

Macro Insights

25th July, 2025

Key Takeaways: Index of Eight Core Industries June 2025

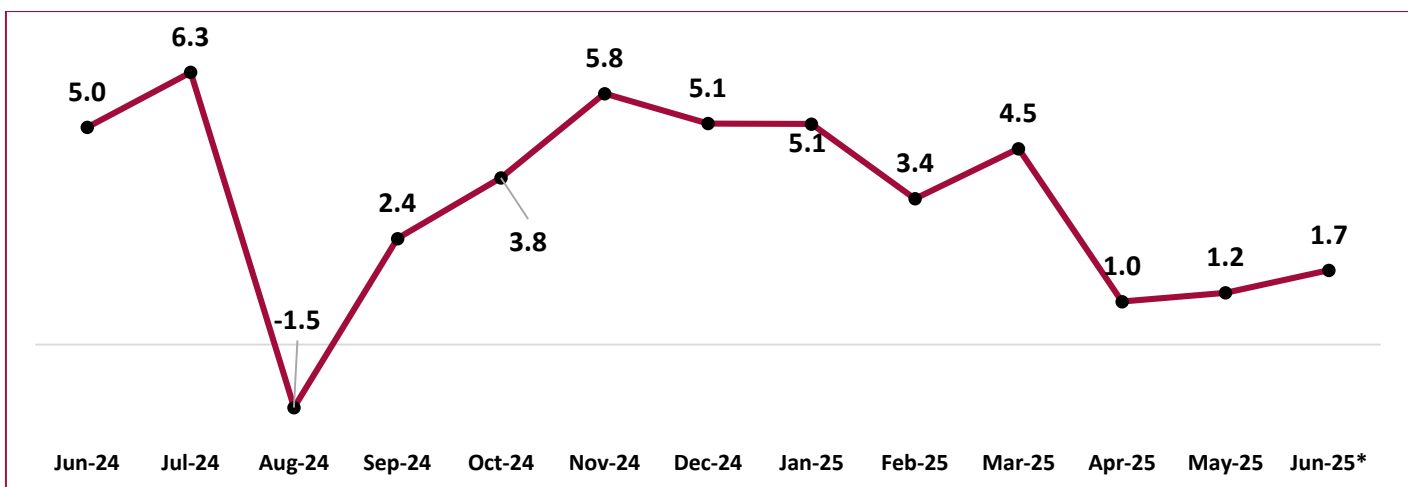
Core Sector growth rises to three- month high of 1.7% in June 2025

Growth in the Index of Eight Core Industries rises to 1.7 per cent YoY in June 2025 vis-à-vis 1.2 per cent in May 2025. It was recorded at 5.0 per cent in June 2024.

Highlights

- ☞ The rise was mainly on account of growth in steel (9.3 per cent), cement (9.2 per cent), and refinery products (3.4 per cent).
- ☞ Five out of eight components of the index witnessed a de-growth in June 2025 on YoY basis.
- ☞ Electricity generation declined 2.8 per cent year-on-year in June 2025.
- ☞ Coal came into negative growth zone after remaining in positive territory for the nine consecutive months. June 2024 observed double digit growth.

Eight Core Industries June 2025 (YoY Growth %)



*Provisional

Source: Office of Economic Adviser

Components of Eight Core Industries (YoY Growth %)

Sr. No	Sector	Weight	Jun-24	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25*
1	Coal	10.33	14.8	4.6	1.7	1.6	3.5	2.8	-6.8
2	Crude Oil	8.98	-2.6	-1.1	-5.2	-1.9	-2.8	-1.8	-1.2
3	Natural gas	6.88	3.3	-1.5	-6.0	-12.7	-0.9	-3.6	-2.8
4	Refinery Products	28.04	-1.5	8.3	0.8	0.2	-4.5	1.1	3.4
5	Fertilizers	2.63	2.5	3.0	10.2	8.8	-4.2	-5.9	-1.2
6	Steel	17.92	6.3	4.7	6.9	8.7	4.4	7.4	9.3
7	Cement	5.37	1.8	14.3	10.7	12.2	6.3	9.7	9.2
8	Electricity	19.85	8.6	2.3	3.6	7.5	1.8	-4.7	-2.8
	Overall Index	100	5.0	5.1	3.4	4.5	1.0	1.2	1.7

*Provisional

Source: Office of Economic Adviser

Views & Outlook:

- Since the eight core industries account for 40.27% weight in the Index of Industrial Production (IIP), economists expects the low growth in core sector output to impact industrial activity as well in the coming months. Further, continuous rainfall may impact electricity generation which has a weightage of 19.85% in overall Index. Further, global uncertainties will continue to play a vital role in the growth prospects.
- However, with robust domestic demand and emphasis on infrastructure creation, core sector output expected to be around 2%-3%.

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