

**Ministry of Finance
Department of Economic Affairs
Economic Division
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**MONTHLY ECONOMIC REPORT
JULY 2010**

HIGHLIGHTS

- The overall growth of GDP at factor cost at constant prices, as per the Revised Estimates of CSO, was 7.4 per cent in 2009-10 representing an increase from the level of growth of 6.7 per cent during 2008-09.
- The cumulative rainfall received for the country as a whole upto August 4, during the South West Monsoon (June 1-September 30), was 2 per cent less than the Long Period Average (LPA).
- Food grains (rice and wheat) stocks held by FCI and State agencies were 60.43 million tonnes as on June 1, 2010.
- Overall growth in the Index of Industrial Production (IIP) was 7.1 per cent during June 2010 as compared to 8.3 per cent in June 2009. During April-June 2010-11, IIP growth was 11.6 per cent compared to 3.9 per cent during April-June 2009-10.
- Core infrastructure-supportive sectors grew by 3.4 per cent in June 2010 as compared to the growth of 6.3 per cent in June 2009. During April-June 2010-11, these sectors grew at 4.6 per cent as compared to 4.3 per cent during April-June 2009-10.
- During 2010-11, (up to July 30, 2010) broad money (M3) increased by 3.4 per cent as compared to 5.3 per cent during the corresponding period of last year.
- Exports, in US dollar terms increased by 30.4 per cent and imports increased by 23.0 per cent, during June 2010.
- Foreign Currency Assets stood at US \$ 258.8 billion at end July 2010, compared to US \$ 260.9 billion at end July 2009.
- Rupee depreciated against US dollar, Pound Sterling, Japanese Yen and Euro in the month of July 2010 over June 2010.
- Year-on-year inflation in terms of Wholesale Price Index was 9.97 per cent for the month of July 2010 as compared to (-) 0.54 per cent in July 2009.
- Tax revenue (net to Centre) during April-June, 2010-11 recorded a growth of 32.6 per cent compared with corresponding period of 2009-10. Non-tax revenue grew by 12.38 per cent in April-June, 2010-11 on account of one-off nature of receipts of proceeds from Spectrum auction.
- As a proportion of budget estimate, fiscal deficit during April-June 2010-11 was 10.5 per cent and revenue deficit was 3.8 per cent.

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ECONOMIC GROWTH

As per the Revised Estimates (RE) of Central Statistical Organization (CSO), the growth in Gross Domestic Product (GDP) at factor cost at constant (2004-05) prices was estimated at 7.4 per cent in 2009-10 as compared to a level of 6.7 per cent in 2008-09 (Quick Estimate). At disaggregated level, this (RE 2009-10) level of growth comprises of 0.2 per cent in agriculture and allied activities, 9.3 per cent in industry and 8.5 per cent in services as compared to growth rates of 1.6 per cent, 3.9 per cent and 9.8 per cent respectively during 2008-09.

Industry		Growth			Percentage share in GDP		
		2007-08	2008-09 (QE)	2009-10 (RE)	2007-08	2008-09 (QE)	2009-10 (RE)
1	Agriculture, forestry & fishing	4.7	1.6	0.2	16.4	15.7	14.6
2	Industry	9.5	3.9	9.3	28.8	28.0	28.5
a	Mining & quarrying	3.9	1.6	10.6	2.5	2.4	2.4
b	Manufacturing	10.3	3.2	10.8	16.2	15.6	16.1
c	Electricity, gas & water supply	8.5	3.9	6.5	2.0	2.0	2.0
d	Construction	10.0	5.9	6.5	8.1	8.0	7.9
3	Services	10.5	9.8	8.5	54.8	56.4	56.9
a	Trade, hotels, transport & communication	10.7	7.6	9.3	25.9	26.1	26.5
b	Financing, insurance, real estate & business services	13.2	10.1	9.7	16.4	16.9	17.2
c	Community, social & personal services	6.7	13.9	5.6	12.5	13.4	13.1
4	GDP at factor cost	9.2	6.7	7.4	100	100	100

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

Items	2008-09				2009-10			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
1. Agriculture, forestry & fishing	3.2	2.4	-1.4	3.3	1.9	0.9	-1.8	0.7
Industry	6.5	5.6	1.6	2.1	4.6	7.8	11.1	13.3
2. Mining & quarrying	2.6	1.6	2.7	-0.3	8.2	10.1	9.6	14.0
3. Manufacturing	5.9	5.5	1.3	0.6	3.8	9.1	13.8	16.3
4. Electricity, gas & water supply	3.3	4.3	4.0	4.1	6.6	7.7	4.7	7.1
5. Construction	9.8	7.2	1.1	5.7	4.6	4.7	8.1	8.7
Services	9.8	9.6	11.4	8.3	7.9	10.7	7.2	8.4
6. Trade, hotels, transport & communication	10.8	10.0	4.4	5.7	5.5	8.5	10.2	12.4
7. Financing, insurance, real estate & bus. Services	9.1	8.5	10.2	12.3	11.8	11.5	7.9	7.9
8. Community, social & personal services	8.7	10.4	28.7	8.8	7.6	14.0	0.8	1.6
9. GDP at factor cost (total 1 to 8)	7.8	7.5	6.1	5.8	6.0	8.6	6.5	8.6

AGRICULTURE

Rainfall: The rainfall situation in India 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. During the south west monsoon 2009, India received 23 per cent less rainfall than the long period average (LPA). The south west monsoon performance (June-September) for the recent years is given in Table 3. The LPA for the country as a whole for the period 1941-90 is 89 cm.

Table 3: Monsoon performance : 2007 to 2009 (June-September)					
Year	Number of meteorological subdivisions			Percentage of districts with normal/excess rainfall	Percentage of LPA rainfall for country as a whole
	Normal	Excess	Deficient /Scanty		
2007	17	13	6	72	105
2008	30	2	4	76	98
2009	10	3	23	41	77
Source: India Meteorological Department. Note: Excess = +20 per cent or more of LPA; Normal = +19 per cent to -19 per cent of LPA; Deficient = -20 per cent to -59 per cent of LPA; Scanty = -60 per cent to -99 per cent of LPA.					

In the current year, during the south west-monsoon period (June 1 to September 30), the cumulative rainfall received for the country as a whole, upto August 4, was 485.0 mm, which is 2 per cent less than the normal. During this period, out of 36 meteorological sub-divisions in the country, 31 received excess/normal rainfall (86.11 per cent) and 5 received scanty/deficient rainfall (13.89 per cent). As per the second stage Long Range forecast for the South West Monsoon issued by Indian Meteorological Department on June 25, 2010, the monsoon season rainfall for the country as a whole is likely to be 102 per cent of long period average (LPA) with a model error of plus or minus 4 per cent.

All India production of food grains (July-June): According to the 4th Advance Estimates released on 19 July, 2010, the production of food grains is estimated at 218.20 million tonnes during 2009-10 compared to 234.47 million tonnes (final estimates) in 2008-09.

Table 4: Procurement in Million Tonnes				
	Full Marketing Year		As on 1st June	
	2007-08	2008-09	2009	2010
Rice(Oct-Sept)	28.74	33.68	29.63	28.38
Wheat(Apr-Mar)	11.13	22.69	23.79	22.39
Total	39.87	56.37	53.42	50.77

Procurement: Procurement of rice as on June 1, 2010 (Kharif Marketing Season 2009-10) at 28.38 million tonnes represents a decline of 4.22 per cent compared to the corresponding date last

year. Wheat procurement as on June 1, 2010 (Rabi Marketing Season 2009-10) was 22.39 million tonnes compared to 23.79 million tonnes during the corresponding date last year.

Off-take: Off-take of rice during the month of May, 2010 was 21.10 lakh tonnes. This comprises 17.98 lakh tonnes under TPDS and 3.12 lakh tonnes under other schemes. In respect of wheat, the total off take was 16.60 lakh tonnes comprising 15.45 lakh tonnes under TPDS and 1.15 lakh tonnes under other schemes.

Stocks of food-grains (rice and wheat) held by FCI as on June 1, 2010 were 60.43 million tonnes, which was higher by 12.89 per cent over the level of 53.53 million tonnes as on June 1, 2009.

Table 5: Off-take and stocks of food-grains (Million Tonnes)					
	Off-take			Stocks	
	2007-08	2008-09	2009-10	June 1, 2009	June 1, 2010
Rice	25.23	24.62	27.38	20.40	25.26
Wheat	12.20	14.88	22.35	33.12	35.16
Total	37.43	39.50	49.73	53.52	60.42

INDUSTRIAL PRODUCTION

Industry Group	2009-10	2009-10(April-June)	2010-11(April-June)	June 2009	June 2010
General index	10.4	3.9	11.6	8.3	7.1
Mining	9.8	6.8	10.4	14.2	9.5
Manufacturing	10.8	3.4	12.2	8.0	7.3
Electricity	6.0	5.9	5.6	8.0	3.5
Use-based industrial groups					
Basic goods	7.1	6.2	6.9	10.7	3.4
Capital goods	19.1	2.0	34.0	13.4	9.7
Intermediate goods	13.6	7.4	9.8	7.9	8.7
Consumer goods	7.3	-0.6	9.2	4.4	8.3
Durables	26.2	15.6	27.9	16.2	27.4
Non-durables	1.3	-5.3	2.4	0.7	1.3

During June 2010, the IIP growth was 7.1 per cent compared to 8.3 per cent growth during the corresponding period of previous year. In mining, manufacturing and electricity sectors, the growth rates in June 2010 were 9.5, 7.3 and 3.5 per cent respectively. In the use-based industrial groups, the growth rate has increased in intermediate goods, consumer goods (durables and non-durables) and decreased in basic goods, capital goods in June 2010 as compared to June 2009. The highest growth is in respect of consumer durables which is 27.4 per cent during June 2010. There has been a continuous fall in growth from 16.5 per cent in April 2010 to 11.3 per cent in May 2010 to 7.1 per cent in June 2010.

Industry	June 2009	June 2010	2009-10(April-June)	2010-11(April-June)
Coal	15.2	0.9	13.0	-0.4
Electricity generation ¹	7.7	3.4	5.8	5.6
Crude petroleum	4.0	6.8	-1.3	5.9
Petroleum products	-3.8	2.9	-4.2	5.3
Finished steel	3.6	3.5	1.7	3.6
Cement	12.7	3.6	12.1	7.0
Overall growth	6.3	3.4	4.3	4.6
(1): This will not necessarily match the growth in electricity given in the Index of Industrial Production				

Six core industries: The index for 6 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 at 4.6 per cent during April-June 2010-11 as compared to the 4.3 per cent during the corresponding months in 2009-10. During the month of June 2010, the overall growth of the core sector industries was 3.4 per cent compared to the growth of 6.3 per cent during June 2009. During June 2010, the growth rate was higher in crude oil and petroleum refinery products sectors compared to June 2009,

whereas in electricity, cement and finished steel sectors, the growth rates have been comparatively lower. In coal sector, there has been a drastic reduction in growth in June 2010 as compared to corresponding month of previous year.

MONEY AND BANKING

During 2010-11 (up to July 30, 2010), broad money (M_3) increased by 3.4 per cent as compared to 5.3 per cent during the corresponding period of the last year. The year-on-year growth, as on July 30, 2010 was 14.7 per cent as compared to 20.6 per cent last year.

Table 8 : Money Stock - Components and Sources (Rs. crore)						
Item	Outstanding as on		Variation over (in per cent)			
	2010		Financial year so far		Year on Year	
	Mar. 31	Jul. 30	2009-2010	2010-2011	2009	2010
M_3	55,99,762	57,91,002	5.3	3.4	20.6	14.7
Components (i+ii+iii+iv)						
(i) Currency with the Public	7,68,033	8,14,057	1.6	6.0	14.3	20.4
(ii) Demand Deposits with Banks	7,22,739	6,85,291	-0.4	-5.2	14.2	16.9
(iii) Time Deposits with Banks	41,05,151	42,86,544	7.0	4.4	22.9	13.3
(iv) "Other" Deposits with Reserve Bank	3,839	5,110	-23.7	33.1	-16.4	20.2
Sources (i+ii+iii+iv-v)						
(i) Net Bank Credit to Government (a+b)	16,67,096	17,38,039	11.3	4.3	46.5	22.2
(a) Reserve Bank	2,11,586	2,22,635				
(b) Other Banks	14,55,511	15,15,404	14.7	4.1	33.1	8.7
(ii) Bank Credit to Commercial Sector (a+b)	34,92,781	36,06,610	0.9	3.3	15.3	18.5
(a) Reserve Bank	1,328	1,325	—	—	—	—
(b) Other Banks	34,91,453	36,05,285	1.0	3.3	14.9	18.9
(iii) Net Foreign Exchange Assets of Banking Sector*	12,81,469	13,41,454	0.1	4.7	3.0	-0.9
(iv) Government's Currency Liabilities to the Public	11,270	11,508	3.6	2.1	9.5	10.5
(v) Banking Sector's Net Non-Monetary Liabilities	8,52,854	9,06,609	-9.2	6.3	4.6	16.1
of which :						
Net Non-Monetary Liabilities of RBI	3,01,615	3,58,236	8.8	18.8	47.6	-15.1
* : Includes investments in foreign currency denominated bonds issued by IIFC(UK) since March 20, 2009.						
Note : Government Balances as on March 31, 2010 are before closure of accounts.						

Reserve money (M_0) during the financial year 2010-11 (up to July 30, 2010) showed an increase of 1.3 per cent as compared to decrease of 5.7 per cent in the corresponding period of the previous year. The year-on-year variation revealed an increase of 25.8 per cent as on July 30, 2010, compared to decrease of 1.2 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 4.9 per cent (during the financial year) as on July 30, 2010 as compared to a increase of 1.8 per cent in the same period last year. The year-on-year growth rate of NFA, as on July 30, 2010 was (-) 0.8 per cent as compared to a growth of 0.8 per cent on the corresponding date of the last year.

Scheduled Commercial Banks (SCBs): business in India

During the current financial year (July 30, 2010), bank credit increased by 3.5 per cent compared to 1.1 per cent during the corresponding period of last year. The Non-Food credit during the financial year (July 30, 2010) recorded increase of 3.6 per cent as compared to a decline of 1.3 per cent during the corresponding period of last year. The financial year growth in aggregate deposits with SCBs as on July 30, 2010 was 3.3 per cent as against an increase of 6.2 per cent in the corresponding period of last year.

Items	Outstanding as on (Rs. crore)		Percentage Variation			
			Financial year so far		Year on Year	
	26-Mar-10	30-Jul-09	2010-11	2009-10	2009	2010
1. Bank credit	3240399	3357265	3.50	1.10	15.7	19.7
Non-Food credit	3191909	3305839	3.57	1.26	16.7	19.9
2. Aggregate deposits	4486574	4639595	3.30	6.2	21.8	14.0
3. Investments in Govt. and other approved securities	1382684	1444571	4.3	14.5	33.3	8.1

Item / Week Ended	2009	2010
	July 31	July 30
Cash Reserve Ratio (per cent) ⁽¹⁾	5.00	6.00
Bank Rate	6.00	6.00
Repo Rate	4.75	5.75
Reverse Repo Rate	3.25	4.50
Prime Lending Rate ⁽²⁾	11.00-12.00	7.50-8.00
Deposit Rate ⁽³⁾	6.50-7.75	6.00-7.50
Call Money Rate (Low / High) ⁽⁴⁾		
- Borrowings	1.50/3.30	2.90/5.81
- Lendings	1.50/3.30	2.90/5.81

(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 31, 2010, Bank Rate was 6.00 per cent, the same as on the corresponding date of last year. Call money rates (borrowing & lending) were in the range of 1.50 / 3.30 per cent as compared with 2.90 / 5.81 per cent on the corresponding date of last year.

EXTERNAL SECTOR

Foreign trade: Exports, in US dollar terms and customs basis, during June 2010 increased by 30.4 per cent and imports increased by 23.0 per cent over June 2009. Oil imports increased by 26.5 per cent and non-oil imports increased by 21.5 per cent during June 2010 over June 2009.

Table 11: Exports and imports (in US dollar million)					
Item	2008-09 (Apr.- Mar)	2009-10 (Apr.-Mar)	Jun-09	Jun-10	% Change in June 2010
Exports	185295	178662	13606	17745	30.4
Imports	303696	286823	23013	28299	23.0
Oil imports	93667	87121	6601	8354	26.5
Non-Oil imports	210029	199702	16412	19946	21.5
Trade balance	-118401	-108161	-9408	-10554	-

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

Foreign Currency Assets

Table 12: Foreign Currency Assets				
	Amount		Variation	
	Rs. crore	\$ Million	Rs. crore	\$ Million
At the end of			(over last year)	
March, 2006	647327	145108	54206	9537
March, 2007	836597	191924	189270	46816
March, 2008	1196023	299230	359426	107306
March, 2009	1231340	241676	35317	-57554
March, 2010	1150778	254935	-80562	13259
2010-11			(over last month)	
April 2010	1133322	255023	-17456	88
May 2010	1152893	248201	19571	-6822
June 2010	1164431	249878	11538	1677
July 2010	1202388	258801	37957	8923

Source: RBI.

Exchange rate: The rupee depreciated by 0.6 per cent against US dollar, 3.9 per cent against Pound Sterling, 4.1 per cent against Japanese Yen and 4.8 per cent against Euro in the month of July 2010 over June 2010.

Table 13: Rupees per unit of foreign currency*				
	US dollar	Pound Sterling	Japanese Yen	Euro
March, 2007	44.0260	85.6763	0.3754	58.2684
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
2010-11				
April 2010	44.4995	68.2384	0.4763	59.6648
May 2010	45.7865	67.1747	0.4969	57.6553
June 2010	46.5443	68.6952	0.5122	56.9016
July 2010	46.8373	71.5150	0.5343	59.7636

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

External assistance and debt service payments: Gross external aid in April-July 2010 at Rs. 16,419.69 crore shows an increase of 129.92 per cent, compared to Rs. 7,141.37 crore in April-July 2009. Net disbursement was Rs. 11,900.60 crore in April-July 2010 compared to Rs. 2,938.78 crore in April-July 2009. Net transfers were Rs. 10,745.25 crore in April-July 2010 compared to Rs. 1,404.33 crore in April-July 2009.

Table 14: External Assistance and Debt Services Payments				
				(Rs. in crore)
	July 2010	During the Financial year 2010-11	July 2009	During the Financial year 2009-10
External Assistance (Government Account)				
1) Gross Disbursement	1420.11	14855.00	1535.03	4593.13
2) Repayments	1076.00	4002.06	1055.84	3687.58
3) Interest Payments	250.23	959.84	338.71	1259.94
4) Net Disbursement (1-2)	344.11	10852.94	479.19	905.55
5) Net Transfers (4-3)	93.88	9893.10	140.48	-354.39
External Assistance (Non-Government Account)				
1) Gross Disbursement	204.90	1180.09	186.25	2014.16
2) Repayments	99.47	517.03	71.41	515.01
3) Interest Payments	28.54	195.51	45.60	274.51
4) Net Disbursement (1-2)	105.43	663.06	114.84	1499.15
5) Net Transfers (4-3)	76.89	467.55	69.24	1224.64
Government Grants				
1) Gross Disbursement	204.06	354.56	391.31	526.60
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)	204.06	354.56	391.31	526.60
5) Net Transfers (4-3)	204.06	354.56	391.31	526.60
Non-Government Grants				
1) Gross Disbursement	1.84	30.04	0.00	7.48
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)	1.84	30.04	0.00	7.48
5) Net Transfers (4-3)	1.84	30.04	0.00	7.48
Grand Total				
1) Gross Disbursements	1830.91	16419.69	2112.59	7141.37
2) Repayments	1175.47	4519.09	1127.25	4202.59
3) Interest Payments	278.77	1155.35	384.31	1534.45
4) Net Disbursement (1-2)	655.44	11900.60	985.34	2938.78
5) Net Transfers (4-3)	376.67	10745.25	601.03	1404.33

INFLATION

Wholesale Price Index (WPI): Year-on-year inflation measured in terms of WPI for July 2010 was at 9.97 per cent. This reflects a decline of 58 basis points compared to WPI inflation in June, 2010. (Inflation was (-) 0.54 per cent in July 2009 and 12.36 per cent in July 2008). Inflation had remained in the negative zone since June 2009 to August 2009 and turned positive in September 2009 thereafter it reached to double digit in February 2010. The inflation for May 2010 has been revised to 11.14 per cent from the provisional figure of 10.16 per cent. The average inflation rate for last 12 months (August 2009 to July 2010) was 7.34 per cent as compared to 4.96 per cent last year during August 2008 to July 2009 (Table 15).

Table 15 : Current price situation based on monthly Wholesale Price Index (Base: 1993-94)							
Items/Groups	Weight (%)	Percent variation during					
		Cumulative change from March		Inflation (Year-on-Year)		Inflation (Average of last 12 months)	
		In July		In July		In July	
		2009-10	2010-11	2009-10	2010-11	2009-10	2010-11
All Commodities	100.0	4.60	3.59	-0.54	9.97	4.96	7.34
1. Primary articles	22.02	7.86	4.84	7.64	14.94	8.95	14.31
2. Fuel and Power group	14.23	5.33	6.80	-10.37	14.29	0.25	5.16
3. Manufactured Products	63.75	2.94	1.76	0.10	6.15	5.17	5.15

Consumer price index: Year-on-year inflation in Consumer Price Index for Industrial Workers (CPI-IW) has declined to 13.73 in June, 2010 from its peak of 16.22 per cent in January, 2010. This deceleration in CPI-IW inflation is due to decline in food inflation and higher statistical base of last year (Table 16). The price movement in select global prices is indicated in Table 17.

Table 16: Consumer Price Index for Industrial Workers (CPI-IW)		
(Base : 2001=100)		
	2009-10	2010-11
	June-09	June-10
Annual Inflation (Per cent)	9.29	13.73
Financial Year Inflation (Per cent)	3.38	2.35
Change over last month (Per cent)	1.32	1.16
Level of Index	151	172
Average level of Index 12 months, CPI in June	147.92	167.92

Table 17: Select World Commodity price and its Y-o-Y variation

Commodity	Unit	Monthly Averages							Y-o-Y variation in prices (%)		
		Jul	July	Jul	Jul	Jan-10	Apr-10	Jul-10	Jan-10	Apr-10	Jul-10
Energy		2006	2007	2008	2009	2010	2010	2010			
Coal, Australia	\$/mt	52.8	67.3	180.0	73.8	97.0	100.15	96.44	22.17	57.57	30.68
Crude oil, avg, spot	\$/bbl	72.5	73.6	132.8	64.7	77.1	84.2	74.6	75.85	67.43	15.33
Crude oil, Brent	\$/bbl	73.9	77.2	133.9	64.9	76.4	85.0	74.7	70.25	67.13	15.14
Crude oil, Dubai	\$/bbl	69.0	69.5	131.2	65.0	76.6	83.1	72.7	70.42	65.59	11.83
Natural gas, US	\$/mmbtu	6.3	6.2	11.1	3.4	5.8	4.0	4.6	10.79	14.46	36.47
Agriculture											
Coffee, robusta	c/kg	142.2	203.9	254.0	158.0	154.5	157.7	188.0	-15.30	-5.31	18.96
Tea, auctions (3),	c/kg	200.5	213.0	275.9	295.9	289.8	277.4	286.4	32.57	10.58	-3.19
Coconut oil	\$/mt	583.3	929.0	1436.0	685.0	784.0	939.0	1031.0	6.81	25.70	50.51
Groundnut oil	\$/mt	930.0	1342.0	2536.4	1149.0	1316.0	1361.0	1300.0	-2.01	14.66	13.14
Palm oil	\$/mt	471.0	811.0	1128.0	639.0	793.0	830.0	807.0	41.10	18.23	26.29
Palmkernel oil	\$/mt	557.0	924.0	1272.0	666.0	878.0	1020.0	1059.0	54.04	42.26	59.01
Soybean meal	\$/mt	201.8	289.4	508.0	429.0	404.0	340.0	356.0	9.63	-12.37	-17.02
Soybean oil	\$/mt	630.0	885.4	1511.0	836.0	923.0	903.0	907.0	16.95	12.73	8.49
Maize	\$/mt	114.0	146.8	265.3	151.6	167.3	157.1	163.8	-3.19	-6.78	8.04
Rice, Thailand, 5%	\$/mt	286.6	306.8	731.8	572.0	568.8	466.0	442.8	-1.93	-15.22	-22.60
Wheat, US, HRW	\$/mt	202.4	238.4	328.2	224.9	201.2	192.9	195.8	-15.86	-17.64	-12.91
Wheat US SRW	\$/mt	143.9	225.6	245.4	175.6	198.8	187.8	222.3	1.88	2.82	26.56
Oranges	\$/mt	734.4	1142.5	1431.7	715.4	1089.5	994.7	1302.4	39.19	9.93	82.06
Sugar, world	c/kg	35.4	22.4	31.4	40.6	58.4	36.3	38.5	110.25	20.51	-5.26
Raw Materials											
Logs, Malaysia	\$/cum	236.1	263.1	275.8	281.4	258.2	246.0	274.9	-21.67	-13.10	-2.32
Plywood	c/sheets	635.4	649.7	647.9	561.9	557.2	564.7	569.7	-3.04	-0.54	1.38
Woodpulp	\$/mt	728.8	746.1	878.4	596.2	752.6	850.5	915.0	24.10	57.86	53.47
Cotton A Index	c/kg	122.1	149.6	170.4	142.9	170.6	194.2	185.5	34.14	55.07	29.88
Rubber, US	c/kg	273.4	232.2	337.1	191.4	335.1	398.8	349.7	97.40	117.17	82.72
Rubber, Singapore	c/kg	251.7	210.1	321.6	174.9	309.2	394.8	327.4	107.88	143.14	87.18
Fertilizers											
DAP	\$/mt	261.3	436.3	1185.4	293.3	427.5	466.0	461.3	21.79	38.94	57.26
Phosphate rock	\$/mt	45.5	80.0	367.5	90.0	97.5	125.0	125.0	-63.21	-0.40	38.89
Pottasium chloride	\$/mt	173.8	203.1	560.0	655.5	354.4	314.4	320.0	-58.46	-57.80	-51.18
Urea, E. Europe, bulk	\$/mt	202.3	267.9	760.0	243.7	275.8	252.7	249.5	4.70	3.06	2.38
Metals and Minerals											
Aluminum	\$/mt	2512.7	2732.4	3071.2	1668.0	2235.2	2316.7	1988.3	58.17	63.05	19.20
Copper	\$/mt	7712.1	7972.6	8414.0	5215.5	7386.3	7745.1	6735.3	129.34	75.76	29.14
Gold	\$/toz	633.7	665.4	939.8	934.2	1118.0	1148.7	1193.0	30.19	29.04	27.70
Iron ore	c/dmtu	77.4	84.7	140.6	101.0	101.0	167.0	167.0	-28.20	18.78	65.43
Lead	c/kg	105.2	308.3	194.5	167.9	236.8	226.5	183.7	109.08	63.75	9.43
Nickel	\$/mt	26586	33417	20160	15985	18439	26031	19518	63.08	133.13	22.10
Silver	c/toz	1121.2	1293.4	1806.4	1338.6	1775.1	1816.8	1794.0	55.72	45.11	34.02
Steel cr coilsheet	\$/mt	700.0	650.0	1100.0	700.0	700.0	812.5	850.0	-36.36	16.07	21.43
Steel hr coilsheet	\$/mt	600.0	550.0	1000.0	600.0	600.0	712.5	750.0	-40.00	18.75	25.00
Tin	c/kg	841.9	1473.8	2313.9	1403.9	1771.5	1868.4	1819.1	55.76	59.10	29.58
Zinc	c/kg	334.0	354.6	185.2	157.9	243.4	236.7	184.4	105.02	71.64	16.80

Source: World Bank - The Pink Sheet

FISCAL SITUATION

- As a proportion of budget estimate, fiscal deficit during April-June 2010-11 was 10.5 per cent and revenue deficit was 3.8 per cent. The lower levels reflect one-off nature of growth in non-tax revenue (from auction of spectrum).

Trends in Central Government Finances : April-June 2010

	Budget	April-June		Col. 3 as	Col. 4 as	% Change over	
	Estimates			% of	% of	preceding year	
	2010-11	2009-10	2010-11	2009-10	2010-11	2009-10	2010-11
	(Rs. crore)						
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
1. Revenue Receipts	682,212	71,995	199,810	11.7	29.3	-12.5	177.5
Gross tax revenue	746,651	1,00,648	129,478	15.7	17.3	-11.4	28.6
Tax (net to Centre)	5,34,094	63,341	83,994	13.4	15.7	-15.2	32.6
Non Tax	148,118	8,654	115,816	6.2	78.2	14.2	1238.3
2. Capital Receipts	426,537	1,24,976	42,398	30.8	9.9	44.3	-66.1
of which:							
Recovery of loans	5,129	674	1,124	16.0	21.9	35.3	66.8
Other Receipts	40,000	0	1,078	0.0	2.7		
Borrowings and other liabilities	381,408	1,24,302	40,196	31.0	10.5	44.3	-67.7
3. Total Receipts (1+2)	1,108,749	1,96,971	242,208	19.3	21.8	16.6	23.0
4. Non-Plan Expenditure (a)+(b)	735,657	1,42,185	154,148	20.4	21.0	33.2	8.4
(a) Revenue Account	643,599	1,32,521	133,770	21.4	20.8	28.3	0.9
<i>of which:</i>							
Interest payments	248,664	35,444	40,223	15.7	16.2	-1.3	13.5
Major Subsidies	108,667	35,862	25,853	34.0	23.8	34.4	-27.9
Pensions	42,840	9,012	10,922	25.8	25.5	66.4	21.2
(b) Capital Account	92,058	9,664	20,378	12.6	22.1	176.6	110.9
5. Plan Expenditure (i)+(ii)	373,092	54,786	88,060	16.8	23.6	-11.9	60.7
(i) Revenue Account	315,125	47,064	76,617	16.9	24.3	-15.3	62.8
(ii) Capital Account	57,967	7,722	11,443	16.5	19.7	17.5	48.2
6. Total Expenditure (4)+(5)=(a)+(b)	1,108,749	1,96,971	242,208	19.3	21.8	16.6	23.0
(a) Revenue Expenditure	958,724	1,79,585	210,387	20.0	21.9	13.0	17.2
(b) Capital Expenditure	150,025	17,386	31,821	14.1	21.2	72.7	83.0
7. Revenue Deficit	276,512	1,07,590	10,577	38.1	3.8	40.5	-90.2
8. Fiscal Deficit	381,408	1,24,302	40,196	31.0	10.5	44.3	-67.7
9. Primary Deficit	132,744	88,858	-27	50.6	0.0	77.0	-100.0

Source: Review of Union Government Accounts, April- June 2010-11, Ministry of Finance.