



ASSOCHAM Economic Weekly
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1. Macroeconomy



1.1 Indirect Tax Revenue collections during April-June 2015

Indirect Tax Revenue collections during the first quarter of current fiscal year, i.e. April-June 2015 have increased from Rs. 1,12,094 crore to Rs 1,53,980 crores suggesting an increase of 37.4 % over the corresponding period (April-June 2014) in the last financial year. In June 2015, the indirect tax collections increased by 33.3% compared with June 2014.

These increases were spread across all three tax categories—customs, central excise, and service tax. These collections reflect in part additional measures taken, including the excise increases on diesel and petrol, the increase in clean energy cess, the withdrawal of exemptions for motor vehicles and consumer durables, and in June, the increase in service tax from 12.36 to 14 percent.

Stripped of all these additional measures, indirect tax collections increased by 10.8 percent in June 2015 over June 2014; and by 14.5 percent for the first quarter of FY 2015-16 compared to the first quarter of FY 2014-15.

Table 1
Indirect Tax Revenue Collection: April-June 2015-16

Tax head	Actual 2014-15 (prov.)	B.E 2015-16	Asking rate (%) for 2015-16	For June			April to June		
				2014-15	2015-16	% Growth	2014-15	2015-16	% Growth
Customs	187856	208336	10.9	14081	17094	21.4	39175	47080	20.2
*C. Excise	188238	228157	21.2	13574	22717	67.4	34067	61661	81.0

Service Tax	168063	209774	24.8	15370	17546	14.2	38852	45239	16.4
Total	544157	646267	18.8	43025	57357	33.3	112094	153980	37.4

Source: Ministry of Finance, Govt. of India

*Exclusive of cesses not administered by the Dept. of Revenue

1.2 Foreign Tourist Arrivals, June 2015

Foreign Tourist Arrivals (FTAs):

- FTAs during the Month of June 2015 were 5.13 lakh as compared to FTAs of 5.05 lakh during the month of June 2014 and 4.51 lakh in June 2013. There has been a growth of 1.8% in June 2015 over June 2014.
- FTAs during the period January- June 2015 were 38.45 lakh with a growth of 3.4% over the period January- June 2014.
- The Percentage share of Foreign Tourist Arrivals (FTAs) in India during June 2015 among the top 15 source countries was highest from USA (22.21%) followed by Bangladesh (17.00%), UK (7.18%), Malaysia (4.00%), Sri Lanka (3.41%), Japan (2.80%), France (2.69%), Australia (2.64%), Singapore (2.54%), Canada (2.49%), China (2.36%), Germany (2.35%), Nepal (2.10%), Pakistan (1.54%) and Afghanistan (1.50%) . These top 15 countries account for 76.81% of total FTAs during June 2015.
- The Percentage share of Foreign Tourist Arrivals (FTAs) in India during June 2015 among the top 15 ports was highest at Delhi Airport (25.92%) followed by Mumbai Airport (17.58%), Chennai Airport (11.61%), Haridaspur Land check post (10.03%), Bengaluru Airport (8.00%), Hyderabad Airport (5.08%), Cochin Airport (3.77%), Kolkata Airport (3.63%), Gede Rail (1.97%), Tiruchirapalli Airport (1.93%), Ahmedabad Airport (1.72%), Trivandrum Airport (1.57%), Ghojadanga Land check post (1.18%), Attari Wagma (1.03%) and Hilli Land check post (0.64%). These top 15 ports account for 95.66% of total FTAs during June 2015.

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

- FEEs during the month of June 2015 were Rs. 8,951 crore as compared to Rs. 8,458 crore in June, 2014 and Rs. 7,149 crore in June 2013.

- The growth rate in FEEs in rupee terms during June 2015 over June 2014 was 5.8%.
- FEEs from tourism in rupee terms in January- June 2015 were Rs. 60,302 crore with a growth of 6.2% over the period January-June 2014.
- FEEs in US\$ terms during the month of June 2015 were US\$ 1.402 billion as compared to FEEs of US\$ 1.440 billion during the month of June 2014 and US\$ 1.227 billion in June 2013.
- FEEs from tourism in US\$ terms during January- June 2015 were US\$ 9.609 billion with a growth of 2.9% as compared to the US\$ 9.334 billion with a decline of 0.8% during January- June 2014 over January- June 2013.



2. Corporate Sector

2.1 Index of Industrial Production in May 2015

The General Index for the month of May 2015 stands at 180.0, which is 2.7% higher as compared to the level in the month of May 2014. The cumulative growth for the period April-May 2015-16 over the corresponding period of the previous year stands at 3.0%.

The Indices of Industrial Production for the Mining, Manufacturing and Electricity sectors for the month of May 2015 stand at 128.8, 187.5 and 195.0 respectively, with the corresponding growth rates of 2.8%, 2.2% and 6.0% as compared to May 2014 (Statement I). The cumulative growth in the three sectors during April-May 2015-16 over the corresponding period of 2014-15 has been 1.5%, 3.2% and 2.8% 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	122.8	181.4	189.1	178.1	177.2	172.7	178.5
May*	125.3	128.8	183.5	187.5	183.9	195.0	175.3	180.0
Jun	122.1		180.1		181.6		172.0	
Jul	116.2		182.2		183.8		173.0	
Aug	115.0		173.4		184.1		166.2	
Sep	115.3		181.9		175.6		171.8	
Oct	124.2		170.0		184.9		165.1	
Nov	128.6		179.9		174.3		172.1	
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	148.8		210.4		176.4		198.2	

Average								
Apr-May	124.0	125.8	182.5	188.3	181.0	186.1	174.0	179.3
Growth over the corresponding period of previous year								
May	2.5	2.8	5.9	2.2	6.7	6.0	5.6	2.7
Apr-May	2.1	1.5	4.5	3.2	9.2	2.8	4.6	3.0

Source: MOSPI, Govt. of India

* Indices for May 2015 are Quick Estimates.

NOTE: Indices for the months of Feb'15 and Apr'15 incorporate updated production data.

As per Use-based classification, the growth rates in May 2015 over May 2014 are 6.4% in Basic goods, 1.8% in Capital goods and 1.2% in Intermediate goods (Statement III). The Consumer durables and Consumer non-durables have recorded growth of (-) 3.9% and (-) 0.1% respectively, with the overall growth in Consumer goods being (-) 1.6%.

Table 3
Index of Industrial Production - Use-Based

(Base : 2004-05=100)

Month	Basic goods		Capital goods		Intermediate goods		Consumer goods		Consumer durables		Consumer non-durables	
	(456.82)		(88.25)		(156.86)		(298.08)		(84.6)		(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	167.5	235	251	149.7	153.5	181.5	187	255.4	258.6	152.2	158.6
May*	167.1	177.8	228	232.2	155.5	157.4	182.7	179.7	262.7	252.5	151	150.9
Jun	163.5		270.7		151.2		166.9		211.9		149	
Jul	162.8		263.2		155.4		171.3		220.9		151.7	
Aug	164		220.6		151.9		161.1		218.8		138.3	
Sep	161.3		260.9		151.3		172.4		241.5		145	
Oct	167.9		239.2		145.5		149		191.8		132	
Nov	168.2		252.1		151.4		165.1		201.6		150.6	
Dec	174.6		269.7		159		192.4		208		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		330.1		164.9		203.1		261.3		180.1	
Average												
Apr-May	165.1	172.7	231.5	241.6	152.6	155.5	182.1	183.4	259.1	255.6	151.6	154.8
Growth over the corresponding period of previous year												
May	7.5	6.4	4.2	1.8	3.5	1.2	4.6	-1.6	3.6	-3.9	5.2	-0.1
Apr-May	8	4.6	8.6	4.4	3.2	1.9	-0.3	0.7	-2.3	-1.4	1.1	2.1

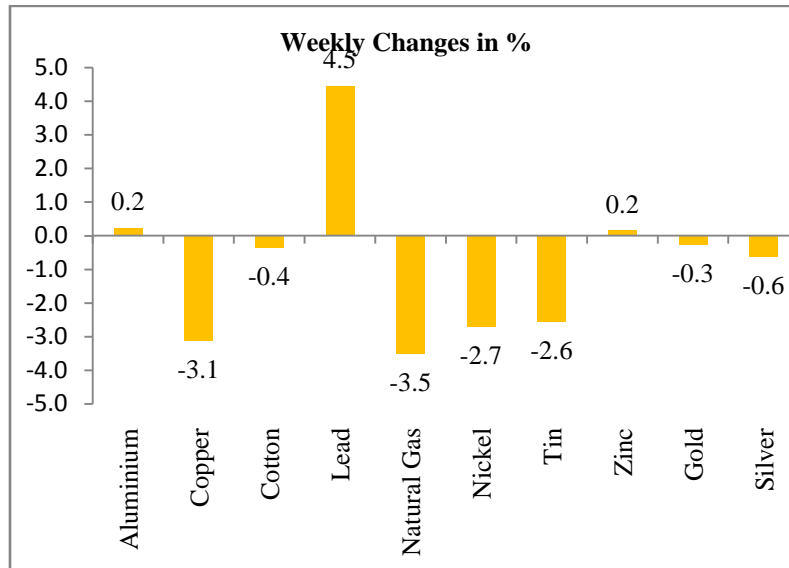
Source: MOSPI, Govt. of India

* Indices for May 2015 are Quick Estimates.

NOTE: Indices for the months of Feb'15 and Apr'15 incorporate updated production data

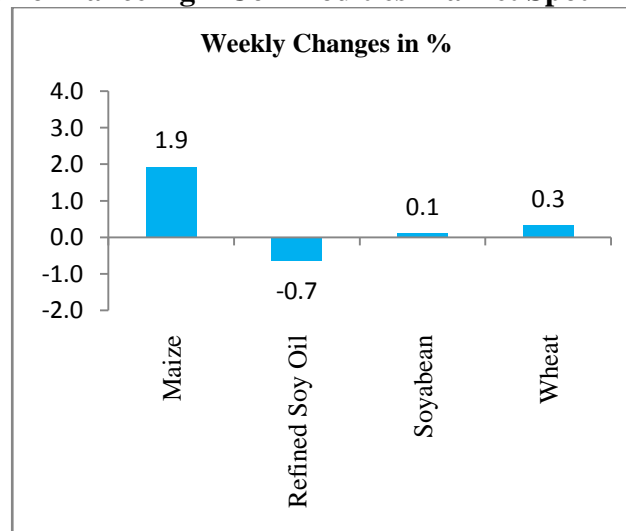
2.2 Basic Metals and Agriculture Commodities in Spot Market

Performance of Metals Market Spot Prices



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

Performance Agri Commodities Market Spot Prices

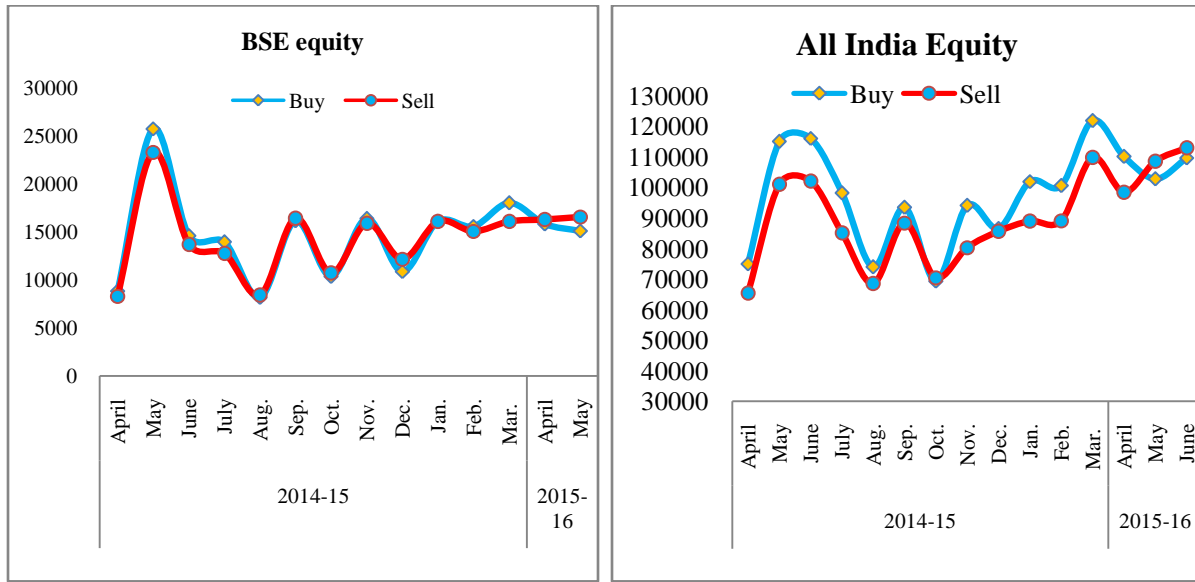


Source: MCX, ASSOCHAM Economic Research Bureau
 Note: For details please refer appendix

3. Market Trends

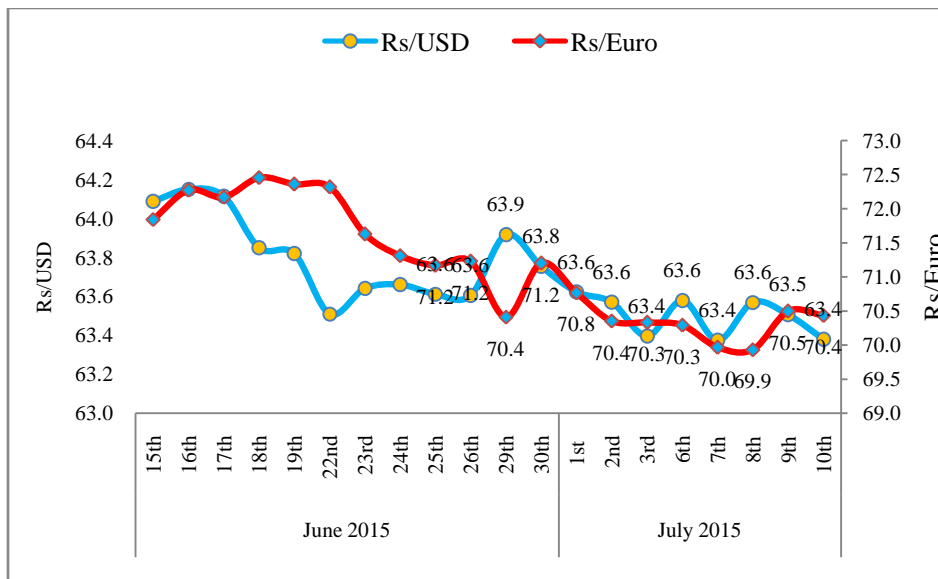


FII Equity Flows Equity (Rs. Crore)



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 International Trade, May 2015

The UK's deficit on trade in goods and services was estimated to have been £0.4 billion in May 2015, compared with £1.8 billion in April 2015. This reflects a deficit of £8.0 billion on goods, partially offset by an estimated surplus of £7.6 billion on services. This deficit is the smallest since June 2013 and the narrowing is a result of imports decreasing by £1.4 billion to £43.4 billion, as exports were unchanged at £43.0 billion.

Imports of goods decreased by £1.4 billion in May 2015 to £32.6 billion, the lowest level since April 2011. Most notable decreases were evident in the imports of ships (£0.5 billion) and material manufactures (£0.4 billion).

In the 3-months to May 2015, the UK's deficit on trade in goods and services was estimated to have been £5.4 billion; narrowing by £1.4 billion from the 3-months to February 2015.

In the 3-months to May 2015, the trade in goods deficit narrowed by £1.9 billion to £28.1 billion. Exports increased by £0.6 billion to £73.1 billion, attributed to an increase in exports of chemicals to countries outside the EU. Imports decreased by £1.4 billion to £101.2 billion over the same period, attributed mainly to decreases in imports of chemicals and material manufactures.

In the 3-months to May 2015, exports to countries outside the EU increased by £1.7 billion, attributed to exports of chemicals which reached a record high of £7.3 billion. Over the same period, the UK's trade in goods surplus with the USA was at a record high of £4.0 billion.

Table 4
Balance of UK trade in goods and services, May 2015

(£ billion)

		Balance of trade in goods			Balance of trade in services	Total trade balance
		EU	Non-EU	Total		
2014	May	-6.3	-4	-10.3	7	-3.2
2015	Mar	-7.3	-3.4	-10.7	7.6	-3.2
	Apr	-7	-2.4	-9.4	7.6	-1.8
	May	-6.4	-1.6	-8	7.6	-0.4

Source: UK Office for National Statistics

4.2 EU General Government Expenditure in 2014

In 2014, total general government expenditure amounted to €6 701 bn in the European Union (EU). This represented almost half (48.1%) of EU GDP in 2014, compared with 48.6% in 2013. In the **euro area**, the share stood at 49.0% in 2014 (49.4% in 2013). Among EU Member States, general government expenditure varied in 2014 from less than 35% of GDP in Lithuania and Romania to more than 57% in Finland, France and Denmark.

In 2014, total general government expenditure accounted for more than half of GDP in eight EU Member States, with the highest shares being recorded in **Finland** (58.7%), **France** (57.2%) and **Denmark** (57.0%). Conversely, total general government expenditure represented less than 40% of GDP in six Member States: **Lithuania** and **Romania** (both 34.9%), **Latvia** (36.9%), **Estonia** (38.8%), **Ireland** (39.0%) and **Bulgaria** (39.2%).

In 2014, the ratio of general government expenditure to GDP decreased in a majority of EU Member States compared with 2013. The highest increase in the ratio of general government expenditure to GDP was recorded by far in **Cyprus** (+7.7 percentage points between 2013 and 2014), followed by **Malta** (+1.6 pp), and **Austria** (+1.4 pp). In contrast, significant decreases were registered in **Greece** (-10.7 pp) and **Slovenia** (-9.9 pp). Total general government expenditure as percentage of GDP dropped at **EU** level by 0.5 pp in 2014 compared with 2013, and by 0.4 pp in the **euro area**.

Table 5
Total general government expenditure in the EU Member States, 2014

	in millions of euro	in euro per inhabitant	as % of GDP	Change 2014/2013, in percentage points of GDP
EU1	6 701 315	13 153	48.1	-0.5
Euro area1	4 961 272	14 617	49	-0.4
Belgium	218 585	19 592	54.3	-0.1
Bulgaria	16 486	2 279	39.2	1
Czech Republic	65 148	6 191	42	0.1
Denmark	146 643	25 987	57	-0.1
Germany	1 274 415	15 469	43.9	-0.4
Estonia	7 567	5 751	38.8	0
Ireland	72 324	15 672	39	-1.7
Greece4	88 371	8 039	49.3	-10.7
Spain	461 124	9 924	43.6	-0.7
France	1 226 481	18 530	57.2	0.2
Croatia	20 684	4 887	48	0.3
Italy	826 262	13 591	51.1	0.2
Cyprus4	8 597	10 084	49.1	7.7
Latvia	8 882	4 452	36.9	0.9
Lithuania	12 676	4 328	34.9	-0.6
Luxembourg	20 745	:	44	0.5
Hungary	51 782	5 250	50.1	0.3
Malta	3 490	8 171	43.8	1.6
Netherlands	305 424	18 111	46.6	-0.2
Austria	171 936	20 140	52.3	1.4
Poland	172 760	4 489	41.8	-0.4
Portugal	84 729	8 146	49	-1.1
Romania	52 306	2 622	34.9	-0.4
Slovenia4	18 565	9 004	49.8	-9.9
Slovakia	31 410	5 797	41.8	0.7
Finland	119 691	21 913	58.7	0.9
Sweden	227 679	23 481	53	-0.3
United Kingdom	986 554	15 293	44.4	-1.1
Iceland	5 849	17 959	45.4	1.4
Norway	172 306	33 536	45.7	1.6

Source: The statistical Office of European Union

5. Data Appendix

Table 6
Latest Available Financial Information

Item	June. 26, 2015	July. 03, 2015	Percentage Change
Deposits of Scheduled Commercial Banks with RBI (Rs. Billion)	3,652.14	3,603.21	-1.34
Foreign Currency Assets of RBI (Rs. Billion)	21,245.84	21,155.18	-0.43
Advances of RBI to the Central Government (Rs. Billion)	–	74.16	
Advances of RBI to the Scheduled Commercial Banks (Rs. Billion)	772.05	560.84	-27.36
Foreign Exchange Reserves (US\$ Billion)	355.2	354.5	-0.20

Source: RBI, Govt. of India

Table 7
BSE Sensex and NSE Nifty Index

Index	July. 06, 2015	July. 10, 2015	Percentage Change
BSE SENSEX	27,857.20	27,661.40	-0.7
S & P CNX NIFTY	8,386.2	8,360.6	-0.3

Source: BSE India and NSE India

Table 8
Metals Market Spot Prices Index (Rs.)

		July 2015					Weekly Changes in %
		6 th	7 th	8 th	9 th	10 th	
Aluminium	1 KGS	104.5	104.3	103.0	104.7	104.7	0.2
Copper	1 KGS	368.8	355.8	341.8	350.0	357.3	-3.1
Cotton	1 BALES	16570.0	16640.0	16530.0	16480.0	16510.0	-0.4
Lead	1 KGS	110.1	110.5	110.2	114.6	115.0	4.5
Natural Gas	1 mmBtu	179.4	175.2	172.1	170.7	173.1	-3.5
Nickel	1 KGS	734.2	706.0	692.1	716.8	714.3	-2.7
Tin	1 KGS	910.8	900.8	895.5	911.5	887.3	-2.6
Zinc	1 KGS	126.7	126.9	124.3	127.6	126.9	0.2
Gold	10 GRMS	26086.0	26081.0	25937.0	26026.0	26014.0	-0.3
Silver	1 KGS	35440.0	35480.0	34365.0	35051.0	35217.0	-0.6

Source: MCX

Table 10
Agri. Commodities Market Spot Prices (Rs.)

		July 2015					Weekly Changes in %
		6 th	7 th	8 th	9 th	10 th	
Maize	100 KGS	1290.0	1290.0	1295.0	1295.0	1315.0	1.9
Refined Soy Oil	10 KGS	635.3	616.9	627.4	627.4	631.1	-0.7
Soyabean	100 KGS	3500.0	3500.0	3390.0	3425.0	3503.5	0.1
Wheat	100 KGS	1545.0	1550.0	1550.0	1545.0	1550.0	0.3

Source: MCX

ASSOCHAM Economic Research Bureau

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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.

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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.