

**Ministry of Finance**  
**Department of Economic Affairs**  
**Economic Division**  
**4(3)/Ec. Dn. /2012**

**MONTHLY ECONOMIC REPORT**

**JULY 2012**

**HIGHLIGHTS**

- The overall growth of GDP at factor cost at constant prices, as per Revised Estimates, is estimated at 6.5 per cent in 2011-12 as compared to the growth of 8.4 per cent during 2010-11. The growth in real GDP is placed at 5.3 per cent in the fourth quarter of 2011-12.
- The cumulative rainfall received for the country as a whole, during the period 1<sup>st</sup> June – 5<sup>th</sup> August 2012, has been 18% below normal.
- Food grains (rice and wheat) stocks held by FCI and State agencies were 82.32 million tonnes as on June 1, 2012.
- Overall growth in the Index of Industrial Production (IIP) was (-) 1.8 per cent during June 2012 as compared to 9.5 per cent in June 2011. During April-June 2012-13, IIP growth was (-) 0.1 per cent as compared to 6.9 per cent in 2011-12.
- Eight core Infrastructure industries registered a growth of 3.6 per cent in June 2012 as compared to growth of 5.6 per cent in June 2011. During April-June 2012-13, these sectors grew by 3.6 per cent as compared to 5.2 per cent during April-June 2011-12.
- Broad money (M<sub>3</sub>) (up to July 27, 2012) increased by 5.1 per cent as compared to 4.8 per cent during the corresponding period of the last year. The year-on-year growth, as on July 27, 2012 was 13.5 per cent as compared to 16.7 per cent last year.
- Exports, in US dollar terms decreased by 5.4 per cent and imports decreased by 13.5 per cent, during June 2012 over June 2011.
- Foreign Currency Assets stood at US\$ 257.4 billion in end July 2012 as compared to US\$ 286.4 billion in end July 2011.
- Rupee appreciated against the US dollar, Pound sterling, Japanese yen and Euro in the month of July 2012 over June 2012.
- Year-on-year inflation in terms of Wholesale Price Index was 6.87 per cent for the month of July 2012 as compared to 9.36 per cent in the corresponding month last year.
- Gross tax revenue at Rs. 169,994 crore during April-June 2012 registered a growth of 25 per cent as compared to the corresponding period in the previous year.
- Tax revenue (net to Centre) at Rs.104,505 crore during April- June 2012 registered a growth of 32.8 per cent.
- As a proportion of budget estimate, fiscal deficit during April- June 2012 was 37.1 per cent and revenue deficit was 43.6 per cent.

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## ECONOMIC GROWTH

As per the latest 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 6.5 per cent in 2011-12 as compared to 8.4 per cent in 2010-11 (Quick Estimate). At disaggregated level, this (RE 2011-12) comprises growth of 2.8 per cent in agriculture and allied activities, 3.4 per cent in industry and 8.9 per cent in services as compared to a growth of 7.0 per cent, 7.2 per cent and 9.3 per cent respectively during 2010-11. The growth in GDP is placed at 5.3 per cent in the fourth quarter of 2011-12 with agriculture growing by 1.7 per cent; industry by 1.9 per cent and services by 7.9 per cent.

Industry	Growth			Percentage share in GDP		
	2009-10	2010-11 <sup>QE</sup>	2011-12 <sup>RE</sup>	2009-10	2010-11 <sup>QE</sup>	2011-12 <sup>RE</sup>
<b>1 Agriculture, forestry &amp; fishing</b>	<b>1.0</b>	<b>7.0</b>	<b>2.8</b>	<b>14.7</b>	<b>14.5</b>	<b>14.0</b>
<b>2 Industry</b>	<b>8.4</b>	<b>7.2</b>	<b>3.4</b>	<b>28.1</b>	<b>27.8</b>	<b>27.0</b>
a Mining & quarrying	6.3	5.0	-0.9	2.3	2.2	2.1
b Manufacturing	9.7	7.6	2.5	16.0	15.8	15.3
c Electricity, gas & water supply	6.3	3.0	7.9	2.0	1.9	1.9
d Construction	7.0	8.0	5.3	7.9	7.9	7.8
<b>3 Services</b>	<b>10.5</b>	<b>9.3</b>	<b>8.9</b>	<b>57.2</b>	<b>57.7</b>	<b>59.0</b>
a Trade, hotels, transport & communication	10.3	11.1	9.9	26.6	27.2	28.1
b Financing, insurance, real estate & business services	9.4	10.4	9.6	17.1	17.4	17.9
c Community, social & personal services	12.0	4.5	5.8	13.5	13.1	13.0
<b>4 GDP at factor cost</b>	<b>8.4</b>	<b>8.4</b>	<b>6.5</b>	<b>100</b>	<b>100</b>	<b>100</b>

<sup>QE</sup>: Quick Estimates; <sup>RE</sup>: Revised Estimates

Items	2010-11				2011-12			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
<b>1. Agriculture, forestry &amp; fishing</b>	<b>3.1</b>	<b>4.9</b>	<b>11.0</b>	<b>7.5</b>	<b>3.7</b>	<b>3.1</b>	<b>2.8</b>	<b>1.7</b>
<b>Industry</b>	<b>8.3</b>	<b>5.7</b>	<b>7.6</b>	<b>7.0</b>	<b>5.6</b>	<b>3.7</b>	<b>2.5</b>	<b>1.9</b>
2. Mining & quarrying	6.9	7.3	6.1	0.6	-0.2	-5.4	-2.8	4.3
3. Manufacturing	9.1	6.1	7.8	7.3	7.3	2.9	0.6	-0.3
4. Electricity, gas & water supply	2.9	0.3	3.8	5.1	8.0	9.8	9.0	4.9
5. Construction	8.4	6.0	8.7	8.9	3.5	6.3	6.6	4.8
<b>Services</b>	<b>10.0</b>	<b>9.1</b>	<b>7.7</b>	<b>10.6</b>	<b>10.2</b>	<b>8.8</b>	<b>8.9</b>	<b>7.9</b>
6. Trade, hotels, transport & communication	12.6	10.6	9.7	11.6	13.8	9.5	10.0	7.0
7. Financing, insurance, real estate & bus.	10.0	10.4	11.2	10.0	9.4	9.9	9.1	10.0
8. Community, social & personal services	4.4	4.5	-0.8	9.5	3.2	6.1	6.4	7.1
<b>9. GDP at factor cost (total 1 to 8)</b>	<b>8.5</b>	<b>7.6</b>	<b>8.2</b>	<b>9.2</b>	<b>8.0</b>	<b>6.7</b>	<b>6.1</b>	<b>5.3</b>

## 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 actual rainfall received during the monsoon season 2012, as on 05.08.2012 has been 410.1 mm as against the normal at 499.3 mm.

**All India production of food grains :** As per the 4th advance estimates released by Ministry of Agriculture on 17.7.2012, production of food grains during 2011-12 is estimated at 257.44 million tonnes compared to 244.78 million tonnes in 2010-11.

**Procurement:** Procurement of rice as on 1<sup>st</sup> June, 2012 (Kharif Marketing Season 2011-12) at 32.83 million tonnes represents an increase of 14.83 per cent compared to the corresponding date last year. Wheat procurement during Rabi Marketing Season 2012-13 is 34.60 million tonnes as compared to 26.19 million tonnes during the corresponding period last year.

<b>Table 3: Procurement in Million Tonnes</b>				
	<b>2009-10</b>	<b>2010-11</b>	<b>2011-12</b>	<b>2012-13</b>
<b>Rice(Oct-Sept)</b>	32.03	34.20	34.39*	
<b>Wheat(Apr-Mar)</b>	25.38	22.51	28.34	37.96*
<b>Total</b>	57.41	56.71	62.73	37.96
* Position as on 5.7.12				

**Off-take:** Off-take of rice during the month of May, 2012 was 26.08 lakh tonnes. This comprises 23.29 lakh tonnes under TPDS and 2.79 lakh tonnes under other schemes. In respect of wheat, the total off take was 19.81 lakh tonnes comprising of 16.85 lakh tonnes under TPDS and 2.96 lakh tonnes under other schemes.

**Stocks:** Stocks of food-grains (rice and wheat) held by FCI as on June 1, 2012 were 82.32 million tonnes, which is higher by 25.7 per cent over the level of 65.47 million tonnes as on June 1, 2011.

<b>Table 4: Off-take and Stocks of food grains (Million Tonnes)</b>					
	<b>Off-take</b>			<b>Stocks</b>	
	<b>2010-11</b>	<b>2011-12</b>	<b>2012-13(P)</b>	<b>June, 2011</b>	<b>June, 2012</b>
<b>Rice</b>	29.93	32.13	4.88	27.64	32.15
<b>Wheat</b>	23.07	24.26	3.65	37.83	50.17
<b>Total</b>	53.00	56.39	8.53	65.47	82.32

P=Provisional figures up to May, 2012.

## INDUSTRIAL PRODUCTION

Industry Group	April-June 2011-12	April-June 2012-13	June 2011	June 2012
General index	6.9	-0.1	9.5	-1.8
Mining	0.6	-1.1	-1.4	0.6
Manufacturing	7.7	-0.7	11.1	-3.2
Electricity	8.3	6.4	8.0	8.8
Basic goods	7.5	3.5	7.8	4.1
Capital goods	17.0	-19.6	38.7	-27.9
Intermediate goods	1.8	1.2	1.6	1.6
Consumer goods	4.4	4.0	3.1	3.5
Durables	2.7	8.0	1.6	9.1
Non-durables	5.9	0.7	4.3	-1.0

(in consumer durables 9.1 per cent and in consumer non-durables (-) 1.0 per cent) and intermediate goods 1.6 per cent. The capital goods sector has registered negative growth during June 2012.

Industry	April-June 2011-12	April-June 2012-13	June 2011	June 2012
Coal	0.3	6.4	-3.0	7.2
Crude oil	9.5	-0.5	7.7	-0.8
Natural Gas	-10.2	-11.1	-11.7	-11.1
Refinery Products	5.2	3.2	4.6	6.1
Fertilizers	1.1	-12.2	-2.4	-11.7
Steel	8.4	3.6	14.5	-0.5
Cement	0.1	9.9	1.7	10.2
Electricity	8.2	6.4	7.9	8.1
<b>Overall growth</b>	<b>5.2</b>	<b>3.6</b>	<b>5.6</b>	<b>3.6</b>

corresponding period in 2011-12. During the month of June 2012, the overall growth of the core sector industries was 3.6 per cent as compared to the growth of 5.6 per cent during June 2011. During June 2012, the growth in cement was 10.2 per cent followed by electricity 8.1 per cent, coal 7.2 per cent and refinery products 6.1 per cent. The crude oil, natural gas, fertilizers and steel sectors have registered negative growth during June 2012.

During June 2012, the IIP growth was (-) 1.8 per cent as compared to 9.5 per cent growth during the corresponding period of previous year. In electricity sector, the growth rate in June 2012 was 8.8 per cent and in mining sector, the growth rate was 0.6 per cent. The manufacturing sector has registered negative growth during June 2012. In June 2012, under use-based category, the growth rate in basic goods was 4.1 per cent, consumer goods 3.5 per cent

### **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 3.6 per cent during April-June 2012-13, as compared to growth rate of 5.2 per cent achieved during the

## MONEY AND BANKING

Table 7: Money Stock: Components and Sources						
( ` Billion)						
Item	Outstanding as on		Variation over			
	2012		Financial Year so far		Year-on-Year	
	Mar. 31	Jul. 27	2011- 2012	2012- 2013	2011	2012
M <sub>3</sub>	73,592.0	77,338.2	4.8	5.1	16.7	13.5
Components (i+ii+iii+iv)						
(i) Currency with the Public	10,265.0	10,594.2	2.6	3.2	14.9	13.2
(ii) Demand Deposits with Banks	7,049.1	6,713.1	-10.7	-4.8	-7.0	4.0
(iii) Time Deposits with Banks	56,249.7	59,991.1	7.6	6.7	20.9	14.6
(iv) 'Other' Deposits with Reserve Bank	28.2	39.8	-62.3	41.0	-69.0	188.6
Sources (i+ii+iii+iv-v)						
(i) Net Bank Credit to Government (a+b)	23,695.5	25,609.4	8.2	8.1	22.1	19.3
(a) Reserve Bank	5,357.4	5,471.5				
(b) Other Banks	18,338.1	20,138.0	11.8	9.8	15.6	13.5
(ii) Bank Credit to Commercial Sector (a+b)	49,594.3	50,530.0	2.1	1.9	18.8	16.8
(a) Reserve Bank	39.6	47.7	-	-	-	-
(b) Other Banks	49,554.7	50,482.3	2.1	1.9	18.8	16.8
(iii) Net Foreign Exchange Assets of Banking Sector *	15,437.8	16,416.7	1.8	6.3	6.3	15.8
(iv) Government's Currency Liabilities to the Public	142.7	145.4	3.7	1.9	12.2	10.2
(v) Banking Sector's Net Non-Monetary Liabilities	15,278.3	15,363.3	-3.1	0.6	20.5	41.3
<i>of which:</i>						
Net Non-Monetary Liabilities of RBI	6,038.4	6,991.4	11.0	15.8	13.9	71.0

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

Note: Government balances as on March 31, 2012 are after closure of accounts.

Source: RBI

Reserve money (M<sub>0</sub>) during the financial year 2012-13 (up to July 27, 2012) showed increase of 1.5 per cent as compared to decrease of 1.4 per cent in the corresponding period of the previous year. The year-on-year variation revealed an increase of 6.7 per cent as on July 27, 2012, compared to 15.9 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 showed increase of 6.6 per cent (during the financial year) as on July 27, 2012 as compared to increase of 3.6 per cent in the same period last year. The y-o-y growth rate of NFA was 14.0 per cent as compared to increase of 6.6 per cent on the corresponding date of the last year.

## Scheduled Commercial Banks (SCBs): Business in India

During the current financial year i.e. 2012-13 (up to July 27, 2012), Bank credit showed increase by 2.0 per cent as compared to increase of 1.8 per cent during the corresponding period of last year. The y-o-y growth variation revealed an increase of 17.2 per cent as compared to 18.7 per cent on the corresponding date of the previous year. The Non-Food credit during this period increased by 1.6 per cent (July 27, 2012 over March 23, 2012) same as in the previous year. The y-o-y growth variation revealed an increase of 16.9 per cent as compared to 18.4 per cent on the corresponding date of the previous year.

The aggregate deposits with Scheduled Commercial Banks (SCBs) recorded an increase of 5.8 per cent (as on July 27, 2012) as compared to increase of 5.2 per cent during the corresponding period of last year. The y-o-y growth variation revealed an increase of 13.9 per cent as compared to 18.1 per cent on the corresponding date of the previous year.

Items	2012-13		Percentage Variation			
			Financial year so far		Year-on-year	
	Outstanding as on (Rs. in crore)		2011-12	2012-13	2011	2012
	March 23, 2012	July 27, 2012				
Bank Credit	4611850	4702970	1.8	2.0	18.7	17.2
Non-Food credit	4530550	4605180	1.6	1.6	18.4	16.9
Aggregate deposits	5903659	6243960	5.2	5.8	18.1	13.9
Investments in Government And other approved securities	1736638	1915860	12.0	10.3	16.4	14.0

Source: RBI

<b>Table 9 : Policy Rates/Interest Rates</b> (per cent per annum)		
<b>Item / Week Ended</b>	<b>2011</b>	<b>2012</b>
	<b>Jul. 29</b>	<b>Jul. 27</b>
Cash Reserve Ratio (per cent) <sup>(1)</sup>	6.00	4.75
Bank Rate	6.00	9.00
Repo Rate	8.00	8.00
Reverse Repo Rate	7.00	7.00
Prime Lending Rate <sup>(2)</sup>	9.50 / 10.75	10.00 / 10.50
Deposit Rate <sup>(3)</sup>	8.50 / 9.25	8.00 / 9.25
Call Money Rate (Low / High) <sup>(4)</sup>		
- Borrowings	7.82	7.97
- Lendings	7.82	7.97
(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 27, 2012, Bank Rate was 9.00 per cent. Call money rates (borrowing & lending) were 7.97 per cent as compared with 7.82 per cent on the approximately corresponding date of last year.

## EXTERNAL SECTOR

**Foreign Trade:** Exports, in US dollar terms during June 2012 decreased by 5.4 per cent and imports decreased by 13.5 per cent over June 2011. Oil imports decreased by 4.4 per cent and non-oil imports decreased by 17.8 per cent during June 2012 over June 2011.

<b>Table 10 : Exports and imports (in US dollar million)</b>					
Item	2010-11 (Apr-Mar)	2011-12 (Apr-Mar)	June		% Change in June 2012
			2011	2012	
Exports	251136	304623	26511.6	25067.2	-5.4
Imports	369769	489181	40870.2	35370.6	-13.5
Oil imports	105964	154906	13276.9	12688.6	-4.4
Non-Oil imports	263805	334276	27593.2	22681.9	-17.8
Trade balance	-118633	-184558	-14358.6	-10303.4	--
Source: Provisional data as per the Press Note of the Ministry of Commerce and Industry					

## Foreign Currency Assets

<b>Table 11: Foreign Currency Assets</b>				
	<b>Amount</b>		<b>Variation</b>	
	` crore	US\$ million	` crore	US\$ million
<b>At the end of</b>			<b>(over last year)</b>	
March, 2008	1196023	299230	359426	107306
March, 2009	1231340	241676	35317	-57554
March, 2010	1150778	254935	-80562	13259
March, 2011	1225999	274580	75221	19645
March, 2012	1333954	260742	107955	-13838
<b>2012-13</b>			<b>(over last month)</b>	
April 2012	1373463	261512	39509	770
May 2012	1432560	253910	59097	-7602
June 2012	1449281	257376	16721	3466
July 2012	1436343	257363	-12938	-13

Source: RBI.

**Exchange rate:** The Rupee appreciated by 1.0 per cent against US dollar, 0.7 per cent against Pound Sterling, 0.6 per cent against Japanese Yen and 3.0 per cent against Euro in the month of July 2012 over June 2012.

<b>Table 12 : Rupee per unit of foreign currency*</b>				
	<b>US dollar</b>	<b>Pound Sterling</b>	<b>Japanese Yen</b>	<b>Euro</b>
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
March, 2012	50.3213	79.6549	0.6103	66.4807
<b>2012-13</b>				
April 2012	51.8121	82.9120	0.6379	68.1872
May 2012**	54.4736	86.7323	0.6833	69.6991
June 2012	56.0302	87.1349	0.7067	70.3087
July 2012	55.4948	86.5173	0.7028	68.2520

\* FEDAI Indicative Market Rates (on Monthly average basis).  
 \*\* Data from May, 2012 onwards are based on RBI's reference rate.



**External assistance and debt service payments:** Gross external aid in April-July 2012 is ` 4803.93 crore as compared to ` 7192.46 crore during the corresponding period of the previous year. Net disbursement was (-) `1085.12 crore in April-July 2012 as compared to ` 2163.25 crore in April-July 2011 while net transfers were (-) `2411.97 crore in April-July 2012 as compared to ` 1023.45 crore in April-July 2011.

<b>Table 13; External Assistance and Debt Service Payments</b>				
(Rs. In Crores)				
	JULY 2012	During the Financial year 2012-2013 up to July, 2012	JULY 2011	During the Financial year 2011-2012 up to July, 2011
<b>External Assistance (Government Account)</b>				
1) Gross Disbursement	1,271.64	4,244.39	1,168.06	5,652.77
2) Repayments	2,036.96	5,631.10	1,111.99	4,328.20
3) Interest Payments	344.18	1,250.48	271.08	989.20
4) Net Disbursement (1-2)	-765.32	-1,386.71	56.07	1,324.57
5) Net Transfers (4-3)	-1,109.50	-2,637.19	-215.01	335.37
<b>External Assistance (Non-Government Account)</b>				
1) Gross Disbursement	256.93	445.70	202.48	1,167.33
2) Repayments	74.57	257.95	131.75	701.01
3) Interest Payments	28.80	76.37	29.69	150.60
4) Net Disbursement (1-2)	182.36	187.75	70.73	466.32
5) Net Transfers (4-3)	153.56	111.38	41.04	315.72
<b>Government Grants</b>				
1) Gross Disbursement	1.17	79.24	223.61	345.52
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)	1.17	79.24	223.61	345.52
5) Net Transfers (4-3)	1.17	79.24	223.61	345.52
<b>Non-Government Grants</b>				
1) Gross Disbursement	22.12	34.60	0.00	26.84
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)	22.12	34.60	0.00	26.84
5) Net Transfers (4-3)	22.12	34.60	0.00	26.84
<b>Grand Total</b>				
1) Gross Disbursements	1,551.86	4,803.93	1,594.15	7,192.46
2) Repayments	2,111.53	5,889.05	1,243.74	5,029.21
3) Interest Payments	372.98	1,326.85	300.77	1,139.80
4) Net Disbursement (1-2)	-559.67	-1,085.12	350.41	2,163.25
5) Net Transfers (4-3)	-932.65	-2,411.97	49.64	1,023.45

## INFLATION

**Wholesale Price Index (WPI 2004-05=100):** The WPI inflation for the month of July 2012 is reported at 6.87 per cent as against 7.25 per cent last month and 9.36 per cent last year. The revised WPI inflation for May 2012 is the same which reported earlier i.e., 7.55 per cent. Inflation for Primary Articles (weight 20.12%) for the month of July 2012 has declined to 10.39 per cent from 10.46 per cent in the last month. It was 11.47 per cent last year. Inflation for Food Articles (weight 14.34%) for the month of July 2012 has declined to 10.06 per cent from 10.81 per cent in the last month. Last year it was 8.19 per cent in the corresponding month. This is mainly on account of fruits and vegetables, fish-inland, mutton, poultry chicken and tea. The average WPI inflation rate for last 12 months (August 2011 to July 2012) was 8.18 per cent as compared to 9.29 per cent during corresponding period in 2011-12. The build-up of inflation since March to July 2012 stood at 2.36 per cent as against 3.14 per cent in the corresponding period last year. WPI inflation rates for major subgroups are indicated in Table 14 below.

Major groups	Weight (%)	Cumulative change (%) Since March		Inflation (%)		Inflation (%) (Average of 12 months)	
		2012-13	2011-12	2012-13	2011-12	2012-13	2011-12
<b>ALL COMMODITIES</b>	<b>100.00</b>	2.36	3.14	6.87	9.36	8.18	9.29
PRIMARY ARTICLES	20.12	5.29	5.31	10.39	11.47	9.05	15.22
<i>Food articles</i>	<i>14.34</i>	7.66	7.71	10.06	8.19	8.00	11.80
FUEL AND POWER	14.91	-1.29	5.08	5.98	12.04	12.99	11.91
MANUFACTURED PDT.	64.97	2.17	1.77	5.58	7.73	6.51	6.23

**Inflation based on Consumer Price Indices (CPIs):** The all India inflation based on CPI new series (2010=100) for July 2012 declined to 9.86 per cent as compared to 9.93 per cent last month. However, its food inflation has increased to 11.53 per cent from 10.78 per cent last month. Inflation in Consumer Price Index for Industrial Workers (CPI-IW) decreased to 10.05 per cent in June 2012 as compared to 10.16 per cent in the last month. CPI-IW food inflation (weight 46.20%) has also decreased marginally to 10.45 per cent in June 2012 from 10.61 per cent in the last month. Food inflation for CPI-Agricultural Labourers (weight 69.15%) and CPI-Rural Labourers (weight 66.77%) has increased to 7.35 per cent and 7.50 per cent respectively in July 2012 from 6.24 per cent and 6.40 per cent in last month.

	WPI	CPI-IW	CPI-AL	CPI-RL	CPI(NS)
<b>Base :-&gt;</b>	2004-05	2001	1986-87	1986-87	2010
July-11	9.36	8.43	9.03	9.03	NA
Aug-11	9.78	8.99	9.52	9.71	NA
Sep-11	10.00	10.06	9.43	9.25	NA
Oct-11	9.87	9.39	9.36	9.73	NA
Nov-11	9.46	9.34	8.95	9.14	NA
Dec-11	7.74	6.49	6.37	6.72	NA
Jan-12	7.23	5.32	4.92	5.27	7.65
Feb-12	7.56	7.57	6.34	6.68	8.83
Mar-12	7.69	8.65	6.84	7.19	9.38
Apr-12	7.50	10.22	7.84	8.01	10.26
May-12	7.55	10.16	7.77	8.11	10.36
Jun-12	7.25	10.05	8.03	8.54	9.93

Jul-12	6.87	-	8.61	8.94	9.86
Note: WPI inflation for June and July 2012, CPI (New Series) inflation for July 2012 is provisional. NA: Not Available- Release of Inflation of CPI (NS) began from January 2012.					

**Table 16: World Commodity Price Data**

Commodity	Unit	Annual averages			Monthly averages		
		Jan-Dec 2010	Jan-Dec 2011	Jan-Jul 2012	May 2012	Jun 2012	July 2012
Coal, Australia	\$/mt	99.0	120.9	100.32	94.5	85.6	84.4
Crude oil, average	\$/bbl	79.0	104.0	106.11	104.1	90.7	96.7
Natural gas, US	\$/mmbtu	4.4	4.0	2.45	2.4	2.5	2.9
Cocoa	¢/kg	313.3	298.0	231.7	231.4	226.4	235.0
Coffee, Robusta	¢/kg	173.6	240.8	227.9	235.6	233.0	236.0
Tea, auctions	¢/kg	288.5	292.1	277.7	300.2	297.2	302.6
Coconut oil	\$/mt	1124	1730	1262	1155	1058	1070
Groundnut oil	\$/mt	1404	1985	n.a	2555	2520	2468
Palm oil	\$/mt	901	1125	1086	1085	999	1015
Palm kernel oil	\$/mt	1184	1648	1270	1239	1093	1067
Soybean meal	\$/mt	378	398	460	496	504	585
Soybean oil	\$/mt	1005	1299	1244	1218	1180	1239
Soybeans	\$/mt	450	541	561	573	567	662
Maize	\$/mt	185.9	291.7	282.4	269.3	267.3	333.1
Rice, Thailand, 5%	\$/mt	488.9	543.0	564.2	600.5	600.0	573.5
Wheat, US, HRW	\$/mt	223.6	316.3	284.2	264.4	276.2	345.7
Bananas, US	\$/mt	868	968	1008	953	954	965
Oranges	\$/mt	1033	891	837	756	953	1015
Fishmeal	\$/mt	1688	1537	1429	1480	1581	1658
Meat, chicken	¢/kg	189.2	192.6	205.0	207.4	208.3	208.8
Meat, beef	¢/kg	335.1	404.2	416.0	410.9	404.5	398.8
Sugar, world	¢/kg	46.9	57.3	50.0	45.9	45.1	50.4
Plywood	¢/sheets	569.1	607.5	611.1	611.6	608.1	608.1
Cotton A Index	¢/kg	228.3	332.9	206.6	195.2	181.2	185.1
Rubber, TSR20	¢/kg	338.1	451.9	340.9	337.6	286.3	289.3
DAP	\$/mt	500.7	618.9	535.5	553.0	564.4	563.1
Urea	\$/mt	288.6	421.0	422.4	496.7	420.0	384.5
Copper	\$/mt	7535	8828	8029	7956	7423	7584
Lead	¢/kg	214.8	240.1	201.3	201.3	185.4	188.1
Tin	¢/kg	2041	2605	2131	2041	1927	1855
Nickel	\$/mt	21809	22910	18085	17068	16549	16128
Zinc	¢/kg	216.1	219.4	196.0	193.6	185.9	184.8
Gold	\$/toz	1225	1569	1643	1589	1599	1590
Silver	¢/toz	2015	3522	3049	2872	2798	2744
Iron ore	\$/dmt	145.9	167.8	138.9	136.6	134.7	127.9

Source: World Bank - The Pink Sheet

## Public Finance

As a proportion of budget estimate, fiscal deficit during April-June 2012 was 37.1 per cent and revenue deficit was 43.6 per cent.

**Table 17: Trends in Central Government Finances during 2012-13(April-June)**

	Budget Estimates	April -June		Col.3 as per cent of	Col.4 as per cent of	Per cent change over preceding year	
	2012-13	2011-12	2012-13	2011-12 BE	2012-13 BE	2011-12	2012-13 (4/3)
	(` Crore)						
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
<b>1. Revenue Receipts</b>	<b>935,685</b>	<b>90,920</b>	<b>118,720</b>	<b>11.5</b>	<b>12.7</b>	<b>-54.5</b>	<b>30.6</b>
Gross tax revenue*	1,077,612	136,002	169,994	14.6	15.8	5.0	25.0
Tax (net to Centre)	771,071	78,699	104,505	11.8	13.6	-6.3	32.8
Non Tax	164,614	12,221	14,215	9.7	8.6	-89.4	16.3
<b>2. Capital Receipts of which</b>	<b>555,241</b>	<b>170,297</b>	<b>192,862</b>	<b>36.4</b>	<b>34.7</b>	<b>301.7</b>	<b>13.3</b>
Recovery of loans	11,650	6,499	1,072	43.3	9.2	478.2	-83.5
Other Receipts	30,000	1,145	1,330	2.9	4.4	6.2	16.2
Borrowings and other liabilities	513,590	162,653	190,460	39.4	37.1	304.6	17.1
<b>3. Total Receipts (1+2)</b>	<b>1,490,925</b>	<b>261,217</b>	<b>311,582</b>	<b>20.8</b>	<b>20.9</b>	<b>7.8</b>	<b>19.3</b>
<b>4. Non-Plan Expenditure (a)+(b)</b>	<b>969,900</b>	<b>177,093</b>	<b>225,361</b>	<b>21.7</b>	<b>23.2</b>	<b>14.9</b>	<b>27.3</b>
(a) Revenue Account	865,596	152,152	199,874	20.7	23.1	13.7	31.4
of which:							
Interest payments	319,759	50,187	60,630	18.7	19.0	24.8	20.8
Major Subsidies	179,554	30,213	52,895	22.5	29.5	16.9	75.1
Pensions	63,183	14,616	11,722	26.8	18.6	33.8	-19.8
(b) Capital Account	104,304	24,941	25,487	30.2	24.4	22.4	2.2
<b>5. Plan Expenditure (i)+(ii)</b>	<b>521,025</b>	<b>84,124</b>	<b>86,221</b>	<b>19.1</b>	<b>16.5</b>	<b>-4.5</b>	<b>2.5</b>
(i) Revenue Account	420,513	73,389	71,558	20.2	17.0	-4.2	-2.5
(ii) Capital Account	100,512	10,735	14,663	13.8	14.6	-6.2	36.6
<b>6. Total Expenditure (4)+(5)=(a)+(b)</b>	<b>1,490,925</b>	<b>261,217</b>	<b>311,582</b>	<b>20.8</b>	<b>20.9</b>	<b>7.8</b>	<b>19.3</b>
(a) Revenue Expenditure	1,286,109	225,541	271,432	20.6	21.1	7.2	20.3
(b) Of which Grants for creation of Capital Assets	164,672	25,035	22,686	17.0	13.8	166.7	-9.4
(c) Capital Expenditure	204,816	35,676	40,150	22.2	19.6	12.1	12.5
<b>7. Revenue Deficit</b>	<b>350,424</b>	<b>134,621</b>	<b>152,712</b>	<b>43.8</b>	<b>43.6</b>	<b>1172.8</b>	<b>13.4</b>
<b>8. Effective Revenue Deficit(7-6(b))</b>	<b>185,752</b>	<b>109,586</b>	<b>130,026</b>	<b>68.3</b>	<b>70.0</b>	<b>9108.9</b>	<b>18.7</b>
<b>9. Fiscal Deficit</b>	<b>513,590</b>	<b>162,653</b>	<b>190,460</b>	<b>39.4</b>	<b>37.1</b>	<b>304.6</b>	<b>17.1</b>

10. Primary Deficit	193,831	112,466	129,830	77.7	67.0	-416641	15.4
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\* Gross Tax Revenue is prior to devolution to the States. Source: Review of Union Government Accounts, June 2012.