

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

**MONTHLY ECONOMIC REPORT
OCTOBER 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 (1st June -30th September 2009) for the country as a whole is 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 47.28 million tonnes as on September 1, 2009.
- Overall growth in the Index of Industrial Production (IIP) was 9.1 per cent during September 2009 as compared to 6.0 per cent in September 2008. During April-September 2009-10, IIP growth was 6.5 per cent compared to 5.0 per cent during April-September 2008.
- Core infrastructure-supportive sectors grew by 4.0 per cent in September 2009 – the same level as in September, 2008. During April-September 2009. These sectors grew at 5.0 per cent as compared to a level of 3.4 per cent during April-September, 2008.
- During the current financial year 2009-10 (up to October 23, 2009), broad money stock (M₃) increased by 8.2 per cent as compared to 8.5 per cent during the corresponding period of the last year.
- Exports, in US dollar terms decreased by 13.8 per cent and imports decreased by 31.3 per cent, during September 2009.
- Foreign exchange reserves (excluding gold, SDRs and Reserve Tranche Position in the IMF) stood at US \$ 267.02 billion at the end of October, 2009.
- Rupee appreciated against US dollar, Pound Sterling, Japanese Yen and Euro in the month of October 2009 over September 2009, touching a level of Rs. 46.72, 75.73, 0.5176 and 69.29 per US dollar respectively.
- Year-on-year inflation in terms of Wholesale Price Index was 1.34 per cent for the month of October, 2009 as compared to 11.06 per cent in October 2008.
- Tax revenue (net to Centre) during April-September, 2009 declined by 8.2 per cent compared with corresponding period of 2008-09.
- As a proportion of budget estimate (BE), fiscal deficit during April-September 2009 was 49.3 per cent and revenue deficit was 58.4 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)
1 Agriculture, forestry & fishing	5.8	4.0	4.9	1.6	19.5	18.5	17.8	17.0
2 Industry	10.2	11.0	8.1	3.9	26.4	26.7	26.5	25.8
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
3 Services	10.6	11.2	10.9	9.7	54.1	54.8	55.7	57.3
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
4 GDP at factor cost	9.5	9.7	9.0	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)									
Sector(s)	2007/08				2008/09				2009/10
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
1. Agriculture, forestry & fishing	4.3	3.9	8.1	2.2	3.0	2.7	-0.8	2.7	2.4
Industry	9.2	9.1	8.2	6.2	6.0	6.1	2.3	1.4	5.0
2. Mining & quarrying	0.1	3.8	4.2	4.7	4.6	3.7	4.9	1.6	7.9
3. Manufacturing	10.0	8.2	8.6	6.3	5.5	5.1	0.9	-1.4	3.4
4. Electricity, gas & water supply	6.9	5.9	3.8	4.6	2.7	3.8	3.5	3.6	6.2
5. Construction	11.0	13.4	9.7	6.9	8.4	9.6	4.2	6.8	7.1
Services	10.8	10.3	10.3	11.8	10.2	9.8	10.2	8.6	7.8
6. Trade, hotels, transport & communication	13.1	10.9	11.7	13.8	13.0	12.1	5.9	6.3	8.1
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
8. Community, social & personal services	4.5	7.1	5.5	9.5	8.2	9.0	22.5	12.5	6.8
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

AGRICULTURE

POST-MONSOON SEASON RAINFALL*

During the post monsoon season (October - December 2009), as on 11.11.2009, rainfall was normal/excess 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 2009-10, SW Monsoon Season June 1 to September 30, 2009, rainfall was normal/excess in 13 meteorological sub-divisions (36.11 per cent of total) and deficient/scanty in the remaining 23 sub-divisions (63.89 per 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, the 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 3.11.2009, the 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 1st September, 2009 stood at 32.94 million tonnes which represents an increase of 19.39 per cent over the level of 27.59 million tonnes during the corresponding period of last year. Wheat procurement as on 1st September, 2009 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 period of last year.

Million tonnes

	Full Marketing Year					As on 1 st September		% 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	27.59	32.94	19.39
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	50.28	58.32	15.99

OFF-TAKE

Off-take of rice during the month of August 2009 was 27.27 lakh tonnes. This comprises: 24.15 lakh tonnes under TPDS; 3.12 lakh tonnes under other schemes; and 0.00013 lakh tonnes under open/tender sale of rice. In respect of wheat, the total offtake was 16.73 lakh tonnes comprising of: 15.76 lakh tonnes under TPDS; 0.97 lakh tonnes under other schemes with no open sales and export.

STOCKS

Stocks of food-grains (rice and wheat) as on September 1, 2009 were 47.28 million tonnes, which was higher by 49.00 per cent over the level of 31.73 million tonnes as on September 1, 2008.

Mn tonnes	Offtake					Stocks	
	2005-06	2006-07	2007-08	2008-09	During Aug/09	Sep 1, 2008	Sep 1, 2009
Rice	25.04	25.06	25.23	24.62	2.73	8.47	17.21
Wheat	17.16	11.71	12.20	14.88	1.67	23.26	30.07
Total	42.20	36.77	37.43	39.50	4.40	31.73	47.28

INDEX OF INDUSTRIAL PRODUCTION

Among the three major sectors, the manufacturing sector grew at 9.3 per cent in September 2009 and 6.3 per cent during April-September 2009-10 compared to 6.2 per cent in September 2008 and 5.3 per cent during April-September 2008-09. Mining grew at 8.6 per cent in September 2009 and at 8.2 per cent during April-September 2009-10 as compared to 5.8 per cent in September 2008 and 3.8 per cent in the period April-September 2008-09. The Electricity sector grew at 7.9 per cent in September 2009 and 6.8 per cent during April-September 2009-10 as compared to 4.4 per cent in September 2008 and 2.5 per cent during April-September 2008-09.

As per the use-based classification, capital goods, intermediate goods and consumer durables showed growth in excess of 10 per cent during September 2009. While basic goods recorded a growth of 6.7 per cent, consumer non- durables showed only 2.6 per cent growth in September 2009.

PERCENTAGE CHANGE IN IIP- SECTORWISE (Base: 1993-94=100)						
Industry Group	2007-08	2008-09	Sept 08	Sept 09	April-Sept 2008	April-Sept 2009
General index	8.5	2.6	6.0	9.1	5.0	6.5
Mining	5.1	2.6	5.8	8.6	3.8	8.2
Manufacturing	9.0	2.6	6.2	9.3	5.3	6.3
Electricity	6.4	2.8	4.4	7.9	2.5	6.8
Use-based industrial groups						
Basic goods	7.0	2.6	5.0	6.7	3.9	6.7
Capital goods	18.0	7.1	20.8	12.8	10.7	5.3
Intermediate goods	9.0	-2.0	-2.5	10.8	0.4	9.5
Consumer goods	6.1	4.6	7.4	8.2	7.6	4.3
Durables	-1.0	4.5	14.7	22.2	7.2	18.9
Non-durables	8.6	4.6	4.8	2.6	7.7	-0.5

SIX CORE INDUSTRIES

During September 2009, six core infrastructure-supportive industries registered a growth of 4.0 per cent – the same level as in September 2008.

PRODUCTION IN CORE INFRASTRUCTURE-SUPPORTIVE INDUSTRIES							
Industry	Unit	September		April – September		Sept.% Change	
		2008	2009	2008-09	2009-10	2008	2009
Coal	Mn tonnes	34.51	37.75	206.10	229.92	11.2	6.5
Electricity generation	in kwh	59120.2	63564.8	359127.0	383368.2	4.4	7.5
Crude petroleum	000 tonnes	2784	2770	16802	16600	-0.4	-0.5
Petroleum products	000 tonnes	12182	12597	75210	72532	2.8	3.4
Finished steel	000 tonnes	4577	4558	26660	27449	2.1	-0.4
Cement	000 tonnes	14390	15330	88790	99730	8.1	6.5
Overall growth rate	-	-	-	-	-	4.0	4.0

(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 (up to October 23, 2009), broad money stock (M₃) increased by 8.2 per cent as compared to 8.5 per cent during the corresponding period of the last year. The year-on-year growth, as on October 23, 2009 was 18.3 per cent as compared to 20.5 per cent last year.

Money Stock : Components and sources							
(Rs. crore)							
Item	Outstanding as on			Growth rates (per cent)			
	2009 (Rs. Crore)			Financial Year so far		Year on Year	
				2008-09	2009-10		
	Mar. 31	Oct. 23		%	%	%	%
1	2	3	4	5	6	7	
M₃	47,64,019	51,55,329	8.5	8.2	20.5	18.3	
Components (i+ii+iii+iv)							
(i) Currency with the public	6,66,364	7,13,005	7.5	7.0	20.7	16.7	
(ii) Demand Deposits with Banks	5,81,247	5,93,872	-10.7	2.2	12.9	15.0	
(iii) Time Deposits with Banks	35,10,835	38,44,491	12.7	9.5	21.9	19.2	
(iv) "Other" Deposits with Reserve Bank	5,573	3,960	-44.4	-28.9	3.7	-21.4	
Sources (i+ii+iii+iv-v)							
(i) Net Bank Credit to Government (a+b)	12,77,199	14,52,111	10.1	13.7	16.8	46.6	
(a) Reserve Bank	61,580	43,722					
(b) Other Banks	12,15,619	14,08,389	8.6	15.9	11.6	28.1	
(ii) Bank Credit to Commercial Sector (a+b)	30,13,337	31,12,140	10.0	3.3	26.9	9.7	
(a) Reserve Bank	13,820	6,491	-	-	-	-	
(b) Other Banks	29,99,517	31,05,649	10.0	3.5	26.9	9.6	
(iii) Net Foreign Exchange Assets of Banking Sector*	13,52,184	13,48,070	0.7	-0.3	22.4	3.3	
(iv) Government's Currency Liabilities to the Public	10,054	10,504	5.5	4.5	11.1	7.9	
(v) Banking Sector's Net Non-Monetary Liabilities	8,88,754	7,67,497	2.4	-13.6	44.5	-2.0	
of which :							
Net Non-Monetary Liabilities of RBI	3,87,927	3,87,606	58.5	-0.1	140.7	16.4	
* : 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.							

The variation in reserve money during the financial year 2009-10 (upto October 23, 2009) showed a decline of 1.8 per cent as compared to a decline of 6.5 per cent in the corresponding period of the previous year. Year-on-year, there was an increase of 11.8 per cent as on October 23, 2009, compared to an increase of 12.7 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 only 1.3 per cent (during the financial year) as on October 23, 2009 as compared to an increase of 4.0 per cent in the same period last year. The year on year growth in NFA, as on October 23, 2009 was 0.9 per cent compared to an increase of 24.2 per cent on the corresponding date last year.

SCHEDULED COMMERCIAL BANKS (SCBs): BUSINESS IN INDIA

During the current financial year (up to October 23, 2009), bank credit increased by 3.4 per cent compared to an increase of 10.8 per cent during the corresponding period of last year. Non-Food credit during the financial year (up to October 23, 2009) also recorded an increase of 3.8 per cent as compared to an increase of 10.8 per cent during the corresponding period of last year. The financial year growth in aggregate deposits with SCBs as on October 23, 2009 was 8.3 per cent as against an increase of 9.1 per cent in the corresponding period of last year.

Select Scheduled Commercial banks – Business in India						
Items	Outstanding as on(Rs. crore)		Percentage variation			
	Mar 27, 2009	Oct 23 2009	Financial year so far		Year on year	
			2008-09	2009-10	2008-09	2009-10
1. Bank credit	2775549	2868566	10.8	3.4	29.1	9.7
Non-Food credit	2729338	2832553	10.8	3.8	29.0	10.3
2. Aggregate deposits	3834110	4152946	9.1	8.3	21.1	19.0
3. Investments in Govt. and other approved securities	1166410	1353207	8.6	16.0	11.5	28.2

INTEREST RATES (PER CENT PER ANNUM)

As on October 23, 2009, Bank Rate was 6.00 per cent, the same as on the corresponding date last year. Call money rates (borrowing & lending) were in the range of 1.50/4.10 per cent as compared with the range of 2.00/10.29 per cent on the corresponding date of last year.

Policy rates/Interest rates (per cent per annum)		
Item / Week Ended	2008	2009
	Oct.24	Oct. 23
Cash Reserve Ratio (per cent) ⁽¹⁾	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 ⁽²⁾	13.75-14.00	11.00-12.00
Deposit Rate ⁽³⁾	8.75-10.50	6.25-7.50
Call Money Rate (Low / High) ⁽⁴⁾		
- Borrowings	2.00/10.29	1.50/4.10
- Lendings	2.00/10.29	1.50/4.10

(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 September 2009 decreased by 13.8 per cent and imports decreased by 31.3 per cent over September 2008. Oil imports decreased by 33.5 per cent and non-oil imports decreased by 30.4 per cent during September 2009 over September 2008.

US dollar Million

Item	2007-08	2008-09(P)	September 08	September 09(P)	% Change September 09-10
Exports	162904	184191	15789	13608	-13.8
Imports	251439	298869	31136	21377	-31.3
Oil	79644	91316	9543	6343	-33.5
Non-Oil	171795	207552	21592	15034	-30.4
Trade balance	-88535	-114678	-15347	-7769	-

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

Note: * includes valuation changes. Source: RBI.

Rupees per unit of foreign currency

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

@ FEDAI Rates

EXTERNAL ASSISTANCE AND DEBT SERVICE PAYMENTS

Gross external aid in October, 2009 at Rs. 1,916.16 crore was 14.5 per cent higher than that of Rs. 1,673.30 crore in October, 2008. Net disbursement was Rs. 1,436.53 crore in October, 2009 as compared to Rs. 1,190.50 crore in October 2008. Net transfers were Rs.1,215.50 crore in October 2009 as compared to Rs.960.94 crore in October 2008.

EXTERNAL ASSISTANCE AND DEBT SERVICE PAYMENTS

(Rs. crore)

MONTH :	OCTOBER		FINANCIAL YEAR:	2009-2010
	OCTOBER 2009	During the Financial year 2009-2010	OCTOBER 2008	During the Financial year 2008-2009
<u>External Assistance (Government Account)</u>				
1) Gross Disbursement	1,261.85	10,016.23	1,320.64	8,322.23
2) Repayments	479.63	5,970.96	482.80	4,811.06
3) Interest Payments	221.03	1,992.08	224.29	2,113.64
4) Net Disbursement (1-2)	782.22	4,045.27	837.84	3,511.17
5) Net Transfers (4-3)	561.19	2,053.19	613.55	1,397.53
<u>External Assistance (Non-Government Account)</u>				
1) Gross Disbursement	31.57	2,767.43	127.97	1,802.18
2) Repayments	0.00	654.61	0.00	497.20
3) Interest Payments	0.00	362.66	5.27	367.35
4) Net Disbursement (1-2)	31.57	2,112.82	127.97	1,304.98
5) Net Transfers (4-3)	31.57	1,750.16	122.70	937.63
<u>Govt. Grants</u>				
1) Gross Disbursement	622.74	1,472.86	221.37	935.42
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)	622.74	1,472.86	221.37	935.42
5) Net Transfers (4-3)	622.74	1,472.86	221.37	935.42
<u>Non Govt. Grants</u>				
1) Gross Disbursement	0.00	8.06	3.32	22.03
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	3.32	22.03
5) Net Transfers (4-3)	0.00	8.06	3.32	22.03
<u>Grand Total</u>				
1) Gross Disbursements	1,916.16	14,264.58	1,673.30	11,081.86
2) Repayments	479.63	6,625.57	482.80	5,308.26
3) Interest Payments	221.03	2,354.74	229.56	2,480.99
4) Net Disbursement (1-2)	1,436.53	7,639.01	1,190.50	5,773.60
5) Net Transfers (4-3)	1,215.50	5,284.27	960.94	3,292.61

INFLATION

The annual rate of inflation based on Wholesale Price Index (WPI) stood at 1.34 per cent for October, 2009 as compared to 11.06 per cent a year ago. This rate was composed of an increase in WPI of 8.71 per cent in Primary Articles and 1.36 per cent in Manufactured Products. However, a decline of 6.55 per cent in Fuel, Power, Lights and Lubricants was observed as against an increase of 12.38 per cent, 9.41 per cent and 14.06 per cent respectively on the corresponding month of last year.

Movement in Monthly Wholesale Price Index (Base: 1993-94)					
Items/Groups	Weight (%)	Percent variation during			
		Cumulative change (%) from March		Inflation (%) (Year-on-year)	
		In October		In October	
		2008-09	2009-10	2008-09	2009-10
All Commodities	100.00	5.99	6.13	11.06	1.34
1. Primary articles	22.02	6.61	10.15	12.38	8.71
2. Fuel and Power group	14.23	8.11	7.48	14.06	-6.55
3. Manufactured Products	63.75	4.90	3.94	9.41	1.36

CONSUMER PRICE INDEX

All India Consumer Price Index for Industrial Workers (CPI-IW) for September 2009 stood at 163. The year-on-year inflation in September, 2009 was 11.64 per cent which is higher than the level of 9.77 per cent in September, 2008.

Movement in Consumer Price Index for Industrial Workers (CPI-IW)		
(Base : 2001=100)		
	2008-09	2009-10
	September -2008	September -2009
Annual inflation	9.77	11.64
Financial Year inflation	6.57	10.14
Per cent change over last month	0.69	0.62
Level of Index	146	163
Average of 12 months, CPI in September 2009	138.25	152.17

WORLD COMMODITY PRICE

Commodity	Unit	Quarterly averages					Monthly averages		
		Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sep	Aug	Sep	Oct
		2008	2008	2009	2009	2009	2009	2009	2009
Energy									
Coal, Australia	\$/mt	162.8	93.0	71.9	66.5	71.3	72.5	67.6	71.1
Crude oil, avg, spot	\$/bbl	115.7	56.0	44.1	59.2	68.2	71.6	68.3	74.1
Crude oil, Brent	\$/bbl	115.6	55.9	45.0	59.1	68.4	72.5	67.7	73.2
Crude oil, Dubai	\$/bbl	113.5	53.7	44.6	58.9	68.1	71.3	67.9	73.3
Natural gas, US	\$/mmbtu	9.0	6.4	4.6	3.7	3.2	3.1	3.0	4.0
Agriculture									
Coffee, robusta	c/kg	244.8	192.6	175.8	165.3	160.1	159.5	162.7	162.1
Tea, auctions	c/kg	272.3	206.6	217.0	266.1	303.6	299.2	315.7	302.6
Coconut oil	\$/mt	1246.3	771.7	677.3	778.8	711.0	747.0	701.0	703.8
Groundnut oil	\$/mt	2416.5	1772.7	1283.3	1166.0	1133.3	1131.0	1120.0	1143.8
Palm oil	\$/mt	928.0	512.0	577.3	743.0	678.7	723.0	674.0	678.8
Palmkernel oil	\$/mt	1114.3	609.0	577.3	762.7	699.7	729.0	704.0	727.5
Soybean meal	\$/mt	450.3	320.3	364.5	423.8	430.7	438.0	425.0	412.5
Soybean oil	\$/mt	1353.0	830.0	754.8	863.0	856.0	886.0	846.0	900.8
Maize	\$/mt	244.7	168.4	166.9	176.0	151.3	152.0	150.4	167.3
Rice, Thailand, 25 or 5%	\$/mt	703.0	564.4	586.3	552.4	539.0	526.3	518.8	490.3
Wheat, US, HRW	\$/mt	317.7	228.1	231.6	251.1	208.6	210.1	190.8	198.8
Wheat US SRW	\$/mt	241.5	182.7	187.4	195.6	165.2	161.7	158.4	175.6
Oranges	\$/mt	1162.5	841.6	798.6	869.8	853.0	836.3	1030.9	1163.2
Sugar, world	c/kg	31.1	26.3	28.9	33.9	47.0	49.5	50.8	49.9
Raw Materials									
Logs, Malaysia	\$/cum	277.7	315.7	313.6	284.5	279.6	276.6	280.8	276.6
Plywood	c/sheets	648.6	645.5	572.8	565.8	561.5	562.0	560.7	559.3
Woodpulp	\$/mt	848.8	711.0	564.6	549.9	625.1	629.2	657.6	680.0
Cotton A Index	c/kg	168.2	126.9	120.8	132.3	141.9	141.6	141.2	147.3
Rubber, US	c/kg	329.1	202.8	165.8	187.0	221.0	223.1	248.7	264.8
Rubber, Singapore	c/kg	301.5	161.7	146.0	166.4	199.3	205.9	217.2	235.2
Fertilizers									
DAP	\$/mt	1153.7	663.3	362.2	303.6	309.6	318.6	316.8	300.1
Phosphate rock	\$/mt	409.2	371.3	193.3	113.3	90.0	90.0	90.0	90.0
Potassium chloride	\$/mt	635.0	766.7	865.2	726.7	505.6	432.5	428.9	438.9
Urea, E. Europe, bulk	\$/mt	745.4	292.2	267.3	241.1	241.6	247.1	233.9	239.0
Metals and Minerals									
Aluminium	\$/mt	2787.1	1821.4	1359.7	1485.0	1811.9	1933.8	1834.1	1878.6
Copper	\$/mt	7679.9	3904.9	3428.4	4663.0	5859.1	6165.3	6196.4	6288.0
Gold	\$/toz	869.6	794.5	908.7	921.5	960.1	949.4	996.6	1043.2
Iron ore	c/dmtu	140.6	140.6	140.6	127.4	101.0	101.0	101.0	101.0
Lead	c/kg	191.2	124.5	115.7	149.9	192.8	190.0	220.5	224.1
Nickel	\$/mt	18960.8	10842.6	10470.7	12920.4	17699.8	19641.8	17473.2	18525.2
Silver	c/toz	1494.5	1020.4	1265.0	1376.4	1476.7	1443.0	1648.5	1726.4
Steel cr coilsheet	\$/mt	1100.0	1100.0	1033.3	700.0	700.0	700.0	700.0	700.0
Steel hr coilsheet	\$/mt	1000.0	1000.0	933.3	600.0	600.0	600.0	600.0	600.0
Tin	c/kg	2051.1	1309.5	1102.9	1350.8	1459.3	1487.0	1486.9	1500.9
Zinc	c/kg	177.0	118.5	117.2	147.3	176.1	182.2	188.4	207.2

Source : World Bank - The Pink Sheet

Trends in Central Government Finances: April-September 2009

	Budget Estimates 2009-10	April-September		Col.3 as % of 2008-09 BE	Col. 4 as % of 2009-10 BE	% Change over proceeding year	
		2008-09	2009-10			2008-09	2009-10 (4/3)
(Rs. Crore)							
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1. Revenue Receipts	6,14,497	2,44,898	2,44,471	40.6	39.8	23.7	-0.2
Gross tax revenue	6,41,079	2,80,141	2,58,880	40.7	40.4	25.3	-7.6
Tax (net to Centre)	4,74,218	2,02,247	1,85,669	39.9	39.2	26.0	-8.2
Non Tax	1,40,279	42,651	58,802	44.5	41.9	13.9	37.9
2. Capital Receipts	4,06,341	1,04,183	2,04,377	70.4	50.3	-13.1	96.2
of which:							
Recovery of loans	4,225	1,486	2,302	33.0	54.5	-26.8	54.9
Other Receipts	1,120	43	4,300	0.4	383.9		
Borrowings and other liabilities	4,00,996	1,02,654	1,97,775	77.0	49.3	26.4	92.7
3. Total Receipts (1+2)	10,20,838	3,49,081	4,48,848	46.5	44.0	9.8	28.6
4. Non-Plan Expenditure (a)+(b)	6,95,689	2,40,629	3,22,070	47.4	46.3	4.1	33.8
(a) Revenue Account	6,18,834	2,29,484	3,01,291	51.2	48.7	22.4	31.3
of which:							
Interest payments	2,25,511	86,061	86,669	45.1	38.4	18.2	0.7
Major Subsidies	1,05,579	54,916	66,013	82.5	62.5	57.1	20.2
Pensions	34,980	12,247	21,271	48.8	60.8	14.6	73.7
(b) Capital Account	76,855	11,145	20,779	18.8	27.0	-74.5	86.4
5. Plan Expenditure (i)+(ii)	3,25,149	1,08,452	1,26,778	44.6	39.0	25.0	16.9
(i) Revenue Account	2,78,398	93,727	1,08,163	44.7	38.9	31.0	15.4
(ii) Capital Account	46,751	14,725	18,615	43.8	39.8	-3.0	26.4
6. Total Expenditure (4)+(5)=(a)+(b)	10,20,838	3,49,081	4,48,848	46.5	44.0	9.8	28.6
(a) Revenue Expenditure	8,97,232	3,23,211	4,09,454	49.1	45.6	24.8	26.7
(b) Capital Expenditure	1,23,606	25,870	39,394	27.9	31.9	-56.0	52.3
7. Revenue Deficit	2,82,735	78,313	1,64,983	141.9	58.4	28.1	110.7
8. Fiscal Deficit	4,00,996	1,02,654	1,97,775	77.0	49.3	26.4	92.7
9. Primary Deficit	1,75,485	16,593	1,11,106	-28.8	63.3	98.0	569.6

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