

Update 77: India - Economy Contracts by 7.5% YoY in Q2 FY 2020 Amid COVID-19 Pandemic

- India's Gross Domestic Product (GDP) contracted 7.5% in the July-September period of 2020 (Q2 FY 2020) due to COVID-19 pandemic
- However, the economy rebounded from a record slump of 23.9% in the previous quarter due to slowdown caused by the COVID-19 pandemic
- Also, GDP had expanded by 4.4% compared to the previous July-September period of 2019-2020
- The second straight quarter of contraction pushed India to its first technical recession
- With the gradual opening up from June 2020, the economy picked up momentum
- Manufacturing clocked a surprise 0.6% growth in July-September 2020, after it had shrunk by a massive 39% in the preceding quarter
- The agriculture sector grew by 3.4%, while electricity and gas expanded by 4.4%
- Financial and real estate services shrank 8.1%, while trade, hotels, transport and communication declined by 15.6%
- The construction sector contracted by 8.6%
- Public spending was down by 12.0%
- The deteriorating performance of eight key core sectors in October 2020 raised concerns over the sustainability of the economic recovery
- The eight core sectors include cement, steel, electricity and crude oil, slipped into red again in October 2020 and declined 2.5% from 0.1% drop in September 2020. The improvement in the economy came ahead of interest rate decision by the Reserve Bank of India (RBI)
- Also, the government has so far unleashed INR30,000 B (~US\$406 B) worth of stimulus measures to help pull the economy
- As of now, India has recorded 9,351,224 confirmed COVID-19 cases and 136,238 related deaths (~1.5% of total reported cases), and 8,759,969 recoveries (~93.7% of total reported cases)
- Supply Wisdom is continuously monitoring the situation and will alert you to any relevant developments
- Please consult the National Center for Disease Control (<https://ncdc.gov.in/>) for the latest information on COVID-19 in India

Source(s)

<https://timesofindia.indiatimes.com/business/india-business/gdp-contracts-by-7-5-in-q2-after-record-slump-of-23-9-in-q1/articleshow/79447117.cms>

<https://www.deccanherald.com/business/indias-gdp-contracts-by-7-5-in-q2-after-record-slump-of-23-9-in-q1-920529.html>

<https://www.ndtv.com/business/india-q2-gdp-data-live-updates-today-indian-economy-revival-gdp-numbers-november-27-2331113>

<https://www.worldometers.info/coronavirus/country/india/>

Targets Affected:

Bangalore - Chennai - Delhi NCR - Hyderabad - India - Madurai - Pune

Category(s):

Macro-Economic Risk - Geo-Political Risk

Event:

Coronavirus (COVID-19) Incident(s)

Guidance

Actions to consider:

- Consider implementing suggested actions related to 'Negative Impact on Economy' under the 'COVID-19: Actions to Consider' section below / next page

Related Alerts

Nov. 27, 2020

Medium

Update 76: India - International Flights to Remain Suspended Until December 31, 2020 Amid COVID-19 Pandemic

Nov. 26, 2020

Medium

Update 75: India - Reports 44,489 New COVID-19 Cases in Last 24 Hours, Raising National Total to 9,266,705

Nov. 20, 2020

Medium

Update 74: Delhi NCR - Imposes New Restrictions Amid Surge in COVID-19 Infections

Nov. 8, 2020

Medium

Update 73: India - Reports 45,674 New COVID-19 Cases in Last 24 Hours, Raising National Total to 85,07,754

Nov. 6, 2020

Medium

Update 72: India - China Suspends Entry of Foreigners from India Amid Rise in COVID-19 Cases

Nov. 5, 2020

Medium

Update 71: India - Reports 50,465 New COVID-19 Cases in Last 24 Hours, Raising National Total to 8,364,086

Oct. 29, 2020

Medium

Update 70: India - International Flights to Remain Suspended Until November 30, 2020

Oct. 24, 2020

Medium

Update 69: India - Reports 53,370 New COVID-19 Cases in Last 24 Hours, Raising National Total to 7,814,682

Oct. 23, 2020

Medium

Update 68: India - Relaxes Visa and Travel Restrictions for Foreign and Indian Nationals Amid COVID-19 Pandemic

Oct. 19, 2020

High

Update 67: Delhi NCR - Risk of COVID-19 Transmission Increases as Air Quality Deteriorates

Sept. 30, 2020

Medium

Update 66: Tamil Nadu, India - Extends COVID-19 Lockdown Until October 31, 2020 with Few Relaxations

Sept. 7, 2020

Medium

Update 65: India - Reports Second-Largest COVID-19 Cases after US; Records Highest Daily Rise of 90,802 Infections

Sept. 1, 2020

High

Update 64: India - Reports Worst Economic Contraction of 23.9% on Record in April-June Quarter, 2020

Aug. 30, 2020

Medium

Update 63: India - Announces Further COVID-19 Relaxation with Restrictions in Containment Zones; No Local Lockdown Anticipated

Aug. 1, 2020

High

Update 62: India - Scheduled International Flights Suspended Until August 31, 2020; Records Highest Single-Day Spike of 57,117 COVID-19 Cases

July 30, 2020

Medium

Update 61: India - Announces Further COVID-19 Relaxation with Restrictions in Containment Zones; Maharashtra Extends Lockdown Until August 31, 2020

July 22, 2020

Medium

Update 60: India - Bangalore Confirms No Extension of Lockdown Beyond July 22, 2020; Pune Surpasses Mumbai with 3,000 New Cases of COVID-19 in 24 Hours

July 18, 2020

High

Update 59: India - Second Phase of Lockdown in Some States; Reimposes Weekend Shutdowns

July 14, 2020

High

Update 58: Bangalore, India - Announces New COVID-19 Guidelines Amid Lockdown

July 13, 2020

High

Update 57: India - Pune Imposes 10-Day Lockdown Starting July 13, 2020; Madurai Extends Lockdown Until July 14, 2020

July 12, 2020

High

Update 56: Bangalore, India - Reimposes Complete Lockdown from July 14 Until July 22 Amid Increase in COVID-19 Cases

July 6, 2020

Medium

Update 55: Tamil Nadu, India - Reopens Businesses in Chennai Amid Decline in COVID-19 Cases; Extends Lockdown in Madurai Until July 12

July 3, 2020

Medium

Update 54: Tamil Nadu, India - Reports Worst Single-Day Increase of 4,343 COVID-19 Cases

June 30, 2020

Medium

Update 53: India - Announces Further Relaxations Starting July 1, 2020

June 29, 2020

Medium

Update 52: Bengaluru, India - Reports Highest Daily Increase of 783 Confirmed COVID-19 Cases, Totaling 3,314

June 23, 2020

Immediate

Update 51: India - Imposes Lockdown in Bangalore and Madurai Amid Increase in COVID-19 Cases

June 22, 2020

Medium

Update 50: Bengaluru, India - Reports Highest Daily Increase of 196 Confirmed COVID-19 Cases, Totaling 1,272

June 17, 2020

Medium

Update 49: Pune, India - Resumes Retail Businesses Starting June 17 in Non-Micro-Containment Zones

June 16, 2020

High

Update 48: Chennai, India - Reimposes Complete Lockdown from June 19 Until June 30 Amid Increase in COVID-19 Cases

June 14, 2020

Medium

Update 47: India - Reports Highest Daily Increase of ~12,000 COVID-19 Cases, Totaling Over ~300,000

June 5, 2020

Medium

Update 46: India - Announces Guidelines as Businesses Resume Operations

June 2, 2020

High

Update 45: Delhi NCR - Announces Border Closure for a Week Amid New Relaxations in COVID-19 Restrictions

May 31, 2020

High

Update 44: India - COVID-19 Lockdown Extended Until June 30, 2020 in Containment Zones; New Rules Announced for Phased Lifting from June 8, 2020

May 25, 2020

High

Update 43: Chennai, India - Resumes Industrial Operations as COVID-19 Restrictions Ease

May 23, 2020

Immediate

Update 42: India - Reports Highest Daily Increase of 6,654 COVID-19 Cases, Totaling 125,000

May 22, 2020

Immediate

Update 41: Pune, Mumbai (India) - Reports Highest Daily Increase of 265 COVID-19 Cases, Totaling 4,800

May 21, 2020

High

Update 40: India - Plans to Resume Domestic Flights Starting May 25, 2020 Amid COVID-19 Pandemic

May 18, 2020

High

Update 39: India - Extends Nationwide COVID-19 Lockdown Until May 31, 2020; Reopens Certain Businesses to Aid Economy

May 15, 2020

Immediate

Update 38: Pune, Mumbai (India) - Plans to Extend Lockdown Until May 31 as COVID-19 Cases Surge

May 13, 2020

Medium

Update 37: India - Announces Stimulus Package of US\$20,000 B to Revive Economy Amid COVID-19 Pandemic

May 11, 2020

High

Update 36: India - Partially Resumes Passenger Trains from May 12; Reports Over 4,000 Cases in Last 24 Hours, Totaling 67,186

May 3, 2020

Immediate

Update 35: India - Records Biggest Rise in COVID-19 Cases of 2,411, Totaling 37,776; Maharashtra Issues Stricter Lockdown Extension Guidelines

May 2, 2020

High

Update 34: India - Extends Nationwide Lockdown Until May 17, 2020; Announces COVID-19 Relaxations in Low-Risk Areas

April 30, 2020

High

Update 33: Tamil Nadu, India - Relaxes COVID-19 Restrictions as Four-Day Lockdown Ends

April 29, 2020

Immediate

Update 32: India - Chennai Records Highest Single-Day Increase of 103 in COVID-19 Cases, Totaling 2,058 Cases in Tamil Nadu

April 26, 2020

Immediate

Update 31: India - Records Highest Single-Day Increase of 1,990 in COVID-19 Cases, Totaling 26,500

April 25, 2020

Immediate

Update 30: India - Tamil Nadu Declares Complete Lockdown in Five Cities; Maharashtra Anticipates Lockdown Extension Until June 2020

April 24, 2020

High

Update 29: Tamil Nadu, India - Partially Relaxes COVID-19 Lockdown Restrictions

April 23, 2020

Medium

Update 28: Bangalore - Partially Relaxes COVID-19 Lockdown Restrictions from April 23, 2020

April 22, 2020

Immediate

Update 27: Pune, India - Government Withdraws COVID-19 Lockdown Relaxations

April 21, 2020

Immediate

Update 26: India - Curfew Imposed in Pune Until April 27, 2020; No Relaxation in COVID-19 Restrictions in Karnataka, Tamil Nadu, and Delhi NCR Until May 3, 2020

April 20, 2020

Immediate

Update 25: Pune, India - City Declared as Containment Zone Until April 27, 2020 to Fight COVID-19 Pandemic

April 16, 2020

High

Update 24: India - Government Announces Relaxation Measures Amid Lockdown Extension to Support Economy While Positive COVID-19 Cases Exceed 12,000

April 15, 2020

Immediate

Update 23: India - Curfew Declared in Parts of Pune; COVID-19 Hotspots Identified in Bangalore

April 14, 2020

Immediate

Update 22: India - Extends Nationwide Lockdown Until May 3, 2020 to Fight COVID-19 Outbreak

April 12, 2020

Immediate

Update 21: India Considers Lockdown Extension Until April 30, 2020; Covid-19 Cases Increase to 8,356

April 9, 2020

Immediate

Update 20: Delhi NCR, India - Seals 20 Districts Amid Increasing COVID-19 Cases

April 8, 2020

Immediate

Update 19: India - Government Expected to Extend Lockdown in Karnataka to Curb COVID-19; Maharashtra Reports Highest Daily Rise in Positive Cases

April 7, 2020

Immediate

Update 18: Pune, India - Imposes Stricter Restrictions Amid Increasing COVID-19 Cases

April 6, 2020

Immediate

Update 17: India - Confirmed COVID-19 Cases Double in Four Days, Exceeding 4,000

April 4, 2020

High

Update 16: India - Fears Recession as GDP Forecast to Reach 30-Year Low of 2%

April 2, 2020

Immediate

Update 15: India - Massive Surge in Confirmed COVID-19 Cases in Last 24 Hours

March 29, 2020

Immediate

Update 14: India - Reports Highest Daily Increase in COVID-19 Cases

March 25, 2020

Immediate

Update 13: India - Issues Advisory to Allow 'Mission Critical' Employees Associated with 'Essential Services' to Operate from Office Amid COVID-19 Pandemic

March 24, 2020

Immediate

Update 11: India - Curfew Declared in Maharashtra Until March 31, 2020 Amid Rising COVID-19 Cases

March 24, 2020

Immediate

Update 12: India - Announces Complete Lockdown for 21 Days

March 23, 2020

Immediate

Update 10: India - Several States Announce Lockdown Amid Spike in COVID-19 Cases

March 20, 2020

Immediate

Update 9: India - Maharashtra Shuts Offices Until March 31, 2020 Amid Coronavirus (COVID-19) Pandemic

March 19, 2020

Immediate

Update 7: India - Karnataka Extends Partial Lockdown Until March 31, 2020 as India Enters Local Transmission Stage of Coronavirus Infection

March 19, 2020

Immediate

Update 8: India - Restriction on International Commercial Flights from March 22, 2020 for A Week

March 14, 2020

Immediate

Update 6: India - States Order Shutdowns of Schools and Public Places Amid Rising Coronavirus Cases

March 12, 2020

Immediate

Update 5: India - Suspends Existing
Visas Amid Coronavirus Outbreak

March 10, 2020

Immediate

Update 4: India - Coronavirus Cases
Continue to Surge

March 5, 2020

Immediate

Update 3: India - Travel Restrictions
Imposed and Offices Shut Down Amid
Coronavirus Outbreak

March 3, 2020

Immediate

Update 2: India - Coronavirus Infection
Cases - Bangalore

Feb. 5, 2020

Low

Update 1: India - Coronavirus Infection
Cases - Kerala

Jan. 24, 2020

Low

India - Health Alert in Place as
Coronavirus Spreads in Asia

Impact level Definitions

Impact Level	Definitions
Immediate	Certain - Supply Wisdom recommends considering prompt action. Examples of Immediate level alert events may include bankruptcy filings, data breaches, unexpected curfews, strikes, power black-outs, major geo-political events etc.
High	Highly likely to occur in the near term (within 3 months) - Supply Wisdom recommends being in a state of readiness to take quick action. Examples of High level alert events may include withdrawal of rating by ratings agencies, hostile takeover, multiple cyber-attacks, new business policies causing significant hardship etc.
Medium	Likely to occur in the mid-term (within 3 to 6 months) - Supply Wisdom recommends reviewing current mitigation steps and being ready to take proactive actions if and when situation deteriorates further. Examples of Medium level alert events may include unplanned C-level exits, suppliers caught in bribery cases, economy slipping into recession.
Low	Possible in the long-term (after 6 months) - Supply Wisdom recommends taking proactive action if situation does not resolve. Examples of Low level alert events may include lawsuits filed against suppliers, client losses, air pollution alerts issued by country's local authorities, unexpected holidays announced for the location etc.
Informational	The event is pertinent information but does not have a risk element associated with it. Examples of Info level alert events may include launch of new solutions, partnerships signed, industry outlook, positive changes in government policies, announcements regarding launch of software parks/ free trade zones/special economic zones etc.