



ASSOCHAM Economic Weekly
17th January, 2016



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1. Macroeconomy



1.1 Index Numbers of Wholesale Price in India, December 2015

The official Wholesale Price Index for 'All Commodities' (Base: 2004-05=100) for the month of December, 2015 declined by 0.1 percent to 177.4 from 177.6 for the previous month.

The annual rate of inflation, based on monthly WPI, stood at -0.73% for the month of December, 2015 (over December, 2014) as compared to -1.99% for the previous month and -0.50% during the corresponding month of the previous year. Build up inflation rate in the financial year so far was 0.74% compared to a build up rate of -0.89% in the corresponding period of the previous year.

The index for 'Primary Articles' group rose by 0.5 percent to 257.8 from 256.5

The index for 'Food Articles' group rose by 0.6 percent to 272.7 from 271.0 for the previous month due to higher price of poultry chicken (18%), fish-inland (10%), beef & buffalo meat (9%), pork and bajra (4% each), egg, tea, fish-marine and condiments & spices (3% each), jowar, urad and barley (2% each) and maize, arhar and wheat (1 % each). However, the price of moong (7%), masur (5%), fruits & vegetables (2%) and mutton (1%) declined.

The index for 'Non-Food Articles' group rose by 1.0 percent to 223.9 from 221.7 for the previous month due to higher price of mesta and flowers (12% each), raw jute and linseed (5% each), groundnut seed and raw wool (4% each), niger seed (3%), fodder and raw cotton (2% each) and rape & mustard seed and sunflower (1% each). However, the price of guar seed (11%), castor seed and raw rubber (7% each), soyabean and gingelly seed (3% each), coir fibre (2%) and copra (coconut) and cotton seed (1% each) declined.

The index for ‘Minerals’ group declined by 2.4 percent to 212.3 from 217.6 for the previous month due to lower price of iron ore (10%), zinc concentrate (6%) and manganese ore (1%). However, the price of sillimanite and copper ore (1% each) moved up.

The index for ‘Fuel & Power’ group declined by 0.6 percent to 176.8 from 177.9 for the previous month due to lower prices of furnace oil (10%), bitumen (3%) and petrol and aviation turbine fuel (1% each). However, the price of LPG (1%) moved up.

The index for ‘Manufactured Products’ group declined by 0.3 percent to 152.6 from 153.0 for the previous month

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

Month of December, 2015

	Weight	WPI Dec-2015	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	177.4	-1.38	-0.11	-0.89	0.74	-0.50	-0.73
PRIMARY ARTICLES	20.11815	257.8	-2.55	0.51	2.09	7.87	0.29	5.48
Food Articles	14.33709	272.7	-2.14	0.63	7.46	9.39	4.95	8.17
Non-Food Articles	4.25756	223.9	-0.29	0.99	-4.50	10.51	-3.62	7.70
FUEL & POWER	14.91021	176.8	-2.75	-0.62	-9.15	-5.96	-7.82	-9.15
MANUFACTURED PRODUCTS	64.97164	152.6	-0.32	-0.26	0.32	-0.84	1.44	-1.36

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

1.2 Tourists Arrival on E-Tourist Visa, December 2015

UK Continues to Occupy Top Slot Followed by USA and Russia amongst the Countries Availing E-Tourist Visa Facility

A total of 1,03,617 tourists arrived in India on e-Tourist Visa in December, 2015 as compared to 14,083 during the month of December, 2014 registering a growth of 635.8%. UK continues to occupy top slot followed by USA and Russia Fed. amongst the countries availing e-tourist visa facility.

Commencing from 27th November 2014 e-Tourist Visa facility is presently available for citizens of 113 countries arriving at 16 Airports in India.

The following are the important highlights of e-Tourist Visa during December, 2015:

- i. During the month of December, 2015 a total of 1,03,617 tourist arrived on e-Tourist Visa as compared to 14,083 during the month of December, 2014 registering a growth of 635.8%.
- ii. During January- December, 2015 a total of 4,45,300 tourist arrived on e-Tourist Visa as compared to 39,046 during January- December, 2014 registering a growth of 1040.4%.
- iii. This high growth may be attributed to introduction of e-Tourist Visa for 113 countries as against coverage of earlier ETA enabled TVoA scheme for 43 countries.
- iv. The percentage shares of top 10 source countries availing e-Tourist Visa facilities during December, 2015 were as follows:

UK (23.81%), USA (19.59%), Russian Fed. (9.33%), Australia (5.44%), Germany (4.86%), France (4.44%), Canada (4.40%), China (3.10%), Republic of Korea (1.83%) and Ukraine (1.67%).

- v. The percentage shares of top 10 ports in tourist arrivals on e-Tourist Visa during December, 2015 were as follows:

New Delhi Airport (36.23%), Mumbai Airport (21.90%), Goa Airport (16.54%), Bengaluru Airport (5.54%), Kochi Airport (4.68%), Chennai Airport (4.21%), Kolkata Airport (2.74%), Hyderabad Airport (2.68%), Trivandrum Airport (2.05%) and Ahmedabad Airport (1.79%).

2. Corporate Sector



2.1 Index of Industrial Production, November 2015

The General Index for the month of November 2015 stands at 166.6, which is 3.2 percent lower as compared to the level in the month of November 2014. The cumulative growth for the period April-November 2015 over the corresponding period of the previous year stands at 3.9 percent.

The Indices of Industrial Production for the Mining, Manufacturing and Electricity sectors for the month of November 2015 stand at 131.5, 171.9 and 175.6 respectively, with the corresponding growth rates of 2.3 percent, (-) 4.4 percent and 0.7 percent as compared to November 2014. The cumulative growth in three sectors during April-November 2015 over the corresponding period of 2014 has been 2.1 percent, 3.9 percent and 4.6 percent respectively.

Table 2
Index of Industrial Production – Sectoral

(Base : 2004-05=100)

Month	Mining		Manufacturing		Electricity		General	
	(141.57)		(755.27)		(103.16)		(1000.00)	
	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16
Apr	122.6	121.9	181.4	188.5	178.1	177.2	172.7	177.9
May	125.3	127.9	183.5	187.3	183.9	195.0	175.3	179.7
Jun	122.1	121.6	180.1	189.5	181.6	183.7	172.0	179.3
Jul	116.2	117.7	182.2	190.9	183.8	190.3	173.0	180.5
Aug	115.0	120.2	173.4	184.8	184.1	194.4	166.2	176.6
Sep	115.3	118.8	181.9	187.2	175.6	195.7	171.8	178.4
Oct	124.2	130.6	170.0	188.1	184.9	201.6	165.1	181.4
Nov*	128.6	131.5	179.9	171.9	174.3	175.6	172.1	166.6
Dec	133.6		196.8		177.6		185.9	
Jan	136.7		200.7		176.7		189.2	
Feb	129.6		192.7		166.0		181.0	
Mar	149.0		210.3		176.4		198.1	
Average								

Apr-Nov	121.2	123.8	179.1	186.0	180.8	189.2	171.0	177.6
Growth over the corresponding period of previous year								
Nov	4.0	2.3	4.7	-4.4	10.0	0.7	5.2	-3.2
Apr-Nov	2.5	2.1	1.5	3.9	10.7	4.6	2.5	3.9

Source: MOSPI, Govt. of India

* Indices for Nov 2015 are Quick Estimates.

NOTE : Indices for the months of Aug'15 and Oct'15 incorporate updated production data.

As per Use-based classification, the growth rates in November 2015 over November 2014 are (-) 0.7 percent in Basic goods, (-) 24.4 percent in Capital goods and (-) 0.7 percent in Intermediate goods. The Consumer durables and Consumer non-durables have recorded growth of 12.5 percent and (-) 4.7 percent respectively, with the overall growth in Consumer goods being 1.3 percent.

Table 3
Index of Industrial Production - Use-Based

(Base : 2004-05=100)

Month	Basic goods (456.82)		Capital goods (88.25)		Intermediate goods (156.86)		Consumer goods (298.08)		Consumer durables (84.60)		Consumer non-durables (213.47)	
	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16
Apr	163.0	167.3	235.0	248.0	149.7	153.2	181.5	186.5	255.4	258.7	152.2	157.9
May	167.1	177.4	228.0	234.9	155.5	157.4	182.7	178.7	262.7	252.4	151.0	149.5
Jun	163.5	171.9	270.7	265.4	151.2	153.1	166.9	179.0	211.9	246.1	149.0	152.4
Jul	162.8	171.6	263.2	289.9	155.4	158.5	171.3	173.2	220.9	244.2	151.7	145.1
Aug	164.0	170.0	220.6	267.5	151.9	156.2	161.1	170.8	218.8	256.0	138.3	137.0
Sep	161.3	168.1	260.9	287.7	151.3	154.5	172.4	174.5	241.5	261.9	145.0	139.9
Oct	167.9	175.0	239.2	278.3	145.5	154.8	149.0	176.4	191.8	272.9	132.0	138.2
Nov*	168.2	167.0	252.1	190.7	151.4	150.3	165.1	167.2	201.6	226.9	150.6	143.5
Dec	174.6		269.7		159.0		192.4		208.0		186.2	
Jan	175.4		270.5		158.3		202.3		246.6		184.8	
Feb	164.6		254.9		151.8		199.6		251.2		179.2	
Mar	180.8		331.5		164.8		202.7		261.9		179.3	
Average												
Apr-Nov	164.7	171.0	246.2	257.8	151.5	154.8	168.8	175.8	225.6	252.4	146.2	145.4
Growth over the corresponding period of previous year												
Nov	9.5	-0.7	7.0	-24.4	4.7	-0.7	-1.6	1.3	-14.5	12.5	7.0	-4.7
Apr-Nov	8.3	3.8	4.9	4.7	1.9	2.2	-5.7	4.1	-15.9	11.9	1.8	-0.5

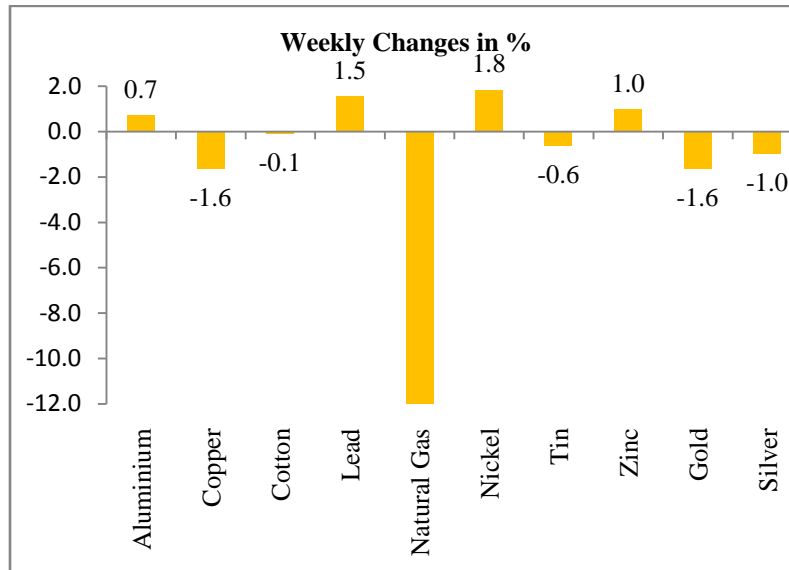
Source: MOSPI, Govt. of India

* Indices for Nov 2015 are Quick Estimates.

NOTE : Indices for the months of Aug'15 and Oct'15 incorporate updated production data.

2.2 Basic Metals and Agriculture Commodities in Spot Market

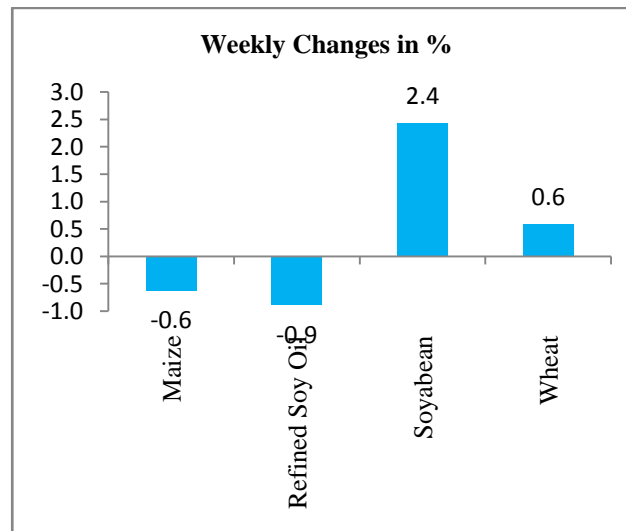
Performance of Metals Market Spot Prices



Source: MCX, ASSOCHAM Economic Research Bureau

Note: For details please refer appendix and weekly change calculated for four days

Performance Agri Commodities Market Spot Prices



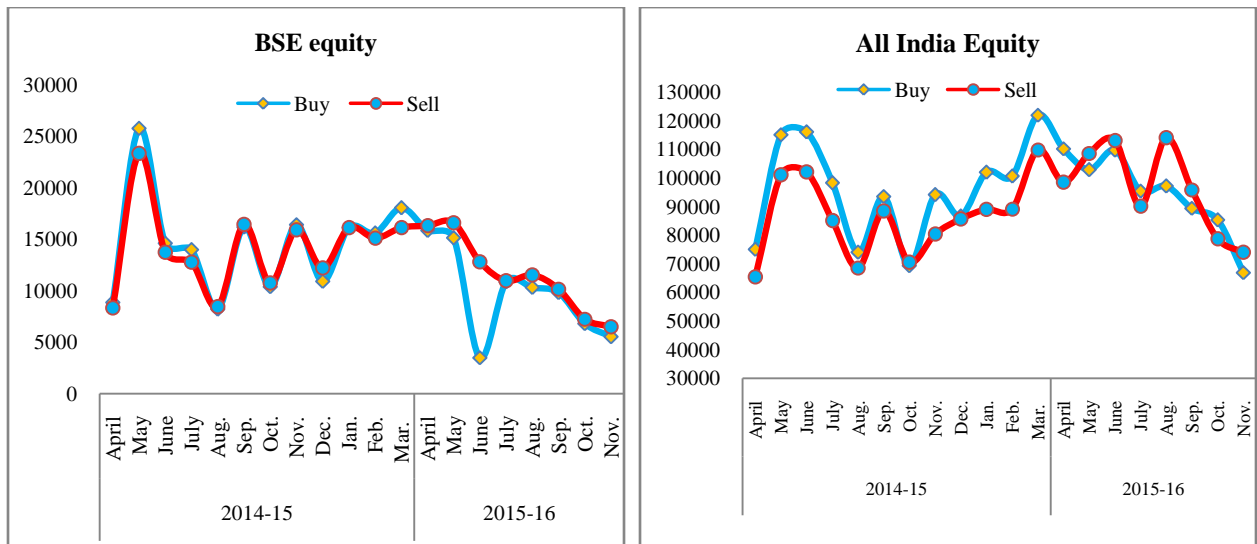
Source: MCX, ASSOCHAM Economic Research Bureau

Note: For details please refer appendix and weekly change calculated for four days



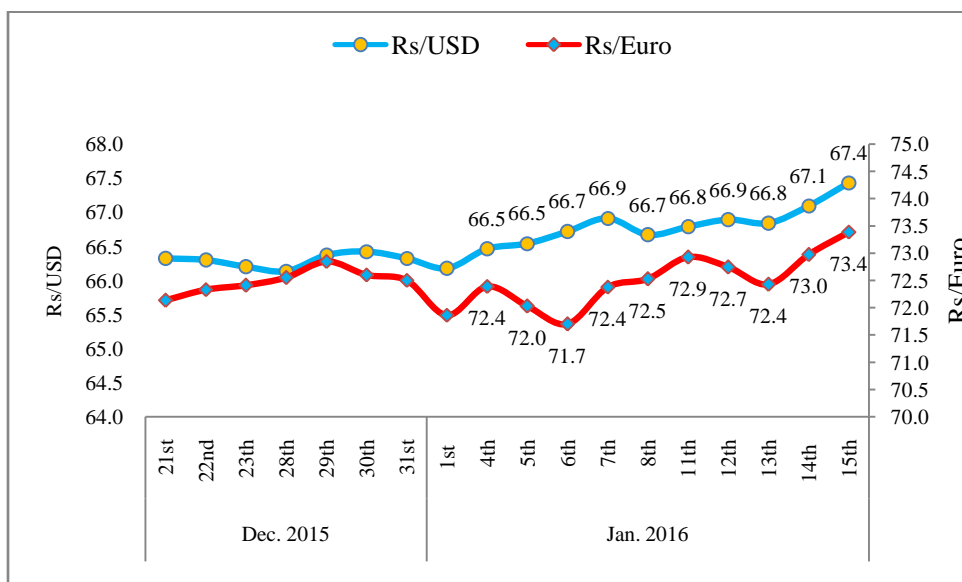
3. Market Trends

FII Equity Flows Equity (Rs. Crore)

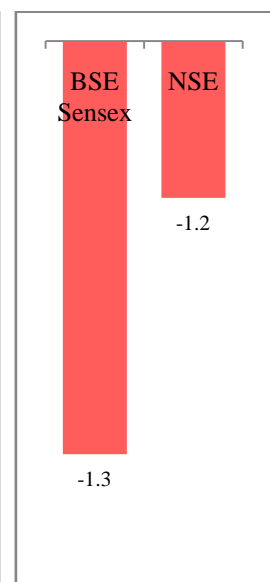


Source: BSE and ASSOCHAM Economic Research Bureau

Exchange Rate



Market Variation



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



4. Global Developments

4.1 UK Index of Production, November 2015

- Total production output is estimated to have increased by 0.9% in November 2015 compared with the same month a year ago. There were increases in 3 of its 4 main sectors, with the largest contribution coming from mining & quarrying, which increased by 10.5%.
- Manufacturing output decreased by 1.2% in November 2015 compared with November 2014. The largest contribution to the decrease came from the manufacture of machinery & equipment not elsewhere classified, which decreased by 13.7%.
- Total production output is estimated to have decreased by 0.7% between October 2015 and November 2015. There were decreases in all of the main sectors, with manufacturing, mining & quarrying and electricity & gas having the largest contributions to the decrease.
- Manufacturing output decreased by 0.4% in November 2015 compared with October 2015. The largest contribution to the decrease came from the manufacture of basic pharmaceutical products & pharmaceutical preparations, which decreased by 4.9%.
- In the 3 months to November 2015, total production and manufacturing output increased by 0.2% and 0.5% respectively on the previous 3 months.
- In the 3 months to November 2015, production and manufacturing were 9.1% and 6.1% respectively below their values reached in the pre-downturn GDP peak in Quarter 1 (Jan to Mar) 2008.

Table 4
Index of Production main figures, November 2015, UK

	Index number, 2012=100	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
Production	101.7	0.9	1.4	-0.7	0.2

Manufacturing	101	-1.2	-0.6	-0.4	0.5
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Source: UK Office for National Statistics

4.2 Euro Area Industrial production

In November 2015 compared with October 2015, seasonally adjusted industrial production fell by 0.7% in the euro area (EA19) and by 0.6% in the EU28, according to the statistical office of the European Union. In October 2015 industrial production rose by 0.8% and 0.6% respectively.

In November 2015 compared with November 2014, industrial production increased by 1.1% in the euro area and by 1.4% in the EU28.

Monthly comparison by main industrial grouping and by Member State

The decrease of 0.7% in industrial production in the euro area in November 2015, compared with October 2015, is due to production of energy falling by 4.3%, capital goods by 1.9% and durable consumer goods by 1.0%, while production of non-durable consumer goods rose by 0.1% and intermediate goods by 0.7%.

In the EU28, the decrease of 0.6% is due to production of energy falling by 3.5%, capital goods by 1.3%, durable consumer goods by 0.3% and non-durable consumer goods by 0.1%, while production of intermediate goods rose by 0.5%.

Among Member States for which data are available, the largest decreases in industrial production were registered in Portugal (-4.9%), Malta (-3.7%), the Netherlands (-3.1%), Estonia and Lithuania (both -2.6%), and the highest increases in Greece (+3.3%) and Slovakia (+1.9%).

Annual comparison by main industrial grouping and by Member State

The increase of 1.1% in industrial production in the euro area in November 2015, compared with November 2014, is due to production of intermediate goods rising by 2.1%, durable consumer goods by 1.7% and both capital goods and non-durable consumer goods by 1.2%, while production of energy fell by 2.8%.

In the EU28, the increase of 1.4% is due to production of capital goods rising by 2.0%, intermediate goods by 1.8%, durable consumer goods by 1.7% and non-durable consumer goods by 0.8%, while production of energy fell by 1.2%.

Among Member States for which data are available, the highest increases in industrial production were registered in Ireland (+14.2%), Slovakia (+11.9%) and Hungary (+7.1%), and the largest decreases in the Netherlands (-8.0%) and Estonia (-6.2%).

Table 4
Industrial production
% change compared with previous month*

	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15
EA19						
Total industry	-0.3	0.8	-0.5	-0.2	0.8	-0.7
Intermediate goods	-0.3	-0.4	0.4	0.1	0	0.7
Energy	2.9	2	-3.7	1.5	1.6	-4.3
Capital goods	-1.5	1.7	-0.9	-0.2	1.3	-1.9
Durable consumer goods	-1.4	1	2	-2.9	1.8	-1
Non-durable consumer goods	-0.4	1.3	0.1	-1.4	0.6	0.1
EU28						
Total industry	0	0.4	-0.2	0	0.6	-0.6
Intermediate goods	0	-0.5	0.1	0.2	0.2	0.5
Energy	1.6	1.3	-1.8	0.1	1.4	-3.5
Capital goods	-0.8	0.8	-0.3	0.3	0.8	-1.3
Durable consumer goods	0	0.1	1.1	-1.8	1.2	-0.3
Non-durable consumer goods	-0.5	1.2	0.2	-0.9	0.2	-0.1

Source: The statistical office of the European Union

Table 5
Country Wise Industrial production
% change compared with previous month*

	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15
EA19	-0.3	0.8	-0.5	-0.2	0.8	-0.7
EU28	0	0.4	-0.2	0	0.6	-0.6
Belgium	-2.1	1.9	0	-0.8	1.3	:
Bulgaria	0.6	-0.8	-0.2	-0.8	0.3	0.8
Czech Republic	0.9	1.3	-3.8	2.5	1.4	-1.2
Denmark	5.2	-5.1	3.5	-1.9	-2.4	-0.1
Germany	-0.6	0.9	-0.8	-1	0.3	-0.5
Estonia	-1.3	-0.2	0.3	0.2	0.6	-2.6

Ireland	-3	8.8	0	-1.5	3.4	-0.4
Greece	-0.2	3.9	3.7	-1.8	-1.2	3.3
Spain	0.7	0.7	-1.3	1.4	0.3	0
France	0.2	-0.9	1.8	0.1	0.7	-0.9
Croatia	-2.7	3.2	-3.7	5.6	0.9	-0.8
Italy	-1	1.1	-0.5	0.2	0.5	c
Cyprus	-2.4	1.8	1.1	-0.9	-1.6	:
Latvia	-1.3	1.4	-1.3	-0.7	-0.3	0.2
Lithuania	0.7	0.4	-3.9	-1.5	11.5	-2.6
Luxembourg	1.3	-2.4	4.1	-2.1	-0.4	0.4**
Hungary	1.1	-0.5	-1.8	2.9	1.7	-1.4
Malta	1.6	-1.5	-1.1	-0.1	1.8	-3.7
Netherlands	4.2	-3.2	-3.3	2.7	3.9	-3.1
Austria	0.7	1.5	-1.6	-0.3	1.7	:
Poland	0.4	-0.2	-1.2	1.7	0.8	0.7
Portugal	-1.6	2.1	-2	-1	3.9	-4.9
Romania	0.8	0.2	-0.5	1.1	-0.3	-0.2
Slovenia	-0.7	0.9	-0.4	0.4	-0.2	0.3
Slovakia	1.2	1.3	-1.5	2.1	-0.6	1.9
Finland	1.4	-0.9	-0.1	1.3	-1	-0.5
Sweden	0.5	-2.7	3.8	0.6	-0.6	0.1
United King- dom	-0.1	-0.4	0.9	0	0	-0.7
Norway	3.4	-1.1	1.3	1.2	-3.1	-0.7

Source: The statistical office of the European Union

5. Data Appendix

Table 6
Latest Available Financial Information

Item	Jan. 01, 2016	Jan. 08, 2016	Percentage Change
Deposits of Scheduled Commercial Banks with RBI (Rs. Billion)	3,808.76	3,754.12	-1.43
Foreign Currency Assets of RBI (Rs. Billion)	21,908.01	21,963.13	0.25
Advances of RBI to the Central Government (Rs. Billion)	–	–	
Advances of RBI to the Scheduled Commercial Banks (Rs. Billion)	1,088.52	1,224.40	12.48
Foreign Exchange Reserves (US\$ Billion)	350.4	348.9	-0.41

Source: RBI, Govt. of India

Table 7
BSE Sensex and NSE Nifty Index

Index	Jan. 11, 2016	Jan. 15, 2016	Percentage Change
BSE SENSEX	24,787.1	24,455.0	-1.3
S & P CNX NIFTY	7,527.5	7,437.8	-1.2

Source: BSE India and NSE India

Table 8
Metals Market Spot Prices Index (Rs.)

		January 2016					Weekly Changes in %
		11 th	12 th	13 th	14 th	15 th	
Aluminium	1 KGS	98.3	97.5	97.1	99.2	99.0	0.7
Copper	1 KGS	297.2	290.5	288.9	288.3	292.3	-1.6
Cotton	1 BALES	16190.0	16170.0	16190.0	16190.0	16170.0	-0.1
Lead	1 KGS	107.0	106.8	107.6	109.3	108.7	1.5
Natural Gas	1 mmBtu	164.8	160.0	151.0	151.6	143.5	-12.9
Nickel	1 KGS	554.7	547.0	551.8	560.1	564.9	1.8
Tin	1 KGS	906.8	902.8	889.5	889.3	901.0	-0.6
Zinc	1 KGS	98.2	97.2	97.7	99.4	99.1	1.0
Gold	10 GRMS	26003.0	25828.0	25576.0	25576.0	25576.0	-1.6
Silver	1 KGS	33430.0	33218.0	33100.0	33100.0	33100.0	-1.0

Source: MCX

NA: Not available

Table 9
Agri. Commodities Market Spot Prices (Rs.)

		January 2016					Weekly Changes in %
		11 th	12 th	13 th	14 th	15 th	
Maize	100 KGS	1525.0	1520.0	1522.5	1515.5	1515.5	-0.6
Refined Soy Oil	10 KGS	645.8	643.2	637.0	640.0	640.0	-0.9
Soyabean	100 KGS	3685.0	3712.5	3700.0	3760.0	3775.0	2.4
Wheat	100 KGS	1695.0	1690.0	1696.7	1695.0	1705.0	0.6

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.

Email: research@assocham.com

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.