

The logo consists of two interlocking loops, one red and one blue, forming a stylized 'M' or 'U' shape.

Macrowatch

Monthly Update on Economy and Banking

January 2016

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Overview

The US fed's decision to raise the range for federal funds removed the uncertainty prevailing in the markets over rate hike. However, global economy continues to reflect weakness in the macro fundamentals. Global oil prices are also adding volatility in the world markets. While Japanese and European economies are moving towards growth, yet the growth rates are below their expectations. Indian economy with its strong fiscal and monetary position, is expected to withstand all the global uncertainties with minimum possible impact.

US Federal Reserve (Fed) went for a rate hike for the first time in nearly a decade. Expanding economic activity along with improvement in labour market scenario and lower unemployment rate of 5 % as of November 2015 facilitated in decision to rates. Further movement in rates would depend on pick up in wage growth and trajectory of inflation. Falling crude oil prices are adding to dilemma of regulators. Macro economic indicators of European Union which include retail sales, unemployment and purchasing managers' indices point to revival in recovery process. In case of China, slowdown in growth and high debt have emerged as challenges to sustainable global growth. Various domestic structural constraints and falling commodity prices continue to affect the growth prospects of other emerging market economies.

Indian economy noted uptick in the performance of GDP growth in Q2 FY 2015-16. Various macro indicators suggest that the economy is in the early stages of a recovery. Low inflation numbers reflect price stability upto some extent and increase in GDP numbers provided better prospects for the economy. Well balanced external sector and fiscal consolidation targets kept the economy on its growth path. However, recent data of core industries points out to possible moderation in industrial growth. Also, lack of domestic and external demand are cause of worry on fiscal front but well defined fiscal consolidation measures could push the economy on the path of sustainable development. The Government's resolve on quality of expenditure and introduction of reforms are expected to improve operating macro environment.

I.A. Outlook

■ 2015 ■ 2016

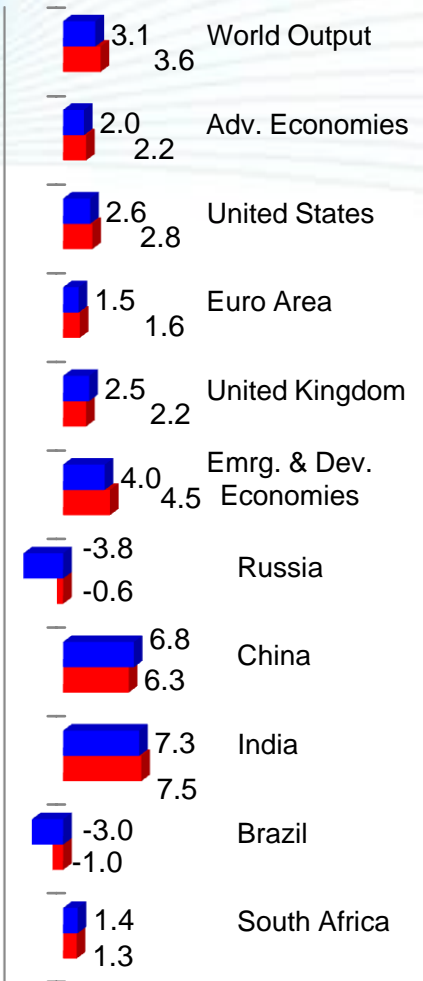
Global Outlook

In its October 2015 World Economic Outlook, IMF has projected global growth for 2015 at 3.1 percent, 0.3 percentage point lower than in 2014, and 0.2 percentage point below the forecasts in the July 2015 World Economic Outlook (WEO) Update. Prospects across the main countries and regions remain uneven. Relative to last year, the recovery in advanced economies is expected to pick up slightly, while activity in emerging market and developing economies is projected to slow for the fifth year in a row, primarily reflecting weaker prospects for some large emerging market economies and oil-exporting countries. In an environment of declining commodity prices, reduced capital flows to emerging markets and pressure on their currencies, and increasing financial market volatility, downside risks to the outlook have risen, particularly for emerging market and developing economies.

U.S.A. The US Fed in its policy meet of December has decided to raise the target range for the federal funds rate to “0.25-0.50%” from the existing range of “0-0.25%”. The economy’s real GDP increased by 2.0 % in Q3 FY 2015-16, which was 3.9 % in Q2 FY 2015-16.

Japan: As per the revised estimates of GDP growth, Japanese economy grew by 1.0 % in the third quarter of 2015 as against earlier report of a GDP contraction. Capital expenditure was the prime force for the upgrade, which meant technically Japanese economy, is not in recession.

Europe: The European Central Bank continues with monetary easing and has cut its deposit rate by 10 basis points to -0.30 %. This decision is expected to give the economy a boost. The seasonally adjusted GDP estimate for the third quarter was 0.3 % slightly lower than the estimate of the previous quarter. Hence this move of easing rates will boost the economy driving the consumption demand and saving it from a deflationary situation.



Source: WEO: Oct, 2015; IMF

India Outlook

Output: Deficit monsoon impacted the production of crops. However, growth in allied sector boosted rural income and agricultural growth during Q2 FY 2015-16. Manufacturing sector posted higher in first half of the current financial year. Capital goods and consumers goods sectors too performed comparatively better in Q2. Services sector is the main growth driver with 66.8% contribution in the total GDP. On going reforms and accommodative monetary policy showed improvement in growth prospects in Q4 FY 2015-16.

Inflation : Though CPI inflation has moved up, it is well within the anticipated level. The rabi crop has been hit by untimely rain in the beginning, however production is expected to be as per expectation and trend. Astute supply management by the central government, including close coordination with State governments may minimize any shortfall in the rabi crop. International fuel prices are expected to remain benign for few more quarters. **Considering all these, the inflation target of 6.0 % by Jan-16 and 5.0 % by Mar-17 seems achievable.**

Policy Outlook: The RBI's decision to keep its policy rate unchanged at 6.75 % is in line with market expectations. Domestic GDP growth of 7.4% in Q2 2015-16 for the Indian economy has come better than the Q1, 2015-16. The Central bank has observed that cumulative policy repo rate reduction of 125 bps has not been fully transmitted by banks. The RBI expects that calculation of base rate based on marginal cost of funds and linking of small savings interest rates to market rates should facilitate transmission of policy rates into lending rates. The RBI will also follow developments on commodity prices, especially food and oil, even while tracking inflationary expectations and external developments, implementation of the Pay Commission proposals, and its effect on wages and rents, budgetary measures by the Government towards fiscal consolidation path, for future policy deliberations. The RBI is expected to maintain status quo on key policy rates next Bi-monthly policy scheduled for Feb 2, 2016.

Indicator	Period	Release Date	Expect (Y/Y)%
IIP	Nov-15	Jan 12 2016	4.5
CPI Inflation	Dec-15	Jan 20 2016	5.0
WPI Inflation	Dec-15	Jan-14 2016	-1.2

II. Output

Quarterly Estimates of Gross Domestic Product for Q1 2015-16 (July-Sep) at constant (2011-12) prices

Gross Domestic Product: Real GDP or GDP in Q2, 2015-16 is estimated to have grown at a rate of 7.4% as against 7.0% for Q1, FY 2015-16.

Gross Value Added (GVA): Real GVA, i.e, GVA in Q2, 2015-16 is estimated to have grown at a growth rate of 7.4% as against 7.1% during Q1, FY 2015-16.

Agriculture: The 'agriculture, forestry and fishing' sector in Q1, 2015-16 has shown a growth rate of 2.2 %, as against the growth rate of 1.9 % in the previous year.

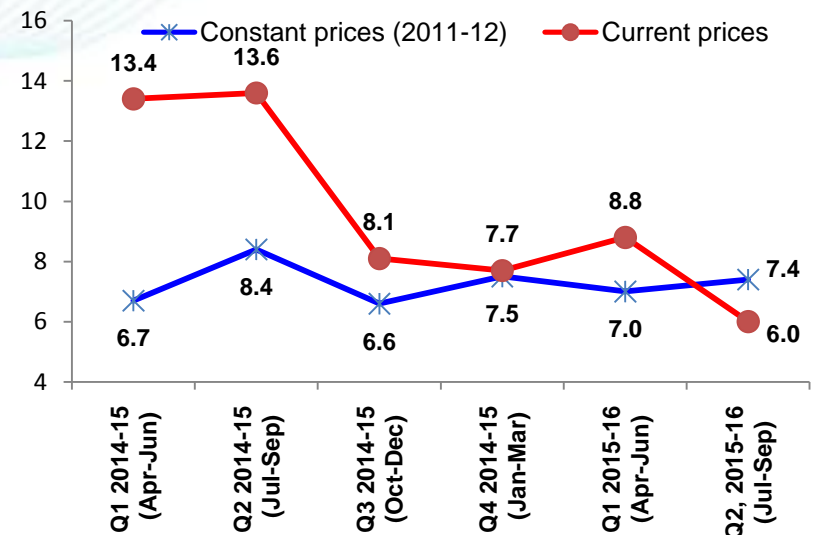
Industry: The growth of the sector is estimated to be 6.8 % in Q2, 2015-16 as against 6.5 % registered during the same period last year.

Within the industrial sector, the growth of '**manufacturing**' sector is estimated at 9.3 % in Q2, 2015-16, as against 7.2 % registered during Q1, 2014-15.

Services: The services sector has registered a growth of 8.8% in Q2, 2015-16 as against 8.9% during Q1, 2015-16.

Sector	Q1, 2015-16	Q2, 2015-16
Real GDP	7.0	7.4
Agriculture	1.9	2.2
Industry	6.5	6.8
W/w Manufacturing	7.2	9.3
Services	8.9	8.8

Quarterly Movement in GDP growth %



Index of Eight Core Industries: Core industries contracted by 1.3 % in Nov-15 as against 8.5% growth noted in Nov-14, on a YoY basis. Its cumulative growth during Apr-Nov 2015-16 was 2.0% as against 6.0% for the corresponding period of FY 2014-15.

- Steel sector noted a considerable decline following the higher volume imports of this metal,
- Government has taken steps to control the quantum of imports from china and other Asian countries.

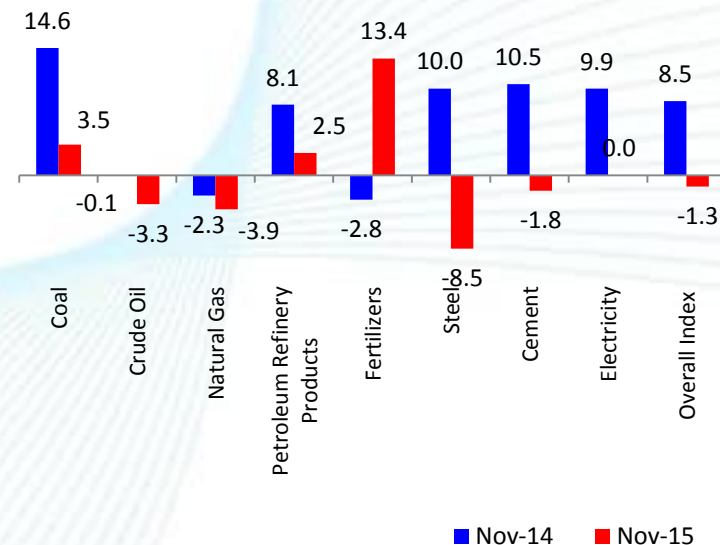
Purchasing Managers Index (PMI): The seasonally adjusted **Nikkei India Composite PMI** Output Index noted rose from five-months low of 50.2 % in Nov-15 to 51.6 in Dec-15. This is indicative of a rebound in growth of private sector activity. Whereas manufacturing production decreased for the first time since October 2013, services activity increased at an accelerated pace. Service sector climbed 53.6 % in Dec-15 against 50.1 % in Nov-15. The best performing categories in December were Other Services and Financial Intermediation.

Manufacturing PMI recorded a below standard decline and stood at 49.1 in Dec-15 as against 50.3 recorded in Nov-15. In manufacturing sector Consumer good sector was the only category to show a little improvement in Dec-15 as production of new orders increased in the month. However incoming new work and output fell in both the intermediate and investment goods market groups.

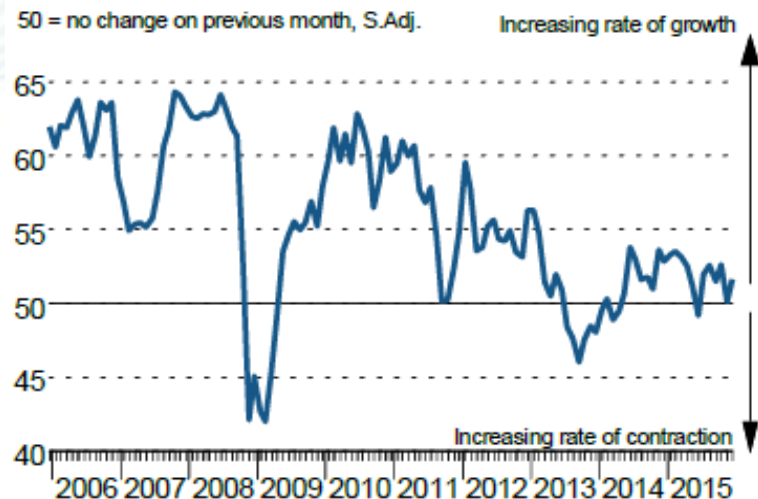
Key points :

- New business across private sector rises at faster, although modest, rate;
- Services sentiment turns positive;
- Manufacturing production drops at fastest pace since financial crisis ;
- Inflationary pressures gain strength.

Eight core Industry Growth rate(%)



Nikkei India Composite Output PMI



Sources: Nikkei, Markit.

Index of Industrial Production (IIP): Industry output, as measured by IIP, noted annual growth of 9.8% in Oct-15 as against 3.6% in Sep-15 and (-) 2.7% in Oct-14. The cumulative YoY growth in IIP for the period Apr-Oct, 2015-16 thus remained at 4.8% compared to 2.2% in Apr-Oct, 2014-15.

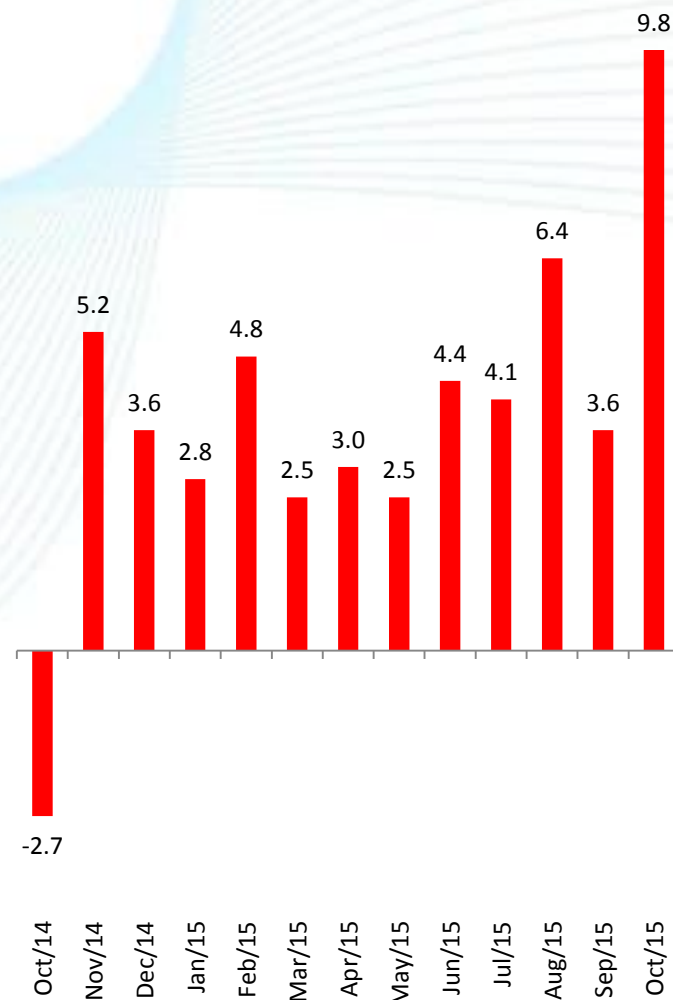
On sectoral basis, Mining, Manufacturing and Electricity sectors noted annual growth of 4.7%, 10.6% and 9.4% respectively in Oct-15 as compared to growth 3.08%, 2.6% and 11.4% respectively in Sep-15

Cumulatively, the production of Mining sector, Manufacturing sector and Electricity sector increased by 2.0%, 5.1% and 5.2% respectively during Apr-Oct, 2015-16 over corresponding period of previous year.

As per Use-based classification, Basic goods registered annual growth of 4.1% in Oct-15 while Capital goods production grew by 16.1%. Production of intermediate goods grew by 6.7%. Production of consumer goods grew at 18.4% and within this Consumer durables rose by 42.2% while Consumer non-durables have recorded YoY growth of (-) 4.7% in Oct-15 over Oct-14..

Cumulatively, the production of basic goods increased by 4.4% during Apr-Oct 2015-16 over the corresponding period of the previous year. During the same period capital goods, intermediate goods and consumer goods increased by 8.9%, 2.6% and 4.5% respectively. Cumulative growth in case of consumer durables and consumer non-durables stood at 11.8% and 0.1% respectively.

IIP Growth (%Y/Y)



Agricultural performance

Agriculture sector went through various fluctuations in the current year. The growth and development of this sector is primarily driven by rainfall induced by South-West monsoon which was deficient this year. The production of major Rabi crops declined in the Q1 of FY-2015-16. Growth of Kharif crops also shown a declining trend. However, the agriculture and allied sectors such as forestry and fisheries noted a growth of 6.0% that can add to rural income and thereby Improving rural consumption demand.

To look at the future production of Rabi crops statistics on agricultural area sown can be used as proxy. Present data released by Ministry of Agriculture on area sown of Rabi crops (Lakh hectare) reflect that Rabi crop area sown has declined this year compared to last year which is likely to cause a lower Rabi crop output. Major crops including wheat, rice and pulses noted a reduction in area sown that reflects likely reduction in the production without substantial improvement in the productivity of land and labour.

Steps to curtail the increasing price of pulses:

- State Governments released 1,12,545.96 MT pulses that were seized under de-holding operations.
- These pulses have been auctioned or offloaded through other options in the market to increase availability.
- This action has been conducted to moderate the prices .

Crop	Area sown 2015-16	Area sown 2014-15	Growth over previous year
Wheat	271.5	293.2	-7.4
Pulses	128.2	131.3	-2.4
Rice	14.8	16.1	-8.0
Total	541.1	567.6	-4.7

Foreign Tourists Arrivals (FTAs): FTAs during the Month of Nov-15 were 8.15 lakh as compared to FTAs of 7.65 lakh during the month of Nov-14 and 7.34 lakh in Nov-13. There has been a growth of 6.5% in Nov-15 over Nov-14. FTAs during the period Jan-Nov-15 were 71.03 lakh with a growth of 4.5%, as compared to the FTAs of 67.94 lakh with a growth of 10.5% in Jan- Nov-14 over Jan- Nov-13.

Foreign Exchange Earnings (FEEs) from Tourism in India US\$ terms: FEEs during the month of November 2015 were Rs 11,610 crore as compared to Rs11,431 crore in November 2014 and Rs 10,663 crore in November 2013. The FEEs in rupee terms during November 2015 registered a growth of 1.6% over November 2014 as compared to growth of 7.2% in November 2014 over November 2013. FEEs in US\$ terms during the month of November 2015 were US\$ 1.755 billion as compared to FEEs of US\$ 1.853 billion during the month of November 2014 and US\$ 1.703 billion in November 2013. FEEs from tourism in US\$ terms during Jan-Nov 2015 were US\$ 17.685 billion with a negative growth of 2.7% as compared to the US\$ 18.167 billion with a positive growth of 10.0% during January-November 2014 over January-November 2013.

Domestic Vehicle Sales: The industry registered YoY growth of 1.5% in total vehicles production in Apr-Nov 2015 compared to Apr-Nov 2014. The domestic sales of passenger vehicles and overall commercial vehicles increased by 8.87% and 8.08% respectively in Apr-Nov 2015 as compared to the corresponding period of the previous year. Three wheelers sales registered decline of 6.60%, while two wheelers sales grew by 1.69% respectively during the same period. During Apr-Nov 2015 overall automobile exports grew by 2.61%. Exports of passenger Vehicles, Commercial Vehicles, Three Wheelers and Two Wheelers registered a growth at 4.30%, 15.22%, 10.46% and 0.52 percent respectively in Apr-Nov 2015 over Apr-Nov 2014.

Foreign Tourists Arrival and Foreign Exchange Earnings

2015	FTA (Lakh)	FEE (US\$ Mn)
Jan	7.9	1,854
Feb	7.6	1,782
Mar	7.3	1,674
Apr	5.4	1,505
May	5.1	1,392
June	5.1	1,402
July	6.3	1,800
Aug	5.9	1,608
Sep	5.4	1,436
Oct	6.8	1,477
Nov	8.1	1,755

III. Prices

Consumer Price Index (CPI): India's retail inflation, as measured by the CPI, noted 5.4 % in Nov-15, higher than 5.0% in Oct-15. Food inflation as based on consumer food price index (CFPI), noted at 6.07% in Nov-15 higher than 5.25% in Oct-15. Proper availability of pulses by regulatory mechanism helped in containing inflation numbers.

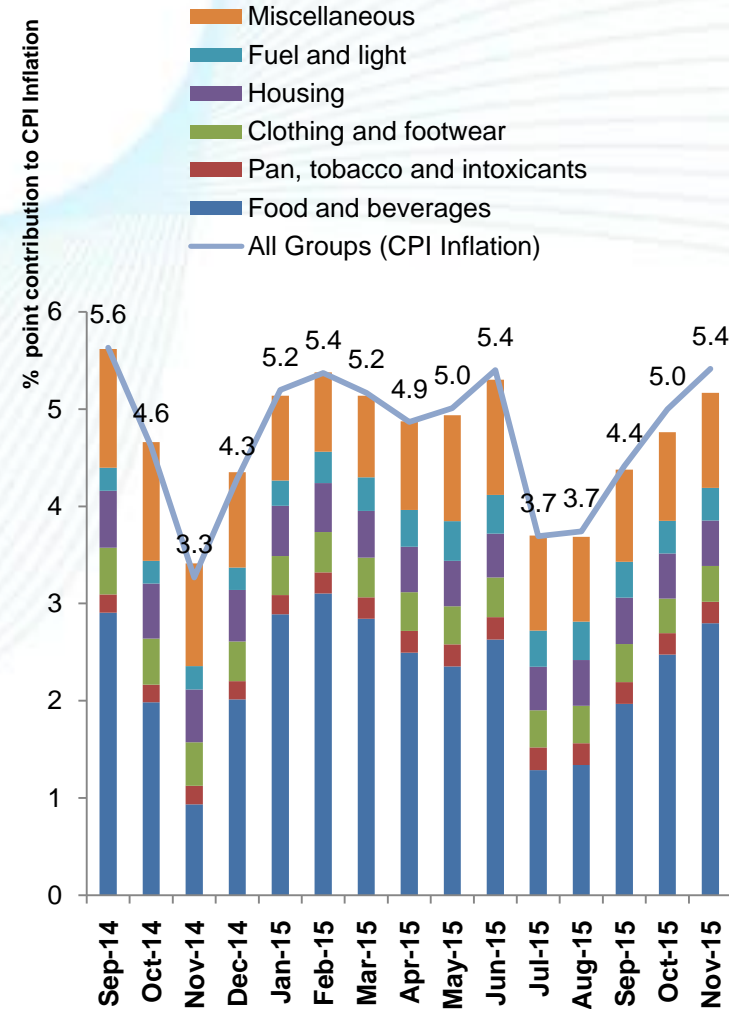
CPI excl. food & fuel items, i.e. **Core CPI inflation** recorded a growth of 4.5% in Nov-15 compared to 4.4% in the month of Oct-15 and 4.8% noted in Nov-14.

Inflation rates for rural and urban areas noted at 5.9 and 4.7% respectively in Nov-15 as against 5.5% and 4.3% respectively in Oct-15 and 3.2% and 3.5% in Oct-14.

Wholesale Price Index (WPI): WPI Inflation for the month of Nov-15 also stood at negative 1.99 % as compared to (-) 3.8% for Sep-15 and (-)0.7% during Nov-14. Build up inflation rate in the financial year so far was 0.9% compared to a build up rate of 0.5% in the corresponding period of the previous year.

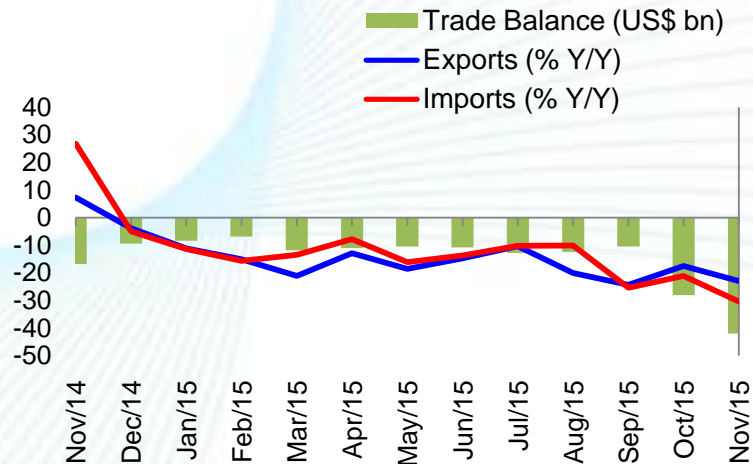
On commodities group basis, Primary Articles grew by 1.6 % ,Manufactured Products declined by 0.2 % from its previous level , Fuel & Power group noted a growth of 0.2 %.

CPI Inflation



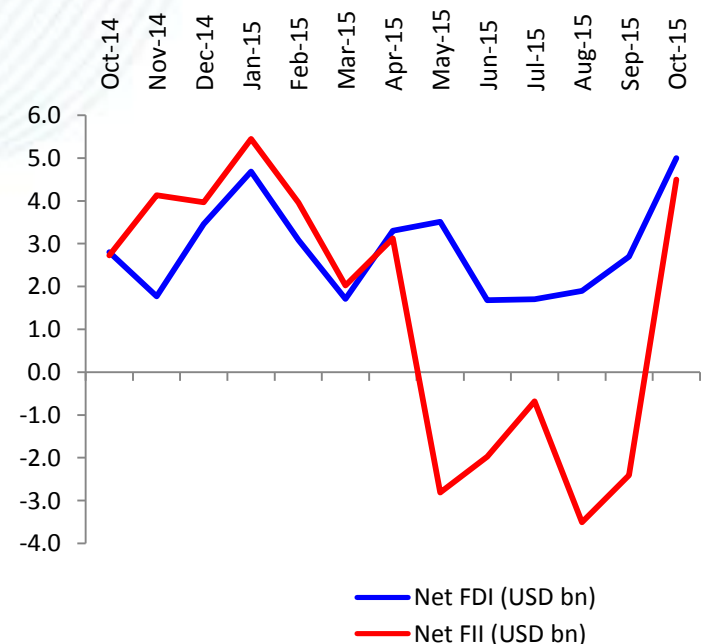
IV. External Sector

Merchandise Trade: India's merchandise exports, valued at US\$ 20.0 billion in Nov-15, noting a contraction of 24.4% over Nov-14 while Imports, valued at US\$ 29.8 bn, also noted contraction of 30.3% over Nov-14. Thus, trade deficit for Nov-15 stood at US\$ 9.8 bn, which was lower than US\$ 16.2 bn a year ago. Oil imports during the month declined by 49.0%. Services exports during the month of Oct-15 stood at US\$ 13.4 bn recording a YoY increase of 9.9%. Services imports during the month of Oct-15 stood at US\$ 7.0 bn recording a YoY growth of 18.0%.



Foreign Direct Investments: Net Foreign Direct Investments (FDI) into the country stood at USD 5.0 billion for the month of Oct-15 compared to USD 2.8 bn in Sep-15. Cumulative Net FDI for Apr-Oct 2015-16 period stood at USD 22.0 billion as against USD 18.6 billion during the corresponding period of the previous year showing a growth of 17.8%, YoY.

Foreign Institutional Investments: Net foreign institutional investments stood at US\$ 4.5 bn in the month of Oct-15 which was US\$ (-)2.4 bn in the month of Sep-15. Cumulative portfolio investments during Apr-Oct 2015-16 stood at US\$ (-)4.9 bn as against US\$ 24.0 bn during Apr-Oct 2014-15.



V. Money & Banking

The Reserve Bank of India (RBI) in its Fifth Bi-monthly Monetary Policy Statement for 2015-16, has kept Repo rate unchanged at 6.75 %. Consequently, the reverse repo rate under the LAF will remain unchanged at 5.75 %, and the marginal standing facility (MSF) rate and the Bank Rate at 7.75 %. The reserve requirements viz. cash reserve ratio (CRR) and statutory liquidity ratio (SLR) were kept unchanged at 4.0 % and 21.5 % respectively.

RBI guidelines :

1. SLR reduction:

- I. It has been decided to reduce the Statutory Liquidity Ratio (SLR) of scheduled commercial banks, from 21.5 % of their Net Demand and Time Liabilities (NDTL) to 21.25 % to 20.50 % gradually by January 2017 .

2. Marginal Cost of Funds based lending rates:

- I. In order to improve the efficiency of monetary policy transmission, all rupee loans sanctioned and credit limits renewed w.e.f. April 1, 2016 will be priced with reference to the Marginal Cost of Funds based Lending Rate (MCLR) .
- II. The MCLR will comprise of: Marginal cost of funds, Negative carry on account of CRR, Operating costs, Tenor premium.
- III. Banks will publish the internal benchmark for various maturities including overnight MCLR, one-month MCLR, three-month MCLR, six month MCLR, One year MCLR.
- IV. Banks may specify interest reset dates on their floating rate loans.

This may facilitate smooth movement towards linking rate of advances to markets determined external benchmarks in the medium term.

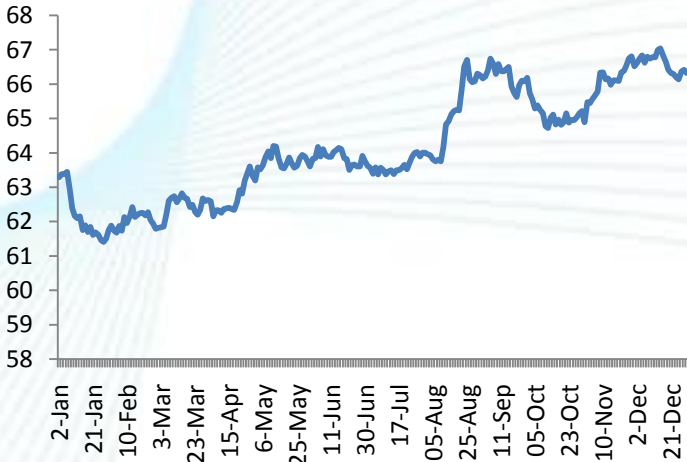
Important Rates (%)	
Repo	6.75
Reverse Repo	5.75
MSF	7.75
Bank Rate	7.75
CRR	4.00
SLR	21.50

The yield on benchmark 10 year government security noted in the range of 7.57-7.69 % during Oct-15.

Rupee traded in range of 66.1 – 67.0 per US\$ in Dec, 2015 witnessing monthly appreciation of 0.7 % .

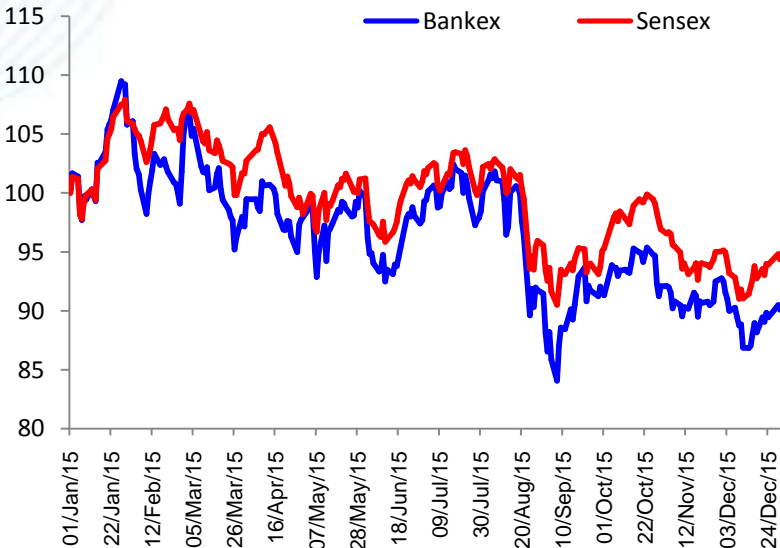
Markets remained volatile in Dec-15. On month-on-month (m/m) basis, Sensex dropped marginally by 0.1 ,and bankex dip by 3.0% respectively in Dec-15.

USD/INR



Policy Updates

- **Initiatives to improve Agricultural productivity**
 - I. Soil Health Card (SHC) scheme
 - II. Parampragat Krishi Vikas Yojana (PKVY)
 - III. The Pradhan Mantri Krishi Sinchai Yojana (PMKSY)
- **Hurdle free working of Infrastructure Sector**
 - I. Pragati' (Pro-Active Governance and Timely Implementation),for Infrastructure Projects / Schemes Monitoring.



Sectoral Deployment of Credit

On a year-on-year (y-o-y) basis,

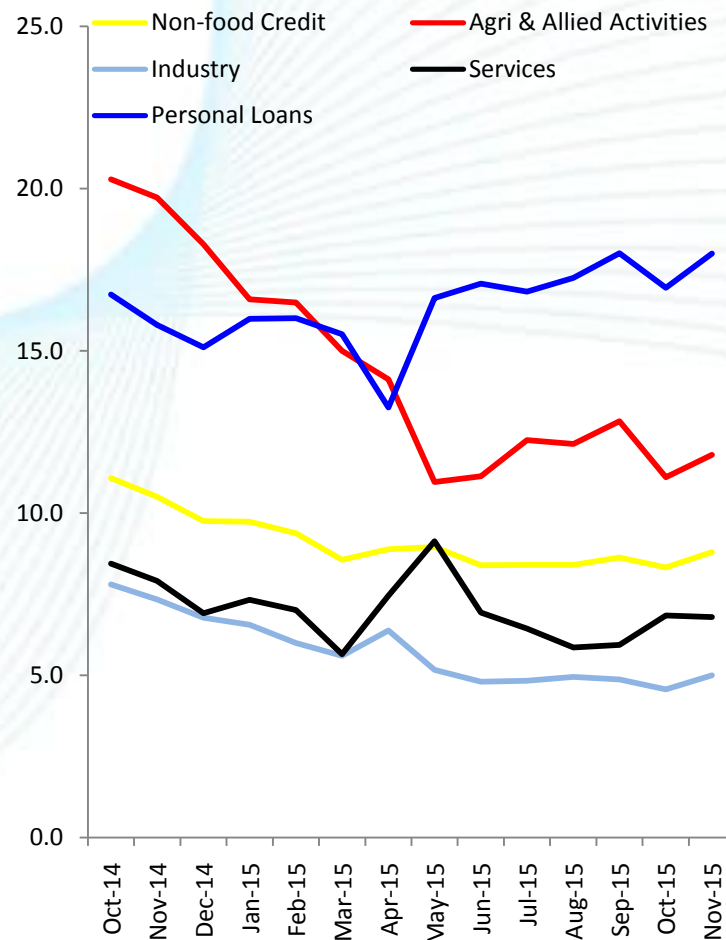
□ non-food bank credit increased by 8.8 % in November 2015 as compared with the increase of 10.5 % in November 2014.

□ Credit to agriculture and allied activities increased by 11.8 % in November 2015 as compared with the increase of 19.7 % a year ago.

□ Credit to industry increased by 5.0 % in November 2015 as compared with the increase of 7.3 % in November 2014. Deceleration in credit growth to industry was observed in all major sub-sectors barring chemical and chemical products and basic metal and metal products.

□ Credit to the services sector increased by 6.8 % in November 2015 as compared with the increase of 7.9 % in November 2014.

□ Personal loans increased by 18.0 % in November 2015, up from the increase of 15.8 % in November 2014.



As on December 11th, 2015, Scheduled Commercial Banks (SCBs') deposits and advances grew by 11.5% and 11.0% respectively on annual basis. Credit-Deposits Ratio for the SCBs stood 75.84%.

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Quarterly Dynamics of Indian Economy (Annual growth in percent else mentioned otherwise)									
Indicator	2013-14			2014-15			2015-16		
	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Output									
Real GDP^{bp} @	7.5	6.6	5.3	7.4	8.4	6.8	6.1	7.1	7.4
Agri. & Allied	3.6	3.8	4.4	2.6	2.1	-1.1	-1.4	1.9	2.2
Industry	4.0	5.0	4.3	7.7	7.6	3.6	5.6	6.5	6.8
Services	10.6	9.1	6.4	8.7	10.4	12.5	9.2	8.9	8.8
Real GDP^{mp}	7.5	6.4	1.2	6.5	8.2	7.5	7.0	8.8	6.0
Govt. consumption exp.	5.3	11.0	10.7	-2.0	5.8	31.7	1.2	1.2	6.9
Pvt. Consumption exp.	5.6	4.6	7.4	4.3	8.7	3.5	7.4	5.7	8.3
Gross fixed capital formn. (GFCF)	6.3	5.3	-7.6	7.7	2.8	1.6	4.9	8.9	3.9
Inflation									
WPI	6.6	7.1	5.4	5.8	3.9	0.3	-1.8	-2.3	-3.8
Non-food Manuf./ Core WPI	2.4	3.0	3.8	4.0	3.5	2.0	0.2	-0.6	-1.2
CPI-IW	10.8	10.9	6.9	6.9	6.8	5.0	6.6	5.9	4.6
Money & Banking									
Broad Money (M3)	12.5	14.9	13.5	12.2	12.7	11.1	11.1	11.0	11.3
Bank Credit	17.9	14.5	14.3	13.3	9.7	10.5	12.5	9.6	9.5
Bank Deposits	14.1	15.9	14.6	12.4	13.4	11.5	11.4	11.4	11.6
Credit-Deposit Ratio (%)	78.3	76.7	77.7	77.0	75.8	76.1	76.5	75.7	74.9
Wtd. Call Money Rate (%) avg.	8.9	8.3	8.1	8.0	7.8	8.8	7.9	7.4	7.0
Repo Rate (%) end period	7.5	7.8	8.0	8.0	8.0	8.0	7.5	7.3	6.8
CRR (%) end period	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
10 Y G- Sec Yield (%) avg.	8.3	8.8	8.8	8.8	8.6	7.9	7.7	7.8	7.8
Fiscal Indicators of Centre									
Net Tax Revenue	8.6	-48.3	16.1	8.7	9.4	5.9	6.4	-71.5	26.5
Corporate Tax	10.1	12.7	13.1	0.0	8.6	8.1	6.6	-65.6	16.8
Excise Duties	-1.8	-4.9	1.7	-0.1	3.3	4.1	6.6	-56.9	55.3
Non-tax Revenue	56.3	15.9	61.5	0.0	18.5	57.1	3.7	-19.2	31.2
Non-plan Expenditure	14.9	17.5	-27.7	0.1	2.8	11.9	7.2	2.8	8.5
Plan Expenditure	4.1	23.6	-14.0	0.0	10.9	-7.6	-0.5	13.8	3.3
Fiscal Deficit as % to GDP	5.6	3.5	-2.8	10.5	4.8	2.9	-0.2	8.8	2.8
External Sector									
Merchandise Exports	11.9	7.5	-1.3	10.6	4.9	-1.0	-15.4	-16.8	-20.0
Merchandise Imports	-4.8	-14.8	-12.3	-6.5	8.1	4.7	-10.4	-12.1	-14.0
Trade Balance (US\$ bn)	-33.3	-33.2	-30.7	-34.6	-38.6	-39.3	-31.7	-34.2	
Invisibles Earnings	4.3	3.6	6.2	0.7	2.9	3.1	-0.3	1.9	
Invisibles Payments	3.7	-1.7	6.0	8.4	4.7	-0.6	-4.2	-0.7	
Net Invisibles (US\$ bn)	28.1	29.1	29.3	26.7	28.5	31.0	30.4	28.0	
Current Acct Balance(US\$ bn)	-5.2	-4.1	-1.3	-7.8	-10.2	-8.3	-1.3	-6.2	
Capital & Fin. Acct Balance (US\$ bn)	-4.8	23.8	9.2	8.6	11.8	10.0	0.3	0.3	
Current Acct Balance (% to GDP)	-1.2	-0.9	-0.3	-1.6	-2.0	-1.6	-0.2	-1.2	
Total Foreign Assets(US\$ bn)	276.3	295.7	303.67	314.9	314.2	319.7	341.4	355.2	350.0
USD/INR (Avg.)	62.1	62.1	61.8	59.77	60.60	62.00	62.20	63.50	66.22
% Y/Y	12.5	14.6	14.1	6.8	-2.4	-0.1	0.6	6.2	9.3

Note: @ GVA at Basic Prices (2011-12 series)

Source: CSO, RBI, CGA, Commerce Ministry

Note: @ GVA at Basic Prices (2011-12 series)

Appendix: Annual Dynamics of Indian Economy (Y/Y growth in percent else mentioned otherwise)

Indicators	FY05	FY06	FY07	FY08	FY09	FY10	FY11	FY12	FY13	FY14	FY15
Real GDPfc (Base 2004-05)^{&}	7.0	9.5	9.6	9.3	6.7	8.6	8.9	6.7	4.9	6.6	7.2
Agri. & Allied	0.2	5.1	4.2	5.8	0.1	0.8	8.6	5.0	1.2	3.7	0.2
Industry	9.8	9.7	12.2	9.7	4.4	9.2	7.6	7.8	2.4	4.5	6.1
Services	8.1	10.9	10.1	10.3	10.0	10.5	9.7	6.6	8.0	9.1	10.2
Real GDPmp	7.9	9.3	9.3	9.8	3.9	8.5	10.3	6.6	5.1	6.9	7.4
Consumption	5.0	8.7	7.7	9.4	7.7	8.4	8.2	8.9	4.9	6.5	7.6
Pvt Consumption	5.2	8.5	8.5	9.4	7.2	7.4	8.7	9.3	5.5	6.2	7.1
Govt. Consumption	4.0	8.9	3.8	9.6	10.4	13.9	5.8	6.9	1.7	8.2	10.0
Gross Fixed Capital Formation	24.0	16.2	13.8	16.2	3.5	7.7	11.0	12.3	-0.3	3.0	4.1
Ratios to GDP at current prices (%)											
Consumption	70.1	69.2	68.0	67.2	68.6	69.1	67.5	68.8	68.7	68.4	68.5
Gross Capital Formation	32.5	34.3	35.9	38.0	35.5	36.3	36.5	38.2	37.2	33.4	33.0
Gross Domestic Savings	32.4	33.4	34.6	36.8	32.0	33.7	33.7	33.0	31.1	30.6	
IIP-General (Base 2004-05)	11.7	8.6	12.9	15.5	2.5	5.3	8.2	2.9	1.1	-0.1	2.8
Mining	4.4	2.3	5.2	4.6	2.6	7.9	5.2	-2.0	-2.3	-0.8	1.4
Manufacturing	13.2	10.3	15.0	18.4	2.5	4.8	9.0	3.0	1.3	-0.8	2.3
Electricity	5.1	5.2	7.3	6.4	2.8	6.1	5.5	8.2	4.0	6.1	8.4
Money & Banking (end March)											
Money Supply(M3)	12.3	21.2	21.3	21.4	19.3	16.9	16.1	12.9	13.6	13.5	11.1
Bank Credit Growth	26.2	38.0	28.1	22.3	17.5	16.9	21.5	17.0	14.1	14.3	9.5
Deposit Growth	10.8	23.4	23.8	22.4	19.9	17.2	15.9	13.4	14.3	14.6	11.4
SLR Investments	6.8	-0.7	10.3	22.8	20.0	18.7	8.4	15.7	15.4	10.7	13.2
Credit-Deposit Ratio (%)	63.9	71.5	73.9	73.9	72.4	72.2	75.7	78.1	78.0	77.7	76.5
Investment-Deposit Ratio (%)	42.3	34.0	30.3	30.4	30.4	30.8	28.8	29.4	29.7	28.7	29.2
Cash-Deposit Ratio (%)	7.0	6.6	7.5	8.6	6.7	6.8	6.7	6.1	4.8	4.7	5.0
Policy Rates (%) (end March)											
Repo Rate (%)	6.0	6.5	7.8	7.8	5.0	5.0	6.8	8.5	7.5	8.0	7.5
Reverse Repo (%)	4.8	5.5	6.0	6.0	3.5	3.5	5.8	7.5	6.5	7.0	6.5
CRR (%)	5.0	5.0	6.0	7.5	5.0	5.8	6.0	4.8	4.0	4.0	4.0
SLR (%)	25.0	25.0	25.0	25.0	24.0	25.0	24.0	24.0	23.0	23.0	21.5
Inflation											
WPI (Avg.) Base 2004-05	6.5	4.4	6.5	4.8	8.1	3.6	9.9	8.8	7.4	5.9	2.0
CPI-IW (Avg.) Base 2001*	3.8	4.4	6.7	6.2	9.1	12.4	10.5	8.4	10.4	9.7	6.0
Centre's Gross Fiscal Deficit	3.9	4.0	3.3	2.5	6.0	6.5	4.9	5.7	4.8	4.6	4.0
Revenue deficit	2.4	2.5	1.9	1.1	4.5	5.2	3.3	4.4	3.6	3.3	2.9
Primary deficit	0.0	0.4	-0.2	-0.9	2.6	3.2	1.8	2.7	1.8	1.3	0.8
States' Fiscal Deficit	3.2	2.3	1.7	1.7	2.4	2.9	2.1	1.9	2.3	2.2	2.3
Combined Fiscal Deficit(Centre+ state)	7.1	6.3	5.0	4.3	8.4	9.4	7.0	7.6	7.1	6.9	6.3
Centre's Outstanding Liabilities	65.5	63.9	61.4	58.9	58.6	56.3	52.1	51.7	51.7	50.9	49.8
Centre's External Debt	1.9	2.6	2.4	2.2	2.2	2.1	2.0	1.9	1.8	1.6	1.5
General Govt. Gross Liabilities	92.8	92.3	88.0	83.5	70.6	70.6	65.6	65.3	65.2	65.3	64.9
External Sector											
Merchandise Exports	28.5	23.4	22.6	28.9	13.8	-3.5	37.3	20.9	-1.0	3.9	-0.6
Merchandise Imports	48.6	32.1	21.4	35.1	19.8	-2.6	26.8	32.2	0.5	-7.2	-1.1
Trade Deficit (US\$bn)	-33.7	-51.9	-61.8	-91.5	-119.5	-118.2	-130.6	-189.8	-195.7	-147.6	-144.2
Invisibles Earnings	29.9	29.0	27.7	30.0	12.7	-2.6	21.3	10.6	2.2	4.1	1.6
Invisibles Payments	49.0	24.5	30.7	17.3	4.2	9.4	36.2	-5.3	8.3	1.3	1.9
Net Invisibles (US\$bn)	31.2	42.0	52.2	75.7	91.6	80.0	84.6	111.6	107.5	115.2	116.7
Current Account Balance (US\$bn)	-2.5	-9.9	-9.6	-15.7	-27.9	-38.2	-45.9	-78.2	-88.2	-32.4	-27.5
Current Acc. Bal. as % to GDP	-0.4	-1.2	-1.0	-1.3	-2.3	-2.8	-2.7	-4.2	-4.8	-1.7	-1.3
Capital & Financial Account (US\$bn)	28.0	25.5	45.2	106.6	7.4	51.6	62.0	67.8	89.3	48.8	28.1
Foreign Assets Reserves (US\$bn)	141.5	151.6	199.2	309.7	252.0	279.1	304.8	294.4	292.6	303.7	341.4
Forex Cover to Imports (in months)	14.3	11.6	12.5	14.4	9.8	11.1	9.6	7.2	7.0	7.8	8.9
Gross External Debt (US \$bn)	133.0	139.1	172.4	224.4	224.5	260.9	317.9	360.8	409.4	440.6	475.8
Gross External Debt (as % to GDP)	18.4	16.7	18.2	18.1	18.3	19.1	18.6	19.6	22.3	23.5	23.2
Exchange rate											
US\$/INR-annual average	45.0	44.3	45.3	40.2	45.9	47.4	45.6	47.9	54.5	60.5	61.1
Depreciation (% y/y)	-2.1	-1.5	2.3	-11.1	14.1	3.3	-3.9	5.1	13.7	11.0	1.1

&: At base prices from 2012-13 under new series; \$Provisional Estimates for FY14;

Source: CSO, RBI, CGA, Ministry of Commerce, Ministry of Finance, CMIE

*For 2014-15, CPI is based on 2011-12 series.

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