



Growth slows to 7.1% on oil, rupee

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Growth slows to 7.1% on oil, rupee-GDP expansion eases from 8.2% in Q1

- Second-quarter GDP growth slowed to 7.1%, from 8.2% in the preceding three-month period, official estimates released show.
- Gross Value Added (GVA) growth eased to 6.9% in July-September, from 8%.
- The GDP expansion in the corresponding quarter of the last fiscal year was 6.3%, while GVA growth was 6.1%.
- Economists said while the slowdown was anticipated, given that oil prices had been high and the rupee had weakened against the dollar during the quarter, the actual numbers had surprised on the downside.
- The growth rate in investment is about 12% but this contribution has been negated by the negative effect of exports.
- Analysts expect easing oil prices and the rupee's recent rebound to boost third-quarter GDP growth.

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