



Update on Indian Economy June 2009

Economic Snapshot

Contents	Item	Units				(% Change	
			May	April	May	[1]/[2]	[1]/[3]
			2009	2009	2008	[4]	[5]
			[1]	[2]	[3]	[4]	[5]
- Editorial	WPI -Index*	1993-94=100	232.0	230.2	230.6	0.8	0.6
- Capital Market	WPI -Inflation**	Per cent	0.6	0.3	7.8		
- Power Crunch in India & Rationale for Nuclear Power Generation	IIP (93-94=100)	Week ended 2 months lag	(09.05.09) 297.9	(18.04.09) 274.2	(10.05.08) 304.7	8.6	-2.23
- Other Markets	INR / US\$	Month End	47.29	50.22	42.53	(5.8)	18.1
- Important Policy Pronouncements: Address by Smt. Pratibha Patil, President of India	M3	Rs. '000 Cr.	4918.61	4853.91	4060.58	1.3	19.5
	[i] Agg. Deposits	Rs. '000 Cr.	4220.96	4173.12	3459.89	1.1	20.6
	[ii] Currency (Outstanding as on)	Rs. '000 Cr.	697.2	680.79	600.69	2.4	13.3
	Call Money (Lendings)	% Range Week ended	(08.05.09) 2.25-4.30	(10.04.09) 1.25-4.0	(09.05.08) 4.75-8.00	-	-
			(29.05.09)	(10.04.09)	(16.05.08)		

Source: RBI Weekly Statistical Supplement May 29, 2009 & Economic & Political Weekly May 30, 2009

*All Commodities. **Over the year.

Editorial

A) Domestic

The results of general elections which spanned over a month during April & May 2009 were announced on May 16, 2009. These ushered in the 'most stable' Central Government in India since 1991. This perception was reflected in the 'bullish' trend that seems to have emerged in the stock market during post elections. The underlying rationale for this flare-up is the belief that the second term for Dr. Manmohan Singh will enable the government to walk on the two legs, - care for 'Aam Admi' and complete unfinished agenda on reforms.

In the month of April 2009 Indian merchandise exports in value terms at US\$ 10.74 billion showed a decline of one-third as compared to the level of US\$ 16.08 billion during the same month in 2008. This initial performance does seem to substantiate a slow down. Overall, it would be fair to suggest that the Indian industries heavily dependent on global markets would be adversely affected by the emerging global slowdown and in the new trade policy the sectors like textiles, gems and jewellery etc would require encouragement. Despite the decline in exports, India registered a GDP growth rate of 6.7% during 2008 - 09 in an environment when the global economy was engulfed by the deepest economic crisis.

B) International

The General Motors Corp. (GM) which once made more than half the cars bought in the US was burdened by higher costs incurred almost US\$ 88 billion of losses since 2004. The GM, world's largest automaker for 77 years is likely to file for bankruptcy on June 01, 2009 and with this, its majority ownership will be vested with taxpayers and liabilities are likely to be reduced by more than half.

According to press reports, the 'new GM' is expected to get US\$ 30.1 billion in bankruptcy financing from government which will have a 60 percent equity stake in the company. About 12 percent will be held by the Canadian Government which is lending US\$ 9.5 billion to the company. Going through the bankruptcy by GM is a positive event for the auto industry and will ensure continuation of jobs for autoworkers. The new GM plans to shift its focus from manufacturing gas guzzling cars to new small cars. GM intends to close 11 factories and idle an additional 3 and reopen an idle facility which will build a new small car.

Capital Market Review

The signs of recovery in the global markets boosted the confidence among the investors. For the first week of this month ended May 8, 2009, the benchmark BSE Sensex rose 4.1% to 11,876 from the previous close of 11,403 points. Indian markets gained ground for the ninth consecutive week. Nifty was up 4.2% to 3,621 points from the previous week's close of 3,474 points. The Mid and Small cap indices outshined by gaining 7.3% and 8.5% respectively. BSE Metal gained a substantial 15.5% in which Hindalco and Sterlite contributed the most.

During the week preceding election 2009 results on May 16, 2009 (Saturday), markets were marked by volatility. Uncertainty over the outcome of the election was evident during market sessions especially on Wednesday and Thursday. Yet markets remained strong and ended on a positive note for the week ended on May 15, 2009. The 30-share index of BSE gained 2.5% and 50-share index Nifty rose 1.4%. Among the indices, BSE Bankex and BSE IT gained the most, registering gains of 6.1% and 4.6% respectively.

In the much awaited election results a thumping victory by the Congress led United Progressive Alliance (UPA) ushered in positive sentiments among the investors. In the following trading session that was on May 18, 2009, markets hit the upper circuit and trading was halted for the day. The benchmark BSE Sensex spurted 2,110.79 points or 17.34% to 14,284.21 and the broad Nifty surged 651.50 points or 17.74%, to end at 4,323.15. The Sensex saw the 14,000 level breached and the Nifty crossed the 4,300 mark for the first time since September 22, 2008. The week ended with immense activity in the stock market generating high turnover backed by FII investments.

The month ended on a positive note. On 29th May 2009 both the indices, the BSE Sensex and NSE Nifty closed at the highest levels for the month, at 14,625.25 and 4448.95 respectively.

	May	April	May	April	(% Change)		
	2009	2009	2008	2008	[1] / [2]	[1] / [3]	[2] / [4]
Major Indices	[1]	[2]	[3]	[4]	[5]	[6]	[7]
BSE Sensex – Close	14625.25 (29.05.09)	11403.25 (29.04.09)	16415.57 (30.05.08)	17287.31 (30.04.08)	28.26	(10.91)	(34.04)
Monthly High	14625.25 (29.05.09)	11403.25 (29.04.09)	17600.12 (02.05.08)	17378.46 (29.04.08)	28.26	(16.90)	(34.38)
Monthly Low	11682.99 (11.05.09)	9901.99 (01.04.09)	16275.59 (27.05.08)	15343.12 (04.04.08)	(17.99)	(28.22)	(35.46)
S&P CNX Nifty –Close	4448.95 (29.05.09)	3473.95	4870.10	5165.90	28.07	(8.65)	(32.75)
P/E Ratio : BSE – 30	19.87	15.90	19.80	21.50	24.97	0.35	(26.05)
FII Investments (Equity+ Debt)							
Inflows – Rs. Cr.	81265.9	49714.60	58966.1	62329.1	63.46	37.82	(20.24)
Outflows – Rs. Cr.	63860.6	40716.20	64140.5	62955.8	56.84	(0.44)	(35.33)
Net – Rs. Cr.	17405.3	8998.50	(5174.4)	(626.9)	93.42	(436.37)	(1535.4)
Cum. Net Inv–US\$ Mn. (Month End)	64448.6	60741.70	66567.3	67850.1	(6.1)	(3.18)	(10.48)

The net cumulative investments by FIIs which was US\$ 60.74 billion at the end-April 2009 increased by US\$ 3.7 billion to reach US\$ 64.44 billion in end-May 2009. This indicates the positive outlook about the market by the FIIs.

Power Crunch in India and Rationale for Nuclear Power Generation

Introduction

In a developing country like India, where population is the second highest in the world, availability of energy is an important factor for economic growth and human development. The demand for energy arises mainly from lighting and cooking in the household sector; irrigation and other operations in the agricultural sector; transportation of passengers and freight and fuel input requirements in the industrial sector and to run operations in the services sector.

Total Installed Capacity

As per the data provided by Central Electricity Authority (CEA), the following tables provide snapshots of the total installed capacity in different sectors (as per ownership) and different sources of the generating power.

Total Installed Capacity: Source wise

Fuel	MW	%age
Total Thermal	93,475.34	64.6
Coal	77,398.88	53.3
Gas	14,876.71	10.5
Oil	1,199.75	0.9
Hydro (Renewable)	36,877.76	24.7
Nuclear	4,120.00	2.9
RES** (MNRE)	13242.41	7.7
Total	1,47,715.51	

Source:CEA; **Other Renewable As on Feb 28, 2009

Total Installed Capacity: Sector wise

Sector	MW	%age
State Sector	76,115.77	52.5
Central Sector	48,970.99	34.0
Private Sector	22628.75	13.5
Total	1,47,715.51	

Source:CEA

Note: State sector utilities are owned by State governments or their agencies while Central sector utilities are owned by the Central government or their agencies.

As on Feb 28, 2009, the total capacity of electricity generation was 147,715.51 MW out of which private sector contributed 13.5% and public sector (including state and central sectors) contributed 86.5%.

Thermal sources contribute 64.6%, hydro sources 24.7%, Nuclear plants 2.9% and others 7.7% of the total generating capacity.

Demand Supply Gap

Despite growth in power generation capacity over various 5-Year Plans, India is facing a huge power deficit. The deficit has been caused by a combination of factors like secular change in demand consequential to higher GDP growth, slow implementation of power projects and power generation losses. The annual energy requirement and availability (in million units) and peak demand and peak availability (in MW) in the country are given in the following table.

Actual Power Supply Position in the country during 2008-09

	Energy (MU)	Peak (MW)
Requirement	777,039	109,809
Availability	691,038	96,785
Balance	-86,001	-13,024
Balance (Percentage)	-11.1%	-11.9%

Source: CEA

Anticipated Power Supply in the country during 2009 -10

	Energy (MU)	Peak (MW)
Requirement	840544	118794
Availability	762115	103816
Balance	-78429	-14978
Balance (Percentage)	-9.3%	-12.6%

Source: CEA

There was a deficit of 11.1% in energy and 11.9% in the peak energy requirement.

It is projected by Central Electricity Authority (CEA) that during the year 2009-10, there would be energy shortage of 9.3% and peak shortage of 12.6%. If we stretch the timeline to 2050, Department of Atomic Energy has projected the deficit to be 412 GWe.

Environmental issues

Government is taking measures to increase the power supply to fulfill the deficit. However, a major concern is that the Indian power generation comes mainly from thermal sources using coal, oil and natural gas as a fuel. These fuels are non-renewable sources of energy and leave a harmful effect on the environment. The thermal power generation pollutes the environment by emitting carbon in the atmosphere leading to global warming. India accounts for 3.5% of the world carbon emissions. Hydro-power generation is a renewable source of energy. It is a clean source of energy but not always 'green'. The issues associated with large dams are that they can destroy our natural habitat and displace people. The other renewable and clean sources of energy are from natural resources like wind, biogas and solar energy. However, these are limited in scope and potential so far on account of technological constraints. In future, India can develop technologies that can tap these natural resources for energy generation, which requires innovation and investment in research.

Rationale for Nuclear Energy

Energy demand is growing with high economic growth rate and rising population in India. Since there are economic/technological limitations on fulfilling this demand by using renewable and clean energy sources like wind, solar and ocean currents, the only two alternatives are thermal and nuclear power generation.

Thermal power generation has several disadvantages from a national and global perspective - (i) high carbon emissions (ii) 'non-renewable', (iii) very long term requirements are extremely large requiring costly imports. On the other hand, Nuclear Power has no carbon emissions and India's "Three stage" nuclear plan would ensure that over the long term, a multiplier effect would enable high power generation while conserving nuclear fuel. Since India has committed itself to implement measures under the United Nations Framework Convention on Climate Change, adoption of the nuclear route is the only feasible solution which has low carbon emissions. Moreover, this would not compromise on India's objective of economic development and growth.

It must, however, be appreciated that while nuclear fuel based power is free of carbon emissions, it has the downside in that it generates nuclear waste that needs secure disposal. This is so because, its "radioactive" content remains live for a millennium or more, which could be dangerous to human health and natural environment. Therefore, ultimately we have to prospect for alternative energy sources as well as technologies that could make nuclear waste inert. This would have to be accomplished before we exhaust global supplies of nuclear fuel.

The two naturally occurring elements Uranium and Thorium have good potential to be utilized as nuclear fuel. India has identified reserves of 70,000 tonnes of Natural Uranium and 3,60,000 tonnes of Thorium. Thus India has limited supplies of conventional nuclear fuel. Therefore to some extent it would need to be imported. However, this need would be limited as the thorium-based technology is applied over the long term.

Finally, it must be appreciated that the fact India is now able to chalk out a strategy for fulfilling its energy needs is because the founders of the Indian economy had vision to pursue nuclear development for peaceful purposes since the 1950s. Moreover, Indian scientists, despite facing embargoes over the past 60 years, had the capability to achieve self sufficiency in technology.

Indo-US Nuclear Deal

Nuclear deal is an agreement between India and US on civil nuclear cooperation under which both the nations derive benefits. The agreement amends Section 123 of the Atomic Energy Act of 1954 and lets the US make a one-time exception for India to keep its nuclear weapons without signing the Nuclear Non-Proliferation Treaty (NPT). It removes ban of supply of nuclear fuel and technology by U.S. after nuclear test in 1974 in India. Under the agreement India must separate civil and military nuclear facility and allow International Atomic Energy Agency (IAEA) inspection to safeguard civil nuclear facility. At present, India has 14 civilian and 8 military nuclear facilities.

India has the vision to generate 20,000 MW of nuclear-based power by 2020, India under its “three stage” nuclear generation programme. The deal between India and the US will allow India to buy U.S. dual-use nuclear technology, including materials and equipment that could be used to enrich uranium or reprocess plutonium. It would also receive imported fuel for its nuclear reactors. This would help India to reach its target faster and overcome deficit in power sector.

Other Markets

Debt Market

The primary issuance market witnessed fair amount of activity during the month of May 2009, led by Financial Services Institutions. According to the available data, four Financial Services Institutions came up with several issues. Among them, Infrastructure Development Finance Company Ltd. was the biggest issuer for the month with an issue size of Rs.1,245 crore, followed by Housing Development Finance Corporation Ltd. of Rs.1,000 crore. ICICI Bank was the only bank that came up with Rs. 1,500 crore issues of Bonds/NCDs.

Name of the Issuer		Duration	Rating	Amount (Rs. Crore)	Type of Instrument
I.	Bank :				
i.	ICICI Bank	10 years	AAA	1500	Bonds/NCDs
II.	Financial Service Institutions :				
i.	Infrastructure Development Finance Company Ltd.	6 years	AAA	400	Bonds/NCDs
		-	AAA	150	Bonds/NCDs
		2 years	AAA	305	Bonds/NCDs
		2 years	AAA	390	Bonds/NCDs
ii.	Housing Development Finance Corporation Ltd.	2 years	AAA	1000	Bonds/NCDs
iii.	ICICI Home Finance Company Ltd	10 years	AAA	200	Bonds/NCDs
iv.	India Infrastructure Finance Company Ltd.	15 years	AAA (SO)	500	Bonds/NCDs

(Source : Credit Analysis & Research Ltd., May, 2009)

Call Money Market

The call money rate on May 15, 2009 in respect of borrowings ranged between 0.75% and 3.30% as compared to the rates of 4.75% - 8.00% on May 16, 2008 (i.e. a year ago) reflecting that there was greater liquidity in the market leading to softening of interest rates. The average daily turnover in the call money market was Rs.11,948 crore for the week ending May 15, 2009 and this fell to Rs 8,328 crore on May 22, 2009.

Foreign Exchange Market

The exchange rate (RBI reference rate) on May 22, 2009 was Rs.47.19 per US dollar as compared to Rs.48.17 per US dollar on May 18, 2009, that is, a week ago; this reflected a nominal appreciation of the rupee vis-a-vis US dollar. Further, the six month forward premia was 3.14% on May 22, 2009 as compared to a premium of 2.41% on May 18, 2009 (a week ago), which reflects that supply of dollars is likely to become relatively hard in the forthcoming weeks. The foreign currency assets were US\$ 250.17 billion on

May 22, 2009, and inclusive of gold and SDRs and the reserve position in the Fund, the foreign exchange reserves aggregated to US\$ 260.64 billion. From end-March 2008, the foreign exchange reserves registered a decline of US\$ 8.65 billion upto May 22, 2009. The market rate (buying) was Rs.47.29 per US dollar on May 29, 2009.

Important Policy pronouncements

I. Introduction

The President of India Hon. Smt. Pratibha Devisingh Patil addressed the joint session of the Parliament on June 04, 2009. In her address, she indicated several areas where the work has to be done by the government, and other areas in the form of Technology Missions, - an institution started by the late Prime Minister Rajiv Gandhi. Government is acutely conscious of the challenge of rising expectations. There would be ten broad areas of priority for Government during the next five years. The highlights of the address are indicated below:

II. Ten Priority Areas

- i. Internal security and preservation of communal harmony;
- ii. Stepping up of economic growth in agriculture, manufacturing and services;
- iii. Consolidation of the existing flagship programmes for employment, education, health, rural infrastructure, urban renewal and introduction of new flagship programmes for food security and skill development;
- iv. Concerted action for the welfare of women, youth, children, other backward classes, scheduled castes, scheduled tribes, minorities, the differently-abled and the elderly along with strengthened social protection;
- v. Governance reform;
- vi. Creation and modernization of infrastructure and capacity addition in key sectors;
- vii. Prudent fiscal management
- viii. Energy security and environment protection;
- ix. Constructive and creative engagement with the world and
- x. Promotion of a culture of enterprise and innovation.

III. Sectoral Focus

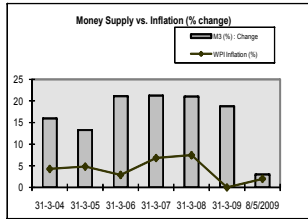
- a. The government is determined to ensure that innovative steps are taken which are consistent with a medium term strategy of prudent fiscal management. GDP has been clocked better than expected growth of 6.7% in 2008-09, helped by two fiscal packages and one monetary measure, and these would be of a great help in containing the fiscal deficit.
- b. Attention on sectors such as textiles, commercial vehicles, infrastructure and housing that has been adversely affected by the global economic slowdown. These would be accompanied by the measures to achieve countercyclical expansion in public investments in infrastructure sector including public-private partnership. Financing the investments will be a critical constraint.

- c. **Infrastructure:** The government will put projects in the infrastructure sector, especially railways, power, highways, ports, airports and rural telecommunications, on the fast track, and would ensure bottlenecks and delays in these sectors are systematically removed.
- d. **Financial Reforms:** India has benefited from large foreign investment flows in recent years. These flows, especially foreign direct investment, need to be encouraged through an appropriate policy regime. There is also need to augment resources in the banking and insurance sectors in order to permit them to serve the needs of society better.
- e. **Disinvestments:** General public have right to own part of the shares of public sector companies while the government retains majority shareholding and control. The government will develop a roadmap for listing and people ownership of public sector undertakings while ensuring that government equity does not fall below 51%.
- f. **Energy Security:** The government would strive to add at least 13,000 MW of power generation capacity each year through a mix of nuclear, hydel, coal and renewable sources. Civil nuclear agreements will be operationalised with various countries to augment availability of nuclear fuel.
- g. Under the Indira Awas Yojana, component of Bharat Nirman, 60 lakh houses were built and this target has already been achieved with other 16 lakh under construction. Rural water supply coverage and funding under the programme have considerably increased. Bharat Nirman has served to integrate rural India more centrally into the growth process and unlock its potential.
- h. **Rural teledensity:** In India, rural teledensity, the number of telephones per 100 people, is 10 which is miniscule compared to urban areas' 60-70. Rural India accounts for about 70 million of the 430 million phones. The government has so far failed to achieve its objective, despite setting up a universal service obligation fund for increasing telephone penetration in rural areas.
- i. **Agriculture:** Along with the National Rural Employment Guarantee Act, the social security framework has been further strengthened through introduction of the 'Aam Admi' Bima Yojana, the Rashtriya Swasthya Bima Yojana and the revamped Indira Gandhi National Old Age Pension Scheme has been extended to all old persons below poverty line.
- j. Government has promised a new deal to rural India through the revival of agriculture on which nearly 60% of our population is dependent. Through carefully crafted policies in the agriculture sector we have been able to revive our agriculture economy from the trap of low investment, low productivity and rural indebtedness.

- k. **Goods and Service Tax:** The government has been able to significantly increase the realization of direct taxes as a result of improved and simplified tax administration and the process will continue. The roadmap for moving towards a goods and services tax will be vigorously pursued.
- l. **Global Slowdown:** After sizzling at about 9% during previous four years, the country's GDP grew by 6.7% in 2008-09, but it was fast enough to ensure that India remains among the hottest growth economies in the world, second to China.
- m. **SEZs:** Government has enacted the Special Economic Zones Act, which has already facilitated incremental investment of Rs. 90,000 crore, and generated direct and indirect employment for over seven lakh persons. Government has constituted the Delhi-Mumbai Industrial Corridor Development Corporation (DMICDC) for developing an industrial corridor along the Dedicated Railway Freight Corridor between Delhi and Mumbai.
- n. **Skills:** through a planned investment in skill development the country holds the potential to account for a fourth global workforce by 2022 when India will mark 75 years of its independence. Government has made skill development a major national priority and has put in place coordinated action for skill development through a national council for Skill Development chaired by the Prime Minister.
- o. **Education:** Government has undertaken a second wave of investment in higher education through the creation of eight new Indian Institutes of Technology, seven Indian Institutes of Management, five Indian Institutes of Science Education and Research, and fifteen new Central Universities. The core of the Eleventh Plan is knowledge-investment with allocations growing four-fold.

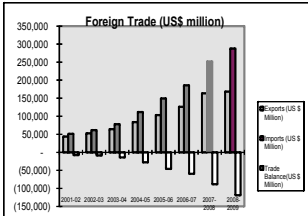
IV. Technology Missions

- i. Agriculture diversification was promoted through the **National Horticulture Mission**, and a National Rainfed Area Authority was set up to provide technical assistance to increase production from dry lands.
- ii. A Rashtriya Krishi Vikas Yojana with an allocation of Rs. 25,000 crore and **National Food Security Mission** with an outlay of Rs. 4,822 crore have been put in place to increase production and crop productivity. Social attention was given to distress-affected districts through a special package.
- iii. Lack of adequate health care has been a major cause for rural poverty. Government initiated a **National Rural Health Mission**, which is radically transforming health care provisioning in villages.
- iv. Government is considering setting up a **National Urban Health Mission** to focus on health needs of urban poor commencing with selected major cities.



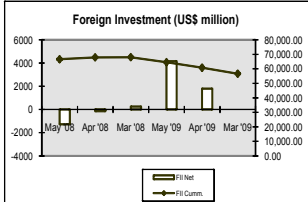
	31-3-04	31-3-05	31-3-06	31-3-07	31-3-08	31-3-09	8/5/2009
M3 (Rs. Crore)	20,03,102	22,53,938	27,29,535	33,10,278	40,06,722	4,758,504	4,918,612
M3 (%): Change	15.95	13.30	21.10	21.27	21.04	18.76	3.00
WPI (Index) All Commodities	180.30	189	196.6	210	225.7	227.3	232.2
WPI Inflation (%)	4.29	4.83	2.91	6.82	7.47	0.01	2.00

Source: RBI Bulletin March 2009; WSS: March 27, 2009; ** March 31, 2008; *** May 16, 2009



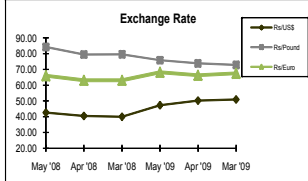
During the Year	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-2008	2008-2009
Exports (US \$ Million)	43,827	52,719	63,843	83,536	103,091	126,361	163,132	168,704
Imports (US \$ Million)	51,413	61,412	78,149	111,517	148,166	185,749	251,854	287,759
Trade Balance (US \$ Million)	(7,586)	(8,693)	(14,306)	(27,981)	(46,075)	(59,388)	(88,522)	(119,055)

Source: Ministry of Commerce; Revised figures for 2001-02 to 2007-08 (April-March); *DGCI&S data for April 2008 to March 2009 (Provisional); Economic & Political Weekly, May 23, 2009



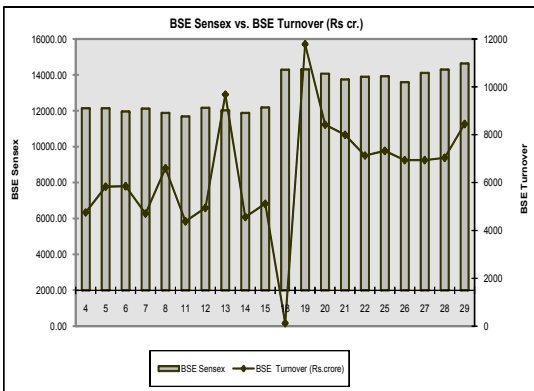
	2007-08 (US\$ million)			2008-09 (US\$ million)		
	May '08	Apr '08	Mar '08	May '09	Apr '09	Mar '09
FDI Net	(1,282.8)	(155.2)	250.3	4144.6	1790.5	(1459.9)
FDI Cum.	66,567.30	67,850.10	68,003.40	64,448.60	60,741.70	56,649.30

Source: SEBI - Diff. In total figures are due to rounding off.

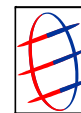


	2007-08			2008-09		
	May '08	Apr '08	Mar '08	May '09	Apr '09	Mar '09
Ru/US\$	42.59	40.46	39.97	47.29	50.22	50.95
Ru/Pound	84.16	79.50	79.53	75.8579	73.8786	72.861
Ru/Euro	65.99	63.09	63.09	68.18	66.29	67.48

Figures are for month-end



May 2009	BSE Sensex Close	BSE Turnover (Rs.crore)
29-Apr-09	11403.25	4168
4	12134.75	4754
5	12131.08	5832
6	11952.75	5851
7	12116.94	4704
8	11876.43	6597
11	11682.99	4380
12	12158.03	4944
13	12019.65	9678
14	11672.91	4564
15	12173.00	5114
18	14284.21	127
19	14302.03	11781
20	14060.66	8415
21	13736.54	7996
22	13887.15	7131
25	13913.22	7327
26	13589.23	6938
27	14109.64	6933
28	14296.01	7032
29	14625.25	8444



Annexure 1 : Select International Economic Indicators for Developed Industrialised Countries And India

Country	Interest rates, (%)		CPI (percentage change)		Currency unit per US \$		Union Budget (+) / (-) % of GDP 2008	Real Rate (Short-term) (1-3)	Currency unit per Euro 27.05.09	Balance Latest :12 months		Col 11 as Percentage of GDP 2008
	3-month latest	10-year gov't bonds latest	Latest	A Year ago	As on 27.05.09	A Year ago				Trade Account (US\$ bn)	Current Account (US\$ bn)	
	1	2	3	4	5	6	7	8	9	10	11	12
Euro-11	1.27	3.56	0.6	3.30	0.72	0.64	-5.7	0.67	1.00	-56.8	-145.2	-1.0
			Apr							Mar	Mar	
U. S. A.	0.25	3.70	-0.7	3.90	1.00	1.00	-13.2	0.95	1.39	-730.4	-673.3	-3.3
			Apr							Mar	Q4	
Britain	1.25	3.73	2.3	3.00	0.62	0.50	-13.8	-1.05	0.86	-156.7	-44.6	-1.7
			Apr							Mar	Q4	
Japan	0.47	1.47	-0.3	1.20	95.10	105.00	-6.3	0.77	132.08	10.0	118.2	1.6
			Mar							Mar	Mar	
Sweden	0.37	3.68	0.10	3.40	7.65	5.98	-4.7	0.27	10.63	13.1	40.3	7.1
			Apr							Apr	Q4	
Switzerland	0.40	2.41	-0.3	2.30	1.09	1.04	-2.0	0.7	1.51	18.0	53.3	7.5
			Apr							Apr	Q4	
India	3.27	7.31	8.0	7.90	47.70	42.70	-7.7	-4.73	66.25	-109.0	-37.5	-3.0
			Mar							Mar	Q4	

Source : The Economist London : May 30th-June 9th, 2009

Figures in Column 9 are derived.

**RPI Inflation rate -1.2 in Jun.

Annexure 2 : Important Economic Indicators for Select Emerging Market Countries

Country	Interest rates, (%)		CPI (percentage change)		Currency unit per US \$		Union Budget (+) / (-) % of GDP 2008	Real Rate (Short-term) (1-3)	Currency unit per Euro 27.05.09	Balance Latest :12 months		Col 11 as Percentage of GDP 2008
	3-month latest	10-year gov't bonds latest	Latest	A Year ago	As on 27.05.09	A Year ago				Trade Account (US\$ bn)	Current Account (US\$ bn)	
	1	2	3	4	5	6	7	8	9	10	11	12
China	1.22	3.28	-1.5	8.5	6.83	6.94	-3.5	2.72	9.49	300.5	400.7	6.9
			Apr							Apr	Q2	
Hongkong	0.37	2.50	0.6	5.4	7.75	7.81	-4.3	-0.23	10.76	-23.8	30.5	7.8
			Apr							Apr	Q4	
Indonesia	8.10	7.92	7.3	6.8	10310.00	9300.00	-3.2	0.8	14319.44	7.3	-0.8	0.5
			Apr							Mar	Q1	
Malaysia	2.09	2.86	3.0	3.0	3.50	3.24	-8.2	-0.91	4.86	43.5	39.1	11.5
			Apr							Mar	Q4	
Singapore	0.50	2.18	-0.7	7.5	1.45	1.36	-4.1	1.2	2.01	17.1	27.1	17.2
			Apr							Apr	Q4	
South Korea	2.41	5.00	3.6	4.1	1270.00	1037.00	-5.6	-1.19	1763.89	3.3	7.4	1.2
			Apr							Apr	Mar	
Taiwan	0.85	1.41	-0.5	3.9	32.50	30.50	-5.0	1.35	45.14	11.2	29.2	9.7
			Apr							Apr	Q1	
Thailand	1.40	3.02	-0.9	6.2	34.40	32.40	-4.7	2.3	47.78	7.8	5.9	2.7
			Apr							Mar	Mar	
Brazil	10.16	6.16	5.5	5.0	2.01	1.67	-2.0	4.66	2.79	27.0	-19.8	-1.2
			Apr							Apr	Apr	
Venezuela	16.00	6.55	29.4	29.3	6.47	3.15	-5.3	-13.4	8.99	32.5	26.2	0.4
			Apr							Q1	Q1	
India	3.27	7.31	8.0	7.9	47.70	42.70	-7.7	-4.73	66.25	-109.0	-37.5	-3.0
			Mar							Mar	Q4	

Source : The Economist London : May 30th-June 9th, 2009

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