

Ministry of Finance
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MONTHLY ECONOMIC REPORT
JUNE 2010

HIGHLIGHTS

- The overall growth of GDP at factor cost at constant prices, as per Revised Estimates of the CSO, was 7.4 per cent in 2009-10 representing an increase from a level of growth of 6.7 per cent during 2008-09.
- The cumulative rainfall received for the country as a whole upto July 8, during the South West Monsoon (June 1-September 30), was 10 per cent less than the Long Period Average (LPA).
- Food grains (rice and wheat) stocks held by FCI and State agencies were 59.94 million tonnes as on May 1, 2010.
- Overall growth in the Index of Industrial Production was 11.5 per cent during May 2010 as compared to 2.1 per cent in May 2009. During April-May 2010-11, IIP growth was 14.0 per cent compared to 1.6 per cent during April-May 2009-10.
- Core infrastructure-supportive sectors grew by 5.0 per cent in May 2010 as compared to the growth of 3.2 per cent in May 2009. During April-May 2010-11, these sectors grew at 5.1 per cent as compared to 3.5 per cent during April-May 2009-10.
- During the financial year 2010-11 (up to June 18, 2010), broad money (M₃) increased by 1.4 per cent, compared to 3.4 per cent during the corresponding period of the last year.
- Exports, in US dollar terms year-on-year increased by 35.1 per cent and imports increased by 38.5 per cent, during May 2010.
- Foreign Currency Assets stood at US \$ 249.9 billion at end June 2010, compared to US \$ 254.3 billion at end June 2009.
- Rupee appreciated against Euro and depreciated against US dollar, Pound Sterling and Japanese Yen in the month of June 2010 over May 2010.
- Year-on-year inflation in terms of Wholesale Price Index was 10.55 per cent for the month of June 2010 as compared to (-) 1.01 per cent in June 2009.
- Tax revenue (net to Centre) during April-May, 2010 recorded a growth of 22 per cent compared to the corresponding period of 2009-10.
- As a proportion of budget estimate, fiscal deficit during April-May 2010 was 26.5 per cent and revenue deficit was 29.4 per cent.

(Antony Cyriac)
Addl. Economic Adviser

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 July 21, was 311.2 mm, which is 14 per cent less than the normal. During this period, out of 36 meteorological sub-divisions in the country, 26 received excess/normal rainfall (72.22 per cent) and 10 received scanty/deficient rainfall (27.78 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.

South West Monsoon covered the entire country on July 6, 2010 9 days ahead of the normal date.

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.

	Full Marketing Year		As on 3 rd May	
	2007-08	2008-09	2009	2010
	Rice(Oct-Sept.)	28.74	33.68	27.82
Wheat(Apr-Mar)	11.13	22.69	20.06	19.94
Total	39.87	56.37	47.88	46.85

Procurement: Procurement of rice as on May 3, 2010 (Kharif Marketing Season 2009-10) at 26.91 million tonnes represents a decline of 3.27 per cent compared to the corresponding date last

year. Wheat procurement as on May 3, 2010 (Rabi Marketing Season 2009-10) was 19.94 million tonnes compared to 20.06 million tonnes during the corresponding date last year.

Off-take: Off-take of rice during the month of April, 2010 was 19.16 lakh tonnes. This comprises 18.66 lakh tonnes under TPDS and 0.50 lakh tonnes under other schemes. In respect of wheat, the total off take was 15.73 lakh tonnes comprising 15.52 lakh tonnes under TPDS and 0.21 lakh tonnes under other schemes.

Stocks of food-grains (rice and wheat) held by FCI as on May 1, 2010 were 59.94 million tonnes, which was higher by 17.00 per cent over the level of 51.23 million tonnes as on May 1, 2009.

	Off-take			Stocks	
	2007-08	2008-09	2009-10	May 1, 2009	May 1, 2010
Rice	25.23	24.62	27.38	21.40	26.23
Wheat	12.20	14.88	22.35	29.83	33.71
Total	37.43	39.50	49.73	51.23	59.94

INDUSTRIAL PRODUCTION

Industry Group	2009-10	2009-10(April-May)	2010-11(April-May)	May 2009	May 2010
General index	10.4	1.6	14.0	2.1	11.5
Mining	9.8	3.4	10.2	3.4	8.7
Manufacturing	10.8	1.1	15.1	1.8	12.3
Electricity	6.0	4.8	6.6	3.0	6.4
Use-based industrial groups					
Basic goods	7.1	4.1	8.5	3.8	7.9
Capital goods	19.1	-4.7	50.9	-3.6	34.3
Intermediate goods	13.6	7.3	10.4	6.6	10.2
Consumer goods	7.3	-2.9	10.0	-1.1	8.2
Durables	26.2	15.3	28.1	13.2	23.7
Non-durables	1.3	-8.0	3.5	-5.5	2.4

Indian industry achieved an impressive recovery in the recent months. During May 2010, the IIP growth was 11.5 per cent compared to 2.1 per cent growth during the corresponding period of previous year. In mining, manufacturing and electricity sectors, the growth rates in May 2010 were 8.7, 12.3 and 6.4 per cent respectively. In the use-based industrial groups, the growth rate has increased in all the sectors during May 2010 compared to May 2009. The growth in capital goods sector in May 2010 has increased to 34.3 per cent as compared to the growth of (-3.6) per cent in May 2009; there is a deceleration in May 2010 as compared to the level of growth in April 2010 (72.8 per cent).

Industry	May 2009	May 2010	2009-10(April-May)	2010-11(April-May)
Coal	10.4	0.1	12.3	-1.4
Electricity generation ¹	3.0	6.4	4.8	6.6
Crude petroleum	-4.3	5.8	-3.7	5.5
Petroleum products	-4.3	7.7	-4.4	6.5
Finished steel	2.8	2.5	0.8	3.6
Cement	11.8	8.6	11.8	8.7
Overall growth	3.2	5.0	3.5	5.1
(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 5.1 per cent during April-May 2010-11 as compared to the 3.5 per cent during the corresponding months in 2009-10. During the month of May 2010, the overall growth of the core sector industries was 5.0 per cent compared to the growth of 3.2 per cent during May 2009. During May 2010, the growth rate was higher in crude oil, petroleum refinery products and electricity sectors compared to May 2009, whereas in cement and finished steel sectors the growth

rates have comparatively been lower. In coal sector, the growth rate in May 2010 declined drastically to 0.1 per cent from a level of 10.4 per cent in May 2009.

MONEY AND BANKING

During 2010-11, broad money (M₃) (up to June 18, 2010) increased by 1.4 per cent as compared to 3.4 per cent during the corresponding period of the last year. The year-on-year growth, as on June 18, 2010 was 14.5 per cent as compared to 20.7 per cent last year.

Table 8 : Money Stock - Components and Sources (Rs. crore)						
Item	Outstanding as on		Growth rates (in per cent)			
	2010		Financial year so far		Year on Year	
	Mar. 31	June 18	2009-10	2010-11	2009	2010
M3	55,99,762	56,77,076	3.4	1.4	20.7	14.5
Components (i+ii+iii+iv)						
(i) Currency with the Public	7,68,033	8,32,414	3.7	8.4	14.3	20.6
(ii) Demand Deposits with Banks	7,22,739	6,34,593	-6.9	-12.2	9.8	15.8
(iii) Time Deposits with Banks	41,05,151	42,06,289	5.0	2.5	23.7	13.4
(iv) "Other" Deposits with Reserve Bank	3,839	3,780	72.6	-1.5	94.5	-60.7
Sources (i+ii+iii+iv-v)						
(i) Net Bank Credit to Government (a+b)	16,67,096	17,08,148	9.5	2.5	49.4	22.2
(a) Reserve Bank	2,11,586	2,27,382				
(b) Other Banks	14,55,511	14,80,766	10.9	1.7	28.5	9.9
(ii) Bank Credit to Commercial Sector (a+b)	34,92,781	35,58,423	-0.2	1.9	15.2	18.3
(a) Reserve Bank	1,328	1,478	-	-	-	-
(b) Other Banks	34,91,453	35,56,945	-0.2	1.9	14.8	18.8
(iii) Net Foreign Exchange Assets of Banking Sector*	12,81,469	12,96,082	-2.8	1.1	-3.5	-1.4
(iv) Government's Currency Liabilities to the Public	11,270	11,508	2.5	2.1	9.1	11.6
(v) Banking Sector's Net Non-Monetary Liabilities	8,52,854	8,97,085	-10.2	5.2	-4.7	16.2
of which :						
Net Non-Monetary Liabilities of RBI	3,01,615	3,17,429	0.4	5.2	26.7	-18.5
* : 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 (M₀) during the financial year 2010-2011 (up to June 25, 2010) showed an increase of 2.8 per cent as compared to decrease of 4.9 per cent in the corresponding period of the previous year. The year-on-year variation revealed an increase of 26.5 per cent as on June 25, 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 2.4 per cent (during the financial year) as on June 25, 2010 as compared to a decline of 0.2 per cent in the same period last year. The Year-on-year growth rate of NFA, as on June 25, 2010 was (-) 1.3 per cent as compared to a level of (-) 4.1 per cent on the corresponding date of the last year.

Scheduled Commercial Banks (SCBs): business in India

During the current financial year (up to June 18, 2010), bank credit increased by 2.0 per cent compared to a decline of 0.3 per cent during the corresponding period of last year. The Non-Food credit during the financial year (up to June 18, 2010) recorded increase of 2.05 per cent as compared to a decline of 0.52 per cent during the corresponding period of last year. The financial year growth in aggregate deposits with SCBs as on June 18, 2010 was 0.7 per cent as against an increase of 3.4 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	18-Jun- 10	2010- 11	2009- 10	2009	2010
1. Bank credit	3240399	3310417	2.16	-0.30	15.7	19.5
Non-Food credit	3191909	3257447	2.05	-0.52	15.7	20.2
2. Aggregate deposits	4486574	4517541	0.69	3.4	21.9	13.9
3. Investments in Govt. and other approved securities	1382684	1413254	2.2	10.7	28.5	9.4

Item / Week Ended	2009	2010
	Jun. 26	Jun. 25
Cash Reserve Ratio (per cent) ⁽¹⁾	5.00	6.00
Bank Rate	6.00	6.00
Repo Rate	4.75	5.50 (as on July 14, 2010)
Reverse Repo Rate	3.25	4.00 (as on July 14, 2010)
Prime Lending Rate ⁽²⁾	11.00-12.25	11.00-12.00
Deposit Rate ⁽³⁾	6.50-8.00	6.00-7.50
Call Money Rate (Low / High) ⁽⁴⁾		
- Borrowings	1.00/3.40	2.85/5.50
- Lendings	1.00/3.40	2.85/5.50

(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 June 25, 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 2.85 /5.50 per cent as compared with 1.00/3.40 per cent on the corresponding date of last year.

EXTERNAL SECTOR

Foreign trade: Exports, in US dollar terms and customs basis, during May 2010 increased by 35.1 per cent and imports increased by 38.5 per cent over May 2009. Oil imports increased by 66.7 per cent and non-oil imports increased by 28.2 per cent during May 2010 over May 2009.

Item	2008-09	2009-10(P)	May 09	May 10(P)	% Change in May 2010
Exports	185295	176574	11952	16145	35.1
Imports	303696	278681	19806	27437	38.5
Oil imports	93667	85473	5306	8844	66.7
Non-Oil imports	210029	193208	14500	18593	28.2
Trade balance	-118401	-102106	-7854	-11292	-

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

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

Source: RBI.

Exchange rate: The monthly average exchange rate of rupee appreciated by 1.3 per cent against Euro and depreciated by 1.6 per cent against US dollar, 2.2 per cent against Pound Sterling and 3.0 per cent against Japanese Yen in the month of June 2010 over May 2010.

	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

* FEDAI Rates

External assistance and debt service payments: Gross external aid in April-June 2010 at Rs. 14503.77 crore shows an increase of 188.5 per cent, compared to Rs. 5026.87 crore in April-June 2009. Net disbursement was Rs. 11510.06 crore in April-June 2010 compared to Rs. 1,951.52 crore in April-June 2009. Net transfers were Rs. 10756.16 crore in April-June 2010 compared to Rs. 801.38 crore in April-June 2009.

Table 14: External Assistance and Debt Services Payments				
				(Rs. in crore)
	June 2010	During the Financial year 2010-11	June 2009	During the Financial year 2009-10
External Assistance (Government Account)				
1) Gross Disbursement	1,694.44	13,258.85	1,207.91	3,056.20
2) Repayments	1,919.40	2,926.06	1,627.29	2,631.75
3) Interest Payments	372.22	709.61	496.98	921.23
4) Net Disbursement (1-2)	-224.96	10,332.79	-419.38	424.45
5) Net Transfers (4-3)	-597.18	9,623.18	-916.36	-496.78
External Assistance (Non-Government Account)				
1) Gross Disbursement	0.00	240.59	828.56	1,827.90
2) Repayments	0.00	67.65	402.37	443.60
3) Interest Payments	0.00	44.29	195.04	228.91
4) Net Disbursement (1-2)	0.00	172.94	426.19	1,384.30
5) Net Transfers (4-3)	0.00	128.65	231.15	1,155.39
Government Grants				
1) Gross Disbursement	53.78	149.58	29.03	135.29
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)	53.78	149.58	29.03	135.29
5) Net Transfers (4-3)	53.78	149.58	29.03	135.29
Non-Government Grants				
1) Gross Disbursement	0.00	854.75	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)	0.00	854.75	0.00	7.48
5) Net Transfers (4-3)	0.00	854.75	0.00	7.48
Grand Total				
1) Gross Disbursements	1,748.22	14,503.77	2,065.50	5,026.87
2) Repayments	1,919.40	2,993.71	2,029.66	3,075.35
3) Interest Payments	372.22	753.90	692.02	1,150.14
4) Net Disbursement (1-2)	-171.18	11,510.06	35.84	1,951.52
5) Net Transfers (4-3)	-543.40	10,756.16	-656.18	801.38

INFLATION

Wholesale Price Index (WPI): Year-on-year inflation measured in terms of WPI for June 2010 was at 10.55 per cent. This reflects an increase of 39 basis points compared to WPI inflation in May, 2010. (Inflation was (-) 1.01 per cent in June 2009 and 11.82 per cent in June 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 April 2010 has been revised to 11.23 per cent from the provisional figure of 9.59 per cent. The average inflation rate for last 12 months (July 2009 to June 2010) was 6.36 per cent as compared to 6.06 per cent last year during July 2008 to June 2009 (Table 15).

Items/Groups	Weight (%)	Percent variation during					
		Cumulative change from March		Inflation (Year-on-Year)		Inflation (Average of last 12 months)	
		In June		In June		In June	
		2009-10	2010-11	2009-10	2010-11	2009-10	2010-11
All Commodities	100.0	2.98	2.53	-1.01	10.55	6.06	6.36
1. Primary articles	22.02	4.67	2.93	6.52	16.28	9.21	13.54
2. Fuel and Power group	14.23	2.02	3.48	-12.53	14.32	2.60	2.89
3. Manufactured Products	63.75	2.59	1.90	0.64	6.66	6.10	4.59

Consumer price index: Year-on-year inflation in Consumer Price Index for Industrial Workers (CPI-IW) was 13.91 per cent in May 2010 as compared to 8.63 per cent in May 2009. Overall consumer price inflation has declined from its peak of 16.22 per cent in January, 2010 due to decline in food inflation (Table 16).

	2009-10	2010-11
	May-09	May-10
Annual Inflation (Per cent)	8.63	13.91
Financial Year Inflation (Per cent)	2.03	1.18
Change over last month (Per cent)	0.67	1.18
Level of Index	150	170
Average level of Index 12 months, CPI in May	146.83	166.17

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

Commodity	Unit	Annual Averages		Monthly Averages				Y-o-Y variation in prices (%)	
		Jan-Dec	Jan-Dec	Mar-10	Apr-10	May-10	Jun-10	Mar-10	Jun-10
Energy		2008	2009	2010	2010	2010	2010		
Coal, Australia	\$/mt	65.7	127.5	94.4	100.15	100.13	98.19	54.71	37.56
Crude oil, avg, spot	\$/bbl	71.1	97.0	79.3	84.2	75.6	74.7	70.00	8.06
Crude oil, Brent	\$/bbl	72.7	97.6	79.3	85.0	76.3	74.8	69.25	9.07
Crude oil, Dubai	\$/bbl	68.4	93.8	77.4	83.1	76.9	74.0	69.76	6.90
Natural gas, US	\$/mmbtu	7.0	8.9	4.3	4.0	4.2	4.8	8.66	26.04
Agriculture									
Coffee, Robusta	c/kg	190.9	232.1	148.3	157.7	155.7	169.6	-11.87	4.24
Tea, auctions (3), average	c/kg	203.6	242.4	262.1	277.4	279.9	266.3	19.71	-4.28
Coconut oil	\$/mt	918.9	1223.7	921.0	939.0	932.0	993.0	47.36	32.93
Groundnut oil	\$/mt	1352.1	2130.9	1380.0	1361.0	1353.0	1342.0	13.67	16.29
Palm oil	\$/mt	780.3	948.4	832.0	830.0	811.0	798.0	39.13	9.92
Palm kernel oil	\$/mt	888.5	1128.6	995.0	1020.0	1030.0	1051.0	69.51	41.84
Soybean meal	\$/mt	306.9	427.5	329.0	340.0	348.0	338.0	-4.36	-24.26
Soybean oil	\$/mt	881.4	1257.5	915.0	903.0	865.0	859.0	25.86	-4.13
Maize	\$/mt	163.7	223.0	159.0	157.1	163.4	152.7	-3.35	-14.91
Rice, Thailand, 5%	\$/mt	306.5	646.6	502.2	466.0	451.3	440.0	-14.63	-23.41
Wheat, US, HRW	\$/mt	255.2	326.0	191.1	192.9	181.6	157.7	-17.26	-38.56
Wheat US SRW	\$/mt	238.6	275.1	190.0	187.8	190.3	182.6	3.40	-9.47
Oranges	\$/mt	957.8	1108.0	954.7	994.7	1054.7	1196.9	12.78	46.63
Sugar, world	c/kg	22.2	28.2	41.1	36.3	33.5	35.0	39.25	-3.35
Raw Materials									
Logs, Malaysia	\$/cum	268.0	292.3	249.8	246.0	253.7	260.8	-13.42	-6.59
Plywood	c/sheets	647.3	647.8	557.2	564.7	566.8	567.5	-2.38	0.69
Wood pulp	\$/mt	767.0	821.1	813.7	850.5	879.1	915.0	51.34	61.76
Cotton A Index	c/kg	139.5	157.8	189.2	194.2	198.6	199.9	66.60	47.67
Rubber, US	c/kg	248.0	284.1	357.1	398.8	374.6	371.0	120.71	97.77
Rubber, Singapore	c/kg	229.0	261.0	333.9	394.8	366.8	356.6	133.34	112.93
Fertilizers									
DAP	\$/mt	432.5	967.2	476.3	466.0	460.6	448.0	29.55	61.30
Phosphate rock	\$/mt	70.9	345.6	105.0	125.0	125.0	125.0	-33.33	29.03
Potassium chloride	\$/mt	200.2	570.1	312.5	314.4	315.0	319.0	-64.08	-55.54
Urea, E. Europe, bulk	\$/mt	309.4	492.7	278.8	252.7	229.6	229.3	5.04	-3.40
Metals and Minerals									
Aluminium	\$/mt	2638.2	2572.8	2205.6	2316.7	2040.5	1931.4	65.11	22.73
Copper	\$/mt	7118.2	6955.9	7462.8	7745.1	6837.7	6499.3	99.02	29.62
Gold	\$/toz	696.7	871.7	1113.3	1148.7	1205.4	1232.9	20.46	30.38
Iron ore	c/dmtu	82.9	135.9	101.0	167.0	167.0	167.0	-28.20	65.43
Lead	c/kg	258.0	209.1	217.2	226.5	188.3	170.4	75.32	1.76
Nickel	\$/mt	37230	21111	22461	26031	22008	19389	131.65	29.60
Silver	c/toz	1341.3	1499.9	1715.5	1816.8	1842.2	1853.4	30.80	26.43
Steel cr coilsheet	\$/mt	650.0	965.6	775.0	812.5	850.0	850.0	-13.89	21.43
Steel hr coilsheet	\$/mt	550.0	883.3	675.0	712.5	750.0	750.0	-15.63	25.00
Tin	c/kg	1453.7	1851.0	1754.9	1868.4	1756.6	1732.0	64.38	15.58
Zinc	c/kg	324.2	187.5	227.5	236.7	196.8	174.3	86.98	11.92

Source: World Bank - The Pink Sheet

FISCAL SITUATION

As a proportion of budget estimate, fiscal deficit during April-May 2010 was 26.5 per cent and revenue deficit was 29.4 per cent.

Trends in Central Government Finances: April–May 2010

	Budget	April-May		Col.3 as	Col. 4 as	% Change over	
	Estimates			% of	% of	proceeding year	
	2010-11	2009-10	2010-11	2009-10	2010-11	2008-09	2009-10
				BE	BE	(4/3)	
(Rs. Crore)							
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1. Revenue Receipts	682,212	32,178	44,657	5.2	6.5	-10.7	38.8
Gross tax revenue	746,651	50,990	62,222	8.0	8.3	-11.9	22.0
Tax (net to Centre)	534,094	26,152	31,896	5.5	6.0	-18.2	22.0
Non Tax	148,118	6,026	12,761	4.3	8.6	48.0	111.8
2. Capital Receipts	426,537	90,989	102,252	22.4	24.0	23.9	12.4
of which:							
Recovery of loans	5,129	231	267	5.5	5.2	-9.1	15.6
Other Receipts	40,000	0	1,078	0.0	2.7		
Borrowings and other liabilities	381,408	90,758	100,907	22.6	26.5	24.0	11.2
3. Total Receipts (1+2)	1,108,749	1,23,167	146,909	12.1	13.2	12.5	19.3
4. Non-Plan Expenditure (a)+(b)	735,657	86,242	100,101	12.4	13.6	20.6	16.1
(a) Revenue Account	643,599	80,025	86,813	12.9	13.5	14.4	8.5
<i>of which:</i>							
Interest payments	248,664	25,938	30,722	11.5	12.4	-4.7	18.4
Major Subsidies	108,667	25,131	20,240	23.8	18.6	39.6	-19.5
Pensions	42,840	5,416	6,860	15.5	16.0	77.5	26.7
(b) Capital Account	92,058	6,217	13,288	8.1	14.4	297.3	113.7
5. Plan Expenditure (i)+(ii)	373,092	36,925	46,808	11.4	12.5	-2.8	26.8
(i) Revenue Account	315,125	33,116	39,064	11.9	12.4	-2.1	18.0
(ii) Capital Account	57,967	3,809	7,744	8.1	13.4	-8.4	103.3
6. Total Expenditure (4)+(5)=(a)+(b)	1,108,749	1,23,167	146,909	12.1	13.2	12.5	19.3
(a) Revenue Expenditure	958,724	1,13,141	125,877	12.6	13.1	9.0	11.3
(b) Capital Expenditure	150,025	10,026	21,032	8.1	14.0	75.2	109.8
7. Revenue Deficit	276,512	80,963	81,220	28.6	29.4	19.5	0.3
8. Fiscal Deficit	381,408	90,758	100,907	22.6	26.5	24.0	11.2
9. Primary Deficit	132,744	64,820	70,185	36.9	52.9	41.0	8.3

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