

Ministry of Finance
Department of Economic Affairs
Economic Division
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MONTHLY ECONOMIC REPORT

JULY 2011

HIGHLIGHTS

- The overall growth of GDP at factor cost at constant prices, as per Revised Estimates, was 8.5 per cent in 2010-11 representing an increase from the revised growth of 8.0 per cent during 2009-10.
- The cumulative rainfall received for the country as a whole, during the southwest monsoon season, 2011 (June 1–September 30), has been 4 per cent below the normal as on 10.08.2011.
- Food grains (rice and wheat) stocks held by FCI and State agencies were 65.47 million tonnes as on June 1, 2011.
- Overall growth in the Index of Industrial Production (IIP) was 8.8 per cent during June 2011 as compared to 7.4 per cent in June 2010. During April-June 2011-12, IIP growth was 6.8 per cent as compared to 9.6 per cent during 2010-11.
- Eight core Infrastructure industries grew by 5.2 per cent in June 2011 as compared to the growth of 4.4 per cent in June 2010. During April-June 2011-12, these sectors grew by 5.0 per cent as compared to 6.8 per cent during April-June 2010-11.
- Broad money (M₃) (up to July 29, 2011) increased by 4.6 per cent as compared to 4.3 per cent during the corresponding period of the last year. The year-on-year growth, as on July 29, 2011 was 16.4 per cent as compared to 15.7 per cent last year.
- Exports, in US dollar terms increased by 46.4 per cent and imports increased by 42.5 per cent, during June 2011.
- Foreign Currency Assets stood at US\$ 286.4 billion at end July 2011 compared to US\$ 258.8 billion at end July 2010.
- Rupee appreciated against US dollar, Pound Sterling and Euro and depreciated against Japanese Yen in the month of July 2011 over June 2011.
- Year-on-year inflation in terms of Wholesale Price Index was 9.22 per cent for the month of July, 2011 as compared to 9.44 per cent in June, 2011.
- Tax revenue (net to Centre) during April-June, 2011 recorded a decline of 6.3 per cent compared with corresponding period of 2010-11. This is mainly due to refunds in corporation tax which indicates a decline of 28 per cent over corresponding period last year.
- As a proportion of budget estimate, fiscal deficit during April-June, 2011 was 39.4 per cent and revenue deficit was 43.8 per cent.

(J.K. Rathee)
Assistant Adviser

ECONOMIC GROWTH

As per the Revised Estimates (RE) of Central Statistics Office (CSO), the growth in Gross Domestic Product (GDP) at factor cost at constant (2004-05) prices was estimated at 8.5 per cent in 2010-11 as compared to 8.0 per cent in 2009-10 (Quick Estimate). At disaggregated level, this (RE 2010-11) comprises growth of 6.6 per cent in agriculture and allied activities, 7.9 per cent in industry and 9.4 per cent in services as compared to a growth of 0.4 per cent, 8.0 per cent and 10.1 per cent respectively during 2009-10. Real GDP grew by 7.8 per cent in the 4th quarter of 2010-11 following a growth of 9.3, 8.9 and 8.3 per cent in the first three quarters of 2010-11.

Industry		Growth			Percentage share in GDP		
		2008-09	2009-10 (QE)	2010-11 (RE)	2008-09	2009-10 (QE)	2010-11 (RE)
1	Agriculture, forestry & fishing	-0.1	0.4	6.6	15.7	14.6	14.4
2	Industry	4.4	8.0	7.9	28.1	28.1	27.9
a	Mining & quarrying	1.3	6.9	5.8	2.3	2.3	2.3
b	Manufacturing	4.2	8.8	8.3	15.8	15.9	15.8
c	Electricity, gas & water supply	4.9	6.4	5.7	2.0	2.0	1.9
d	Construction	5.4	7.0	8.1	8.0	7.9	7.9
3	Services	10.1	10.1	9.4	56.2	57.3	57.7
a	Trade, hotels, transport & communication	7.6	9.7	10.3	26.1	26.6	27.0
b	Financing, insurance, real estate & business services	12.5	9.2	9.9	17.0	17.2	17.4
c	Community, social & personal services	12.7	11.8	7.0	13.1	13.6	13.4
4	GDP at factor cost	6.8	8.0	8.5	100.0	100.0	100.0

(QE): Quick Estimates; (RE): Revised Estimates

Items	2009-10				2010-11			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
1. Agriculture, forestry & fishing	1.8	1.2	-1.6	1.1	2.4	5.4	9.9	7.5
Industry	3.7	5.9	9.5	12.4	10.2	8.4	7.1	6.1
2. Mining & quarrying	6.9	6.6	5.2	8.9	7.1	8.2	6.9	1.7
3. Manufacturing	2.0	6.1	11.4	15.2	12.7	10.0	6.0	5.5
4. Electricity, gas & water supply	6.2	7.5	4.5	7.3	5.6	2.8	6.4	7.8
5. Construction	5.4	5.1	8.3	9.2	7.7	6.7	9.7	8.2
Services	9.0	11.7	9.4	10.2	10.7	9.9	8.4	8.7
6. Trade, hotels, transport & communication	5.4	8.2	10.8	13.7	12.6	10.9	8.6	9.3
7. Financing, insurance, real estate & bus.	11.5	10.9	8.5	6.3	9.8	10.0	10.8	9.0
8. Community, social & personal services	13.0	19.4	7.6	8.3	8.2	7.9	5.1	7.0
9. GDP at factor cost (total 1 to 8)	6.3	8.6	7.3	9.4	9.3	8.9	8.3	7.8

AGRICULTURE

Rainfall: With respect to rainfall situation in India, the year is categorized into four seasons: winter season (January-February); pre monsoon (March-May); south west monsoon (June-September) and post monsoon (October-December). South west monsoon accounts for more than 75 per cent of annual rainfall.

The Indian metrological Department (IMD) has issued its second stage long-range forecast for the 2011 south west monsoon rainfall (June-September) on 21.06.2011. The IMD forecast is that the rainfall for the country as a whole is most likely to be below normal. Quantitatively, monsoon season rainfall is likely to be 95 per cent of the long period average (LPA) with model errors of plus or minus 4 per cent. The long period average rainfall for the country as a whole for the period 1951-2000 is 89 cm.

The cumulative rainfall received for the country as a whole, during the southwest monsoon season (June 1–September 30), has been 4 per cent below the normal as on 10.08.2011.

All India production of food grains: According to the Fourth Advance Estimates released on 19th July, 2011, the production of food grains is estimated at 241.56 million tonnes during 2010-11 compared to 218.11 million tonnes (final estimates) in 2009-10.

Procurement: Procurement of rice as on June 1, 2011 (Kharif Marketing Season 2010-11) at 28.38 million tonnes represents an increase of 1.18 per cent compared to the corresponding date last year. Wheat procurement during Rabi Marketing Season 2011-12 was 26.18 million tonnes as compared to 22.37 million tonnes during the corresponding period last year.

Off-take: Off-take of rice during the month of May, 2011 was 22.21 lakh tonnes. This comprises 21.14 lakh tonnes under TPDS and 1.07 lakh tonnes under other schemes. In wheat, the total offtake was 15.73 lakh tonnes comprising 14.63 lakh tonnes under TPDS and 1.10 lakh tonnes under other schemes.

	Table 3: Procurement in Million Tonnes			
	2007-08	2008-09	2009-10	2010-11
Rice(Oct-Sept)	28.74	34.10	32.03	32.08*
Wheat(Apr-Mar)	11.13	22.69	25.38	22.51
Total	39.87	56.79	57.41	54.59
* Position as on 14.07.2011				

Stocks of food-grains (rice and wheat) held by FCI as on June 1, 2011 were 65.47 million tonnes, which is higher by 8.34 per cent over the level of 60.43 million tonnes as on June 1, 2010.

Table 4: Off-take and stocks of food-grains (Million Tonnes)					
	Off-take			Stocks	
	2008-09	2009-10	2010-11	June 1, 2010	June 1, 2011
Rice	24.62	27.37	29.79	25.27	27.64
Wheat	14.88	22.35	23.07	35.16	37.83
Total	39.50	49.72	52.86	60.43	65.47

INDUSTRIAL PRODUCTION

Industry Group	2009-10	2010-11(Apr-Jun)	2011-12(Apr-Jun)	June 2010	June 2011
General index	5.3	9.6	6.8	7.4	8.8
Mining	7.9	8.0	1.0	6.9	0.6
Manufacturing	4.9	10.3	7.5	7.9	10.0
Electricity	6.1	5.4	8.2	3.5	7.9
Use-based industrial groups					
Basic goods	4.7	5.5	7.2	3.7	7.5
Capital goods	1.0	17.2	16.9	3.7	37.7
Intermediate goods	6.0	10.7	2.2	8.5	1.9
Consumer goods	7.7	11.5	4.1	13.3	1.6
Durables	17.0	19.7	3.3	21.2	1.0
Non-durables	1.4	5.3	4.9	7.5	2.1

During June 2011, the IIP growth was 8.8 per cent as compared to 7.4 per cent growth during the corresponding period of previous year. In mining, manufacturing and electricity sectors, the growth rates in June 2011 were 0.6 per cent, 10.0 per cent and 7.9 per cent respectively.

The mining, intermediate goods and consumer goods sectors have performed poorly during June 2011. Within manufacturing sector, the capital goods and basic goods sectors have achieved significant growth during June 2011.

Industry	June 2010	June 2011	2010-11 (Apr-Jun)	2011-12 (Apr-Jun)
Coal	0.8	-3.3	-0.6	0.2
Crude oil	6.8	7.7	5.9	9.5
Natural Gas	25.4	-11.7	37.0	-10.2
Refinery Products	2.9	4.7	5.3	5.3
Fertilizers	-6.7	-2.4	-2.6	1.1
Steel	4.3	12.5	8.6	7.8
Cement	3.7	0.8	7.0	-0.9
Electricity	3.8	8.2	5.7	8.3
Overall growth	4.4	5.2	6.8	5.0

Eight core industries: The index for eight core industries (comprising crude oil, petroleum refinery products, coal, electricity, cement, steel, natural gas and fertilizers) with a weight of 37.9 per cent in the IIP grew by 5.0 per cent during April-June 2011-12, as compared to growth rate of 6.8 per cent achieved during the corresponding period in 2010-11. During the month of

June 2011, the overall growth of the core sector industries was 5.2 per cent as compared to the growth of 4.4 per cent during June, 2010. During June 2011, the growth in steel was 12.5 per cent followed by electricity 8.2 per cent, crude oil 7.7 per cent, refinery products 4.7 per cent and cement 0.8 per cent. The coal, natural gas and fertilizers sectors showed negative growth during June 2011.

MONEY AND BANKING

Broad money (M₃) (up to July 29, 2011) increased by 4.6 per cent as compared to 4.3 per cent during the corresponding period of the last year. The year-on-year growth, as on July 29, 2011 was 16.4 per cent as compared to 15.7 per cent last year.

Table 7. Money Stock : Components and Sources						
(₹ crore)						
Item	Outstanding as on		Variation over			
	2011		Financial Year so far		Year-on-Year	
	Mar. 31	Jul. 29	2010-2011	2011-2012	2010	2011
M ₃	64,99,548	67,98,108	4.3	4.6	15.7	16.4
Components (i+ii+iii+iv)						
(i) Currency with the Public	9,14,197	9,35,393	6.1	2.3	20.5	14.9
(ii) Demand Deposits with Banks	7,17,660	6,43,093	-3.4	-10.4	18.4	-7.3
(iii) Time Deposits with Banks	48,63,979	52,17,323	5.3	7.3	14.5	20.5
(iv) "Other" Deposits with Reserve Bank	3,713	2,299	16.3	-38.1	5.1	-48.5
Sources (i+ii+iii+iv-v)						
(i) Net Bank Credit to Government (a+b)	19,82,771	21,33,780	5.3	7.6	23.6	21.4
(a) Reserve Bank	3,96,555	3,72,134				
(b) Other Banks	15,86,216	17,61,646	5.3	11.1	10.1	14.8
(ii) Bank Credit to Commercial Sector (a+b)	42,35,406	42,96,666	4.3	1.4	19.7	18.0
(a) Reserve Bank	2,164	1,799	—	—	—	—
(b) Other Banks	42,33,242	42,94,867	4.3	1.5	20.1	18.0
(iii) Net Foreign Exchange Assets of Banking Sector*	13,93,327	14,41,483	4.1	3.5	-1.5	8.1
(iv) Government's Currency Liabilities to the Public	12,724	12,959	4.4	1.8	12.9	10.2
(v) Banking Sector's Net Non-Monetary Liabilities	11,24,680	10,86,781	6.1	-3.4	15.5	20.4
of which:						
Net Non-Monetary Liabilities of RBI	3,68,274	4,07,904	19.0	10.8	-14.9	13.7
* Includes investments in foreign currency denominated bonds issued by IIFC(UK) since March 20, 2009.						
Note: Government Balances as on March 31, 2011 are after closure of accounts.						

Reserve money (M₀) during the financial year 2011-12 (up to August 5, 2011) showed deterioration of 2.0 per cent as compared to improvement of 1.4 in the corresponding period of the previous year. The year-on-year variation revealed an increase of 15.2 per cent as on August 5, 2011, compared to 24.1 per cent on the corresponding date of the previous year.

An important source of reserve money, namely, net foreign exchange assets (NFA) of the RBI increased by 4.4 per cent (during the financial year) as on August 5, 2011 as compared to increase of 4.9 per cent in the same period last year. The y-o-y growth rate of NFA, was 7.3 per cent as compared to deterioration of 0.1 per cent on the corresponding date of the last year.

Scheduled Commercial Banks (SCBs): business in India

During the current financial year i.e. 2011-12 (upto July 29, 2011), Bank credit showed improvement of 1.6 per cent as compared to improvement of 4.2 per cent during the corresponding period of last year. The Non-Food credit during this period recorded increase of 1.6 per cent as compared to increase of 3.6 per cent during the corresponding period of last year.

The aggregate deposits with Scheduled Commercial Banks recorded an increase of 5.2 per cent (as on July 29, 2011) as against an increase of 4.0 per cent in the corresponding period of last year.

Items	2011-12 Outstanding as on (Rs. in crore)		Percentage Variation			
			Financial year so far		Year-on-year	
			2010-11	2011-12	2010	2011
	March 25, 2011	July 29, 2011				
Bank Credit	3938659	4005366	4.2	1.6	20.5	18.5
Non-Food credit	3874376	3934914	3.6	1.6	19.9	19.0
Aggregate deposits	5204703	5481132	4.0	5.2	14.8	17.2
Investments in Government. And other approved securities	1500039	1681257	5.0	12.0	8.9	15.6

Item / Week Ended	2010	2011
	July 30	July 29
Cash Reserve Ratio (per cent) ⁽¹⁾	6.00	6.00
Bank Rate	6.00	6.00
Repo Rate	5.75	8.00
Reverse Repo Rate	4.50	7.00
Prime Lending Rate ⁽²⁾	7.50 / 8.00	9.50-10.75
Deposit Rate ⁽³⁾	6.00-7.50	8.50 - 9.25
Call Money Rate (Low / High) ⁽⁴⁾		
- Borrowings	5.29	7.81
- Lendings	5.29	7.81

(1) Cash Reserve Ratio relates to Scheduled Commercial Banks (excluding Regional Rural Banks). (2) Prime Lending Rate relates to five major Banks. (3) Deposit Rate relates to major Banks for term deposits of more than one year maturity. (4) Data cover 90-95 per cent of total transactions reported by participants.

Interest rates (per cent per annum): As on July 29, 2011, Bank Rate was 6.00 per cent. Call money rates (borrowing & lending) were 7.81 per cent as compared with 5.29 per cent on the corresponding date of last year.

EXTERNAL SECTOR

Foreign trade: Exports, in US dollar terms and customs basis, during June 2011 increased by 46.4 per cent and imports increased by 42.5 per cent over June 2010. Oil imports increased by 30.1 per cent and non-oil imports increased by 47.8 per cent during June 2011 over June 2010.

Item	2009-10 (Apr-Mar)	2010-11 (Apr-Mar)	June -10	June -11	% Change in June 2011
Exports	178751	245868	19948	29213	46.4
Imports	288373	350695	25883	36872	42.5
Oil imports	87136	101689	7825	10180	30.1
Non-Oil	201237	249006	18058	26692	47.8
Trade	-109621	-104827	-5935	-7659	-

Source: Provisional data as per the Press Note of the Ministry of Commerce and Industry

Foreign Currency Assets

	Amount		Variation	
	₹crore	US\$ million	₹crore	US\$ million
At the end of			(over last year)	
March, 2007	836597	191924	189270	46816
March, 2008	1196023	299230	359426	107306
March, 2009	1231340	241676	35317	-57554
March, 2010	1150778	254935	-80562	13259
March, 2011	1225999	274580	75221	19645
2011-12			(over last month)	
April 2011	1252790	282287	26791	7707
May 2011	1259881	279787	7091	-2500
June 2011	1268744	283708	8863	3921
July 2011	1264787	286410	-3957	2702

Source: RBI.

Exchange rate: The rupee appreciated by 0.9 per cent against US dollar, 1.6 per cent against Pound Sterling and 1.7 per cent against Euro and depreciated by 0.5 per cent against Japanese Yen in the month of July 2011 over June 2011.

	US dollar	Pound Sterling	Japanese Yen	Euro
March, 2008	40.3561	80.8054	0.4009	62.6272
March, 2009	51.2287	72.9041	0.5251	66.9207
March, 2010	45.4965	68.4360	0.5018	61.7653
March 2011	44.9684	72.7070	0.5498	62.9660
2011-12				
April 2011	44.3700	72.7237	0.5331	64.2505
May 2011	44.9045	73.4103	0.5532	64.4833
June 2011	44.8295	72.7881	0.5565	64.5157
July 2011	44.4174	71.6485	0.5591	63.4602

* FEDAI Indicative Market Rates (on Yearly/Monthly average basis)

External assistance and debt service payments: Gross external aid in April-July 2011-12 is ₹6920.33 crore as compared to ₹16991.88 crore corresponding period of 2010-11. Net disbursement was ₹2039.98 crore in 2011-12 compared to ₹12437.49 crore in 2010-11. Net transfers were ₹945.60 crore in 2011-12 compared to ₹11274.70 crore in 2010-11.

Table 13 : External Assistance and Debt Service Payments				
				(₹ crore)
	July 2011	During the Financial year 2011-12	July 2010	During the Financial year 2010-11
External Assistance (Government Account)				
1) Gross Disbursement	1093.65	5584.25	1597.50	15031.61
2) Repayments	1111.99	4328.20	1076.00	4002.06
3) Interest Payments	257.87	975.97	257.67	967.28
4) Net Disbursement (1-2)	-18.34	1256.05	521.50	11029.55
5) Net Transfers (4-3)	-276.21	280.08	263.83	10062.27
External Assistance (Non-Government Account)				
1) Gross Disbursement	9.36	974.31	381.61	1508.85
2) Repayments	46.99	552.15	99.47	552.33
3) Interest Payments	10.21	118.41	28.54	195.51
4) Net Disbursement (1-2)	-37.63	422.16	282.14	956.52
5) Net Transfers (4-3)	-47.84	303.75	253.60	761.01
Government Grants				
1) Gross Disbursement	220.36	336.12	230.76	386.30
2) Repayments	0.00	0.00	0.00	0.00
3) Interest Payments	0.00	0.00	0.00	0.00
4) Net Disbursement (1-2)	220.36	336.12	230.76	386.30
5) Net Transfers (4-3)	220.36	336.12	230.76	386.30
Non-Government Grants				
1) Gross Disbursement	0.00	25.65	31.69	65.12
2) Repayments	0.00	0.00	0.00	0.00
3) Interest Payments	0.00	0.00	0.00	0.00
4) Net Disbursement (1-2)	0.00	25.65	31.69	65.12
5) Net Transfers (4-3)	0.00	25.65	31.69	65.12
Grand Total				
1) Gross Disbursements	1323.37	6920.33	2241.56	16991.88
2) Repayments	1158.98	4880.35	1175.47	4554.39
3) Interest Payments	268.08	1094.38	286.21	1162.79
4) Net Disbursement (1-2)	164.39	2039.98	1066.09	12437.49
5) Net Transfers (4-3)	-103.69	945.60	779.88	11274.70

INFLATION

Wholesale Price Index (WPI 2004-05=100): Year-on-year inflation measured in terms of WPI for July, 2011 was at 9.22 per cent which eases at eight month low. Good monsoon and RBI's policy to further ease headline inflation. The WPI inflation had remained in double digits from March to June 2010 and subsequently came down in the range of 8.87 to 9.74 per cent during August 2010 to July 2011. The average inflation rate for last 12 months (August, 2010 to July, 2011) was 9.28 per cent as compared to 7.12 per cent last year during August, 2009 to July, 2010. In case of financial year build up for the current year, the inflation is 3.01 per cent in July, 2011, as against 3.45 per cent in the corresponding month of last year. Major breakup of WPI inflation rates is indicated in Table 14 below.

Items	Weight (%)	Inflation (%) variation during FY Since March		Annual (%) (Year-on-Year)		Inflation (%) Average of 12 months	
		2010-11	2011-12	2010-11	2011-12	2010-11	2011-12
		All commodities	100.00	3.45	3.01	9.98	9.22
Primary articles	20.12	7.17	5.15	19.09	11.30	17.35	15.29
<i>Food articles</i>	<i>14.34</i>	<i>8.92</i>	<i>7.71</i>	<i>18.48</i>	<i>8.19</i>	<i>18.53</i>	<i>11.86</i>
Fuel, power, light & Lub.	14.91	5.50	5.08	13.26	12.04	4.87	11.91
Manufactured Products	64.97	1.51	1.55	5.78	7.49	4.01	6.17

Consumer Price Index for Industrial Workers (CPI-IW 2001=100): CPI-IW inflation stood at 8.62 per cent in June 2011 as against 13.73 per cent in June last year which eases at seven month low. The CPI-IW inflation had remained in the double digit from July 2009 to July 2010 and thereafter it has turned down in the range of 9.88 to 8.33 per cent during August 2010 to June 2011. The average inflation rate for last 12 months (July, 2010 to June, 2011) was 9.33 per cent as compared to 13.52 per cent last year during July, 2009 to June, 2010. The buildup inflation from April to June 2011 in the current financial year recorded at 2.16 per cent as against 2.35 per cent during same period last year (Table 15).

	2010-11 Jun-10	2011-12 Jun-11
Annual Inflation	13.73	8.62
Financial Year Inflation	2.35	2.16
Per cent change over last month	1.16	1.07
12 month average inflation	13.52	9.33
Level of Index	172	189
Average of 12 months, CPI in June	167.92	183.58

Table 16: Select World Commodity price

Commodities	Variety	Unit	Jul-2004	Jul-2009	Jul-2010	Mar-2011	Apr-2011	May-2011	Jun-2011	Jul-2011
Petroleum	crude	(\$/bbl)	37.9	64.7	74.6	108.6	116.2	108.1	105.8	107.9
Coal	Australian	(\$/mt)	61.4	73.8	96.0	126.1	122.3	118.4	119.3	120.0
Natural gas	US	(\$/mmbtu)	5.9	3.4	4.6	4.0	4.2	4.3	4.5	4.4
Natural gas	Europe	(\$/mmbtu)	4.3	6.7	8.0	9.4	10.4	10.3	10.3	11.0
Natural gas	Japan	(\$/mmbtu)	5.1	7.6	11.3	12.5	13.0	13.6	14.4	15.0
Cocoa		(cents/kg)	156.4	279.1	323.0	339.3	313.4	307.1	301.6	316.7
Coffee	Arabica	(cents/kg)	165.2	310.6	448.0	643.9	661.7	641.7	606.2	590.9
Coffee	Robusta	(cents/kg)	79.4	158.0	188.0	260.4	258.8	268.9	260.0	248.5
Tea	Avg 3 auct.	(cents/kg)	171.4	295.9	286.4	275.8	302.2	295.1	301.8	311.7
Tea	Colombo	(cents/kg)	163.0	346.0	304.5	357.1	337.2	310.0	311.8	309.6
Tea	Kolkata	(cents/kg)	198.1	274.4	323.3	196.5	302.6	313.6	322.8	346.0
Tea	Mombasa	(cents/kg)	153.3	267.3	231.5	273.8	266.7	261.6	270.8	279.5
Coconut	oil	(\$/mt)	669.0	685.0	1031.0	1925.0	2089.0	2097.0	1803.0	1663.0
Copra	oil	(\$/mt)	445.0	448.0	689.0	1280.0	1421.0	1419.0	1186.0	1121.0
Groundnut	oil	(\$/mt)	1117.0	1149.0	1300.0	1650.0	1680.0	1830.0	1980.0	2120.0
Palm	oil	(\$/mt)	426.0	639.0	807.0	1180.0	1149.0	1159.0	1133.0	1088.0
Palm kernel	oil	(\$/mt)	620.0	666.0	1059.0	1977.0	1899.0	1958.0	1765.0	1371.0
Soybeans	oil	(\$/mt)	279.0	462.0	429.0	553.0	556.0	556.0	558.0	558.0
Soybean	oil	(\$/mt)	597.0	836.0	907.0	1307.0	1315.0	1294.0	1324.0	1337.0
Soybean	meal	(\$/mt)	208.0	429.0	356.0	418.0	403.0	402.0	394.0	400.0
Barley		(cents/kg)	104.0	140.3	156.4	202.6	208.9	209.4	210.1	215.5
Maize		(\$/mt)	104.8	151.6	163.8	290.5	319.3	307.9	310.6	300.8
Sorghum		(\$/mt)	96.7	133.8	132.4	266.1	289.6	261.3	260.4	271.2
Rice	Thai 5%	(\$/mt)	230.8	572.0	441.8	492.8	484.3	481.4	513.8	536.3
RICE	Thai A.1	(\$/mt)	210.0	320.3	349.8	408.3	409.0	421.2	427.5	446.3
Wheat	Canadian	(\$/mt)	173.9	288.4	287.5	432.5	460.9	476.0	486.8	445.8
Wheat	US SRW	(\$/mt)	131.6	175.6	222.3	303.1	314.9	308.6	282.2	266.4
Wheat	US HRW	(\$/mt)	150.6	224.9	195.8	316.7	336.1	355.3	326.4	303.9
Banana	US	(\$/mt)	603.5	826.8	985.2	996.2	1026.5	1011.0	975.5	961.1
Orange		(\$/mt)	994.2	715.4	1302.4	852.4	881.0	836.4	916.4	972.3
Beef		(cents/kg)	267.6	273.4	321.0	414.0	425.5	402.9	390.4	398.8
Meat	Chicken	(cents/kg)	178.4	195.2	193.7	189.8	190.5	190.8	191.7	192.6
Fish	meal	(\$/mt)	638.0	1207.0	1715.0	1796.0	1776.0	1621.0	1547.0	1492.0
Sugar	EC	(cents/kg)	67.3	55.6	42.8	45.8	47.3	46.8	47.0	46.7
Sugar	US	(cents/kg)	44.9	50.7	73.3	87.5	84.3	78.2	78.4	83.6
Sugar	World	(cents/kg)	17.4	40.6	38.5	57.8	53.7	48.4	55.6	62.2
Tobacco	US Import	(\$/mt)	2732.0	4247.5	4341.8	4501.5	4575.0	4426.2	4250.9	4198.1
Logs	Cameroon	(\$/cubic mt.)	326.5	408.6	421.4	462.6	477.5	487.2	504.0	521.6
Logs	Malaysian	(\$/cubic mt.)	200.4	281.4	274.9	334.8	343.5	385.2	417.6	430.5
Sawn wood	Cameroon	(\$/cubic mt.)	588.7	776.0	794.5	840.1	883.4	862.5	870.6	832.6
Sawn wood	Malaysian	(\$/cubic mt.)	594.4	760.3	871.2	929.2	946.2	958.1	973.2	969.4
Plywood		(cents/sheet)	457.2	561.9	569.7	592.2	596.3	605.6	607.7	612.7
Woodpulp		(\$/mt)	678.2	596.2	914.2	909.6	937.4	938.2	950.4	948.0
Cotton	A-Index	(cents/kg)	125.6	142.9	185.5	506.3	477.6	364.9	317.8	269.0
Rubber	US	(cents/kg)	149.4	191.4	349.7	584.9	604.5	548.1	527.8	510.1
Rubber	SGP/MYS	(cents/kg)	127.6	174.9	327.4	541.9	585.3	511.6	493.4	473.2
Phosphate	rock	(\$/mt)	42.0	90.0	125.0	160.0	182.5	182.5	182.5	197.5
DAP		(\$/mt)	222.6	293.3	461.3	605.5	617.1	609.8	625.0	650.6
TSP		(\$/mt)	191.5	224.0	360.0	494.0	535.6	547.5	549.5	555.0
Urea	bulk, E	(\$/mt)	199.5	243.7	249.5	327.8	340.4	397.4	485.9	474.8
Potassium	chloride	(\$/mt)	120.0	655.5	320.0	380.0	413.8	418.3	436.0	461.3
Aluminum		(\$/mt)	1709.3	1668.0	1988.3	2555.5	2678.1	2596.5	2557.8	2525.4
Copper		(\$/mt)	2808.4	5215.5	6735.3	9503.4	9492.8	8959.9	9066.9	9650.5
Lead		(cents/kg)	94.0	167.9	183.7	262.4	270.1	242.8	252.5	268.1
Tin		(cents/kg)	904.4	1403.9	1819.1	3059.1	3236.3	2867.6	2552.0	2739.8
Nickel		(\$/mt)	15023.3	15984.6	19517.5	26710.4	26408.3	24236.7	22420.9	23848.0
Zinc		(cents/kg)	98.8	157.9	184.4	234.1	236.2	216.7	223.4	239.8
Gold		(\$/toz)	398.1	934.2	1193.0	1424.0	1479.8	1512.6	1528.7	1572.2
Silver		(cents/toz)	637.5	1338.6	1794.0	3594.6	4279.8	3708.1	3584.1	3811.9
Iron ore	cfr spot	(\$/dry mt)	..	84.0	126.4	169.4	179.3	177.1	170.9	173.0
Steel cold rolled	coil sheet	(\$/mt)	650.0	700.0	850.0	900.0	900.0	900.0	900.0	900.0
hot rolled	coil sheet	(\$/mt)	550.0	600.0	750.0	800.0	800.0	800.0	800.0	800.0

Source: World Bank - The Pink Sheet

FISCAL SITUATION

- As a proportion of budget estimate, fiscal deficit during April-June 2011 was 39.4 per cent and revenue deficit was 43.8 per cent.

Table 17: Trends in Central Government Finances: April-June 2011

	Budget	April-June		Col.3 as	Col. 4 as	% Change over	
	Estimates	2010-11	2011-12	% of	% of	proceeding year	
	2011-112			2010-11	2011-12	2010-11	2011-12
				BE	BE		(4/3)
(₹ Crore)							
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1. Revenue Receipts	7,89,892	199,810	90,920	29.3	11.5	177.5	-54.5
Gross tax revenue	9,32,440	129,478	136,002	17.3	14.6	28.6	5.0
Tax (net to Centre)	6,64,457	83,994	78,699	15.7	11.8	32.6	-6.3
Non Tax	1,25,435	115,816	12,221	78.2	9.7	1238.3	-89.4
2. Capital Receipts	4,67,837	42,398	170,297	9.9	36.4	-66.1	301.7
of which:							
Recovery of loans	15,020	1,124	6,499	21.9	43.3	66.8	478.2
Other Receipts	40,000	1,078	1,145	2.7	2.9		6.2
Borrowings and other liabilities	4,12,817	40,196	162,653	10.5	39.4	-67.7	304.6
3. Total Receipts (1+2)	12,57,729	242,208	261,217	21.8	20.8	23.0	7.8
4. Non-Plan Expenditure	8,16,182	154,148	177,093	21.0	21.7	8.4	14.9
(a)+(b)							
(a) Revenue Account	7,33,558	133,770	152,152	20.8	20.7	0.9	13.7
of which:							
Interest payments	2,67,986	40,223	50,187	16.2	18.7	13.5	24.8
Major Subsidies	1,34,211	25,853	30,213	23.8	22.5	-27.9	16.9
Pensions	54,521	10,923	14,616	25.5	26.8	21.2	33.8
(b) Capital Account	82,624	20,378	24,941	22.1	30.2	110.9	22.4
5. Plan Expenditure (i)+(ii)	4,41,547	88,060	84,124	23.6	19.1	60.7	-4.5
(i) Revenue Account	3,63,604	76,617	73,389	24.3	20.2	62.8	-4.2
(ii) Capital Account	77,943	11,443	10,735	19.7	13.8	48.2	-6.2
6. Total Expenditure	12,57,729	242,208	261,217	21.8	20.8	23.0	7.8
(4)+(5)=(a)+(b)							
(a) Revenue Expenditure	10,97,162	210,387	225,541	21.9	20.6	17.2	7.2
(b) Of which Grants for creation of Capital Assets	1,46,853	9,387	25,035	30.0	17.0	-	166.7
(c) Capital Expenditure	160,567	31,821	35,676	21.2	22.2	83.0	12.1
7. Revenue Deficit	307,270	10,577	134,621	3.8	43.8	-90.2	1172.8
8. Effective Revenue Deficit(7-6(b))	1,60,417	1,190	109,586	0.5	68.3	-	9108.9
9. Fiscal Deficit	4,12,817	40,196	162,653	10.5	39.4	-67.7	304.6
10. Primary Deficit	1,44,831	-27	112,466	0.0	77.7	-100.0	-416641

Source: Review of Union Government Accounts, April- June 2011, Ministry of Finance.