

**Ministry of Finance  
Department of Economic Affairs  
Economic Division  
8(1)/Ec. Dn./2009**

**MONTHLY ECONOMIC REPORT  
NOVEMBER 2009**

**HIGHLIGHTS**

- The overall growth of GDP at factor cost at constant 1999-2000 prices, as per Revised Estimates released by the CSO was 6.7 per cent in 2008-09 representing a deceleration from high growth of 9.0 percent during 2007-08.
- The cumulative seasonal rainfall (1<sup>st</sup> June -30<sup>th</sup> September 2009) for the country as a whole was 23 per cent below the Long Period Average (LPA). The year 2009 is the most deficient year after 1972.
- Food grains (rice and wheat) stocks held by FCI and state agencies were 43.81 million tonnes as on October 1, 2009.
- Overall growth in the Index of Industrial Production (IIP) was 10.3 per cent during October 2009 as compared to 0.1 per cent in October 2008. During April-October 2009-10, IIP growth was 7.1 per cent compared to 4.3 per cent during April-October 2008.
- Core infrastructure-supportive sectors grew by 3.5 per cent in October 2009 compared to a growth of 2.0 per cent in October 2008. During April-October 2009. These sectors grew at 4.7 per cent as compared to a level of 3.3 per cent during April-October , 2008.
- During the current financial year 2009-10 (up to November 20, 2009), broad money stock (M<sub>3</sub>) increased by 9.1 per cent as compared to 9.2 per cent during the corresponding period of the last year.
- Exports, in US dollar terms decreased by 6.6 per cent and imports decreased by 15.0 per cent, during October 2009.
- Foreign exchange reserves (excluding gold, SDRs and Reserve Tranche Position in the IMF) stood at US \$ 263.4 billion at the end of November 2009.
- Rupee appreciated against US dollar and depreciated against Pound Sterling, Japanese Yen and Euro in the month of November 2009 over October 2009.
- Year-on-year inflation in terms of Wholesale Price Index was 4.78 per cent for the month of November 2009 as compared to 8.48 per cent in November 2008.
- Tax revenue (net to Centre) during April-October, 2009 declined by 8.0 per cent compared with corresponding period of 2008-09.
- As a proportion of budget estimate (BE), fiscal deficit during April-October 2009 was 61.1 per cent and revenue deficit was 73.1 per cent.

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## ECONOMIC GROWTH

As per the Revised Estimates (RE) of Central Statistical Organization (CSO), Ministry of Statistics and Programme Implementation, the growth in Gross Domestic Product (GDP) at factor cost at constant (1999-2000) prices was estimated at 6.7 per cent in 2008-09 as compared to 9.0 per cent in 2007-08 (Quick Estimate). At disaggregated level, the growth during 2008-09 (RE) comprises of growth of 1.6 per cent in Agriculture and allied activities, 3.9 per cent in Industry and 9.7 per cent in Services as compared to levels of 4.9 per cent, 8.1 per cent and 10.9 per cent respectively during 2007-08 (QE).

Growth of GDP at factor cost by economic activity (at 1999-2000 prices)									
Industry	Growth				Percentage share in GDP				
	2005-06	2006-07	2007-08 (QE)	2008-09 (RE)	2005-06	2006-07	2007-08 (QE)	2008-09 (RE)	
<b>1 Agriculture, forestry &amp; fishing</b>	<b>5.8</b>	<b>4.0</b>	<b>4.9</b>	<b>1.6</b>	<b>19.5</b>	<b>18.5</b>	<b>17.8</b>	<b>17.0</b>	
<b>2 Industry</b>	<b>10.2</b>	<b>11.0</b>	<b>8.1</b>	<b>3.9</b>	<b>26.4</b>	<b>26.7</b>	<b>26.5</b>	<b>25.8</b>	
a Mining & quarrying	4.9	8.8	3.3	3.6	2.1	2.1	2.0	1.9	
b Manufacturing	9.1	11.8	8.2	2.4	15.1	15.3	15.2	14.6	
c Electricity, gas & water supply	5.1	5.3	5.3	3.4	2.2	2.1	2.0	2.0	
d Construction	16.2	11.8	10.1	7.2	7.0	7.2	7.2	7.3	
<b>3 Services</b>	<b>10.6</b>	<b>11.2</b>	<b>10.9</b>	<b>9.7</b>	<b>54.1</b>	<b>54.8</b>	<b>55.7</b>	<b>57.3</b>	
a Trade, hotels, transport & communication	12.1	12.8	12.4	9.0	26.4	27.1	28.0	28.6	
b Financing, insurance, real estate & business services	11.4	13.8	11.7	7.8	13.8	14.3	14.6	14.8	
c Community, social & personal services	7.1	5.7	6.8	13.1	13.9	13.4	13.1	13.9	
<b>4 GDP at factor cost</b>	<b>9.5</b>	<b>9.7</b>	<b>9.0</b>	<b>6.7</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	

(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
<b>1. Agriculture, forestry &amp; fishing</b>	4.3	3.9	8.1	2.2	3.0	2.7	-0.8	2.7	2.4	0.9
<b>Industry</b>	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
<b>Services</b>	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
<b>9. GDP at factor cost (total 1 to 8)</b>	<b>9.2</b>	<b>9.0</b>	<b>9.3</b>	<b>8.6</b>	<b>7.8</b>	<b>7.7</b>	<b>5.8</b>	<b>5.8</b>	<b>6.1</b>	<b>7.9</b>

## AGRICULTURE

### POST-MONSOON SEASON RAINFALL\*

During the post monsoon season (October – December 2009), as on 16.12.2009, rainfall was normal/excess in 24 meteorological sub-divisions (64per cent of total) and deficient/scanty in the remaining 12 sub-divisions (36per cent). During the same period, the average annual rainfall for years 2004-2008 was normal/excess in 28 (76.7 per cent) meteorological sub-divisions and deficient/scanty in the remaining 8 (23.3 per cent).

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

	2004	2005	2006	2007	2008	2004-2008	2009*
Excess/Normal	24	31	23	31	29	28	13
Deficient/Scanty/Nil	12	5	13	5	7	8	23
Total	36	36	36	36	36	36	36

### ALL INDIA PRODUCTION OF FOOD GRAINS (JULY-JUNE)

According to the 4th Advance Estimates, released on 21.7.2009, production of food grains was estimated at 233.87 million tonnes during 2008-09 as compared to a level of 230.78 million tonnes in 2007-08 (final). According to the first Advance Estimates released on November 2009, production of food grains is estimated at 96.63 million tonnes during 2009-10 as compared to the First Advance Estimates of 115.33 million tonnes in 2008-09.

### PROCUREMENT

Procurement of rice as on 1<sup>st</sup> October 2009 stood at 33.30 million tonnes which represents an increase of 15.46 per cent over the level of 28.84 million tonnes during the corresponding period of last year. Wheat procurement as on 1<sup>st</sup> October, 2009 was placed at 25.38 million tonnes which represents an increase of 11.86 per cent as compared to 22.69 million tonnes in the corresponding period of last year.

Million tonnes

	Full Marketing Year					As on 1 <sup>st</sup> October		% Change
	2003-04	2004-05	2005-06	2006-07	2007-08	2008	2009	
Million Tonnes								
Rice(Oct-Sept.)	22.83	24.68	27.66	25.08	28.49	28.84	33.30	15.46
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	34.31	39.61	51.53	58.68	13.88

### OFF-TAKE

Off-take of rice during the month of September 2009 was 22.27 lakh tonnes. This comprises: 19.09 lakh tonnes under TPDS; 3.18 lakh tonnes under other schemes; and no open/tender sale of rice. In respect of wheat, the total off-take was 16.43 lakh tonnes comprising of: 14.57 lakh tonnes under TPDS; 1.86 lakh tonnes under other schemes; and no open sales and export.

### STOCKS

Stocks of food-grains (rice and wheat) as on October 1, 2009 were 43.81 million tonnes, which was higher by 46.57 per cent over the level of 29.89 million tonnes as on October 1, 2008.

Million tonnes

	Offtake					Stocks	
	2005-06	2006-07	2007-08	2008-09	During Sep/09	Oct 1, 2008	Oct 1, 2009
Rice	25.08	25.06	25.23	24.62	2.23	7.86	15.35
Wheat	17.17	11.71	12.20	14.88	1.64	22.03	28.46
Total	42.25	36.77	37.43	39.50	3.87	29.89	43.81

## INDEX OF INDUSTRIAL PRODUCTION

Among the three major sectors, the manufacturing sector grew at 11.1 per cent in October 2009 and 7.1 per cent during April-October 2009-10 compared to -0.6 per cent in October 2008 and 4.5 per cent during April-October 2008-09. Mining grew at 8.2 per cent in October 2009 and at 7.9 per cent during April-October 2009-10 as compared to 3.2 per cent in October 2008 and 3.8 per cent in the period April-October 2008-09. The Electricity sector grew at 4.7 per cent in October 2009 and 6.5 per cent during April-October 2009-10 as compared to 4.4 per cent in October 2008 and 2.8 per cent during April-October 2008-09.

As per the use-based classification, capital goods, intermediate goods, consumer goods and durables showed growth in excess of 10 per cent during October 2009. While basic goods recorded a growth of 5.0 per cent, consumer non-durables showed 8.1 per cent growth in October 2009.

PERCENTAGE CHANGE IN IIP- SECTORWISE (Base: 1993-94=100)						
Industry Group	2007-08	2008-09	Oct 08	Oct 09	April-Oct 2008	April-Oct 2009
General index	8.5	2.6	0.1	10.3	4.3	7.1
Mining	5.1	2.6	3.2	8.2	3.8	7.9
Manufacturing	9.0	2.6	-0.6	11.1	4.5	7.1
Electricity	6.4	2.8	4.4	4.7	2.8	6.5
Use-based industrial groups						
Basic goods	7.0	2.6	3.2	5.0	3.8	6.4
Capital goods	18.0	7.1	4.2	12.2	9.7	6.3
Intermediate goods	9.0	-2.0	-4.4	14.3	-0.3	10.2
Consumer goods	6.1	4.6	-0.9	11.8	6.4	5.5
Durables	-1.0	4.5	-1.6	21.0	5.8	19.4
Non-durables	8.6	4.6	-0.6	8.1	6.6	0.8

## SIX CORE INDUSTRIES

During October 2009, six core infrastructure-supportive industries registered a growth of 3.5 per cent as compared to a growth of 2.0 per cent in October 2008.

PRODUCTION IN CORE INFRASTRUCTURE-SUPPORTIVE INDUSTRIES							
Industry	Unit	October		April – October		Oct.% Change	
		2008	2009	2008-09	2009-10	2008	2009
Coal	Mn tonnes	40.45	42.49	248.83	274.13	10.6	5.0
Electricity generation	in kwh	62338.1	65246.4	421465.1	448848.4	4.4	4.7
Crude petroleum	000 tonnes	2917	2854	19720	19453	-0.2	-2.2
Petroleum products	000 tonnes	12372	13264	87582	85795	5.0	7.2
Finished steel	000 tonnes	4471	4521	31131	31970	-4.9	1.1
Cement	000 tonnes	15260	16070	104050	115840	6.2	5.3
<b>Overall growth rate</b>	-	-	-	-	-	<b>2.0</b>	<b>3.5</b>

(!): 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 stock ( $M_3$ ) (up to November 20, 2009) increased by 9.1 per cent as compared to 9.2 per cent during the corresponding period of the last year. The year-on-year growth, as on November 20, 2009, was 18.4 per cent as compared to 19.3 per cent last year.

<b>Money Stock : Components and Sources</b>						
(Rs. crore)						
Item	Outstanding as on		Growth rates (per cent)			
	2009 (Rs. Crore)		Financial Year so far		Year on Year	
	Mar. 31	Nov.20	2008-09	2009-10	2008-09	2009-10
1	2	3	4	5	6	7
<b><math>M_3</math></b>	47,64,019	51,95,285	9.2	9.1	19.3	18.4
<b>Components (i+ii+iii+iv)</b>						
(i) Currency with the Public	6,66,364	7,23,575	8.9	8.6	17.9	16.9
(ii) Demand Deposits with Banks	5,81,247	5,76,971	-14.5	-0.7	2.4	16.7
(iii) Time Deposits with Banks	35,10,835	38,90,003	14.3	10.8	22.6	18.9
(iv) "Other" Deposits with Reserve Bank	5,573	4,736	-45.5	-15.0	3.2	-4.1
<b>Sources (i+ii+iii+iv-v)</b>						
(i) Net Bank Credit to Government (a+b)	12,77,199	14,87,583	16.7	16.5	21.9	41.8
(a) Reserve Bank	61,580	72,328				
(b) Other Banks	12,15,619	14,15,255	9.7	16.4	10.7	27.4
(ii) Bank Credit to Commercial Sector (a+b)	30,13,337	31,37,509	10.4	4.1	24.7	10.2
(a) Reserve Bank	13,820	5,396	-	-	-	-
(b) Other Banks	29,99,517	31,32,112	10.4	4.4	24.7	10.0
(iii) Net Foreign Exchange Assets of Banking Sector*	13,52,184	13,54,053	-3.8	0.1	12.6	8.7
(iv) Government's Currency Liabilities to the Public	10,054	10,504	6.1	4.5	9.7	7.3
(v) Banking Sector's Net Non-Monetary Liabilities	8,88,754	7,94,365	-0.2	-10.6	31.9	4.0
of which :						
Net Non-Monetary Liabilities of RBI	3,87,927	3,88,563	54.5	0.2	114.5	19.6
* : 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 during the financial year 2009-10 (upto November 20, 2009) had shown an increase of 1.5 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 14.6 per cent as on November 20, 2009, compared to an increase of 10.4 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 an increase of 1.8 per cent (during the financial year) as on November 20, 2009 as compared to a decline of 0.8 per cent in the same period last year. The year on year growth rate of NFA, as on November 20, 2009, recorded an increase of 6.2 per cent compared to an increase of 14.1 per cent on the corresponding date of last year.

## SCHEDULED COMMERCIAL BANKS (SCBs): BUSINESS IN INDIA

During the current financial year (up to November 20, 2009), bank credit increased by 4.4 per cent compared to an increase of 11.5 per cent during the corresponding period of last year. Non-food credit during the financial year (up to November 20, 2009) also recorded an increase of 4.7 per cent as compared to an increase of 11.5 per cent during the corresponding period of last year. The financial year growth in aggregate deposits with SCBs as on November 20, 2009 was 9.2 per cent as against a growth of 10.0 per cent in the corresponding period of last year.

Table : Select Scheduled Commercial banks – Business in India						
Items	Outstanding as on		Percentage variation			
	(Rs. crore)		Financial year so far		Year on year	
	Mar 27, 2009	November 20, 2009	2008-09	2009-10	2008-09	2009-10
1. Bank credit	2775549	2898770	11.5	4.4	27.0	10.1
Non-food credit	2729338	2856918	11.5	4.7	27.0	10.6
2. Aggregate deposits	3834110	4185924	10.0	9.2	20.3	19.0
3. Investments in Govt. and other approved securities	1166410	1361199	9.9	16.7	10.8	27.5

## INTEREST RATES (PER CENT PER ANNUM)

As on November 20, 2009, 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 1.90/3.35 per cent as compared with 3.00/9.84 per cent on the corresponding date of last year.

Policy Rates/Interest Rates		
(per cent per annum)		
Item / Week Ended	2008	2009
	Nov.21	Nov.20
1	2	3
Cash Reserve Ratio (per cent) <sup>(1)</sup>	6.50	5.00
Bank Rate	6.00	6.00
Repo Rate	9.0	4.75
Reverse Repo Rate	6.0	3.25
Prime Lending Rate <sup>(2)</sup>	13.00-13.50	11.00-12.00
Deposit Rate <sup>(3)</sup>	8.75-10.50	6.00-7.50
Call Money Rate (Low / High) <sup>(4)</sup>		
- Borrowings	3.00/9.84	1.90-3.35
- Lendings	3.00/9.84	1.90-3.35
(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 October 2009 decreased by 6.6 per cent and imports decreased by 15.0 per cent over October 2008. Oil imports decreased by 9.3 per cent and non-oil imports decreased by 17.2 per cent during October 2009 over October 2008.

US dollar million

Item	2007-08	2008-09(P)	October 08	October 09(P)	% Change in October 2009-10
Exports	162904	184191	14131	13193	-6.6
Imports	251439	298869	25869	21994	-15.0
Oil	79644	91316	7285	6608	-9.3
Non-Oil	171795	207552	18584	15387	-17.2
Trade balance	-88535	-114678	-11738	-8801	-

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
<b>At the end of</b>			<b>(over last year)</b>	
March, 2006	647327	145108	54206	9537
March, 2007	836597	191924	189270	46816
March, 2008	1196023	299230	359426	107306
March, 2009	1231340	241676	35317	-57554
			<b>(over last month)</b>	
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

Note: \* includes valuation changes. Source: RBI.

**Rupees per unit of foreign currency**

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

<b>Rupees per unit of foreign currency</b>				
	<b>US Dollar</b>	<b>Pound Sterling</b>	<b>Japanese Yen</b>	<b>Euro</b>
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

@ FEDAI Rates

**EXTERNAL ASSISTANCE AND DEBT SERVICE PAYMENTS**

Gross external aid in November, 2009 at Rs. 2,728.95 crore was 10.9 per cent higher than that of Rs. 2,460.53 crore in November, 2008. Net disbursement was Rs. 2015.44 crore in November, 2009 as compared to Rs. 1690.78 crore in November 2008. Net transfers were Rs.1838.48 crore in November 2009 as compared to Rs. 1465.33 crore in November 2008.

**EXTERNAL ASSISTANCE AND DEBT SERVICE PAYMENTS**

(Rs. crore)

MONTH :	NOVEMBER		FINANCIAL YEAR:	2009-2010
	NOVEMBER 2009	During the Financial year 2009-2010	NOVEMBER 2008	During the Financial year 2008-2009
<b>External Assistance (Government Account)</b>				
1) Gross Disbursement	2,654.74	12,826.14	2,164.06	10,486.28
2) Repayments	713.51	6,684.47	730.28	5,541.34
3) Interest Payments	176.96	2,172.89	201.49	2,315.13
4) Net Disbursement (1-2)	1,941.23	6,141.67	1,433.78	4,944.94
5) Net Transfers (4-3)	1,764.27	3,968.78	1,232.29	2,629.81
<b>External Assistance (Non-Government Account)</b>				
1) Gross Disbursement	37.20	3,394.94	159.30	1,961.47
2) Repayments	0.00	666.48	39.47	536.67
3) Interest Payments	0.00	371.13	23.96	391.30
4) Net Disbursement (1-2)	37.20	2,728.46	119.83	1,424.80
5) Net Transfers (4-3)	37.20	2,357.33	95.87	1,033.50
<b>Govt Grants</b>				
1) Gross Disbursement	37.01	1,534.68	136.89	1,072.31
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)	37.01	1,534.68	136.89	1,072.31
5) Net Transfers (4-3)	37.01	1,534.68	136.89	1,072.31
<b>Non Govt. Grants</b>				
1) Gross Disbursement	0.00	8.06	0.28	22.31
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	0.28	22.31
5) Net Transfers (4-3)	0.00	8.06	0.28	22.31
<b>Grand Total</b>				
1) Gross Disbursements	2,728.95	17,763.82	2,460.53	13,542.37
2) Repayments	713.51	7,350.95	769.75	6,078.01
3) Interest Payments	176.96	2,544.02	225.45	2,706.43
4) Net Disbursement (1-2)	2,015.44	10,412.87	1,690.78	7,464.36
5) Net Transfers (4-3)	1,838.48	7,868.85	1,465.33	4,757.93



## INFLATION

Year-on-year inflation measured in terms of WPI for November 2009 at 4.78 per cent showed an acceleration of 435 basis points compared to October 2009, The index also accelerated to 245.4 from 242.2 in the previous month. Inflation had remained in the negative zone since June 2009 to August 2009 due to deflation 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 2008-09 it stood at 8.48 per cent a year ago in November 2008 (Table 1) and 3.25 per cent two years ago in November 2007.

**Financial Year inflation:** For **November** 2009, the rise in WPI has been 7.54 per cent as compared to 3.86 per cent during the corresponding period last year. The average inflation rate for last 12 month in **November**, 2009 stood at **1.88** per cent as compared to 8.93 per cent during same period in 2008-09. Current price situation in WPI as compared to the last year is indicated in table 1.

<b>Table 1: Current price situation based on monthly Wholesale Price Index (Base: 1993-94)</b>							
Items/Groups	Weight (%)	Percent variation during					
		Cumulative change (%) from March		Inflation (%) (Year-on-year)		Inflation (%) (Average of last 12 months)	
		In November		In November		In November	
		2008-09	2009-10	2008-09	2009-10	2008-09	2009-10
<b>All Commodities</b>	<b>100.00</b>	3.86	7.54	8.48	4.78	8.93	1.88
1. Primary articles	22.02	6.36	13.05	12.06	11.84	9.51	8.15
2. Fuel and Power	14.23	1.90	7.45	6.39	-0.89	10.07	-6.07
3. Manufactured	63.75	3.52	5.23	7.81	3.99	8.25	2.39

## CONSUMER PRICE INDEX

All India Consumer Price Index for Industrial Workers (CPI-IW) for October 2009 stood at 165. The year-on-year inflation in October, 2009 was 11.49 per cent which is higher than the level of 10.45 per cent in October, 2008.

<b>CPI-IW Group Inflation</b>								
Month / Year/	General	Food	Pan, supari, Tobacco & Intoxicants	Fuel & light	Housing	Clothing, bedding & footwear	Miscellaneous group	Non-food
<b>Weight</b>	<b>100.00</b>	<b>46.20</b>	<b>2.27</b>	<b>6.43</b>	<b>15.27</b>	<b>6.57</b>	<b>23.26</b>	<b>53.80</b>
<b>Oct-08</b>	<b>10.45</b>	<b>14.39</b>	<b>9.38</b>	<b>9.85</b>	<b>3.82</b>	<b>3.39</b>	<b>8.33</b>	6.82
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
<b>Oct-09</b>	<b>11.49</b>	<b>13.84</b>	<b>7.14</b>	<b>2.76</b>	<b>22.06</b>	<b>4.10</b>	<b>4.20</b>	9.17

### WORLD COMMODITY PRICE

Commodity	Unit	Nov-08	Mar-09	Jun-09	Sep-09	Oct-09	Nov-09
<b>Energy</b>							
Coal, Australia	\$/mt	92.3	61.0	71.4	67.6	71.1	78.8
Crude oil, avg, spot	\$/bbl	54.0	46.6	69.1	68.3	74.1	77.6
Crude oil, Brent	\$/bbl	53.2	46.8	68.6	67.7	73.2	77.0
Crude oil, Dubai	\$/bbl	51.4	45.6	69.2	67.9	73.3	77.6
Natural gas, US	\$/mmbtu	6.7	4.0	3.8	3.0	4.0	3.7
<b>Agriculture</b>							
Coffee	c/kg	200.1	168.2	162.7	162.7	162.1	153.2
Tea	c/kg	196.7	219.0	278.2	315.7	302.7	305.3
Coconut oil	\$/mt	719.0	625.0	747.0	701.0	706.0	731.3
Groundnut oil	\$/mt	1772.0	1214.0	1154.0	1120.0	1148.0	1115.0
Palm oil	\$/mt	488.0	598.0	726.0	674.0	680.0	727.5
Palm kernel oil	\$/mt	527.0	587.0	741.0	704.0	727.5	726.0
Soybean meal	\$/mt	323.0	344.0	446.3	425.0	412.5	420.8
Soybean oil	\$/mt	824.0	727.0	896.0	846.0	897.0	939.3
Maize	\$/mt	163.8	164.6	179.5	150.4	167.3	171.6
Rice,	\$/mt	552.0	588.3	574.5	518.8	493.0	542.8
Wheat, US, HRW	\$/mt	226.8	230.9	256.6	191.1	198.8	211.0
Wheat US SRW	\$/mt	183.0	183.7	201.7	158.4	175.6	204.7
Oranges	\$/mt	853.3	846.5	816.3	1030.9	1152.6	1154.4
Sugar, world	c/kg	26.7	29.5	36.2	50.8	49.9	49.1
<b>Raw Materials</b>							
Logs, Malaysia	\$/cum	316.0	288.6	279.3	280.8	276.6	272.0
Plywood	c/sheets	646.5	570.8	563.6	560.7	559.3	558.6
Wood pulp	\$/mt	719.8	537.7	565.7	657.6	693.5	755.0
Cotton A Index	c/kg	121.1	113.5	135.4	141.2	147.3	158.1
Rubber, US	c/kg	209.4	161.8	187.6	248.7	264.8	279.3
Rubber, Singapore	c/kg	171.3	143.1	167.5	217.2	235.2	255.1
<b>Fertilizers</b>							
DAP	\$/mt	612.5	367.6	277.8	316.8	300.1	290.3
Phosphate rock	\$/mt	350.0	157.5	96.9	90.0	90.0	90.0
Potassium chloride	\$/mt	765.0	870.0	717.5	428.9	438.9	435.0
Urea, E. Europe, bulk	\$/mt	245.8	265.4	237.4	233.9	239.0	244.8
<b>Metals and Minerals</b>							
Aluminium	\$/mt	1852.4	1335.8	1573.7	1834.1	1878.6	1949.3
Copper	\$/mt	3717.0	3749.8	5014.0	6196.4	6288.0	6675.6
Gold	\$/toz	760.9	924.3	945.7	996.6	1043.2	1127.0
Iron ore	c/dmtu	140.6	140.6	101.0	101.0	101.0	101.0
Lead	c/kg	129.1	123.9	167.4	220.5	224.1	230.9
Nickel	\$/mt	10701.5	9696.4	14960.5	17473.2	18525.2	16991.2
Silver	c/toz	986.8	1311.5	1465.9	1648.5	1726.4	1787.7
Steel cr coil sheet	\$/mt	1100.0	900.0	700.0	700.0	700.0	700.0
Steel hr coil sheet	\$/mt	1000.0	800.0	600.0	600.0	600.0	600.0
Tin	c/kg	1364.4	1067.6	1498.6	1486.9	1500.9	1494.2
Zinc	c/kg	115.3	121.7	155.7	188.4	207.2	219.3

Source : World Bank - The Pink Sheet

### Trends in Central Government Finances: April-October 2009

	Budget Estimates	April-October		Col.3 as % of	Col. 4 as % of	% Change over preceding year	
	2009-10	2008-09	2009-10	2008-09 BE	2009-10 BE	2008-09	2009-10 (4/3)
	(Rs. Crore)						
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
<b>1. Revenue Receipts</b>	<b>6,14,497</b>	<b>2,89,400</b>	<b>2,84,479</b>	<b>48.0</b>	<b>46.3</b>	<b>17.4</b>	<b>-1.7</b>
<b>Gross tax revenue</b>	<b>6,41,079</b>	<b>3,23,259</b>	<b>2,98,860</b>	<b>47.0</b>	<b>46.6</b>	<b>20.3</b>	<b>-7.5</b>
Tax (net to Centre)	4,74,218	2,32,396	2,13,896	45.8	45.1	19.0	-8.0
Non Tax	1,40,279	57,004	70,583	59.5	50.3	11.3	23.8
<b>2. Capital Receipts</b>	<b>4,06,341</b>	<b>1,18,995</b>	<b>2,52,382</b>	<b>80.4</b>	<b>62.1</b>	<b>-2.7</b>	<b>112.1</b>
of which:							
Recovery of loans	4,225	1,882	3,002	41.9	71.1	-21.6	59.5
Other Receipts	1,120	43	4,305	0.4	384.4		
Borrowings and other liabilities	4,00,996	1,17,070	2,45,075	87.8	61.1	42.3	109.3
<b>3. Total Receipts (1+2)</b>	<b>10,20,838</b>	<b>4,08,395</b>	<b>5,36,861</b>	<b>54.4</b>	<b>52.6</b>	<b>10.7</b>	<b>31.5</b>
<b>4. Non-Plan Expenditure (a)+(b)</b>	<b>6,95,689</b>	<b>2,88,657</b>	<b>3,88,837</b>	<b>56.9</b>	<b>55.9</b>	<b>7.1</b>	<b>34.7</b>
(a) Revenue Account	6,18,834	2,73,207	3,65,535	60.9	59.1	22.1	33.8
of which:							
Interest payments	2,25,511	1,00,849	1,01,093	52.9	44.8	12.1	0.2
Major Subsidies	1,05,579	62,671	83,114	94.2	78.7	47.5	32.6
Pensions	34,980	15,143	25,402	60.4	72.6	20.1	67.7
(b) Capital Account	76,855	15,450	23,302	26.1	30.3	-66.2	50.8
<b>5. Plan Expenditure (i)+(ii)</b>	<b>3,25,149</b>	<b>1,19,738</b>	<b>1,48,024</b>	<b>49.2</b>	<b>45.5</b>	<b>20.5</b>	<b>23.6</b>
(i) Revenue Account	2,78,398	1,03,220	1,25,738	49.2	45.2	28.5	21.8
(ii) Capital Account	46,751	16,518	22,286	49.1	47.7	-13.3	34.9
<b>6. Total Expenditure (4)+(5)=(a)+(b)</b>	<b>10,20,838</b>	<b>4,08,395</b>	<b>5,36,861</b>	<b>54.4</b>	<b>52.6</b>	<b>10.7</b>	<b>31.5</b>
(a) Revenue Expenditure	8,97,232	3,76,427	4,91,273	57.2	54.8	23.8	30.5
(b) Capital Expenditure	1,23,606	31,968	45,588	34.5	36.9	-50.7	42.6
<b>7. Revenue Deficit</b>	<b>2,82,735</b>	<b>87,027</b>	<b>2,06,794</b>	<b>157.7</b>	<b>73.1</b>	<b>51.2</b>	<b>137.6</b>
<b>8. Fiscal Deficit</b>	<b>4,00,996</b>	<b>1,17,070</b>	<b>2,45,075</b>	<b>87.8</b>	<b>61.1</b>	<b>42.3</b>	<b>109.3</b>
<b>9. Primary Deficit</b>	<b>1,75,485</b>	<b>16,221</b>	<b>1,43,982</b>	<b>-28.2</b>	<b>82.0</b>	<b>-309.9</b>	<b>787.6</b>

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