

**भारतीय रिज़र्व बैंक**
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Monthly Bulletin for February 2020

The Reserve Bank of India today released the [February 2020](#) issue of its monthly Bulletin. The Bulletin includes [sixth Bi-monthly monetary Policy Statement for the year 2019-2020](#), one Speech, three articles and Current Statistics.

The three articles are: [I. Private Corporate Investment in 2019-20: Some Signs of Improvement](#); [II. Sentiments of Indian Manufacturers in 2018-19](#); and [III. Distributed Ledger Technology, Blockchain and Central Banks](#).

I. Private Corporate Investment in 2019-20: Some Signs of Improvement

The article analyses data on investment intentions of the private corporate sector in India during 2018-19 and 2019-20.

Highlights:

- The total cost of projects sanctioned/contracted through various channels of financing altogether increased to ₹2,53,705 crore in 2018-19 as against ₹2,07,673 crore in 2017-18.
- The increase in the total cost of projects sanctioned/contracted by major channels of financing continued in H1:2019-20 over H1:2018-19.
- The planned capex based on the pipeline projects (already sanctioned in preceding years) is estimated to be higher at ₹1,20,157 crore in 2019-20 over the previous year (₹84,602 crore).

II. Sentiments of Indian Manufacturers in 2018-19

This article based on the quarterly Industrial Outlook Survey (IOS) presents the perception of the Indian manufacturing companies about the demand conditions and the price situation during the year 2018-19.

Highlights:

- The demand conditions remained steady in 2018-19, with slight moderation expected in Q1:2019-20.
- Reduction in input costs, especially of raw materials, led to some moderation in selling prices since Q2:2018-19.
- During 2018-19, the respondents expressed waning optimism on overall financial situation for the first three quarters, with slight improvement in the fourth quarter which sustained in the outlook for Q1:2019-20.

- Assessment of overall business conditions reflected a descent from its level in Q4:2017-18. However, the outlook remained steady during the period.
- An empirical analysis using Hidden Markov Model (HMM) regression shows that the survey parameters are able to capture the turning points in the movements of key macroeconomic aggregates, and hence act as a good lead indicators for IIP growth and WPI inflation in the manufacturing sector.

III. Distributed Ledger Technology, Blockchain and Central Banks

This article provides salient features and issues regarding Distributed Ledger Technology (DLT) and its applications by central banks.

Highlights

- Some central banks have undertaken pilot projects to study and understand DLT and explore the potential benefits for their operations and the financial systems.
- So far most of these projects have been experimental in nature to explore the viability of conducting inter-bank settlements, settlement of digital assets and tokens and cross-border payments across DLT platforms with functionalities of the existing system.
- These projects with their consequential benefits add to the ability of central banks and regulators in guiding development of DLT-based financial market infrastructure.
- In the Indian context, the thrust on digital transactions and increasing support from the Reserve Bank of India and the Government of India to innovations and emerging technologies through regulatory sandbox and various other schemes would pave the way for the new economy.

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