

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:

April 2015	Education industry: Global Scenario
May 2015	Economy at a Glance (Global & Indian)
June 2015	Telecom Sector: Global Scenario
July 2015	Economy at a Glance (Global & Indian)
August 2015	Hospitality Sector: Global Scenario

Global Economy at a Glance

The global economic environment appears poised for a change for the better with the recent sharp fall in the international prices of crude petroleum, which is expected to boost global aggregate demand, and the sharp recovery in the US economy in the face of gradual withdrawal from monetary accommodation. Following the global crisis of 2008, the global economy came under a cloud of uncertainty and the prolonged weakness in the euro area, particularly since 2011, led to the International Monetary Fund (IMF) often revising global growth downwards in its World Economic Outlook (WEO). In its Update, published on 20 January 2015, the IMF projected the global economy to grow from 3.3 per cent in 2014 to 3.5 per cent in 2015 and further to 3.7 per cent in 2016. This downward revision from its October 2014 projections owed to the weaker economic prospects in China, Russia, the euro area, Japan, and some major oil exporters because of the sharp drop in oil prices. The United States is the only major economy for which

growth projections have been raised by 0.5 percentage point to 3.6 per cent for 2015.

In the case of emerging market and developing economies (EMDEs), which continue to struggle with tepid domestic demand and headwinds from structural impediments, the IMF Update projects growth to moderate to per cent in 2015 and 4.7 per cent in 2016. The IMF's projections only partially reflect the net impact of the fall in global crude oil prices and for the near term outlook. Going forward, the lower oil price is likely to be more positive for the EMDEs that account for more than half of the global output (purchasing power parity terms) given their higher contribution to global growth with inflation remaining anchored. This might lead to a better outcome than projected. A sudden correction in financial markets and downside risks to growth with a possible further slowdown in the euro area along with the likely duration of the oil price supply shock effect, are some of the concerns that linger on.

Table – 1 GDP Projections for Some Countries (2012-2018)

	2012 GDP (billions of US \$)	Estimated Projection for (billion US \$)					
		2013	2014	2015	2016	2017	2018
United States	16,163.15	16,768.05	17,416.25	18,286.69	19,196.55	20,168.83	21,157.73
China	14,774.38	16,149.09	17,632.01	19,230.29	20,933.27	22,780.30	24,756.23
India	6,357.54	6,775.97	7,277.28	7,882.59	8,550.04	9,304.36	10,139.14
Japan	4,530.29	4,667.55	4,788.03	4,916.76	5,051.65	5,202.41	5,361.35
Germany	3,442.84	3,512.76	3,621.36	3,741.78	3,881.11	4,024.52	4,166.71
Brazil	2,896.46	3,012.88	3,072.61	3,172.82	3,304.64	3,463.24	3,639.73
France	2,490.20	2,534.51	2,586.52	2,659.44	2,751.55	2,859.20	2,975.73
United Kingdom	2,247.19	2,320.44	2,434.93	2,547.17	2,658.51	2,777.93	2,905.45
Italy	2,043.45	2,035.44	2,065.93	2,121.98	2,190.06	2,263.00	2,335.12
Mexico	2,007.19	2,058.90	2,143.50	2,260.22	2,389.68	2,530.82	2,682.52
Korea	1,623.84	1,697.00	1,789.76	1,895.15	2,007.91	2,129.35	2,258.16
Canada	1,466.47	1,518.41	1,578.92	1,647.42	1,718.00	1,792.26	1,868.14

Source : IMF, World Economic Outlook Database, October, 2014 (as on 20th October, 2014)

Table -2 Purchasing-Power-Parity (PPP) - GDP Projections for Some Countries 2012-2018

	PPP GDP 2012 (billions US \$)	Estimated Projection for (billion US \$)					
		2013	2014	2015	2016	2017	2018
United States	16,163.15	16,768.05	17,416.25	18,286.69	19,196.55	20,168.83	21,157.73
China	8,386.68	9,469.12	10,355.35	11,285.13	12,235.12	13,263.31	14,353.01
Japan	5,937.86	4,898.53	4,769.80	4,881.91	5,001.46	5,155.33	5,294.89
Germany	3,427.85	3,635.96	3,820.46	3,908.80	4,062.88	4,232.53	4,393.88
France	2,688.21	2,807.31	2,902.33	2,935.36	3,026.51	3,142.33	3,263.49
United Kingdom	2,470.57	2,523.22	2,847.60	3,002.95	3,149.15	3,321.83	3,508.50
Brazil	2,247.75	2,246.04	2,244.13	2,356.78	2,468.73	2,597.64	2,739.38
Italy	2,014.38	2,071.96	2,129.28	2,152.99	2,223.14	2,302.55	2,376.53
India	1,858.75	1,876.81	2,047.81	2,247.58	2,447.32	2,672.52	2,908.26
Canada	1,821.45	1,826.77	1,793.80	1,873.33	1,955.86	2,045.77	2,109.22
Korea	1,222.81	1,304.47	1,449.49	1,560.57	1,676.68	1,808.12	1,948.98
Mexico	1,185.70	1,260.92	1,295.86	1,367.30	1,436.56	1,522.75	1,612.79

Source : IMF, World Economic Outlook Database, October, 2014 (as on 20th October, 2014)

Sl. No.	Country	Foreign exchange reserves at end-Dec. 2014 (US\$ billion)
1	Japan	1312.1
2	Switzerland*	526.6
3	Russian Federation	388.5
4	Brazil	363.6
5	Korea, Republic of*	363.2
6	China, P.R. Hong Kong*	344.6
7	India	320.6
8	Germany	192.7
9	Thailand*	163.7
10	France*	161.6
11	Italy*	143.3

Source: IMF except India and China.

Note: * Latest data available for the month of November 2014 only. # www.pbc.gov.cn

World Services GDP

In 2013 in the US\$ 75.6 trillion world gross domestic product (GDP) (at current prices) the share of services improved marginally to 66.0 per cent while growth rate (at constant prices) decelerated marginally to 2.1 per cent over 2012. However, in the last twelve years, the share of services in world GDP has declined by 2.8 percentage points (pp). The US ranks first in services GDP as well as in overall GDP, with China and Japan a distant second and third. Among the world's top 15 countries in terms of GDP, India ranked 10th

in terms of overall GDP and 11th in terms of services GDP in 2013. However, among these top fifteen nations, in the period 2001-13, maximum increase in services share to GDP was recorded by Spain (8.6 pp) followed by India (5.7 pp) and China (5.6 pp). During this period, with a compound annual growth rate (CAGR) of 8.7 per cent, India had the second fastest growing services sector, just below China's 10.7 per cent. Among these top fifteen countries, only China's share of services in its total GDP is less than 50 per cent

Country	Rank in GDP		Services growth rate (per cent)			Share of services in total GDP				Services export growth (per cent)			CAGR	
	Over all	Ser- vices	Y-o-Y	2001-13	2001-13	2001	2013	2001	2013	2001	2013	2001-13	2001-13	
			2001	2013	2001	2013	2001	2013	2001	2013	2001	2013	2001-13	
US	1	1	2.1	1.7	1.8	77.6	78.6	75.0	81.2	27.2	29.5	-3.6	5.0	7.7
China	2	2	10.3	8.3	10.7	40.5	46.1	27.7	35.7	11.0	8.5	9.1	7.5	16.5
Japan	3	3	1.3	0.8	0.7	69.0	72.4	63.9	69.7	13.6	16.9	-6.9	2.0	7.1
Germany	4	4	3.1	0.1	0.9	68.8	68.4	64.6	70.2	12.8	16.5	5.6	7.8	10.7
France	5	5	2.0	0.6	1.4	74.7	78.5	69.9	74.9	19.8	29.0	-0.5	9.7	9.5
UK	6	6	3.4	2.0	2.2	73.6	79.2	73.8	78.9	30.1	35.1	-0.8	1.5	7.9
Brazil	7	8	1.8	2.1	3.5	67.1	69.4	59.4	62.7	13.0	13.4	-2.7	-1.7	12.9
Italy	8	7	2.3	-1.3	0.2	70.5	74.4	63.1	68.5	18.9	17.6	2.1	6.1	5.6
Russia	9	10	3.3	2.0	5.1	55.6	59.8	58.6	62.3	9.9	11.0	17.3	11.2	4.0
India	10	11	7.5	6.7	8.7	51.3	57.0	24.0	28.1	27.9	32.5	4.8	3.6	20.1
Canada	11	9	3.5	1.8	2.5	65.9	70.4	74.7	76.5	12.7	14.6	-3.6	0.0	6.2
Australia	12	12	3.7	2.5	3.0	69.9	69.7	74.2	75.5	21.8	17.1	-8.9	-0.1	9.4
Spain	13	13	4.0	-1.1	2.3	65.3	73.9	62.0	74.9	32.2	31.5	6.0	6.1	8.4
South Korea	14	15	5.0	2.9	3.7	59.0	59.1	62.6	76.4	16.3	16.6	-4.9	1.3	15.7
Mexico	15	14	1.1	2.4	3.2	57.7	58.9	56.1	61.9	7.2	4.9	-7.5	21.3	11.8
World			2.5	2.1	2.5	68.8	66.0	39.1	45.1	19.4	19.8	0.1	5.6	9.9

Source : Computed from UN National Accounts Statistics for GDP, World Bank and ILO database for employment and WTO database for Services Trade.

Notes : Rank and share are based on current prices (2013); growth rates are based on constant prices (US\$); construction sector is excluded in services GDP; for employment data in 2013, the available data of nearest preceding years is used.

The 2014 Human Development Report (HDR) presents the Human Development Index (HDI) values and ranks for 187 countries in terms of three basic parameters: to live a long and healthy life, to be educated and knowledgeable, and to enjoy a decent standard of living. India's HDI value for 2013 is 0.586, positioning the country at 135 out of 187 countries and territories—the lowest among the BRICS countries,

with Russia at 57, Brazil at 79, China at 91, and South Africa at 118, and slightly ahead of Bangladesh and Pakistan. Significantly, while China improved its ranking by ten places between 2008 and 2013, India's position improved by just one rank (Table 9.4). Thus a lot remains to be done to bridge the gap.

Table 5 : Trends and India's Position in Global HDI 2013

Country	HDI 2013		Change in rank			LEB (years) 2013	Mean year of schooling (years) 2012 a	Expected year of schooling (years) 2012 a	Income Inequality Quintile income ratio 2003-12	Gini-co-efficient 2003-12	GII 2013	
	Value	Rank	over 2012-13	Between 2008 & 2013	GNI per capita 2013(\$)						Value	Rank
Norway	0.944	1	0	0	63,909	81.5	12.6	17.6	-	25.8	0.068	9
US	0.914	5	0	-2	52,308	78.9	12.9	16.5	...	40.8	0.262	47
Germany	0.911	6	0	-1	43,049	80.7	12.9	16.3	...	28.3	0.046	3
UK	0.892	14	0	-2	35,002	80.5	12.3	16.2	7.2	36.0	0.193	35
Russian Fed.	0.778	57	0	0	22,617	68.0	11.7	14.0	7.3	40.1	0.314	52
Sri Lanka	0.750	73	2	5	9,250	74.3	10.8	13.6	5.8	36.4	0.383	75
Brazil	0.744	79	1	-4	14,275	73.9	7.2	15.2	20.6	54.7	0.441	85
China	0.719	91	2	10	11,477	75.3	7.5	12.9	10.1	42.1	0.202	37
South Africa	0.658	118	1	2	11,788	56.9	9.9	13.1	25.3	63.1	0.461	94
India	0.586	135	0	1	5,150	66.4	4.4	11.7	5.0	33.9	0.563	127
Bangladesh	0.558	142	1	2	2,713	70.7	5.1	10.0	4.7	32.1	0.529	115
Pakistan	0.537	146	0	-1	4,652	66.6	4.7	7.7	4.2	30.0	0.563	127
World	0.702	-	-	-	13,723	70.8	7.7	12.2	-	-	0.451	-

Source : HDR 2014.

Notes : S: GNI (gross national income) is based on 2011 dollar purchasing power parity (PPP).

GII is Gender Inequality Index. LEB is life expectancy at birth : Data refers to 2012 or the most recent year available.

India's HDI is also below the average of countries in both the medium human development group (0.614) and in South Asia (0.588). Between 1980 and 2013, India's life expectancy at birth (LEB) increased by 11.0 years, mean years of schooling increased by 2.5 years, and expected years of schooling increased by 5.3 years while gross national income (GNI) per capita increased by about 306.2 per cent. As compared to BRICS nations and some neighbouring countries, India reports the least mean years of

schooling and an LEB that is just above that of South Africa. Bangladesh, with less GNI per capita than India, has a much higher LEB and mean years of schooling. China, which recorded a slightly higher HDI than India in 1980, has widened the margin in 2013 (Table 9.5). The existing gap in health and education indicators between India and developed countries and also many developing countries highlights the need for much faster and wider spread of basic health and education, as reflected by China and Sri Lanka.

Table 6 : HDI Component Indices of Select Countries 2013 and 1980

Country	HDI2013					HDI1980				
	LEB (years)	Expected years of schooling (years)	Mean years of schooling (years)	GNI per capita (\$)	HDI Value	LEB (years)	Expected years of schooling (years)	Mean years of schooling (years)	GNI per capita (\$)	HDI Value
Russian Fed.	68.0	14.0	11.7	22,617	0.778	67.4	12.2	7.1		
Sri Lanka	74.3	13.6	10.8	9,250	0.750	68.2	10.0	7.1	2,475	0.569
Brazil	73.9	15.2	7.2	14,275	0.744	62.7	9.9	2.6	9,154	0.545
China	75.3	12.9	7.5	11,477	0.719	67.0	8.4	3.7	690	0.423
South Africa	56.9	13.1	9.9	11,788	0.658	56.9	11.1	4.8	9,756	0.569
India	66.4	11.7	4.4	5,150	0.586	55.4	6.4	1.9	1,268	0.369
Bangladesh	70.7	10.0	5.1	2,713	0.558	54.9	4.9	2.0	1,021	0.336
Pakistan	66.6	7.7	4.7	4,652	0.537	58.0	3.7	1.8	2,376	0.356

Source : HDR 2014.

Notes :S: GNI (gross national income) is based on 2011 dollar purchasing power parity (PPP). LEB is life expectancy at birth : Data refers to 2012 or the most recent year available.

Table 7 : GII Component Indices of Select Countries 2013

Country	Gender Inequality Index		MMR 2010	Adolescent birth rate 2010-2015	Share of women seats in parliament 2013	25+, female population with at least some secondary education 2005-2012	25+, male population with at least some secondary education 2005-2012	15+,female labour force participation rate 2012	15+, male labour force participation rate 2012
	value 2013	rank 2013	(death per 1 lakh life birth)	(per 1000 women ages 15-19)	(%)	(%)	(%)	(%)	(%)
Argentina	0.381	74	77	54.4	37.7	57.0	54.9	47.3	75.0
Russian Federation	0.314	52	34	25.7	12.1	89.6	92.5	57.0	71.4
Brazil	0.441	85	56	70.8	9.6	51.9	49.0	59.5	80.9
China	0.202	37	37	8.6	23.4	58.7	71.9	63.8	78.1
Indonesia	0.500	103	220	48.3	18.6	39.9	49.2	51.3	84.4
SouthAfrica	0.461	94	300	50.9	41.1	72.7	75.9	44.2	60.0
India	0.563	127	200	32.8	10.9	26.6	50.4	28.8	80.9

Source : HDR 2014.

INDIAN Economy – A Glance

The macroeconomic situation in India has improved significantly during the current year. The release of the new series of national accounts revealed that the economy has been performing much better than what was being depicted earlier. The steady acceleration in services and manufacturing growth in the face of subdued global demand conditions point to the strengthening of domestic demand. Most of the buoyancy in domestic demand can be traced to consumption. Investment activity, which is slowly picking up, needs to be grounded on a stronger footing. The savings-investment dynamics will be crucial for the growth to strengthen further in the coming years, in addition to reversal of the subdued export performance being currently witnessed. The key will be the response of savings to improved price and financial market stability, and of investment, particularly in the crucial infrastructure sector, to reform efforts of the Government that are underway.

- As per the revised (base=2011-12) series of national accounts, the growth rate of Gross Domestic Product (GDP) at constant market prices is projected to be 7.4 percent in 2014-15 (advance estimates). The growth rate of GVA at basic prices for agriculture & allied sectors, industry sector and services sector is estimated to be 1.1 per cent, 5.9 per cent and 10.6 per cent respectively in 2014-15 as compared to 3.7 per cent, 4.5 per cent and 9.1 per cent respectively in 2013-14.
- Food grains (rice and wheat) stocks held by FCI and State agencies were 47.2 million tonnes as on February 1, 2015 vis-à-vis the buffer stock norm of 25.0 million tonnes as on January 1, 2015.
- Overall growth in the Index of Industrial Production (IIP) was 1.7 per cent during December 2014 as compared to decline of 0.1 per cent in December 2013.

During April- December, 2014-15, IIP growth was 2.1 per cent as compared to 0.1 per cent growth in the same period last year.

- Eight core infrastructure industries registered 2.4 per cent growth in December 2014 as compared to growth of 4.0 per cent in December 2013. During April-December 2014- 15, these sectors grew by 4.4 per cent as compared to 4.1 per cent growth in the same period last year.
- Broad money (M₃) for 2014-15 (up to January 23, 2015) increased by 8.9 per cent as compared to 10.8 per cent during the corresponding period of the last year. The year- on-year growth, as on January 23, 2015 was 11.2 per cent as compared to 14.5 per cent on the corresponding date in the previous year.
- Exports and Imports declined by 11.2 per cent and 11.4 per cent respectively in US\$ terms in January 2015 over January 2014.
- Foreign Currency Assets stood at US\$ 303.3 billion at end-January 2015 as compared to US\$ 264.6 billion at end-January 2014.
- The rupee appreciated against US dollar, Pound sterling, Euro and Japanese yen in the month of January 2015 over December 2014.
- The WPI inflation for all commodities for the month of January 2015 decreased to (-) 0.4 per cent from 0.1 per cent in December 2014.
- Gross tax revenue for the financial year 2014-15 (April-December), at ` 7,95,686 crore, recorded a growth of 7.0 per cent over 2013-14.
- As proportion of Budget estimate, the fiscal deficit and revenue deficit during 2014-15 (April-December) was 100.2 per cent and 106.2 per cent respectively.
- The Central Statistics Office (CSO) has recently undertaken a revision in National Accounts aggregates by shifting to the new base of 2011-12 from the earlier base of 2004-05. As per the revised base year 2011-12, the growth rate of Gross Domestic Product (GDP) at constant (2011-12) market prices is estimated at 7.4 percent in 2014-15 (advance estimates). The growth rate of Gross Value Added (GVA) at constant (2011-12) basic prices for agriculture & allied sectors, industry sector and services sector are estimated to be at 1.1 per cent, 5.9 per cent and 10.6 per cent respectively, in 2014-15 compared to 3.7 per cent, 4.4 per cent and 9.1 per cent respectively in 2013-14. The growth rate of GVA at constant basic prices for the first, second and third quarters of 2014-15 is estimated at 7.0 per cent, 7.8 per cent and 7.5 per cent respectively, compared to 7.2 per cent, 7.5 per cent and 6.6 per cent respectively during the corresponding quarters of previous year.

Table 1: Growth of GVA at Basic Prices by Economic Activity (at 2011-12 Prices) (in per cent)

Sector	Growth			Share in GVA		
	2012-13	2013-14	2014-15 *	2012-13	2013-14	2014-15*
Agriculture, forestry & fishing	1.2	3.7	1.1	17.7	17.2	16.2
Industry	2.4	4.5	5.9	32.3	31.7	31.2
Mining & quarrying	-0.2	5.4	2.3	3	3	2.9
Manufacturing	6.2	5.3	6.8	18.3	18.1	18
Electricity, gas, water supply & other utility services	4.0	4.8	9.6	2.4	2.3	2.4
Construction	-4.3	2.5	4.5	8.6	8.3	8
Services	8.0	9.1	10.6	50	51.1	52.6
Trade, hotels, transport, communication and services related to broadcasting	9.6	11.1	8.4	18	18.8	18.9
Financial, real estate & professional services	8.8	7.9	13.7	19.5	19.7	20.9
Public administration, defence and Other Services	4.7	7.9	9	12.5	12.6	12.8
GVA at basic prices	4.9	6.6	7.5	100.0	100.0	100.0
GDP at market prices	5.1	6.9	7.4	---	---	---

Source: CSO. *: Advance Estimates.

Sectors	2013-14				2014-15		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Agriculture, forestry & fishing	2.7	3.6	3.8	4.4	3.5	2.0	-0.4
Industry	4.8	4.0	5.0	4.3	6.1	6.0	3.9
Mining & quarrying	0.8	4.5	4.2	11.5	5.1	2.4	2.9
Manufacturing	7.2	3.8	5.9	4.4	6.3	5.6	4.2
Electricity, gas, water supply & other utility services	2.8	6.5	3.9	5.9	10.1	8.7	10.1
Construction	1.5	3.5	3.8	1.2	5.1	7.2	1.7
Services	10.2	10.6	9.1	6.4	8.6	10.1	13.5
Trade, hotels, transport, communication and services related to broadcasting	10.3	11.9	12.4	9.9	9.4	8.7	7.2
Financial, real estate & professional services	7.7	11.9	5.7	5.5	11.9	13.8	15.9
Public administration, defence and Other Services	14.4	6.9	9.1	2.4	1.9	6.0	20.0
GVA at basic prices	7.2	7.5	6.6	5.3	7.0	7.8	7.5

Source: CSO.

Agriculture and Food Management

All India production of food grains: As per the 2nd advance estimates released by Ministry of Agriculture on

February 18, 2015, production of total foodgrains during 2014-15 is estimated at 257.1 million tonnes compared to 265.6 million tonnes in 2013-14 (final) and 257.1 million tonnes in 2012-13 (final).

Crops	Production (in Million Tonnes)		
	2012-13 (Final)	2013-14 (Final)	2014-15 (2 nd AE)
Rice	105.2	106.7	103.0
Total Pulses	18.3	19.8	18.4
Total Coarse Cereals	40.0	43.3	39.8
Total Oilseeds	30.9	32.8	29.8
Sugarcane	341.2	352.1	355.0
Cotton	34.2	35.9	35.1
Total Foodgrains	257.1	265.6	257.1

Procurement: Procurement of rice as on 13.02.2015 was 20.6 million tonnes during Kharif Marketing Season 2014-

15 and procurement of wheat was 28.0 million tonnes during Rabi Marketing Season 2014-15.

Crop	2010-11	2011-12	2012-13	2013-14	2014-15
Rice	34.2	35.0	34.0	31.8	20.6*
Wheat	22.5	28.3	38.2	25.1	28.0
Total	56.7	63.4	72.2	56.9	48.7

* Position as on 13.02.2015

INDUSTRIAL PRODUCTION

Industry Group	April-December, 2013-14	April-December, 2014-15	December 2013	December 2014
General index	0.1	2.1	0.1	1.7
Mining	-1.5	1.7	2.6	-3.2
Manufacturing	-0.4	1.2	-1.1	2.1
Electricity	5.6	10	7.5	4.8
Basic goods	1.5	6.9	3.0	2.4
Capital goods	-0.4	4.8	-2.5	4.1
Intermediate goods	3.1	1.7	5.2	0.1
Consumer goods	-2.9	-4.9	-4.6	0.7
Durables	-12.9	-15.2	-16.4	-9.0
Non-durables	5.8	2.2	2.8	5.7

Industry Group	April-December, 2013-14	April-December, 2014-15	December-2013	December-2014
Coal	1.5	9.1	1.1	7.5
Crude oil	-0.6	-0.9	1.6	-1.4
Natural Gas	-14.9	-5.1	-9.9	-3.5
Refinery Products	1.9	0.2	-1.9	6.1
Fertilizers	2.6	-1.4	4.1	-1.6
Steel	11.5	1.6	10.4	-2.4
Cement	3.7	7.9	1.2	3.8
Electricity	5.5	9.7	7.6	3.7
Overall growth	4.1	4.4	4.0	2.4

Wholesale Price Index (WPI 2004-05=100): The headline WPI inflation decreased to -0.4 per cent in January 2015 from 0.1 per cent in the previous month. Inflation for Food articles for the month of January 2015 has increased to 8 per cent from 5.2 per cent in the previous month. Food inflation (primary food + manufactured food) has increased to 5.9 per cent from 4.1 per cent in the last month. Inflation in Fuel & power has dropped -10.7 per cent in January 2015 from -7.8 per cent in the last month. Inflation for Manufactured

products moderated to 1.1 per cent in January 2015 from 1.6 per cent in the previous month. Non-food manufactured inflation (core as defined by RBI) also eased to 0.9 per cent in January 2015 from 1.6 per cent in the previous month. The average WPI inflation rate for the last 12 months (February 2014 to January 2015) was 3.4 per cent as compared to 6.1 per cent during the corresponding period in 2013-14. The build-up of inflation since March is -1.1 per cent as against 5.2 per cent in the corresponding period last year.

Items/Groups	Weight (%)	Percent variation during					
		Cumulative change (%) Since March		Inflation (%) (Year-on-Year)		Inflation (%) (Average of last 12 months)	
		2014-15	2013-14	2014-15	2013-14	2014-15	2013-14
All Commodities	100.00	-1.1	5.2	-0.4	5.1	3.4	6.1
Primary articles	20.12	3.0	7.0	3.3	6.8	4.3	10.2
Food articles	14.34	7.6	9.2	8.0	8.8	6.4	13.1
Fuel and Power	14.91	-11.4	10.9	-10.7	9.8	3.1	10.0
Manufactured Product	64.97	0.2	2.8	1.0	3.0	3.0	3.2

Inflation based on Consumer Price Indices (CPIs): The all India CPI inflation (combined) increased to 5.1 per cent in from 5.0 per cent in December 2014. Inflation based on CPI-IW increased to 5.9 per cent in December 2014 from 4.1

per cent in November 2014. Inflation based on CPI-AL and CPI-RL was 6.2 and 6.5 per cent respectively in January 2015.

	WPI	CPI-IW	CPI-AL	CPI-RL	CPI-NS
Base :	2004-05	2001	1986-87	1986-87	2010
Jan-14	5.1	7.2	9.1	9.2	8.8
Feb-14	5.0	6.7	8.1	8.3	8.0
Mar-14	6.0	6.7	8.4	8.5	8.3
Apr-14	5.5	7.1	8.4	8.7	8.6
May-14	6.2	7.0	8.1	8.3	8.3
Jun-14	5.7	6.5	7.7	7.8	7.5
Jul-14	5.4	7.2	8.0	8.1	8.0
Aug-14	3.9	6.8	7.2	7.6	7.7
Sep-14	2.4	6.3	6.9	7.1	6.5
Oct-14	1.7	5.0	6.1	6.4	5.5
Nov-14	-0.2	4.1	4.6	5.0	4.4
Dec-14	0.1	5.9	5.5	5.7	5.0
Jan-15	-0.4	-	6.2	6.5	5.1

Note: WPI and CPI-NS inflation for Dec-14 & Jan-15 are provisional; Base for CPI-NS for Jan-15 is 2012.

Money and Banking

Broad money (M₃) for 2014-15 (up to January 23, 2015) increased by 8.9 per cent as compared to

10.8 per cent during the corresponding period of the last year. The year-on-year growth, as on January 23, 2015 was 11.2 per cent as compared to 14.5 per cent in the previous year.

Item	Outstanding as on (` billion)		Variation over (Per cent)			
	Mar. 31, 2014	Jan. 23 2015	Financial Year so far		Year-on-Year	
			2013-14	2014-15	2014	2015
M3	94,973.30	103,406.10	10.8	8.9	14.5	11.2
Components						
Currency with the Public	12,483.40	13,504.10	7.6	8.2	10.7	10.0
Demand Deposit with Banks	8,043.90	8,415.80	3.3	4.6	12.2	8.1
Time Deposits with Banks	74,426.30	81,403.70	12.2	9.4	15.5	11.7
-- --	19.7	82.6	-24.9	320.3	62.3	239.4
Sources						
Net Bank Credit to Government	30,386.00	31,144.10	10.7	2.5	12.7	3.8
Reserve Bank	6,987.10	4,594.30				
Other Banks	23,398.90	26,549.80	10.5	13.5	12.7	13.5
Bank Credit to Commercial Sector	64,424.80	68,605.00	9.9	6.5	14.2	10.2
Reserve Bank	88.4	58.8				
Other Banks	64,336.40	68,546.20	9.8	6.5	14.2	10.2
Net Foreign Exchange Assets of Banking Sector	19,239.50	20,708.20	14.8	7.6	17.2	10.2
Government's Currency Liabilities to the Public	173.4	187.4	10.9	8.1	13.5	10.1
Banking Sector's Net Non-Monetary Liabilities	19,250.40	17,238.50	11.5	-10.5	13.2	-5.6
Net Non-Monetary Liabilities of RBI	8,433.20	7,757.20	26.1	-8.0	24.5	-11.2

Source: RBI

Reserve money (M0) during the financial year 2014-15 (up to January 30 2015) 2.6 per cent compared to 6.4 per cent previous year. The year-on-year variation revealed an increase by 10.3 per cent as compared to increase of 7.8 per cent in the corresponding period of the previous year.

An important source of reserve money, namely, net foreign exchange assets (NFA) of the RBI (up to January 30 2015), showed an increase of 11.9 per cent compared to an increase

of 14.5 per cent on the corresponding date of the last year.

Scheduled Commercial Banks (SCBs): business in India

During the current financial year 2014-15 (up to January 23, 2015), Bank credit registered increase of 6.7 per cent, as compared to 9.8 per cent during the corresponding period last year. The y-o-y variation revealed an increase of 10.7 per cent as compared to 14.4 per cent during the same period in the previous year.

Items	2014-15		Variation over (%)			
	Outstanding as on		Financial year so far		Year-on-year	
	(` billion)		2013-14	2014-15	2013	2014
	28 Mar-14	23-Jan.-14				
Bank Credit	60131	63938	9.8	6.7	14.4	10.7
Non-food credit	59146	62908	10.0	6.4	14.9	10.7
Aggregate deposits	77394	84007	11.5	9.0	15.3	11.6
Investments in Government, and other approved securities	22217	25205	10.2	13.9	12.4	14.0

Source: RBI

Item / Week Ended	2014	2015
	January 31	January 30
Cash Reserve Ratio (per cent) ⁽¹⁾	4.00	4.00
Bank Rate	9.00	8.75
Repo Rate	8.00	7.75
Reverse Repo Rate	6.75	7.00
Prime Lending Rate ⁽²⁾	10.00 / 10.25	10.00 / 10.25
Deposit Rate ⁽³⁾	8.00 / 9.10	8.00 / 8.75
Call Money Rate (Weighted Average) ⁽⁴⁾	8.11	7.79

⁽¹⁾ Cash Reserve Ratio relates to Scheduled Commercial Banks (excluding Regional Rural Banks). ⁽²⁾ Prime Lending Rate relates to five major Banks. ⁽³⁾ Deposit Rate relates to major Banks for term deposits of more than one year maturity. ⁽⁴⁾ Data cover 90-95 per cent of total transactions reported by participants.
Source: RBI

As on January 30, 2015, Bank Rate was 8.75 per cent as compared to 9.00 per cent in the corresponding date of last year.