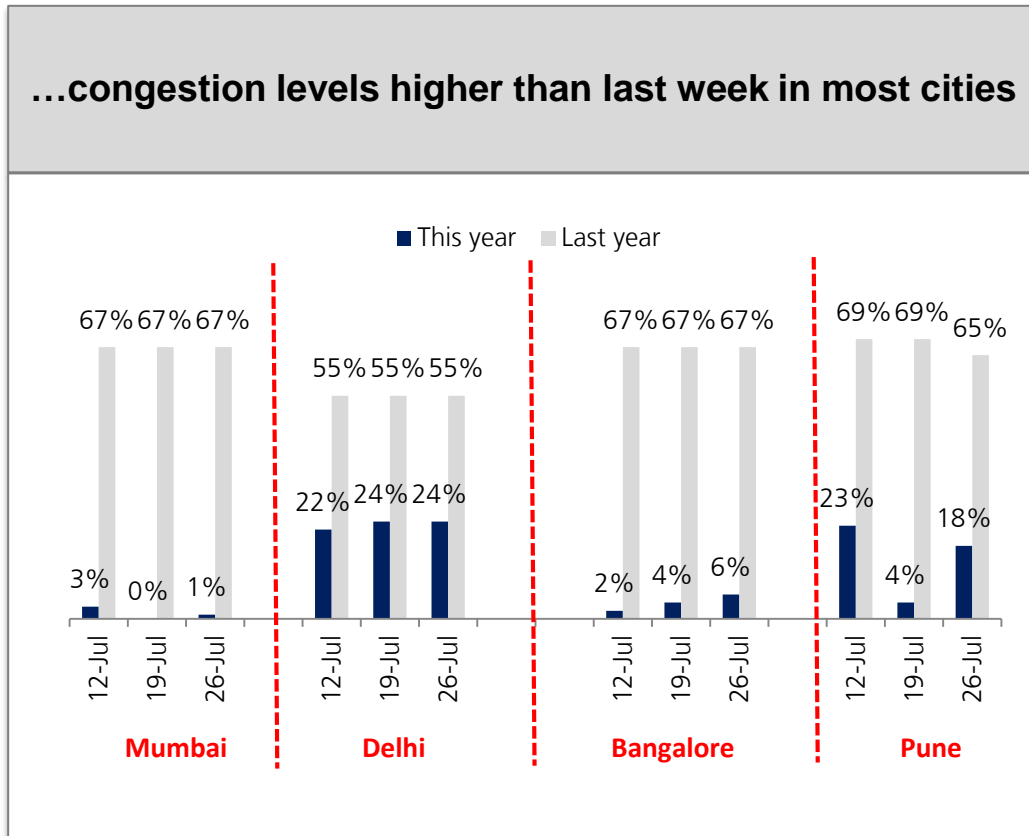
District	State	State Test per mn	% Total Cases	1 week CDGR
Delhi	Delhi	46,898	9%	1%
Mumbai	Maharashtra	15,067	8%	1%
Chennai	Tamil Nadu	30,218	7%	1%
Thane	Maharashtra	15,067	6%	2%
Pune	Maharashtra	15,067	5%	5%
Bengaluru Urban	Karnataka	17,375	3%	6%
Hyderabad	Telangana	9,496	3%	2%
Ahmedabad	Gujarat	9,136	2%	1%
Kolkata	West Bengal	8,143	1%	5%
Kamrup Metropolitan	Assam	21,985	1%	4%
Raigad	Maharashtra	15,067	1%	4%
Palghar	Maharashtra	15,067	1%	3%
East Godavari	Andhra Pradesh	30,556	1%	12%
Nashik	Maharashtra	15,067	1%	4%
North 24 Parganas	West Bengal	8,143	1%	6%
Chengalpattu	Tamil Nadu	30,218	1%	3%
Aurangabad	Maharashtra	15,067	1%	3%
Thiruvallur	Tamil Nadu	30,218	1%	4%
Surat	Gujarat	9,136	1%	3%
Kurnool	Andhra Pradesh	30,556	1%	9%

Of the top 6 worse-hit states, Delhi has peaked out



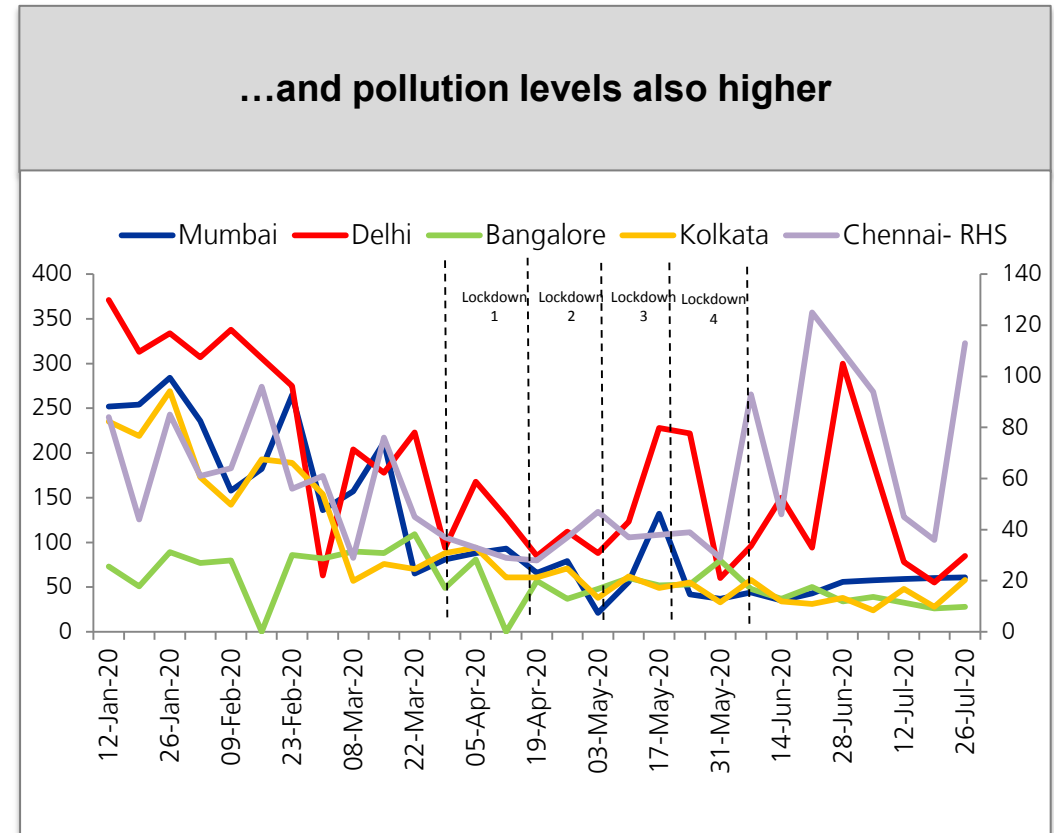
Source: CEIC- As on 26-Jul-20, JM Financial, *7 Day Moving Average

...congestion levels higher than last week in most cities



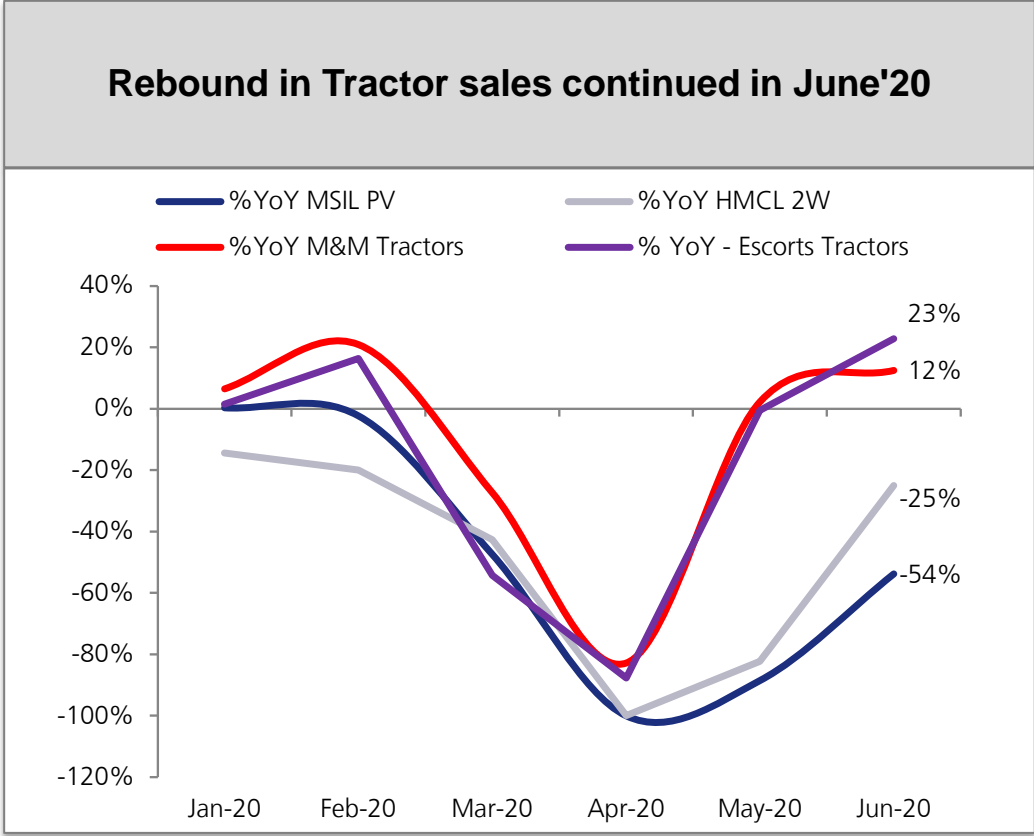
Source TomTom Index,- Taken for peak hours at 7pm; JM Financial

...and pollution levels also higher

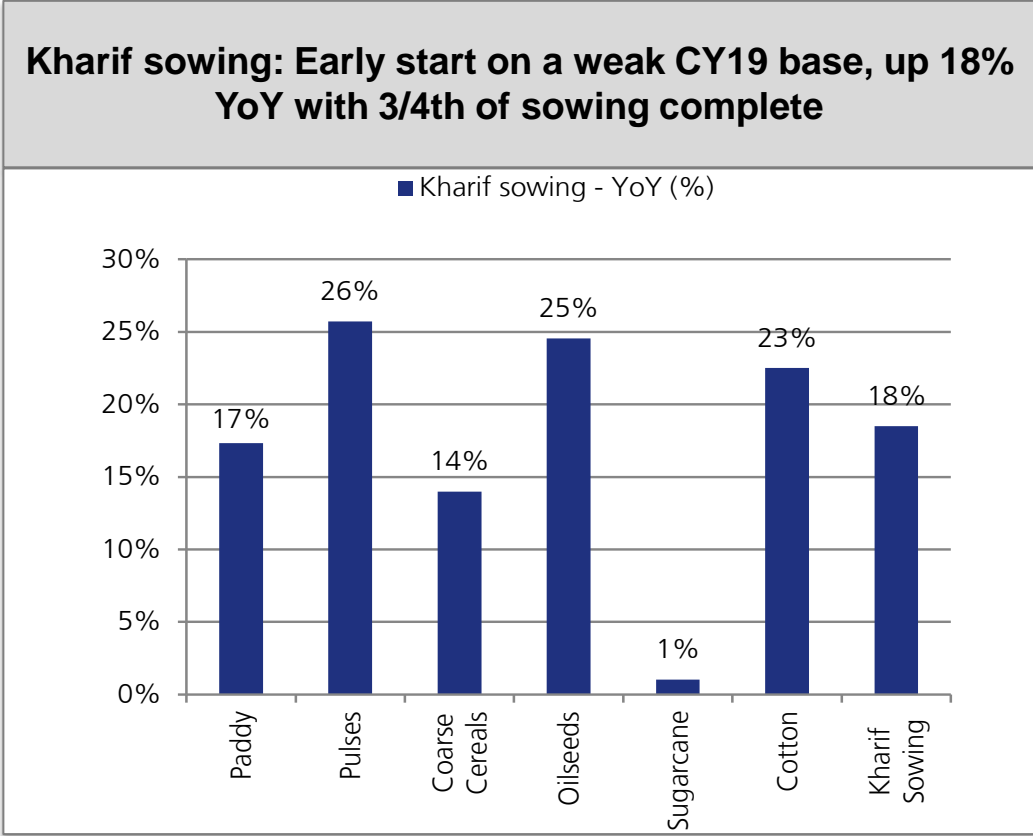


Source: CMIE, JM Financial; *Pollution index on 500 at 7pm for Mumbai, Delhi, Bangalore, Kolkata and Chennai in these regions- Sion, Mundka, Alandur Bus depot, Heebal and Fort Wiliiam respectively

Rebound in tractor sales; Kharif sowing higher YoY

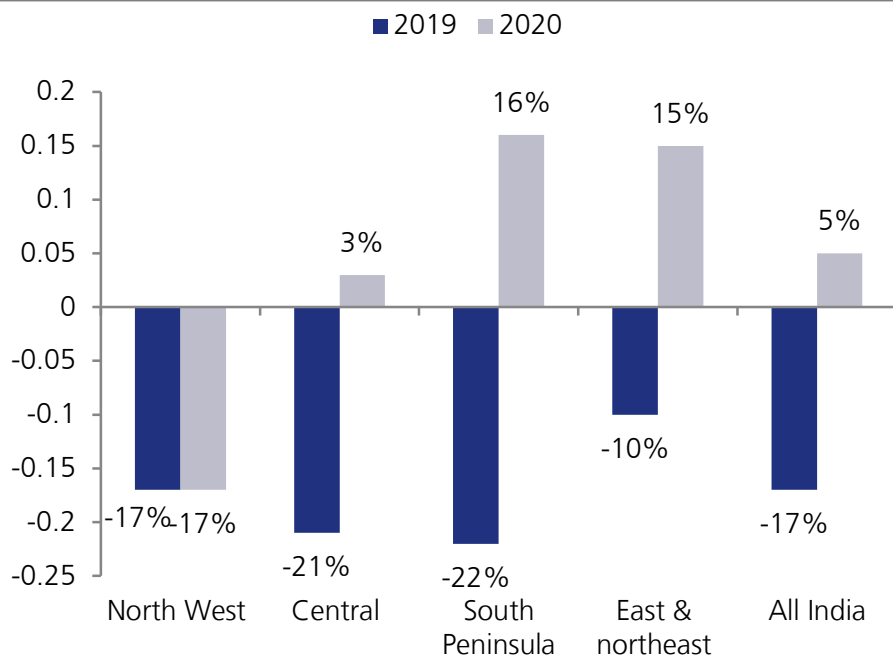


Source: Company release, JM Financial



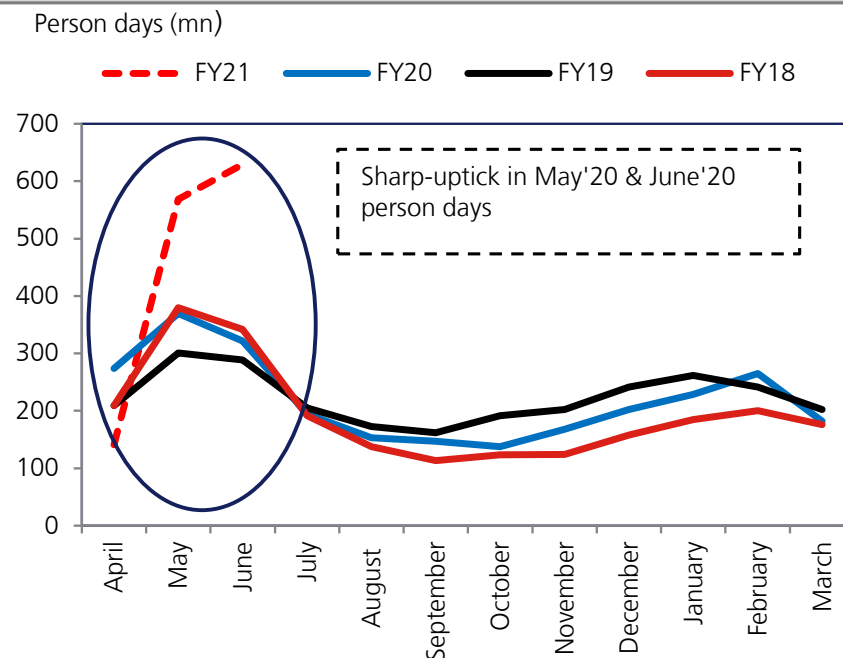
Source: Ministry of Agriculture, JM Financial

Well-spread rains till third week of July (5% ahead of normal against 17% deficit last year)



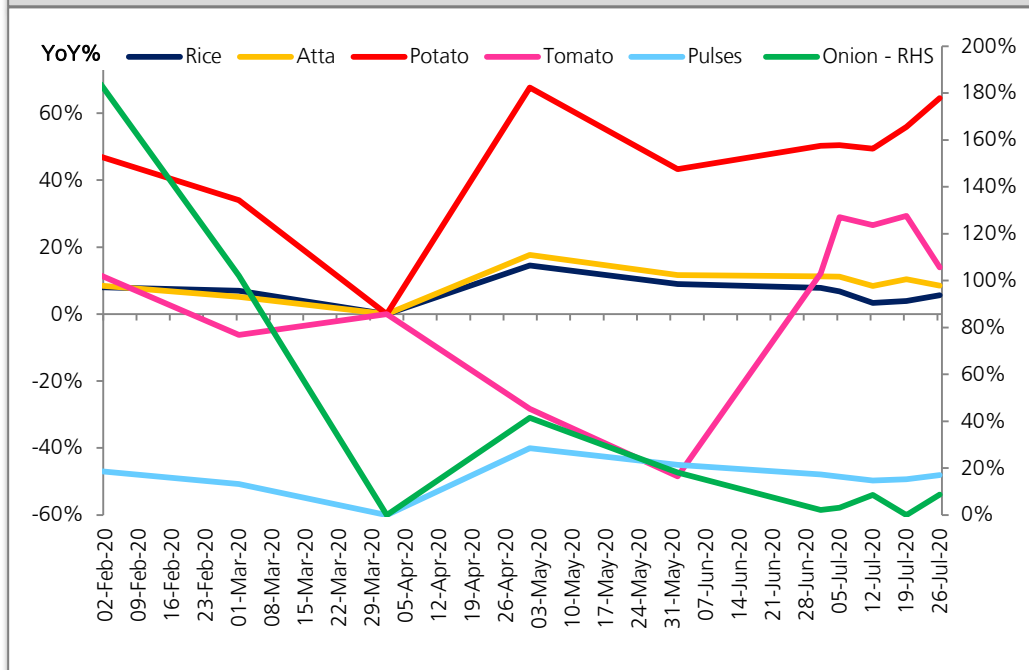
Source IMD, JM Financial

Massive jump of 99% YoY in June'20, overall up by 40% YoY in Apr-Jun'20 period



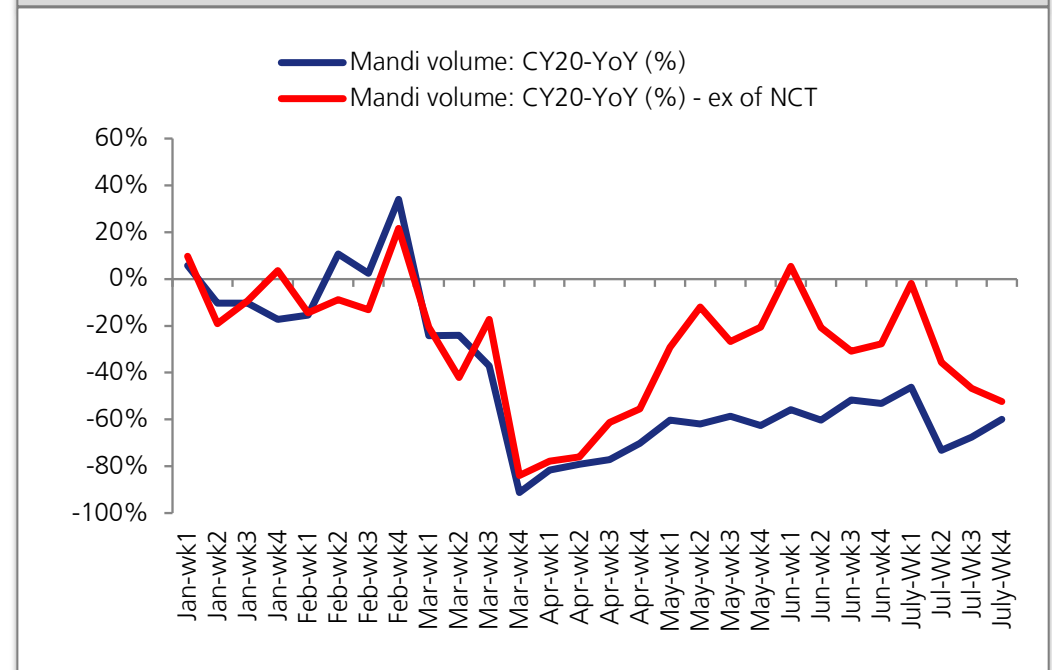
Source: nrega.nic.in, JM Financial

YoY decline in food inflation slow across heads excl. Tomato this week



Source CMIE, JM Financial

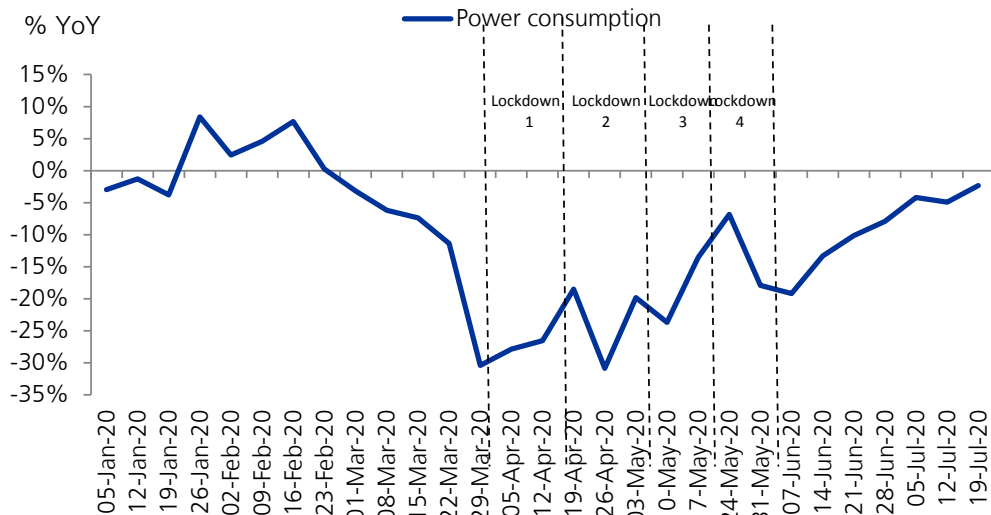
Periodic lock-downs likely leading to decline in Mandi arrivals since first week of July



Source: Argmarket, JM Financial

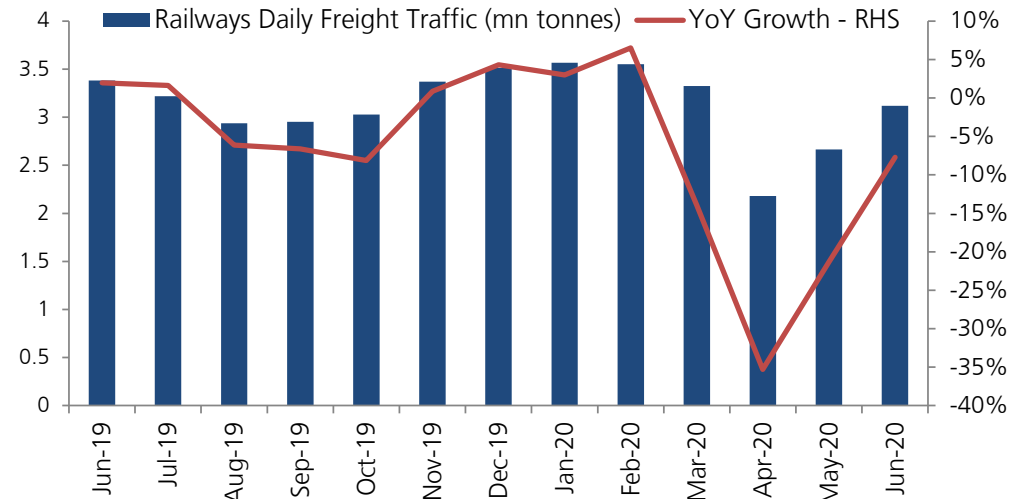
YoY contraction in power consumption lower, Railway freight traffic improves

YoY contraction in power consumption now at 2% YoY vs. 30% in Mar'20 end



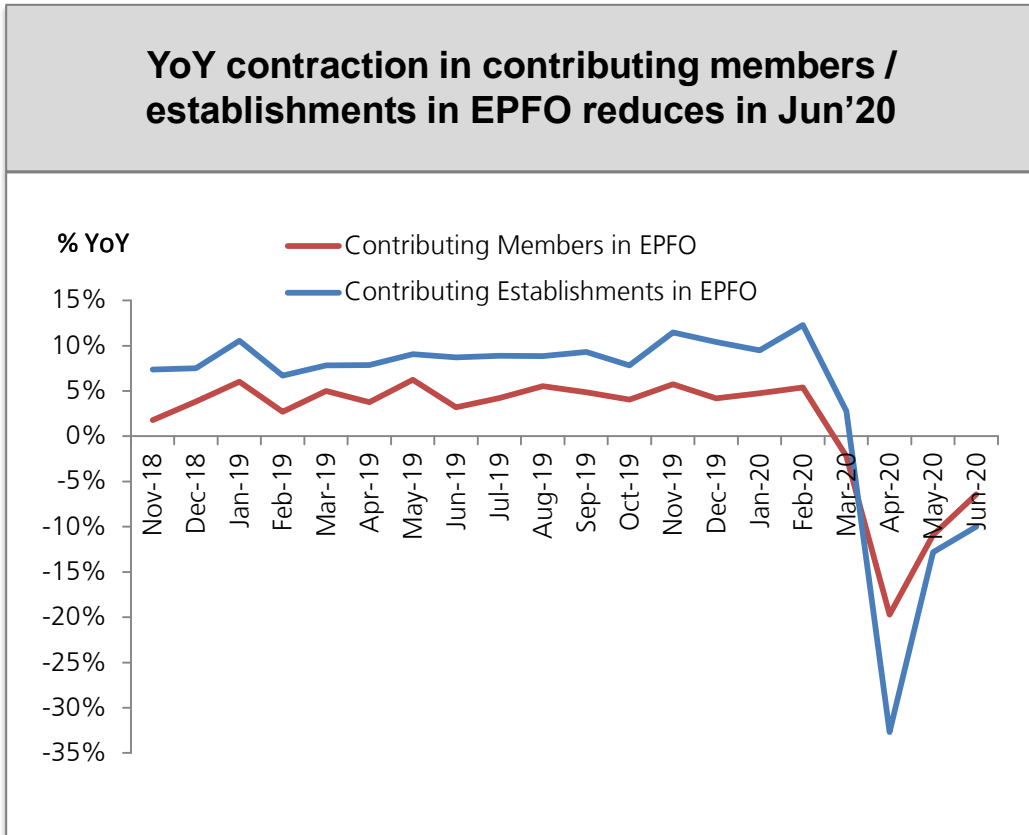
Source: POSOCO, JM Financial

Railways daily freight traffic shows sequential YoY improvement of -8% in Jun'20 vs. -21% last month

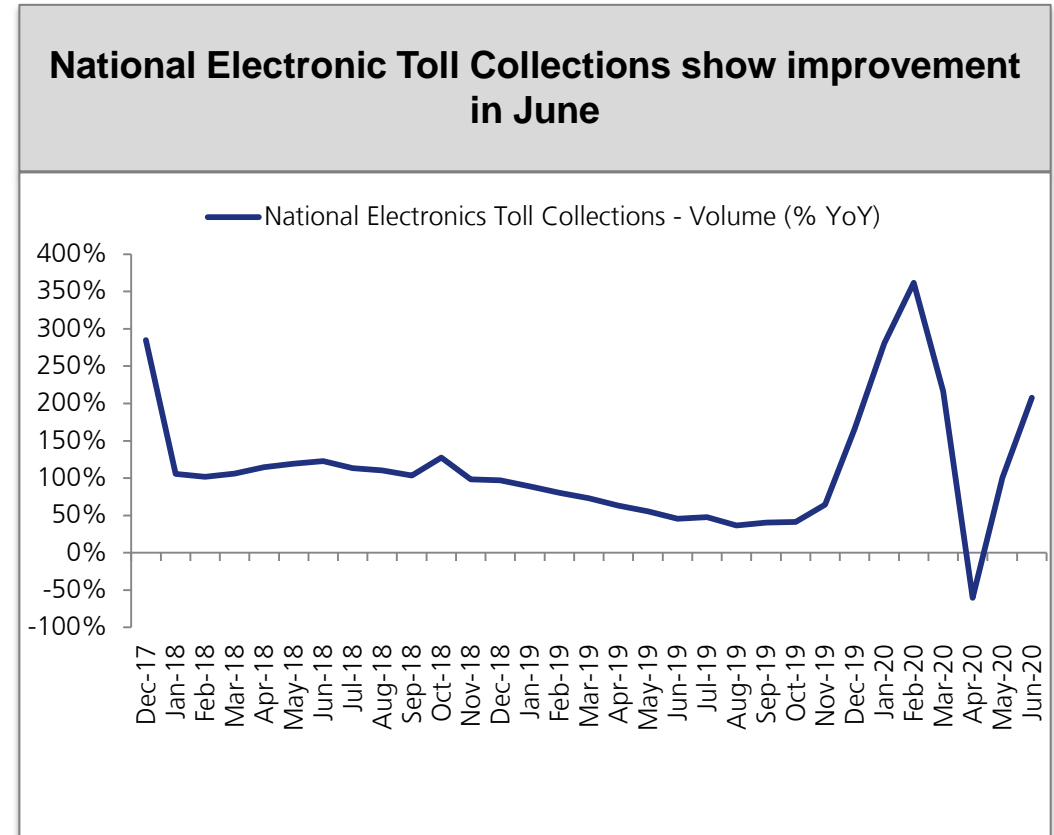


Source: Indian Railways JM Financial; monthly data

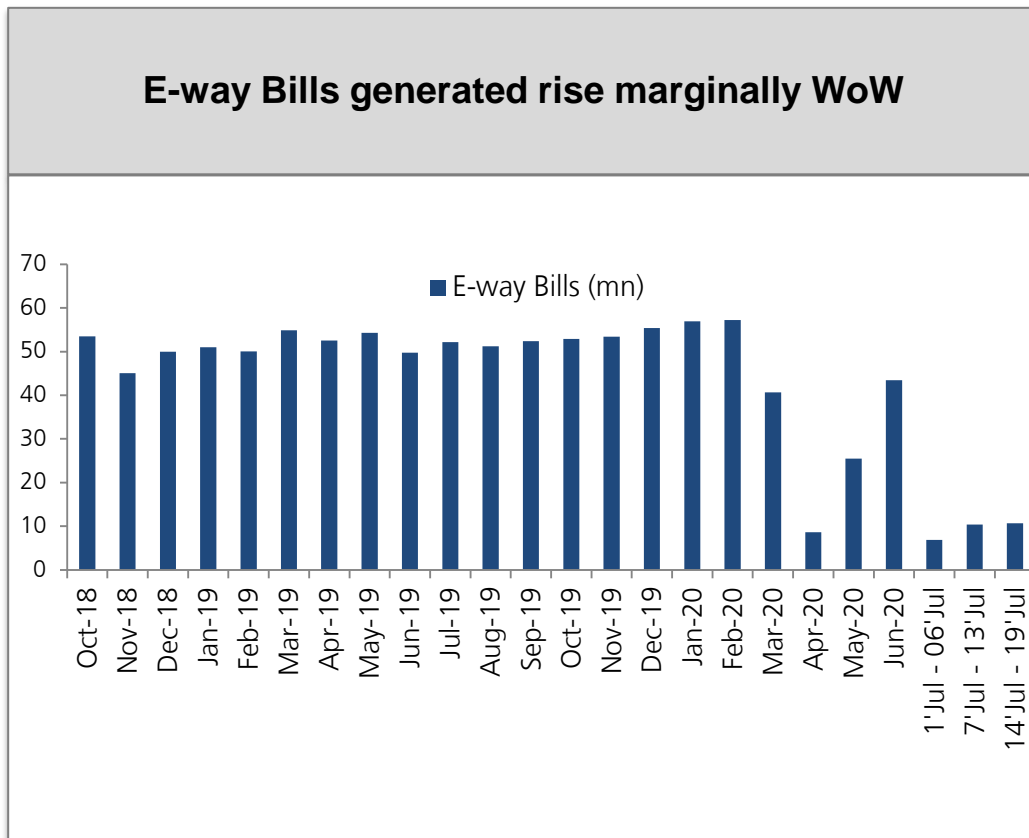
YoY contraction in contributing members in EPFO slows, toll collections improve



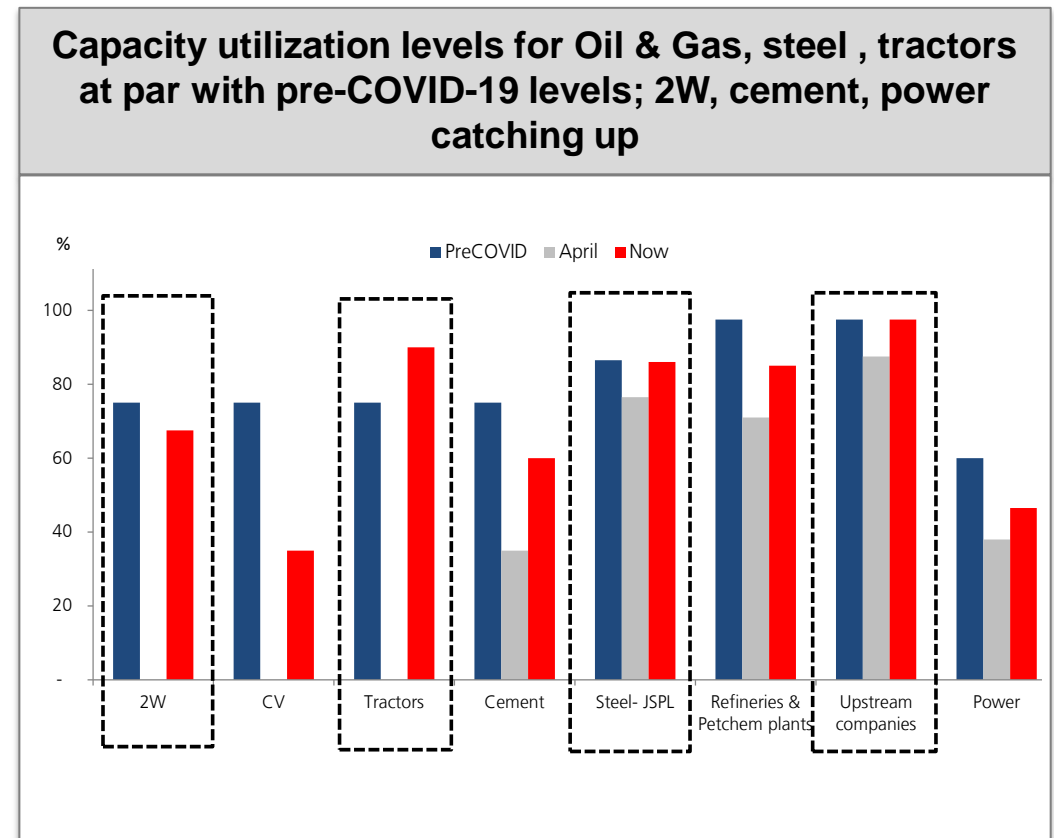
Source: labour.gov.in, JM Financial



Source: NPCI, JM Financial; monthly data



Source: GST Network, JM Financial



Source: JM Financial; As on 30June, 9-24Jul'20, Based on analyst interactions with companies

Mobility trends for workplaces worsen; 43% of the INR 3trn MSME Credit guarantee scheme sanctioned by 20-Jul'20

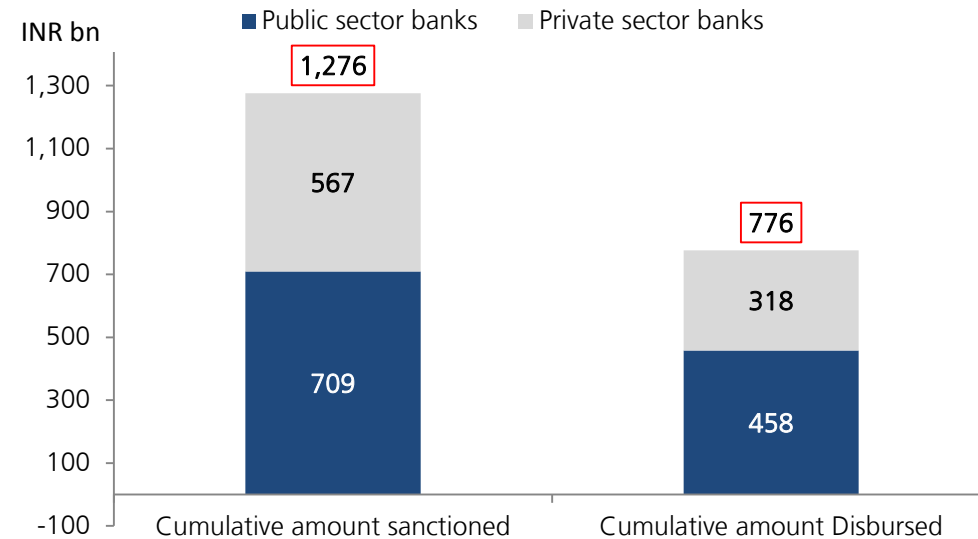
Indicators: Industrial

Mobility for workplaces* down by 33% from baseline

Workplaces % change from baseline					
	Mar-20	Apr-20	1-7 Jul-20	8-14 Jul-20	15-21 Jul-20
All India	-23%	-62%	-31%	-32%	-33%
Hotspots					
Maharashtra	-29%	-72%	-46%	-46%	-49%
Tamil Nadu	-19%	-65%	-38%	-34%	-33%
Delhi	-31%	-80%	-43%	-42%	-40%
Green Zone					
Goa	-24%	-54%	-28%	-29%	-40%
Meghalaya	-12%	-36%	-11%	-23%	-16%
Sikkim	-5%	-30%	-2%	-8%	-13%

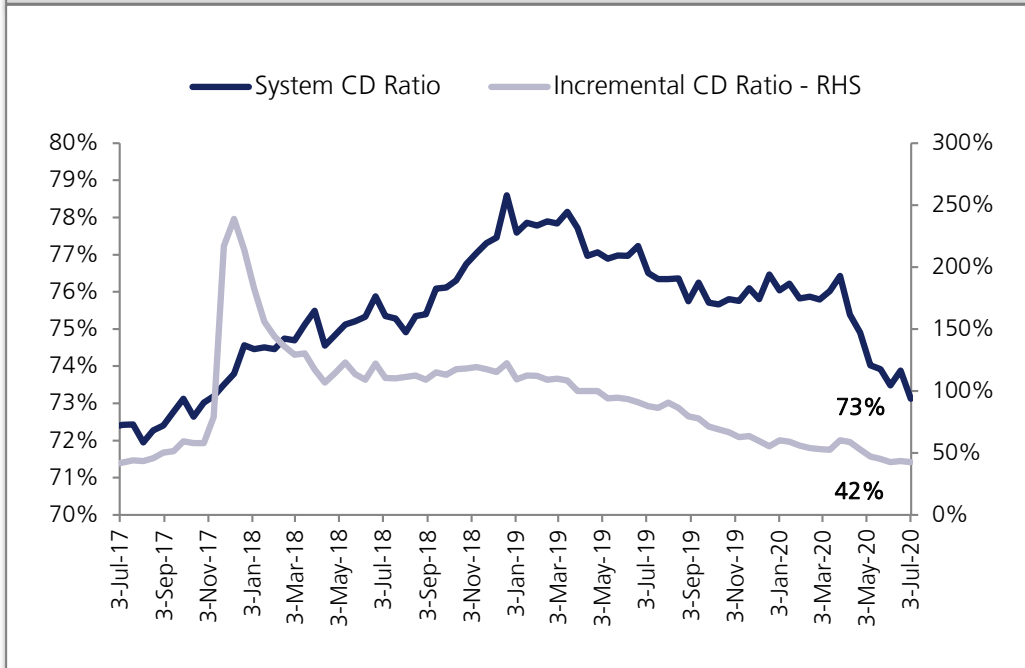
Source Google Mobility Reports, JM Financial ; Baseline: Median: 3Jan-6Feb'20. Figures are averages.
* Mobility trends for places of work

43% of INR 3trn MSME credit guarantee scheme sanctioned; 61% of amount sanctioned disbursed



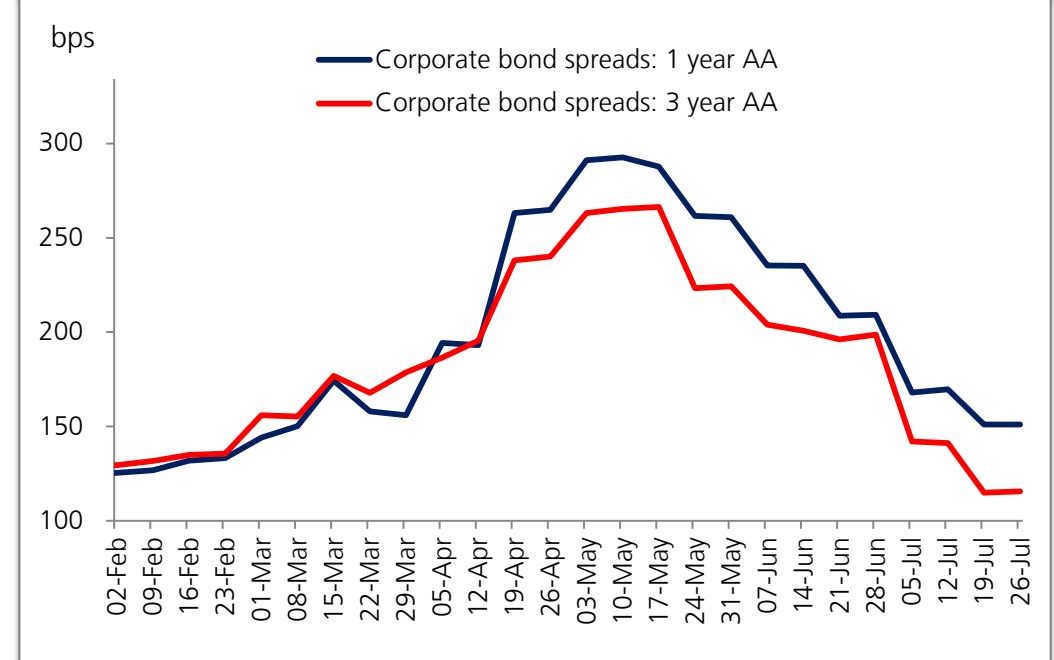
Source Ministry of Finance, JM Financial, As on 20Jul'20

Credit-deposit ratio of commercial banks fell to 73% on 3Jul'20; incremental C-D ratio continues to fall



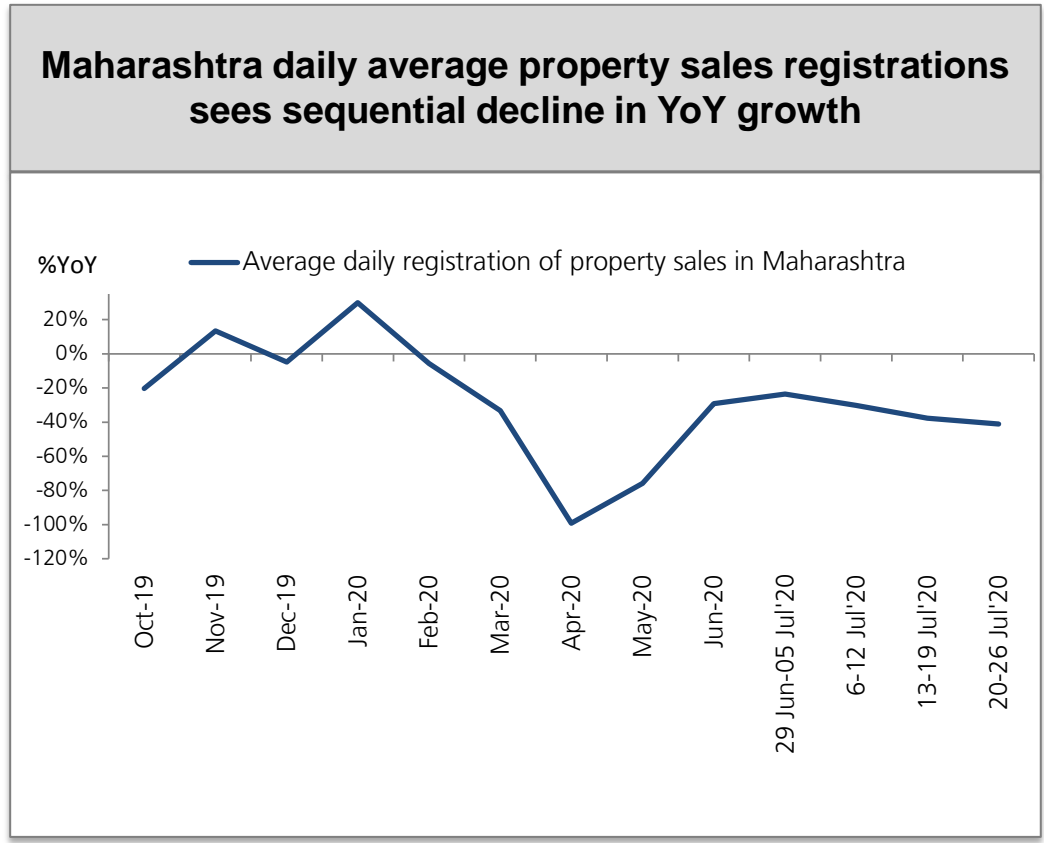
Source: Bloomberg, JM Financial

Corporate spreads remained flat this week

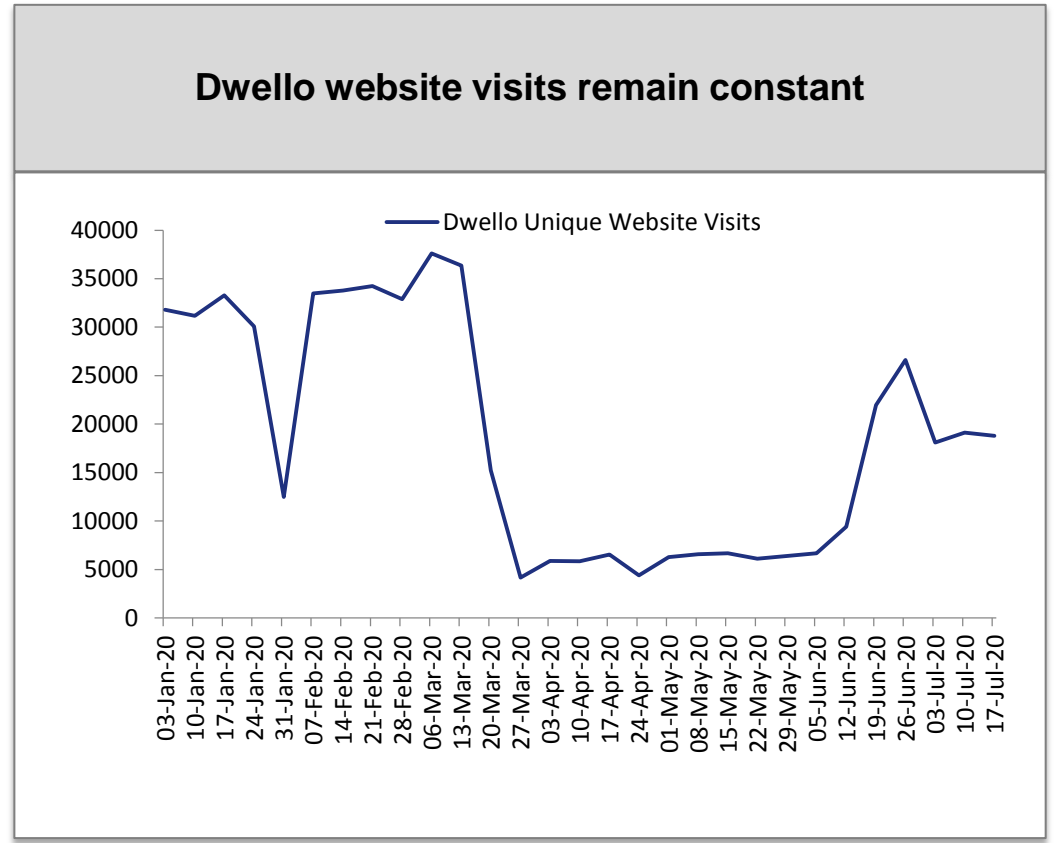


Source: Bloomberg, JM Financial

YoY growth in daily average property registrations falls



Source: igrmaharashtra.gov.in/, JM Financial

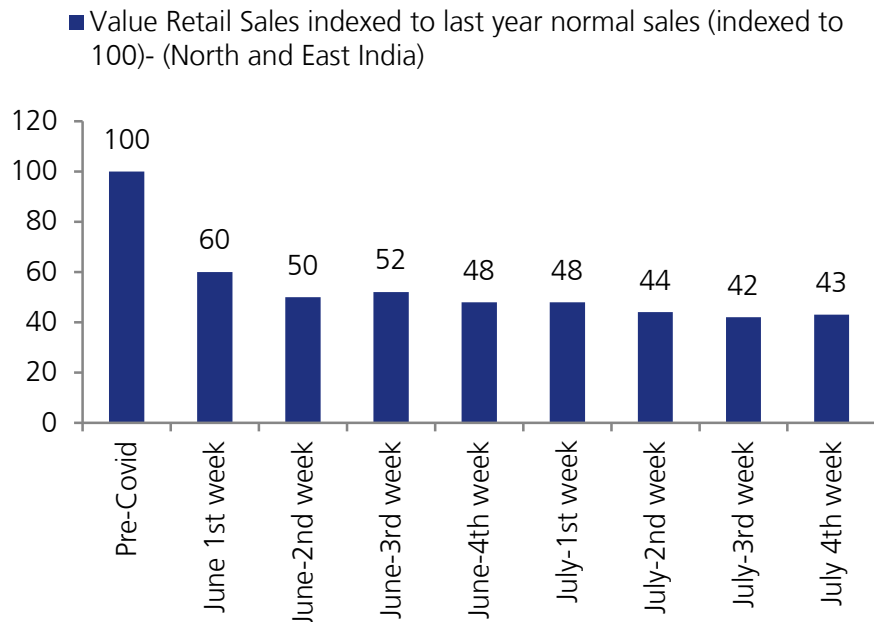


Source: *Dwello: Offers home-buying service to home seekers in Mumbai and Pune, JM Financial

Retail trend, mobility trends for discretionary consumption remain subdued

Indicators: Consumption

Discretionary consumption sees marginal improvement



Source: JM survey across retailers of V-mart, V2-retail, other value retail stores in UP & Bihar

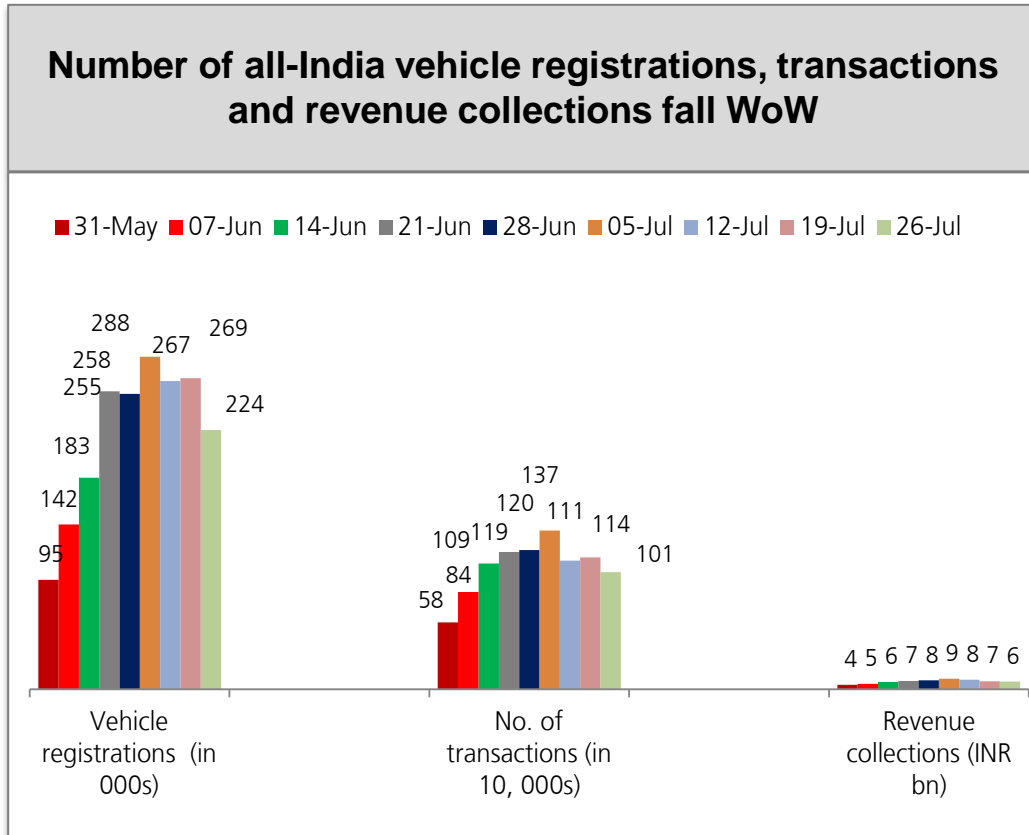
Mobility for retail and recreation* down by 61% from baseline

	Retail and Recreation % change from baseline				
	Mar-20	Apr-20	1-7 Jul-20	8-14 Jul-20	15-21 Jul-20
All India	-29%	-82%	-58%	-59%	-61%
Hotspots					
Maharashtra	-34%	-85%	-71%	-71%	-74%
Tamil Nadu	-25%	-84%	-67%	-62%	-60%
Delhi	-37%	-88%	-60%	-58%	-56%
Green Zone					
Goa	-33%	-79%	-65%	-66%	-73%
Meghalaya	-17%	-70%	-53%	-66%	-60%
Sikkim	-10%	-69%	-48%	-49%	-64%

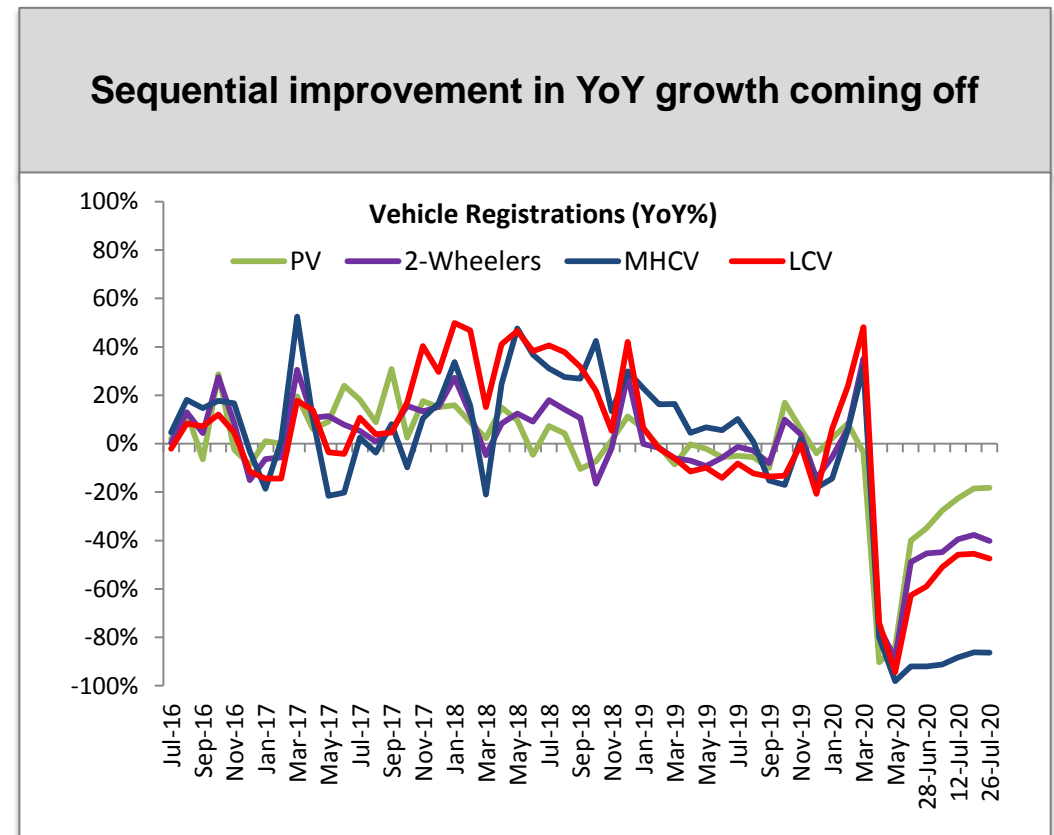
Source: Google Mobility Reports, JM Financial ; Baseline: Median: 3Jan-6Feb'20. Figures are averages
 * Mobility trends for places like restaurants, cafes, shopping centres, theme parks, museums, libraries, and movie theatres.

Sequential improvement in YoY vehicle registrations growth comes off

Indicators: Consumption

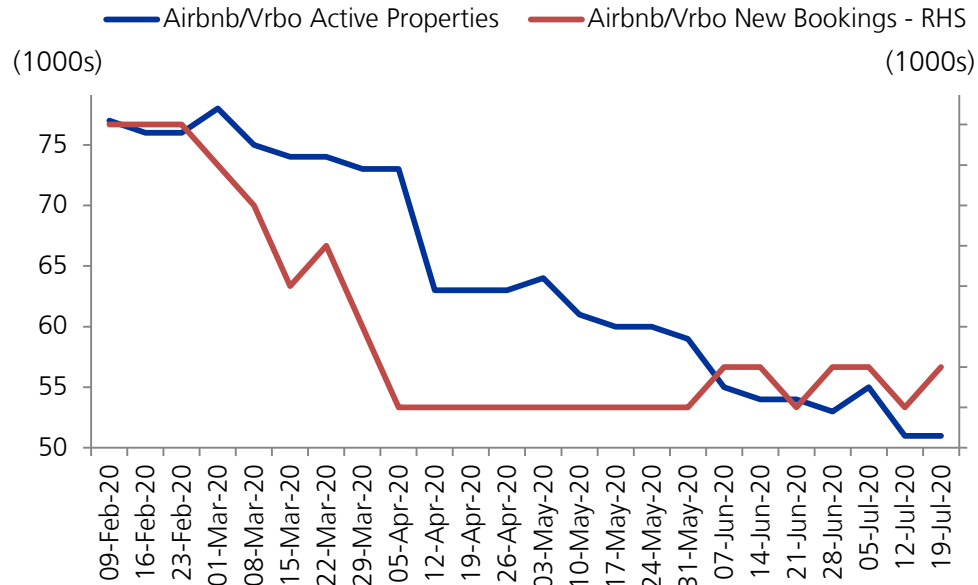


Source: vahan.parivahan.gov.in, JM Financial



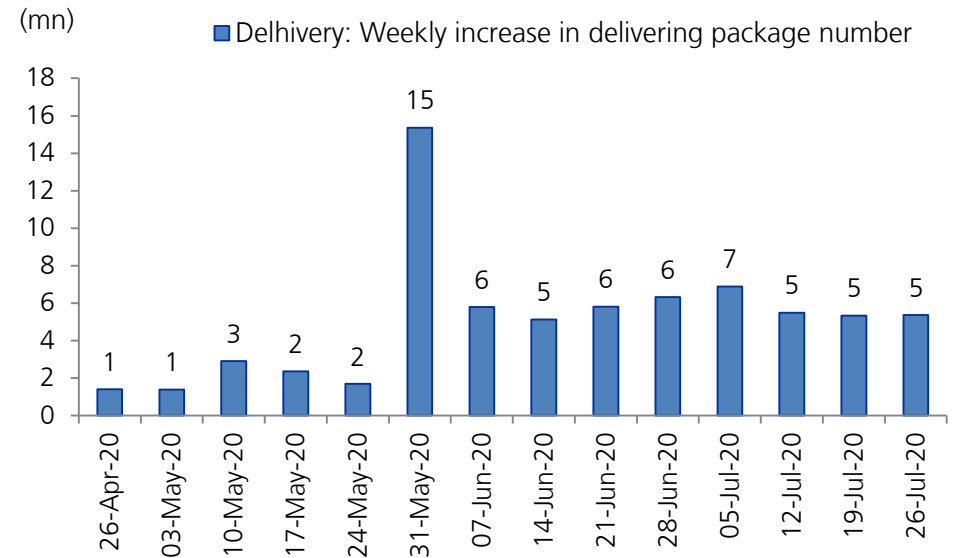
Source: vahan.parivahan.gov.in, JM Financial

Lower active properties but higher bookings were seen by Airbnb/Vrbo



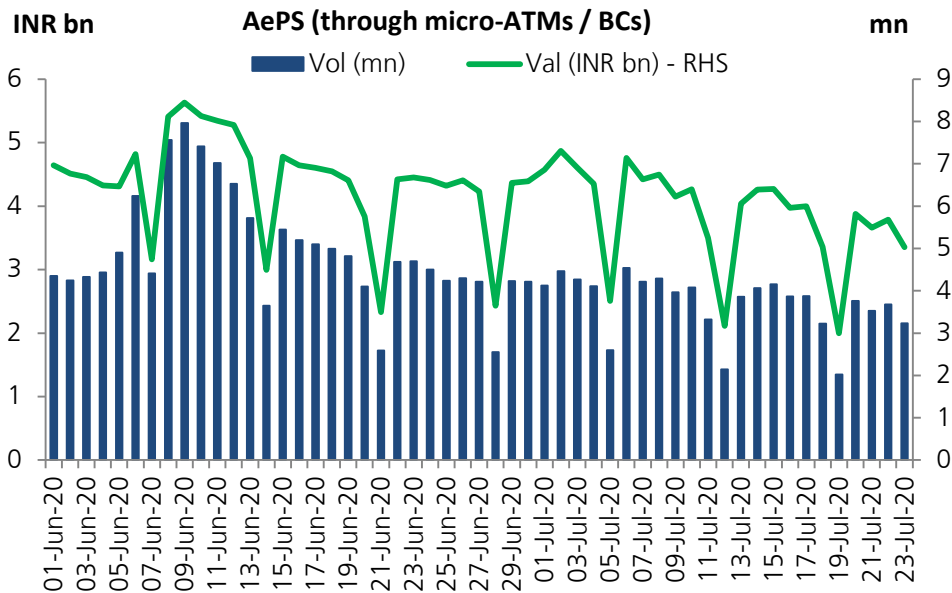
Source: AirDNA, JM Financial

Delhivery: Packages delivered constant



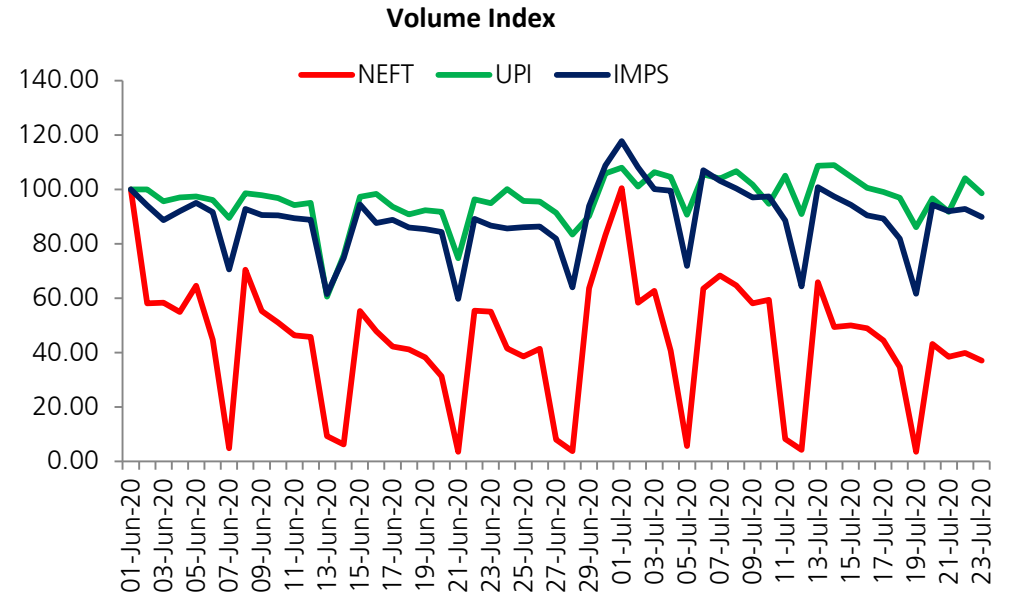
Source: delhivery.com, JM Financial

Aadhaar Enabled Payment System (AePS) cash withdrawals falls WoW



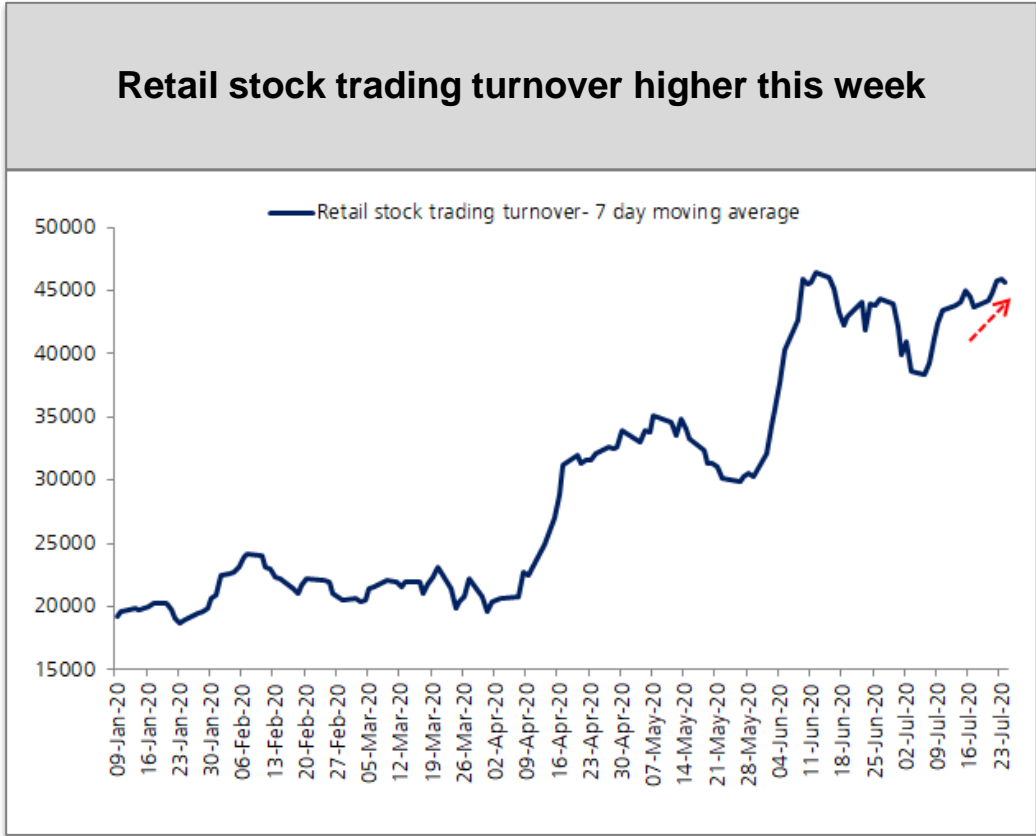
Source RBI, JM Financial

NEFT, IMPS, UPI transaction volumes lower as compared to last week



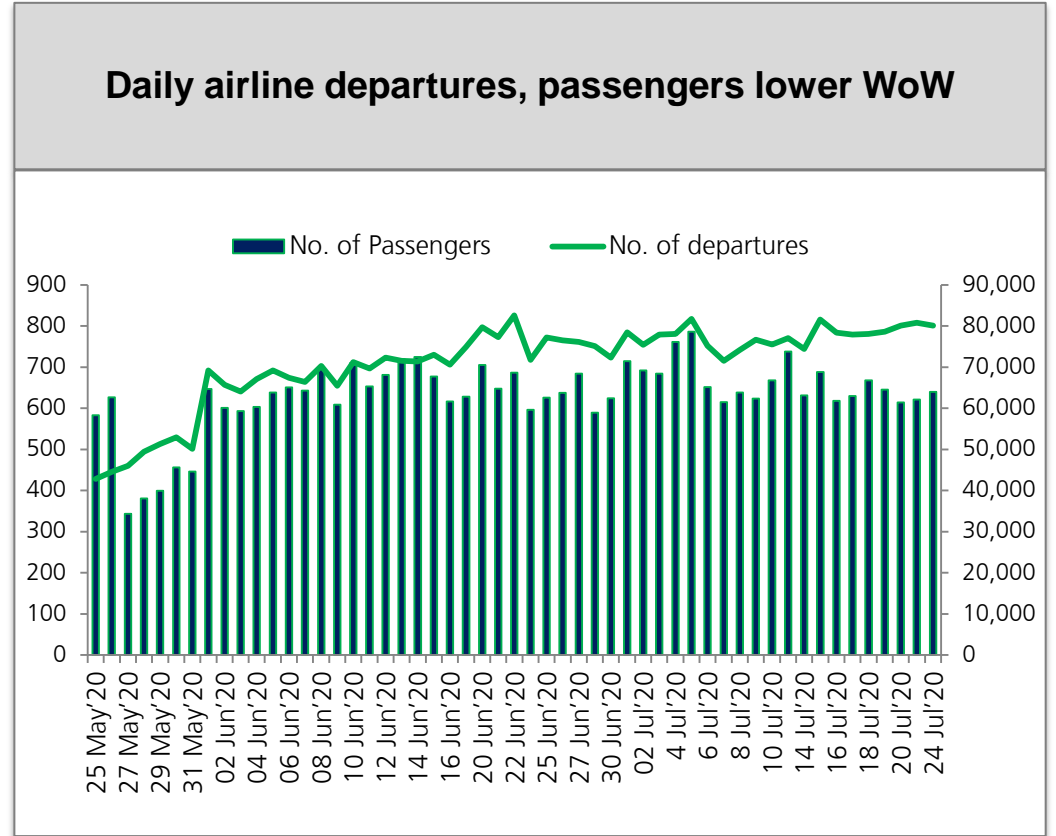
Source: RBI, JM Financial

Retail stock trading turnover higher this week



Source MoneyControl, BSE, NSE, JM Financial

Daily airline departures, passengers lower WoW

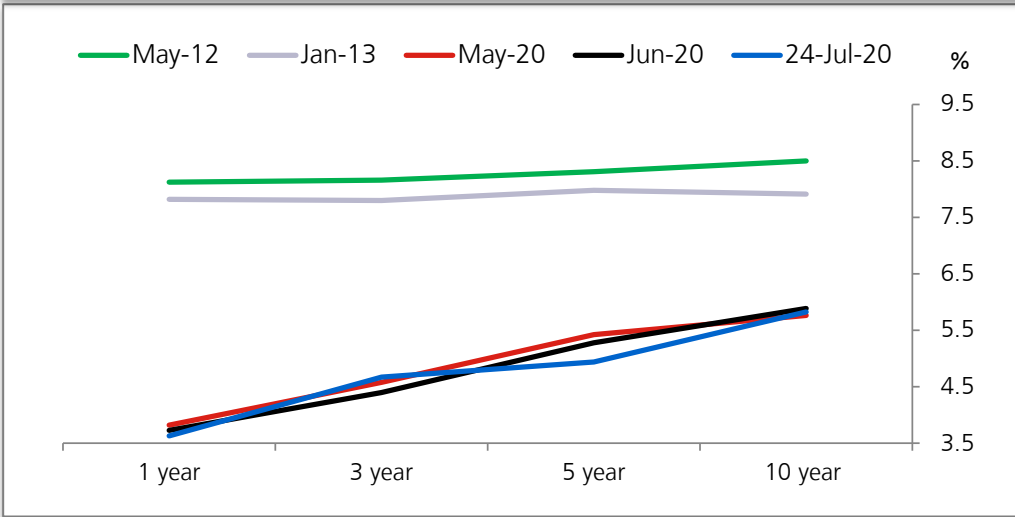


Source: RBI, JM Financial

India: Indicators

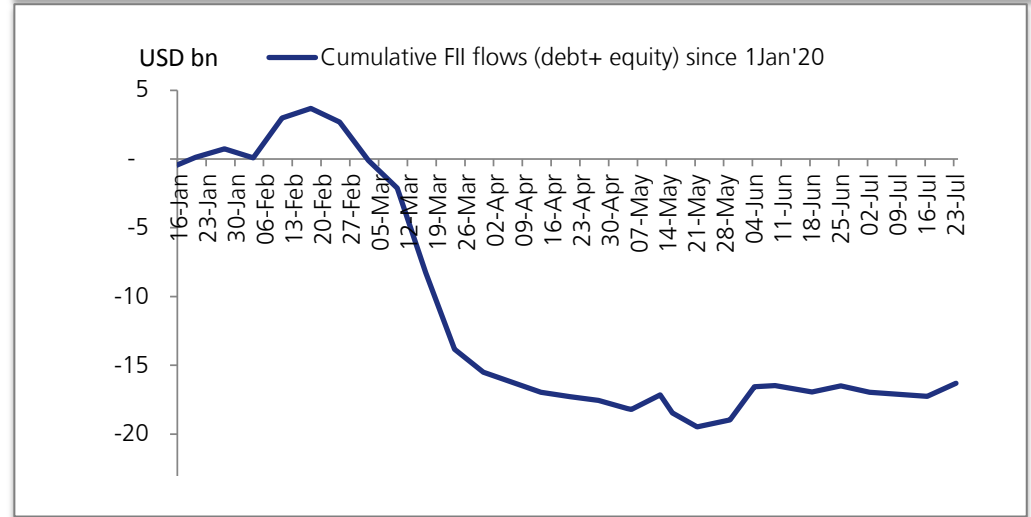
Other indicators...

Yield curve: Lower 5yr yields, higher 3yr yields in Jul-20 so far



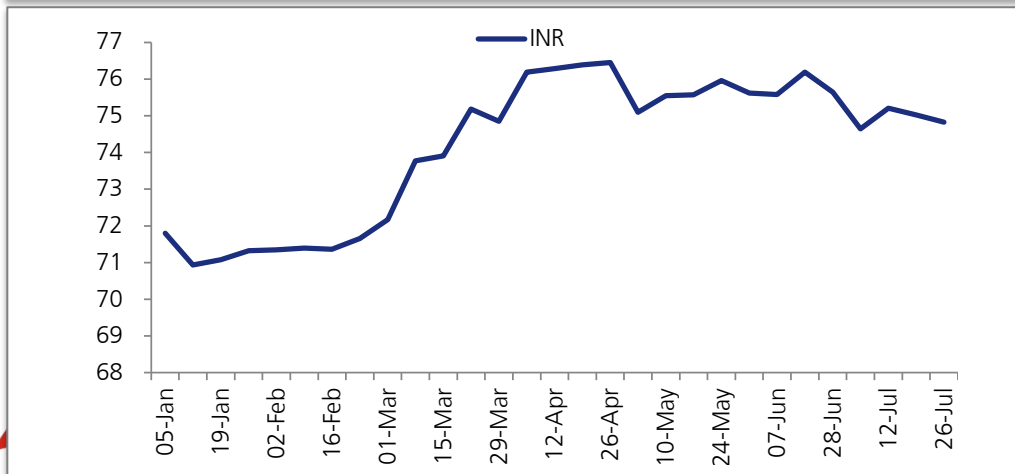
Source: Bloomberg, JM Financial

Cumulative FII flows improve marginally

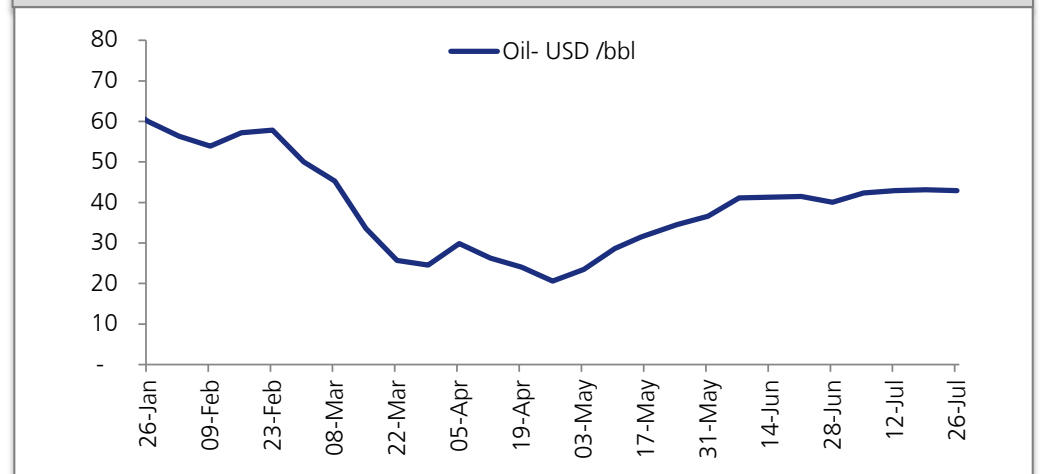


Source: Bloomberg, JM Financial

...the INR falls marginally



Oil prices fall marginally



Unlock 2.0: Began from 1Jul'20...

Unlock 1.0 : 1 - 8Jun'20	
Allowed	Religious places and places of worship for public
Allowed	Hotels, restaurants and other hospitality services
Allowed	Shopping malls
Night curfew	9 pm to 5 am: All India except essential activities
Shut	Containment zones except essential activities
Allowed	Intra-state and inter-state movement of people and goods. No pass necessary
Unlock 2.0 : 1Jul'20	
Shut	Inside containment zones, lockdown measures have been extended till July 31
Shut	Schools, colleges and coaching institutions will remain closed till July 31
Shut	Metro rail, cinema halls, gymnasiums, swimming pools, entertainment parks, theatres, bars, auditoriums, assembly halls and similar places
Allowed	Shops outside containment zones can have more than five persons at a time
Flights	Domestic flights will be further expanded while international air travel will continue in a limited manner under the Vande Bharat mission
Night curfew	Timings are being further relaxed to 10 pm to 5 am
Phase 3 - Date to be decided	
Allowed	International air travel of passengers
Allowed	Operation of metro rail
Allowed	Cinema halls, Gymnasiums, Swimming pools, Entertainment parks, Theatres, Bars and auditoriums, Assembly halls and similar places
Allowed	Social, political, sports, entertainment, academic, cultural, religious functions, and other large congregations

...but a few states have again announced lockdowns

State	Districts	Date	Announced on	CAGR 20-26 Jul'20	CAGR 13-19 Jul'20	CAGR 5-12 Jul'20
UP		Weekends	10 Jul'20	4%	4%	4%
Uttarakhand	Dehradun, Haridwar, Nainital, Udham Singh Nagar	Weekends	17 Jul'20	5%	3%	1%
Karnataka	Bengaluru	14-22 Jul'20	12 Jul'20	6%	7%	8%
Bihar		16-31 Jul'20	14 Jul'20	5%	8%	4%
Goa		17-19 Jul'20	15 Jul'20	4%	6%	5%
Kerala	Coastal areas of Thiruvananthapuram	18-28 Jul'20	17 Jul'20	6%	7%	5%
Tripura	Areas bordering Bangladesh	17-24 Jul'20	14 Jul'20	6%	4%	3%
West Bengal	Containment Zones	Bi-weekly + Till 19 Jul'20 (Containment Zones)	14 Jul'20	5%	5%	4%
Maharashtra	Pune, Pimpri Chinchwad, Sangli	13-23rd Jul'20 (Pune, Pimpri Chinchwad) + 22 - 30Jul'20 (Sangli)	10 Jul'20, 20Jul'20	3%	3%	3%
Assam	Guwahati	29 Jun-19 Jul'20	26 Jun'20	4%	5%	6%
Odisha	Cuttack, Khordha, Ganjam, Jajpur, Rourkela Municipal Corp. Area	17-31 Jul'20	16 Jul'20	6%	4%	5%
Madhya Pradesh	Bhopal, Gwalior	Bi-weekly + 14-21 Jul'20 (Gwalior)+ Bhopal (24 Jul-3 Aug'20)	22 Jul'20, 13 Jul'20	3%	3%	2%
Andhra Pradesh	Tirupati, Srikakulam, Nellore	21 Jul-5 Aug'20 (Tirupati)+ 18 Jul-1 Aug'20 (Srikakulam)+ 24-31Jul'20 (Nellore)	18-23 Jul'20	10%	7%	6%
Manipur		23 Jul-6 Aug'20	22 Jul'20	2%	2%	3%
J&K	All red districts excl. Bandipora	22-27 Jul'20	22 Jul'20	4%	4%	3%
Tamil Nadu	Coimbatore	25-27 Jul'20	24 Jul'20	3%	3%	3%
Himachal Pradesh	Nahan, Baddi-Barotiwala-Nalagarh	24-27 Jul'20 (Nahan), 25-28 Jul'20 (BBN)	24 Jul'20	5%	3%	2%

Refer to our other earlier tracker reports

1. [The COVID-19 Files: Your weekly update on COVID-19](#)
2. [The COVID-19 Files: Unveiling relief measures 2.0](#)
3. [The COVID-19 Files- End of fiscal stimulus in India?](#)
4. [The COVID Files- More economic indicators showing improvement](#)
5. [The COVID-19 Files-From Lockdown 4.0 to Unlock 1.0](#)
6. [The COVID-19 Files- Improvement in most economic indicators](#)
7. [The COVID-19 Files- India now ranks 4th in the global COVID-19 cases](#)
8. [The COVID-19 Files: India COVID-19 cases cross 0.4mn mark](#)
9. [The COVID-19 Files: Daily growth in cases inches up](#)
10. [The Covid-19 Files | India replaces Russia as 3rd worse-hit COVID-19 nation](#)
11. [The Covid-19 Files | Improvement in consumption indicators flattening?](#)
12. [India Economics | The COVID-19 Files: Cases in India cross the 1mn mark](#)

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Rating	Meaning
Buy	Total expected returns of more than 15%. Total expected return includes dividend yields.
Hold	Price expected to move in the range of 10% downside to 15% upside from the current market price.
Sell	Price expected to move downwards by more than 10%

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