



ASSOCHAM Economic Weekly
24th April, 2016



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1. Macroeconomy



1.1 Index Numbers of Wholesale Price in India, March, 2016

Wholesale Price Index for 'All Commodities' (Base: 2004-05=100) for the month of March, 2016 rose by 0.3 percent to 174.6 from 174.0 (provisional) for the previous month.

The annual rate of inflation, based on monthly WPI, stood at -0.85% for the month of March, 2016 (over March, 2015) as compared to -0.91% for the previous month and -2.33% during the corresponding month of the previous year. Build up inflation rate in the financial year so far was -0.85% compared to a build up rate of -2.33% in the corresponding period of the previous year.

The index for 'Primary Articles' group declined by 0.2 percent to 244.1 from 244.7 for the previous month.

The index for 'Food Articles' group declined by 0.2 percent to 258.6 from 259.1 for the previous month due to lower price of tea (7%), egg (6%), arhar and masur (4% each), condiments & spices (3%), gram, urad, moong and fish-inland (2% each) and barley and fruits & vegetables (1% each). However, the price of poultry chicken (9%), bajra (4%), fish-marine (3%) and maize, jowar, beef & buffalo meat, milk and pork (1% each) moved up.

The index for 'Non-Food Articles' group rose by 0.5 percent to 219.0 from 217.9 for the previous month due to higher price of raw rubber (17%), groundnut seed (8%), sugarcane (6%), raw jute, soyabean and linseed (2% each) and coir fibre, cotton seed, fodder and safflower (kardi seed) (1% each). However, the price of flowers (17%), copra (coconut) (8%), rape & mustard seed (5%),

raw silk, guar seed, raw cotton, gingelly seed and mesta (3% each) and castor seed and niger seed (2% each) declined.

The index for ‘Minerals’ group declined by 2.5 percent to 178.5 (provisional) from 183.0 (provisional) for the previous month due to lower price of crude petroleum (4%), iron ore (3%), magnesite (2%) and chromite (1%). However, the price of zinc concentrate (4%) and sillimanite (1%) moved up.

The index for ‘Fuel & Power’ group rose by 1.7 percent to 172.4 from 169.6 for the previous month due to higher price of aviation turbine fuel (14%), high speed diesel (6%), furnace oil (5%) and kerosene and bitumen (1% each). However, the price of electricity and petrol (3% each) and LPG (1%) declined.

The index for ‘Manufactured Products’ group rose by 0.4 percent to 153.7 (provisional) from 153.1 (provisional) for the previous month.

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

Month of March, 2016

Commodities/Major Groups/Groups/Sub-Groups	Weight	WPI Mar-2016	Latest month over month		Build up from March		Year on year	
			2014-15	2015-16	2014-15	2015-16	2014-15	2015-16
ALL COMMODITIES	100.00000	174.6	0.28	0.34	-2.33	-0.85	-2.33	-0.85
PRIMARY ARTICLES	20.11815	244.1	-0.79	-0.25	-0.17	2.13	-0.17	2.13
Food Articles	14.33709	258.6	-0.56	-0.19	6.27	3.73	6.27	3.73
Non-Food Articles	4.25756	219.0	-1.55	0.50	-6.94	8.09	-6.94	8.09
Minerals	1.52350	178.5	-1.78	-2.46	-29.58	-26.63	-29.58	-26.63
FUEL & POWER	14.91021	172.4	3.75	1.65	-12.23	-8.30	-12.23	-8.30
MANUFACTURED PRODUCTS	64.97164	153.7	-0.06	0.39	-0.19	-0.13	-0.19	-0.13

Source: Office of Economic Advisor

1.2 India's Foreign Trade: March, 2016

Exports during March, 2016 were valued at US\$ 22718.69 million (Rs.152264.96 crore) which was 5.47 per cent lower in Dollar terms (1.45 per cent higher in Rupee terms) than the level of US\$ 24032.55 million (Rs.150082.80 crore) during March, 2015. Cumulative value of exports for the period April-March 2015-16 was US\$ 261136.80 million (Rs.1708841.43 crore) as against US\$ 310338.47 million (Rs.1896348.40 crore) registering a negative growth of 15.85 per cent in Dollar terms and 9.89 per cent in Rupee terms over the same period last year.

Non-petroleum exports in March 2016 are valued at US\$ 20639.78 million against US\$ 21386.48 million in March 2015, a reduction of 3.49 per cent. Non-petroleum exports during April to March 2016 are valued at US\$ 231952.95 million as compared to US\$ 253544.33 million for the corresponding period in 2015, a reduction of 8.52 per cent.

The trend of falling exports is in tandem with other major world economies. The growth in exports have fallen for USA (10.81 per cent), European Union (7.40 per cent), China (11.37 per cent) and Japan (12.85 per cent) for January 2016 over the corresponding period previous year as per WTO statistics.

Imports during March, 2016 were valued at US\$ 27789.56 million (Rs.186250.88 crore) which was 21.56 per cent lower in Dollar terms and 15.82 per cent lower in Rupee terms over the level of imports valued at US\$ 35428.72 million (Rs.221251.65 crore) in March, 2015. Cumulative value of imports for the period April-March 2015-16 was US\$ 379596.17 million (Rs.2481367.22 crore) as against US\$ 448033.42 million (Rs.2737086.58 crore) registering a negative growth of 15.28 per cent in Dollar terms and 9.34 per cent in Rupee terms over the same period last year.

Oil imports during March, 2016 were valued at US\$ 4799.96 million which was 35.30 per cent lower than oil imports valued at US\$ 7418.51 million in the corresponding period last year. Oil imports during April-March, 2015-16 were valued at US\$ 82662.26 million which was 40.24 per cent lower than the oil imports of US\$ 138325.50 million in the corresponding period last year.

Non-oil imports during March, 2016 were estimated at US\$ 22989.60 million which was 17.92 per cent lower than non-oil imports of US\$ 28010.21 million in March, 2015. Non-oil imports during April-March, 2015-16 were valued at US\$ 296933.91 million which was 4.12 per cent lower than the level of such imports valued at US\$ 309707.92 million in April-March, 2014-15.

The trade deficit for April-March, 2015-16 was estimated at US\$ 118459.37 million which was lower than the deficit of US\$ 137694.95 million during April-March, 2014-15.

Table 2
India's Merchandise Trade (US \$ Million)

	MARCH	APRIL-MARCH
EXPORTS(including re-exports)		
2014-15	24032.55	310338.47
2015-16	22718.69	261136.80
%Growth2015-16/ 2014-15	-5.47	-15.85
IMPORTS		
2014-15	35428.72	448033.42
2015-16	27789.56	379596.17
%Growth2015-16/ 2014-15	-21.56	-15.28
TRADE BALANCE		
2014-15	-11396.17	-137694.95
2015-16	-5070.87	-118459.37

Source: Ministry of Commerce, Govt. of India



2. Corporate Sector

2.1 Foreign Tourists Arrivals (FTAs) during the period January - March 2016

Foreign Tourists Arrivals (FTAs) during the period January - March 2016 were 25.08 lakh with a growth of 10.0% as compared to the FTAs of 22.81 lakh with a growth of 3.5% in January- March 2015 over January - March 2014. FTAs during the Month of March 2016 were 8.17 lakh as compared to FTAs of 7.29 lakh during the month of March 2015 and 6.90 lakh in March 2014. There has been a growth of 12.1% in March 2016 over March 2015.

Foreign Exchange Earnings (FEEs) during the month of March 2016 were Rs. 13,115 crore as compared to Rs. 11,133 crore in March 2015 and Rs. 10,479 crore in March 2014.

Foreign Tourist Arrivals (FTAs):

- FTAs during the Month of March 2016 were 8.17 lakh as compared to FTAs of 7.29 lakh during the month of March 2015 and 6.90 lakh in March 2014. There has been a growth of 12.1% in March 2016 over March 2015.
- FTAs during the period January- March 2016 were 25.08 lakh with a growth of 10.0% as compared to the FTAs of 22.81 lakh with a growth of 3.5% in January- March 2015 over January- March 2014.
- The Percentage share of Foreign Tourist Arrivals (FTAs) in India during March, 2016 among the top 15 source countries was highest from Bangladesh (14.07%) followed by UK (13.16%), USA (11.84%), Germany (3.74%), Canada (3.57%), Sri Lanka (3.48%), Malaysia (3.45%), Russian Federation (3.19%), China (2.92%), France (2.92%), Australia (2.83%), Japan (2.43%), Nepal (1.72%), Singapore (1.67%) and Thailand (1.60).

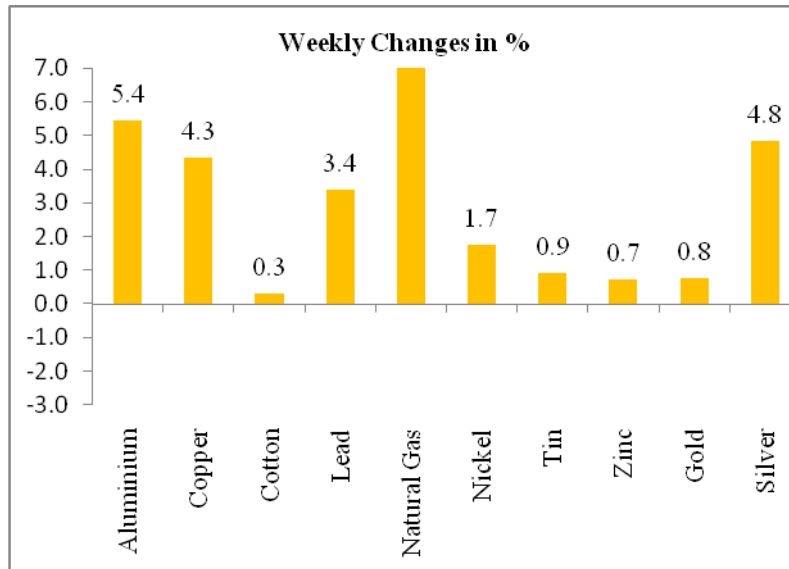
- The Percentage share of Foreign Tourist Arrivals (FTAs) in India during March 2016 among the top 15 ports was highest at Delhi Airport (33.82%) followed by Mumbai Airport (15.97%), Haridaspur Land check post (7.83%), Chennai Airport (7.30%), Bangalore Airport (5.44%), Goa Airport (4.05%), Kolkata Airport (4.02%), Cochin Airport (3.76%), Hyderabad Airport (2.72%), Gede Rail (1.67%), Amritsar Airport (1.63%), Ahmadabad Airport (1.63%), Trivendrum Airport (1.48%), Tiruchirapalli Airport (1.34%) and Gaya Airport (0.96%),

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

- FEEs during the month of March 2016 were Rs. 13,115 crore as compared to Rs. 11,133 crore in March 2015 and Rs. 10,479 crore in March 2014.
- The growth rate in FEEs in rupee terms during March 2016 over March 2015 was 17.8% as compared to the growth of 6.2% in March 2015 over March 2014.
- FEEs from tourism in rupee terms during January- March 2016 were Rs. 40,411 crore with a growth of 15.9% as compared to the FEE of Rs. 34,875 crore with a growth of 3.6% during January- March 2015 over January- March 2014.
- FEEs in US\$ terms during the month of March 2016 were US\$ 1.958 billion as compared to FEEs of US\$ 1.783 billion during the month of March 2015 and US\$ 1.716 billion in March 2014.
- The growth rate in FEEs in US\$ terms in March 2016 over March 2015 was 9.8% compared to the growth of 3.9% in March 2015 over March 2014.
- FEE from tourism in US\$ terms during January- March 2016 were US\$ 5.986 billion with a growth of 6.8% as compared to the US\$ 5.605 billion with a growth 2.9% during January- March 2015 over January- March 2014.

2.2 Basic Metals and Agriculture Commodities in Spot Market

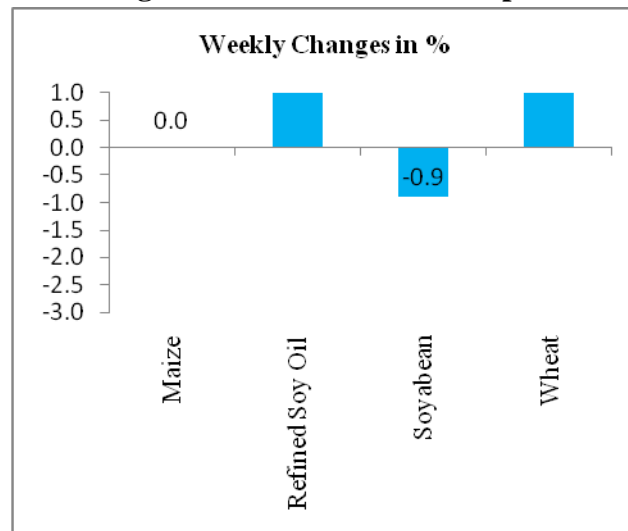
Performance of Metals Market Spot Prices



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

BSE: The BSE Sensex increased by 0.02 per cent and closed at 25,838.14

Nifty 50: Nifty 50 decreased by 0.11 per cent during the week and closed at 7899.30

Dollar: The value of Rupee appreciated by Rs. 0.2 against the US dollar during the week and closed at Rs 66.49 per dollar.

Euro: The value of Rupee appreciated by Rs. 0.2 against the Euro and closed at Rs. 75.10 per euro.

Forex Reserves: India's Foreign Exchange reserves increased by USD 0.33 billion to USD 360.25 billion during the week-ended April 15, 2016.



4. Global Developments

4.1 Euro area and EU 28 government deficit at 2.1 % and 2.4 % of GDP respectively

In 2015, the government deficit and debt of both the euro area (EA19) and the EU28 decreased in relative terms compared with 2014. In the euro area the government deficit to GDP ratio fell from 2.6 % in 2014 to 2.1 % in 2015, and in the EU28 from 3.0 % to 2.4 %. In the euro area the government debt to GDP ratio declined from 92.0 % at the end of 2014 to 90.7 % at the end of 2015, and in the EU28 from 86.8 % to 85.2 %.

In 2015, Luxembourg (+1.2%), Germany (+0.7%) and Estonia (+0.4%) registered a government surplus, while Sweden (0.0%) reported a government balance. The lowest government deficits as a percentage of GDP were recorded in Lithuania (-0.2%), the Czech Republic (-0.4%), Romania (-0.7%) and Cyprus (-1.0%). Seven Member States had deficits equal to or higher than 3% of GDP: Greece (-7.2%), Spain (-5.1%), Portugal and the United Kingdom (-4.4% each), France (-3.5%), Croatia (-3.2%) and Slovakia (-3.0%).

At the end of 2015, the lowest ratios of government debt to GDP were recorded in Estonia (9.7%), Luxembourg (21.4%), Bulgaria (26.7%), Latvia (36.4%) and Romania (38.4%). Seventeen Member States had government debt ratios higher than 0% of GDP, with the highest registered in Greece (176.9%), Italy (132.7%), Portugal (129.0%), Cyprus (108.9%) and Belgium (106.0%).

In 2015, government expenditure in the euro area was equivalent to 48.6% of GDP and government revenue to 46.6%. The figures for the EU28 were 47.4% and 45.0% respectively. In both zones, the government expenditure and government revenue ratios decreased between 2014 and 2015.

5. Data Appendix

Table 3
Latest Available Financial Information

Item	April 8, 2016	April 15, 2016	Percentage Change
Deposits of Scheduled Commercial Banks with RBI (Rs. Billion)	3,858.63	3,895.20	0.9
Foreign Currency Assets of RBI (Rs. Billion)	22,528.40	22,538.14	0.04
Advances of RBI to the Central Government (Rs. Billion)	–	–	
Advances of RBI to the Scheduled Commercial Banks (Rs. Billion)	1,267.41	939.95	-25.8

Source: RBI, Govt. of India

Table 4
BSE Sensex and NIFTY 50 Index

Index	April 18, 2016	April 22, 2016	Percentage Change
BSE SENSEX	25,833.16	25,838.14	0.02
NIFTY 50	7908.15	7899.30	-0.11

Source: BSE India and NSE India

Table 5
Metals Market Spot Prices Index (Rs.)

Products	Unit	April 18, 2016	April 19, 2016	April 20, 2016	April 21, 2016	April 22, 2016	Weekly Changes in %
Aluminium	1 KGS	103.10	104.35	105.85	107.90	108.70	5.4
Copper	1 KGS	315.30	318.15	326.80	326.85	329.00	4.3
Cotton	1 BALES	16480.00		16460.00	16500.00	16530.00	0.3
Lead	1 KGS	114.10	115.20	117.45	118.90	117.95	3.4
Natural Gas	1 mmBtu	126.30	129.30	139.20	137.10	137.10	8.6
Nickel	1 KGS	596.50	604.30	610.20	625.00	606.90	1.7
Tin	1 KGS	1142.50	1138.75	1147.75	1157.75	1153.00	0.9
Zinc	1 KGS	125.75	126.75	127.05	128.10	126.65	0.7
Gold	10 GRMS	29098.00		29240.00	29479.00	29320.00	0.8
Silver	1 KGS	38120.00		39559.00	40534.00	39963.00	4.8

Source: MCX

Table 6
Agri Commodities Market Spot Prices (Rs.)

Products	Unit	April 18, 2016	April 19, 2016	April 20, 2016	April 21, 2016	April 22, 2016	Weekly Changes in %
Maize	100 KGS	1450.00		1447.50	1450.00	1450.00	0.0
Refined Soy Oil	10 KGS	676.75		696.00	694.45	693.55	2.5
Soyabean	100 KGS	4212.50		4256.50	4262.50	4175.00	-0.9
Wheat	100 KGS	1630.0		1635.0	1650.0	1646.7	1.0

Source: MCX

ASSOCHAM Economic Research Bureau

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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.

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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.