Update on Indian Economy
October 2009

Economic Snapshot

Contents	Item	Units	September 2009 [1]	August 2009 [1]	September 2008 [3]	(%) Change [1]/[2] [4]	[1]/[3] [5]
- Editorial	WPI -Index*	1993-94=100	241.7	237.4	241.1	1.8	0.2
- Capital Market	WPI -Inflation**	Per cent	0.2	-1.4	12.1		
- India France		Week ended	(06.09.09)	(08.08.09)	(06.09.08)		
Relationship	IIP (93-94=100)	2 months lag	289.7	290.2	271.3	-0.2	6.8
- Other Markets			**(July 09)**	**(June 09)**	**(July 08)**		
-Important Policy	INR / US$	Month End	48.13	48.89	46.94	-1.6	2.5
Pronouncements	M3	Rs. '000 Cr.	5073.54	5029.4	4226.14	0.9	20.1
	[i] Agg.Deposits	Rs. '000 Cr.	4383.38	4343.33	3633.02	0.9	20.7
	[ii] Currency	Rs. '000 Cr.	690.16	686.07	593.12	0.6	16.4
		(Outstanding as on)	(11.09.09)	(14.08.09)	(12.09.08)		
	Call Money	% Range	1.50-3.47	1.75-3.45	5.25-11.00	-	-
	(Lendings)	Week ended	(11.09.09)	(14.08.09)	(12.09.08)		

Source: RBI Weekly Statistical Supplement Sept 25, 2009 & Economic & Political Weekly Sept 25, 2009
**All Commodities. **Over the year.*

Editorial

A) Domestic

The Index of Industrial Production (IIP) during the month of July 2009 was higher by 6.8 percent than the Index in the July 2008; with this the cumulative growth during April - July 2009 works out to 4.6 percent Sector- wise the cumulative growth during April-July (2009-10) over the corresponding period of 2008-09 registered growth of 7.5 percent in mining, 4.3 percent in manufacturing and 5.6 percent in electricity; these sectors moved the general Index to a growth rate of 4.6 percent. However concerns about the sustainability in the wake of weak and uneven monsoons especially in agriculture, and to some extent in the manufacturing sector persist. Export intensive textile sectors, leather products performed relatively better as also sectors like transportation, machinery and equipment, and metal also registered positive growth. While this may sound as the beginning of pick-up in the economy, it is too early to make judgment unless growth is broad based. Real GDP growth which has averaged at 8.8 percent during 2003-08, decelerated to 6.7 percent in 2008-09. Now there is a distinct improvement in the rate of industrial production, the real GDP growth rate is likely to move up during 2009-10, possibly close to 7.0 percent.

However for the policy purposes RBI in its Annual Report 2008-09 has rightly stated that ‘Reverting to the high growth trajectory at the earliest remains the key policy challenge in the near to medium term. The sustained expansionary fiscal and monetary policy stances, however, entail the risk of aiding inflationary pressures in the near-term and constraining the growth process in the medium-run.’

B) International

The G-20 Summit which was held in Pittsburgh, PA on September 24 – 25, 2009 was hosted by US President Barack Obama. From the United Nations in New York where he chaired a U.N Security Council meeting on nuclear non-proliferation to Group of 20 meeting in Pittsburgh, President declared a "new era of engagement" for US diplomacy. Amidst signs that recession may be ending, President Obama achieved a break-through that the decisions by major world leaders would be made by G-20 rather than the earlier small and more exclusive Group of eight (G-8). This is a big shift and will bring to the table people from developing countries like India and China. It is expected that the new expanded body will start addressing the needs of the poor countries, and that the G-20 will meet every year, and it is scheduled to meet in France in 2011.

The move from G-8 to G-20 gives China a greater voice in economic matters, and could have the added effect of encouraging China to play a greater role in the global economic rebalancing that the US has proposed. The two international financial institutions IMF and World Bank will take steps for increasing representations of developing countries on their Boards.

Other important points in the communiqué of G-20 are:-

African Development Bank – The G-20 have reaffirmed the commitment to make sure that multilateral development banks have enough finance, especially the World Bank soft loan arm, the Internationals Development Association (IDA), and the African Development Bank (AFDB). The African bank has increased its lending by as much as US$ 4 billion in response to the financial crisis and now needs support to replenish its coffers. One welcomes Canada's announcement of an extra US$2.8 billion in loan guarantees for the Bank.

- **Banks & Capital Markets –** In an effort to prevent the crisis that engulfed last year bringing the financial system to the brink of collapse, the final communiqué of G-20 issued on September 25,2009 urged tighter regulation of banks and capital markets, not only targeting balance sheets, but also bankers pay and bonuses.

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- **Agriculture –** The G-20 called on the World Bank to develop a new Trust Fund, as a way to implement the G-8's Food Security initiative announced at the L' Aquila Summit in Italy in July 2009. This multilateral fund will support the set of principles championed by the White House to make aid for agriculture more effective, coordinated and geared towards the development of strategies by poor countries themselves.

- **Climate Change** – The G-20 failed to call for resources to help the poorest countries adapt to the harmful impacts of climate change, and tackle its causes. It was disappointing that there was no mention of the urgency of addressing these needs.

- **Overall**, the Pittsburgh G-20 Summit appears to have made some progress towards reshaping the global financial power structures to make the developing countries more representatives, but it still has some way to go before G-20 becomes a truly representative of global financial decision making body.

Capital Market Review

The month started on a weak note at BSE Sensex ending at 15,551.19 on September 1, 2009 and remained volatile throughout the first week. Although profit booking by Mutual Funds and FIIs were noticed during this period, investor's sentiments remained cold. BSE Auto Index outperformed BSE Sensex by surging 4.5%. The sales volumes recorded by many companies in the month of August 2009 were encouraging resulting into rally led by segment leaders, Maruti and Hero Honda.

BSE Sensex hit 15 month high of 16,000 on September 7, 2009 on global cues that included meeting of G20 ministers and robust foreign fund inflows. NSE Nifty also registered a 15 month high of 4,783 on the same day. BSE Sensex gained 575.81 points or 3.7% from 15,689.12 on September 4, 2009 to 16,264.30 on September 11, 2009. Among the indices, BSE Metal led the rally by gaining 7.7%, followed by BSE Bankex and BSE Oil & Gas by surging 6.8% and 4.6% respectively. Hindalco and Sterlite contributed the most to the rally.

The macro economic data showed a mixed trend with exports data for July 2009 showing continuing decline for the 10th consecutive month, rising food prices that pushed inflation upwards Indian auto exports during seven months from January to July 2009 recorded a significant growth of 18% comprising 2.30 lakh units including cars, vans, SUVs and trucks beating Chinese exports that declined by 60% to 1.65 units in the same period.* Indian small cars are getting popular in the world market and development of new compact cars like Nano will increase India's share in the near future.

BSE Sensex continued to rise upward accompanied by huge turnover and ended at 16,741.3, on September 18, 2009 which was 477 points or 2.9% higher than the previous week. Advance tax collection boosted investor's expectations about the half yearly corporate results. NSE Nifty hit 5000 mark first time since May 2008. BSE Auto, Metal, Realty and Bankex were major gainers among the indices where BSE Auto Index gained phenomenal 9.5%. Top performers among the Auto sector were Maruti and Bajaj, which gained 11.8% and 14.4% respectively. Bharat Forge and Amtek Auto, companies from Auto ancillary sector gained substantial 34.9% and 16.8% respectively.

In the end, BSE Sensex breached 17,000 for first time after September 2007. Heavy FII inflows accompanied by high domestic turnover led markets to perform well on the bourses. As compared to the previous month of this year, BSE Sensex rose substantial 9.32% and NSE Nifty jumped 9% from 4,625.35 on September 01, 2009 to 5,083.95 on September 30, 2009 indicating strong recovery during the month of September.

**Source: Bloomberg September 7, 2009: Suzuki, Hyundai's Indian car exports beat China's,*

	September 2009	August 2009	September 2008	August 2008	(%) Change		
					[1]/[2]	[1]/[3]	[2]/[4]
Major Indices	[1]	[2]	[3]	[4]	[5]	[6]	[7]
BSE Sensex – Close	17126.84 (30.09.09)	15666.64 (31.08.09)	12860.43 (30.09.08)	14564.53 (29.08.08)	9.32	33.17	7.57
Monthly High	17126.84 (30.09.09)	15924.23 (3.08.09)	15049.86 (02.09.08)	15502.92 (11.08.08)	7.55	13.80	2.72
Monthly Low	15398.33 (17.08.09)	14784.92 (17.08.09)	13102.18 (26.09.08)	14048.34 (28.08.08)	4.15	17.52	5.24
S&P CNX Nifty –Close	5083.95	4662.1	3921.2	4360	9.05	29.65	6.93
P/E Ratio : BSE – 30	22.19	20.45	16.1	18	8.51	37.83	13.61
FII Investments (Equity+ Debt)							
Inflows – Rs. Cr.	78951.6	60673.9	73514.9	50139.5	30.12	7.40	21.01
Outflows – Rs. Cr.	58379	56150.5	78589.6	50093.5	3.97	-25.72	12.09
Net – Rs. Cr.	20572.6	4523.4	-5073.9	46.1	354.80	-505.46	9712.15
Cum. Net Inv–US$ Mn. (Month End)	73441.5	69179.2	63012.5	64270.3	6.16	16.55	7.64

The cumulative investment by FIIs stood at US$ 73.44 billion till end September 2009, and the month recorded a gain of US$ 4.26 billion in net cumulative investments.

India France Relation

I. Introduction

India is the 12th largest economy in the world having population of 1.14 billion. India's GDP (nominal) were US$ 1.22 trillion for the year 2008 in which Agriculture contributes 18%, Industry 29% and Services adds 53%. Economic growth is largely driven by domestic consumption.

France is the 5th largest economy comprising population of 62 million. In 2008, GDP (nominal) were US$ 2.85 trillion. The maximum contribution comes from Services sector which is 77% and Agriculture and Industry contributes 2% and 21% respectively as on 2007. France is the 5th largest exporters of services.

II. Indo-French Trade

European Union is the second largest destination for India's trade and France is the 5th largest trading partner after UK, Germany, Belgium and Italy. Indian exports to France crossed US$ 1 billion in 2000-01 and imports accounted for US $ 641 million, which was much below the exports level favouring India's trade balance. The trend was reversed in 2005-06. Though India's exports to France hit US$ 2 billion mark; imports from France shot up to US $ 4.1 billion which was 50% more than the exports. In 2007-08 Indian exports stood at US $ 2.5 billion whereas imports stood at US$ 6.2 billion favouring French trade balance.

India France Bilateral Trade

Year	Exports to France	Total Indian Exports	Imports from France	Total Indian Imports	Share (percent) of total Indian		Total Trade
(Apr-Mar)	(US$ mn)	(US$ mn)	(US$ mn)	(US$ mn)	Exports to France	Imports from France	(1+3) (US$ mn)
	1	2	3	4	5	6	7
1999-00	897	36822	718	49671	2.44	1.45	1615
2000-01	1020	44560	641	50537	2.29	1.27	1661
2001-02	945	43827	844	51413	2.16	1.64	1789
2002-03	1074	52719	1094	61412	2.04	1.78	2168
2003-04	1281	63843	1090	78149	2.01	1.39	2371
2004-05	1681	83536	1894	111517	2.01	1.7	3575
2005-06	2080	103091	4113	149166	2.02	2.76	6193
2006-07	2101	126414	4212	185735	1.66	2.27	6271
2007-08	2597	163132	6253	251654	1.59	2.48	8850

Source: Handbook of Statistics 2008-09, RBI

Indian exports include agricultural products, fresh fruits and dried fruits, vegetables, tea, coffee, spices and herbs, leather garments and goods, Handicrafts, Fisheries products, Indian Whisky, transport equipments and petroleum products. Indian agriculture products, organic food products and fisheries products has got widespread acceptance in France.

Indian imports from France include electrical equipment, organic chemical products, aeronautical & space construction products, mechanical equipment, general & special usage machines, and pharmaceutical products.

III. Investments

A. In India

India has emerged as the one of the popular destinations for investment by foreign countries as it presents multiple advantages to foreign firms. The major investments come from Mauritius which contributes to 44% of total FDI, followed by Singapore which accounts for 9% and the USA which is 8%.

France is the 9th largest investor to invest in India with total FDI of US $ 1300 million from April 2000 to June 2008. The sectors that have attracted the most FDI from France are consumer goods, fashion accessories, alcohol and beverages, IT, telecommunications, infrastructure, fuels, chemicals, food processing Industries and very recent Nuclear Power sector

B. In France

As per the findings of UNCTAD 2008 report on World Investments, France is the 3rd leading destination worldwide for foreign investments after the US and UK. International macroeconomic climate in France has undergone rapid change and hence luring investments from foreign country. The top investors are US, Germany and Italy. According to UNCTAD report, Greenfield investments contribute around 15% of the total foreign investments and mergers and acquisition contributes the rest.

Though India is not a significant investor in France, it is an attractive destination for Indian where lots of opportunities have been unexplored by businessmen and investors. Till 2008, Indian investments in France were € 239 million. In 2008, India was the 15th largest foreign investor in France in terms of the number of jobs created or maintained. India has invested by 2008.

IV. Indo-French Co-operation

A. Indian Companies in France

As per the 2008 Report by Invest in France Agency, 50 Indian companies are present employing over 6,000 people. Indian investment generated 370 jobs in 2008, although this figure was 30% down on 2007. It may be noted that mergers and acquisitions are the most common route followed by Indian investors to enter in French territory for business. The success of Mittal-Arcelor merger unfolded France as an opportunity for Indian investors. Greenfield investments have been taken place in technology services.

B. French Companies in India

La Compagnie française des Indes orientales or Compagnie française pour le commerce des Indes orientales was the first French company established in India way back in 1664. Presently, there are number of French companies across different sectors, the presence of French luxury products have been vital. The demand for these products is rising continuously. It covers a wide range of items such as perfumes & cosmetics, tableware & home decoration products as well as fashion accessories. Brands such as Verrerie Cristallerie d'Arques, Baccarat, Lalique and Daum, which are ranked amongst the top crystal ware companies in the world, today adorn Indian homes. A large number of world-famous perfume & cosmetic brands such as L'Oréal, Clarins, Vichy, Christian Dior, Nina Ricci etc. are also available in the Indian market. As for the fashion accessories sector, ST Dupont, Cartier and more recently, Louis Vuitton, are already very popular with the Indian consumer.

Indian Companies in France

Mindtree Limited, – software and computing
Infosys Technologies Ltd. – IT services
Veeda Clinical Research Limited – clinical trials
Blue Stampings and Forgings Ltd acquired - industrial equipment
Havell's India Ltd - manufacture of lighting equipment for industrial and commercial
Aesa Air Engineering - environment, air treatment
Tata consultancy - Indian leader in the field of engineering and studies

French Companies in India

M/s Lafarge – Cement & Gypsum
Air Liquide International – Chemicals other than Fertilizers
Usinor Sacilor (Ugine Division) – Metallurgical Industries
Group Danone – food
Saint-Gobain – glass
Compagnie International Du Radio Telephone – Telecommunications (Cellular Mobile/ Basic Telephone Services),

V. Indo French Relation

There has been considerable increase in the cooperation between India and France to strengthen economic and financial relations. France has emerged as one of the important destinations for trade and leisure in Europe for India. Business leaders across sectors like IT, Telecom, Energy, Mining, Posts, Roads and Urban Development, Agriculture and Food Processing met under the governance of Indo-French Joint Committee on Economic and Technical Cooperation to improve bilateral trade and investments. Government from both the countries are supporting this cooperation.

VI. Comparative Statistics: India and France

Economic Indicators

	India	France
Population	1.14 billion	0.62 billion
GDP (2008)		
Nominal	US$ 1.22 trillion	US$ 2.85 trillion
PPP	US$ 3.39 trillion	US$ 2.11 trillion
Per Capita (PPP)	US $ 2972	US$ 34045
Sectoral Distribution of GDP (% Share)		
Agriculture	18	2*
Industry	29	21*
Services	53	77*
Other Economic Indicators (% of GDP)		
FDI (2007)	2	6.1
Savings	35	20.8
Capital Formation	39	22.34

*Source: World Bank Report, 2008; Note: * as on 2007*

V. Conclusion

A large proportion of French GDP is contributed by Services sector while India is still lagging behind. When compared to the contribution made by Agriculture sector, Indian share exceeds that of France. India is the second largest producer of fruit and vegetables, which provides scope for considerable growth of business between the two countries in this sector. Nevertheless, with the opening up of the Indian economy since the early 1990s and likely trend of greater market integration between India and EU over the next decade opportunities / complementarities will emerge in all sectors between India and France.

Other Markets

Debt Market

The month witnessed fair amount of activities in the primary issuance market. Shriram Transport Finance Ltd. and Srei Equipment Finance Pvt. Ltd. remained the biggest issuers for the month with an issue size of Rs. 1,000 crore each followed by Canara Bank with Rs. 600 crore. Corporation Bank raised a combine amount of Rs. 750 crores by placing four different issues.

Name of the Issuer	Duration	Rating	Amount (Rs. Crore)	Type of Instrument
i. Banks				
Canara Bank		AAA	600	Bonds/NCD
Corporation Bank	15 yrs	AAA	300	Bonds/NCD
Corporation Bank	15 yrs	AAA	250	Bonds/NCD
Corporation Bank	-	AAA	100	Bonds/NCD
Corporation Bank	-	AAA	100	Bonds/NCD
Indian Overseas Bank	-	AA+	290	Bonds/NCD
South Indian Bank Ltd	128 months	A+	200	Lower Tier II Bonds
ii. Financial Services Institution				
Shriram Transport Finance Ltd	3, 4, 5 yrs	AA+	1000	Bonds/NCD
Srei Equipment Finance Pvt. Ltd	5, 5, 5 yrs	AA	1000	Bonds/NCD
Cholamandalam DBS Finance Ltd	5 yrs	AA-	500	Bonds/NCD
Infrastructure Development Finance Company Ltd.	10, 15 yrs	AAA	300	Bonds/NCD
Infrastructure Leasing Financial Services Ltd.	84 months	AAA	245	Bonds/NCD
Punjab Finance Corporation	10 yrs	-	17	Bonds/NCD
iii. Non-Financial Services Institutions				
HCL Technologies Ltd	2 , 3 yrs	AA+	500	Bonds/NCD
Great Eastern Shipping Company Ltd	10 yrs	AAA	250	Bonds/NCD
United Phosphorus Ltd	36, 42 months	AA+	100	Bonds/NCD
iv. Others				
National Capital Region Planning Board	10 yrs	AAA	134.9	Bonds/NCD

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

Call Money Market

The call money rate on September 11, 2009 in respect of borrowings ranged between 1.50% and 3.47% as compared to the rates of 5.25% - 11.0% on September 12, 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.6,800 crore for the week ending September 11, 2009 and this rose to Rs 11,454 crore on September 18, 2009.

Foreign Exchange Market

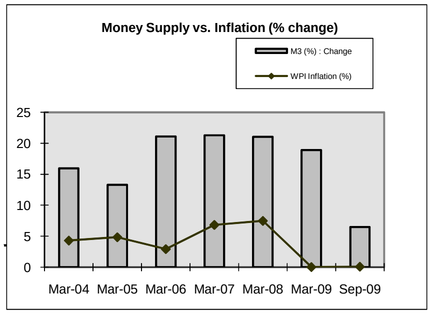
The exchange rate (RBI reference rate) on September 18, 2009 was Rs.48.18 per US dollar as compared to Rs.48.70 per US dollar on September 14, 2009, that is, a week ago; this reflected a nominal appreciation of the rupee vis-a-vis US dollar. Further, the six month forward premia was 2.99% on September 18, 2009 as compared to a premium of 2.67% on September 14, 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$ 264.35 billion on September 18, 2009, and inclusive of gold and SDRs and the reserve position in the Fund, the foreign exchange reserves aggregated to US$ 280.77 billion. From end-March 2009, the foreign exchange reserves registered an increase of US$ 28.79 billion upto September 18, 2009. The market rate (buying) was Rs. 48.13 per US dollar on September 30, 2009.

Important Policy Pronouncements

Doha Round of trade talk

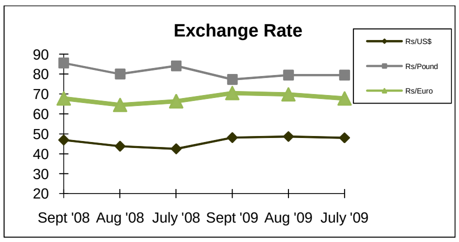
India hosted on September 3 – 4, 2009 in New Delhi a mini-ministerial meeting in advance of the Doha Round of global trade talk. The objective of the meeting was to set the agenda for the forthcoming Doha Round of global trade which was scheduled to be held in Geneva. India’s initiatives for hosting mini ministerial meeting conveyed India’s seriousness in concluding Doha Round of global trade by the end of 2010.

Subsequently, the chief negotiators and Senior Government officials met on September 14 – 15, 2009 in Geneva and they managed to map out a detailed plan for negotiations in the next three months. The senior officials also pledged to reconvene in Geneva in October, November and December 2009 to advance the plan, the contents of which have yet to be disclosed.



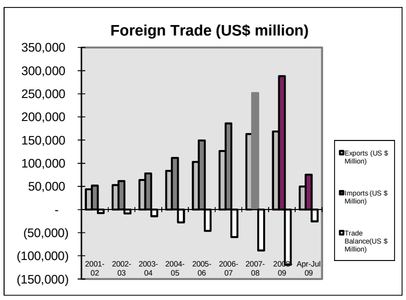
	Mar-04	Mar-05	Mar-06	Mar-07	Mar-08	Mar-09	Sep-09
M3 (Rs. Crore)	2,003,102	2,253,938	2,729,535	3,310,278	4,006,722	4,764,019	5,073,538
M3 (%) : Change	15.95	13.30	21.10	21.27	21.04	18.90	6.50
WPI (Index) All C	180.30	189	196.6	210	225.7*	227.3**	241.7***
WPI Inflation (%	4.29	4.83	2.91	6.82	7.47	0.01	0.06

Source:RBI Bulletin March 2009; W: $$1993-94=100; year/month-end; * March 31, 2008 ** March 07, 200 ***August 8, 2009



	2008-09			2009-10		
	Sept '08	Aug '08	July '08	Sept '09	Aug '09	July '09
Rs/US$	46.94	43.79	42.49	48.13	48.74	48.07
Rs/Pound	85.57	80.05	84.21	77.34	79.47	79.48
Rs/Euro	67.79	64.56	66.33	70.5	69.87	67.84

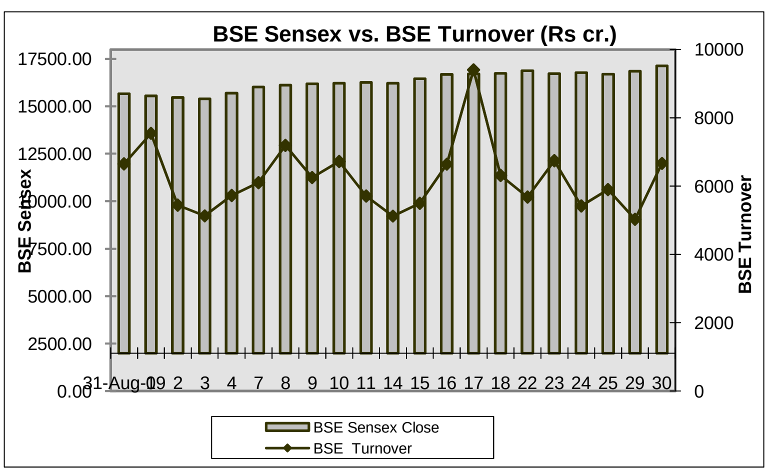
Figures are for month-end



During the Year	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	Apr-Jul 09
Exports (US $ Million)	43,827	52,719	63,843	83,536	103,091	126,361	163,132	168,704	49,651
Imports (US $ Million)	51,413	61,412	78,149	111,517	149,166	185,749	251,654	287,759	75,289
Trade Balance(US $ Milli	(7,586)	(8,693)	(14,306)	(27,981)	(46,075)	(59,388)	(88,522)	(119,055)	(25,638)

Source: Ministry of Comm Revised figures for 2001-02 to 2007-08 (April-March)

**DGCI&S data for April 2008 to March 2009(Provisional) : Economic & Political Weekly, September 25, 2009*



September 2009	BSE Sensex Close	BSE Turnover (Rs.crore)
31-Aug-09	15666.64	6651
1	15551.19	7547
2	15467.46	5441
3	15398.33	5133
4	15689.12	5722
7	16016.32	6100
8	16123.67	7190
9	16183.55	6250
10	16216.86	6721
11	16264.30	5710
14	16214.19	5125
15	16454.45	5494
16	16677.04	6645
17	16711.11	9402
18	16741.3	6309
22	16886.43	5679
23	16719.5	6742
24	16781.43	5420
25	16693	5894
29	16852.91	5027
30	17126.84	6669

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

Country	Interest rates, (%)		CPI (percentage change)		Currency unit per US $		Union Budget	Real Rate	Currency	Balance Latest :12 months		Col 11 as
	3-month latest	10-year gov't bonds latest	Latest	A Year ago	As on 30.09.09	A Year ago	(+) / (-) % of GDP 2009	(Short-term) (1-3)	unit per Euro 15.07.09	Trade Account (US$ bn)	Current Account (US$ bn)	Percentage of GDP 2009
	1	2	3	4	5	6	7	8	9	10	11	12
Euro-11	0.75	3.22	-0.3	3.60	0.68	0.71	-6.5	1.05	1.00	-22.8	-137.2	-0.9
			Sep							Jul	Jul	
U. S. A.	0.2	3.31	-1.5	5.40	1.00	1.00	-13.5	1.7	1.47	-604.9	-542.3	-2.9
			Aug							Jul	Q2	
Britain	0.57	3.67	1.6	4.70	0.63	0.56	-14.4	-1.03	0.93	-135.2	-50.6	-1.8
			Aug							Jul	Q2	
Japan	0.39	1.27	-2.2	2.10	89.50	106.00	-7.4	2.59	131.62	10.8	114	2.7
			Aug							Jul	Jul	
Sweden	0.11	3.31	-0.80	4.30	6.99	6.95	-4.4	0.91	10.28	13.9	29	6.8
			Aug							Aug	Q2	
Switzerland	0.29	1.95	-0.8	2.90	1.04	1.12	-1.3	1.09	1.53	16.8	26.1	6.8
			Aug							Aug	Q2	
India	3.39	7.67	11.7	9.00	48.10	46.60	-8	-8.31	70.74	-82.6	-26.6	-1.1
			Aug							Aug	Q2	

Source : The Economist London : October 3rd- October 9th, 2009 *Figures in Column 9 are derived.*

***RPI Inflation rate -1.2 in Jan.*

Annexure 2 : Important Economic Indicators for Select Emerging Market Countries

Country	Interest rates, (%)		CPI (percentage change)		Currency unit per US $		Union Budget	Real Rate	Currency	Balance Latest :12 months		Col 11 as
	3-month latest	10-year gov't bonds latest	Latest	A Year ago	As on 30.09.09	A Year ago	(+) / (-) % of GDP 2009	(Short-term) (1-3)	unit per Euro 15.07.09	Trade Account (US$ bn)	Current Account (US$ bn)	Percentage of GDP 2009
	1	2	3	4	5	6	7	8	9	10	11	12
China	1.77	3.67	-1.2	4.9	6.83	6.85	-4.2	2.97	10.04	267	364.4	6.1
			Aug							Aug	Q2	
Hongkong	0.22	2.21	-1.6	4.5	7.75	7.77	-3.8	1.82	11.40	-22.2	31.4	11.4
			Aug							Aug	Q2	
Indonesia	6.97	5.9	2.8	11.8	9665.00	9430.00	-2.6	4.17	14213.24	14.8	4.4	1.2
			Aug							Aug	Q2	
Malaysia	2.14	2.09	-2.4	8.5	3.46	3.44	-8.0	4.54	5.09	35.9	40.5	14.8
			Aug							Jul	Q1	
Singapore	0.50	2.38	-0.3	6.4	1.41	1.44	-3.2	0.8	2.07	18.6	21.4	13.8
			Aug							Aug	Q2	
South Korea	2.71	5.23	2.2	5.1	1178.00	1187.00	-4.5	0.51	1732.35	26.3	34.3	3.9
			Sep							Aug	Aug	
Taiwan	0.85	1.24	-0.8	4.7	32.10	32.00	-5	1.65	47.21	18	31.9	9.6
			Aug							Aug	Q2	
Thailand	1.35	3.33	-1	6.5	33.40	34.00	-5.8	2.35	49.12	13.9	13.2	5.5
			Aug							Aug	Aug	
Brazil	8.65	6.16	4.4	6.2	1.78	1.93	-2.6	4.25	2.62	27.8	-17.6	-1.3
			Aug							Aug	Aug	
Venezuela	14.63	6.55	28.8	34.5	5.45	4.50	-7.6	-14.17	8.01	18.5	10.3	0.7
			Aug							Q2	Q2	
India	3.39	7.67	11.7	9.0	48.10	46.60	-8	-8.31	48.10	-82.6	-26.6	-1.1
			Aug							Aug	Q2	

Source : The Economist London : October 3rd-October 9th, 2009

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