



ASSOCHAM Economic Weekly
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1. Macroeconomy



1.1 Index Numbers of Wholesale Price in India, April 2016

The official Wholesale Price Index for ‘All Commodities’ (Base: 2004-05=100) for the month of April, 2016 rose by 1.4 percent to 177.0 from 174.6 for the previous month.

The annual rate of inflation, based on monthly WPI, stood at 0.34% for the month of April, 2016 (over April, 2015) as compared to -0.85% for the previous month and -2.43% during the corresponding month of the previous year. Build up inflation rate in the financial year so far was 1.37% compared to a build up rate of 0.17% in the corresponding period of the previous year.

The index for ‘Primary Articles’ major group rose by 2.1 percent to 249.3 from 244.1 for the previous month.

The index for ‘Food Articles’ group rose by 2.0 percent to 263.8 (provisional) from 258.6 (provisional) for the previous month due to higher price of tea (11%), gram, poultry chicken and fruits & vegetables (7% each), beef & buffalo meat (6%), barley, pork and bajra (4% each), ragi and arhar (3% each), moong, urad, maize and masur (2% each) and jowar (1%). However, the price of egg (4%), fish-marine (2%) and fish-inland and wheat (1% each) declined.

The index for ‘Non-Food Articles’ group rose by 3.0 percent to 225.6 (provisional) from 219.0 (provisional) for the previous month due to higher price of raw rubber (21%), raw silk (14%), gingelly seed (12%), soyabean (8%), groundnut seed and guar seed (7% each), linseed (6%), castor seed and flowers (4% each), raw cotton (3%), raw jute (2%) and copra (coconut), safflower (kardi

seed) and coir fibre (1% each). However, the price of fodder (3%), sunflower (2%) and niger seed, rape & mustard seed and cotton seed (1% each) declined.

The index for ‘Minerals’ group rose by 0.6 percent to 179.5 (provisional) from 178.5 (provisional) for the previous month due to higher price of copper ore and crude petroleum (2% each). However, the price of zinc concentrate (10%), manganese ore (7%), chromite (6%) and sillimanite, iron ore and magnesite (1% each) declined.

The index for ‘Fuel & Power’ major group rose by 1.7 percent to 175.4 from 172.4 for the previous month due to higher price of aviation turbine fuel (10%), bitumen (8%), furnace oil and petrol (5% each) and high speed diesel (3%).

The index for ‘Manufactured Products’ major group rose by 0.8 percent to 155.0 from 153.7 for the previous month.

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

Commodities	Weight	WPI Apr- 2016	Latest month over month		Build up from March		Year on year	
			2015- 16	2016- 17	2015-16	2016- 17	2015-16	2016- 17
ALL COMMODITIES	100.00000	177.0	0.17	1.37	0.17	1.37	-2.43	0.34
PRIMARY ARTICLES	20.11815	249.3	1.92	2.13	1.92	2.13	0.50	2.34
Food Articles	14.33709	263.8	1.52	2.01	1.52	2.01	5.90	4.23
Non-Food Articles	4.25756	225.6	3.95	3.01	3.95	3.01	-2.90	7.12
Minerals	1.52350	179.5	1.40	0.56	1.40	0.56	-28.62	-27.24
FUEL & POWER	14.91021	175.4	-1.97	1.74	-1.97	1.74	-12.98	-4.83
MANUFACTURED PRODUCTS	64.97164	155.0	0.00	0.85	0.00	0.85	-0.45	0.71

Source: Office of Economic Advisor, Ministry of Commerce

1.2 Foreign Tourist Arrivals and Foreign Exchange Earning, April 2016

10.7% growth in Foreign Tourist Arrivals (FTAs) in April 2016 over the same period in 2015. Bangladesh accounts for highest share of tourist arrivals followed by USA and UK in April 2016. Rs. 11, 637 crores Foreign Exchange earned through tourism in April 2016.

Foreign Tourist Arrivals (FTAs):

- FTAs during the Month of April, 2016 were 5.99 lakh as compared to FTAs of 5.42 lakh during the month of April, 2015 and 5.35 lakh in April, 2014. There has been a growth of 10.7% in April, 2016 over April, 2015.
- FTAs during the period January- April, 2016 were 31.08 lakh with a growth of 10.1% as compared to the FTAs of 28.23 lakh with a growth of 3.0% in January- April, 2015 over January- April, 2014.
- The Percentage share of Foreign Tourist Arrivals (FTAs) in India during April, 2016 among the top 15 source countries was highest from Bangladesh (18.09%) followed by USA (12.24%), UK (9.58%), Sri Lanka (3.71%), Malaysia (3.23%), China (3.14%), Australia (3.05%), Germany (3.02%), France (2.86%), Canada (2.83%), Russian Federation (2.81%), Japan (2.50%), Nepal (2.07%), Singapore (1.85%) and Thailand (1.61%).
- The Percentage share of Foreign Tourist Arrivals (FTAs) in India during April 2016 among the top 15 ports was highest at Delhi Airport (29.12%) followed by Mumbai Airport (16.85%), Haridaspur Land check post (9.77%), Chennai Airport (7.82%), Bengaluru Airport (6.66%), Kolkata Airport (4.16%), Cochin Airport (3.51%), Hyderabad Airport (3.07%), Goa Airport (2.84%), Gede Rail (2.31%), Trivendrum Airport (1.54%), Ahmadabad Airport (1.44%), Tiruchirapalli Airport (1.31%) Attari-Wagah (1.13%), and Ghojadanga land check post (0.96%).

Foreign Exchange Earnings (FEEs) from Tourism in India in Rs. terms and in US\$ terms

- FEEs during the month of April, 2016 were Rs. 11,637 crore as compared to Rs. 10,091 crore in April, 2015 and Rs. 9,179 crore in April, 2014.
- The growth rate in FEEs in rupee terms during April, 2016 over April, 2015 was 15.3% as compared to the growth of 9.9% in April, 2015 over April, 2014.
- FEEs from tourism in rupee terms during January- April, 2016 were Rs. 52,048 crore with a growth of 15.7% as compared to the FEE of Rs. 44,966 crore with a growth of 5.0% during January- April, 2015 over January- April, 2014.

- FEEs in US\$ terms during the month of April, 2016 were US\$ 1.747 billion as compared to FEEs of US\$ 1.609 billion during the month of April, 2015 and US\$ 1.520 billion in April, 2014.
- The growth rate in FEEs in US\$ terms in April, 2016 over April, 2015 was 8.6% compared to the growth of 5.9% in April, 2015 over April, 2014.
- FEE from tourism in US\$ terms during January- April, 2016 were US\$ 7.733 billion with a growth of 7.2% as compared to the US\$ 7.214 billion with a growth 3.6% during January- April, 2015 over January- April, 2014.

2. Corporate Sector



2.1 Mineral Production during March 2016

The index of mineral production of mining and quarrying sector for the month of March (new Series 2004-05=100) 2016 at 148.8, was 0.1% lower as compared to March 2015. The cumulative growth for the period April- March 2015-16 over the corresponding period of previous year stands at (+) 2.2%.

The total value of mineral production (excluding atomic & minor minerals) in the country during March 2016 was Rs. 22341 crore. The contribution of Coal was the highest at Rs. 9976 crore (45%). Next in the order of importance were: Petroleum (crude) Rs. 5565 crore, Iron ore Rs. 2173 crore, Natural gas (utilized) Rs. 2014 crore, Lignite Rs.842 crore and Limestone Rs. 550 crore. These six minerals together contributed about 95% of the total value of mineral production in March 2016.

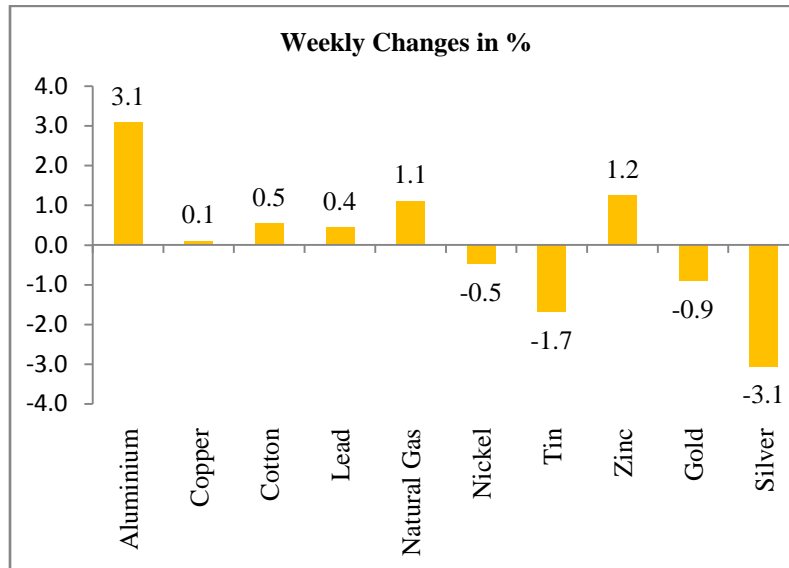
Production level of important minerals in March 2016 were: Coal 694 lakh tonnes, Lignite 57 lakh tonnes, Natural gas (utilized) 2435 million cu. m., Petroleum (crude) 31 lakh tonnes, Bauxite 1952 thousand tonnes, Chromite 427 thousand tonnes, Copper conc. 13 thousand tonnes, Gold 147 kg., Iron ore 175 lakh tonnes, Lead conc. 28 thousand tonnes, Manganese ore 178 thousand tonnes, Zinc conc. 128 thousand tonnes, Apatite & Phosphorite 65 thousand tonnes, Limestone 282 lakh tonnes, Magnesite 25 thousand tonnes and Diamond 4006 carat.

The production of important minerals showing positive growth during March 2016 over March 2015 include ‘Iron ore’ (40.2%), ‘Magnesite’ (32.9%), ‘Copper conc.’ (28.6%), ‘Lead conc. (20.2%), ‘Gold’ (19.5%), ‘Chromite’ (13.5%), ‘Bauxite’ (11.9%), ‘Diamond’ (11.6%), ‘Limestone’ (10.1%), and ‘Coal’ (1.4%). The production of other important minerals showing negative

growth are: 'Apatite & Phosphorite' [(-) 80.7%], 'Zinc conc.' [(-) 23.9%], 'Manganese ore' [(-) 18.3%], 'Natural gas (utilized)' [(-) 10.9%], 'Lignite' [(-) 7.6%] and 'Petroleum (crude)' [(-) 5.1%].

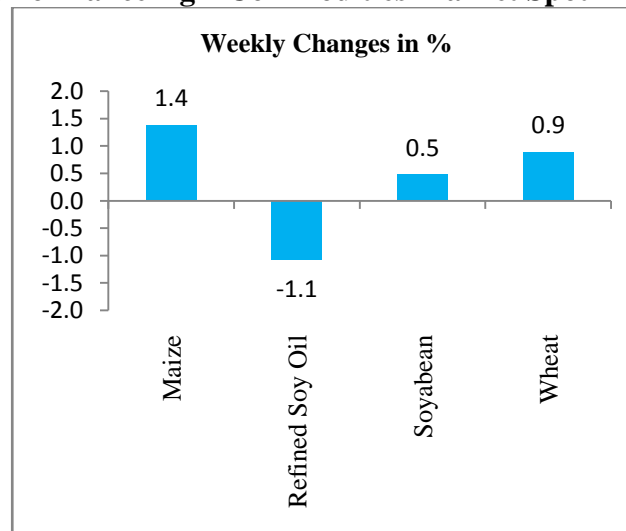
2.2 Basic Metals and Agriculture Commodities in Spot Market

Performance of Metals Market Spot Prices



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

Performance Agri Commodities Market Spot Prices

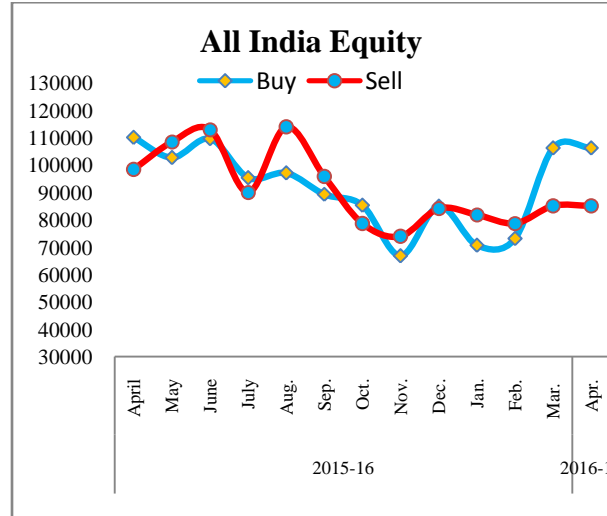
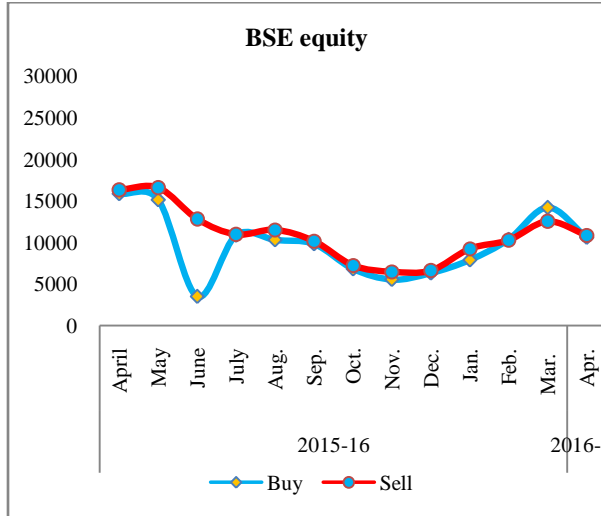


Source: MCX, ASSOCHAM Economic Research Bureau
 Note: For details please refer appendix



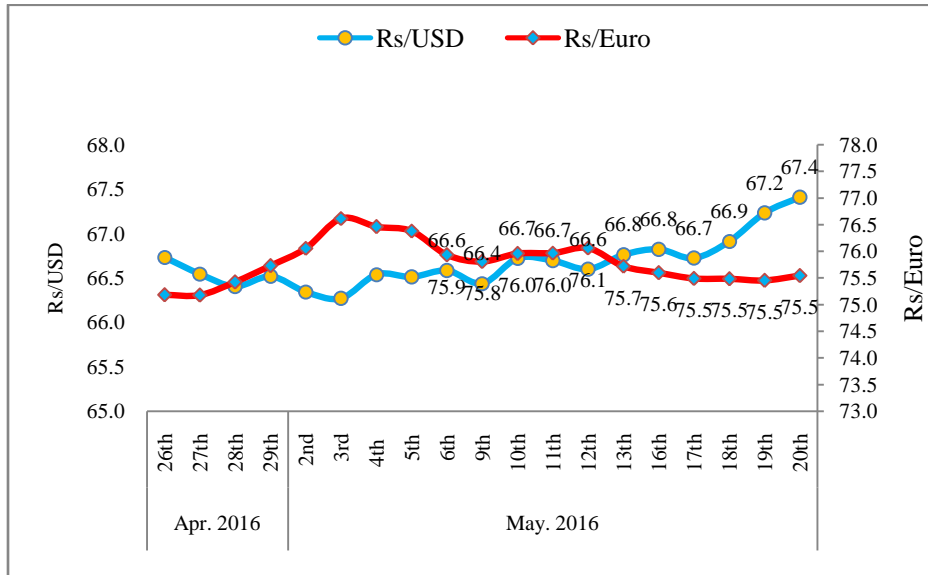
3. Market Trends

FII Equity Flows Equity (Rs. Crore)

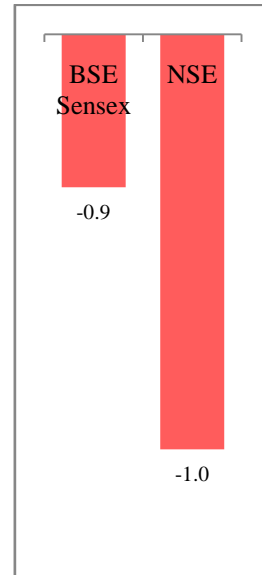


Source: BSE and ASSOCHAM Economic Research Bureau

Exchange Rate



Market Variation



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



4. Global Developments

4.1 UK Labour Market, May 2016

Between October to December 2015 and January to March 2016, the number of people in work increased, the number of unemployed people was little changed, but the number of people not working and not seeking or available to work (economically inactive) fell.

There were 31.58 million people in work, 44,000 more than for October to December 2015 and 409,000 more than for a year earlier.

There were 23.12 million people working full-time, 328,000 more than for a year earlier. There were 8.46 million people working part-time, 81,000 more than for a year earlier.

The employment rate (the proportion of people aged from 16 to 64 who were in work) was 74.2%, the highest since comparable records began in 1971.

There were 1.69 million unemployed people (people not in work but seeking and available to work), little changed compared with October to December 2015 but 139,000 fewer than for a year earlier.

The unemployment rate was 5.1%, unchanged compared with October to December 2015 but lower than for a year earlier (5.6%). The unemployment rate is the proportion of the labour force (those in work plus those unemployed) that were unemployed.

There were 8.90 million people aged from 16 to 64 who were economically inactive (not working and not seeking or available to work), 20,000 fewer than for October to December 2015 and 116,000 fewer than for a year earlier.

The inactivity rate (the proportion of people aged from 16 to 64 who were economically inactive) was 21.7%, the joint lowest since comparable records began in 1971.

Average weekly earnings for employees in Great Britain increased by 2.0% including bonuses and by 2.1% excluding bonuses compared with a year earlier.

Table 2
UK labour market statistics for January to March 2016 (seasonally adjusted)

	Number (thousands)	Change on Oct to Dec 2015	Change on Jan to Mar 2015	Headline Rate (%)	Change on Oct to Dec 2015	Change on Jan to Mar 2015
Employed	31,578	44	409			
Aged 16 to 64	30,395	62	428	74.2	0.1	0.7
Aged 65 and over	1,183	-18	-19			
Unemployed	1,692	-2	-139	5.1	0.0	-0.5
Aged 16 to 64	1,672	-3	-138			
Aged 65 and over	20	1	-2			
Inactive	19,053	49	109			
Aged 16 to 64	8,902	-20	-116	21.7	-0.1	-0.4
Aged 65 and over	10,151	69	225			

Source: UK Office for National Statistics

4.2 Euro Area and EU Annual inflation

According to the statistical office of the European Union, Euro area annual inflation was -0.2% in April 2016, down from 0.0% in March. In April 2015 the rate was 0.0%. European Union annual inflation was also -0.2% in April 2016, down from 0.0% in March. A year earlier the rate was 0.0%.

In April 2016, negative annual rates were observed in seventeen Member States. The lowest annual rates were registered in Romania (-2.6%), Bulgaria (-2.5%) and Cyprus (-2.1%). The highest

annual rates were recorded in Belgium (1.5%) and Sweden (1.0%). Compared with March 2016, annual inflation fell in thirteen Member States, remained stable in seven and rose in eight.

The largest upward impacts to euro area annual inflation came from restaurants & cafés (+0.13 percentage points), rents (+0.08 pp) and tobacco (+0.05 pp), while fuels for transport (-0.54 pp), heating oil (-0.22 pp) and gas (-0.13 pp) had the biggest downward impacts.

Table 3
Inflation rates (%) measured by HICP (Annual rate)

	Apr 2015	Nov 2015	Dec 2015	Jan 2016	Feb 2016	Mar 2016	Apr 2016
Euro area	0	0.1	0.2	0.3	-0.2	0	-0.2
EU	0	0.1	0.2	0.3	-0.1	0	-0.2
Belgium	0.4	1.4	1.5	1.8	1.1	1.6	1.5
Bulgaria	-0.9	-0.9	-0.9	-0.4	-1	-1.9	-2.5
Czech Republic	0.5	0	-0.1	0.5	0.5	0.3	0.5
Denmark	0.4	0.1	0.3	0.4	0.1	-0.3	-0.3
Germany	0.3	0.2	0.2	0.4	-0.2	0.1	-0.3
Estonia	0.4	0.5	-0.2	0.1	0.4	0.5	0
Ireland	-0.3	-0.1	0.2	0	-0.2	-0.6	-0.2
Greece	-1.8	-0.1	0.4	-0.1	0.1	-0.7	-0.4
Spain	-0.7	-0.4	-0.1	-0.4	-1	-1	-1.2
France	0.1	0.1	0.3	0.3	-0.1	-0.1	-0.1
Croatia	-0.1	-0.4	-0.3	-0.2	-0.6	-0.9	-0.9
Italy	-0.1	0.1	0.1	0.4	-0.2	-0.2	-0.4
Cyprus	-1.7	-1.5	-0.6	-1.1	-2.2	-2.2	-2.1
Latvia	0.6	0	0.4	-0.3	-0.6	-0.6	-0.7
Lithuania	-0.6	-0.5	-0.2	0.7	0.5	0.8	0.8
Luxembourg	0	0.4	0.9	0.5	-0.3	-0.6	-0.6
Hungary	0	0.6	1	1	0.3	-0.2	0.3
Malta	1.4	1.3	1.3	0.8	1	1	0.8
Netherlands	0	0.4	0.5	0.2	0.3	0.5	-0.2
Austria	0.9	0.5	1.1	1.4	1	0.6	0.6
Poland	-0.8	-0.5	-0.4	-0.3	-0.2	-0.4	-0.5
Portugal	0.5	0.6	0.3	0.7	0.2	0.5	0.5
Romania	0.6	-0.9	-0.7	-1.5	-2.1	-2.4	-2.6
Slovenia	-0.7	-0.9	-0.6	-0.8	-0.9	-0.9	-0.7
Slovakia	-0.1	-0.4	-0.5	-0.6r	-0.3	-0.5	-0.4
Finland	-0.1	-0.2	-0.2	0	-0.1	0	0.3
Sweden	0.5	0.8	0.7	1.3	0.8	1.2	1
United Kingdom	-0.1	0.1	0.2	0.3	0.3	0.5	0.3

Iceland	-0.3	0.5	0.7	1.1	0.9	0.3	:
Norway	1.7	2.7	2.4	3.1	3.3	3.6	3.5
Switzerland	-0.9	-1.2	-1.3r	-1.5	-0.9	-1	-0.5

Source: The statistical office of the European Union

5. Data Appendix

Table 4
Latest Available Financial Information

Item	May. 06, 2016	May.13, 2016	Percentage Change
Deposits of Scheduled Commercial Banks with RBI (Rs. Billion)	3,938.01	3,925.78	-0.31
Foreign Currency Assets of RBI (Rs. Billion)	22,707.81	22,700.28	-0.03
Advances of RBI to the Central Government (Rs. Billion)	–	–	
Advances of RBI to the Scheduled Commercial Banks (Rs. Billion)	686.09	1,167.37	70.15
Foreign Exchange Reserves (US\$ Billion)	362.0	361.0	-0.27

Source: RBI, Govt. of India

Table 5
BSE Sensex and NSE Nifty Index

Index	May. 16, 2016	May.20, 2016	Percentage Change
BSE SENSEX	25,528.80	25,301.90	-0.9
S & P CNX NIFTY	7,831.2	7,749.7	-1.0

Source: BSE India and NSE India

Table 6
Metals Market Spot Prices Index (Rs.)

		May 2016					Weekly Changes in %
		16 th	17 th	18 th	19 th	20 th	
Aluminium	1 KGS	101.9	102.2	102.4	103.3	105.1	3.1
Copper	1 KGS	305.2	307.8	307.3	306.6	305.5	0.1
Cotton	1 BALES	16870.0	16920.0	16970.0	16990.0	16960.0	0.5
Lead	1 KGS	113.7	114.8	113.9	114.0	114.2	0.4
Natural Gas	1 mmBtu	135.6	135.6	136.6	133.9	137.1	1.1
Nickel	1 KGS	577.2	575.5	574.3	570.6	574.5	-0.5
Tin	1 KGS	1129.0	1131.8	1125.0	1123.0	1110.0	-1.7
Zinc	1 KGS	125.0	125.3	125.7	126.1	126.5	1.2
Gold	10 GRMS	29998.0	29861.0	29850.0	29667.0	29729.0	-0.9
Silver	1 KGS	40882.0	40493.0	40399.0	39790.0	39632.0	-3.1

Source: MCX

Table 7
Agri. Commodities Market Spot Prices (Rs.)

		May 2016					Weekly Changes in %
		16 th	17 th	18 th	19 th	20 th	
Maize	100 KGS	1450.0	1450.0	1445.0	1485.0	1470.0	1.4
Refined Soy Oil	10 KGS	671.3	665.9	663.1	657.3	664.2	-1.1
Soyabean	100 KGS	3997.5	4062.5	4042.5	3970.0	4016.5	0.5
Wheat	100 KGS	1685.0	1688.3	1690.8	1691.7	1700.0	0.9

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.