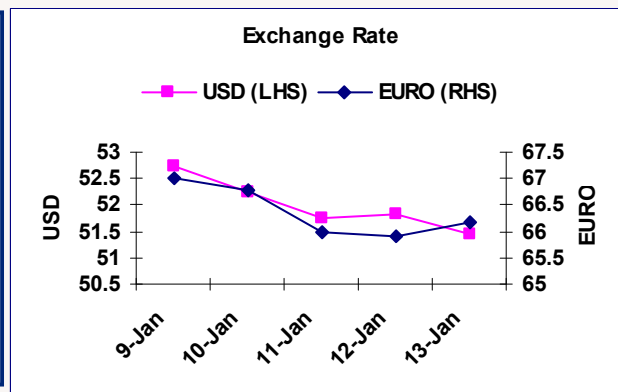
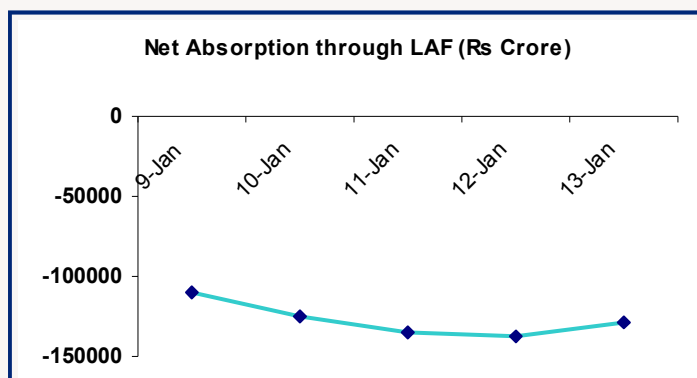


POLICY DEVELOPMENT

- » As part of the 12th Five Year Plan starting in April, the government is likely to set aside around Rs 500 crore towards connecting government offices across the country via optical fibre cable (OFC) to ensure that key administrative units and other essential departments are not cut off in the case of natural disaster or other emergencies.
- » The finance ministry has asked all regional rural banks (RRBs) to migrate to a system based identification of bad loans by 31 March.



BANKING INDICATORS

			<i>Rs. Billion</i>
Indicators	Outstanding as on 30 December, 2011	% Variation over Fortnight	Year
Total Bank Credit	43,656.4	2.3	15.9
Food Credit	845.5	3.3	28.2
Non Food Credit	42,811.0	3.1	15.8
Aggregate Deposit	58,279.1	2.7	16.9
Broad Money (M3)	71,986.8	2.1	15.6
Credit Deposit Ratio	74.9		

Source: RBI

EQUITY MARKETS

- » US and Europe bourses remained subdued as uncertainties lingered on, owing to the deepening of the crisis in euro zone.
- » Indian markets closed on a positive note on January 13 2012, due to better than expected November IIP data, which eased fears of economic slowdown. Moreover, negative trend in food inflation also raised hopes of taming down of wholesale price inflation down the line.

Total turnover during the week on BSE stood at

- » Rs. 10,124 crore and on NSE at Rs. 44,545 crore.

Net Institutional Activity

	Equity	Debt
Weekly FII (US \$ Million)	282.2	1,422.4
Year -to-date FII (US\$ million)	472.2	2,455.9
Weekly Mutual Funds# (Rs Crore)	-417.7	894.9

Source: SEBI

#as on 12 January, 2012

Global Stock Indices	Closing Value as on 13 January 2012	Weekly Change (%)
NYSE: DJIA	12,422.1	0.5
FTSE 100	5,636.6	-0.2
Nikkei 225	8,500.0	1.3
Straits Times	2,791.5	2.8
KOSPI	1,875.7	1.5

Source: Yahoo Finance

Indian Equity Indices	Closing Value on 13 January 2012	Week's % Change
BSE SENSEX	16,154.6	1.8
BSE 500	6,146.5	3.6
S&P CNX NIFTY	4,866.0	2.4
S&P CNX 500	3,827.2	3.6

Source: NSE, BSE

COMMODITY MARKETS

- » NYMEX West Texas Intermediate Crude Oil for January delivery stood at US\$ 98.7 per barrel on 13 January 2012, down by US\$ 2.9 per barrel from the previous week.
- » New York spot price for Gold was US\$ 1,631.2 per ounce as on 13 January 2012, up by US\$ 13.9 per ounce from the previous week.

Commodity Spot Indices	Closing Value as on 14 January 2012	Week's % Change
MCX AGRI	3,314.1	-0.6
MCX METAL	4,731.9	0.6
MCX ENERGY	3,362.6	-6.7
MCX COMDEX	3,734.8	-2.2

Source: MCX, NCDEX

INDUSTRY NEWS

Oil & Gas

- » State owned Oil India Ltd (OIL) is in talks with a US listed firm to buy around 25% stake for some US\$ 200 million in the latter's shale gas acreage.

Automobile

- » Honda Motor Co. Ltd has directed its Indian unit to supply critical automobile parts to markets in Latin America and South-East Asia after the Japanese car maker's Thailand unit had to suspend production because of floods..

Energy

- » Aiming to become an integrated power company, Essar Power plans to enter the electricity distribution business and has applied for licenses in Maharashtra and Bihar .

BSE Indices	Closing Value on 13 January 2012	Week's % Change
AUTO INDEX	8,466.0	3.6
BANKEX	10,300.5	6.1
BSE CAPITAL GOODS	9,297.0	8.5
BSE CONSUMER DURABLE	5,606.5	3.7
BSE FMCG	4,071.7	1.2
BSE HEALTHCARE	6,127.6	2.4
BSE INFOTECH	5,482.4	-6.9
BSE MID CAP	5,582.3	5.4
BSE SMALL CAP	6,171.8	7.1
BSE TECK INDEX	3,280.2	-4.5
METAL INDEX	10,756.5	9.8
OIL & GAS INDEX	7,821.8	1.8

Source: BSE

CNX Segment Indices	Closing Value on 13 January 2012	Week's % Change
CNX NIFTY Junior	9,101.5	5.9
CNX MIDCAP	6,653.6	6.0
BANK NIFTY	8,975.1	6.2
CNX IT	5,872.6	-6.6
CNX Realty	213.8	14.3
CNX Infrastructure	2,343.2	7.1

Source: NSE

GLOBAL NEWS

USA

- » In the week ending 7 January, the advance figure for seasonally adjusted initial claims was 399,000, an increase of 24,000 from the previous week's figure of 375,000.
- » US exports for the month of November 2011 stood at US\$ 177.8 billion and imports of US\$ 225.6 billion, resulting in a goods and services deficit of US\$ 47.8 billion, up from US\$ 43.3 billion in October.

Europe

- » Standard & Poor's (S&P) downgraded the credit ratings of nine European countries.
- » The first estimate for Euro Area (EA17)

trade with the rest of the world in November 2011 gave a 6.9 billion euro surplus, compared with -2.3 billion deficit in November 2010.

- » In November 2011 compared with October 2011, seasonally adjusted industrial production fell by 0.1% in both the Euro Area (EA17) and the EU 27. In October 2010, production decreased by 0.3% in both zones.

Asia

- » Japan's machinery orders rebounded in November. Bookings, an indicator of future capital spending, rose 15% in November from a month earlier.

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