Ministry of Finance
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MONTHLY ECONOMIC REPORT
MAY 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 pre monsoon season, 2011 (March 1 to May 31), was 13 per cent below the normal.
- Food grains (rice and wheat) stocks held by FCI and State agencies were 45.88 million tonnes as on March 1, 2011.
- Overall growth in the Index of Industrial Production (IIP) was 6.3 per cent during April 2011 as compared to 13.1 per cent in April 2010 as per the first monthly index released under the new series of IIP with base 2004-05. During 2010-11, IIP growth was 8.2 per cent as compared to 5.3 per cent during 2009-10.
- Six core industries grew by 5.2 per cent in April 2011 as compared to the growth of 7.5 per cent in April 2010. During 2010-11, these sectors grew by 5.8 per cent as compared to 5.5 per cent during 2009-10.
- Broad money (M_3) (up to May 20, 2011) increased by 2.5 per cent as compared to 1.7 per cent during the corresponding period of the last year. The year-on-year growth, as on May 20, 2011 was 16.8 per cent as compared to 15.1 per cent last year.
- Exports, in US dollar terms increased by 34.4 per cent and imports increased by 14.1 per cent, during April 2011.
- Foreign Currency Assets stood at US$ 279.8 billion at end May 2011 compared to US$ 248.2 billion at end May 2010.
- Rupee depreciated against US dollar, Pound Sterling, Japanese Yen and Euro in the month of May 2011 over April 2011.
- Year-on-year inflation in terms of Wholesale Price Index was 9.06 per cent for the month of May 2011 as compared to 10.48 per cent in the corresponding month last year.
- Tax revenue (net to Centre) during April- March, 2010-11 recorded a growth of 25.5 per cent compared with corresponding period of 2009-10. Non-tax revenue grew by 90.5 per cent in April- March 2010-11 on account of one-off nature of receipts of proceeds from Spectrum auction.
- As a proportion of the GDP, fiscal deficit during April-March 2010-11 was 4.7 per cent and revenue deficit was 3.1 per cent.

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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.

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			
Items	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.

In 2010-11, during the south west-monsoon period (June 1 to September 30), the cumulative rainfall received for the country as a whole was 912.8 mm, which was 2 per cent above the normal. During this period, out of 36 meteorological sub-divisions in the country, 31 received excess/normal rainfall and 5 received deficient rainfall. The Indian metrological Department (IMD) has issued its first stage long-range forecast for the 2011 south west monsoon rainfall (June-September) on 19.04.2011. IMD forecast is that the rainfall for the country as a whole is most likely to be NORMAL. Quantitatively, monsoon season rainfall is likely to be 98 per cent of the long period average (LPA) with model errors of plus or minus 5 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 pre monsoon season (March 1 to May 31), was 13 per cent below the normal. The cumulative rainfall received for the country as a whole during the period June 1, 2011 to June 8, 2011 was 17 per cent above normal.

All India production of food grains: According to the Third Advance Estimates released on 6th April, 2011, the production of food grains is estimated at 235.88 million tonnes during 2010-11 compared to 218.11 million tonnes (final estimates) in 2009-10.

	Table 3: Procurement in Million Tonnes			
	2007-08	2008-09	2009-10	2010-11
Rice(Oct-Sept)	28.74	34.10	32.03	25.69*
Wheat(Apr-Mar)	11.13	22.69	25.38	22.51
Total	39.87	56.79	57.41	48.20
* Position as on 18.04.2011				

Procurement: Procurement of rice as on March 1, 2011 (Kharif Marketing Season 2010-11) at 22.74 million tonnes represents a decline of (-) 1.3 per cent compared to the corresponding date last year. Wheat procurement during Rabi Marketing Season 2010-11 was 22.51 million tonnes as compared to 25.38 million tonnes during the corresponding period last year.

Off-take: Off-take of rice during the month of February, 2011 was 26.80 lakh tonnes. This comprises 19.86 lakh tonnes under TPDS and 6.94 lakh tonnes under other schemes. In respect of wheat, the total offtake was 22.17 lakh tonnes comprising 15.31 lakh tonnes under TPDS and 6.86 lakh tonnes under other schemes

Stocks of food-grains (rice and wheat) held by FCI as on March 1, 2011 were 45.88 million tonnes, which is higher by 1.19 per cent over the level of 45.34 million tonnes as on March 1, 2010.

Table 4: Off-take and stocks of food-grains (Million Tonnes)

	Off-take			Stocks	
	2007-08	**2008-09**	**2009-10**	**March 1, 2010**	**March 1, 2011**
Rice	25.23	24.62	27.37	26.95	28.72
Wheat	12.20	14.88	22.35	18.39	17.16
Total	37.43	39.50	49.72	45.34	45.88

INDUSTRIAL PRODUCTION

Table 5: Percentage change in Index of Industrial Production					
Industry Group	**2009-10**	**2009-10(Apr.-Mar.)**	**2010-11(Apr.-Mar.)**	**April 2010**	**April 2011**
General index	5.3	5.3	8.2	13.1	6.3
Mining	7.9	7.9	5.2	9.2	2.2
Manufacturing	4.9	4.9	8.9	14.4	6.9
Electricity	6.1	6.1	5.5	6.5	6.4
Use-based industrial groups					
Basic goods	4.7	4.7	6.0	6.7	7.3
Capital goods	1.0	1.0	15.0	35.5	14.5
Intermediate goods	6.0	6.0	7.2	11.9	3.4
Consumer goods	7.7	7.7	8.3	13.8	2.9
Durables	17.0	17.0	14.0	23.3	3.8
Non-durables	1.4	1.4	3.9	6.8	2.1

During April 2011, the IIP growth was 6.3 per cent as compared to 13.1 per cent growth during the corresponding period of previous year. In mining, manufacturing and electricity sectors, the growth rates in April 2011 were 2.2 per cent, 6.9 per cent and 6.4 per cent respectively. The growth rates have decreased in mining, manufacturing and electricity sectors during April 2011 as compared to April 2010. In the use-based industrial groups, the growth rates have decreased significantly in capital goods, intermediate goods and consumer goods in general including consumer durables and consumer non-durables in April 2011 as compared to April 2010. In basic goods sector only the growth rate has increased to 7.3 per cent in April 2011 as compared to 6.7 per cent in April 2010.

Table 6: Production growth (per cent) in core infrastructure-supportive industries				
Industry	April 2010	April 2011	2009-10 (April-March)	2010-11 (April-March)
Coal	-2.9	2.9	8.1	-0.3
Electricity generation[1]	6.9	6.8	6.2	5.5
Crude oil	5.1	11.0	0.5	11.9
Petroleum products	5.3	6.6	-0.4	3.0
Finished steel	12.9	4.3	5.4	8.2
Cement	8.8	-1.1	10.5	4.5
Overall growth	**7.5**	**5.2**	**5.5**	**5.8**
([1]): This will not necessarily match the growth in electricity given in the Index of Industrial Production				

Six core industries: The index for six core industries (comprising crude oil, petroleum refinery products, coal, electricity, cement and finished carbon steel) with a weight of 26.68 per cent in the IIP grew by 5.8 per cent during April-March 2010-11, as compared to growth rate of 5.5 per cent achieved during the corresponding period in 2009-10. During the month of April 2011, the overall growth of the core sector industries was 5.2 per cent as compared to the growth of 7.5 per cent during April, 2010. During Apri1 2011, the growth in crude oil sector was 11.0 per cent followed by electricity 6.8 per cent, petroleum refinery 6.6 per cent, finished steel 4.3 per cent and coal 2.9 per cent. The cement sector registered negative growth during April 2011.

MONEY AND BANKING

Broad money (M_3) (up to May 20, 2011) increased by 2.5 per cent as compared to 1.7 per cent during the corresponding period of the last year. The year-on-year growth, as on May 20, 2011 was 16.8 per cent as compared to 15.1 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	
			2010-11	2011-12	2010	2011
	Mar. 31	May 20				
M_3	64,91,756	66,55,037	1.7	2.5	15.1	16.8
Components (i+ii+iii+iv)						
(i) Currency with the Public	9,14,170	9,61,238	7.5	5.1	18.7	16.5
(ii) Demand Deposits with Banks	7,13,735	6,35,135	–10.2	–11.0	14.0	–1.5
(iii) Time Deposits with Banks	48,60,111	50,55,667	2.7	4.0	14.6	19.7
(iv) "Other" Deposits with Reserve Bank	3,740	2,997	–0.5	–19.9	–19.1	–21.5
Sources (i+ii+iii+iv-v)						
(i) Net Bank Credit to Government (a+b)	19,72,422	20,41,459	3.8	3.5	26.7	17.9
(a) Reserve Bank	3,95,436	3,80,487				
(b) Other Banks	15,76,986	16,60,972	4.2	5.3	16.1	9.3
(ii) Bank Credit to Commercial Sector (a+b)	42,10,535	42,26,763	–0.2	0.4	17.2	21.3
(a) Reserve Bank	2,164	1,595	–	–	–	–
(b) Other Banks	42,08,371	42,25,167	–0.2	0.4	17.7	21.3
(iii) Net Foreign Exchange Assets of Banking Sector*	13,75,762	13,99,364	1.5	1.7	–	7.6
(iv) Government's Currency Liabilities to the Public	12,586	12,586	2.1	–	12.7	9.4
(v) Banking Sector's Net Non-Monetary Liabilities	10,79,549	10,25,135	–2.2	–5.0	19.2	23.3
of which:						
Net Non-Monetary Liabilities of RBI	3,67,128	3,87,827	5.0	5.6	–10.3	22.4

* Includes investments in foreign currency denominated bonds issued by IIFC(UK) since March 20, 2009.

Note: Government Balances as on March 31, 2011 are before closure of accounts.

Reserve money (M_0) during the financial year 2011-12 (up to June 3, 2011) showed deterioration of 1.5 per cent as compared to nil improvement in the corresponding period of the previous year. The year-on-year variation revealed an increase of 17.3 per cent as on June 3, 2011, compared to 20.6 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 3.2 per cent (during the financial year) as on June 3, 2011 as compared to increase of 0.4 per cent in the same period last year. The y-o-y growth rate of NFA, was 10.8 per cent as compared to improvement of 1.0 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 May 27, 2011), Bank credit showed improvement of 0.2 per cent as compared to improvement of 0.1 per cent during the corresponding period of last year. The Non-Food credit during this period recorded increase of 0.1 per cent as compared to increase of 0.04 per cent during the corresponding period of last year.

The aggregate deposits with SCBs recorded an increase of 2.2 per cent (as on May 27, 2011) as against an increase of 1.8 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	May 27				
Bank Credit	3938659	3950383	0.1	0.2	18.2	21.7
Non-Food credit	3874376	3879774	0.04	0.1	19.2	21.5
Aggregate deposits	5204703	5321641	1.8	2.2	15.2	16.4
Investments in Government. And other approved securities	1500039	1589550	4.0	5.9	13.9	10.4

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

Item / Week Ended	2010	2011
	May 28	May 27
Cash Reserve Ratio (per cent)(1)	6.00	6.00
Bank Rate	6.00	6.00
Repo Rate	5.25	7.25
Reverse Repo Rate	3.75	6.25
Prime Lending Rate(2)	11.00-12.00	9.25-10.00
Deposit Rate(3)	6.00-7.50	7.75-9.10
Call Money Rate (Low / High)(4)		
- Borrowings	3.98	7.40
- Lendings	3.98	7.40

(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 May 27, 2011, Bank Rate was 6.00 per cent. Call money rates (borrowing & lending) were 7.40 per cent as compared with 3.98 per cent on the corresponding date of last year.

EXTERNAL SECTOR

Foreign trade: Foreign trade: Exports, in US dollar terms and customs basis, during April 2011 increased by 34.4 per cent and imports increased by 14.1 per cent over April 2010. Oil imports increased by 7.7 per cent and non-oil imports increased by 17.3 per cent during April 2011 over April 2010.

Table 10 : Exports and imports (in US dollar million)					
Item	2009-10 (Apr.-Mar)	2010-11 (Apr.-Mar)	April -10	April - 11	% Change in April 2011
Exports	178751	245868	17742	23849	34.4
Imports	288373	350695	28770	32834	14.1
Oil imports	87136	101689	9454	10186	7.7
Non-Oil	201237	249006	19316	22648	17.3
Trade balance	-109621	-104827	-11028	-8985	-

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, 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

Source: RBI.

Exchange rate: The rupee depreciated by 1.2 per cent against US dollar, 0.9 per cent against Pound Sterling, 3.6 per cent against Japanese Yen and 0.4 per cent against Euro in the month of May 2011 over April 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

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

External assistance and debt service payments: Gross external aid in April-May 2011-12 is ₹ 3149.71 crore as compared to ₹ 11950.99 crore corresponding period of 2010-11. Net disbursement was ₹ 1986.04 crore in 2011-12 compared to ₹ 10876.68 crore in 2010-11. Net transfers were ₹ 1614.06 crore in 2011-12 compared to ₹ 10495.00 crore in 2010-11.

Table 13: External Assistance and Debt Service Payments

				(₹ crore)
	May 2011	**During the Financial year 2011-12**	**May 2010**	**During the Financial year 2010-11**
External Assistance (Government Account)				
1) Gross Disbursement	1,870.33	2,932.72	1,266.77	11,550.98
2) Repayments	732.82	1,094.54	708.64	1,006.66
3) Interest Payments	146.87	354.31	138.65	337.39
4) Net Disbursement (1-2)	1,137.51	1,838.18	558.13	10,544.32
5) Net Transfers (4-3)	990.64	1,483.87	419.48	10,206.93
External Assistance (Non-Government Account)				
1) Gross Disbursement	34.62	158.91	258.61	271.37
2) Repayments	68.91	69.13	67.42	67.65
3) Interest Payments	16.09	17.67	37.14	44.29
4) Net Disbursement (1-2)	-34.29	89.78	191.19	203.72
5) Net Transfers (4-3)	-50.38	72.11	154.05	159.43
Government Grants				
1) Gross Disbursement	45.61	50.41	28.72	99.94
2) Repayments	0	0	0	0
3) Interest Payments	0	0	0	0
4) Net Disbursement (1-2)	45.61	50.41	28.72	99.94
5) Net Transfers (4-3)	45.61	50.41	28.72	99.94
Non-Government Grants				
1) Gross Disbursement	7.67	7.67	0	28.7
2) Repayments	0	0	0	0
3) Interest Payments	0	0	0	0
4) Net Disbursement (1-2)	7.67	7.67	0	28.7
5) Net Transfers (4-3)	7.67	7.67	0	28.7
Grand Total				
1) Gross Disbursements	1,958.23	3,149.71	1,554.10	11,950.99
2) Repayments	801.73	1,163.67	776.06	1,074.31
3) Interest Payments	162.96	371.98	175.79	381.68
4) Net Disbursement (1-2)	1,156.50	1,986.04	778.04	10,876.68
5) Net Transfers (4-3)	993.54	1,614.06	602.25	10,495.00

INFLATION

Wholesale Price Index (WPI 2004-05=100): The revised WPI inflation for March 2011 is 9.68 per cent in place of 9.04 per cent reported earlier. The WPI inflation for all commodities for the month of May 2011 has increased to 9.06 per cent as compared to 8.66 per cent last month. The 40 basis points increase in headline inflation is mainly on account of sharp rise in manufacturing prices. Manufacturing Food products (edible oil, dairy products and sugar) are the major contributor within manufacturing. The inflation in food product was almost zero till February, 2011, thereafter, it has started rising and has shown significant jump in the current month. In addition to that, cotton textile, chemicals and transport equipments have also contributed significantly to manufacturing. The average WPI inflation rate for last 12 months (June 2010 to May 2011) was 9.3 per cent as compared to 5.4 per cent during corresponding period in 2010-11. The build-up of inflation since March to May 2011 stood at 1.47 per cent during current financial year as against 2.05 per cent in the corresponding period last year. Major breakup of WPI inflation rates is indicated in Table 14 below.

Table 14: Current Price Situation based on Monthly WPI in May 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**	1.47	2.05	9.06	10.48	9.26	5.35
PRIMARY ARTICLES	20.12	2.07	4.04	11.30	20.45	16.19	15.03
Food articles	*14.34*	4.19	5.20	8.37	21.37	16.38	17.05
FUEL AND POWER	14.91	1.78	1.93	12.32	14.42	12.10	0.83
MANUFACTURED PDT.	64.97	1.18	1.35	7.27	5.88	5.81	3.06

Inflation based on Consumer Price Index: Inflation in Consumer Price Index for Industrial Workers (CPI-IW) has increased to 9.41 per cent in April 2011 as compared to 13.33 per cent in the corresponding month last year. CPI-IW food inflation (weight 46.20%) has also declined to 8.24 per cent in April 2011 from 14.47 per cent in the corresponding month last year. CPI-RL food inflation (weight 66.77%) has also declined to 9.11 per cent in April 2011 from its peak of 20.78 per cent in January, 2010.

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

	WPI	**CPI-IW**	**CPI-UNME**	**CPI-AL**	**CPI-RL**
Base	2004-05	2001	1984-85	1986-87	1986-87
Apr-10	10.88	13.33	14.41	14.96	14.96
May-10	10.48	13.91	14.09	13.68	13.68
June-10	10.25	13.73	14.12	13.02	13.02
July-10	9.98	11.25	11.54	11.02	11.24
Aug-10	8.87	9.88	10.30	9.65	9.66
Sep-10	8.98	9.82	10.39	9.13	9.34
Oct-10	9.08	9.70	9.64	8.43	8.45
Nov-10	8.20	8.33	8.40	7.14	6.95
Dec-10	9.45	9.47	9.44	7.99	8.01
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	8.66	9.41		9.11	9.11
May-11	9.06				

Note: WPI-inflation: April and May-2011 are provisional and CPI_UNME is linked index from April, 2008 onward.

Table 16: World Commodity Price Data

			Annual averages			Monthly averages		
			Jan-Dec	Jan-Dec	Jan-May	Feb	Mar	May
Commodity		**Unit**	2009	2010	2011	2011	2011	2011
Energy								
Coal, Australia	a/	$/mt	71.84	98.97	125.71	128.36	126.13	119.10
Crude oil, average	a/	$/bbl	61.76	79.04	104.71	97.91	108.65	108.07
Crude oil, Brent	a/	$/bbl	61.86	79.64	110.44	103.96	114.44	114.46
Crude oil, Dubai	a/	$/bbl	61.75	78.06	105.07	100.25	108.58	108.46
Crude oil, West Texas Int.	a/	$/bbl	61.65	79.43	98.62	89.53	102.92	101.28
Natural gas, Europe	a/	$/mmbtu	8.71	8.29	9.80	9.36	9.37	10.30
Agriculture Beverages								
Coffee, arabica	b/	¢/kg	317.1	432.0	632.7	634.7	643.9	641.70
Tea, auctions (3) average	b/	¢/kg	272.4	288.5	293.0	288.2	275.8	296.50
Food								
Coconut oil	b/	$/mt	725	1,124	2,081	2,256	1,925	2097.00
Copra		$/mt	480	750	1,395	1,503	1,280	1419.00
Groundnut oil	b/	$/mt	1,184	1,404	1,706	1,730	1,650	1680.00
Palm oil	b/	$/mt	683	901	1,212	1,292	1,180	1159.00
Palmkernel oil		$/mt	700	1,184	2,050	2,296	1,977	1958.00
Soybean meal	b/	$/mt	408	378	423	442	418	402.00
Soybean oil	b/	$/mt	849	1,005	1,331	1,365	1,307	1294.00
Soybeans	b/	$/mt	437	450	561	570	553	556.00
Grains								
Barley	b/	$/mt	128.3	158.4	202.5	196.5	202.6	209.40
Maize	b/	$/mt	165.5	185.9	295.1	292.9	290.5	307.90
Rice, Thailand, 25%		$/mt	458.1	441.5	499.8	473.0	455.5	448.40
Wheat, Canada		$/mt	300.5	312.4	456.8	474.1	432.5	476.00
Sugar, world	b/	¢/kg	40.00	46.93	58.04	64.97	57.85	48.39
Raw Materials								
Logs, Malaysia	b/	$/cum	287.2	278.2	341.5	328.6	334.8	385.20
Plywood		¢/sheets	564.6	569.1	593.5	588.7	592.2	605.60
Cotton A Index	b/	¢/kg	138.2	228.3	442.6	470.0	506.3	364.90
Rubber RSS3	b/	¢/kg	192.1	365.4	563.3	625.9	541.9	511.60
Metals and Minerals								
Aluminum	b/	$/mt	1,665	2,173	2,556	2,508	2,556	2596.00
Copper	b/	$/mt	5,150	7,535	9,476	9,868	9,503	8960.00
Gold		$/toz	973	1,225	1,429	1,373	1,424	1513.00
Iron ore, contract, fob Brazil	b/	¢/dmtu	101.0	n.a.	n.a.	n.a.	n.a.	n.a.
Iron ore, spot, cfr China		$/dmt	80.0	145.9	178.4	187.2	169.4	177.10
Steel cr coilsheet	c/	$/mt	783	816	880	850	900	900.00

Source: World Bank – The Pink Sheet

FISCAL SITUATION

- As a proportion of revenue estimate, fiscal deficit during April- March 2010-11 was 92.0 per cent and revenue deficit was 90.7 per cent. The lower levels reflect one-off nature of growth in non-tax revenue (from auction of spectrum).

Items	2009-10 Actuals	2010-11 BE	2010-11 RE	2010-11 Provisonal	Variations Prov. over RE, 2010-11 Absolute	Provisional 2010-11 as percent of RE	% change 2010-11 (P) over 2009-10 actual
(1)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1. Revenue Receipts (2+3)	**572811**	**682212**	**783833**	**794277**	**10444**	**101.3**	**38.7**
Gross tax revenue	**624527**	**746651**	**786888**	**795063**	**8175**	**101.0**	**27.3**
2.Tax (net to Centre)	456536	534094	563685	572790	**9105**	**101.6**	**25.5**
3.Non Tax	116275	148118	220148	221487	**1339**	**100.6**	**90.5**
4. Non-Debt Capital Receipts(5+6)	**33194**	**45129**	**31745**	**35599**	**3854**	**112.1**	**7.2**
5. Recovery of loans	8613	5129	9001	12752	**3751**	**141.7**	**48.1**
6. Disinvestment Proceeds	24581	40000	22744	22847	**103**	**100.5**	**-7.1**
7. Total Non-Debt Receipt (1+4)	**606005**	**727341**	**815578**	**829876**	**14298**	**101.8**	**36.9**
Memo items							
Corporation Tax	244725	301331	296377	299422	**3045**	**101.0**	**22.4**
Income Tax	132315	128066	149066	146631	**-2435**	**98.4**	**10.8**
Union Excise Duty	103621	132000	137778	138372	**594**	**100.4**	**33.5**
Customs	83324	115000	131800	136058	**4258**	**103.2**	**63.3**
Service Tax	58422	68000	69400	71309	**1909**	**102.8**	**22.1**
Total (Memo Items)	**622407**	**744397**	**784421**	**791792**	**7371**	**100.9**	**27.2**
Devolution to States	**164831**	**208997**	**219303**	**219303**	**0**	**100.0**	**33.0**
8. Non-Plan Expenditure (a+b)	**721096**	**735657**	**821552**	**821569**	**17**	**100.0**	**13.9**
(a) On Revenue Account	657925	643599	726749	726767	**18**	**100.0**	**10.5**
of which:							
(1) Interest Payments	213093	248664	240757	234738	**-6019**	**97.5**	**10.2**
(2) Major Subsidies	134658	108667	153962	131212	**-22750**	**85.2**	**-2.6**
(3) Pensions	56149	42840	53262	53926	**664**	**101.2**	**-4.0**
(b) On Capital Account	63171	92058	94803	94802	**-1**	**100.0**	**50.1**
9. Plan Expenditure (a+b)	**303391**	**373092**	**395024**	**377350**	-17674	95.5	24.4
(a) Revenue Account	253884	315125	326928	312363	**-14565**	**95.5**	**23.0**
(b) Capital Account	49507	57967	68096	64987	**-3109**	**95.4**	**31.3**
10. Total Expenditure (8+9)	**1024487**	**1108749**	**1216576**	**1198919**	-17657	98.5	17.0
11. Revenue Expenditure (8a+9a)	**911809**	**958724**	**1053677**	**1039130**	**-14547**	**98.6**	**14.0**
12. Capital Expenditure (8b+9b)	**112678**	**150025**	**162899**	**159789**	**-3110**	**98.1**	**41.8**
13. Revenue Deficit (1-11)	338998	276512	269844	244853	**-24991**	**90.7**	**-27.8**
14. Fiscal Deficit (7-10)	418482	381408	400998	369043	**-31955**	**92.0**	**-11.8**
15. Primary Deficit (14-8(a)(1)	205389	132744	160241	134305	**-25936**	**83.8**	**-34.6**

- Tax revenue (net to Centre) at ₹ 3,774 crore during April, 2011 registered a decrease of 62.5 per cent as against ₹ 10,062 crore in the same period of last year.
- Revenue deficit has increased by 19.7 per cent and constitutes 19.7 per cent of 2011- 12(BE).
- Fiscal deficit during April, 2011 at ₹ 74,661 crore has increased by 38.3 per cent compared to similar period last year constituting 18.1 per cent of 2010-11(BE).

Trends in Central Government Finances: April 2011

	Budget Estimates	April 2011		Col.3 as % of	Col. 4 as % of	% Change over proceeding year	
	2010-11	2010-11	2010-11	2010-11 BE	2011-12 BE	2010-11	2011-12 (4/3)
		(₹ Crore)					
(1)	(2)	(3)	(4)	(5)	(6)	(7))	(8)
1. Revenue Receipts	**789,892**	**12,979**	**6,880**	**1.9**	**0.9**	**9.6**	**-47.0**
Gross tax revenue	**932,440**	**25,235**	**22,908**	**3.4**	**2.5**	**28.5**	**-9.2**
Tax (net to Centre)	664,457	10,062	3,774	**1.9**	0.6	**34.8**	-62.5
Non Tax	125,435	2,917	3,106	**2.0**	2.5	**-33.5**	6.5
2. Capital Receipts	**467,837**	**54,247**	**80,250**	**12.7**	**17.2**	**-0.2**	**47.9**
of which:							
Recovery of loans	15,020	254	5,589	**5.0**	37.2	**19.2**	2100.4
Other Receipts	40,000	0	0	**0.0**			
Borrowings and other liabilities	412,817	53,993	74,661	**14.2**	18.1	**-0.3**	38.3
3. Total Receipts (1+2)	**1,257,729**	**67,226**	**87,130**	**6.1**	**6.9**	**1.5**	29.6
4.Non-Plan Expenditure (a)+(b)	**816,182**	**48,206**	**70,123**	**6.6**	**8.6**	**3.4**	**45.5**
(a) Revenue Account	733,558	47,496	53,087	**7.4**	7.2	**7.4**	11.8
of which:							
Interest payments	267,986	14,134	15,078	**5.7**	5.6	**21.0**	6.7
Major Subsidies	134,211	16,281	14,992	**15.0**	11.2	**-10.1**	-7.9
Pensions	54,521	3,895	4,621	**9.1**	8.5	**96.9**	18.6
(b) Capital Account	82,624	710	17,036	**0.8**	20.6	**-70.8**	2299.4
5.Plan Expenditure (i)+(ii)	**441,547**	**19,020**	**17,007**	**5.1**	**3.9**	**-2.9**	**-10.6**
(i) Revenue Account	363,604	16,121	14,408	**5.1**	4.0	**-10.4**	-10.6
(ii) Capital Account	77,943	2,899	2,599	**5.0**	3.3	**83.1**	-10.3
6.Total Expenditure (4)+(5)=(a)+(b)	**1,257,729**	**67,226**	**87,130**	**6.1**	**6.9**	**1.5**	**29.6**
(a)Revenue Expenditure	1,097,162	63,617	67,495	**6.6**	6.2	**2.3**	6.1
(b)Capital Expenditure	160,567	3,609	19,635	**2.4**	12.2	**-10.0**	444.1
7. Revenue Deficit	**307,270**	**50,638**	**60,615**	**18.3**	**19.7**	**0.6**	**19.7**
8. Effective Revenue Deficit.	**160,417**		**53,453**		**33.3**		
8. Fiscal Deficit	**412,817**	**53,993**	**74,661**	**14.2**	**18.1**	**-0.3**	**38.3**
9. Primary Deficit	**144,831**	**39,859**	**59,583**	**30.0**	**41.1**	**-6.2**	**49.5**

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