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

DECEMBER 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 growth in real GDP is placed at 6.9 per cent in the second quarter of 2011-12. It is estimated to be 7.3 per cent for the first half of the current year.
- The cumulative rainfall received for the country as a whole, during the winter season, 2012 (January 1 - February 28), has been above normal as on 11.1.2012.
- Food grains (rice and wheat) stocks held by FCI and State agencies were 55.75 million tonnes as on Nov 1, 2011.
- Overall growth in the Index of Industrial Production (IIP) was 5.9 per cent during November 2011 as compared to 6.4 per cent in November 2010. During April-November 2011-12, IIP growth was 3.8 per cent as compared to 8.4 per cent during 2010-11.
- Eight core Infrastructure industries grew by 6.8 per cent in November 2011 as compared to the growth of 3.7 per cent in November 2010. During April-November 2011-12, these sectors grew by 4.6 per cent as compared to 5.6 per cent during April-November 2010-11.
- Broad money (M_3) (up to December 30, 2011) increased by 10.8 per cent as compared to 11.1 per cent during the corresponding period of the last year. The year-on-year growth, as on December 30, 2011 was 15.6 per cent as compared to 16.9 per cent last year.
- Exports, in US dollar terms increased by 3.9 per cent and imports increased by 24.5 per cent, during November 2011 over November 2010.The cumulative growth for April-November 2011 was 33.2 per cent and 30.2 per cent for exports imports respectively.
- Foreign Currency Assets stood at US$ 263.3 billion at end December, 2011 as compared to US$ 268.1 billion at end December, 2010.
- Rupee depreciated against US dollar, Pound Sterling, Japanese Yen and Euro in the month of December, 2011 over November, 2011.
- Year-on-year inflation in terms of Wholesale Price Index was 7.47 per cent for the month of December 2011 as compared to 9.11 per cent in the previous month.
- Tax revenue (net to Centre) during April-November, 2011 recorded an increase of 8 per cent compared with corresponding period of 2010-11 custom duties, service tax and taxes on income are the main contributors to the growth of tax revenue.
- As a proportion of budget estimate, fiscal deficit during April-November 2011 was 85.6 per cent and revenue deficit was 91.3 per cent.

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ECONOMIC GROWTH

The growth in real Gross Domestic Product (GDP) is placed at 6.9 per cent in the second quarter of 2011-12; agriculture grew by 3.2 per cent; industry by 3.2 per cent and services by 9.3 per cent. As per the Revised Estimates (RE) of Central Statistics Office (CSO), the growth in 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.

Table 1: Growth of GDP at factor cost by economic activity (at 2004-05 prices)

	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

Table 2: Quarterly Estimate of GDP (Year-on-year in per cent)

	2009-10				2010-11				2011-12	
Items	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
1. Agriculture, forestry & fishing	**1.8**	**1.2**	**-1.6**	**1.1**	**2.4**	**5.4**	**9.9**	**7.5**	**3.9**	**3.2**
Industry	**5.0**	**6.7**	**9.5**	**12.4**	**9.1**	**7.1**	**7.1**	**6.1**	**5.1**	**3.2**
2. Mining & quarrying	7.2	6.8	5.2	8.9	7.4	8.0	6.9	1.7	1.8	-2.9
3. Manufacturing	4.3	7.4	11.4	15.2	10.6	7.8	6.0	5.5	7.2	2.7
4. Electricity, gas & water supply	6.3	7.5	4.5	7.3	5.5	2.8	6.4	7.8	7.9	9.8
5. Construction	5.4	5.1	8.3	9.2	7.7	6.7	9.7	8.2	1.2	4.3
Services	**8.2**	**11.4**	**9.4**	**10.2**	**10.4**	**9.6**	**8.4**	**8.7**	**10.0**	**9.3**
6. Trade, hotels, transport & communication	3.7	7.8	10.8	13.7	12.1	10.2	8.6	9.3	12.8	9.9
7. Financing, insurance, real estate & bus.	11.5	10.9	8.5	6.3	9.8	10.0	10.8	9.0	9.1	10.5
8. Community, social & personal services	13.0	19.4	7.6	8.3	8.2	7.9	5.1	7.0	5.6	6.6
9**. GDP at factor cost (total 1 to 8)**	**6.3**	**8.7**	**7.3**	**9.4**	**8.8**	**8.4**	**8.3**	**7.8**	**7.7**	**6.9**

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 cumulative rainfall received for the country as a whole, during the southwest monsoon season (June 1- September 30) was one per cent above the normal. The actual rainfall received during the winter season 2012, as on 11.1.2012 has been 16.9 mm as against the normal at 5.7 mm.

All India production of food grains: As per the first advance estimates released by Ministry of Agriculture on 14.09.2011, production of food grains (kharif only) during 2011-12 is estimated at 123.95 million tonnes compared to 120.20 million tonnes in 2010-11(Fourth advance estimates).

Procurement: Procurement of rice as on 1stNovember, 2011 (Kharif Marketing Season 2011-12) at 8.51 million tonnes represents an increase of 10.4 per cent compared to the corresponding date last year. Wheat procurement during Rabi Marketing Season 2011-12 is 28.14 million tonnes as compared to 22.51 million tonnes during the corresponding period last year.

	Table 3: Procurement in Million Tonnes				
	2007-08	2008-09	2009-10	2010-11	2011-12
Rice(Oct-Sept)	28.74	34.10	32.03	34.20	13.35*
Wheat(Apr-Mar)	11.13	22.69	25.38	22.51	28.14**
Total	39.87	56.79	57.41	56.71	41.49
* Position as on 15.12.2011. ** Position as on 01.08.2011					

Off-take: Off-take of rice during the month of October, 2011 was 24.68 lakh tonnes. This comprises 19.71 lakh tonnes under TPDS and 4.97 lakh tonnes under other schemes. In respect of wheat, the total off take was 16.67 lakh tonnes comprising of 14.10 lakh tonnes under TPDS and 2.57 lakh tonnes under other schemes.

Stocks: Stocks of food-grains (rice and wheat) held by FCI as on November 1, 2011 were 55.75 million tonnes, which is higher by 14.4 per cent over the level of 48.73 million tonnes as on November 1, 2010.

Table 4: Off-take and stocks of food-grains (Million Tonnes)					
	Off-take			**Stocks**	
	2009-10	**2010-11**	**2011-12(Up to Oct 2011)**	**Nov.1, 2010**	**Nov. 1, 2011**
Rice	27.37	29.93	18.78	23.17	26.08
Wheat	22.35	23.07	13.87	25.56	29.67
Total	49.72	53.00	32.65	48.73	55.75

INDUSTRIAL PRODUCTION

Table 5: Percentage change in Index of Industrial Production					
Industry Group	**2009-10**	**2010-11(Apr-Nov.)**	**2011-12(Apr-Nov.)**	**Nov. 2010**	**Nov. 2011**
General index	5.3	8.4	3.8	6.4	5.9
Mining	7.9	7.0	-2.5	6.9	-4.4
Manufacturing	4.9	9.0	4.1	6.5	6.6
Electricity	6.1	4.5	9.5	4.6	14.6
Use-based industrial groups					
Basic goods	4.7	5.4	6.2	5.7	6.3
Capital goods	1.0	18.2	-1.0	25.7	-4.6
Intermediate goods	6.0	8.1	-0.3	4.3	0.2
Consumer goods	7.7	8.0	4.9	0.7	13.1
Durables	17.0	14.6	5.3	7.2	11.2
Non-durables	1.4	2.9	4.6	-4.4	14.8

During November 2011, the IIP growth was 5.9 per cent as compared to 6.4 per cent growth during the corresponding period of previous year. In electricity sector, the growth rate in November 2011 was 14.6 per cent followed by manufacturing sector 6.6 per cent. In mining sector, the growth was negative. In November 2011, under use-based category, the growth rate in consumer goods was 13.1 per cent followed by basic goods 6.3 per cent and intermediate goods 0.2 per cent. In consumer non-durables sector, the growth was 14.8 per cent and in consumer durables sector, the growth was 11.2 per cent. The capital goods sector registered negative growth during November 2011.

Table 6: Production growth (per cent) in core infrastructure-supportive industries				
Industry	November 2010	November 2011	2010-11 (Apr-Nov.)	2011-12 (Apr-Nov.)
Coal	0.7	4.9	0.4	-4.0
Crude oil	17.0	-5.6	11.5	2.9
Natural Gas	5.5	-10.1	19.9	-8.5
Refinery Products	-3.5	11.2	0.8	4.5
Fertilizers	0.0	-2.4	-1.7	-0.1
Steel	7.6	5.1	8.2	8.2
Cement	-4.3	16.6	5.3	4.3
Electricity	3.5	14.1	4.6	9.3
Overall growth	**3.7**	**6.8**	**5.6**	**4.6**

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 4.6 per cent during April-November 2011-12, as compared to growth rate of 5.6 per cent achieved during the corresponding period in 2010-11. During the month of November 2011, the overall growth of the core sector industries was 6.8 per cent as compared to the growth of 3.7 per cent during November 2010. During November 2011, the growth in cement was 16.6 per cent followed by electricity 14.1 per cent, refinery products 11.2 per cent, steel 5.1 per cent and coal 4.9 per cent. The three sectors i.e, crude oil, natural gas and fertilizers registered negative growth during November 2011.

MONEY AND BANKING

Mid-Third Quarter Review of Monetary Policy for 2011-12

RBI released its Mid-Third Quarter Review of Monetary Policy for 2011-12 on 16th December, 2011. On the basis of the current macroeconomic assessment, RBI decided

- to keep the cash reserve ratio (CRR) unchanged at 6 per cent; and policy repo rate under the liquidity adjustment facility (LAF) unchanged at 8.5 per cent.
- Consequently, the reverse repo rate under the LAF will remain unchanged at 7.5 per cent and the marginal standing facility (MSF) rate at 9.5 per cent.

Broad money (M_3) (up to December 30, 2011) increased by 10.8 per cent as compared to 11.1 per cent during the corresponding period of the last year. The year-on-year growth, as on December 30, 2011 was 15.6 per cent as compared to 16.9 per cent last year.

7. Money Stock: Components and Sources (₹ Billion)

Item	Outstanding as on		Variation over			
	2011		Financial Year so far		Year-on-Year	
			2010-11	2011-12	2010	2011
	Mar. 31	Dec. 30				
M_3	64,994.9	71,986.8	11.1	10.8	16.9	15.6
Components (i+ii+iii+iv)						
(i) Currency with the Public	9,142.0	9,779.9	13.2	7.0	19.1	12.6
(ii) Demand Deposits with Banks	7,176.6	7,093.9	0.2	–1.2	13.5	–1.4
(iii) Time Deposits with Banks	48,639.8	55,090.1	12.6	13.3	17.1	18.9
(iv) 'Other' Deposits with Reserve Bank	36.5	22.9	–6.2	–37.2	–3.8	–35.8
Sources (i+ii+iii+iv-v)						
(i) Net Bank Credit to Government (a+b)	19,827.7	22,351.1	7.7	12.7	17.3	24.4
(a) Reserve Bank	3,965.5	4,500.6				
(b) Other Banks	15,862.2	17,850.5	5.2	12.5	3.1	16.4
(ii) Bank Credit to Commercial Sector (a+b)	42,354.1	46,817.9	16.0	10.5	23.9	15.6
(a) Reserve Bank	21.6	32.7	—	—	—	—
(b) Other Banks	42,332.4	46,785.3	16.0	10.5	24.0	15.6
(iii) Net Foreign Exchange Assets of Banking Sector *	13,933.4	15,905.6	5.3	14.2	1.0	17.9
(iv) Government's Currency Liabilities to the Public	127.2	137.2	9.8	7.8	13.3	10.8
(v) Banking Sector's Net Non-Monetary Liabilities	11,247.6	13,225.0	15.5	17.6	19.0	34.6
of which:						
Net Non-Monetary Liabilities of RBI	3,683.5	6,232.4	13.7	69.2	–8.5	81.7

***** 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 (M_0) during the financial year 2011-12 (up to January 6, 2012) showed improvement of 2.6 per cent as compared to improvement of 8.1 per cent in the corresponding period of the previous year. The year-on-year variation revealed an increase of 13.1 per cent as on January 6, 2012, compared to 23.5 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 14.0 per cent (during the financial year) as on January 6, 2012 as compared to increase of 5.7 per cent in the same period last year. The y-o-y growth rate of NFA was 16.4 per cent as compared to improvement of 2.2 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 December 30, 2011), Bank credit showed improvement of 10.7 per cent as compared to improvement of 16.0 per cent during the corresponding period of last year. The Non-Food credit during this period recorded increase of 10.5 per cent as compared to increase of 15.8 per cent during the corresponding period of last year.

The aggregate deposits with Scheduled Commercial Banks recorded an increase of 11.9 per cent (as on December 30, 2011) as against an increase of 11.0 per cent in the corresponding period of last year.

Table 8: Scheduled Commercial Banks - Business in India

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	December 30, 2011				
Bank Credit	3938659	4365640	16.0	10.7	24.5	15.9
Non-Food credit	3874376	4281100	15.8	10.5	26.4	15.8
Aggregate deposits	5204703	5827910	11.0	11.9	16.8	16.9
Investments in Government. And other approved securities	1500039	1693370	4.6	12.8	2.3	16.9

Table 9 : Policy Rates/Interest Rates (per cent per annum)

Item / Week Ended	**2010**	**2011**
	December 31	**December 30**
Cash Reserve Ratio (per cent)(1)	6.00	6.00
Bank Rate	6.00	6.00
Repo Rate	6.25	8.50
Reverse Repo Rate	5.25	7.50
Prime Lending Rate(2)	7.60 / 9.00	10.00-10.75
Deposit Rate(3)	7.00/8.75	8.50 – 9.25
Call Money Rate (Low / High)(4)		
- Borrowings	6.83	9.11
- Lendings	6.83	9.11

(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 December 30, 2011, Bank Rate was 6.00 per cent. Call money rates (borrowing & lending) were 9.11 per cent as compared with 6.83 per cent on the corresponding date of last year.

EXTERNAL SECTOR

Foreign trade: Exports, in US dollar terms and customs basis, during November 2011 increased by 10.8 per cent and imports increased by 21.7 per cent over November 2010. Oil imports increased by 20.7 per cent and non-oil imports increased by 22.1 per cent during November 2011 over November 2010.

Table 10 : Exports and imports (in US dollar million)

Item	2009-10 (Apr-Mar)	2010-11 (Apr-Mar)	November 2010	November 2011	% Change in Nov. 2011
Exports	178751	251136	21489	22322	3.9
Imports	288373	369769	28842	35922	24.5
Oil imports	87136	105964	7792	10307	32.3
Non-Oil imports	201237	263805	21050	25615	21.7
Trade balance	-109621	-118633	-7353	-13601	..

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

Foreign Currency Assets

Table 11: Foreign Currency Assets

	Amount		Variation	
	₹crore	US$ million	₹crore	US$ million
At the end of			**(over last year)**	
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
August 2011	1317478	286284	52691	-126
Sept. 2011	1350855	276079	33377	-10205
Oct. 2011	1380417	282467	29562	6388
Nov. 2011	1425029	273151	44612	-9316
Dec. 2011	1402670	263313	-22359	-9838

Source: RBI.

Exchange rate: The rupee depreciated by 3.5 per cent against US dollar, 2.3 per cent against Pound Sterling, 3.0 per cent against Japanese Yen and 0.6 per cent against Euro in the month of December, 2011 over November, 2011.

Table 12 : Rupees per unit of foreign currency*

	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
August 2011	45.2538	74.1083	0.5868	64.9380
Sept. 2011	47.6335	75.1168	0.6203	65.4744
Oct. 2011	49.2579	77.4901	0.6411	67.4458
Nov. 2011	50.8564	80.2523	0.6560	68.9058
Dec. 2011	52.6769	82.1329	0.6763	69.2889

*** FEDAI Indicative Market Rates (on Monthly average basis).**

External assistance and debt service payments: Gross external aid in April-December 2011-12 is ₹ 23620 crore as compared to ₹ 30860 crore during the corresponding period of 2010-11. Net disbursement was ₹ 12610 crore in 2011-12 compared to ₹ 20991 crore in 2010-11. Net transfers were ₹ 10032crore in 2011-12 compared to ₹ 18355 crore in 2010-11.

Table 13 : External Assistance and Debt Service Payments

				(₹ crore)
	December 2011	**During the Financial year 2011-12 (Apr-Dec)**	**December 2010**	**During the Financial year 2010-11(Apr-Dec)**
External Assistance (Government Account)				
1) Gross Disbursement	3,219.76	17,640.62	3,472.22	25,265.20
2) Repayments	2,117.30	9,967.25	1,727.59	8,769.42
3) Interest Payments	419.23	2,346.23	379.54	2,102.14
4) Net Disbursement (1-2)	1,102.46	7,673.37	1,744.63	16,495.78
5) Net Transfers (4-3)	683.23	5,327.14	1,365.09	14,393.64
External Assistance (Non-Government Account)				
1) Gross Disbursement	14.09	3,590.68	208.12	3,284.85
2) Repayments	198.9	1,042.59	424.22	1,099.39
3) Interest Payments	29.12	231.49	264.55	533.39
4) Net Disbursement (1-2)	-184.81	2,548.09	-216.1	2,185.46
5) Net Transfers (4-3)	-213.93	2,316.60	-480.65	1,652.07
Government Grants				
1) Gross Disbursement	916.11	2,332.87	1,184.32	2,169.85
2) Repayments	0	0	0	0
3) Interest Payments	0	0	0	0
4) Net Disbursement (1-2)	916.11	2,332.87	1,184.32	2,169.85
5) Net Transfers (4-3)	916.11	2,332.87	1,184.32	2,169.85
Non-Government Grants				
1) Gross Disbursement	0	55.37	40.53	139.9
2) Repayments	0	0	0	0
3) Interest Payments	0	0	0	0
4) Net Disbursement (1-2)	0	55.37	40.53	139.9
5) Net Transfers (4-3)	0	55.37	40.53	139.9
Grand Total				
1) Gross Disbursements	4,149.96	23,619.54	4,905.19	30,859.80
2) Repayments	2,316.20	11,009.84	2,151.81	9,868.81
3) Interest Payments	448.35	2,577.72	644.09	2,635.53
4) Net Disbursement (1-2)	1,833.76	12,609.70	2,753.38	20,990.99
5) Net Transfers (4-3)	1,385.41	10,031.98	2,109.29	18,355.46

INFLATION

Wholesale Price Index (WPI 2004-05=100): The WPI inflation for the month of December 2011 is reported at 7.47 per cent as against 9.11 per cent last months and 9.45 per cent last year. The revised WPI inflation for October 2011 is 9.87 per cent as against 9.73 per cent reported earlier. WPI based inflation for Primary Articles (Wt 20.12 %) for the month of December 2011 has declined to 3.07 per cent (lowest since September 2005) from 8.53 per cent in the last month. Inflation for Food Articles (Wt 14.34 %) for the month of December 2011 has significantly declined to 0.74 per cent from 8.54 per cent in the last month. This is mainly on account of cereals (rice, jowar, ragi), pulses (urad), vegetables (peas, onions, potatoes, tomatoes, cabbage) and condiment & spices. The average WPI inflation rate for last 12 months (Jan 2011 to Dec 2011) was 9.42 per cent as compared to 9.56 per cent during corresponding period in 2010-11. The build-up of inflation since March to December 2011 stood at 4.95 per cent as against 7.12 per cent in the corresponding period last year. WPI inflation rates for major subgroups are indicated in Table 14 below.

Table 14: Current Price Situation based on Monthly WPI in December 2011 (Base: 2004-05=100)

Major groups	Weight (%)	Cumulative change (%) Since March		Inflation (%)		Inflation (%) (Average of 12 months)	
		2011-12	2010-11	2011-12	2010-11	2011-12	2010-11
ALL COMMODITIES	**100.00**	4.95	7.12	7.47	9.45	9.42	9.56
PRIMARY ARTICLES	20.12	5.15	15.73	3.07	18.37	11.99	19.09
Food articles	*14.34*	6.59	15.77	0.74	15.07	10.41	19.60
FUEL AND POWER	14.91	9.52	7.21	14.91	11.26	13.25	11.82
MANUFACTURED PDT.	64.97	3.69	3.72	7.41	5.39	7.33	5.43

Inflation based on Consumer Price Index: Inflation in Consumer Price Index for Industrial Workers (CPI-IW) stood at 9.34 per cent in November 2011 as compared to 9.39 per cent in the last month. CPI-IW food inflation (weight 46.20%) has declined to 7.61 per cent in November 2011 from 8.72 per cent in the last month. CPI-RL food inflation (weight 66.77%) has declined to 5.87 per cent in November 2011 from 6.78 per cent in last month.

Table 15: Year-on-Year inflation based on WPI and CPI (per cent)

	WPI	**CPI-IW**	**CPI-AL**	**CPI-RL**
Base	2004-05	2001	1986-87	1986-87
Jan-11	9.47	9.30	8.67	8.69
Feb-11	9.54	8.82	8.55	8.55
Mar-11	9.68	8.82	9.14	8.96
April-11	9.74	9.41	9.11	9.11
May-11	9.56	8.72	9.63	9.63
June-11	9.51	8.62	9.32	9.14
July-11	9.36	8.43	9.03	9.03
Aug-11	9.78	8.99	9.52	9.71
Sep-11	10.00	10.06	9.43	9.25
Oct-11	9.87	9.39	9.36	9.73
Nov-11	**9.11**	9.34	8.95	9.14
Dec-11	**7.47**			
Note: WPI inflation for Nov and Dec 2011 are provisional				

Table 16: World Commodity Price Data

			Annual averages			Monthly averages		
			Jan-Dec	Jan-Dec	Jan-Dec	Oct	Nov	Dec
Commodity		**Unit**	2009	2010	2011	2011	2011	2011
Energy								
Coal, Australia	a/	$/mt	71.84	98.97	120.94	118.99	113.80	109.66
Crude oil, average	a/	$/bbl	61.76	79.04	104.01	99.85	105.41	104.23
Crude oil, Brent	a/	$/bbl	61.86	79.64	110.94	109.47	110.50	107.91
Crude oil, Dubai	a/	$/bbl	61.75	78.06	106.03	103.67	108.59	106.22
Crude oil, West Texas Int.	a/	$/bbl	61.65	79.43	95.05	86.41	97.12	98.56
Natural gas, Europe	a/	$/mmbtu	8.71	8.29	10.52	11.42	11.32	11.53
Agriculture Beverages								
Coffee, arabica	b/	¢/kg	317.1	432.0	597.6	546.3	540.3	521.9
Tea, auctions (3) average	b/	¢/kg	272.4	288.5	292.1	291.1	278.8	269.5
Food								
Coconut oil	b/	$/mt	725	1,124	1,730	1,209	1,479	1,439
Copra		$/mt	480	750	1,157	804	980	968
Groundnut oil	b/	$/mt	1,184	1,404	1,985	n.a	2,225	n.a
Palm oil	b/	$/mt	683	901	1,125	995	1,053	1,026
Palmkernel oil		$/mt	700	1,184	1,648	1,085	1,298	1,363
Soybean meal	b/	$/mt	408	378	398	374	354	341
Soybean oil	b/	$/mt	849	1,005	1,299	1,216	1,217	1,203
Soybeans	b/	$/mt	437	450	541	502	486	477
Grains								
Barley	b/	$/mt	128.3	158.4	207.2	208.8	211.5	212.5
Maize	b/	$/mt	165.5	185.9	291.7	274.8	274.4	258.6
Rice, Thailand, 25%		$/mt	458.1	441.5	506.0	559.6	584.7	565.5
Wheat, Canada		$/mt	300.5	312.4	439.6	414.1	407.7	393.7
Sugar, world	b/	¢/kg	40.00	46.93	5732	56.11	52.95	50.79
Raw Materials								
Logs, Malaysia	b/	$/cum	287.2	278.2	390.5	435.9	403.3	387.9
Plywood		¢/sheets	564.6	569.1	607.5	621.2	617.5	615.0
Cotton A Index	b/	¢/kg	138.2	228.3	332.8	242.3	230.8	210.1
Rubber RSS3	b/	¢/kg	192.1	365.4	482.3	406.1	337.2	338.4
Metals and Minerals								
Aluminum	b/	$/mt	1,665	2,173	2,022	2,181	2,080	2,022
Copper	b/	$/mt	5,150	7,535	7,565	7,394	7,581	7,565
Gold		$/toz	973	1,225	1,642	1,665	1,738	1,642
Iron ore, spot, cfr China		$/dmt	80.0	145.9	136.4	150,4	135.5	136.4
Steel cr coilsheet	c/	$/mt	783	816	900	900	900	900

Source: World Bank – The Pink Sheet

Public Finance

As a proportion of budget estimate, fiscal deficit during April-November 2011 was 85.6 per cent and revenue deficit was 91.3 per cent.

Table 17: Trends in Central Government Finances during April-November 2011

	Budget Estimates	April-November		Col.3 as per cent of	Col. 4 as per cent of	Per cent Change over preceding year	
	2011-12	2010-11	2011-12	2010-11 BE	2011-12 BE	2010-11	2011-12 (4/3)
		(₹ Crore)					
(1)	(2)	(3)	(4)	(5)	(6)	(7))	(8)
1. Revenue Receipts	**7,89,892**	**476,716**	**392,813**	**69.9**	**49.7**	**55.2**	**-17.6**
Gross tax revenue	**9,32,440**	**418,051**	**473,213**	**56.0**	**50.7**	**26.8**	**13.2**
Tax (net to Centre)	6,64,457	296,634	320,470	55.5	**48.2**	**27.4**	**8.0**
Non Tax	1,25,435	180,082	72,343	121.6	**57.7**	**142.5**	**-59.8**
2. Capital Receipts	**4,67,837**	**213,971**	**367,881**	**50.2**	**78.6**	**-32.0**	**71.9**
of which:							
Recovery of loans	15,020	6,267	11,781	122.2	**78.4**	**55.9**	**88.0**
Other Receipts	40,000	21,182	2,731	53.0	**6.8**	**392.0**	**-87.1**
Borrowings and other liabilities	4,12,817	186,522	353,369	48.9	**85.6**	**-39.1**	**89.5**
3. Total Receipts (1+2)	**12,57,729**	**690,687**	**760,694**	**62.3**	**60.5**	**11.1**	**10.1**
4.Non-Plan Expenditure (a)+(b)	**8,16,182**	**479,771**	**539,416**	**65.2**	**66.1**	**7.1**	**12.4**
(a) Revenue Account	7,33,558	438,015	485,446	68.1	**66.2**	**5.1**	**10.8**
of which:							
Interest payments	2,67,986	134,544	165,910	54.1	**61.9**	**12.6**	**23.3**
Major Subsidies	1,34,211	90,137	90,811	82.9	**67.7**	**-0.7**	**0.7**
Pensions	54,521	34,969	35,930	81.6	**65.9**	**12.3**	**2.7**
(b) Capital Account	82,624	41,756	53,970	45.4	**65.3**	**32.9**	**29.3**
5.Plan Expenditure (i)+(ii)	**4,41,547**	**210,916**	**221,278**	**56.5**	**50.1**	**21.4**	**4.9**
(i) Revenue Account	3,63,604	178,859	187,824	56.8	**51.7**	**20.5**	**5.0**
(ii) Capital Account	77,943	32,057	33,454	55.3	**42.9**	**27.0**	**4.4**
6.Total Expenditure (4)+(5)=(a)+(b)	**12,57,729**	**690,687**	**760,694**	**62.3**	**60.5**	**11.1**	**10.1**
(a)Revenue Expenditure	10,97,162	616874	673,270	64.3	**61.4**	**9.2**	**9.1**
(b) Of which Grants for creation of Capital Assets	1,46,853	25202	65,356	**80.5**	**44.5**	**-**	**159.3**
(c)Capital Expenditure	160,567	73813	87,424	**49.2**	**54.4**	**30.3**	**18.4**
7. Revenue Deficit	**307,270**	**1,40,158**	**280,457**	**50.7**	**91.3**	**-45.7**	**100.1**
8.Effective Revenue Deficit(7-6(b))	**1,60,417**	**1,14,956**	**215,101**	**46.9**	**134.1**	**-**	**87.1**
9. Fiscal Deficit	**4,12,817**	**1,86,552**	**353,369**	**48.9**	**85.6**	**-39.1**	**89.4**
10. Primary Deficit	**1,44,831**	**51,978**	**187,459**	**39.2**	**129.4**	**-72.2**	**260.7**

Source: Review of Union Government Accounts, November 2011, Ministry of Finance.