

What is the UFI telling us?

Weekly UFI: ICICI Bank's weekly UFI¹ increased to 115.1 vs the previous week's level of 109. Decline in unemployment rate and higher vehicle registrations primarily helped the index to move up. Rail freight revenue registered a marginal uptick. On the other hand, labour force participation rate, peak power demand and google mobility observed slight moderation over the previous week.

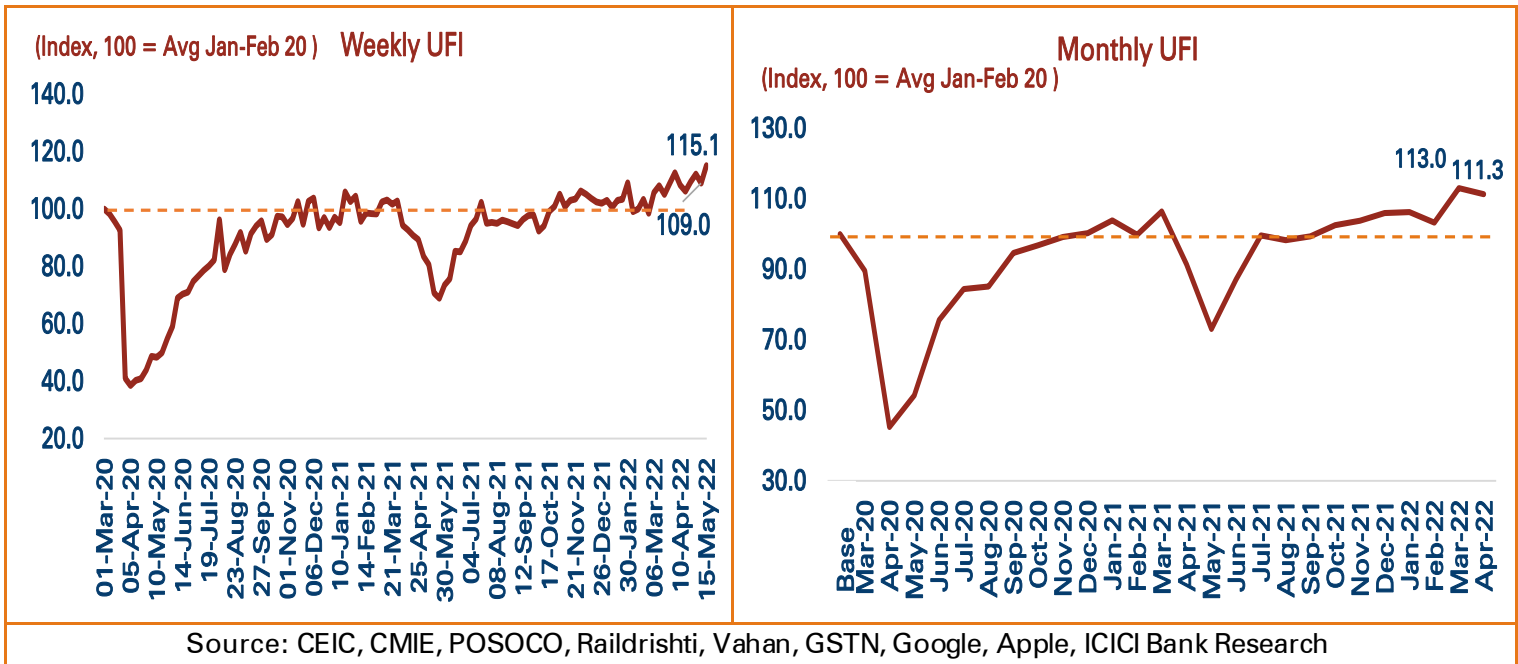
Fall in unemployment rate and higher vehicle registrations moved the index higher

- During the week unemployment rate witnessed considerable fall driven by reduction in rural unemployment while urban unemployment rate too registered a small fall. Labour force participation rate saw a marginal dip. However, urban labour force participation rate showed an uptick. Lower rural unemployment rate bodes well for consumption
- Vehicle registrations increased during the week after a fall in the previous week. While supply side factors continue to weigh on the industry, the rate hike cycle amid inflationary pressures will also impact the consumer demand which warrants close monitoring
- Peak power demand moderated marginally to 117 vs 117.2 in the week earlier. We expect peak power demand to remain steady during summer. Rail freight revenue index rose for the third successive week to a value of 127.7 vs 127.3 in the week before
- Google mobility index moderated to 135.3 compared to last week's high of 136.5, led by a fall in recreational mobility, although transit and workplace mobility displayed a rise in the week.

¹The Weekly UFI index is re-scaled due to non-availability of E-Way bills and Apple Mobility

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Source: CEIC, CMIE, POSOCO, Raildrishti, Vahan, GSTN, Google, Apple, ICICI Bank Research

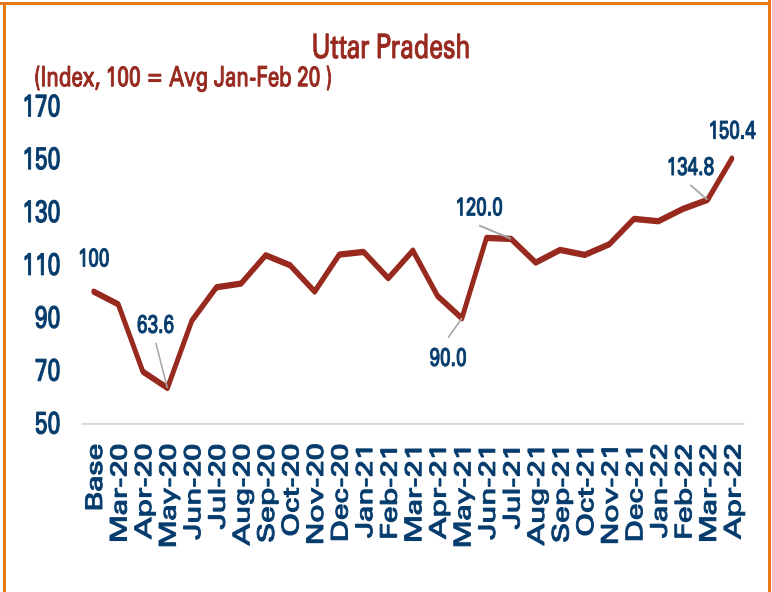
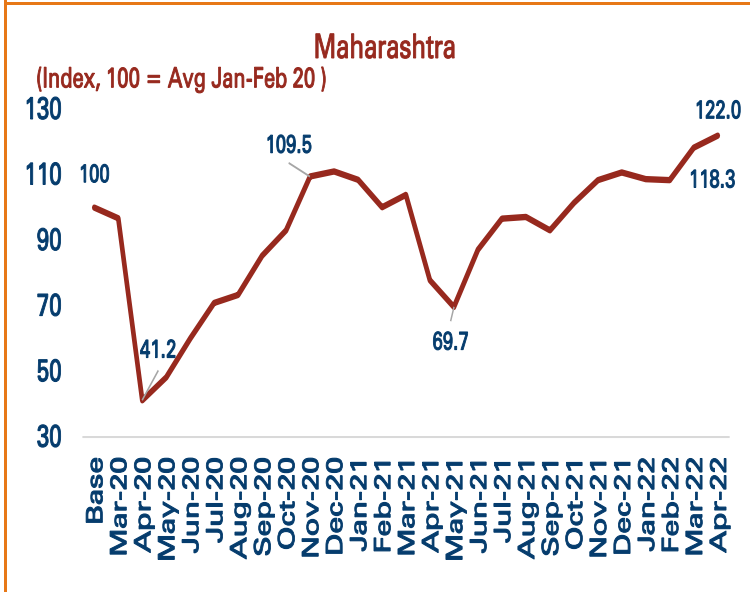
State-wise UFI heatmap

	Maharashtra	Uttar Pradesh	Tamil Nadu	Karnataka	Gujarat	West Bengal	Rajasthan	Kerala	Delhi	Bihar	Punjab	Odisha
Jan20-Feb20 (Base)	100	100	100	100	100	100	100	100	100	100	100	100
Mar-20	96.7	95.2	85.3	92.2	93.2	111.0	97.7	88.0	78.0	107.2	98.7	99.0
Apr-20	41.2	69.7	36.0	41.6	42.4	54.2	42.7	46.8	54.6	48.4	87.3	45.2
May-20	48.2	63.6	56.6	52.0	53.4	49.9	60.4	63.8	60.8	59.1	65.6	58.1
Jun-20	60.1	89.1	69.3	67.2	87.2	77.0	81.6	76.8	86.8	90.1	92.1	79.4
Jul-20	70.9	101.7	68.3	62.9	105.8	87.4	83.9	75.5	92.9	84.3	110.2	84.5
Aug-20	73.3	103.0	83.4	74.8	104.7	86.2	81.9	78.2	102.0	94.9	113.7	93.0
Sep-20	85.3	113.8	84.3	82.2	93.7	102.9	89.4	91.9	105.6	99.2	117.1	95.3
Oct-20	93.1	110.0	87.3	92.2	104.4	101.7	98.6	99.9	114.2	102.4	102.2	105.0
Nov-20	109.5	100.1	93.3	98.7	113.2	95.4	115.7	93.5	112.3	106.6	99.7	108.1
Dec-20	111.0	114.1	105.1	103.7	114.2	108.5	107.3	95.5	110.3	102.0	123.2	111.1
Jan-21	108.4	115.1	91.0	97.4	112.6	102.8	94.8	106.6	105.0	97.8	101.5	100.6
Feb-21	100.1	105.1	90.7	96.2	104.8	97.5	96.1	101.1	102.1	96.6	95.9	101.8
Mar-21	103.9	115.5	98.2	114.3	116.7	107.8	102.5	106.6	107.2	104.9	107.5	113.4
Apr-21	77.8	98.4	95.3	92.1	109.9	99.7	83.1	103.8	69.3	105.9	94.3	101.7
May-21	69.7	90.0	56.8	54.8	95.3	75.1	63.6	57.0	57.3	89.1	85.7	68.2
Jun-21	87.1	120.3	66.9	63.9	118.3	88.1	92.6	69.0	110.3	110.3	113.9	82.9
Jul-21	96.6	120.0	87.7	93.5	124.3	100.1	100.6	88.5	114.4	104.9	125.8	114.2
Aug-21	97.1	111.0	88.2	102.8	126.9	98.9	98.5	97.2	114.0	99.0	132.4	102.6
Sep-21	93.1	115.8	93.5	91.5	133.0	100.1	103.4	102.2	103.0	105.1	118.3	99.9
Oct-21	101.4	113.9	86.7	99.2	119.2	98.6	101.5	100.6	109.0	99.6	107.9	127.0
Nov-21	108.4	118.0	82.5	88.1	140.5	101.6	122.6	96.5	111.6	109.7	114.4	141.5
Dec-21	110.7	127.5	91.7	107.5	137.9	100.4	110.5	109.3	108.4	101.2	115.8	110.4
Jan-22	108.7	126.7	93.9	98.8	140.3	95.8	108.5	109.0	101.2	102.3	103.4	114.8
Feb-22	108.4	131.4	102.8	107.9	118.2	98.5	115.2	111.9	111.0	107.3	106.4	129.1
Mar-22	118.3	134.8	119.0	118.5	137.1	111.7	131.4	128.9	118.6	122.4	122.1	115.1
Apr-22	122.0	150.4	109.1	109.5	146.0	115.2	115.9	117.7	117.1	123.3	117.0	128.3
% contribution to GVA	13.4	8.6	8.5	7.8	7.6	6.0	5.1	4.1	3.9	3.0	2.7	2.5

State-wise UFI is updated monthly

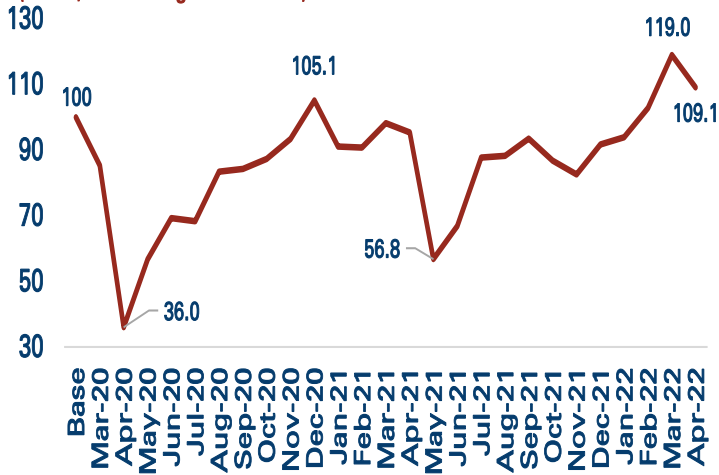
Source: CEIC, CMIE, POSOCO, Raildrishti, Vahan, GSTN, Google, Apple, ICICI Bank Research

State-wise UFI charts



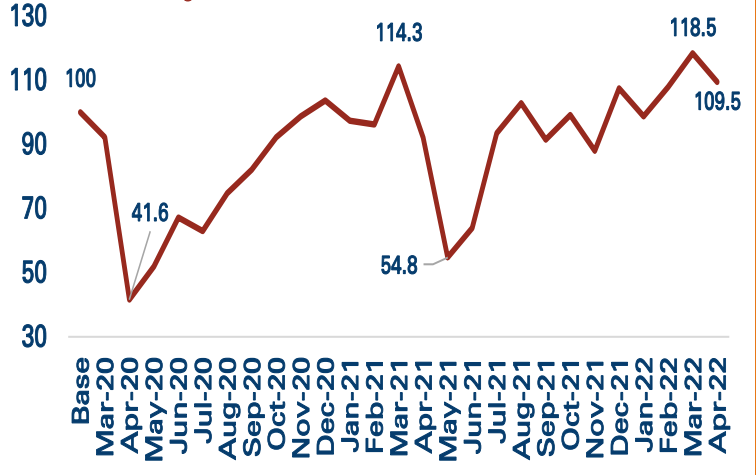
Tamil Nadu

(Index, 100 = Avg Jan-Feb 20)



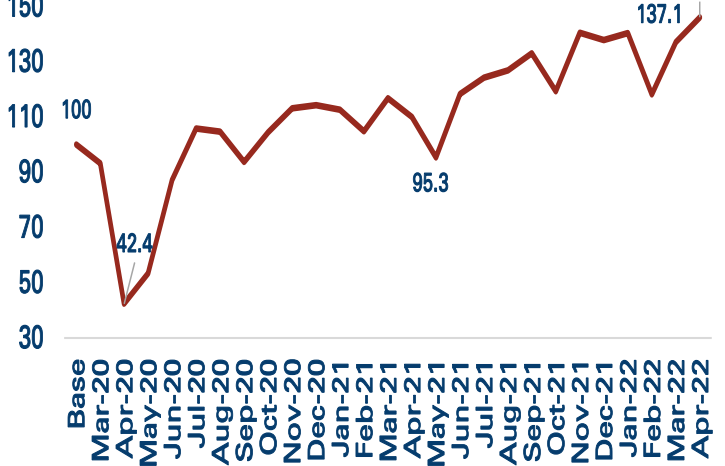
Karnataka

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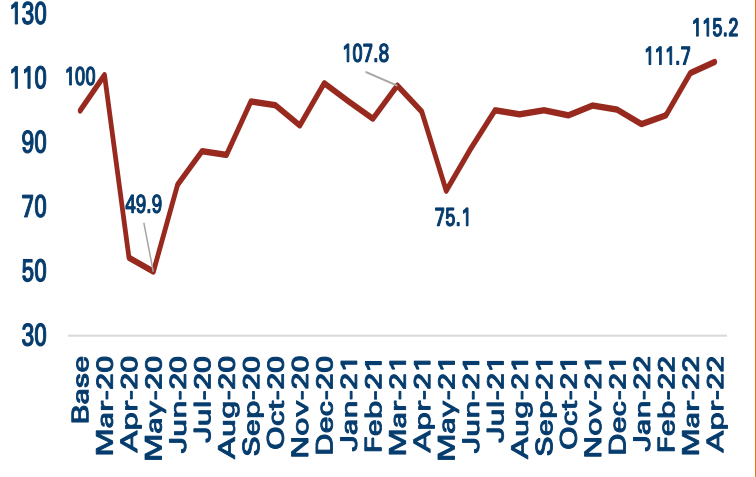
Gujarat

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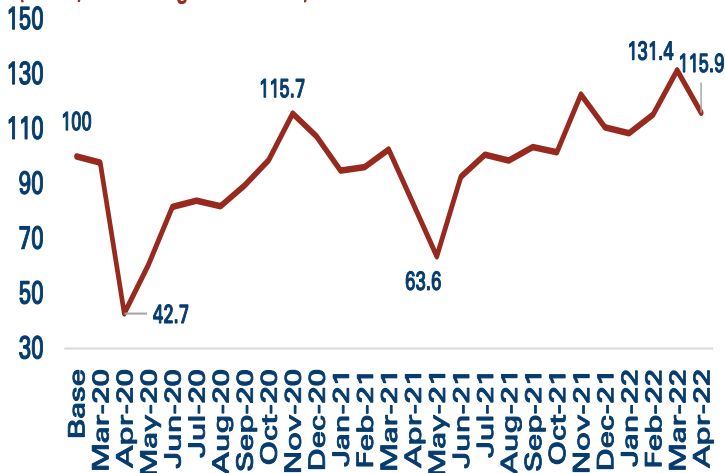
West Bengal

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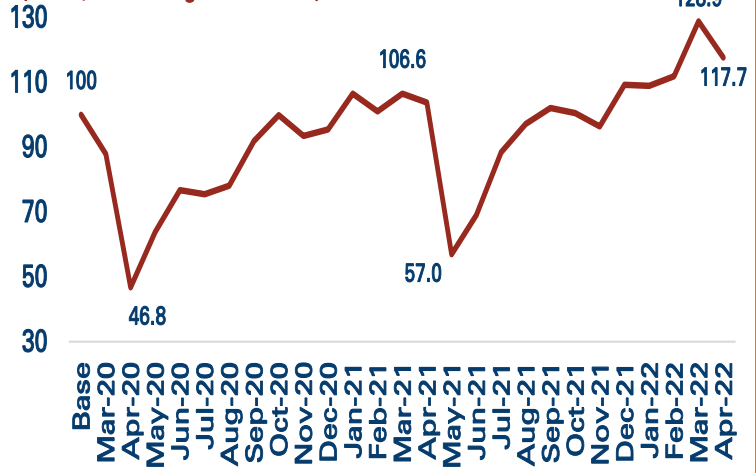
Rajasthan

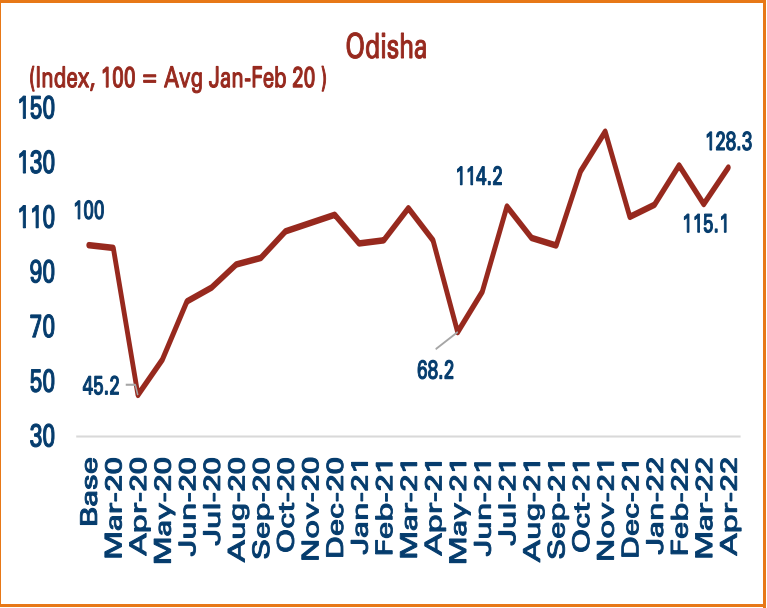
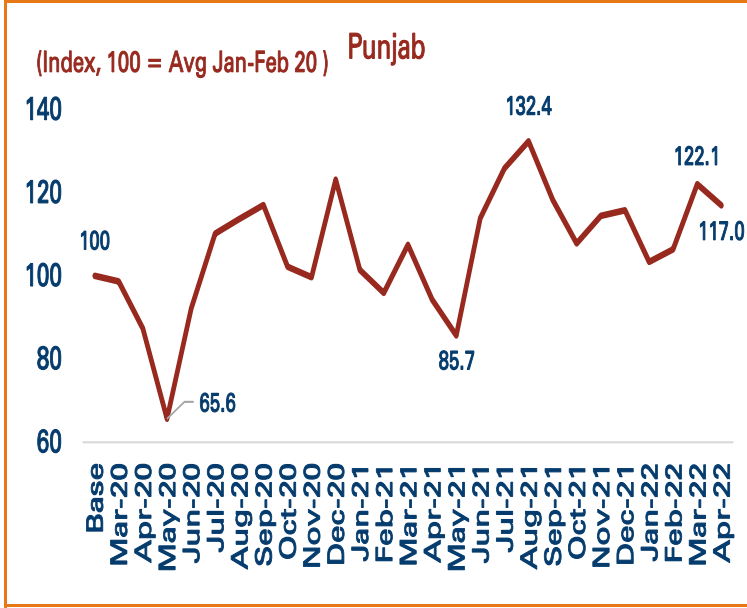
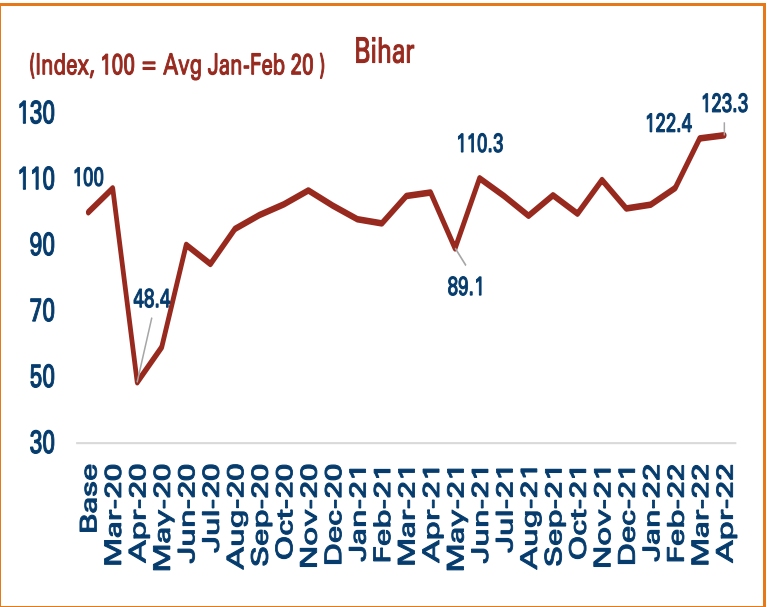
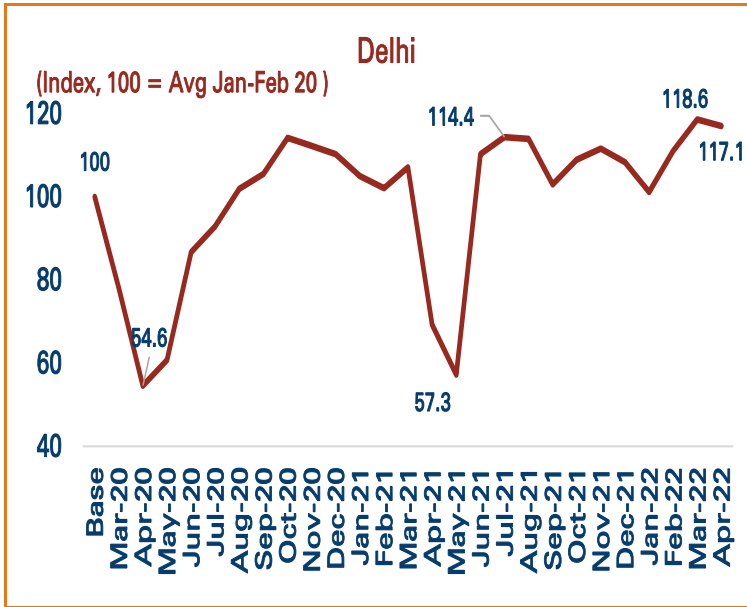
(Index, 100 = Avg Jan-Feb 20)



Kerala

(Index, 100 = Avg Jan-Feb 20)





Source: CEIC, CMIE, POSOCO, Raildrishti, Vahan, GSTN, Google, Apple, ICICI Bank Research

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