

Ministry of Finance
Department of Economic Affairs
Economic Division
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MONTHLY ECONOMIC REPORT
JUNE 2011

HIGHLIGHTS

- The overall growth of GDP at factor cost at constant prices, as per Revised Estimates, was 8.5 per cent in 2010-11 representing an increase from the revised growth of 8.0 per cent during 2009-10.
- The cumulative rainfall received for the country as a whole, during the southwest monsoon season, 2011 (June 1 – September 30), has been one per cent above the normal as on 07.07.2011.
- Food grains (rice and wheat) stocks held by FCI and State agencies were 44.18 million tonnes as on April 1, 2011.
- Overall growth in the Index of Industrial Production (IIP) was 5.6 per cent during May 2011 as compared to 8.5 per cent in May 2010. During April-May 2011-12, IIP growth was 5.7 per cent as compared to 10.8 per cent during 2010-11.
- Eight core Infrastructure industries grew by 5.3 per cent in May 2011 as compared to the growth of 7.4 per cent in May 2010. During April-May 2011-12, these sectors grew by 4.9 per cent as compared to 7.9 per cent during April-May 2010-11.
- Broad money (M₃) (up to July 1, 2011) increased by 4.8 per cent as compared to 3.8 per cent during the corresponding period of the last year. The year-on-year growth, as on July 1, 2011 was 17.1 per cent as compared to 16.0 per cent last year.
- Exports, in US dollar terms increased by 56.9 per cent and imports increased by 54.1 per cent, during May 2011.
- Foreign Currency Assets stood at US\$ 283.7 billion at end June 2011 compared to US\$ 249.9 billion at end June 2010.
- Rupee appreciated against US dollar and Pound Sterling and depreciated against Japanese Yen and Euro in the month of June 2011 over May 2011.
- Year-on-year inflation in terms of Wholesale Price Index was 9.44 per cent for the month of June 2011 as compared to 10.25 per cent in the corresponding month last year.
- Tax revenue (net to Centre) during April-May, 2011 recorded a decline of 27.6 per cent compared with corresponding period of 2010-11. This is mainly due to refunds in corporation tax which indicates a decline of 130 per cent over corresponding period last year.
- As a proportion of budget estimate, fiscal deficit during April- May, 2011 was 31.7 per cent and revenue deficit was 35.8 per cent. Revenue deficit and Fiscal deficit in April-May 2011-12 increased by 35.5 per cent and 29.6 per cent respectively over the same period last year. This increase is mainly on account of lower GTR and higher Non Plan expenditure. Increase in Non-Plan expenditure is due to higher interest payment and increase in defence expenditure and pension outgo.

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ECONOMIC GROWTH

As per the Revised Estimates (RE) of Central Statistics Office (CSO), the growth in Gross Domestic Product (GDP) at factor cost at constant (2004-05) prices was estimated at 8.5 per cent in 2010-11 as compared to 8.0 per cent in 2009-10 (Quick Estimate). At disaggregated level, this (RE 2010-11) comprises growth of 6.6 per cent in agriculture and allied activities, 7.9 per cent in industry and 9.4 per cent in services as compared to a growth of 0.4 per cent, 8.0 per cent and 10.1 per cent respectively during 2009-10. Real GDP grew by 7.8 per cent in the 4th quarter of 2010-11 following a growth of 9.3, 8.9 and 8.3 per cent in the first three quarters of 2010-11.

Industry		Growth			Percentage share in GDP		
		2008-09	2009-10 (QE)	2010-11 (RE)	2008-09	2009-10 (QE)	2010-11 (RE)
1	Agriculture, forestry & fishing	-0.1	0.4	6.6	15.7	14.6	14.4
2	Industry	4.4	8.0	7.9	28.1	28.1	27.9
a	Mining & quarrying	1.3	6.9	5.8	2.3	2.3	2.3
b	Manufacturing	4.2	8.8	8.3	15.8	15.9	15.8
c	Electricity, gas & water supply	4.9	6.4	5.7	2.0	2.0	1.9
d	Construction	5.4	7.0	8.1	8.0	7.9	7.9
3	Services	10.1	10.1	9.4	56.2	57.3	57.7
a	Trade, hotels, transport & communication	7.6	9.7	10.3	26.1	26.6	27.0
b	Financing, insurance, real estate & business services	12.5	9.2	9.9	17.0	17.2	17.4
c	Community, social & personal services	12.7	11.8	7.0	13.1	13.6	13.4
4	GDP at factor cost	6.8	8.0	8.5	100.0	100.0	100.0

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

Items	2009-10				2010-11			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
1. Agriculture, forestry & fishing	1.8	1.2	-1.6	1.1	2.4	5.4	9.9	7.5
Industry	3.7	5.9	9.5	12.4	10.2	8.4	7.1	6.1
2. Mining & quarrying	6.9	6.6	5.2	8.9	7.1	8.2	6.9	1.7
3. Manufacturing	2.0	6.1	11.4	15.2	12.7	10.0	6.0	5.5
4. Electricity, gas & water supply	6.2	7.5	4.5	7.3	5.6	2.8	6.4	7.8
5. Construction	5.4	5.1	8.3	9.2	7.7	6.7	9.7	8.2
Services	9.0	11.7	9.4	10.2	10.7	9.9	8.4	8.7
6. Trade, hotels, transport & communication	5.4	8.2	10.8	13.7	12.6	10.9	8.6	9.3
7. Financing, insurance, real estate & bus.	11.5	10.9	8.5	6.3	9.8	10.0	10.8	9.0
8. Community, social & personal services	13.0	19.4	7.6	8.3	8.2	7.9	5.1	7.0
9. GDP at factor cost (total 1 to 8)	6.3	8.6	7.3	9.4	9.3	8.9	8.3	7.8

AGRICULTURE

Rainfall: With respect to rainfall situation in India, the year is categorized into four seasons: winter season (January-February); pre monsoon (March-May); south west monsoon (June-September) and post monsoon (October-December). South west monsoon accounts for more than 75 per cent of annual rainfall.

The Indian metrological Department (IMD) has issued its first stage long-range forecast for the 2011 south west monsoon rainfall (June-September) on 19.04.2011. IMD forecast is that the rainfall for the country as a whole is most likely to be NORMAL. Quantitatively, monsoon season rainfall is likely to be 98 per cent of the long period average (LPA) with model errors of plus or minus 5 per cent. The long period average rainfall for the country as a whole for the period 1951-2000 is 89 cm.

The cumulative rainfall received for the country as a whole, during the southwest monsoon season (June 1 – September 30), has been 1 per cent above the normal as on 07.07.2011.

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

Procurement: Procurement of rice as on April 1, 2011 (Kharif Marketing Season 2010-

	Table 3: Procurement in Million Tonnes			
	2007-08	2008-09	2009-10	2010-11
Rice(Oct-Sept)	28.74	34.10	32.03	27.18*
Wheat(Apr-Mar)	11.13	22.69	25.38	22.51
Total	39.87	56.79	57.41	49.69
* Position as on 12.05.2011				

11) at 25.18 million tonnes represents a decline of (-) 0.7 per cent compared to the corresponding date last year. Wheat procurement during Rabi Marketing Season 2011-12 was 3.67 lakh tonnes as compared to 5.29 lakh tonnes during the corresponding period last year.

Off-take: Off-take of rice during the month of March, 2011 was 28.16 lakh tonnes. This comprises 21.57 lakh tonnes under TPDS and 6.59 lakh tonnes under other schemes. In respect of wheat, the total offtake was 21.37 lakh tonnes comprising 15.18 lakh tonnes under TPDS and 6.19 lakh tonnes under other schemes.

Stocks of food-grains (rice and wheat) held by FCI as on April 1, 2011 were 44.18 million tonnes, which is higher by 3.1 per cent over the level of 42.84 million tonnes as on April 1, 2010.

Table 4: Off-take and stocks of food-grains (Million Tonnes)					
	Off-take			Stocks	
	2008-09	2009-10	2010-11	April 1, 2010	April 1, 2011
Rice	24.62	27.37	29.79	26.71	28.82
Wheat	14.88	22.35	23.07	16.13	15.36
Total	39.50	49.72	52.86	42.84	44.18

INDUSTRIAL PRODUCTION

Industry Group	2009-10	2010-11(Apr.-May)	2011-12(Apr.-May)	May 2010	May 2011
General index	5.3	10.8	5.7	8.5	5.6
Mining	7.9	8.5	1.3	7.9	1.4
Manufacturing	4.9	11.6	6.0	8.9	5.6
Electricity	6.1	6.3	8.4	6.1	10.3
Use-based industrial groups					
Basic goods	4.7	6.4	7.0	6.1	7.2
Capital goods	1.0	25.2	6.6	15.8	5.9
Intermediate goods	6.0	11.8	2.6	11.7	0.9
Consumer goods	7.7	10.5	4.9	7.4	5.4
Durables	17.0	19.0	4.5	14.7	5.2
Non-durables	1.4	4.3	5.3	1.9	5.6

The growth rates have decreased substantially in mining sector. In electricity sector, the growth rate has increased during May 2011 as compared to May 2010. In the use-based industrial groups, the growth rates have decreased in capital goods, intermediate goods and consumer goods in general including consumer durables in May 2011 as compared to May 2010. In basic goods sector, growth rate has increased marginally and in consumer non-durable segment, growth has been comparatively better during May 2011.

Industry	May 2010	May 2011	2010-11 (April-May)	2011-12 (April-May)
Coal	0.3	1.1	-1.3	1.9
Crude oil	5.8	9.7	5.5	10.3
Natural Gas	34.4	-9.6	43.5	-9.5
Refinery Products	7.7	4.5	6.5	5.6
Fertilizers	-6.7	7.3	1.9	4.6
Steel	9.0	6.1	10.9	5.5
Cement	8.6	-2.3	8.7	-1.7
Electricity	6.4	10.3	6.7	8.4
Overall growth	7.4	5.3	7.9	4.9

was 5.3 per cent as compared to the growth of 7.4 per cent during May, 2010. During May 2011, the growth in electricity was 10.3 per cent followed by crude oil 9.7 per cent, fertilizers 7.3 per cent, steel 6.1 per cent, refinery products 4.5 per cent and coal 1.1 per cent. The natural gas and cement sectors registered negative growth during May 2011.

During May 2011, the IIP growth was 5.6 per cent as compared to 8.5 per cent growth during the corresponding period of previous year. In mining, manufacturing and electricity sectors, the growth rates in May 2011 were 1.4 per cent, 5.6 per cent and 10.3 per cent respectively.

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 4.9 per cent during April-May 2011-12, as compared to growth rate of 7.9 per cent achieved during the corresponding period in 2010-11. During the month of May 2011, the overall growth of the core sector industries

MONEY AND BANKING

Broad money (M₃) (up to July 1, 2011) increased by 4.8 per cent as compared to 3.8 per cent during the corresponding period of the last year. The year-on-year growth, as on July 1, 2011 was 17.1 per cent as compared to 16.0 per cent last year.

Table 7 : Money Stock : Components and Sources (₹crore)						
Item	Outstanding as on		Variation over			
	2011		Financial Year so far		Year-on-Year	
	Mar. 31	Jul. 1	2010-11	2011-12	2010	2011
M ₃	64,99,548	68,12,286	3.8	4.8	16.0	17.1
Components (i+ii+iii+iv)						
(i) Currency with the Public	9,14,197	9,41,915	6.9	3.0	20.0	14.8
(ii) Demand Deposits with Banks	7,17,660	6,79,369	-2.9	-5.3	22.7	-2.5
(iii) Time Deposits with Banks	48,63,979	51,87,215	4.4	6.6	14.3	20.8
(iv) "Other" Deposits with Reserve Bank	3,713	3,788	-3.7	2.0	-15.3	2.5
Sources (i+ii+iii+iv-v)						
(i) Net Bank Credit to Government (a+b)	19,82,771	20,86,919	3.9	5.3	22.3	20.4
(a) Reserve Bank	3,96,555	4,04,247				
(b) Other Banks	15,86,216	16,82,672	3.6	6.1	8.4	11.4
(ii) Bank Credit to Commercial Sector (a+b)	42,35,406	43,78,440	5.0	3.4	20.9	19.4
(a) Reserve Bank	2,164	2,095	-	-	-	-
(b) Other Banks	42,33,242	43,76,345	5.0	3.4	21.3	19.4
(iii) Net Foreign Exchange Assets of Banking Sector*	13,93,327	14,43,817	2.4	3.6	-0.2	10.0
(iv) Government's Currency Liabilities to the Public	12,724	12,959	3.1	1.8	12.8	11.5
(v) Banking Sector's Net Non-Monetary Liabilities	11,24,680	11,09,849	6.7	-1.3	18.9	22.2
of which:						
Net Non-Monetary Liabilities of RBI	3,68,274	4,13,016	13.0	12.1	-11.4	21.2
* Includes investments in foreign currency denominated bonds issued by IIFC(UK) since March 20, 2009.						
Note: Government Balances as on March 31, 2011 are after closure of accounts.						

Reserve money (M₀) during the financial year 2011-12 (up to July 8, 2011) showed deterioration of 3.3 per cent as compared to improvement of 1.9 in the corresponding period of the previous year. The year-on-year variation revealed an increase of 13.1 per cent as on July 8, 2011, compared to 25.0 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 2.6 per cent (during the financial year) as on July 8, 2011 as compared to increase of 3.7 per cent in the same period last year. The y-o-y growth rate of NFA, was 6.7 per cent as compared to deterioration of 0.1 per cent on the corresponding date of the last year.

Scheduled Commercial Banks (SCBs): business in India

During the current financial year i.e. 2011-12 (upto July 1, 2011), Bank credit showed improvement of 3.7 per cent as compared to improvement of 5.0 per cent during the

corresponding period of last year. The Non-Food credit during this period recorded increase of 3.4 per cent as compared to increase of 4.9 per cent during the corresponding period of last year.

The aggregate deposits with Scheduled Commercial Banks recorded an increase of 5.4 per cent (as on July 1, 2011) as against an increase of 3.2 per cent in the corresponding period of last year.

Items	2011-12 Outstanding as on (Rs. in crore)		Percentage Variation			
			Financial year so far		Year-on-year	
			2010-11	2011-12	2010	2011
	March 25, 2011	July 1, 2011				
Bank Credit	3938659	4086326	5.0	3.7	21.9	19.9
Non-Food credit	3874376	4006719	4.9	3.4	22.1	19.7
Aggregate deposits	5204703	5488682	3.2	5.4	15.0	18.4
Investments in Government. And other approved securities	1500039	1603425	3.5	6.8	7.3	11.9

Item / Week Ended	2010	2011
	July 2	July 1
Cash Reserve Ratio (per cent) ⁽¹⁾	6.00	6.00
Bank Rate	6.00	6.00
Repo Rate	5.25	7.25
Reverse Repo Rate	3.75	6.25
Prime Lending Rate ⁽²⁾	7.50 / 8.00	9.25-10.00
Deposit Rate ⁽³⁾	6.00-7.50	8.25 - 9.10
Call Money Rate (Low / High) ⁽⁴⁾		
- Borrowings	5.42	7.56
- Lendings	5.42	7.56

(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 1, 2011, Bank Rate was 6.00 per cent. Call money rates (borrowing & lending) were 7.56 per cent as compared with 5.42 per cent on the corresponding date of last year.

EXTERNAL SECTOR

Foreign trade: Exports, in US dollar terms and customs basis, during May 2011 increased by 56.9 per cent and imports increased by 54.1 per cent over May 2010. Oil imports increased by 18.6 per cent and non-oil imports increased by 71.0 per cent during May 2011 over May 2010.

Table 10 : Exports and imports (in US dollar million)					
Item	2009-10 (Apr-Mar)	2010-11 (Apr-Mar)	May -10	May -11	% Change in May 2011
Exports	178751	245868	16531	25941	56.9
Imports	288373	350695	26550	40907	54.1
Oil imports	87136	101689	8570	10161	18.6
Non-Oil	201237	249006	17980	30746	71.0
Trade	-109621	-104827	-10019	-14966	-
Source: Provisional data as per the Press Note of the Ministry of Commerce and Industry					

Foreign Currency Assets

Table 11: Foreign Currency Assets				
	Amount		Variation	
	₹crore	US\$ million	₹crore	US\$ million
At the end of	(over last year)			
March, 2007	836597	191924	189270	46816
March, 2008	1196023	299230	359426	107306
March, 2009	1231340	241676	35317	-57554
March, 2010	1150778	254935	-80562	13259
March, 2011	1225999	274580	75221	19645
2011-12	(over last month)			
April 2011	1252790	282287	26791	7707
May 2011	1259881	279787	7091	-2500
June 2011	1268744	283708	8863	3921
Source: RBI.				

Exchange rate: The rupee appreciated by 0.2 per cent against US dollar and 0.9 per cent against Pound Sterling and depreciated by 0.6 per cent against Japanese Yen and 0.1 per cent against Euro in the month of June 2011 over May 2011.

Table 12 : Rupees per unit of foreign currency*				
	US dollar	Pound Sterling	Japanese Yen	Euro
March, 2008	40.3561	80.8054	0.4009	62.6272
March, 2009	51.2287	72.9041	0.5251	66.9207
March, 2010	45.4965	68.4360	0.5018	61.7653
March 2011	44.9684	72.7070	0.5498	62.9660
2011-12				
April 2011	44.3700	72.7237	0.5331	64.2505
May 2011	44.9045	73.4103	0.5532	64.4833
June 2011	44.8295	72.7881	0.5565	64.5157
* FEDAI Indicative Market Rates (on Yearly/Monthly average basis)				

External assistance and debt service payments: Gross external aid in April-June 2011-12 is ₹4996.29 crore as compared to ₹14750.32 crore corresponding period of 2010-11. Net disbursement was ₹1322.63 crore in 2011-12 compared to ₹11371.40 crore in 2010-11. Net transfers were ₹510.10 crore in 2011-12 compared to ₹10494.80 crore in 2010-11.

Table 13 : External Assistance and Debt Service Payments				
				(₹ crore)
	June 2011	During the Financial year 2011-12	June 2010	During the Financial year 2010-11
External Assistance (Government Account)				
1) Gross Disbursement	1,379.33	4,373.99	1,883.13	13,434.11
2) Repayments	2,121.67	3,216.20	1,919.40	2,926.06
3) Interest Payments	363.79	718.10	372.22	709.61
4) Net Disbursement (1-2)	-742.34	1,157.79	-36.27	10,508.05
5) Net Transfers (4-3)	-1,106.13	439.69	-408.49	9,798.44
External Assistance (Non-Government Account)				
1) Gross Disbursement	31.86	491.38	855.88	1,127.24
2) Repayments	373.24	457.46	385.22	452.86
3) Interest Payments	76.76	94.43	122.68	166.97
4) Net Disbursement (1-2)	-341.38	33.92	470.66	674.38
5) Net Transfers (4-3)	-418.14	-60.51	347.98	507.41
Government Grants				
1) Gross Disbursement	61.53	112.84	55.60	155.54
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)	61.53	112.84	55.60	155.54
5) Net Transfers (4-3)	61.53	112.84	55.60	155.54
Non-Government Grants				
1) Gross Disbursement	0.00	18.08	4.73	33.43
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	18.08	4.73	33.43
5) Net Transfers (4-3)	0.00	18.08	4.73	33.43
Grand Total				
1) Gross Disbursements	1,472.72	4,996.29	2,799.34	14,750.32
2) Repayments	2,494.91	3,673.66	2,304.62	3,378.92
3) Interest Payments	440.55	812.53	494.90	876.58
4) Net Disbursement (1-2)	-1,022.19	1,322.63	494.72	11,371.40
5) Net Transfers (4-3)	-1,462.74	510.10	-0.18	10,494.80

INFLATION

Wholesale Price Index (WPI 2004-05=100): The WPI inflation for all commodities for the month of June 2011 has increased to 9.44 per cent as compared to 9.06 per cent last month. The revised WPI inflation for April 2011 is 9.74 per cent in place of 8.66 per cent reported earlier. The 38 basis points increase in headline inflation is mainly on account of an upward momentum in mineral (crude petroleum), and administered fuel prices. Notwithstanding moderate inflation trend in food articles in the past couple of months, Inflation in Combined Food (primary food + manufactured food) (weight 24.31 %) has gone up to 8.42 per cent from 7.98 per cent in the last month. A significant part of this increase is coming from manufactured food product especially sugar and edible oil. The average WPI inflation rate for last 12 months (July 2010 to June 2011) was 9.3 per cent as compared to 6.2 per cent during corresponding period in 2010-11. The build-up of inflation since March to June 2011 stood at 2.34 per cent during current financial year as against 2.57 per cent in the corresponding period last year. Major breakup of WPI inflation rates is indicated in Table 14 below.

Major groups	Weight (%)	Cumulative change (%) Since March		Inflation (%)		Inflation (%) (Average of 12 months)	
		2011-12	2010-11	2011-12	2010-11	2011-12	2010-11
ALL COMMODITIES	100.00	2.34	2.57	9.44	10.25	9.29	6.24
PRIMARY ARTICLES	20.12	4.94	6.09	12.22	20.14	15.80	16.23
<i>Food articles</i>	<i>14.34</i>	<i>6.20</i>	<i>7.21</i>	<i>8.38</i>	<i>20.97</i>	<i>14.50</i>	<i>19.12</i>
FUEL AND POWER	14.91	2.54	2.21	12.85	13.92	12.01	2.94
MANUFACTURED PDT.	64.97	1.25	1.27	7.43	5.62	6.01	3.51

Inflation based on Consumer Price Index: Inflation in Consumer Price Index for Industrial Workers (CPI-IW) has declined to 8.72 per cent in May 2011 as compared to 13.91 per cent in the corresponding month last year. CPI-IW food inflation (weight 46.20%) has also declined to 7.61 per cent in May 2011 from 13.58 per cent in the corresponding month last year. CPI-RL food inflation (weight 66.77%) has also declined to 7.48 per cent in May 2011 from its peak of 14.64 per cent in corresponding period last year.

	WPI	CPI-IW	CPI-UNME	CPI-AL	CPI-RL
Base	2004-05	2001	1984-85	1986-87	1986-87
Apr-10	10.88	13.33	14.41	14.96	14.96
May-10	10.48	13.91	14.09	13.68	13.68
June-10	10.25	13.73	14.12	13.02	13.02
July-10	9.98	11.25	11.54	11.02	11.24
Aug-10	8.87	9.88	10.30	9.65	9.66
Sep-10	8.98	9.82	10.39	9.13	9.34
Oct-10	9.08	9.70	9.64	8.43	8.45
Nov-10	8.20	8.33	8.40	7.14	6.95
Dec-10	9.45	9.47	9.44	7.99	8.01
Jan-11	9.47	9.30		8.67	8.69
Feb-11	9.54	8.82		8.55	8.55
Mar-11	9.68	8.82		9.14	8.96
April-11	9.74	9.41		9.11	9.11
May-11	9.06	8.72		9.63	9.63
June-11	9.44				

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

Table 16: World Commodity Price Data

Commodity	Unit	Annual averages			Monthly averages			
		Jan-Dec	Jan-Dec	Jan-Jun	Apr	May	Jun	
		2009	2010	2011	2011	2011	2011	
Energy								
Coal, Australia	a/	\$/mt	71.84	98.97	124.65	122.50	119.12	119.28
Crude oil, average	a/	\$/bbl	61.76	79.04	104.90	116.24	108.07	105.85
Crude oil, Brent	a/	\$/bbl	61.86	79.64	111.00	123.07	114.46	113.76
Crude oil, Dubai	a/	\$/bbl	61.75	78.06	105.48	115.70	108.46	107.52
Crude oil, West Texas Int.	a/	\$/bbl	61.65	79.43	98.23	109.96	101.28	96.25
Natural gas, Europe	a/	\$/mmbtu	8.71	8.29	9.88	10.36	10.30	10.26
Agriculture Beverages								
Coffee, arabica	b/	c/kg	317.1	432.0	628.3	661.7	641.70	606.20
Tea, auctions (3) average	b/	c/kg	272.4	288.5	294.0	302.2	296.50	300.60
Food								
Coconut oil	b/	\$/mt	725	1,124	2,035	2,089	2097.00	1803.00
Copra	-	\$/mt	480	750	1,361	1,421	1419.00	1186.00
Groundnut oil	b/	\$/mt	1,184	1,404	1,776	1,680	1830.00	1980.00
Palm oil	b/	\$/mt	683	901	1,199	1,149	1159.00	1133.00
Palmkernel oil	-	\$/mt	700	1,184	2,003	1,899	1958.00	1765.00
Soybean meal	b/	\$/mt	408	378	418	403	402.00	394.00
Soybean oil	b/	\$/mt	849	1,005	1,330	1,315	1294.00	1324.00
Soybeans	b/	\$/mt	437	450	561	556	556.00	558.00
Grains								
Barley	b/	\$/mt	128.3	158.4	203.8	208.9	209.40	210.10
Maize	b/	\$/mt	165.5	185.9	297.7	319.3	307.90	310.60
Rice, Thailand, 25%	-	\$/mt	458.1	441.5	461.1	448.3	448.40	473.80
Wheat, Canada	-	\$/mt	300.5	312.4	461.8	460.9	476.00	486.80
Sugar, world	b/	c/kg	40.00	46.93	57.63	53.70	48.39	55.58
Raw Materials								
Logs, Malaysia	b/	\$/cum	287.2	278.2	354.2	343.5	385.20	417.60
Plywood	-	c/sheets	564.6	569.1	595.9	596.3	605.60	607.70
Cotton A Index	b/	c/kg	138.2	228.3	423.9	477.6	364.90	330.10
Rubber RSS3	b/	c/kg	192.1	365.4	551.7	585.3	511.60	493.40
Metals and Minerals								
Aluminum	b/	\$/mt	1,665	2,173	2,556	2,678	2596.00	2558.00
Copper	b/	\$/mt	5,150	7,535	9,408	9,493	8960.00	9067.00
Gold	-	\$/toz	973	1,225	1,446	1,480	1513.00	1529.00
Iron ore, spot, cfr China	-	\$/dmt	80.0	145.9	177.2	179.3	177.10	170.90
Steel cr coilsheet	c/	\$/mt	783	816	883	900	900.00	900.00

Source: World Bank - The Pink Sheet

FISCAL SITUATION

- As a proportion of budget estimate, fiscal deficit during April-May 2011 was 31.7 per cent and revenue deficit was 35.8 per cent.

Table : 17 Trends in Central Government Finances: April-May 2011

	Budget	April-May		Col.3 as	Col. 4 as	% Change over	
	Estimate			% of	% of	proceeding year	
	2011-112	2010-11	2011-12	2010-11	2011-12	2010-11	2011-12
				BE	BE		(4/3)
(` Crore)							
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1. Revenue Receipts	7,89,892	44,657	28,716	6.5	3.6	38.8	-35.7
Gross tax revenue	9,32,440	62,222	61,313	8.3	6.6	22.0	-1.5
Tax (net to Centre)	6,64,457	31,896	23,103	6.0	3.5	22.0	-27.6
Non Tax	1,25,435	12,761	5,613	8.6	4.5	111.8	-56.0
2. Capital Receipts	4,67,837	1,02,252	1,37,546	24.0	29.4	12.4	34.5
of which:							
Recovery of loans	15,020	267	5,675	5.2	37.8	15.6	2025.5
Other Receipts	40,000	1,078	1,145	2.7	2.9		6.2
Borrowings and other liabilities	4,12,817	1,00,907	1,30,726	26.5	31.7	11.2	29.6
3. Total Receipts (1+2)	12,57,729	1,46,909	1,66,262	13.2	13.2	19.3	13.2
4. Non-Plan Expenditure (a)+(b)	8,16,182	1,00,101	1,21,390	13.6	14.9	16.1	21.3
(a) Revenue Account	7,33,558	86,813	1,00,839	13.5	13.7	8.5	16.2
of which:							
Interest payments	2,67,986	30,722	36,420	12.4	13.6	18.4	18.5
Major Subsidies	1,34,211	20,240	20,736	18.6	15.5	-19.5	2.5
Pensions	54,521	6,860	9,141	16.0	16.8	26.7	33.3
(b) Capital Account	82,624	13,288	20,551	14.4	24.9	113.7	54.7
5. Plan Expenditure (i)+(ii)	4,41,547	46,808	44,872	12.5	10.2	26.8	-4.1
(i) Revenue Account	3,63,604	39,064	37,946	12.4	10.4	18.0	-2.9
(ii) Capital Account	77,943	7,744	6,926	13.4	8.9	103.3	-10.6
6. Total Expenditure (4)+(5)=(a)+(b)	12,57,729	1,46,909	1,66,262	13.2	13.2	19.3	13.2
(a) Revenue Expenditure	10,97,162	1,25,877	1,38,785	13.1	12.6	11.3	10.3
(b) Of which Grants for creation of Capital Assets	1,46,853	4,323	13,099	13.8	8.9	-	203.0
(c) Capital Expenditure	160,567	21,032	27,477	14.0	17.1	109.8	30.6
7. Revenue Deficit	307,270	81,220	1,10,069	29.4	35.8	0.3	35.5
8. Effective Revenue Deficit(7-6(b))	1,60,417	76,897	96,970	31.4	60.4	-	26.1
9. Fiscal Deficit	4,12,817	1,00,907	1,30,726	26.5	31.7	11.2	29.6
10. Primary Deficit	1,44,831	70,185	94,306	52.9	65.1	8.3	34.4

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