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ed stocks. However, an

Indian economy despite the temporary setback for stock
the collapse of some oil economies could be a matter of

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markets was due to a c
being taken out of the c
nd,” said Rajesh Moka

. in crude oil prices below the \$50-mark as well as the
crude oil prices is symptomatic not just of excess supply
ging Director, CARE Ratings.

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rice is good for all user
eir currencies. Howeve
ountries are dependen

r importers like India, as it lowers their trade deficit and
ters, this is bad news as it lowers their export earnings,
eir growth would suffer.

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ports will be down and
ramit Brahmabhatt, C

will be competitive internationally. With this, our exports
our balance of payment situation. Overall it is good for
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changes economic dynamics. Today the global economy is
y, be it Greece or any oil producing country would change
w of funds thus impacting our external balances. Hence
ely impact our balance of payments,” Mr Mokashi added.

Now analysts are looking Brent at between \$35 and \$40 a barrel where the rate will equal the marginal cost of producing oil.

The steep fall in crude prices is defacto fiscal stimulus for India as oil accounts for 37 per cent of its imports. Lower oil prices will cut inflation, and will bring down our current account deficit. It will boost our growth prospects and overall it is good for India. However, there should not be any geopolitical imbalances that could affect FDI or FII fund flow into India due to low crude prices. Default in loans given to Russia and to shale gas developers in the U.S. could affect the global banking industry which could cause imbalances,” said Ajit Ranade, Chief Economist, Aditya Birla Group.

Keywords: [Indian economy](#), [oil economies](#), [CARE Ratings](#)

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