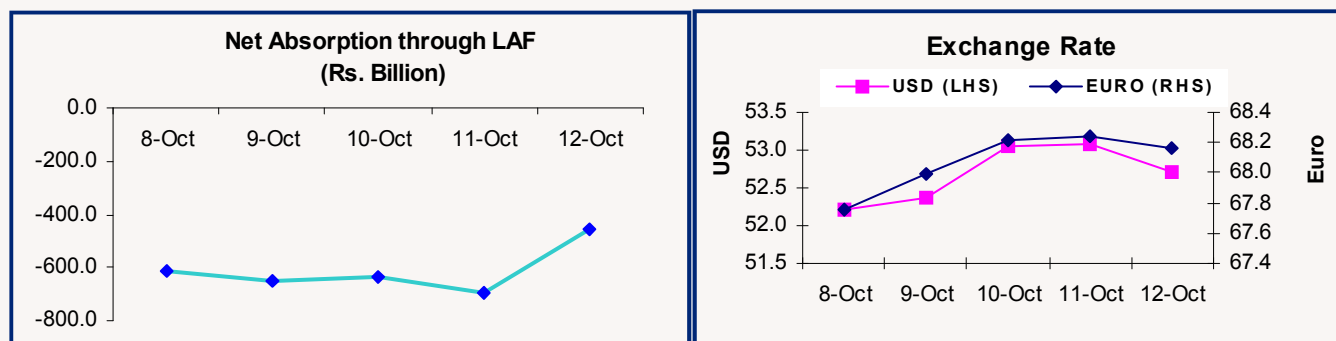




## POLICY DEVELOPMENT

- » The empowered group of ministers (EGoM) on telecom has decided to impose a one-time fee on incumbent operators prospectively for spectrum beyond 4.4 MHz in GSM and 2.5 MHz in CDMA. This is likely to fetch a revenue of Rs. 27,517 crore to the government.
- » After reducing the availability of subsidized LPG cylinders, the government is deliberating implementation of a single price for domestic LPG. This is to be done by directly transferring subsidy to consumers with or without Aadhaar numbers. Under this, all domestic LPG cylinders will be sold at a market price, and the differential on the first six cylinders will be directly transferred to Aadhaar-enabled bank account of consumers.
- » UIDAI has introduced Aadhaar e-KYC (electronic-Know Your Customer) instant prepaid accounts. A pilot for this will be launched in Delhi soon.
- » Textile Ministry is considering for increasing the credit flow to the power loom and processing sectors under the Technology Upgradation Fund Scheme (TUFTS). It has proposed the scheme to be included in 12th Five Year Plan (2012-17).



## BANKING INDICATORS

			Rs. Billion
Indicators	Outstanding as on 21 September, 2012	% Variation over Fortnight	Year
Total Bank Credit	47,664.9	0.4	16.4
Food Credit	925.8	-2.2	35.7
Non Food Credit	46,739.1	0.4	16.1
Aggregate Deposit	62,908.7	-0.5	13.7
Broad Money (M3)	77,993.8	-0.4	13.4
Credit Deposit Ratio	75.8		

Source: RBI

## EQUITY MARKETS

» **Global share market** remained subdued due to mixed economic signals emanating from (a) weak Asian markets especially owing to moderating Chinese economy and (b) poor situation in Europe which is refraining investors from investment.

» **Indian stocks** too declined last week, being impacted by continued moderation in production as reflected from the IIP data. Majority of the BSE indices crashed last week.

» **Total turnover** during the week on BSE stood at Rs. 9,344 crore and on NSE at Rs. 45,945 crore.

Global Stock Indices	Closing Value as on 12 October, 2012	Weekly Change (%)
NYSE: DJIA	13,326.4	-1.8
FTSE 100	5,793.3	-0.6
Nikkei 225	8,534.1	-3.3
Straits Times	3,041.8	-2.1
KOSPI	1,933.3	-3.1

Source: Yahoo Finance

### Net Institutional Activity

	Equity	Debt
Weekly FII (US\$ Million)	1,345.0	-20.2
Year -to-date FII (US\$ Million)	17,848.8	5,042.6
Weekly Mutual Funds <sup>#</sup> (Rs Crore)	-1,006.6	4,968.2

Source: SEBI

<sup>#</sup>as on 11 October, 2012

Indian Equity Indices	Closing Value as on 12 October, 2012	Weekly Change (%)
BSE SENSEX	18,675.2	-1.4
BSE 500	7,213.6	-0.9
S&P CNX NIFTY	5,676.1	-1.2
S&P CNX 500	4,506.2	-0.9

Source: NSE, BSE

## COMMODITY MARKETS

» **NYMEX West Texas Intermediate Crude Oil** on 12 October 2012 was US\$ 91.9 per barrel, up by US\$ 2.0 per barrel from the previous week.

» **New York spot price for Gold** was US\$ 1,759.7 per ounce as on 12 October 2012, down by US\$ 21.2 per ounce from the previous week.

Commodity Spot Indices	Closing Value as on 13 October, 2012	Weekly Change (%)
MCX AGRI	3,382.0	2.9
MCX METAL	5,201.5	-0.5
MCX ENERGY	3,364.0	3.8
MCX COMDEX	3,928.2	1.4

Source: MCX, NCDEX

## INDUSTRY NEWS

### Steel

» Steel Authority of India Ltd (SAIL) which is in advanced stage of implementing Rs. 16,000 crore expansion plan of its Rourkela Steel Plant is hopeful of commissioning its major facilities by December 2012. The capacity upgradation in this plant will ramp up hot metal and steel output from the existing 2 million tonne per annum (mtpa) to 4.5 mtpa.

### Micro, Small & Medium Enterprises

» Bihar government is luring small and medium investors to promote SME sector. The government is offering land to these investors, in return it is asking them to start production at the earliest. This is a step in the direction of developing new industrial parks in the state. Till July 2012, Bihar government has allotted land to 178 industrial units. From this, 11 units have already started production and 89 units are in different phases of construction.

### Tea

» Tea factories in Assam that are situated within 'No Development Zones' (NDZ) and in the range of 500 metres from the coordinates of NDZs are required to go green or else will face closures. The Pollution Control Board of Assam (PCBA) has ordered these factories to use natural gas as fuel instead of fossil fuels. Consequently, the PCBA has directed the Assam Gas Company Limited to provide supply of natural gas to these tea factories on priority basis latest by 6 November 2012.

BSE Indices	Closing Value as on 12 October, 2012	Weekly Change (%)
AUTO INDEX	10,274.5	-2.1
BANKEX	13,086.9	-0.9
BSE CAPITAL GOODS	11,175.8	-1.4
BSE CONSUMER DURABLE	7,195.0	0.5
BSE FMCG	5,749.8	2.0
BSE HEALTHCARE	7,570.1	1.9
BSE INFOTECH	5,728.8	-3.1
BSE MID CAP	6,676.9	0.0
BSE SMALL CAP	7,109.7	-0.5
BSE TECK INDEX	3,314.3	-2.9
METAL INDEX	10,620.3	0.1
OIL & GAS INDEX	8,543.4	-3.5

Source: BSE

CNX Segment Indices	Closing Value as on 12 October, 2012	Weekly Change (%)
CNX NIFTY Junior	11,210.2	-0.1
CNX MIDCAP	7,921.5	-0.2
BANK NIFTY	11,388.5	-1.1
CNX IT	6,106.2	-3.0
CNX Realty	249.0	-4.5
CNX Infrastructure	2,546.9	-1.2

Source: NSE

## GLOBAL NEWS

### USA

» In the week ending October 6, the advance figure for seasonally adjusted initial claims of unemployment benefits were 339,000, a decrease of 30,000 from the previous week's revised figure of 369,000. The 4-week moving average was 364,000, a decrease of 11,500 from the previous week's revised average of 375,500.

» Trade deficit increased to US\$44.2 billion in August 2012. the biggest gap since May 2012. However, it is higher by 4.1% from July's deficit of US\$42.5 billion. Exports dropped by 1% to US\$181.3 billion due to decline in cars and farm goods exports, while imports declined

by 0.1% to US\$ 225.5 billion due to fall in demand for autos, aircraft & heavy machinery.

### Europe

» European diplomats are exploring the possibility of a separate Budget of about Euro 20 billion to improve monetary union in the Euro Zone. Germany and France are supporting the idea as a way of coordinating transfers among states.

### Asia

» World Bank has cut its GDP projection for the East Asia from earlier estimate of 7.6% to 7.2% for 2012 and from 8.0% to 7.6% for 2013 due slow down in their exports' demand. However, the bank has expressed confidence that strong domestic demand and fiscal stimulus by the governments in this region will allow growth to accelerate.

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