

STATS WINDOW

The Pacific Business Review International has taken an initiative to start a section which will provide a snapshot of major Global & Indian economic indicators and industry review alternatively.

A snapshot of the section in upcoming issues is hereunder:

December 2013	Pharmaceutical Sector: Global Scenario
January 2013	Economy at a Glance (Global & Indian)
February 2013	Automobile Industry (World): Statistical Review
March 2013	Economy at a Glance (Global & Indian)
April 2013	Healthcare Sector: Global Scenario
May 2013	Economy at a Glance (Global & Indian)

The current issue covers a brief overview of Economy – Global as well as Indian. The data covers major National and International economic indicators such as GDP, exports, Imports, savings, revenue and expenditure etc.

ECONOMY AT A GLANCE (GLOBAL & INDIAN)

China and a growing number of emerging market economies are coming off cyclical peaks. Their growth rates are projected to remain much above those of the advanced economies but below the elevated levels seen in recent years, for both cyclical and structural reasons. The United States has seen several quarters of solid private demand. Emerging market and developing economies are projected to expand by about 5 percent in 2014, as fiscal policy is forecast to stay broadly neutral and real interest rates to remain relatively low. Unemployment will remain unacceptably high in many advanced economies as well as in various emerging market economies, notably those in the Middle East and North Africa.

Although public sector demand has been pushing in the opposite direction, this counterforce will diminish in 2014, setting the stage for higher growth. Japan's economy is enjoying a vigorous rebound but will lose steam in 2014 as fiscal policy tightens. The euro area is crawling out of recession, but activity is forecast to stay tepid. In these three advanced economies, much slack remains and inflation pressure is expected to stay subdued.

Looking ahead, global activity is expected to strengthen moderately but the risks to the forecast remain to the downside. The impulse is projected to come from the advanced economies, where output is expected to expand at a pace of about 2 percent in 2014, about $\frac{3}{4}$ percentage points more than in 2013. Emerging market economies may face exchange rate and financial market overshooting as they also cope with weaker economic outlooks and rising domestic vulnerabilities; some could even face severe

balance of payments disruptions.

Furthermore, in the euro area and Japan, there is a need to boost potential output, including through reforms that level the playing field between insiders and outsiders in labor markets and ease barriers to entry into product and services markets. A new challenge is for U.S. monetary policy to change tack carefully in response to changing growth, inflation, and financial stability prospects. The global economy could grow by only slightly more than 3 percent a year over the medium term, instead of reaccelerating to over 4 percent.

Growth surprises in the United States have larger and more long-lasting effects than shocks to economic activity in China, Europe, or Japan. In general, effects are modest for growth surprises occurring in major economies other than the United States, although the effects on neighboring countries tend to be higher.²² In particular, a 1 percent positive growth surprise in the United States increases the level of output in other countries by 0.2 percent after two years; the effect of growth surprises in China and Japan is about 0.1 percent; for the euro area, its close to zero. However, we also find evidence that effects of growth surprises in China and Japan tend to be higher on other Asian countries,²³ while the effects from euro area growth surprises tend to be much more significant for other European countries. The lower impact of growth surprises in China and Japan may simply reflect the difference in the size of these economies relative to the United States.

Table -1

Major Economic Indicators : WORLD

Country Group Name	Subject Descriptor	Units	Scale	2012	2013
World	Gross domestic product, constant prices	Percent change		3.152	3.308
World	Gross domestic product, constant prices	Percent change (market exchange rates)		2.482	2.587
World	Gross domestic product, current prices	U.S. dollars	Billions	71,707.30	74,171.72
World	Gross domestic product based on (PPP) valuation of country GDP	Current international dollar	Billions	83,140.06	87,209.74
World	Gross domestic product based on (PPP) per capita GDP	Current international dollar	Units		
World	Investment	Percent of GDP		23.56	24.151
World	Gross national savings	Percent of GDP		23.914	24.373
World	Trade volume of goods and services	Percent change		2.469	3.609
World	Volume of imports of goods and services	Percent change		2.387	3.655
World	Volume of imports of goods	Percent change		2.01	3.728
World	General government revenue	Percent of GDP			
World	General government total expenditure	Percent of GDP			
World	General government net lending/borrowing	Percent of GDP			
World	General government net debt	Percent of GDP			
World	General government gross debt	Percent of GDP			
World	Current account balance	U.S. dollars	Billions	336.273	246.382
World	Current account balance	Percent of GDP			
World	Imports of goods and services	U.S. dollars	Billions	-21,928.55	-23,023.60
World	Exports of goods and services	U.S. dollars	Billions	22,432.29	23,507.32
World	Commodity Price Index includes both Fuel and Non-Fuel Price Indices	Index, 2005=100		185.617	181.841
World	Commodity Non-Fuel Price Index includes F & B and Industrial Inputs Price Indices	Index, 2005=100		170.889	169.41

Source : <http://www.imf.org/external/pubs/ft/weo/2013/01>

Table 2

Major Economic Indicators - Advanced Economies - USA, UK, France , Germany, Japan , Canada

Country Group Name	Subject Descriptor	Units	Scale	2012	2013
Advanced economies	Gross domestic product, constant prices	Percent change		1.249	1.234
Advanced economies	Gross domestic product, current prices	U.S. dollars	Billions	44,417.08	45,042.86
Advanced economies	Gross domestic product, deflator	Index, 2000=100		121.803	123.488
Advanced economies	Gross domestic product based on purchasing-power-parity (PPP) valuation of country GDP	Current international dollar	Billions	41,636.89	42,813.17
Advanced economies	Gross national savings	Percent of GDP		18.398	18.664
Advanced economies	Inflation, average consumer prices	Percent change		1.955	1.685
Advanced economies	Inflation, end of period consumer prices	Percent change		2	1.699
Advanced economies	Volume of imports of goods	Percent change		0.59	2.121
Advanced economies	Volume of exports of goods and services	Percent change		1.882	2.8
Advanced economies	Volume of exports of goods	Percent change		1.813	2.378
Advanced economies	Terms of trade of goods and services	Percent change		-0.742	0.167
Advanced economies	Export price of manufactures	U.S. dollars; index, 2000=100		132.249	133.574
Advanced economies	Unemployment rate	Percent of total labor force		8.003	8.168
Advanced economies	General government revenue	Percent of GDP		36.417	37.341
Advanced economies	General government total expenditure	Percent of GDP		42.333	41.998
Advanced economies	General government net lending/borrowing	Percent of GDP		5.917	4.657
Advanced economies	General government gross debt	Percent of GDP		109.329	108.417
Advanced economies	Current account balance	U.S. dollars	Billions	58.085	49.951
Advanced economies	Current account balance	Percent of GDP		-0.131	-0.111
Advanced economies	Imports of goods and services	U.S. dollars	Billions	13,811.65	14,331.32

Source : <http://www.imf.org/external/pubs/ft/weo/2013/01>

Table 3

Major Economic Indicators ASEAN -5 Thailand, Indonesia, Malaysia, Singapore, and the Philippines.

Country Group Name	Subject Descriptor	Units	Scale	2012	2013
ASEAN-5	Gross domestic product, constant prices	Percent change		6.097	5.875
ASEAN-5	Gross domestic product, current prices	U.S. dollars	Billions	1,935.80	2,139.71
ASEAN-5	Gross domestic product based on (PPP) valuation of country GDP	Current international dollar	Billions	3,112.10	3,349.07
ASEAN-5	Gross national savings	Percent of GDP		30.624	30.606
ASEAN-5	Inflation, average consumer prices	Percent change		3.91	4.468
ASEAN-5	Inflation, end of period consumer prices	Percent change		3.79	4.829
ASEAN-5	Volume of imports of goods	Percent change		6.055	8.203
ASEAN-5	Volume of exports of goods and services	Percent change		3.47	8.57
ASEAN-5	Volume of exports of goods	Percent change		2.822	7.113
ASEAN-5	Terms of trade of goods and services	Percent change		-0.73	-0.639
ASEAN-5	General government revenue	Percent of GDP		20.373	20.003
ASEAN-5	General government total expenditure	Percent of GDP		22.473	22.809
ASEAN-5	General government net lending/borrowing	Percent of GDP		-2.099	-2.805
ASEAN-5	General government gross debt	Percent of GDP		37.059	37.114
ASEAN-5	Current account balance	U.S. dollars	Billions	15.417	12.093
ASEAN-5	Current account balance	Percent of GDP		0.796	0.565

Source : <http://www.imf.org/external/pubs/ft/weo/2013/01>

Table 4

Major Economic Indicators Developing Asia - India, China, Sri Lanka, Malaysia, Indonesia

Country Group Name	Subject Descriptor	Units	Scale	2012	2013
Developing Asia	Gross domestic product, constant prices	Percent change		6.639	7.131
Developing Asia	Gross domestic product, current prices	U.S. dollars	Billions	12,324.73	13,499.86
Developing Asia	Gross domestic product based on (PPP) valuation of country GDP	Current international dollar	Billions	20,906.56	22,763.00
Developing Asia	Gross national savings	Percent of GDP		42.972	43.184
Developing Asia	Inflation, average consumer prices	Percent change		4.456	5.03
Developing Asia	Inflation, end of period consumer prices	Percent change		4.74	5.071
Developing Asia	Volume of imports of goods	Percent change		5.078	7.554
Developing Asia	Volume of exports of goods and services	Percent change		4.259	6.857
Developing Asia	Volume of exports of goods	Percent change		4.424	6.648
Developing Asia	Terms of trade of goods and services	Percent change		0.83	0.029
Developing Asia	General government revenue	Percent of GDP		21.711	21.304
Developing Asia	General government total expenditure	Percent of GDP		24.768	24.448
Developing Asia	General government net lending/borrowing	Percent of GDP		-3.057	-3.144
Developing Asia	General government gross debt	Percent of GDP		31.9	30.707
Developing Asia	Current account balance	U.S. dollars	Billions	130.367	144.956
Developing Asia	Current account balance	Percent of GDP		1.058	1.074
Developing Asia	Private financial flows, net	U.S. dollars	Billions	14.435	193.267
Developing Asia	Direct investment, net	U.S. dollars	Billions	223.453	222.976
Developing Asia	Private portfolio flows, net	U.S. dollars	Billions	72.975	76.047
Developing Asia	External debt, total	U.S. dollars	Billions	1,986.77	2,230.18
Developing Asia	External debt, total	Percent of GDP		16.15	16.548
Developing Asia	External debt, total debt service, interest	Percent of exports of goods and services		2.202	2.252

Source : <http://www.imf.org/external/pubs/ft/weo/2013/01>

Table 5

Major Economic Indicators European Union - 28 member states of the EU(France, Italy, Spain, Greece etc)

Country Group Name	Subject Descriptor	Units	Scale	2012	2013
European Union	Gross domestic product, constant prices	Percent change		-0.24	0.004
European Union	Gross domestic product, current prices	U.S. dollars	Billions	16,584.01	17,227.74
European Union	Gross domestic product based on purchasing-power-parity (PPP) valuation of country GDP	Current international dollar	Billions	16,092.53	16,331.60
European Union	Gross national savings	Percent of GDP		18.975	19.146
European Union	Inflation, average consumer prices	Percent change		2.593	1.937
European Union	Inflation, end of period consumer prices	Percent change		2.302	1.837
European Union	General government revenue	Percent of GDP		44.378	45.132
European Union	General government total expenditure	Percent of GDP		48.47	48.483
European Union	General government net lending/borrowing	Percent of GDP		-4.143	-3.351
European Union	General government gross debt	Percent of GDP		87.018	89.035
European Union	Current account balance	U.S. dollars	Billions	161.68	209.135
European Union	Current account balance	Percent of GDP		0.975	1.214

Source : <http://www.imf.org/external/pubs/ft/weo/2013/01>

Table 6

Major Economic Indicators: Austria, Belgium, Cyprus, Estonia, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, Malta, the Netherlands, Portugal, Slovakia, Slovenia, and Spain

Country Group Name	Subject Descriptor	Units	Scale	2012	2013
Euro area	Gross domestic product, constant prices	Percent change		-0.578	-0.338
Euro area	Gross domestic product, current prices	U.S. dollars	Billions	12,197.53	12,751.93
Euro area	Gross domestic product, deflator	Index, 2000=100		110.879	112.564
Euro area	Gross domestic product based on PPP valuation of country GDP	Current international dollar	Billions	11,374.43	11,522.40
Euro area	Gross national savings	Percent of GDP		20.2	20.348
Euro area	Inflation, average consumer prices	Percent change		2.496	1.732
Euro area	Inflation, end of period consumer prices	Percent change		2.22	1.626
Euro area	Volume of imports of goods	Percent change		-1.4	-0.066
Euro area	Volume of exports of goods and services	Percent change		2.48	2.176
Euro area	Volume of exports of goods	Percent change		2.285	1.615
Euro area	Terms of trade of goods and services	Percent change		-0.818	-0.011
Euro area	Unemployment rate	Percent of total labor force		11.358	12.297
Euro area	General government revenue	Percent of GDP		46.235	46.541
Euro area	General government total expenditure	Percent of GDP		49.823	49.409
Euro area	General government net lending/borrowing	Percent of GDP		-3.588	-2.869
Euro area	General government gross debt	Percent of GDP		92.868	95.032
Euro area	Current account balance	U.S. dollars	Billions	221.388	294.938
Euro area	Current account balance	Percent of GDP		1.814	2.316
Euro area	Imports of goods and services	U.S. dollars	Billions	-5,240.00	-5,426.92

Table 7

Major Economic Indicators G7 -The United States, Canada, Great Britain, Japan, Germany, France and Italy

Country Group Name	Subject Descriptor	Units	Scale	2012	2013
Major advanced economies (G7)	Gross domestic product, constant prices	Percent change		1.449	1.258
Major advanced economies (G7)	Gross domestic product, current prices	U.S. dollars	Billions	33,931.66	34,067.56
Major advanced economies (G7)	Gross domestic product, deflator	Index, 2000=100		120.098	121.659
Major advanced economies (G7)	Gross domestic product based on purchasing-power-parity (PPP) valuation of country GDP	Current international dollar	Billions	31,421.30	32,337.09
Major advanced economies (G7)	Gross national savings	Percent of GDP		16.544	16.887
Major advanced economies (G7)	Inflation, average consumer prices	Percent change		1.866	1.581
Major advanced economies (G7)	Inflation, end of period consumer prices	Percent change		1.573	1.612
Major advanced economies (G7)	Volume of imports of goods	Percent change		1.121	1.884
Major advanced economies (G7)	Volume of exports of goods and services	Percent change		2.31	2.232
Major advanced economies (G7)	Volume of exports of goods	Percent change		2.153	1.786
Major advanced economies (G7)	Terms of trade of goods and services	Percent change		-0.754	0.674
Major advanced economies (G7)	Unemployment rate	Percent of total labor force		7.402	7.396
Major advanced economies (G7)	General government revenue	Percent of GDP		36.049	37.139
Major advanced economies (G7)	General government total expenditure	Percent of GDP		43.051	42.879
Major advanced economies (G7)	General government net lending/borrowing	Percent of GDP		7.002	5.741
Major advanced economies (G7)	General government gross debt	Percent of GDP		124.838	123.898
Major advanced economies (G7)	Current account balance	U.S. dollars	Billions	-403.602	-390.15
Major advanced economies (G7)	Current account balance	Percent of GDP		-1.189	-1.145
Major advanced economies (G7)	Imports of goods and services	U.S. dollars	Billions	-8,154.73	-8,411.53

Source : <http://www.imf.org/external/pubs/ft/weo/2013/01>

Table - 8
Major Economic indicators: 22 countries and territories of the Arab League

Country Group Name	Subject Descriptor	Units	Scale	2012	2013
Middle East, North Africa,	Gross domestic product, constant prices	Percent change		4.731	3.142
Middle East, North Africa,	Gross domestic product, current prices	U.S. dollars	Billions	3,422.99	3,408.22
Middle East, North Africa,	Gross domestic product based on (PPP) valuation of country GDP	Current international dollar	Billions	4,850.12	5,079.38
Middle East, North Africa,	Gross national savings	Percent of GDP		36.157	35.771
Middle East, North Africa,	Inflation, average consumer prices	Percent change		10.698	9.404
Middle East, North Africa,	Inflation, end of period consumer prices	Percent change		10.907	8.71
Middle East, North Africa,	Volume of imports of goods	Percent change		7.315	4.281
Middle East, North Africa,	Volume of exports of goods and services	Percent change		3.24	1.584
Middle East, North Africa,	Volume of exports of goods	Percent change		3.885	1.18
Middle East, North Africa,	Terms of trade of goods and services	Percent change		0.733	-1.667
Middle East, North Africa,	General government revenue	Percent of GDP		35.997	35.779
Middle East, North Africa,	General government total expenditure	Percent of GDP		30.684	31.912
Middle East, North Africa,	General government net lending/borrowing	Percent of GDP		5.313	3.868
Middle East, North Africa,	General government gross debt	Percent of GDP		27.249	27.345
Middle East, North Africa,	Current account balance	U.S. dollars	Billions	393.095	338.849
Middle East, North Africa,	Current account balance	Percent of GDP		11.484	9.942
Middle East, North Africa,	Private financial flows, net	U.S. dollars	Billions	-35.166	-10.121
Middle East, North Africa,	Direct investment, net	U.S. dollars	Billions	31.397	31.917
Middle East, North Africa,	Private portfolio flows, net	U.S. dollars	Billions	27.023	26.215
Middle East, North Africa,	External debt, total	U.S. dollars	Billions	843.707	844.485
Middle East, North Africa,	External debt, total	Percent of GDP		24.648	24.778
Middle East, North Africa,	External debt, total debt service, interest	Percent of exports of goods and services		1.491	1.514

Source : <http://www.imf.org/external/pubs/ft/weo/2013/01>

Table - 9
Major Economic Indicators - India , Russia , Brazil , China , Indonesia , Turkey , Indonesia

Country Group Name	Subject Descriptor	Units	Scale	2012	2013
Emerging market and developing economies	Gross domestic product, constant prices	Percent change		5.061	5.307
Emerging market and developing economies	Gross domestic product, current prices	U.S. dollars	Billions	27,290.22	29,128.86
Emerging market and developing economies	Gross domestic product based on purchasing power parity (PPP) valuation of country GDP	Current international dollar	Billions	41,503.17	44,396.57
Emerging market and developing economies	Gross national savings	Percent of GDP		32.792	33.102
Emerging market and developing economies	Inflation, average consumer prices	Percent change		5.926	5.923
Emerging market and developing economies	Inflation, end of period consumer prices	Percent change		5.94	5.789
Emerging market and developing economies	Volume of imports of goods	Percent change		4.575	6.474
Emerging market and developing economies	Volume of exports of goods and services	Percent change		3.671	4.778
Emerging market and developing economies	Volume of exports of goods	Percent change		4.165	4.736
Emerging market and developing economies	Terms of trade of goods and services	Percent change		0.167	-0.483
Emerging market and developing economies	General government revenue	Percent of GDP		28.315	27.848
Emerging market and developing economies	General government total expenditure	Percent of GDP		29.976	29.653
Emerging market and developing economies	General government net lending/borrowing	Percent of GDP		-1.661	-1.806
Emerging market and developing economies	General government gross debt	Percent of GDP		34.686	33.875
Emerging market and developing economies	Current account balance	U.S. dollars	Billions	394.358	296.333
Emerging market and developing economies	Current account balance	Percent of GDP		1.445	1.017
Emerging market and developing economies	Private financial flows, net	U.S. dollars	Billions	144.867	336.279
Emerging market and developing economies	Direct investment, net	U.S. dollars	Billions	446.321	477.405
Emerging market and developing economies	Private portfolio flows, net	U.S. dollars	Billions	164.902	142.28
Emerging market and developing economies	External debt, total	U.S. dollars	Billions	6,639.17	7,144.43
Emerging market and developing economies	External debt, total	Percent of GDP		24.365	24.564

Table 10

Major Economic Indicators - Commonwealth of Independent States - Russia , Georgia ,Ukraine, Belarus

Country Group Name	Subject Descriptor	Units	Scale	2012	2013
Commonwealth of Independent States	Gross domestic product, constant prices	Percent change		3.363	3.409
Commonwealth of Independent States	Gross domestic product, current prices	U.S. dollars	Billions	2,658.84	2,907.17
Commonwealth of Independent States	Gross domestic product based on (PPP) valuation of country GDP	Current international dollar	Billions	3,566.92	3,748.37
Commonwealth of Independent States	Gross national savings	Percent of GDP		27.591	27.713
Commonwealth of Independent States	Inflation, average consumer prices	Percent change		6.463	6.759
Commonwealth of Independent States	Inflation, end of period consumer prices	Percent change		6.274	6.593
Commonwealth of Independent States	Volume of imports of goods	Percent change		7.067	5.859
Commonwealth of Independent States	Volume of exports of goods and services	Percent change		3.503	2.802
Commonwealth of Independent States	Volume of exports of goods	Percent change		4.081	2.309
Commonwealth of Independent States	Terms of trade of goods and services	Percent change		-0.677	-1.533
Commonwealth of Independent States	General government revenue	Percent of GDP		36.835	35.699
Commonwealth of Independent States	General government total expenditure	Percent of GDP		36.121	35.857
Commonwealth of Independent States	General government net lending/borrowing	Percent of GDP		0.714	-0.158
Commonwealth of Independent States	General government gross debt	Percent of GDP		13.83	13.762
Commonwealth of Independent States	Current account balance	U.S. dollars	Billions	85.347	53.812
Commonwealth of Independent States	Current account balance	Percent of GDP		3.21	1.851
Commonwealth of Independent States	Private financial flows, net	U.S. dollars	Billions	-57.879	-56.733
Commonwealth of Independent States	Direct investment, net	U.S. dollars	Billions	15.691	20.004
Commonwealth of Independent States	Private portfolio flows, net	U.S. dollars	Billions	-14.078	-2.611
Commonwealth of Independent States	External debt, total	U.S. dollars	Billions	889.453	956.244
Commonwealth of Independent States	External debt, total	Percent of GDP		33.453	32.893
Commonwealth of Independent States	External debt, total debt service, interest	Percent of exports of goods and services		3.069	2.889

Source : <http://www.imf.org/external/pubs/ft/weo/2013/01>

Indian Economy : Macro Economic Indicators

The economy of India is the tenth-largest in the world by nominal GDP and the third-largest by purchasing power parity (PPP). The country is one of the G-20 major economies and a member of BRICS. On a per-capita-income basis, India ranked 141st by nominal GDP and 130th by GDP (PPP) in 2012, according to the IMF. India is the 19th-largest exporter and the 10th-largest importer in the world. The economy slowed to around 5.0% for the 2012–13 fiscal year compared with 6.2% in the previous fiscal. On 28 August 2013 the Indian rupee hit an all time low of 68.80 against

the US dollar. In order to control the fall in rupee, the government introduced capital controls on outward investment by both corporates and individuals. India's GDP grew by 9.3% in 2010–11; thus, the growth rate has nearly halved in just three years. GDP growth rose marginally to 4.8% during the quarter through March 2013, from about 4.7% in the previous quarter. The government has forecast a growth rate of 6.1%-6.7% for the year 2013–14, whilst the RBI expects the same to be at 5.7%.

Table 1. GDP and Growth Rates

Indicators	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13
India's Real GDP Growth Rates (at Factor Cost 2004-05 prices)	8.06	6.97	9.48	9.57	9.32	6.72	8.59	9.32	6.21	4.96
Agriculture & Allied Sector Growth (% at 2004-05 prices)	9.05	0.18	5.14	4.16	5.80	0.09	0.81	7.94	3.65	1.79
Agricultural Sector Growth (2004-2005 Prices)	10.84	0.07	5.53	4.13	6.34	-0.27	0.41	8.81	3.90	na
Industry Growth (% at 2004-05 prices)	7.32	9.81	9.72	12.17	9.67	4.44	9.16	9.16	3.49	3.12
Services Growth (% at 2004-05 prices)	8.06	8.13	10.91	10.06	10.27	9.98	10.50	9.75	8.20	6.59
Consumption by Demand (%YOY)	5.4	2.3	8.6	7.9	9.3	7.6	8.1	8.1	5.4	5.0
Private Consumption by Demand (%YoY)	5.9	2.1	8.5	8.7	9.2	7.1	7.0	8.1	5.5	5.0
Public Consumption by Demand (% YoY)	2.6	3.4	8.9	3.8	9.6	10.4	14.3	7.8	5.1	5.0

Source : Reserve Bank of India, Central Statistical Organisation

Gross domestic product (GDP) is the aggregate value of all final goods and services produced within the domestic territory of a country during a year. GDP at factor cost is the money value of all domestic final gross output or product of a nation plus depreciation of capital assets. From the above table it is evident that GDP at factor cost has increased till year 2010-11 but has sharply decreased in the later years.

Services sector comprises Trade, Hotels and Restaurants, Transport by other means and Storage, Communications, Banking and Insurance,

Real Estate and Business Services and Community, Social and Personal services. This sector registered a growth rate of 9.98% in the year 2009-10. The agricultural GDP growth rates exclude forestry & fishing, except for 2007-08 & 2008-09.

Table 2. Capital Formation

Indicators	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13
Gross Fixed Capital Formation	13.6	20.7	16.2	13.8	16.2	3.5	6.8	7.5	5.5	4.5
Consumption (% of GDP)	75.0	70.1	69.3	68.3	67.4	68.6	69.1	67.2	68.0	67.1
Capital Formation (% of GDP)	26.9	32.82	34.65	35.66	38.11	34.30	36.48	36.84	35.00	35.40

Source : Reserve Bank of India, Central Statistical Organisation

The growth of the productive capacity of the economy of a state depends on its rate of capital accumulation and it is assessed by estimating the capital formation of that state. The higher the rate of capital accumulation, the higher would be the growth of the productive capacity of the economy, where as its paucity leads to low level of production with higher cost. Thus Capital Formation

assumes paramount importance in the context of policy making by the State and Central Governments. It reveals the potentiality of the investments in the public as well as the private sectors and gives net addition of the assets created during the year. The capital formation shows an increasing trend in Indian economy.

Table 3. Domestic Savings

Indicators	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13
Gross Domestic Saving (% of GDP, 2004-05 Series)	29.03	32.41	33.44	34.60	36.82	32.02	33.69	34.02	30.81	31.80
Saving-Investment Gap	2.86	-0.05	-0.84	-1.27	-1.21	-3.51	-2.61	-2.96	-4.89	-3.60
M3 Growth (Annual, end Dec.)	14.41	14.93	18.80	21.83	21.29	19.97	16.31	16.48	13.58	16.0
Bank Credit Growth	15.3	30.9	37.0	28.1	22.3	17.5	16.9	21.5	17.0	17.0
Bank Deposit growth	17.5	13.0	24.0	23.8	22.4	19.9	17.0	16.0	16.0	16.0

Source : Reserve Bank of India, Central Statistical Organisation

Gross domestic savings are calculated as GDP less final consumption expenditure (total consumption). It includes savings from the Households, private and public sector and enterprises. From the above table, it can be concluded that the gross domestic savings are on an increasing trend. But still there is a huge gap

between savings and investments.

Also, Bank deposit rates have increased. This is basically a result of government's continuous planning for financial inclusion towards all parts of the country.

Table 4. Fiscal Deficit

Indicators	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13
Fiscal Deficit (% of GDP, 2004-05 Series)	4.34	3.88	3.96	3.32	2.54	5.99	6.46	4.79	5.75	5.90
State Fiscal Deficit (% of GDP)	-4.2	-3.32	-2.44	-1.80	-1.51	-2.39	-2.91	-2.07	-2.32	-2.50
Combined Deficit (Centre+State) % of GDP	-8.1	-7.2	-6.5	-5.10	-4.01	-8.39	-9.41	-6.97	-8.22	-8.40

Source : Reserve Bank of India, Central Statistical Organisation

Fiscal Deficit- When a government's total expenditures exceed the revenue that it generates (excluding money from borrowings). India suffered a very high fiscal deficit of US\$ 88 billion (4.8% of GDP) in the year 2012-13. The Indian Government aims to cut the

fiscal deficit to US\$ 70 billion or 3.7% of GDP by 2013-14.

The Fiscal Deficit for 2012-13 is based on the Budget 2012-13 Document; Economic Survey 2012-13; Advance Estimates.

Table 5. Inflation

Indicators	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13
Inflation - WPI (Average)	5.5	6.5	4.4	6.5	4.8	8.0	4.1	9.6	8.8	7.8
CPI (Average)	3.8	3.9	4.2	6.8	6.2	9.1	13.0	9.5	9.0	8.0

Source : Reserve Bank of India, Central Statistical Organisation

Wholesale price indexes (WPIs) report monthly to show the average price changes of goods sold in bulk, and they are a group of the indicators that follow growth in the economy.

In India WPI changes are used as a central measure of inflation. Inflation rate was highest in year 2010-2011.

Table 6. Import/Export

Indicators	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13
Exports (US\$bn)	66.3	85.2	105.2	128.9	166.2	189.0	182.4	250.5	309.8	291.2
Export % YoY	23.3	28.5	23.4	22.6	28.9	13.7	-3.5	40.4	20.9	-6.0
Imports (US\$bn)	80.0	118.9	157.1	190.7	257.6	308.5	300.6	381.1	499.5	479.6
Imports %YoY	24.1	48.6	32.1	21.4	35.1	19.8	-2.6	27.6	30.3	-4.0
Trade deficit (US\$bn)	-13.7	-33.7	-51.9	-61.8	-91.5	-119.5	-118.2	-130.6	-189.8	-188.4
Invisibles (US\$bn)	27.8	31.2	42.0	52.2	75.7	91.6	80.0	79.3	111.6	112.4
Current Account Deficit (US\$bn)	14.1	-2.5	-9.9	-9.6	-15.7	-27.9	-38.2	-45.9	-78.2	-69.9
Current Account Deficit (% to GDP)	2.3	-0.3	-1.2	-1.0	-1.3	-2.3	-2.8	-2.7	-4.2	-3.7
Capital Account (US\$bn)	16.7	28.0	25.5	45.2	106.6	6.8	51.6	63.7	67.8	77.6
Capital Account (% GDP)	2.7	3.9	3.1	4.8	8.6	0.6	3.8	3.8	3.7	4.1
External Debt (US\$bn)	112.7	134.0	139.1	172.4	224.4	224.5	260.9	305.9	345.4	360.4
Short Term Debt	4.4	17.7	19.5	28.1	45.7	43.3	52.3	65.0	78.2	83.2
Exchange Rate US\$/Rs. - average	45.0	44.3	45.2	40.2	46.0	47.4	45.6	48.1	54.0	54.5

Source : Reserve Bank of India, Central Statistical Organisation

From the above table it is evident that the exports in the country have substantially declined and the imports have risen to a very high value. As a result there is a negative trade deficit.

The Indian rupee is continuously depreciating against US dollar. On 28 August 2013 the Indian rupee hit an all time low of 68.80 against the US dollar. In order to control the fall in rupee, the government introduced capital controls on outward investment by both corporates and individuals.

The short term debt is increasing at a fast pace and was highest in

year 2012-13.

India recorded a Current Account deficit of 21.80 USD Billion in the second quarter of 2013. Current Account in India is reported by the Reserve Bank of India. From 1949 until 2013, India Current Account averaged -1.6 USD Billion reaching an all time high of 7.4 USD Billion in March of 2004 and a record low of -32.6 USD Billion in December of 2012. Current Account is the sum of the balance of trade (exports minus imports of goods and services), net factor income (such as interest and dividends) and net transfer payments (such as foreign aid).