External Sector

World Economy

Global economic growth that had slowed down in 2005 is expected to accelerate again in 2006. World output is expected to increase by 5.1 per cent in 2006 compared with 4.9 per cent in 2005 (Table E.1). Most of the advanced economies, including the United States, EU, Japan and the Newly Industrialised Economies (NIEs), are expected to post acceleration in their output in 2006.The emerging markets and developing countries, including China and India, continued to be on a strong growth path although there might be some deceleration in their output during 2006 as compared with 2005[1].

The global expansion in the first half of 2006 has been broad-based across various countries and regions. Growth of the United States' economy was quite strong during the first quarter of 2006 but slowed down in the second quarter. The growth gathered momentum in the euro area and continued in Japan during the first half of 2006.

The volume of world trade in goods and services is expected to accelerate in 2006 and post a growth rate of 8.9 per cent up from 7.4 per cent in 2005. Growth in international trade has a two-way relationship with global economic growth being both a cause as well as an effect of such growth expansion.

With a projected global economic growth of 4.9 per cent in 2007, the four-year period 2004-2007 would be the strongest of such global expansions since the early 1970s. The IMF has outlined such favourable outlook based on the assumptions that the economies across the world would contain inflationary pressures with modest further hikes in interest rates, a balanced growth of domestic demand across the advanced economies, the emerging and developing countries will generally avoid capacity bottlenecks and that the global financial markets will be relatively stable.

There are some downside risks beneath the story of global economic growth. Global imbalances continue to remain large. While it is expected that these imbalances would get corrected through a smooth market-led unwinding, a disorderly adjustment of such global imbalances is likely to be detrimental to global economic health.

The inflationary pressures have been observed in various economies as sustained high growth rates have absorbed spare capacity and oil prices have been relatively high. A number of advanced economies have had headline inflation above the comfort zone of their central bankers. There is evidence that deflation

1. Discussion in this section is based on the World Economic Outlook, IMF, September 2006.

has ended in Japan. The core inflation and the inflation expectations have been particularly high in the case of the United States.

This is expected to lead to demand for higher wages particularly in the United States where the cost push pressures have been rising during the recent period reflecting both rising employee compensation and slowing productivity. The second risk to the world economic outlook arises from the possibility of another episode of rising international oil prices thus adding to the already built up inflationary pressures. The U.S. economy might exhibit abrupt slowdown in case its housing market cools down more rapidly than expected. Other demand-side risk refers to whether the household demand in Europe and Japan would increase enough to sustain expansion of the economies of Europe and Japan and thus reducing reliance on exports. Adjustment with likely slowdown of demand in the United States might be yet another challenge for Europe, Japan and many other countries exporting large proportions of their exports to the United States.

Further, the supply-side risks may also arise from the firming up of the non-fuel commodity prices. The prices of these commodities are expected to rise by 22.1 per cent in 2006 compared with 10.3 per cent rise in 2005 (Table E.2). Given that non-fuel commodities account for almost double the share of fuels in the world trade, their price inflation can have significant impact on the global economic environment.

India's Merchandise Trade

During the Triennium Ending (TE) 2005-06, the merchandise exports have grown at an average rate of 25 per cent per annum (Table E.3). The merchandise exports touched US$ 102.7 billion in 2005-06 thus posting a growth rate of 23 per cent despite an appreciation of the REER by 2.5 per cent[2]. However, the growth rate of exports in 2005-06 was lower than its growth performance at 30.8 per cent in 2004-05. Such deceleration of export performance observed in 2005-06 continues during the first six months (April-September) of 2006-07 for which data are available. The exports during April-September 2006-07 have grown at only 22.9 per cent in comparison to a much higher growth of 34.7 per cent during the corresponding period of 2005-06[3].

The slowdown in the growth rate of the value of Indian merchandise exports (measured in U.S. dollar terms) from 30.8 per cent in 2004-05 to 23.0 per cent in 2005-06 appears to be quite large (7.8 percentage points). However, such deceleration in nominal terms does not reflect the reality of growth rates in volume terms (measured as proxy in terms of IMF's SDR)[4]. The volume of India's merchandise exports decelerated by less than 2 percentage points in 2005-06 over 2004-05, i.e. from a growth rate of 26.6 per cent in 2005-06 to 24.7 per cent in 2005-06.

Total imports have increased at an average annual rate of 32.6 per cent during the TE 2005-06[5]. In 2005-06, the imports

2. REER refers to 36-country export based Real Effective Exchange Rate (REER) for India.
3. The Ministry of Commerce Press Release dated October 25, 2006 reports an export growth of 37.3 per cent during April-September 2006-07. However, this figure is based on the provisional exports worth US$ 43.2 billion during April-September 2005-06 and not on the provisionally revised statistics mentioned in the same press release. Based on the provisionally revised exports of US$ 48.3 billion for the period April-September 2005-06, the y-o-y export growth rate during April-September 2006-07 is calculated to be 22.9 per cent only.
4. Volume of exports has been estimated by considering the depreciation/ appreciation of the US dollar against the IMF's measure of Standard Drawing Rights (SDR).
5. Includes oil and non-oil imports

exceeded US$ 142 billion and grew by 27.7 per cent. This was much lower than the much higher growth of 42.7 per cent during 2004-05. Cumulative imports during April-September 2006-07 have decelerated posting a growth rate of 18.6 per cent as compared to 48.2 per cent growth in the corresponding period of 2005-06.

Oil imports grew at an average annual rate of 36.3 per cent during TE 2005-06. The growth rate of oil imports touched 47.3 per cent during 2005-06. However, some deceleration in oil imports has been observed during the period April-September 2006-07 when the oil imports grew by 36.8 per cent as against 43.7 per cent in April-September 2005-06.

The non-oil imports grew at an average rate of 31.3 per cent per annum during the TE 2005-06. During 2005-06, the non-oil imports grew by 20.5 per cent. This is significant deceleration, both in value and volume terms, compared to a growth rate of 41.8 per cent posted in 2004-05. A marked deceleration has been observed in non-oil imports during the period April-September 2006-07 when these grew by 11.0 per cent as against a 50.1 per cent growth during April-September 2005-06.

Composition of India's Exports

A broad composition of India's exports for the period April-June in two latest years is presented in Table E.4. Indian exports have been dominated by the manufactured goods despite a decline in their shares in total exports during the period April-June 2006-07. The share of exports of manufactured goods in total exports plummeted from 71.6 per cent in April-June 2005-06 to 66.7 per cent in the same period of 2006-07. Exports of ores and minerals have also posted significant deceleration during this period.

Within manufactured goods, engineering goods and gems & jewellery are the most significant. Exports of petroleum & prude products constitute the next significant category of exports with a share of 14.7 per cent.

Exports of agricultural & allied products and petroleum & crude products witnessed acceleration respectively at 20.9 per cent and 99.9 per cent during the period of discussion. It is worth noticing that a high growth of petroleum & crude products resulted in an increased share of such exports in India's total exports. On the other hand, exports of ores & minerals, manufactured goods have decelerated. Within manufactured goods, exports of leather & leather manufactures and handicrafts retarded while exports of the remaining items decelerated during April- June 2006-07.

Direction of Exports

The data on destinations of India's merchandise trade are available only for the first quarter (April-June) of 2006-07 (Table E.5). The merchandise exports posted a lower growth rate of 23.9 per cent during the first quarter of 2006-07 compared with 34.6 per cent growth achieved in the corresponding quarter of 2005-06.

India's exports to only three out of the top fifteen destinations have accelerated during April-June 2006-07. These include USA, United Arab Emirates and Indonesia. While exports to nine destinations have decelerated, exports to Hong Kong, France and Japan have actually declined in absolute terms during this period. Within various groups of countries, India's exports to ASEAN have posted acceleration while there has been a significant deceleration in India's export to the NIEs and EU.

The United States continues to be most important export destination country of Indian merchandise exports though EU, as a group of 25 countries, accounts for a larger share than that of the United States.

Composition of imports

Non-oil imports have posted sharp deceleration during the first quarter of 2006-07. The growth rate plummeted down from 53 per cent in April-June 2005-06 to 9.5 per cent in the first quarter of 2006-07. There has been decline in absolute import values of export related items and intermediates (Table E.6). Imports of capital goods and other manufactured goods have also posted sharp deceleration.

Balance of Payments

The statement of India's Balance of Payments (BOP) is presented in Table E.7. During the past fiscal (2005-06), India's merchandise trade deficit touched US$ 51.6 billion while posting a growth of 53 per cent. A slower increase of 31.1 per cent in the net invisible receipts resulted in a current account deficit of more than US$ 10.6 billion during 2005-06. The surplus on capital account declined by 11.9 per cent and touched US$ 24.7 billion as against US$ 28.0 billion in 2004-05. Inflows of foreign investment amounted to US$ 18.2 billion including investment by the Foreign Institutional Investments (FII). The share of FII (69 per cent) in foreign investment was much higher than that of Foreign Direct Investment (FDI).

Merchandise trade deficit grew by 35.9 per cent in the first quarter of 2006-07 while the net invisibles recorded a 23.3 per cent growth. Within net invisibles, the share of services has increased from 53 per cent in April-June 2005-06 to 61 per cent in April-June 2006-07 (Table E.8). However, the share of software services has declined from 90 per cent of total services in April-June 2005-06 to 79 per cent in April-June 2006-07. The share of transfers (primarily private transfers) in invisibles has reduced from 55 per cent to 46 per cent over the same period.

The gross exports of invisibles exceeded US$ 24 billion while posting a growth of 23 per cent (Table E.9) during the first quarter of 2006-07. Gross exports of services registered a 29 per cent growth. Exports of software services grew by 25 per cent during the same period.

The surplus on capital account increased sharply by 168 per cent during the period April-June 2006-07 and touched US$ 11.9 billion. The net inflows of FDI have increased by 30 per cent the net FII has posted an absolute decline.

India's foreign exchange reserves increased from US$ 151.6 billion as on March 31, 2006 to US$ 165.0 billion as on October 13, 2006.

Warning Signals

There has been some deceleration in India's merchandise exports during 2005-06 over 2004-05 and a rather sharp deceleration during April-September 2006 over the corresponding period of 2005. More worrisome is the fact that non-oil imports posted a sharp deceleration in 2005-06 over 2004-05. Such deceleration has become sharper during April-September 2006 over the corresponding period of 2005. Slowdown in imports of capital goods and raw materials might be a leading indicator of slowing investment activity in the economy. This might have a negative impact on the overall economic growth in the medium term. Steps need to be taken to undertake reforms in labour and bankruptcy laws along with provision of sound infrastructural facilities in the country so as to sharpen the competitive edge of India's exporters.

Indo-Thailand FTA

India and Thailand entered into a free trade agreement (FTA) in October 2003. At the time of signing the FTA, Thailand did not fall among top 20 trading partners of India. Thailand accounted for only 1.4 per cent of India total merchandise exports and for 0.7 per cent of India's total merchandise imports. India had been doing fine in its trade with Thailand during the years 2000-01 to 2002-03, i.e. during three years prior to the signing of the Framework Agreement in October 2003. India's exports to Thailand, valued in US dollar terms, grew at an average rate of 16.6 per cent per annum during 2000-01 to 2002-03 as compared with 13.3 per cent growth in India's exports to the world. The corresponding growth rate for imports from Thailand was only 6.8 per cent, which was also lower than 7.6 per cent growth in India's non-oil imports from the world during the same period. Clearly, India was performing relatively better in its bilateral trade with Thailand both when compared to Thailand's trade performance with India as well as India's trade performance with the world.

India's imports from Thailand have increased by 40.4 per cent per annum on the average during the two years 2004-05 and 2005-06 following the Indo-Thai FTA. India's exports to Thailand have grown by 13.0 per cent per annum only on the average during these two years. Consequently, India's trade surplus of US$223 million in 2003-04 has now turned into trade deficit of US$140 million.

It was agreed that 82 items would be opened up under the Early Harvest Scheme (EHS) implemented with effect from September 1, 2004. Bilateral trade under the EHS scheme has incidentally not worked in India's favour. India's imports of these items from Thailand increased by 66.3 per cent in the calendar year 2005 over 2004 and touched US$1466 million. On the other hand, India's exports of EHS items to Thailand actually declined by 35.6 per cent and registered a value of US$432 million. This implied an increase of the share of EHS imports from Thailand in total imports from 13.8 per cent in 2004 to 17.5 per cent in 2005. On the other hand, the share of EHS items in India's exports to Thailand reduced from 7.7 per cent in 2004 to 5.0 per cent in 2005[1].

The future course of Indo-Thai FTA appears to have run into troubled waters after the military coup in Thailand on September 19, 2006. In any case, the gains and losses from such FTAs are difficult to predict.

1. "India loses out in Thai FTA", the Financial Express, May 22, 2006.

Table E.1: Growth of World Output and Trade and Consumer Prices
(% change, Y-o-Y)

Country/Region	2004	2005	2006	2007
A .World Output	5.3	4.9	5.1	4.9
I. Advanced Economies	3.2	2.6	3.1	2.7
US	3.9	3.2	3.4	2.9
Japan	2.3	2.6	2.7	2.1
European Union, *of which*	2.4	1.8	2.8	2.4
France	2.0	1.2	2.4	2.3
Germany	1.2	0.9	2.0	1.3
Italy	1.1	-	1.5	1.3
United Kingdom	3.3	1.9	2.7	2.7
NIEs of Asia	5.9	4.5	4.9	4.4
II. Other Emerging Market and Developing Countries	7.7	7.4	7.3	7.2
Developing Asia	8.8	9.0	8.7	8.6
China	10.1	10.2	10.0	10.0
Russia	7.2	6.4	6.5	6.5
India	8.0	8.5	8.3	7.3
III. World Growth Based on Market Exchange Rates	3.9	3.4	3.8	3.5
B. World Trade (Goods & Services)				
I. Volume	10.6	7.4	8.9	7.6
II. Price Deflator in US $	9.7	5.4	4.6	2.2
in SDR	3.7	5.6	5.2	1.0
III. Imports				
i) Advanced Economies	9.1	6.0	7.5	6.0
ii) Other Emerging Market and Developing Countries	16.4	11.9	13.0	12.1
IV. Exports				
i) Advanced Economies	8.8	5.5	8.0	6.0
ii) Other Emerging Market and Developing Countries	14.6	11.8	10.7	10.6
C. Consumer Prices				
i) Advanced Economies	2.0	2.3	2.6	2.3
ii) Other Emerging Market and Developing Countries	5.6	5.3	5.2	5.0

Note: Values for 2006, 2007 are IMF projections unless otherwise specified
Source: IMF, *World Economic Outlook*, September 2006

Table E.2: Growth in World Trade Prices

annual percentage change

World Prices	2004	2005	2006*	2007*
1. World Trade Prices in US $				
Manufactures	9.4	3.6	2.2	2.3
Oil	30.7	41.3	29.7	9.1
Non-fuel Primary Commodity	18.5	10.3	22.1	-4.8
2. World Trade Prices in SDR				
Manufactures	3.5	3.8	2.9	1.2
Oil	23.6	41.6	30.5	7.8
Non-fuel Primary Commodity	12.1	10.5	22.9	-5.9
3. World Trade Prices in EURO				
Manufactures	-0.5	3.4	1.9	0.1
Oil	18.9	41.0	29.3	6.7
Non-fuel Primary Commodity	7.8	10.0	21.7	-6.9

* current projections

Source: IMF, *World Economic Outlook*, September 2006

Table E.3: India's Foreign Trade (US$ Million) and Currency Movement (% change, y-o-y)

Year	US Dollar vis-à-vis SDR* (%)	REER # (%)	Exports	Growth rate (%)	Oil imports	Growth rate (%)	Non-oil imports	Growth rate (%)	Total imports	Growth rate (%)	Trade balance
2000-01	-4.1	3.6	44560.3	21.0	15650.1	24.2	34886.4	-5.9	50536.5	1.7	-5976.2
2001-02	-3.2	-0.1	43826.7	-1.6	14000.3	-10.5	37413.0	7.2	51413.3	1.7	-7586.6
2002-03	4.9	-2.6	52719.4	20.3	17639.5	26.0	43772.6	17.0	61412.1	19.4	-8692.7
2003-04	7.9	3.2	63842.6	21.1	20569.5	16.6	57579.6	31.5	78149.1	27.3	-14306.5
2004-05	4.2	-0.8	83535.9	30.8	29844.1	45.1	81673.3	41.8	111517.4	42.7	-27981.5
2005-06	-1.7	2.5	102725.1	23.0	43963.1	47.3	98453.2	20.5	142416.3	27.7	-39691.2
April-September											
2005-06	0.9	3.4	48286.5	34.7	20948.4	43.7	49793.4	50.1	70741.8	48.2	-22455.3
2006-07	0.1	-4.8	59325.4	22.9	28664.1	36.8	55262.7	11.0	83926.8	18.6	-24601.3

* A negative/positive sign indicates appreciation/depreciation of the US Dollar vis-à-vis SDR

A positive/negative sign indicates appreciation/depreciation of the Indian Rupee

Note: REER is the index of real effective exchange rate of Indian Rupee vis-à-vis USD based on 36 country bilateral export weights

REER for April-September corresponds to the period April-July

Figures for 2005-06 are provisionally revised

Source: DGCI&S, in RBI, *Handbook of Statistics on Indian Economy*, 2005-06

GOI, Ministry of Commerce and Industry, Press Release, October 25, 2006

Reserve Bank of India, Monthly Bulletin, October 2006

www.ExchangeRate.com

Table E.4: Share and Growth of India's Major Export Commodities
(April-June, % $ Value)

Commodity/ Commodity Groups	Share in Total Exports		Growth Rate	
	2005-06	2006-07	2005-06	2006-07
I. Agricultural & Allied Products	9.7	9.5	17.2	20.9
II. Ores & Minerals	6.2	5.6	78.0	11.8
III. Manufactured Goods *of which*	71.6	66.7	31.6	15.5
1. Leather & Leather Manufactures	2.7	2.1	16.9	-1.0
2. Chemicals & Related Products	9.6	9.5	34.8	22.4
3. Engineering Goods	21.7	22.8	49.3	29.9
4.Textiles (excl RMG)	6.8	6.0	11.9	9.8
5. Readymade Garments (RMG)	8.5	8.0	27.4	16.4
6. Gems and Jewellary	15.0	12.2	26.5	1.0
7. Handicrafts	0.5	0.3	29.8	-32.8
8. Carpets	0.8	0.8	51.9	19.1
9. Other Manufactured Products	5.8	5.0	19.9	5.1
IV.Petroleum & Crude Products	9.1	14.7	61.9	99.9
V. Other Commodities	3.5	3.5	37.3	26.4
All Commodities	100.0	100.0	34.6	23.9
USD per SDR*			2.2	-1.3
REER (Appreciation/ Depreciation)#			2.4	-3.9

* A negative/positive sign indicates appreciation/depreciation of the US Dollar vis-à-vis SDR
\# A positive/negative sign indicates appreciation/depreciation of the Indian Rupee
Source: DGCI&S

Table E.5: Share and Growth of India's Exports to Major Destinations (April-June, % $ Value)

	Share in Total Exports		Growth Rate	
Country	**2004-05**	**2005-06**	**2004-05**	**2005-06**
U S A	15.4	15.1	20.0	20.9
U Arab Emirates	8.0	10.0	15.2	55.7
China Peoples Republic	6.4	6.3	82.1	21.9
Singapore	6.7	6.3	93.7	17.6
U K	5.0	4.4	62.6	9.1
Hong Kong	4.5	3.5	33.0	-2.9
Germany	3.4	3.2	25.8	18.2
Belgium	2.6	2.6	32.6	27.2
Italy	2.7	2.4	17.3	11.0
Japan	2.1	2.2	62.2	32.0
Netherland	2.8	2.1	42.5	-5.6
France	2.5	2.0	44.1	-4.8
Sri Lanka DSR	1.8	1.8	26.3	22.0
Korea Republic	1.3	1.7	90.8	53.4
Saudi Arab	1.2	1.6	1.5	62.2
ROW	33.5	34.6	30.1	28.2
ASEAN	3.9	4.2	14.2	32.7
NIEs	13.5	11.9	61.2	9.4
EU	23.2	20.5	43.3	9.5
Total	100.0	100.0	34.6	23.9
USD per SDR*			2.2	-1.3
REER (Appreciation/ Depreciation)#			2.4	-3.9

* A negative/positive sign indicates appreciation/depreciation of the US Dollar vis-à-vis SDR
# A positive/negative sign indicates appreciation/depreciation of the Indian Rupee
Note: Values are sorted on exports for April-June 2005-06
ASEAN includes Indonesia, Malaysia, Phillipines, Thailand
NIEs includes Hong Kong, Korea, Taiwan, Singapore
EU refers to EU25 and includes Austria, Belgium, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Poland, Portugal, Slovak Republic, Slovania
Source: DGCI&S

Table E.6: Share and Growth of India's Imports of Major Non-oil Commodities (April-June, % $ Value)

	Share in Total Imports		Growth Rate	
Commodities	**2005-06**	**2006-07**	**2005-06**	**2006-07**
I. Food & related items	2.8	3.1	-1.9	19.3
II. Export related items	19.0	14.5	58.5	-16.5
III. Capital goods	29.6	37.1	51.8	37.1
IV. Raw materials & intermediaries	32.3	29.2	48.2	-1.0
V. Manufactured goods	11.3	12.3	80.0	19.3
VI. Other commodities	5.0	3.9	70.4	-14.7
Total Non-Oil Imports	100.0	100.0	53.0	9.5
USD per SDR*			2.2	-1.3
REER (Appreciation/ Depreciation)#			2.4	-3.9

* A negative/positive sign indicates appreciation/depreciation of the US Dollar vis-à-vis SDR
# A positive/negative sign indicates appreciation/depreciation of the Indian Rupee
Source: DGCI&S

Table E.7: Overall Balance of Payment in India, Net Credit (US$ Million)

			April-June	
A. Current account	**2004-05**	**2005-06**	**2005-06**	**2006-07**
1. Merchandise Trade Balance	-33702	-51554	-13604	-18484
2. Net Invisible Receipts *of which*	31232	40942	10048	12385
a) Services	15426	22265	5372	7575
b) Private Transfers	20525	24095	5491	5758
Current Account Balance	-2470	-10612	-3556	-6099
B. Capital account				
1. Foreign investment *of which*	13000	18222	2170	1200
a) FDI in India	5987	7691	1735	2254
b) FII in India	9311	12489	972	-526
2. External assistance	1923	1438	212	23
3. Commercial borrowings (including short term credit)	8986	3299	940	3977
4. Banking capital	3874	1373	782	5079
5. Rupee debt service	-417	-572	-142	-67
6. Other capital	656	933	466	1651
Capital Account Balance	28022	24693	4428	11863
C. Error & omissions	607	971	375	614
D. Overall balance	26159	15052	1247	6378
E. Monetary movements	-26159	-15052	-1247	-6378
1. I.M.F	0	0	0	0
2. Foreign exchange reserves (increase -/ decrease +)	-26159	-15052	-1247	-6378
USD per SDR (% change)*	4.2	-1.7	2.2	-1.3
REER (Appreciation/ Depreciation) (% change)#	-0.8	2.5	2.4	-3.9

* A negative/positive sign indicates appreciation/depreciation of the US Dollar vis-à-vis SDR
# A positive/negative sign indicates appreciation/depreciation of the Indian Rupee
Source: Reserve Bank of India, Monthly Bulletin, various issues

Table E.8: India's Invisibles on Current Account, Net Credit (US$ Million)

	2004-05	2005-06	2005-06	2006-07
			April-June	
Invisibles	31232	40942	10048	12385
Services	15426	22265	5372	7575
Travel	1417	1368	178	79
Transportation	144	-1117	-169	-260
Insurance	148	57	6	105
G.n.i.e	-10	-175	-17	-28
Miscellaneous *of which*	13727	22132	5374	7679
Software services	16900	22262	4853	5947
Transfers	20785	24276	5503	5735
Official	260	181	12	-23
Private	20525	24095	5491	5758
Income	-4979	-5599	-827	-925
USD per SDR (% change)*	4.2	-1.7	2.2	-1.3
REER (Appreciation/ Depreciation) (% change)#	-0.8	2.5	2.4	-3.9

* A negative/positive sign indicates appreciation/depreciation of the US Dollar vis-à-vis SDR
# A positive/negative sign indicates appreciation/depreciation of the Indian Rupee
Source: Reserve Bank of India, Monthly Bulletin, various issues

Table E.9: India's Invisibles on Current Account, Credit (US$ Million)

	2004-05	2005-06	2005-06	2006-07
Invisibles			April-June	
Services	69533	91481	19686	24138
Travel	43249	60610	12849	16554
Transportation	6666	7789	1466	1708
Insurance	4683	6277	1469	1738
G.n.i.e	870	1042	199	240
Miscellaneous *of which*	401	305	62	57
Software services	30629	45197	9653	12811
Transfers	17700	23600	5103	6385
Official	21691	25220	5697	6032
Private	616	667	116	64
Income	21075	24553	5581	5968
USD per SDR (% change)*	4593	5651	1140	1552
REER (Appreciation/ Depreciation) (% change)#	4.2	-1.7	2.2	-1.3
	-0.8	2.5	2.4	-3.9

* A negative/positive sign indicates appreciation/depreciation of the US Dollar vis-à-vis SDR
# A positive/negative sign indicates appreciation/depreciation of the Indian Rupee
Source: Reserve Bank of India, Monthly Bulletin, various issues