

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

MONTHLY ECONOMIC REPORT
JULY 2014

HIGHLIGHTS

- The overall growth of GDP at factor cost at constant (2004-05) prices (real GDP) for 2013-14 is placed at 4.7 per cent as compared to 4.5 per cent for 2012-13 (as per the Provisional Estimates released on 30th May, 2014). The GDP growth rate is placed at 4.7 per cent, 5.2 per cent respectively in the first, second and 4.6 per cent each in third and fourth quarters of 2013-14.
- Food grains (rice and wheat) stocks held by FCI and State agencies were 62.83 million tonnes as on August 1, 2014 vis-à-vis the buffer stock norm of 31.90 million tonnes as on July 1, 2014.
- Overall growth in the Index of Industrial Production (IIP) was 3.4 per cent during June 2014 as compared to (-) 1.8 per cent in June 2013. During April-June, 2014-15, IIP growth was 3.9 per cent as compared to (-) 1.0 per cent in April-June, 2013-14.
- Eight core infrastructure industries registered a growth of 7.3 per cent in June 2014 as compared to 1.2 per cent in June 2013. During April-June, 2014-15, these sectors grew by 4.6 per cent as compared to 3.7 per cent during April-June, 2013-14.
- Broad money (M₃) for 2014-15 (up to July 25, 2014) increased by 3.6 per cent as compared to 4.1 per cent during the corresponding period of the last year. The year-on-year growth, as on July 25, 2014 was 12.7 per cent as compared to 12.4 per cent in the previous year.
- Exports and Imports increased by 7.3 per cent and 4.3 per cent respectively, in US dollar terms, during July 2014 over July 2013.
- Foreign Currency Assets stood at US\$ 294.5 billion at end-July 2014 as compared to US\$ 251.3 billion at end-July 2013.
- The Rupee depreciated against the US dollar, Pound sterling, Japanese yen and Euro in the month of July 2014 over June 2014.
- The WPI inflation for all commodities for the month of July 2014 moderated to 5.19 per cent from 5.43 per cent in the previous month.
- Gross tax revenue for the financial year 2014-15(April-June) was Rs 1,83,028 crore, recorded growth of 3.4 per cent over 2013-14.
- As proportion of Budget estimate, fiscal deficit and revenue deficit during 2014-15(April-June) was 56.1 per cent and 65.9 per cent respectively.

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ECONOMIC GROWTH

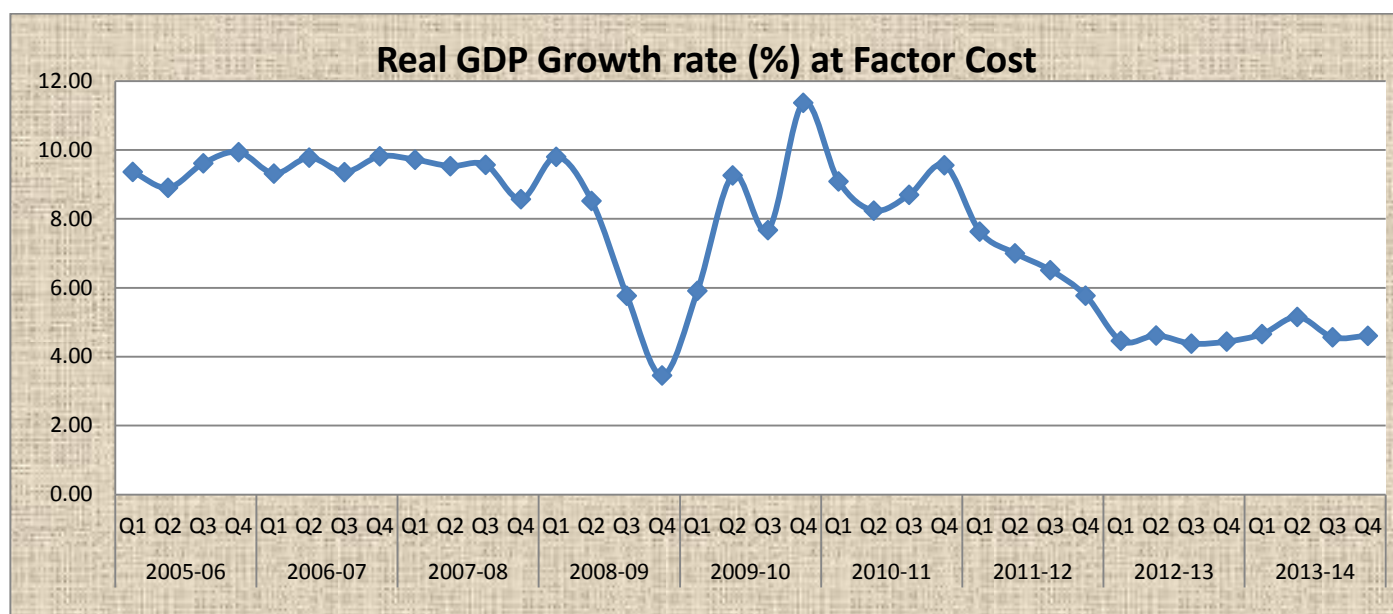
As per the Provisional Estimates of the Central Statistics Office (CSO), the growth in Gross Domestic Product (GDP) at factor cost at constant (2004-05 prices) is estimated at 4.7 per cent in 2013-14 with agriculture, industry and services registering growth rates of 4.7 per cent, 0.4 per cent and 6.8 per cent respectively. The GDP growth rate is placed at 4.7 per cent, 5.2 per cent in the first, second quarters respectively and 4.6 per cent each in the third and fourth quarters of 2013-14.

Sector		Growth			Percentage Share in GDP		
		2011-12	2012-13(1R)	2013-14 (PE)	2011-12	2012-13(1R)	2013-14 (PE)
1	Agriculture, forestry & fishing	5.0	1.4	4.7	14.4	13.9	13.9
2	Industry	7.8	1.0	0.4	28.2	27.3	26.1
a	Mining & quarrying	0.1	-2.2	-1.4	2.1	2.0	1.9
b	Manufacturing	7.4	1.1	-0.7	16.3	15.8	14.9
c	Electricity, gas & water supply	8.4	2.3	5.9	1.9	1.9	1.9
d	Construction	10.8	1.1	1.6	7.9	7.7	7.4
3	Services	6.6	7.0	6.8	57.4	58.8	59.9
a	Trade, hotels, transport & communication	4.3	5.1	3.0	26.7	26.9	26.4
b	Financing, insurance, real estate & business services	11.3	10.9	12.9	18.0	19.1	20.6
c	Community, social & personal services	4.9	5.3	5.6	12.7	12.8	12.9
4	GDP at factor cost	6.7	4.5	4.7	100	100	100

1R: 1st Revised Estimates; PE: Provisional Estimates. Source: CSO.

Sectors		2011-12				2012-13				2013-14			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
1	Agriculture, forestry & fishing	6.5	4.0	5.9	3.4	1.8	1.8	0.8	1.6	4.0	5.0	3.7	6.3
2	Industry	10.1	8.2	6.9	6.3	0.3	-0.4	1.7	2.1	-0.4	2.6	-0.4	-0.2
a	Mining & quarrying	0.3	-4.6	-1.9	5.8	-1.1	-0.1	-2.0	-4.8	-3.9	0.0	-1.2	-0.4
b	Manufacturing	12.4	7.8	5.3	4.7	-1.1	0.0	2.5	3.0	-1.2	1.3	-1.5	-1.4
c	Electricity, gas & water supply	8.5	10.3	9.6	5.4	4.2	1.3	2.6	0.9	3.8	7.8	5.0	7.2
d	Construction	8.9	11.9	12.2	10.2	2.8	-1.9	1.0	2.4	1.1	4.4	0.6	0.7
3	Services	6.7	7.0	6.5	6.1	7.2	7.6	6.9	6.3	7.2	6.3	7.2	6.4
a	Trade, hotels, transport & communication	5.5	4.7	4.0	3.3	4.0	5.6	5.9	4.8	1.6	3.6	2.9	3.9
b	Financing, insurance, real estate and business services	11.3	12.0	11.1	11.0	11.7	10.6	10.2	11.2	12.9	12.1	14.1	12.4
c	Community, social & personal services	2.4	5.4	5.7	5.7	7.6	7.4	4.0	2.8	10.6	3.6	5.7	3.3
4	GDP at factor cost	7.6	7.0	6.5	5.8	4.5	4.6	4.4	4.4	4.7	5.2	4.6	4.6

Source: CSO.



AGRICULTURE AND FOOD MANAGEMENT

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 period 01.06.2014 – 13.08.2014, has been 470.2 mm as against the normal at 571.1 mm.

Table 3A shows kharif area coverage as on August 14 of 2012-13, 2013-14 as well as the current year. Since kharif sowing goes on till September/October, the acreage under kharif area is expected to improve further in the coming weeks.

Table 3A: Kharif Area Coverage - as on 14 August						
S. No.	Crops	Area Sown (in lakh hectares)			% change in 2014-15 over	
		2014-15	2013-14	2012-13	2013-14	2012-13
1.	Rice	296.23	299.02	293.43	-0.93	0.95
2.	Total Pulses	87.41	95.47	86.18	-8.44	1.43
a.	Pigeon Pea (Tur/Arhar)	31.61	35.93	32.08	-12.02	-1.47
b.	Urdbean	21.64	21.79	18.98	-0.69	14.01
c.	Moongbean	18.68	21.88	20.21	-14.63	-7.57
3.	Total Coarse Cereals	157.77	181.67	177.78	-13.16	-11.26
a.	Jowar	16.58	20.34	25.83	-18.49	-35.81
b.	Bajra	59.55	68.81	69.12	-13.46	-13.85
c.	Maize	72.18	79.07	69.16	-8.71	4.37
4.	Total Oilseeds	163.09	182.32	158.26	-10.55	3.05
a.	Groundnut	33.99	40.47	40.72	-16.01	-16.53
b.	Soyabean	107.78	121.04	96.89	-10.96	11.24
5.	Sugarcane	47.17	50.32	46.50	-6.26	1.44
6.	Cotton	116.91	110.93	110.8	5.39	5.51
Total Kharif Area		876.70	928.03	881.16	-5.53	-0.51

Source: DAC.

All India production of food grains: As per the 4th advance estimates released by Ministry of Agriculture on 14.08.2014, production of total food grains during 2013-14 is estimated at 264.77 million tonnes compared to 257.13 million tonnes in 2012-13.

Crop	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14 (4th advance estimates)
Rice	99.18	89.09	95.98	105.30	105.24	106.54
Wheat	80.68	80.80	86.87	94.88	93.51	95.91
Total Pulses	14.57	14.66	18.24	17.09	18.34	19.27
Total Food grains	234.47	218.11	244.49	259.29	257.13	264.77
Total Oilseeds	27.72	24.88	32.48	29.79	30.94	32.88
Sugarcane	285.03	292.30	342.38	361.04	341.20	350.02

Procurement: During the Kharif Marketing Season 2013-14, (which spans from October 2013 to September 2014), the procurement of rice stood at 31.28 million tonnes as on 14.08.2014. During Rabi Marketing Season 2014-15 (which spans from April 2014 to March 2015), the procurement of wheat was 28.02 million tonnes as on 11.07.2014.

Crop	2010-11	2011-12	2012-13	2013-14	2014-15
Rice	34.20	35.04	34.04	31.28*	
Wheat	22.51	28.34	38.15	25.09	28.02**
Total	56.71	63.38	72.19	56.37	
* Position as on 14.08.2014 ** Position as on 11.07.2014					

Off-take: Off-take of rice during the month of May, 2014 was 23.22 lakh tonnes. This comprises 20.12 lakh tonnes under TPDS and 3.10 lakh tonnes under other schemes. In respect of wheat, the total off take was 20.17 lakh tonnes comprising of 18.32 lakh tonnes under TPDS and 1.85 lakh tonnes under other schemes.

Stocks: Stocks of food-grains (rice and wheat) held by FCI as on August 1, 2014 were 62.83 million tonnes, which is lower by 9.7 per cent compared to the level of 69.62 million tonnes as on August 1, 2013.

Crop	Off-take				Stocks	
	2011-12	2012-13	2013-14	2014-15 (Till June)	Aug 1, 2013	Aug 1, 2014#
Rice	32.12	32.64	29.20		40.38	19.27
Unmilled Paddy in terms of Rice						5.45
Wheat	24.26	33.21	30.62		29.24	38.11
Total (Rice & Wheat)	56.38	65.85	59.82	11.09	69.62	62.83
Note: Buffer Norms for Rice & Wheat are 11.80 Million Tonnes & 20.10 Million Tonnes as on 1.7.2014 respectively. # Since September, 2013, FCI gives separate figures for rice and unmilled paddy lying with FCI & state agencies in terms of rice.						

INDUSTRIAL PRODUCTION

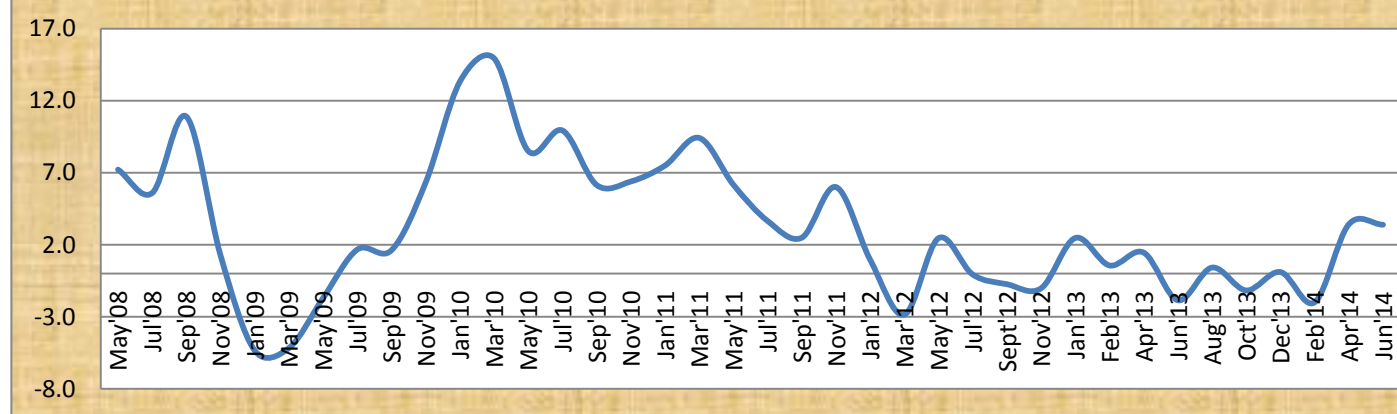
Table 5: Percentage Change in Index of Industrial Production

Industry Group	April-June, 2013-14	April-June, 2014-15	June 2013	June 2014
General index	-1.0	3.9	-1.8	3.4
Mining	-4.6	3.2	-4.6	4.3
Manufacturing	-1.1	3.1	-1.7	1.8
Electricity	3.5	11.3	0.0	15.7
Basic goods	-0.3	7.6	-1.9	9.0
Capital goods	-3.7	13.9	-6.6	23.0
Intermediate goods	1.6	3.1	1.3	2.7
Consumer goods	-2.1	-3.6	-1.5	-10.0
<i>Durables</i>	-12.7	-9.6	-10.1	-23.4
<i>Non-durables</i>	7.1	0.7	6.2	0.1

Table 6: Production growth (per cent) in core infrastructure-supportive industries

Industry	April-June, 2013-14	April-June, 2014-15	June 2013	June 2014
Coal	-1.7	5.6	-3.1	8.1
Crude oil	-1.4	-0.1	-0.6	0.1
Natural Gas	-17.6	-3.9	-16.7	-1.7
Refinery Products	4.3	-1.1	1.8	1.2
Fertilizers	2.5	8.6	11.3	-1.0
Steel	13.5	1.6	7.6	4.2
Cement	3.4	9.5	2.6	13.6
Electricity	3.3	10.9	0.0	15.7
Overall growth	3.7	4.6	1.2	7.3

Year-on-Year Growth (%) of IIP



MONEY AND BANKING

Broad money (M₃) for 2014-15 (up to July 25, 2014) increased by 3.6 per cent as compared to 4.1 per cent during the corresponding period of the last year. The year-on-year growth, as on July 25, 2014, was 12.7 per cent as compared to 12.4 per cent in the previous year.

Item	Outstanding as on 2014 (Rs. Billion)		Variation over (Per cent)			
			Financial Year so far		Year-on-Year	
	Mar. 31	July 25	2013-14	2014-15	2013	2014
M3	94,973.3	98,432.4	4.1	3.6	12.4	12.7
1 Components						
1.1 Currency with the Public	12,483.4	12,928.7	1.5	3.6	9.4	11.7
1.2 Demand Deposits with Banks	8,043.9	8,128.1	-0.8	1.0	10.1	8.7
1.3 Time Deposits with Banks	74,426.3	77,261.6	5.1	3.8	13.2	13.2
1.4 'Other' Deposits with Reserve Bank	19.7	114.0	-32.6	480.1	-15.2	422.0
2 Sources (2.1+2.2+2.3+2.4-2.5)						
2.1 Net Bank Credit to Government	30,386.0	29,847.9	9.6	-1.8	15.5	0.5
2.1.1 Reserve Bank	6,987.1	5,282.5				
2.1.2 Other Banks	23,398.9	24,565.4	8.5	5.0	13.6	6.9
2.2 Bank Credit to Commercial Sector	64,424.8	65,634.8	2.8	1.9	14.6	12.7
2.2.1 Reserve Bank	88.4	115.0				
2.2.2 Other Banks	64,336.4	65,519.8	2.8	1.8	14.6	12.6
2.3 Net Foreign Exchange Assets of Banking Sector	19,239.5	20,317.9	0.2	5.6	1.2	23.9
2.4 Government's Currency Liabilities to the Public	173.4	177.0	4.6	2.1	14.1	10.3
2.5 Banking Sector's Net Non-Monetary Liabilities	19,250.4	17,545.1	4.7	-8.9	12.7	2.2
2.5.1 Net Non-Monetary Liabilities of RBI	8,433.2	8,718.8	15.9	3.4	14.6	8.6

Source: RBI

Reserve money (M₀) declined by 0.6 per cent during the financial year 2014-15 (up to July 25, 2014) as compared to an increase of 1.7 per cent in the corresponding period of the previous year. The year-on-year variation revealed an increase of 11.7 per cent (on July 25, 2014) compared to 6.6 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 (up to July 25, 2014), showed an increase of 6.0 per cent compared to an increase of 4.0 per cent on the corresponding date of the last year.

Scheduled Commercial Banks (SCBs): business in India

During 2014-15 (up to July 25, 2014), bank credit registered an increase of 2.0 per cent, as compared to 2.6 per cent during the corresponding period of last year. The y-o-y variation showed an increase of 13.3 per cent in 2014 as compared to 14.7 per cent in 2013.

Non-Food credit during 2014-15 (up to July 25, 2014) increased by 1.4 per cent as compared to 2.7 per cent during the corresponding period of last year. The y-o-y variation revealed an increase of 13.1 per cent in 2014 compared to 15.2 per cent during the same period in the previous year.

The aggregate deposits with Scheduled Commercial Banks (SCBs) increased by 3.6 per cent in 2014-15 (up to July 25, 2014), as compared to 4.7 per cent during the corresponding period last year. The y-o-y variation revealed an increase of 13.0 per cent in 2014 as compared to 13.1 per cent in the previous year.

Table 8: Scheduled Commercial Banks - Business in India						
Items	2014-15		Variation over (%)			
	Outstanding as on (Rs. billion)		Financial year so far		Year-on-year	
	March 28, 2014	July 25, 2014	2013-14	2014-15	2013	2014
Bank Credit	60131	61125	2.6	2.0	14.7	13.3
Non-Food credit	59146	60000	2.7	1.4	15.2	13.1
Aggregate deposits	77394	79858	4.7	3.6	13.1	13.0
Investments in Government. And other approved securities	22217	23233	8.6	5.0	13.6	6.6
Source: RBI						

Table 9 : Policy Rates/Interest Rates (per cent per annum)		
Item / Week Ended	2013	2014
	July 26	July 25
Cash Reserve Ratio (per cent) ⁽¹⁾	4.00	4.00
Bank Rate	10.25	9.00
Repo Rate	7.25	8.00
Reverse Repo Rate	6.25	7.00
Prime Lending Rate ⁽²⁾	9.70 / 10.25	10.00 / 10.25
Deposit Rate ⁽³⁾	7.50 / 9.00	8.00 / 9.05
Call Money Rate (Weighted Average) ⁽⁴⁾	8.33	8.67
<p>(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. Source: RBI</p>		

As on July 25, 2014, the Bank Rate was 9.00 per cent as compared to 10.25 per cent on the corresponding date of last year. As on July 25, 2014 call money rate (weighted average) was 8.67 per cent as compared with 8.33 per cent on the corresponding date of last year.

EXTERNAL SECTOR

Foreign trade: Exports and Imports increased by 7.3 per cent and 4.3 per cent respectively, in US dollar terms, during July 2014 over July 2013. Oil imports and Non-Oil imports increased by 12.7 per cent and 0.03 per cent respectively, during July 2014 over July 2013.

Table 10: Exports and imports (in US\$ million)								
<i>Item</i>	2011-12	2012-13	2013-14	April-July (P)		July (P)		% Change in July 2014
				2013-14	2014-15	2013	2014	
Exports	305964	300401	314405	99281	107840	25835	27728	7.3
Imports	489320	490737	450200	159195	153152	38326	39956	4.3
<i>Oil</i>	154968	164041	164765	51700	55140	12732	14355	12.7
<i>Non-Oil</i>	334352	326696	285435	107495	98012	25595	25601	0.03
Trade balance	-183356	-190336	-135794	-59914	-45313	-12491	-12229	-2.1
<i>Source:</i> Ministry of Commerce and Industry, P: Provisional.								

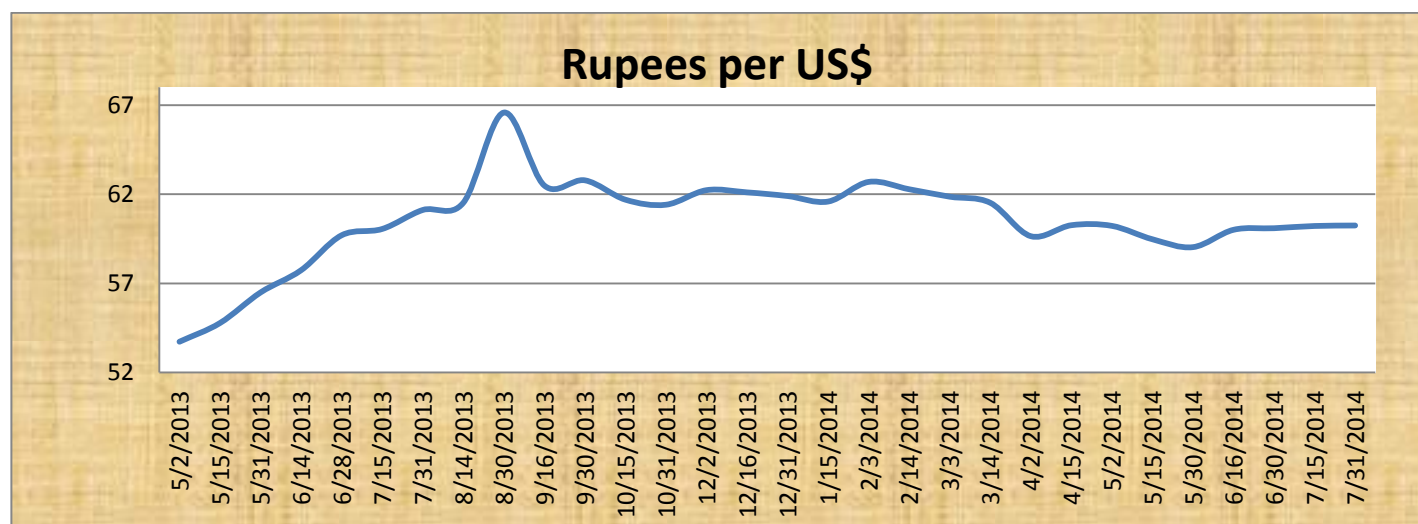
Table 11: Foreign Currency Assets				
	Amount		Variation	
	Rs. Crore	US\$ million	Rs. Crore	US\$ million
At the end of	(over last year)			
March, 2008	1196023	299230	359426	107306
March, 2009	1231340	241676	35317	-57554
March, 2010	1150778	254935	-80562	13259
March, 2011	1225999	274580	75221	19645
March, 2012	1333954	260742	107955	-13838
March, 2013	1418339	260775	84385	33
March, 2014	1672942	278361	254603	17586
2014-15	(over last month)			
April, 2014	1723905	285710	50963	7349
May, 2014	1695975	287290	-27930	1580
June, 2014	1750649	291322	54674	4032
July 2014	1781343	294504	30694	3182

Source: RBI.

Exchange rate: The rupee depreciated by 0.5 per cent against US dollar, 1.6 per cent against Pound sterling, 0.9 per cent against Japanese yen, and 0.2 per cent against Euro in the month of July 2014 over June 2014.

Table 12 : Rupee per unit of foreign currency*				
	US dollar	Pound sterling	Japanese yen	Euro
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
March 2013**	54.4046	82.0190	0.5744	70.5951
March 2014	61.0140	101.4083	0.5965	84.3621
2014-15				
April 2014	60.3566	101.0794	0.5886	83.3495
May 2014	59.3050	99.9398	0.5828	81.4886
June 2014	59.7307	100.9836	0.5853	81.2410
July 2014	60.0586	102.6220	0.5907	81.3943

* FEDAI Indicative Market Rates (on monthly average basis). ** Data from March, 2013 onwards are based on RBI's reference rate.



External assistance and debt service payments: Gross external assistance during April-July 2014 stands at Rs. 10,563.21 crore as compared to Rs. 9,132.43 crore during the corresponding period of the previous year. Net disbursement stood at Rs. 1816.67 crore during April- July 2014 as compared to Rs. 2011.00 crore during April-July 2013.

Table 13: External Assistance and Debt Service Payments (Rs. Crore)*				
	JULY 2014	During the Financial year 2014-2015 up to July, 2014	JULY 2013	During the Financial year 2013-2014 up to July, 2013
External Assistance (Government Account)				
1) Gross Disbursement	2,804.37	8,663.99	1,775.78	7,079.73
2) Repayments	1,751.69	6,688.37	2,248.65	5,992.97
3) Interest Payments	318.57	1,191.96	327.95	1,173.88
4) Net Disbursement (1-2)	1,052.68	1,975.62	-472.87	1,086.76
5) Net Transfers (4-3)	734.11	783.66	-800.82	-87.12
External Assistance (Non-Government Account)				
1) Gross Disbursement	99.99	1,513.45	313.97	1,579.64
2) Repayments	150.79	2,058.17	139.82	1,128.46
3) Interest Payments	43.19	194.65	31.04	188.01
4) Net Disbursement (1-2)	-50.80	-544.72	174.15	451.18
5) Net Transfers (4-3)	-93.99	-739.37	143.11	263.17
Government Grants				
1) Gross Disbursement	249.11	382.90	7.23	473.06
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)	249.11	382.90	7.23	473.06
5) Net Transfers (4-3)	249.11	382.90	7.23	473.06
Non-Government Grants				
1) Gross Disbursement	0.00	2.87	0.00	0.00
2) Repayments	0.00	0.00	0.00	0.00
3) Interest Payments	0.00	0.00	0.00	0.00
4) Net Disbursement (1-2)	0.00	2.87	0.00	0.00
5) Net Transfers (4-3)	0.00	2.87	0.00	0.00
Grand Total				
1) Gross Disbursements	3,153.47	10,563.21	2,096.98	9,132.43
2) Repayments	1,902.48	8,746.54	2,388.47	7,121.43
3) Interest Payments	361.76	1,386.61	358.99	1,361.89
4) Net Disbursement (1-2)	1,250.99	1,816.67	-291.49	2,011.00
5) Net Transfers (4-3)	889.23	430.06	-650.48	649.11

*: Data are provisional.

INFLATION

Wholesale Price Index (WPI 2004-05=100): The headline WPI inflation moderated to a five-month low of 5.19 per cent in July 2014 from 5.43 per cent in the previous month. Inflation for Primary food articles for the month of July 2014 has increased to 8.43 per cent from 8.14 per cent in the previous month mainly on account of rise in prices of pulses, potatoes, fruits, eggs, meat and condiments & spices. Accordingly food inflation (primary food + manufactured food) increased to 7.01 per cent from 6.19 per cent in the previous month. Inflation for Fuel & power has declined to 7.40 per cent in July 2014 from 9.04 per cent in the previous month. Inflation for manufactured products has increased marginally to 3.67 per cent in July 2014 from 3.61 per cent in the previous month. Non-food manufactured inflation (core as defined by RBI) has declined to 3.58 per cent in July 2014 on account of decline in inflation in textiles, wood, leather, rubber, chemicals and transport equipment. The average WPI inflation rate for the last 12 months (August 2013 to July 2014) was 6.13 per cent as compared to 6.52 per cent during the corresponding period in 2013-14. The build-up of inflation since March is 2.38 per cent as against 3.17 per cent in the corresponding period last year. WPI inflation rates for major groups are indicated in Table 14.

Major groups	Weight (%)	Cumulative change (%)		Inflation (%)		Inflation (%)	
		Since March				(Average of 12 months)	
		2014-15	2013-14	2014-15	2013-14	2014-15	2013-14
ALL COMMODITIES	100.00	2.38	3.17	5.19	5.85	6.13	6.52
PRIMARY ARTICLES	20.12	7.18	7.71	6.78	9.68	9.77	8.87
<i>Food articles</i>	<i>14.34</i>	<i>10.23</i>	<i>11.40</i>	<i>8.43</i>	<i>12.29</i>	<i>12.47</i>	<i>9.43</i>
FUEL AND POWER	14.91	0.23	4.33	7.40	11.36	10.27	9.54
MANUFACTURED PDT.	64.97	0.78	0.81	3.67	2.60	3.20	4.62

Inflation based on Consumer Price Indices (CPIs): The all India CPI inflation (combined) increased to 7.96 per cent in July 2014 from 7.46 per cent in June 2014 on account of high inflation in milk, vegetables and fruits. Inflation based on CPI-IW moderated to 6.49 per cent in June 2014 from 7.02 per cent in May 2014. Inflation based on other sector specific CPI's (CPI-AL & RL) was above 7 per cent in June 2014.

	WPI	CPI-IW	CPI-AL	CPI-RL	CPI(NS)
Base :	2004-05	2001	1986-87	1986-87	2010
July-13	5.85	10.85	12.80	12.61	9.64
Aug-13	6.99	10.75	13.21	12.89	9.52
Sep-13	7.05	10.70	12.78	12.44	9.84
Oct-13	7.24	11.06	12.65	12.48	10.17
Nov-13	7.52	11.47	13.43	13.27	11.16
Dec-13	6.40	9.13	11.19	11.18	9.87
Jan-14	5.11	7.24	9.08	9.21	8.79
Feb-14	5.03	6.73	8.14	8.27	8.03
Mar-14	6.00	6.70	8.38	8.51	8.31
Apr-14	5.55	7.08	8.44	8.72	8.59
May-14	6.18	7.02	8.07	8.33	8.28
Jun-14	5.43	6.49	7.68	7.81	7.46
Jul-14	5.19	-	-	-	7.96

Note: WPI inflation for Jun & Jul-14 and CPI (New Series) inflation for Jul-14 is provisional.

Table 16: World Commodity Price Data							
Commodity	Unit	Annual averages			Monthly averages		
		Jan- Dec	Jan- Dec	Jan- Jul	May	June	July
		2012	2013	2014	2014	2014	2014
Coal, Australia	\$/mt	96.4	84.6	74.0	73.7	71.5	68.8
Crude oil, average	\$/bbl	105.0	104.1	105.0	105.7	108.4	105.2
Natural gas, US	\$/mmbtu	2.8	3.7	4.8	4.6	4.6	4.0
Cocoa	\$/kg	2.4	2.4	3.0	3.0	3.2	3.2
Coffee, Robusta	\$/kg	2.3	2.1	2.2	2.3	2.2	2.2
Tea, average	\$/kg	2.9	2.9	2.8	2.9	2.8	3.0
Coconut oil	\$/mt	1111	941	1350	1404	1402	1260
Groundnut oil	\$/mt	2436	1773	1278	1200	1310	1325
Palm oil	\$/mt	999.3	856.9	890.9	893.3	857.0	841.0
Palm kernel oil	\$/mt	1110	897	1248	1254	1234	1116
Soybean meal	\$/mt	524.1	545.3	563.5	578.8	553.0	502.0
Soybean oil	\$/mt	1226	1057	960	965	936	888
Soybeans	\$/mt	591.4	538.4	527.2	521.3	516.0	480.0
Maize	\$/mt	298.4	259.4	207.8	217.3	202.4	182.7
Rice, Thailand, 5%	\$/mt	563.0	505.9	419.0	388.0	397.0	422.0
Wheat, US, HRW	\$/mt	313.2	312.2	305.4	334.7	306.5	280.4
Bananas, US	\$/mt	1.0	0.9	0.9	0.9	0.9	0.9
Oranges	\$/mt	0.9	1.0	0.8	0.9	0.8	0.8
Fishmeal	\$/mt	1558	1747	1663	1656	1765	1813
Meat, chicken	\$/kg	2.1	2.3	2.4	2.4	2.4	2.5
Meat, beef	\$/kg	4.1	4.1	4.4	4.3	4.4	5.0
Sugar, world	\$/kg	0.5	0.4	0.4	0.4	0.4	0.4
Plywood	\$/sheets	610.3	560.2	533.7	536.5	535.1	536.9
Cotton A Index	\$/kg	2.0	2.0	2.0	2.0	2.0	1.8
Rubber, TSR20	\$/kg	3.4	2.5	1.8	1.7	1.7	1.7
DAP	\$/mt	539.8	444.9	472.1	444.6	461.5	499.4
Urea	\$/mt	405.4	340.1	314.6	299.1	297.9	301.7
Copper	\$/mt	7962	7332	6941	6891	6821	7113
Lead	\$/mt	2064.6	2139.8	2112.7	2097	2107	2193
Tin	\$/mt	21126	22283	22824	23271	22762	22424
Nickel	\$/mt	17548	15032	16929	19401	18629	19118
Zinc	\$/mt	1950.4	1910.3	2086.3	2059.0	2128.1	2310.6
Gold	\$/toz	1670	1411	1294	1289	1279	1311
Silver	\$/toz	31	24	20	19	20	21
Iron ore	\$/dmt	128.5	135.4	109.3	100.6	92.7	96.1

Source: World Bank - The Pink Sheet

PUBLIC FINANCE

As a proportion of Budget estimate, fiscal deficit and revenue deficit during 2014-15(April-June) was 56.1 per cent and 65.9 per cent respectively.

Table 17: Trends in Central Government Finances : April-June 2014-15

	Budget Estimates (Rs. Crore)	April-June (Rs. Crore)		Col.3 as per cent of	Col.4 as per cent of	Per cent change over preceding year	
		2014-15	2013-14	2014-15	2013-14 BE	2014-15 BE	2013-14
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1.Revenue Receipts	1189763	117234	114427	11.1	9.6	-1.3	-2.4
Gross tax revenue*	1364524	177066	183028	14.3	13.4	4.2	3.4
Tax (net to Centre)	977258	101910	99087	11.5	10.1	-2.5	-2.8
Non Tax Revenue	212505	15324	15340	8.9	7.2	7.8	0.1
2.Capital Receipts of which	605129	264995	299176	43.5	49.4	37.4	12.9
Recovery of loans	10527	1566	1208	14.7	11.5	46.1	-22.9
Other Receipts	63425	606	109	1.1	0.2	-54.4	-82.0
Borrowings and other liabilities	531177	262823	297859	48.4	56.1	38.0	13.3
3.Total Receipts (1+2)	1794892	382229	413603	23.0	23.0	22.7	8.2
4.Non-Plan Expenditure (a)+(b)	1219892	267397	301797	24.1	24.7	18.7	12.9
(a) Revenue Account	1114609	233556	274529	23.5	24.6	16.9	17.5
of which:							
Interest payments	427011	61481	90694	16.6	21.2	1.4	47.5
Major Subsidies	251397	78850	81443	35.7	32.4	49.1	3.3
Pensions	81983	14894	22449	21.1	27.4	27.1	50.7
(b) Capital Account	105283	33841	27268	28.9	25.9	32.8	-19.4
5.Plan Expenditure (i)+(ii)	575000	114832	111806	20.7	19.4	33.2	-2.6
(i) Revenue Account	453503	94153	89256	21.2	19.7	31.6	-5.2
(ii) Capital Account	121497	20679	22550	18.5	18.6	41.0	9.0
6.Total Expenditure (4)+(5)	1794892	382229	413603	23.0	23.0	22.7	8.2
(a)Revenue Expenditure	1568112	327709	363785	22.8	23.2	20.7	11.0
(b)Of which Grants for creation of Capital Assets	168104	37182	32274	21.3	19.2	63.9	-13.2
(c)Capital Expenditure	226780	54520	49818	23.8	22.0	35.8	-8.6
7.Revenue Deficit	378349	210475	249358	55.4	65.9	37.8	18.5
8.Effective Revenue Deficit (7- 6(b))	210245	173293	217084	84.5	103.3	33.3	25.3
9.Fiscal Deficit	531177	262823	297859	48.4	56.1	38.0	13.3
10.Primary Deficit	104166	201342	207165	117.2	198.9	55.1	2.9

Source: Controller General of Accounts. * Gross Tax Revenue is prior to devolution to the States.