

**Ministry of Finance
Department of Economic Affairs
Economic Division
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**MONTHLY ECONOMIC REPORT
JANUARY 2010**

HIGHLIGHTS

- The overall growth of GDP at factor cost at constant 2004-05 prices, as per Quick Estimates of the CSO, was 6.7 per cent in 2008-09; a deceleration from the growth of 9.2 percent in 2007-08.
- The cumulative post monsoon seasonal rainfall (October-December) for the country as a whole was 8 per cent above the normal (long period average). The cumulative winter season rainfall (January-February) up to February 17, 2010 for the country as a whole has been 33 per cent below the normal.
- Food grains (rice and wheat) stocks held by FCI and State agencies were 48.06 million tonnes as on December 1, 2009.
- Overall growth in the Index of Industrial Production (IIP) was 16.8 per cent during December 2009 as compared to (-) 0.2 per cent in December 2008. During April-December 2009-10, IIP growth was 8.6 per cent compared to 3.6 per cent during April-December 2008.
- Core infrastructure-supportive sectors grew by 9.4 per cent in January 2010 compared to a growth of 2.2 per cent in January 2009. During April-January 2010, these sectors grew at 5.4 per cent as compared to a level of 3 per cent during April-January, 2009.
- During the financial year 2009-10 (up to January 29, 2010), broad money (M₃) increased by 12.1 per cent as compared to 13.6 per cent during the corresponding period of the last year.
- On a custom basis and in US dollar terms, exports increased by 9.3 per cent and imports increased by 27.2 per cent, during December 2009.
- Foreign exchange reserves (excluding gold, SDRs and Reserve Tranche Position in the IMF) stood at US \$256.6 billion at the end of January 2010.
- Rupee appreciated against US dollar, Pound Sterling, Japanese Yen and Euro in the month of January 2010 over December 2009.
- Year-on-year inflation in terms of Wholesale Price Index was 8.56 per cent for the month of January 2010 as compared to 4.95 per cent in December 2009.
- Tax revenue (net to Centre) during April-December, 2009 declined by 0.8 per cent compared with corresponding period of 2008-09.
- As a proportion of budget estimate (BE), fiscal deficit during April-December 2009 was 77.3 per cent and revenue deficit was 88.9 per cent.

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ECONOMIC GROWTH

As per the Quick Estimate (QE) of Central Statistical Organization (CSO), Ministry of Statistics and Programme Implementation, the growth in Gross Domestic Product (GDP) at factor cost at constant (2004-05) prices was estimated at 6.7 per cent in 2008-09 as compared to 9.2 per cent in 2007-08 (Revised Estimate). At disaggregated level, the growth during 2008-09 (QE) comprises growth of 1.6 per cent in Agriculture and allied activities, 3.9 per cent in Industry and 9.8 per cent in Services as compared to levels of 4.7 per cent, 9.5 per cent and 10.5 per cent respectively during 2007-08 (RE).

Growth of GDP at factor cost by economic activity (at 2004-05 prices)									
Industry	Growth				Percentage share in GDP				
	2005-06	2006-07	2007-08 (RE)	2008-09 (QE)	2005-06	2006-07	2007-08 (RE)	2008-09 (QE)	
1 Agriculture, forestry & fishing	5.2	3.7	4.7	1.6	18.9	18.1	17.2	16.4	
2 Industry	9.3	12.7	9.5	3.9	28.0	27.9	28.7	28.8	
a Mining & quarrying	1.3	8.7	3.9	1.6	2.9	2.6	2.6	2.5	
b Manufacturing	9.6	14.9	10.3	3.2	15.3	15.3	16.0	16.2	
c Electricity, gas & water supply	6.6	10.0	8.5	3.9	2.1	2.0	2.0	2.0	
d Construction	12.4	10.6	10.0	5.9	7.7	8.0	8.0	8.1	
3 Services	11.1	10.2	10.5	9.8	53.1	53.9	54.2	54.8	
a Trade, hotels, transport & communication	12.1	11.7	10.7	7.6	24.5	25.1	25.6	25.9	
b Financing, insurance, real estate & business services	12.8	14.5	13.2	10.1	14.7	15.1	15.8	16.4	
c Community, social & personal services	7.6	2.6	6.7	13.9	13.9	13.7	12.8	12.5	
4 GDP at factor cost	9.5	9.7	9.2	6.7	100.0	100.0	100.0	100.0	

(QE): Quick estimates (RE): Revised Estimate

Quarterly Estimates of GDP (Percentage change over previous Year)										
Items	2007-08				2008-09				2009-10	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
1. Agriculture, forestry & fishing	4.3	3.9	8.1	2.2	3.0	2.7	-0.8	2.7	2.4	0.9
Industry	9.2	9.1	8.2	6.2	6.0	6.1	2.3	1.4	5.0	8.3
2. Mining & quarrying	0.1	3.8	4.2	4.7	4.6	3.7	4.9	1.6	7.9	9.5
3. Manufacturing	10.0%	8.2%	8.6%	6.3%	5.5%	5.1	0.9	-1.4	3.4	9.2
4. Electricity, gas & water supply	6.9	5.9	3.8	4.6	2.7	3.8	3.5	3.6	6.2	7.4
5. Construction	11.0	13.4	9.7	6.9	8.4	9.6	4.2	6.8	7.1	6.5
Services	10.8	10.3	10.3	11.8	10.2	9.8	10.2	8.6	7.8	9.3
6. Trade, hotels, transport & communication	13.1	10.9	11.7	13.8	13.0	12.1	5.9	6.3	8.1	8.5
7. Financing, insurance, real estate & bus. Services	12.6	12.4	11.9	10.3	6.9	6.4	8.3	9.5	8.1	7.7
8. Community, social & personal services	4.5	7.1	5.5	9.5	8.2	9.0	22.5	12.5	6.8	12.7
9. GDP at factor cost (total 1 to 8)	9.2	9.0	9.3	8.6	7.8	7.7	5.8	5.8	6.1	7.9

AGRICULTURE

POST-MONSOON SEASON RAINFALL

During the post monsoon season (October – December 2009), rainfall was normal/excess of the long period average in 23 meteorological sub-divisions (63.89 per cent of total) and deficient/scanty in the remaining 13 sub-divisions (36.11 per cent). During the same period, the average annual rainfall for years 2004-2008 was normal/excess in 12 (32.78 per cent) meteorological sub-divisions and deficient/scanty in the remaining 24 (66.22 per cent). For the period 1.1.2010 to 17.02.2010, rainfall was normal/excess of the long period average in 13 meteorological sub-divisions (36.11 per cent of total) and deficient/scanty in the remaining 23 sub-divisions (63.89 per cent).

Number of meteorological Sub-divisions received normal/excess/deficient/scanty rainfall

	2004	2005	2006	2007	2008	2004-2008	2009(Post monsoon)
Excess/Normal	18	17	09	09	06	12	23
Deficient/Scanty/Nil	18	19	27	27	30	24	13
Total	36	36	36	36	36	36	36

ALL INDIA PRODUCTION OF FOOD GRAINS (JULY-JUNE)

According to the 2nd Advance Estimates released on 12 Feb, 2010, the production of food grains is estimated at 216.85 million tonnes during 2009-10 as compared to 234.47 million tonnes in 2008-09.

PROCUREMENT

Procurement of rice as on December 1, 2009 11.46 (Kharif marketing season 2009-10) stood at 12.29 million tonnes which represents an increase of 7.24 per cent over the level of 11.46 million tonnes as on the corresponding date last year. Wheat procurement as on December 1, 2009 (Rabi marketing season 2009-10) was placed at 25.38 million tonnes which represents an increase of 11.86 per cent as compared with 22.69 million tonnes in the corresponding date last year.

Million tonnes

	Full Marketing Year					As on December 1		% change
	2003-04	2004-05	2005-06	2006-07	2007-08	2008	2009	
Rice(Oct-Sept.)	22.83	24.68	27.66	25.11	28.74	11.46	12.29	7.24
Wheat(Apr-Mar)	15.80	16.80	14.79	9.23	11.12	22.69	25.38	11.86
Total	38.63	41.48	42.45	34.34	39.61	34.15	37.67	10.31

OFF-TAKE

Off-take of rice during the month of November, 2009 was 22.66 lakh tonnes. This comprises: 17.54 lakh tonnes under TPDS; 5.12 lakh tonnes under other schemes. In respect of wheat, the total off take was 17.61 lakh tonnes comprising of: 16.17 lakh tonnes under TPDS; 1.44 lakh tonnes under other schemes.

STOCKS

Stocks of food-grains (rice and wheat) held by FCI as on December 1, 2009 were 48.06 million tonnes, which was 36.61 per cent higher than the level on December 1, 2008.

Million tonnes

Mn tonnes	Offtake					Stocks	
	2005-06	2006-07	2007-08	2008-09	During 2009-10(up to Nov/09)	Dec 1, 2008	Dec 1, 2009
Rice	25.08	25.06	25.23	24.62	22.66	15.58	22.90
Wheat	17.17	11.71	12.20	14.88	17.61	19.60	25.16
Total	42.25	36.77	37.43	39.50	40.27	35.18	48.06

INDEX OF INDUSTRIAL PRODUCTION

Among the three major sectors, the manufacturing sector grew at 18.5 per cent in December 2009 and 9.0 per cent during April-December 2009-10 compared to (-) 0.6 per cent in December 2008 and 3.6 per cent during April-December 2008-09. Mining grew at 9.5 per cent in December 2009 and at 8.5 per cent during April-December 2009-10 as compared to 2.2 per cent in December 2008 and 3.2 per cent in the period April-December 2008-09. The electricity sector grew at 5.4 per cent in December 2009 and 5.8 per cent during April-December 2009-10 as compared to 1.6 per cent in December 2008 and 2.7 per cent during April-December 2008-09.

As per the use-based classification, capital goods, intermediate goods, consumer durables showed growth in excess of 10 per cent during December 2009. While basic goods recorded a growth of 7.5 per cent, consumer non-durables showed 3.7 per cent growth in December 2009.

PERCENTAGE CHANGE IN IIP- SECTORWISE (Base: 1993-94=100)						
Industry Group	2007-08	2008-09	Dec 08	Dec 09	April-Dec 2008-09	April-Dec 2009-10
General index	8.5	2.6	-0.2	16.8	3.6	8.6
Mining	5.1	2.6	2.2	9.5	3.2	8.5
Manufacturing	9.0	2.6	-0.6	18.5	3.6	9.0
Electricity	6.4	2.8	1.6	5.4	2.7	5.8
Use-based industrial groups						
Basic goods	7.0	2.6	2.0	7.5	3.4	6.0
Capital goods	18.0	7.1	6.6	38.8	8.2	11.1
Intermediate goods	9.0	-2.0	-8.9	21.7	-1.7	12.5
Consumer goods	6.1	4.6	1.7	12.0	6.1	7.1
Durables	-1.0	4.5	-4.2	46.0	4.1	24.4
Non-durables	8.6	4.6	3.2	3.7	6.7	1.5

SIX CORE INDUSTRIES

During January 2010, six core infrastructure-supportive industries registered a growth of 9.4 per cent as compared to a growth of 2.2 per cent in January 2009.

PRODUCTION IN CORE INFRASTRUCTURE-SUPPORTIVE INDUSTRIES							
Industry	Unit	January		April – January		Jan. % Change	
		2009	2010	2008-09	2009-10	2009	2010
Coal	Mn tonnes	48.45	51.33	385.02	416.47	6.7	6.0
Electricity generation	in kwh	61443.6	64854.4	601397.6	638142.2	2.6	6.1
Crude petroleum	000 tonnes	2660	2917	28090	28069	-8.1	9.7
Petroleum products	000 tonnes	12550	13024	124568	123927	-1.3	3.8
Finished steel	000 tonnes	4546	5284	44796	47001	3.2	16.2
Cement	000 tonnes	16630	18690	151840	168815	8.3	12.4
Overall growth rate	-	-	-	-	-	2.2	9.4

(1): This will not necessarily match the growth in electricity given in the Index of Industrial Production

MONEY AND BANKING

During the current financial year 2009-10, broad money (M_3) (up to January 29, 2010) increased by 12.1 per cent as compared to 13.6 per cent during the corresponding period of the last year. The year-on-year growth, as on January 29, 2010, was 17.0 per cent as compared to 18.1 per cent last year.

Money Stock : Components and Sources						
(Rs. crore)						
Item	Outstanding as on		Growth rates (per cent)			
	(Rs. crore)		Financial Year so far		Year on Year	
	Mar. 31, 2009	January 29, 2010	2008-09 %	2009-10 %	2008-09 %	2009-10 %
1	2	3	4	5	6	7
M_3	47,64,019	53,39,406	13.6	12.1	18.1	17.0
Components (i+ii+iii+iv)						
(i) Currency with the Public	6,66,364	7,42,103	11.5	11.4	17.5	17.1
(ii) Demand Deposits with Banks	5,81,247	6,22,876	-11.0	7.2	-8.6	21.1
(iii) Time Deposits with Banks	35,10,835	39,70,066	19.1	13.1	23.8	16.5
(iv) "Other" Deposits with Reserve Bank	5,573	4,361	-27.3	-21.7	-9.6	-33.8
Sources (i+ii+iii+iv-v)						
(i) Net Bank Credit to Government (a+b)	12,77,199	15,48,261	30.2	21.2	36.1	32.2
(a) Reserve Bank	61,580	90,212				
(b) Other Banks	12,15,619	14,58,049	20.3	19.9	23.2	19.7
(ii) Bank Credit to Commercial Sector (a+b)	30,13,337	32,81,437	10.9	8.9	18.2	14.8
(a) Reserve Bank	13,820	5,468	-	-	-	-
(b) Other Banks	29,99,517	32,75,969	10.8	9.2	18.1	14.8
(iii) Net Foreign Exchange Assets of Banking Sector*	13,52,184	13,22,301	-2.9	-2.2	6.5	5.2
(iv) Government's Currency Liabilities to the Public	10,054	10,731	7.5	6.7	9.6	8.2
(v) Banking Sector's Net Non-Monetary Liabilities	8,88,754	8,23,324	-4.0	-7.4	21.3	12.1
of which :						
Net Non-Monetary Liabilities of RBI	3,87,927	3,54,639	49.2	-8.6	100.8	13.0
* : Includes investments in foreign currency denominated bonds issued by IIFC(UK) since March 20, 2009.						
Note : Government Balances as on March 31, 2009 are after closure of accounts.						

Source: RBI

The variation in reserve money (M_0) during the financial year 2009-10 (upto January 29, 2010) had shown an increase of 3.8 per cent as compared to a decline of 5.8 per cent in the corresponding period of the previous year. The year on year variation, revealed an increase of 17.3 per cent as on January 29, 2010, compared to a decline of 0.3 per cent on the corresponding date of the previous year.

An important source of reserve money, namely, net foreign exchange assets (NFA) of the RBI recorded a decline of 0.5 per cent (during the financial year) as on January 29, 2010 as compared to a decline of 1.7 per cent in the same period last year. The year on year growth rate of NFA, as on January 29, 2010, was 4.9 per cent compared to an increase of 5.6 per cent on the corresponding date of last year.

SCHEDULED COMMERCIAL BANKS (SCBs): BUSINESS IN INDIA

During the current financial year (up to January 29, 2010) bank credit increased by 9.1 per cent compared to an increase of 11.7 per cent during the corresponding period of last year. The Non-Food credit during the financial year (up to January 29, 2010) also recorded an increase of 9.4 per cent as compared to an increase of 11.9 per cent during the corresponding period of last year. The financial year growth in aggregate deposits with SCBs as on January 29, 2010 was 12.0 per cent as against an increase of 14.7 per cent in the corresponding period of last year.

Items	Outstanding as on (Rs. Crore)		Percentage Variation			
			Financial year so far		Year on year	
	Mar 27, 2009	January 29, 2010	2008-09	2009-10	2008-09	2009-10
1. Bank credit	2775549	3029079	11.7	9.1	19.3	14.8
Non-Food credit	2729338	2985164	11.9	9.4	19.5	15.2
2. Aggregate deposits	3834110	4295391	14.7	12.0	18.7	17.1
3. Investments in Govt. and other approved securities	1166410	1401558	20.2	20.2	22.9	20.0

INTEREST RATES (PER CENT PER ANNUM)

As on January 29, 2010, Bank Rate was 6.00 per cent, the same as on the corresponding date of last year. Call money rates (borrowing & lending) were in the range of 1.00/3.35 per cent as compared with 2.00/4.50 per cent on the corresponding date of last year.

Item / Week Ended	(per cent per annum)	
	2009	2010
	January 30	January 29
1	2	3
Cash Reserve Ratio (per cent) ⁽¹⁾	5.50	5.00
Bank Rate	6.00	6.00
Repo Rate	9.0	4.75
Reverse Repo Rate	6.0	3.25
Prime Lending Rate ⁽²⁾	12.00-12.50	11.00-12.00
Deposit Rate ⁽³⁾	8.00-9.00	6.00-7.50
Call Money Rate (Low / High) ⁽⁴⁾		
- Borrowings	2.00/4.50	1.00/3.35
- Lendings	2.00/4.50	1.00/3.35
(1) Cash Reserve Ratio relates to Scheduled Commercial Banks (excluding Regional Rural Banks).		
(2) Prime Lending Rate relates to five major Banks.		
(3) Deposit Rate relates to major Banks for term deposits of more than one year maturity.		
(4) Data cover 90-95 per cent of total transactions reported by participants.		

FOREIGN TRADE

Exports, in US dollar terms and customs basis, during December 2009 increased by 9.3 per cent and imports increased by 27.2 per cent over December 2008. Oil imports increased by 42.8 per cent and non-oil imports increased by 22.4 per cent during December 2009 over December 2008.

US dollar million

Item	2007-08	2008-09(P)	December 08	December 09(P)	% Change in December 2009-10
Exports	162907	184191	13368	14606	9.3
Imports	251444	298869	19456	24753	27.2
Oil	79646	91317	4578	6536	42.8
Non-Oil	171798	207552	14879	18217	22.4
Trade balance	-88537	-114678	-6088	-10147	-

Source: Provisional data as per the Press Note of the Ministry of Commerce and Industry

**FOREIGN EXCHANGE RESERVES
(EXCLUDING GOLD, SDRs and Reserve Tranche Position in IMF)**

	Amount*		Variation	
	Rs. crore	\$ Million	Rs. crore	\$ Million
At the end of			(over last year)	
March, 2006	647327	145108	54206	9537
March, 2007	836597	191924	189270	46816
March, 2008	1196023	299230	359426	107306
March, 2009	1231340	241676	35317	-57554
			(over last month)	
October, 2008	1201920	244045	-99725	-33255
November 2008	1191016	238968	-10904	-5077
December, 2008	1194790	246603	3774	7635
January, 2009	1173060	238894	-21730	-7709
February, 2009	1211002	238715	37942	-179
March, 2009	1231340	241676	35317	-57554
April, 2009	1214003	241737	-17337	61
May, 2009	1190318	251706	-23685	9969
June, 2009	1217542	254343	27224	2637
July, 2009	1256401	260881	38859	6538
August, 2009	1278198	261497	21797	616
September, 2009	1271250	264623	-6948	3126
October, 2009	1253914	267018	-17336	2395
November, 2009	1224475	263441	-29439	-3577
December, 2009	1208232	258833	-16243	-4608
January, 2010	1189912	256612	-18320	-2221

Note: * includes valuation changes. Source: RBI.

Rupees per unit of foreign currency

The monthly average exchange rate of the rupee appreciated against US dollar, Pound Sterling, Japanese Yen and Euro in the month of January 2010 over December, 2009.

Rupees per unit of foreign currency				
	US Dollar	Pound Sterling	Japanese Yen	Euro
March, 2007	44.0260	85.6763	0.3754	58.2684
March, 2008	40.3561	80.8054	0.4009	62.6272
March, 2009	51.2287	72.9041	0.5251	66.9207
October, 2008	48.6555	82.6518	0.4873	64.8387
November, 2008	49.0049	75.1792	0.5115	61.6728
December, 2008	48.6345	72.5583	0.5330	65.6687
January, 2009	48.7888	70.7730	0.5404	65.0993
February, 2009	49.2624	70.8279	0.5347	62.8885
March, 2009	51.2287	72.9041	0.5251	66.9207
April, 2009	50.0450	73.5485	0.5089	65.7674
May, 2009	48.5330	74.8326	0.5022	66.2039
June, 2009	47.7714	78.1576	0.4945	66.9807
July, 2009	48.4783	79.3477	0.5126	68.2407
August, 2009	48.2985	79.9325	0.5080	68.8711
September, 2009	48.4389	79.3464	0.5285	70.4351
October, 2009	46.7211	75.7263	0.5176	69.2858
November, 2009	46.5673	77.3275	0.5228	69.4998
December, 2009	46.6288	75.7647	0.5201	68.1838
January, 2010	45.9598	74.2709	0.5031	65.7060

@ FEDAI Rates

EXTERNAL ASSISTANCE AND DEBT SERVICE PAYMENTS

Gross external aid in January, 2010 at Rs. 1,117.48 crore was 34.8 per cent lower than that of Rs. 1,713.54 crore in January, 2009. Net disbursement was Rs. 62.42 crore in January, 2010 as compared to Rs. 531.81 crore in January 2009. Net transfers were Rs.-226.83 crore in January 2010 as compared to Rs. 55.75 crore in January 2009.

EXTERNAL ASSISTANCE AND DEBT SERVICE PAYMENTS

(Rs. crore)

MONTH:	JANUARY		FINANCIAL YEAR:	2009-2010
	JANUARY 2010	During the Financial year 2009-2010	JANUARY 2009	During the Fincial year 2008-2009
External Assistance (Government Account)				
1) Gross Disbursement	1,087.06	15,913.50	1,290.95	15,160.26
2) Repayments	1,055.06	9,374.67	1,108.88	8,188.29
3) Interest Payments	289.25	2,910.10	418.21	3,399.23
4) Net Disbursement (1-2)	32.00	6,538.83	182.07	6,971.97
5) Net Transfers (4-3)	-257.25	3,628.73	-236.14	3,572.74
External Assistance (Non-Government Account)				
1) Gross Disbursement	0.00	3,429.47	217.25	3,186.52
2) Repayments	0.00	754.88	72.85	1,010.54
3) Interest Payments	0.00	391.33	57.85	636.82
4) Net Disbursement (1-2)	0.00	2,674.59	144.40	2,175.98
5) Net Transfers (4-3)	0.00	2,283.26	86.55	1,539.16
Govt Grants				
1) Gross Disbursement	30.42	2,569.84	201.77	2,228.05
2) Repayments	0.00	0.00	0.00	0.00
3) Interest Payments	0.00	0.00	0.00	0.00
4) Net Disbursement (1-2)	30.42	2,569.84	201.77	2,228.05
5) Net Transfers (4-3)	30.42	2,569.84	201.77	2,228.05
Non Govt Grants				
1) Gross Disbursement	0.00	8.06	3.57	30.17
2) Repayments	0.00	0.00	0.00	0.00
3) Interest Payments	0.00	0.00	0.00	0.00
4) Net Disbursement (1-2)	0.00	8.06	3.57	30.17
5) Net Transfers (4-3)	0.00	8.06	3.57	30.17
Grand Total				
1) Gross Disbursements	1,117.48	21,920.87	1,713.54	20,605.00
2) Repayments	1,055.06	10,129.55	1,181.73	9,198.83
3) Interest Payments	289.25	3,301.43	476.06	4,036.05
4) Net Disbursement (1-2)	62.42	11,791.32	531.81	11,406.17
5) Net Transfers (4-3)	-226.83	8,489.89	55.75	7,370.12

INFLATION

Year-on-year inflation measured in terms of WPI for January 2010 at 8.56 per cent showed an increase of 125 basis points compared to December 2009. The index also increased to 248.5 from 246.5 in the previous month. Inflation had remained in the negative zone since June 2009 to August 2009 due to negative inflation in non-food articles like raw cotton, oilseeds; minerals like iron ore; fuel, power, light & lubricants like mineral oils, coal mining and electricity; manufactured products like edible oils man-made fibres, leather & leather products, fertilizers, metals and machinery & machine tools. The annual rate of inflation turned positive in September 2009. During last financial year, 2008-09, it was 4.95 per cent in January 2009 (Table 1) and 4.45 per cent two years ago in January 2008.

Financial Year inflation: For January 2010, the rise in WPI has been 8.90 per cent as compared to 1.51 per cent during the corresponding month last year. The average inflation rate for last 12 month until January 2010 was 2.38 per cent as compared to 9.13 per cent during same period of 2008-09.

Current price situation based on monthly Wholesale Price Index (Base: 1993-94)							
Items/Groups	Weight (%)	Percent variation during					
		Cumulative change (%) from March		Inflation (%) (Year-on-Year)		Inflation (%) (Average of last 12 months)	
		In January		In January		In January	
		2008-09	2009-10	2008-09	2009-10	2008-09	2009-10
All Commodities	100.00	1.51	8.90	4.95	8.56	9.13	2.38
1. Primary articles	22.02	5.38	14.71	10.69	14.52	10.53	9.01
2. Fuel and Power group	14.23	-3.72	9.50	-1.70	6.90	9.29	-5.05
3. Manufactured Products	63.75	1.94	6.18	5.27	6.55	8.51	2.47

CONSUMER PRICE INDEX

All India Consumer Price Index for Industrial Workers (CPI-IW) for December, 2009 stood at 169. The year-on-year inflation in December, 2009 was 14.97 per cent which is higher than the level of 9.70 per cent in December, 2008.

CPI-IW Group Inflation								
Month / Year/	General	Food	Pan, supari, Tobacco & Intoxicants	Fuel & light	Housing	Clothing, bedding & footwear	Miscellaneous group	Non-food
Weight	100.00	46.20	2.27	6.43	15.27	6.57	23.26	53.80
Dec-08	9.70	13.14	8.53	9.70	3.82	4.24	8.27	6.62
Apr-09	8.70	10.42	6.72	6.62	5.97	4.17	7.41	7.09
May-09	8.63	11.72	7.46	5.88	5.97	4.13	7.35	5.76
Jun-09	9.29	12.24	8.15	1.41	5.97	4.13	6.57	6.50
Jul-09	11.89	14.67	8.89	2.10	22.06	4.96	5.76	9.28
Aug-09	11.72	13.73	9.56	2.78	22.06	4.10	6.43	9.82
Sep-09	11.64	13.55	7.97	4.17	22.06	4.10	5.67	9.81
Oct-09	11.49	13.84	7.14	2.76	22.06	4.10	4.20	9.17
Nov-09	13.51	17.61	7.86	4.14	22.06	4.07	4.17	9.48
Dec-09	14.97	21.29	-	-	-	-	-	-

WORLD COMMODITY PRICE

Commodity	Unit	Jan	Mar	Jun	Sep	Dec	Jan	Y-o-R variation in prices (%)	
		2009	2009	2009	2009	2009	2010	Dec-09	Jan-10
Energy									
Coal, Australia	\$/mt	79.4	61.0	71.4	67.6	83.1	97.0	5.66	22.17
Crude oil, avg, spot	\$/bbl	43.9	46.6	69.1	68.3	74.9	77.1	81.14	75.85
Crude oil, Brent	\$/bbl	44.9	46.8	68.6	67.7	74.7	76.4	79.58	70.25
Crude oil, Dubai	\$/bbl	45.0	45.6	69.2	67.9	75.5	76.6	84.13	70.42
Natural gas, US	\$/mmbtu	5.2	4.0	3.8	3.0	5.4	5.8	-7.41	10.79
Agriculture									
Coffee, Robusta	c/kg	182.4	168.2	162.7	162.7	154.1	154.5	-15.30	-15.30
Tea, auctions (3), average	c/kg	218.6	219.0	278.2	315.7	297.4	292.3	54.39	33.73
Coconut oil	\$/mt	734.0	625.0	747.0	701.0	768.0	785.0	3.78	6.95
Groundnut oil	\$/mt	1343.0	1214.0	1154.0	1120.0	1192.0	1314.0	-16.99	-2.16
Palm oil	\$/mt	562.0	598.0	726.0	674.0	792.0	795.0	57.46	41.46
Palm kernel oil	\$/mt	570.0	587.0	741.0	704.0	829.0	878.0	49.64	54.04
Soybean meal	\$/mt	368.5	344.0	446.3	425.0	401.0	405.0	33.67	9.91
Soybean oil	\$/mt	789.3	727.0	896.0	846.0	935.0	924.0	26.69	17.07
Maize	\$/mt	172.8	164.6	179.5	150.4	164.6	167.3	3.98	-3.19
Rice, Thailand, 25 or 5%	\$/mt	580.0	588.3	574.5	518.8	591.0	571.3	11.13	-1.51
Wheat, US, HRW	\$/mt	239.1	230.9	256.6	191.1	206.3	201.2	-6.31	-15.86
Wheat US SRW	\$/mt	195.1	183.7	201.7	158.4	206.5	198.8	15.16	1.88
Oranges	\$/mt	782.7	846.5	816.3	1030.9	1013.6	1089.5	33.06	39.19
Sugar, world	c/kg	27.8	29.5	36.2	50.8	51.9	58.4	100.26	110.25
Raw Materials									
Logs, Malaysia	\$/cum	329.7	288.6	279.3	280.8	264.8	258.2	-18.92	-21.67
Plywood	c/sheets	574.7	570.8	563.6	560.7	557.2	557.2	-13.75	-3.04
Wood pulp	\$/mt	606.4	537.7	565.7	657.6	731.4	731.4	16.03	20.62
Cotton A Index	c/kg	127.2	113.5	135.4	141.2	167.6	170.5	37.06	34.03
Rubber, US	c/kg	169.8	161.8	187.6	248.7	310.0	335.1	100.86	97.40
Rubber, Singapore	c/kg	148.7	143.1	167.5	217.2	280.1	309.2	132.84	107.88
Fertilizers									
DAP	\$/mt	351.0	367.6	277.8	316.8	360.4	427.5	-11.56	21.79
Phosphate rock	\$/mt	265.0	157.5	96.9	90.0	90.0	97.5	-74.29	-63.21
Potassium chloride	\$/mt	853.1	870.0	717.5	428.9	399.0	354.4	-48.35	-58.46
Urea, E. Europe, bulk	\$/mt	263.4	265.4	237.4	233.9	261.1	275.8	15.85	4.70
Metals and Minerals									
Aluminium	\$/mt	1413.1	1335.8	1573.7	1834.1	2180.1	2235.2	46.27	58.17
Copper	\$/mt	3220.7	3749.8	5014.0	6196.4	6981.7	7386.3	127.27	129.34
Gold	\$/toz	858.7	924.3	945.7	996.6	1134.7	1118.0	39.04	30.19
Iron ore	c/dmtu	140.6	140.6	101.0	101.0	101.0	101.0	-28.20	-28.20
Lead	c/kg	113.3	123.9	167.4	220.5	232.9	236.8	141.83	109.08
Nickel	\$/mt	11306.9	9696.4	14960.5	17473.2	17066.4	18439.3	76.19	63.08
Silver	c/toz	1139.9	1311.5	1465.9	1648.5	1764.5	1775.1	71.03	55.72
Steel cr coil sheet	\$/mt	1100.0	900.0	700.0	700.0	700.0	700.0	-36.36	-36.36
Steel hr coil sheet	\$/mt	1000.0	800.0	600.0	600.0	600.0	600.0	-40.00	-40.00
Tin	c/kg	1137.3	1067.6	1498.6	1486.9	1554.7	1771.5	38.32	55.76
Zinc	c/kg	118.7	121.7	155.7	188.4	237.6	243.4	115.88	105.02

Source : World Bank - The Pink Sheet

Trends in Central Government Finances: April-December 2009

	Budget	April-December		Col.3 as	Col. 4 as	% Change over	
	Estimates			% of	% of	proceeding year	
	2009-10	2008-09	2009-10	2008-09	2009-10	2008-09	2009-10
				BE	BE		(4/3)
(Rs. crore)							
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1. Revenue Receipts	6,14,497	3,75,937	3,89,271	62.4	63.3	5.7	3.5
Gross tax revenue	6,41,079	4,26,795	4,16,094	62.1	64.9	9.6	-2.5
Tax (net to Centre)	4,74,218	3,09,927	3,07,591	61.1	64.9	4.7	-0.8
Non Tax	1,40,279	66,010	81,680	68.9	58.2	10.7	23.7
2. Capital Receipts	4,06,341	2,21,279	3,18,269	149.6	78.3	86.6	43.8
of which:							
Recovery of loans	4,225	2,974	3,983	66.1	94.3	-10.0	33.9
Other Receipts	1,120	43	4,306	0.4	384.5	-	-
Borrowings and other liabilities	4,00,996	2,18,262	3,09,980	163.8	77.3	181.3	42.0
3. Total Receipts (1+2)	10,20,838	5,97,216	7,07,540	79.5	69.3	25.9	18.5
4. Non-Plan Expenditure (a)+(b)	6,95,689	4,26,419	4,97,381	84.0	71.5	26.5	16.6
(a) Revenue Account	6,18,834	4,03,758	4,60,970	90.1	74.5	44.2	14.2
of which:							
Interest payments	2,25,511	1,23,735	1,30,005	64.8	57.6	10.7	5.1
Major Subsidies	1,05,579	1,03,239	96,740	155.2	91.6	109.6	-6.3
Pensions	34,980	21,487	37,465	85.7	107.1	29.8	74.4
(b) Capital Account	76,855	22,661	36,411	38.3	47.4	-60.3	60.7
5. Plan Expenditure (i)+(ii)	3,25,149	1,70,797	2,10,159	70.2	64.6	24.5	23.0
(i) Revenue Account	2,78,398	1,46,009	1,79,555	69.6	64.5	27.2	23.0
(ii) Capital Account	46,751	24,788	30,604	73.7	65.5	10.9	23.5
6. Total Expenditure (4)+(5)=(a)+(b)	10,20,838	5,97,216	7,07,540	79.5	69.3	25.9	18.5
(a) Revenue Expenditure	8,97,232	5,49,767	6,40,525	83.5	71.4	39.2	16.5
(b) Capital Expenditure	1,23,606	47,449	67,015	51.1	54.2	-40.2	41.2
7. Revenue Deficit	2,82,735	1,73,830	2,51,254	315.0	88.9	343.3	44.5
8. Fiscal Deficit	4,00,996	2,18,262	3,09,980	163.8	77.3	181.3	42.0
9. Primary Deficit	1,75,485	94,527	1,79,975	-164.3	102.6	-376.5	90.4

Source: Review of Union Government Accounts., December 2009, Ministry of Finance.