

THE PRICE OF PROTEIN

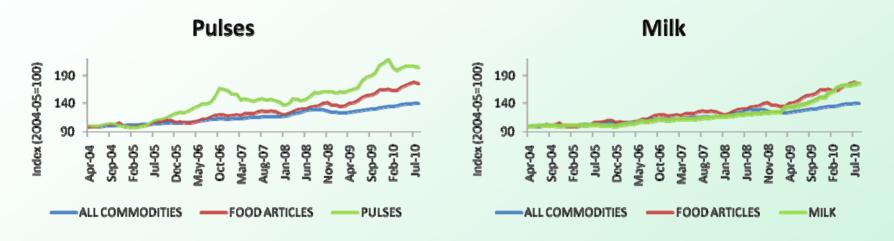
SUBIR GOKARN Deputy Governor Reserve Bank of India

IGIDR

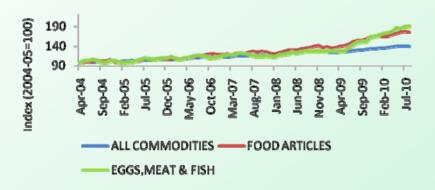
Mumbai October 26, 2010



Slide 1: Prices of Proteins

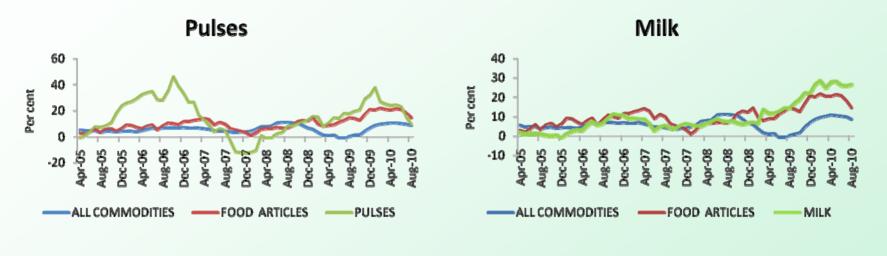


Eggs, Meat and Fish

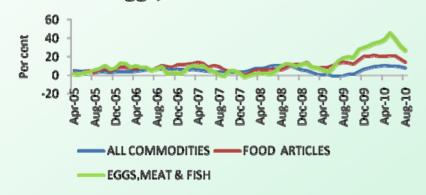




Slide 2: Inflation Rates of Proteins

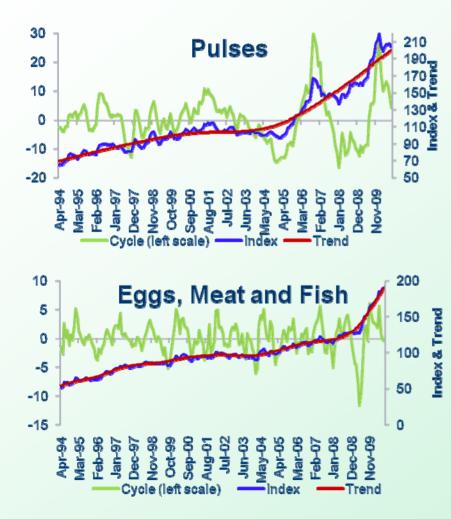


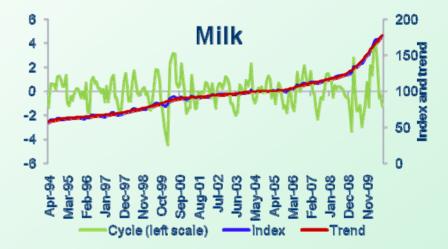
Eggs, Meat and Fish





Slide 3: Structural Components





Item	No. of structural breaks	Break Month(s)
Pulses	2	Aug 2001 Dec 2004
Milk	1	Oct 2008
Eggs, meat and fish	2	Apr 1997 Jan 2009



Slide 4: Consumption of Proteins

Rural Areas Urban Areas 160 250 Consumption (Rupees) 200 Consumption (Rupees) 120 150 80 100 50 40 0 0-335 580-675 675-790 335-395 22540 395-485 930-1100 100-1380 485-580 790-930 380-1880 880-2540 0 ≥1155 270-320 320-365 455-510 510-580 0-235365-410 410-455 253-270 580-690 690-890 390-1155 **MPCE** (Rupees) MPCE (Rupees) Pulses & pulse products ----- Milk & milk products Pulses & pulse products--Milk & milk products Egg, fish & meat Egg, fish & meat

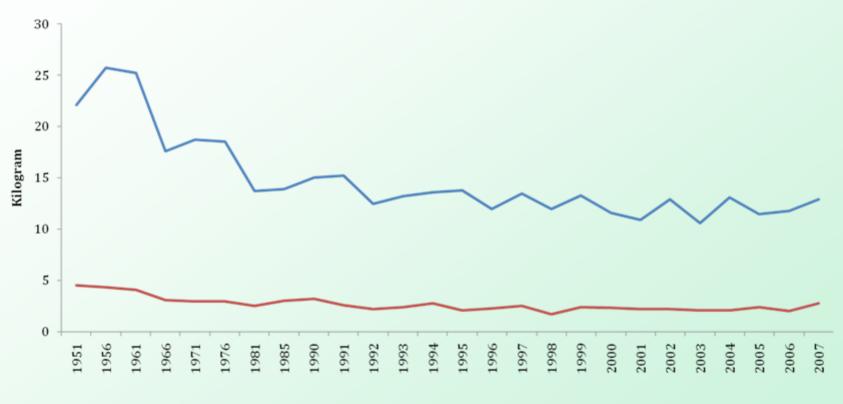


Slide 5: A Simulation Exercise

- Inflexion MPCE range (2004-05):
 - Rs.580-690 (rural)
 - Rs. 1100-1380 (urban)
- Real per capita income:
 - increased by 39% between 2004-05 and 2009-10
- Impact of higher incomes on consumption of proteins:
 - An additional 220 million would have crossed the inflexion range in 2009-10
 - 180 million in rural areas
 - 40 million in urban areas



Slide 6: Stagnation in Pulses

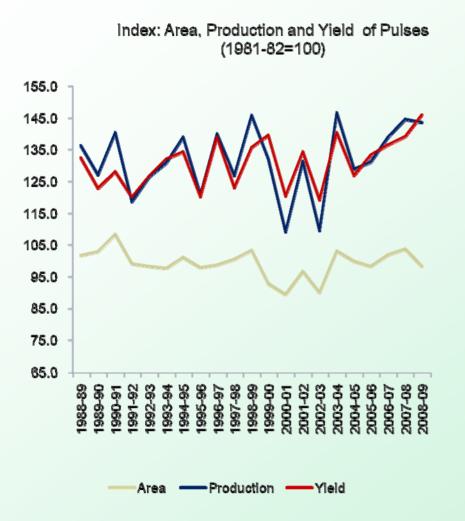


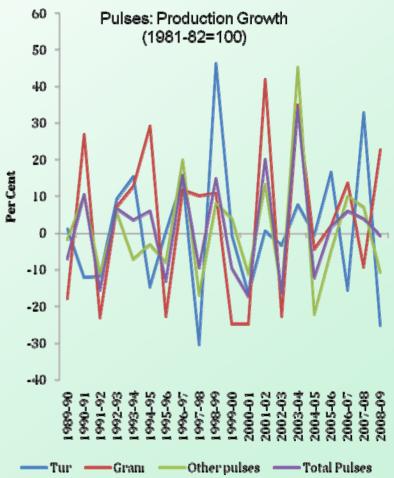
Per capita availability of Pulses Per capita availability of Tur

Source: Ministry of Agriculture



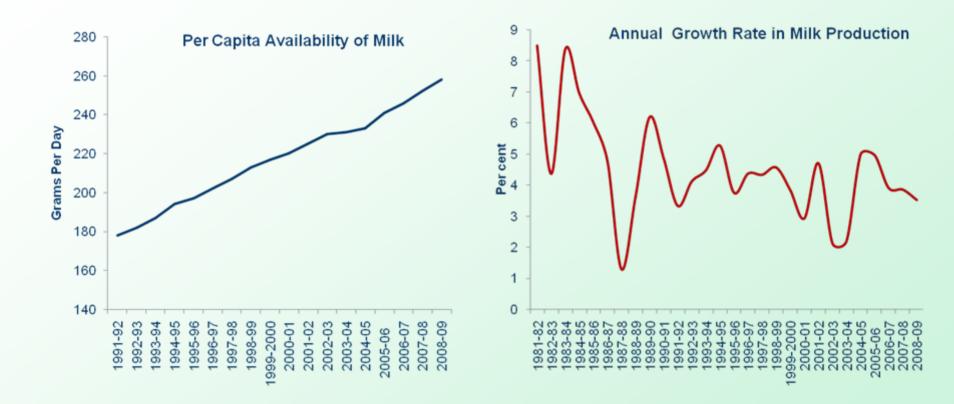
Slide 7: Production, Yields and Growth







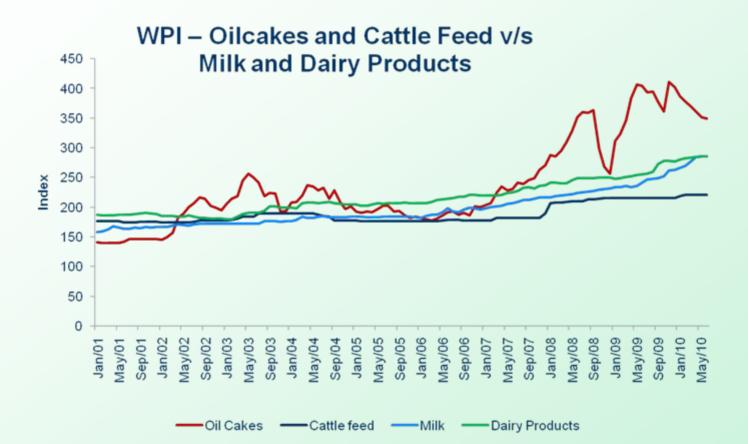
Slide 8: Milk Production and Per Capita Availability



Source: Department of Animal Husbandry, Dairying & Fisheries, Ministry of Agriculture, Government of India



Slide 9: Rising input costs





Slide 10: Production and Per Capita Availability of Eggs

Growth in Egg Production Production & Per Capita Availability of Egg 25.00 20.00 60000 5050000 15.00 nos/head/annum Per cent 35 40000 Million nos 30 25 30000 10.00 20 20000 15 10 10000 5.00 5 0 0 998-99 988-89 2004-05 992-93 994-95 2000-01 2002-03 16-066 2006-07 79-996-97 980-81 982-83 984-85 986-87 0.00 981-82 983-84 985-86 987-88 995-96 00-6661 2005-06 2007-08 989-90 993-94 1997-98 2001-02 2003-04 991-92 Egg Production Per capita availability

Source: Annual Report, 2008-09 of the Department of Animal Husbandry, Government of India