6th November 2025

Festive Momentum Broadens India's Domestic Recovery

High-frequency indicators show India's consumption momentum remains strong and increasingly broad-based

Steady Consumption Trends

Vehicle Registrations

- Vehicle sales surged this festive season- **passenger vehicles up 21.6% y-o-y and two-wheelers 46%,** driven by rising premium purchases of SUVs and mid-premium models.
- The trend reflects a **lifestyle upgrade** amid steady incomes and accessible credit, indicating sustained, confidence-led demand beyond the usual festive seasonality.

Property Transactions

- India's housing market is rebounding, with **festive sales up 10–25% y-o-y**, reversing a **~20% dip earlier in 2025**.
- The recovery is led by the **organized developer segment**, where big brands and financial stability are garnering more buyers.
- Demand is concentrated in **mid-to-premium homes**, driven by **end-user upgrades and easier credit access**.

Industrial and Supply Activity keeping up with demand

Energy Consumption 17% YoY

- Signals strong manufacturing and commercial activity.
- Indicates robust supply response to the consumer demand continuity.

E-Way Bills 21% YoY

- Active goods movement across states.
- Reflects faster inventory stocking, steady retail flow and resilient demand.

FASTag Collections 14% YoY

Increased personal travel, stronger discretionary spending and steady goods transport.

Credit and Employment: Positive Reinforcement

Credit Growth 11% YoY

Credit growth of ₹3.6 trillion, outpacing deposit growth of 9%, reflects strong borrowing and lending activity, particularly driven by consumption.

EPFO* Additions 71% YoY

Surge in EPFOs indicates formal job creation and greater income stability, which in turn supports consumer confidence and borrowing capacity.

Source: Philip Capital report as published on 23rd October 2025, RBI.

*EPFO is Employees Provident Fund Organization.