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Contents

1. Macroeconomy

1.1 Index Numbers of Wholesale Price in India, May 2015

1.2 India's Foreign Trade (Merchandise), May 2015

1.3 Introduction of the Bureau of Indian Standards Bill, 2015

2. Corporate Sector

2.1 Mineral Production during April 2015

2.2 Basic Metals and Agriculture Commodities in Spot Market

3. Market Trends

4. Global Developments

4.1 UK Retail Sales, May 2015

4.2 EU28 current account

5. Data Appendix

1. Macroeconomy



1.1 Index Numbers of Wholesale Price in India, May 2015

Wholesale Price Index for 'All Commodities' (Base: 2004-05=100) for the month of May, 2015 rose by 1.0 percent to 177.7 from 176.0 for the previous month.

The annual rate of inflation, based on monthly WPI, stood at -2.36% for the month of May, 2015 (over May, 2014) as compared to -2.65% for the previous month and 6.18% during the corresponding month of the previous year. Build up inflation rate in the financial year so far was 0.91% compared to a build up rate of 0.94% in the corresponding period of the previous year.

The index for 'Primary Articles' group rose by 1.3 percent to 244.9 from 241.8 for the previous month.

The index for 'Food Articles' group rose by 0.5 percent to 253.9 from 252.7 for the previous month due to higher price of gram (11%), urad (8%), arhar (6%), masur and tea (5% each), moong (4%), fish-marine (3%), egg (2%) and jowar, condiments & spices and milk (1% each). However, the price of beef & buffalo meat, poultry chicken and barley (3% each), ragi (2%) and maize, wheat, coffee, pork and fruits & vegetables (1% each) declined.

The index for 'Non-Food Articles' group rose by 5.1 percent to 213.9 from 203.5 for the previous month due to higher price of soyabean (15%), guar seed and sugarcane (13% each), flowers (9%), raw wool (7%), logs & timber, groundnut seed and raw rubber (6% each), raw cotton (5%), castor seed (4%), sunflower and cotton seed (2% each) and safflower (kardi seed), mesta, rape & mus-

tard seed and raw jute (1% each). However, the price of raw silk, gingelly seed and niger seed (7% each) and copra (coconut) (4%) and fodder (1%) declined.

The index for ‘Minerals’ group rose by 0.4 percent to 247.7 from 246.6 for the previous month due to higher price of sillimanite (9%), crude petroleum (4%) and zinc concentrate and copper ore (2% each). However, the price of barytes (13%), manganese ore (7%), magnesite (5%) and chromite and iron ore (4% each) declined.

The index for ‘Fuel & Power’ group rose by 3.0 percent to 189.8 (provisional) from 184.2 (provisional) for the previous month due to higher price of furnace oil (12%), petrol (8%), high speed diesel (4%), bitumen (3%), electricity (agricultural) (2%) and electricity (railway traction), electricity (industry) and electricity (domestic) (1% each).

The index for ‘Manufactured Products’ group rose by 0.2 percent to 154.1 from 153.8 for the previous month.

Table 1
Wholesale Price Index and Rates of Inflation (Base Year: 2004-05=100)

	Weight	WPI May, 2015	Month of May, 2015					
			Latest month over month		Build up from March		Year on year	
			2013- 14	2014- 15	2013-14	2014- 15	2013-14	2014- 15
PRIMARY ARTICLES	20.11815	244.9	1.82	1.28	3.09	2.47	8.58	-0.77
Food Articles	14.33709	253.9	2.34	0.47	4.26	1.85	9.64	3.80
Non-Food Articles	4.25756	213.9	0.88	5.11	0.51	5.58	4.94	-2.24
Minerals	1.52350	247.7	0.12	0.45	0.14	1.81	8.06	-28.41
FUEL & POWER	14.91021	189.8	0.14	3.04	-0.98	0.96	10.53	-10.51
MANUFACTURED PRODUCTS	64.97164	154.1	0.32	0.20	0.58	0.13	3.88	-0.64
ALL COMMODITIES	100.00000	177.7	0.66	0.97	0.94	0.91	6.18	-2.36

Source: Office of Economic Advisor, Ministry of Commerce, Govt. of India

1.2 India’s Foreign Trade (Merchandise), May 2015

Exports during May, 2015 were valued at US \$22346.75 million (Rs. 142572.92 crore) which was 20.19 per cent lower in Dollar terms (14.14 per cent lower in Rupee terms) than the level of US \$27998.50 million (Rs.

166045.09 crore) during May, 2014. Cumulative value of exports for the period April-May 2015-16 was US \$ 44401.47 million (Rs 280973.36 crore) as against US \$53632.58 million (Rs 320763.69 crore) registering a negative growth of 17.21 per cent in Dollar terms and 12.40 per cent in Rupee terms over the same period last year.

Imports during May, 2015 were valued at US \$32752.99 (Rs.208965.06 crore) which was 16.52 per cent lower in Dollar terms and 10.19 per cent lower in Rupee terms over the level of imports valued at US \$ 39233.24 million (Rs. 232672.72 crore) in May, 2014. Cumulative value of imports for the period April-May 2015-16 was US \$65800.01 million (Rs 416345.69 crore) as against US \$ 74953.27 million (Rs 448266.65 crore) registering a negative growth of 12.21 per cent in Dollar terms and 7.12 per cent in Rupee terms over the same period last year.

Oil imports during May, 2015 were valued at US \$8538.67 million which was 40.97 per cent lower than oil imports valued at US \$14464.88 million in the corresponding period last year. Oil imports during April-May, 2015-16 were valued at US \$ 15981.59 million which was 41.76 per cent lower than the oil imports of US \$ 27442.71 million in the corresponding period last year.

Non-oil imports during May, 2015 were estimated at US \$24214.32 million which was 2.24 per cent lower than non-oil imports of US \$24768.36 million in May, 2014. Non-oil imports during April-May, 2015-16 were valued at US \$ 49818.42 million which was 4.86 per cent higher than the level of such imports valued at US \$ 47510.56 million in April-May, 2014-15.

The trade deficit for April-May, 2015-16 was estimated at US \$ 21398.54 million which was higher than the deficit of US \$ 21320.69 million during April-May, 2014-15.

Table 2
India's Exports & Imports

(US \$ Million)

	MAY	APRIL-MAY
EXPORTS(including re-exports)		
2014-15	27998.50	53632.58
2015-16	22346.75	44401.47
%Growth2015-16/ 2014-15	-20.19	-17.21
IMPORTS		

2014-15	39233.24	74953.27
2015-16	32752.99	65800.01
%Growth2015-16/ 2014-15	-16.52	-12.21
TRADE BALANCE		
2014-15	-11234.74	-21320.69
2015-16	-10406.24	-21398.54

Source: Ministry of Commerce, Govt. of India

1.3 Introduction of the Bureau of Indian Standards Bill, 2015

Government India gave approval to introduce a new Bureau of Indian Standards Bill, 2015. The new Bill will provide legislative framework for following new provisions other than the provisions in the existing Bureau of Indian Standards Act, 1986 which is proposed to be repealed:

The main objectives of the proposed legislation are:-

- i. to establish the Bureau of Indian standards (BIS) as the National Standards Body of India;
- ii. The Bureau to perform its functions through a Governing Council, which will consist of its President and other members;
- iii. to include goods, services and systems, besides articles and processes under the standardization regime;
- iv. To enable the Government to bring under the mandatory certification regime such article, process or service which it considers necessary from the point of view of health, safety, environment, prevention of deceptive practices, security etc. This will help consumers receive ISI certified products and will also help in prevention of import of sub-standard products;
- v. to allow multiple types of simplified conformity assessment schemes including Self Declaration Of Conformity (SDOC) against any standard which will give multiple simplified options to manufacturers to adhere to standards and get a certificate of conformity, thus improving the "ease of doing business";
- vi. to enable the Central Government to appoint any authority, in addition to the Bureau of Indian Standards, to verify the conformity of products and services to a standard and issue certificate of conformity;

- vii. to enable the Government to implement mandatory hallmarking of precious metal articles;
- viii. to strengthen penal provisions for better and effective compliance and enable compounding of offences for violations;
- ix. to provide recall, including product liability of products bearing the Standard Mark, but not conforming to relevant Indian Standards; and
- x. Repeal of the BIS Act, 1986.



2. Corporate Sector

2.1 Mineral Production during April 2015

The index of mineral production of mining and quarrying sector for the month of April (new Series 2004-05=100) 2015 at 123.3, was 0.6% higher as compared to April 2014.

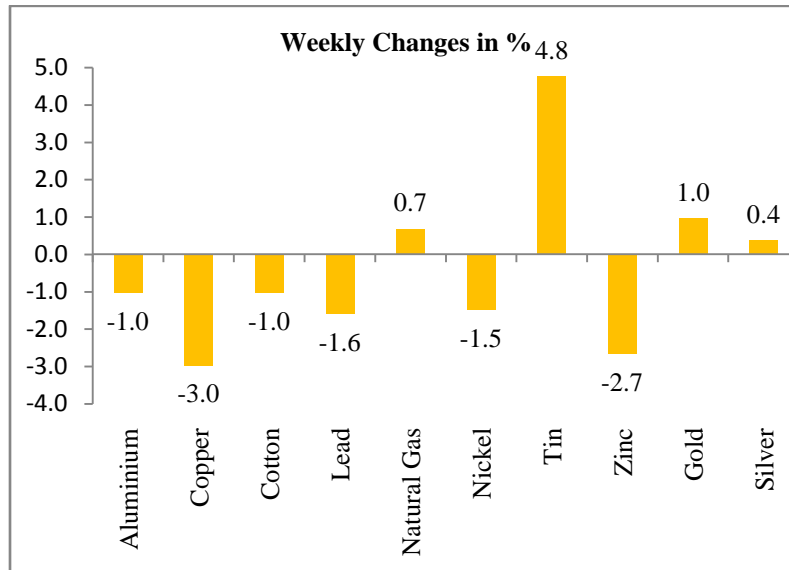
The total value of mineral production (excluding atomic & minor minerals) in the country during April 2015 was Rs. 18163 crore. The contribution of : coal was the highest at Rs. 6549 crore (36%). Next in the order of importance were: petroleum (crude) Rs. 5489 crore, iron ore Rs. 2327 crore, natural gas (utilized) Rs. 2130 crore, lignite Rs. 331 crore and limestone Rs. 461 crore. These six minerals together contributed about 95% of the total value of mineral production in April 2015.

Production level of important minerals in April 2015 were: coal 490 lakh tonnes, lignite 29 lakh tonnes, natural gas (utilized) 2576 million cu. m., petroleum (crude) 30 lakh tonnes, bauxite 2101 thousand tonnes, chromite 137 thousand tonnes, copper conc. 11 thousand tonnes, gold 95 kg., iron ore 122 lakh tonnes, lead conc. 21 thousand tonnes, manganese ore 167 thousand tonnes, zinc conc. 125 thousand tonnes, apatite & phosphorite 247 thousand tonnes, limestone 251 lakh tonnes, magnesite 23 thousand tonnes and diamond 3335 carat.

The production of important minerals showing positive growth during April 2015 over April 2014 include 'zinc conc.' (56.4%), 'lead conc.' (48.5%), 'magnesite' (10.0%), 'copper conc.' (9.6%) and 'coal' (7.9%). The production of other important minerals showing negative growth are: 'petroleum (crude)' [(-) 2.7%], 'natural gas (utilized)' [(-) 4.4%], 'limestone.' [(-) 4.5%], 'bauxite' [(-) 8.8%], 'iron ore' [(-) 10.2%], 'gold' [(-) 11.2%], 'chromite' [(-) 20.3%], 'lignite' [(-) 24.7%] and 'manganese ore' [(-) 27.1%].

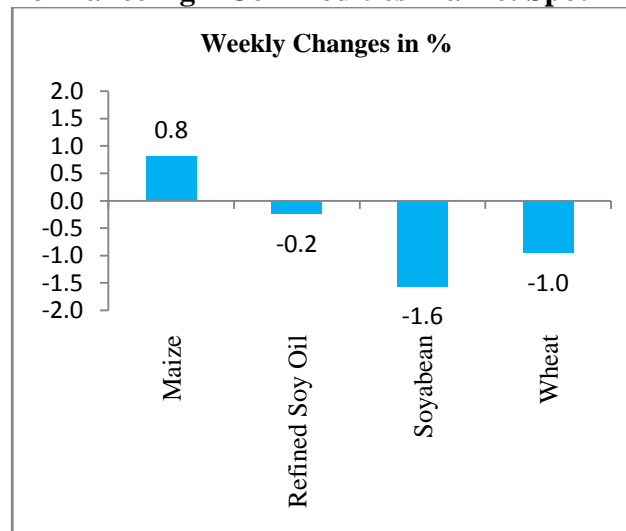
2.2 Basic Metals and Agriculture Commodities in Spot Market

Performance of Metals Market Spot Prices



Source: MCX, ASSOCHAM Economic Research Bureau
 Note: For details please refer appendix

Performance Agri Commodities Market Spot Prices

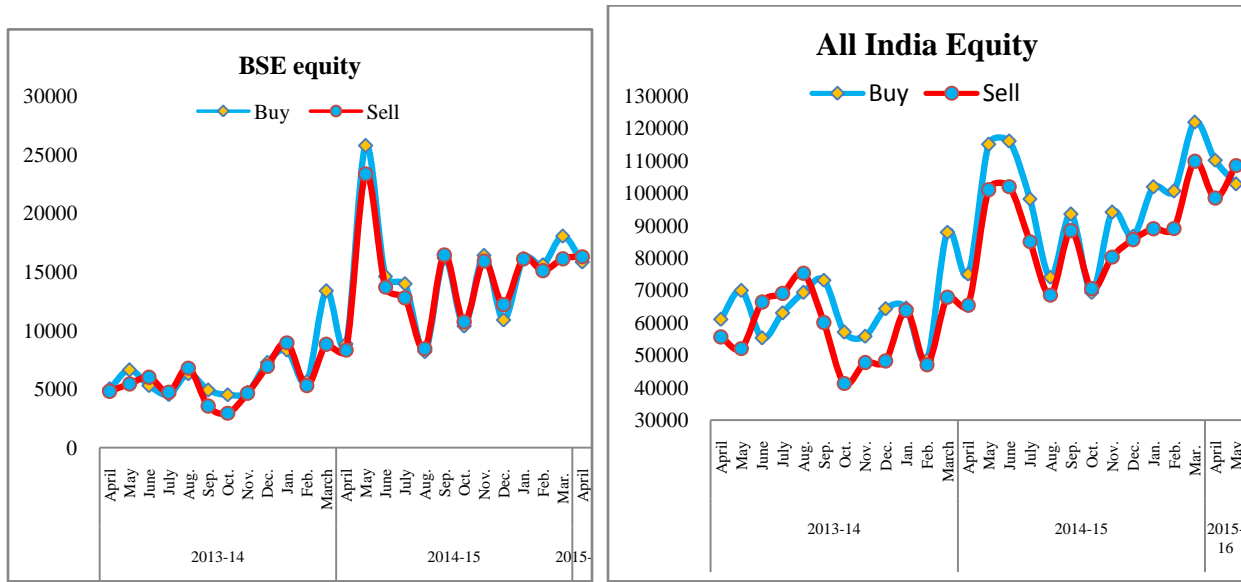


Source: MCX, ASSOCHAM Economic Research Bureau
 Note: For details please refer appendix



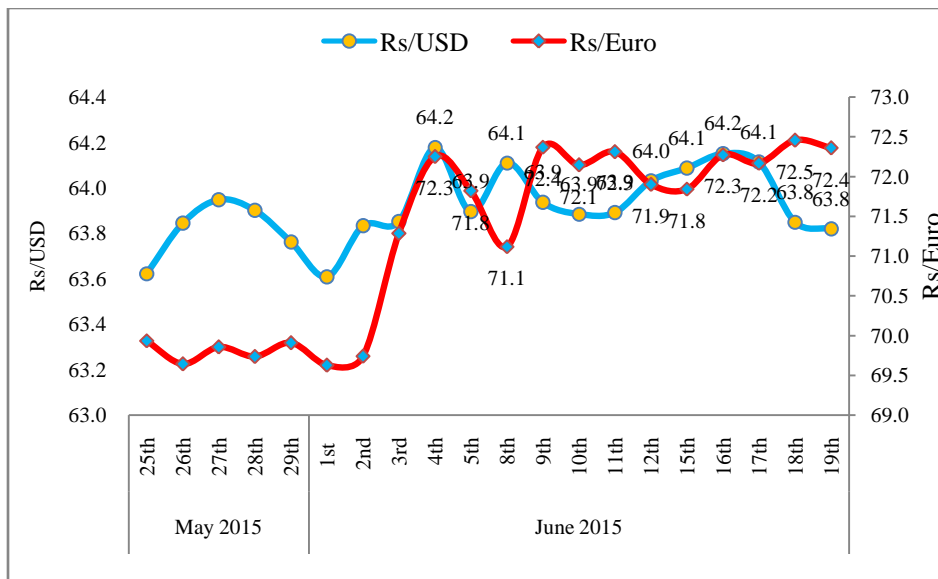
3. Market Trends

FII Equity Flows Equity (Rs. Crore)

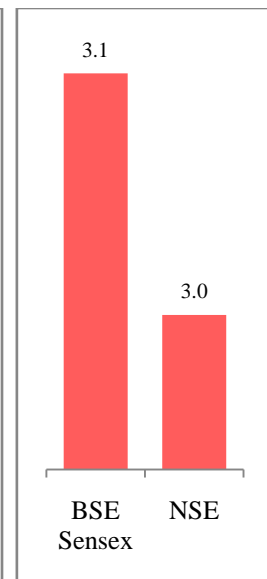


Source: BSE and ASSOCHAM Economic Research Bureau

Exchange Rate



Market Variation



Source: RBI, BSE, NSE and ASSOCHAM Economic Research Bureau



4. Global Developments

4.1 UK Retail Sales, May 2015

- Continuing a sustained period of year-on-year growth, the volume of retail sales in May 2015 are estimated to have increased by 4.6% compared with May 2014. This was the 26th consecutive month of year-on-year growth, the longest period of sustained growth since May 2008 when there were 31 periods of growth.
- The underlying pattern in the data, as suggested by the 3 month on 3 month movement in the quantity bought, continued to show growth for the 27th consecutive month, increasing by 0.6%. This is the longest period of sustained growth since consistent records began in June 1996.
- On the month, the quantity bought in the retail industry increased by 0.2% compared with April 2015. There was growth in predominantly food stores, other non-food stores, household goods stores and petrol stations.
- Average store prices (including petrol stations) fell by 2.7% in May 2015 compared with May 2014. This is the 11th consecutive month of year-on-year price falls. The largest contribution once again from petrol stations which fell by 10.2%, the 21st consecutive month of year-on-year falling prices in this store type.
- In May 2015, the amount spent in the retail industry increased by 1.8% compared with May 2014 and by 0.2% compared with April 2015. Non-seasonally adjusted data show that the average weekly spend in the retail industry was £7.1 billion compared with £6.9 billion in April 2015 and £7.0 billion in May 2014.
- The value of sales made online in May 2015 decreased by 2.1% compared with April 2015 and accounted for 12.0% of all retail sales. Online sales increased by 7.4% compared with May 2014.

Table 3
All retailing, May 2015

	Most recent month on a year earlier	Most recent 3 months on a year earlier	Most recent month on previous month	Most recent 3 months on previous 3 months
Value (Amount spent)	1.8	1.4	0.2	0
Volume (Quantity bought)	4.6	4.5	0.2	0.6
Value excluding automotive fuel	2.6	2.6	0.1	0.4
Volume excluding automotive fuel	4.4	4.7	0.2	1

Source: UK Office for National Statistics

4.2 EU28 current account

The EU28 seasonally adjusted external current account recorded a surplus of €14.9 billion in April 2015, compared with a surplus of €11.0 bn in March 2015 and a surplus of €4.9 bn in April 2014, according to the statistical office of the European Union.

In April 2015, compared with March 2015, based on seasonally adjusted data, the surplus of the goods account grew (+€10.8 bn compared with +€4.3 bn) and the deficit of the secondary income account fell slightly (-€7.6 bn compared with -€7.8 bn). The surplus of the services account decreased (+€12.3 bn compared with +€14.0 bn) while the surplus of the primary income account moved into deficit (-€0.7 bn compared with +€0.5 bn). The 12-month cumulated current account for the period ending in April 2015 recorded a surplus of €122.0 billion, compared with €115.7 billion for the 12 months to April 2014. The surplus of the goods account grew (+€61.3 bn compared with +€36.8 bn) and the surplus of the services account rose slightly (+€151.8 bn compared with +€150.8 bn), while the surplus of the primary income account moved into deficit (-€11.0 bn compared with +€3.1 bn) and the deficit of the secondary income account increased (-€80.1 bn compared with -€75.0 bn).

Table 4
EU Balance of payments seasonally adjusted (bn €)

	Apr 2014	May 2014	June 2014	July 2014	Aug 2014	Sep 2014	Oct 2014	Nov 2014	Dec 2014	Jan 2015	Feb 2015	March 2015	Apr 2015
EU28 current account balance	4.9	3.5	-1.1	4.6	6.1	12.1	12.4	14.1	9.6	18.2	16.5	11	14.9
Balance of trade in goods	-0.1	0.6	-1.9	0.1	1	6.4	6.1	7.4	6.1	12	8.3	4.3	10.8
Balance of trade	11.3	11.8	11.9	11.4	11.7	12.6	13	13	12.5	13.3	14.5	14	12.3

in services													
Balance of primary income	-0.2	-2.7	-0.3	-0.6	-0.6	-1.3	-1.8	-1.4	-3.5	0.5	1	0.5	-0.7
Balance of secondary income	-6.1	-6.1	-10.7	-6.3	-6.1	-5.6	-4.8	-4.8	-5.4	-7.7	-7.3	-7.8	-7.6

Source: the statistical office of the European Union

5. Data Appendix

Table 5
Latest Available Financial Information

Item	June. 05, 2015	June. 12, 2015	Percentage Change
Deposits of Scheduled Commercial Banks with RBI (Rs. Billion)	3,552.76	3,616.80	1.80
Foreign Currency Assets of RBI (Rs. Billion)	21,176.38	21,318.16	0.67
Advances of RBI to the Central Government (Rs. Billion)			
Advances of RBI to the Scheduled Commercial Banks (Rs. Billion)	537.96	702.52	30.59
Foreign Exchange Reserves (US\$ Billion)	352.7	354.3	0.45

Source: RBI, Govt. of India

Table 6
BSE Sensex and NSE Nifty Index

Index	June. 15, 2015	June. 19, 2015	Percentage Change
BSE SENSEX	26,498.7	27,316.2	3.1
S & P CNX NIFTY	7,986.6	8,225.0	3.0

Source: BSE India and NSE India

Table 7
Metals Market Spot Prices Index (Rs.)

		June 2015					Weekly Changes in %
		15 th	16 th	17 th	18 th	19 th	
Aluminium	1 KGS	106.4	106.6	107.4	107.3	105.3	-1.0
Copper	1 KGS	378.1	374.0	369.9	368.1	366.9	-3.0
Cotton	1 BALES	16630.0	16500.0	16500.0	16450.0	16460.0	-1.0
Lead	1 KGS	115.7	114.9	114.4	115.6	113.9	-1.6
Natural Gas	1 mmBtu	176.1	185.1	185.7	183.0	177.3	0.7
Nickel	1 KGS	816.0	819.4	823.5	820.9	803.8	-1.5
Tin	1 KGS	924.5	932.0	936.8	959.3	968.5	4.8
Zinc	1 KGS	133.7	133.5	133.3	133.1	130.2	-2.7
Gold	10 GRMS	26630.0	26846.0	26668.0	26844.0	26884.0	1.0
Silver	1 KGS	36505.0	36783.0	36630.0	36883.0	36641.0	0.4

Source: MCX

Table 8
Agri. Commodities Market Spot Prices (Rs.)

		June 2015					Weekly Changes in %
		15 th	16 th	17 th	18 th	19 th	
Maize	100 KGS	1240.0	1245.0	1250.0	1255.0	1250.0	0.8
Refined Soy Oil	10 KGS	641.6	640.5	641.1	640.5	640.0	-0.2
Soyabean	100 KGS	3675.0	3550.0	3610.0	3615.0	3617.5	-1.6
Wheat	100 KGS	1570.0	1575.0	1560.0	1560.0	1555.0	-1.0

Source: MCX

ASSOCHAM Economic Research Bureau

ASSOCHAM Economic Research Bureau (AERB) is the research division of the Associated Chambers of Commerce and Industry of India. The Research Bureau undertakes studies on various economic issues, policy matters, financial markets, international trade, social development, sector wise performance and monitoring global economy dynamics.

The main banners of the Bureau are:

ASSOCHAM Eco Pulse (AEP) studies are based on the data provided by various institutions like Reserve Bank of India, World Bank, IMF, WTO, CSO, Finance Ministry, Commerce Ministry, CMIE etc.

ASSOCHAM Business Barometer (ABB) are based on the surveys conducted by the Research Team to take note of the opinion of leading CEOs, MDs, CFOs, economists and experts in various fields.

ASSOCHAM Investment Meter (AIM) keeps the track of the investment announcements by the private sector in different sectors and across the various states and cities.

ASSOCHAM Placement Pattern (APP) is based on the sample data that is tracked on a daily basis for the vacancies posted by companies via job portals and advertisements in the national and regional dailies, journals and newspaper. Data is tracked for 60 cities and 30 sectors that are offering job opportunities in India.

ASSOCHAM Financial Pulse (AFP) as an analytical tool tracks quarterly financial performance of India Inc; forming strong inter-linkages with the real economy and presents sectoral insights and outlook based on financial indicators, demand signals and corporate dividend activity.

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THE KNOWLEDGE CHAMBER

Evolution of Value Creator ASSOCHAM initiated its endeavor of value creation for Indian industry in 1920. It has witnessed upswings as well as upheaval of Indian Economy and contributed significantly by playing a catalytic role in shaping up the Trade, Commerce and Industrial environment of the country.

ASSOCHAM derives its strength from the following Promoter Chambers: Bombay Chamber of Commerce and Industry, Mumbai; Cochin Chamber of Commerce and Industry, Cochin; Indian Merchant's Chamber, Mumbai; The Madras Chamber of Commerce and Industry, Chennai; PHD Chamber of Commerce and Industry, New Delhi.

VISION

Empower Indian enterprise by inculcating knowledge that will be the catalyst of growth in the barrier less technology driven global market and help them upscale, align and emerge as formidable player in respective business segment

MISSION

As representative organ of Corporate India, ASSOCHAM articulates the genuine, legitimate needs and interests of its members. Its mission is to impact the policy and legislative environment so as to foster balanced economic industrial and social development. We believe education, health, agriculture and environment to be the critical success factors.

GOALS

To ensure that the voice and concerns of ASSOCHAM are taken note of by policy makers and legislators. To be proactive on policy initiatives those are in consonance with our mission. To strengthen the network of relationships of national and international levels/forums. To develop learning organization, sensitive to the development needs and concerns of its members. To broad-base membership. Knowledge sets the pace for growth by exceeding the expectation, and blends the wisdom of the old with the needs of the present.