

# Indian economy resilient amid global uncertainty: RBI bulletin

## ● Highlights robust agricultural output and consumption

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**SOUND FISCAL POLICIES**, a well-calibrated monetary framework, and digital transformation initiatives are expected to provide a strong foundation for long-term sustainable economic growth, according to the RBI's March bulletin released on Wednesday.

It also said that macroeconomic fundamentals remain strong, and economic growth is poised to sustain momentum driven by robust domestic demand, steady investment activity, and ongoing policy-driven infrastructure development along with a pick-up in government spending.

An article on "State of the Economy" published in the bulletin noted that the resilience of the global economy is being tested by escalating trade tensions and a heightened wave of uncertainty around the scope, timing, and intensity of tariffs.

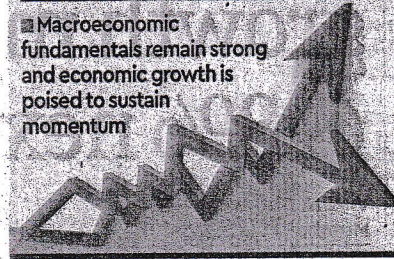
While engendering heightened volatility in global financial markets, these have also caused apprehensions about the slowdown in global growth.

"Amidst these challenges, the Indian economy continues to demonstrate resilience as

## STATE OF THE ECONOMY

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■ High frequency indicators suggest that aggregate demand continued to remain resilient in Q4 of 2024-25

■ The reverberations of a tumultuous external environment are being reflected in sustained foreign portfolio outflows

## Remittance from advanced economies surpasses Gulf's

**THE SHARE OF** inward remittances from advanced economies, including the US and the UK, has risen, surpassing that of Gulf economies in 2023-24, reflecting a shift in migration pattern of the skilled Indian diaspora, according to the RBI's March bulletin.

India's remittances have more than doubled from \$55.6 billion in 2010-11 to \$118.7 billion in 2023-24. While financing around half of India's merchandise trade

deficit, net remittance receipts have been an important absorber of external shocks during this period.

An article in the bulletin captures various dimensions of inward remittances to India — country-wise source of remittances and state-wise destination of remittances.

Indian migrants in the Gulf Cooperation Council (GCC) countries account for around half of the total Indian migrants in the world. —PTI

evident in the robust performance of the agriculture sector and improving consumption," the article said.

The reverberations of a

tumultuous external environment, however, are being reflected in sustained foreign portfolio outflows, it added.

The article further said high

frequency indicators suggest that aggregate demand continued to remain resilient in Q4:2024-25. "Activity indicators such as E-way bills and toll collections recorded double digit (y-o-y) growth in February 2025," it said.

Also high frequency food price data for March so far (up to 17th) show an increase in cereal prices, both for rice and wheat. Edible oil prices have firmed up as well, mainly driven by palm, soyabean and sunflower oil. Pulses prices, on the other hand, continued to show broad-based moderation. Prices of key vegetables including potato, onion and tomato witnessed further correction.

According to the article, India's financial landscape is also navigating these external risks manifested through various channels while addressing domestic funding needs.

"The Reserve Bank has remained agile, swiftly tackling liquidity shortages triggered by government tax flow dynamics, currency leakages and foreign portfolio investor (FPI) outflows," it said. The RBI has deployed a strategic mix of interventions, including open market operations (OMO), daily variable rate repo (VRR) auctions, and dollar/rupee buy-sell swap auctions. These proactive measures have helped stabilise market liquidity conditions, ensuring financial resilience in an unpredictable global environment, it said.