



ASSOCHAM Economic Weekly
3rd May, 2015



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1. Macroeconomy



1.1 Sectoral Deployment of Bank Credit, March 2015

- Non-food bank credit increased by 8.6 per cent during 2014-15 (Mar 21, 2014 to Mar 20, 2015) as compared with an increase of 14.3 per cent during 2013-14 (Mar 22, 2013 to Mar 21, 2014).
- Credit to agriculture and allied activities increased by 15.0 per cent during 2014-15, as compared with 13.5 per cent increase during 2013-14.
- Credit to industry increased by 5.6 per cent during 2014-15 down from an increase of 13.1 per cent during 2013-14. Deceleration in credit growth to industry was observed in all major sub-sectors, barring construction.
- Credit to the services sector increased by 5.6 per cent during 2014-15, lower than the increase of 16.1 per cent during 2013-14, with deceleration observed in all major sub-sectors.
- Credit to NBFCs increased by 6.4 per cent during 2014-15 as compared with an increase of 13.2 per cent during 2013-14.
- Personal loans increased by 15.4 per cent during 2014-15 as compared with increase of 15.5 per cent during 2013-14.

Table 1
Deployment of Gross Bank Credit by Major Sectors

| Sector | Mar. 22, 2013 | Mar.21, 2014 | Mar.20, 2015 | Mar. 21, 2014 / Mar.22, 2013 | Mar.20, 2015 / Mar. 21, 2014 |
|---------------------------------|---------------------------------|--------------|--------------|------------------------------|------------------------------|
| | Outstanding as on (Rs. billion) | | | Growth (Y-o-Y) | |
| Gross Bank Credit | 49641.8 | 56572.3 | 61423.3 | 14.0 | 8.6 |
| Food Credit | 946.1 | 912.2 | 993.7 | -3.6 | 8.9 |
| Non-food Credit | 48695.6 | 55660.1 | 60429.6 | 14.3 | 8.6 |
| Agriculture & Allied Activities | 5899.1 | 6694.4 | 7700.3 | 13.5 | 15.0 |

| | | | | | |
|---|---------|---------|---------|------|------|
| Industry (Micro & Small, Medium and Large) | 22301.8 | 25228.8 | 26651.2 | 13.1 | 5.6 |
| Services | 11518.9 | 13370.3 | 14120.0 | 16.1 | 5.6 |
| Commercial Real Estate | 1260.7 | 1543.6 | 1680.2 | 22.4 | 8.9 |
| Non-Banking Financial Companies (NBFCs) | 2602.6 | 2946.4 | 3135.9 | 13.2 | 6.4 |
| Personal Loans | 8975.8 | 10366.6 | 11958.1 | 15.5 | 15.4 |
| Priority Sector | 15398.0 | 18781.0 | 20222.3 | 22.0 | 7.7 |

Source: RBI

1.2 India and Japan Sign Action Agenda for India-Japan Investment and Trade Promotion and Asia-Pacific Economic Integration

The Commerce Ministry and Japanese Ministry of Economy, Trade and Industry signed an action agenda for India-Japan investment and trade promotion and Asia-Pacific economic integration in the capital. The action agenda contains five items that are absolutely integral in furthering the trade relations between India and Japan. The five agenda points included in the action agenda are:

- i) Development of selected townships in India as Japanese industrial townships.
- ii) Promotion of investment and infrastructure development.
- iii) Further development and cooperation in information technology.
- iv) Enhancing cooperation in strategic sectors.
- v) Asia-Pacific economic integration.



2. Corporate Sector

2.1 Index of Eight Core Industries, March 2015

The combined Index of Eight Core Industries stands at 177.8 in March, 2015, which was 0.1 % lower compared to the index of March, 2014. Its cumulative growth during April to March, 2014-15 was 3.5 %.

- **Coal:** Coal production (weight: 4.38%) increased by 6.0 % in March, 2015 over March, 2014. Its cumulative index during April to March, 2014-15 increased by 8.2% over corresponding period of previous year.
- **Crude Oil:** Crude Oil production (weight: 5.22%) increased by 1.7 % in March, 2015 over March, 2014. Its cumulative index during April to March, 2014-15 declined by 0.9 % over the corresponding period of previous year.
- **Natural Gas:** The Natural Gas production (weight: 1.71%) declined by 1.5 % in March, 2015. Its cumulative index during April to March, 2014-15 declined by 5.2 % over the corresponding period of previous year.
- **Refinery Products (0.93% of Crude Throughput):** Petroleum Refinery production (weight: 5.94%) declined by 1.3 % in March, 2015. Its cumulative index during April to March, 2014-15 increased by 0.4 % over the corresponding period of previous year.
- **Fertilizers:** Fertilizer production (weight: 1.25%) increased by 5.2 % in March, 2015. Its cumulative index during April to March, 2014-15 declined by 0.1 % over the corresponding period of previous year.
- **Steel (Alloy + Non-Alloy):** Steel production (weight: 6.68%) declined by 4.4 % in March, 2015. Its cumulative index during April to March, 2014-15 increased by 0.5 % over the corresponding period of previous year.

- **Cement:** Cement production (weight: 2.41%) declined by 4.2 % in March, 2015. Its cumulative index during April to March, 2014-15 increased by 5.6 % over the corresponding period of previous year.
- **Electricity:** Electricity generation (weight: 10.32%) increased by 1.7 % in March, 2015. Its cumulative index during April to March, 2014-15 increased by 8.0 % over the corresponding period of previous year.

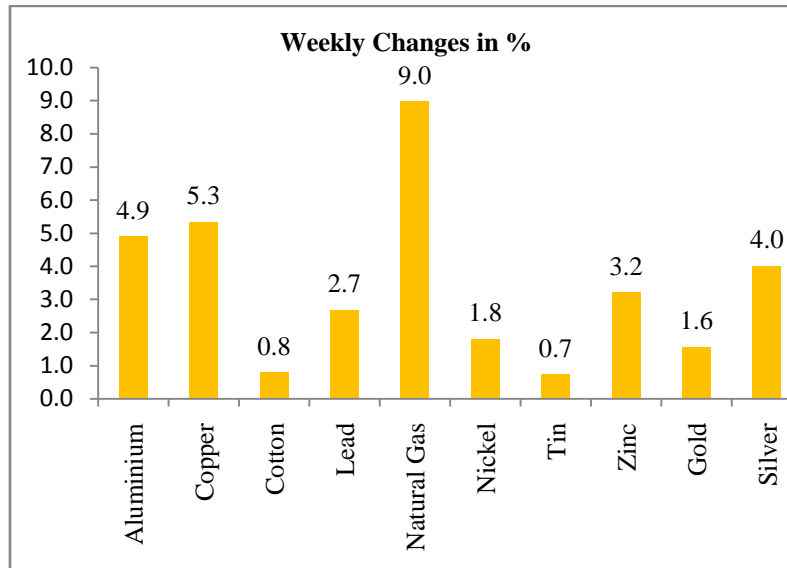
Table 2
Performance of Eight Core Industries

| Sector | Weight | GROWTH RATES (in %) | | | | | |
|----------------------|---------------|---------------------|-------------------|------------|-----------------|------------|-------------|
| | | 2011-12 | 2012-13 | 2013-14 | Apr-Mar 2014-15 | March 2014 | March 2015 |
| Coal | 4.379 | 1.3 | 4.6 | 1.3 | 8.2 | 0.6 | 6.0 |
| Crude Oil | 5.216 | 1.0 | -0.6 | -0.2 | -0.9 | -1.6 | 1.7 |
| Natural Gas | 1.708 | -8.9 | -14.5 | -13.0 | -5.2 | -9.3 | -1.5 |
| Refinery Products | 5.939 | 3.1 | 29.0 [#] | 1.5 | 0.4 | 3.4 | -1.3 |
| Fertilizers | 1.254 | 0.4 | -3.4 | 1.5 | -0.1 | -6.1 | 5.2 |
| Steel | 6.684 | 10.3 | 4.1 | 11.5 | 0.5 | 11.8 | -4.4 |
| Cement | 2.406 | 6.7 | 7.7 | 3.1 | 5.6 | 0.4 | -4.2 |
| Electricity | 10.316 | 8.1 | 4.0 | 6.0 | 8.0 | 5.4 | 1.7 |
| Overall Index | 37.903 | 5.0 | 6.5 | 4.2 | 3.5 | 4.0 | -0.1 |

Source: Office of Economic Advisor

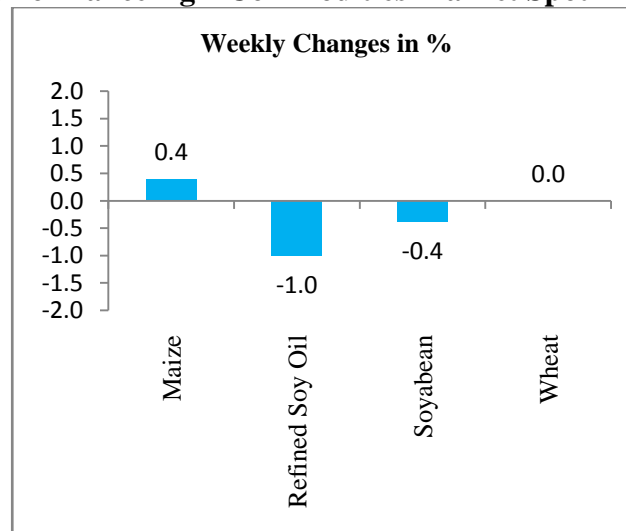
2.2 Basic Metals and Agriculture Commodities in Spot Market

Performance of Metals Market Spot Prices



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

Performance Agri Commodities Market Spot Prices

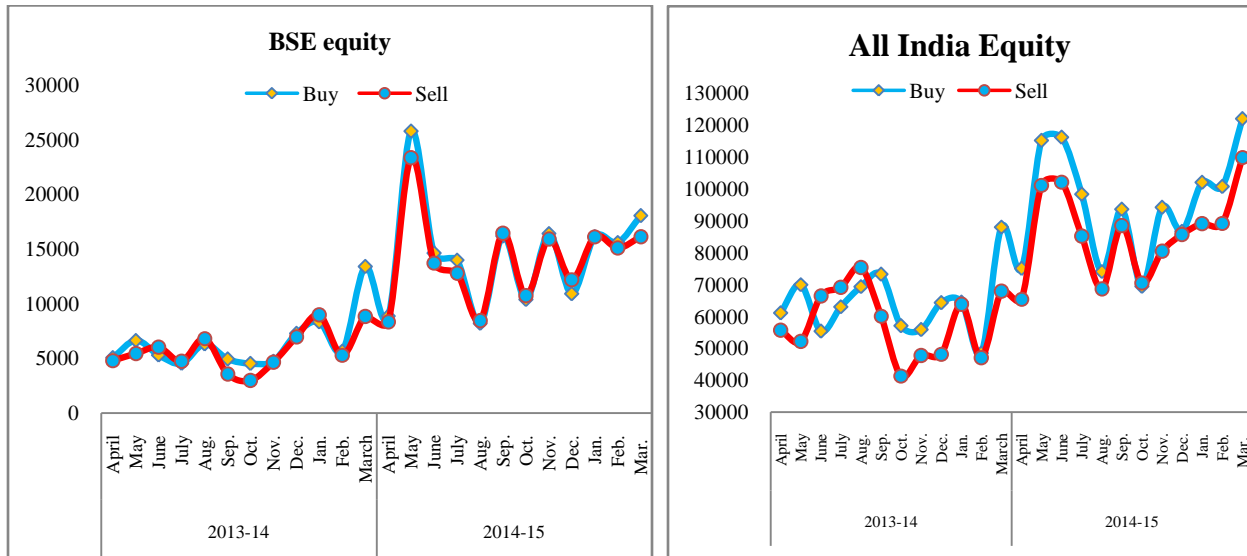


Source: MCX, ASSOCHAM Economic Research Bureau
 Note: For details please refer appendix



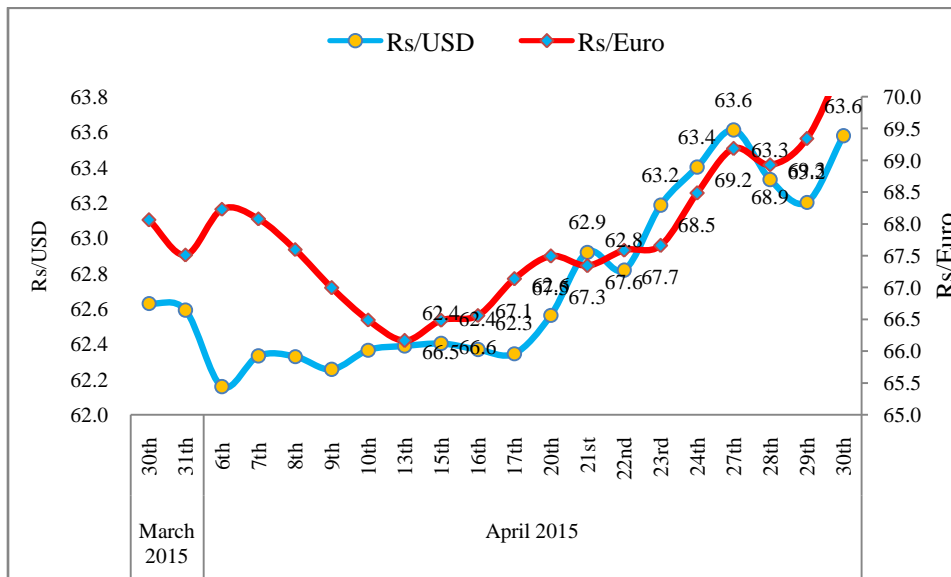
3. Market Trends

FII Equity Flows Equity (Rs. Crore)



Source: BSE and ASSOCHAM Economic Research Bureau

Exchange Rate



Market Variation



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



4. Global Developments

4.1 UK Gross Domestic Product Preliminary Estimate, Quarter 1 (Jan to Mar) 2015

Change in gross domestic product (GDP) is the main indicator of economic growth. GDP is estimated to have increased by 0.3% in Quarter 1 (Jan to Mar) 2015 compared with growth of 0.6% in Quarter 4 (Oct to Dec) 2014.

Output increased in services by 0.5% in Quarter 1 (Jan to Mar) 2015. The other 3 main industrial groupings within the economy decreased, with construction falling by 1.6%, production by 0.1% and agriculture by 0.2%.

GDP was 2.4% higher in Quarter 1 (Jan to Mar) 2015 compared with the same quarter a year ago.

In Quarter 1 (Jan to Mar) 2015, GDP was estimated to have been 4.0% higher than the pre-economic downturn peak of Quarter 1 (Jan to Mar) 2008. From the peak in Quarter 1 (Jan to Mar) 2008 to the trough in Quarter 2 (Apr to June) 2009, the economy shrank by 6.0%.

- Agriculture output decreased by 0.2% in Quarter 1 (Jan to Mar) 2015, following an increase of 0.4% in the previous quarter. Between Quarter 1 (Jan to Mar) 2014 and Quarter 1 (Jan to Mar) 2015, agriculture output increased by 0.9%.
- The index of production decreased by 0.1% in Quarter 1 (Jan to Mar) 2015, following an increase of 0.2% in the previous quarter. Mining and quarrying contributed the most to the decrease, contracting by 2.1%. Between Quarter 1 (Jan to Mar) 2014 and Quarter 1 (Jan to Mar) 2015, production output increased by 0.5%.

- Construction output decreased by 1.6% in Quarter 1 (Jan to Mar) 2015, following a decrease of 2.2% in the previous quarter. Between Quarter 1 (Jan to Mar) 2014 and Quarter 1 (Jan to Mar) 2015, construction output decreased by 0.8% (see note on construction prices in Understanding the preliminary estimate of GDP section).
- The index for distribution, hotels and restaurants increased by 1.2% in Quarter 1 (Jan to Mar) 2015, following an increase of 1.4% in the previous quarter. Retail made the largest positive contribution to the increase. Between Quarter 1 (Jan to Mar) 2014 and Quarter 1 (Jan to Mar) 2015, distribution, hotels and restaurants output increased by 4.7%.
- The index for transport, storage and communication increased by 1.1% in Quarter 1 (Jan to Mar) 2015, following an increase of 0.9% in the previous quarter. Computer programming, consultancy and related activities made the largest contribution to the increase. Between Quarter 1 (Jan to Mar) 2014 and Quarter 1 (Jan to Mar) 2015, transport, storage and communication output increased by 5.0%.
- The index for business services and finance increased by 0.1% in Quarter 1 (Jan to Mar) 2015, following an increase of 1.3% in the previous quarter. Rental and leasing activities made the largest positive contribution to the increase. There were partially offsetting downward contributions from a number of industries including financial services and architectural and engineering services. Between Quarter 1 (Jan to Mar) 2014 and Quarter 1 (Jan to Mar) 2015, business services and finance output increased by 3.4%.
- The index for government and other services increased by 0.3% in Quarter 1 (Jan to Mar) 2015, following no growth in the previous quarter. Human health activities made the largest positive contribution to the increase. Between Quarter 1 (Jan to Mar) 2014 and Quarter 1 (Jan to Mar) 2015, government and other services output increased by 0.8%

Table 3
Gross domestic product preliminary estimate main figures, Quarter 1 (Jan to Mar) 2015
UK, 2013 to 2015

(Percentage change on previous quarter)

| GDP Index (2011=100) | | GDP | Agriculture | Production | Construction | Services | |
|----------------------|----|--------------|-------------|------------|--------------|----------|-----|
| | | Weights 1000 | 6 | 146 | 64 | 784 | |
| 2013 | Q1 | 101.4 | 0.6 | -4.5 | 0.1 | -0.7 | 0.7 |
| | Q2 | 102 | 0.6 | 1 | 0.7 | 2.4 | 0.5 |
| | Q3 | 102.8 | 0.7 | 0.7 | 0.8 | 3 | 0.6 |

| | | | | | | | |
|------|----|-------|-----|------|------|------|-----|
| | Q4 | 103.2 | 0.4 | 0.7 | 0.3 | 0.3 | 0.6 |
| 2014 | Q1 | 104.1 | 0.9 | 0.6 | 0.5 | 3.7 | 0.8 |
| | Q2 | 105 | 0.8 | 0 | 0.3 | 1.3 | 1 |
| | Q3 | 105.6 | 0.6 | 0.6 | 0.1 | 1.7 | 0.7 |
| | Q4 | 106.2 | 0.6 | 0.4 | 0.2 | -2.2 | 0.9 |
| 2015 | Q1 | 106.6 | 0.3 | -0.2 | -0.1 | -1.6 | 0.5 |

Source: UK Office for National Statistics

4.2 Euro area unemployment rate

According to the statistical office of the European Union, euro area (EA19) seasonally-adjusted unemployment rate was 11.3% in March 2015, stable compared with February 2015, but down from 11.7% in March 2014. The EU28 unemployment rate was 9.8% in March 2015, stable compared with February 2015 and down from 10.4% in March 2014. Eurostat estimates that 23.74 million men and women in the EU28, of whom 18.10 million in the euro area, were unemployed in March 2015. Compared with February 2015, the number of persons unemployed decreased by 75 000 in the EU28 and by 36 000 in the euro area. Compared with March 2014, unemployment fell by 1.523 million in the EU28 and by 679 000 in the euro area.

Among the Member States, the lowest unemployment rate in March 2015 was recorded in Germany (4.7%), and the highest in Greece (25.7% in January 2015) and Spain (23.0%). Compared with a year ago, the unemployment rate in March 2015 fell in twenty-two Member States, increased in five and remained stable in Austria. The largest decreases were registered in Ireland (12.0% to 9.8%), Spain (25.1% to 23.0%) and Poland (9.6% to 7.7%). The increases were registered in Croatia (17.3% to 18.2%), Finland (8.4% to 9.1%), Italy (12.4% to 13.0%), France (10.1% to 10.6%) and Belgium (8.4% to 8.5%).

In March 2015, the unemployment rate in the United States was 5.5%, the same as in February 2015 and down from 6.6% in March 2014.

Table 4
Euro Area unemployment Rate (Percent)

| | March 2014 | Dec 2014 | Jan 2015 | Feb 2015 | March 2015 |
|------|------------|----------|----------|----------|------------|
| EA19 | 11.7 | 11.4 | 11.3 | 11.3 | 11.3 |

| | | | | | |
|----------------|---------|------|------|------|------|
| EU28 | 10.4 | 9.9 | 9.8 | 9.8 | 9.8 |
| Belgium | 8.4 | 8.5 | 8.5 | 8.5 | 8.5 |
| Bulgaria | 12.1 | 10.3 | 10.3 | 10.2 | 10.4 |
| Czech Republic | 6.5 | 5.8 | 5.9 | 5.8 | 5.8 |
| Denmark | 6.5 | 6.2 | 6.2 | 6.2 | 6.4 |
| Germany | 5 | 4.8 | 4.8 | 4.7 | 4.7 |
| Estonia | 7.7** | 6.3 | 6.2 | 5.9 | : |
| Ireland | 12 | 10.1 | 10 | 9.9 | 9.8 |
| Greece | 27.2* | 25.9 | 25.7 | : | : |
| Spain | 25.1 | 23.6 | 23.3 | 23.1 | 23 |
| France | 10.1 | 10.5 | 10.6 | 10.6 | 10.6 |
| Croatia | 17.3 | 18.3 | 18.5 | 18.4 | 18.2 |
| Italy | 12.4 | 12.7 | 12.6 | 12.7 | 13 |
| Cyprus | 16.2 | 16.3 | 16.1 | 16.1 | 16 |
| Latvia | 11.5*** | 10.4 | : | : | : |
| Lithuania | 11.2 | 10 | 9.9 | 10 | 9.5 |
| Luxembourg | 6 | 5.8 | 5.8 | 5.8 | 5.7 |
| Hungary | 7.9** | 7.3 | 7.5 | 7.4 | : |
| Malta | 5.9 | 6.1 | 6 | 5.9 | 5.8 |
| Netherlands | 7.8 | 7.2 | 7.2 | 7.1 | 7 |
| Austria | 5.6 | 5.6 | 5.4 | 5.4 | 5.6 |
| Poland | 9.6 | 8.2 | 8 | 7.8 | 7.7 |
| Portugal | 14.7 | 13.6 | 13.8 | 13.6 | 13.5 |
| Romania | 7 | 6.6 | 6.5 | 6.4 | 6.5 |
| Slovenia | 10 | 9.4 | 9.4 | 9.4 | 9.3 |
| Slovakia | 13.6 | 12.4 | 12.4 | 12.3 | 12.2 |
| Finland | 8.4 | 8.9 | 9 | 9.1 | 9.1 |
| Sweden | 8 | 7.8 | 7.8 | 7.8 | 7.7 |
| United Kingdom | 6.9* | 5.5 | 5.5 | : | : |
| Iceland | 5.2 | 4.4 | 4.4 | 4.3 | 4.2 |
| Norway | 3.4** | 3.8 | 3.9 | : | : |
| United States | 6.6 | 5.6 | 5.7 | 5.5 | 5.5 |

Source: The Statistical Office of European Union

5. Data Appendix

Table 5
Latest Available Financial Information

| Item | April. 17, 2015 | April. 24, 2015 | Percentage Change |
|---|--------------------|-----------------|----------------------|
| Deposits of Scheduled Commercial Banks with RBI (Rs. Billion) | 3,598.63 | 3,732.24 | 3.71 |
| Foreign Currency Assets of RBI (Rs. Billion) | 20,105.44 | 20,507.21 | 2.00 |
| Advances of RBI to the Central Government (Rs. Billion) | | | |
| Advances of RBI to the Scheduled Commercial Banks (Rs. Billion) | 902.02 | 1,130.90 | 25.37 |
| Foreign Exchange Reserves (US\$ Billion) | 343.2 | 344.6 | 0.41 |

Source: RBI, Govt. of India

Table 6
BSE Sensex and NSE Nifty Index

| Index | April. 27, 2015 | April. 30, 2015 | Percentage Change |
|-----------------|-----------------|-----------------|-------------------|
| BSE SENSEX | 27,565.5 | 27,011.3 | -2.0 |
| S & P CNX NIFTY | 8,330.6 | 8,181.5 | -1.8 |

Source: BSE India and NSE India

Table 7
Metals Market Spot Prices Index (Rs.)

| | | April 2015 | | | | May 2015 | Weekly Changes in % |
|-------------|---------|------------------|------------------|------------------|------------------|-----------------|---------------------------|
| | | 27 th | 28 th | 29 th | 30 th | 1 st | |
| Aluminium | 1 KGS | 116.3 | 118.3 | 119.5 | 121.4 | 122.0 | 4.9 |
| Copper | 1 KGS | 384.1 | 388.5 | 388.2 | 389.5 | 404.6 | 5.3 |
| Cotton | 1 BALES | 16280.0 | 16260.0 | 16290.0 | 16410.0 | NA | 0.8 |
| Lead | 1 KGS | 132.4 | 132.7 | 131.6 | 135.1 | 136.0 | 2.7 |
| Natural Gas | 1 mmBtu | 160.5 | 158.4 | 160.7 | 164.7 | 174.9 | 9.0 |
| Nickel | 1 KGS | 859.2 | 837.7 | 839.5 | 881.0 | 874.7 | 1.8 |
| Tin | 1 KGS | 1020.8 | 1030.0 | 992.5 | 1018.8 | 1028.3 | 0.7 |
| Zinc | 1 KGS | 145.1 | 145.7 | 144.6 | 149.8 | NA | 3.2 |
| Gold | 10 GRMS | 26632.0 | 26866.0 | 26991.0 | 27047.0 | NA | 1.6 |
| Silver | 1 KGS | 36010.0 | 36965.0 | 37163.0 | 37454.0 | NA | 4.0 |

Source: MCX

NA: Not Available

Table 8
Agri. Commodities Market Spot Prices (Rs.)

| | | April 2015 | | | | May 2015 | Weekly Changes in % |
|-----------------|---------|------------------|------------------|------------------|------------------|-----------------|---------------------------|
| | | 27 th | 28 th | 29 th | 30 th | 1 st | |
| Maize | 100 KGS | 1265.0 | 1270.0 | 1270.0 | 1270.0 | NA | 0.4 |
| Refined Soy Oil | 10 KGS | 631.1 | 630.0 | 627.2 | 624.8 | NA | -1.0 |
| Soyabean | 100 KGS | 4010.0 | 4010.0 | 4000.0 | 3995.0 | NA | -0.4 |
| Wheat | 100 KGS | 1480.0 | 1500.0 | 1490.0 | 1480.0 | NA | 0.0 |

Source: MCX

NA: Not Available

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.

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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.

ASSOCHAM Investment Meter (AIM) keeps the track of the investment announcements by the private sector in different sectors and across the various states and cities.

ASSOCHAM Placement Pattern (APP) is based on the sample data that is tracked on a daily basis for the vacancies posted by companies via job portals and advertisements in the national and regional dailies, journals and newspaper. Data is tracked for 60 cities and 30 sectors that are offering job opportunities in India.

ASSOCHAM Financial Pulse (AFP) as an analytical tool tracks quarterly financial performance of India Inc; forming strong inter-linkages with the real economy and presents sectoral insights and outlook based on financial indicators, demand signals and corporate dividend activity.

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THE KNOWLEDGE CHAMBER

Evolution of Value Creator ASSOCHAM initiated its endeavor of value creation for Indian industry in 1920. It has witnessed upswings as well as upheaval of Indian Economy and contributed significantly by playing a catalytic role in shaping up the Trade, Commerce and Industrial environment of the country.

ASSOCHAM derives its strength from the following Promoter Chambers: Bombay Chamber of Commerce and Industry, Mumbai; Cochin Chamber of Commerce and Industry, Cochin; Indian Merchant's Chamber, Mumbai; The Madras Chamber of Commerce and Industry, Chennai; PHD Chamber of Commerce and Industry, New Delhi.

VISION

Empower Indian enterprise by inculcating knowledge that will be the catalyst of growth in the barrier less technology driven global market and help them upscale, align and emerge as formidable player in respective business segment

MISSION

As representative organ of Corporate India, ASSOCHAM articulates the genuine, legitimate needs and interests of its members. Its mission is to impact the policy and legislative environment so as to foster balanced economic industrial and social development. We believe education, health, agriculture and environment to be the critical success factors.

GOALS

To ensure that the voice and concerns of ASSOCHAM are taken note of by policy makers and legislators. To be proactive on policy initiatives those are in consonance with our mission. To strengthen the network of relationships of national and international levels/forums. To develop learning organization, sensitive to the development needs and concerns of its members. To broad-base membership. Knowledge sets the pace for growth by exceeding the expectation, and blends the wisdom of the old with the needs of the present.