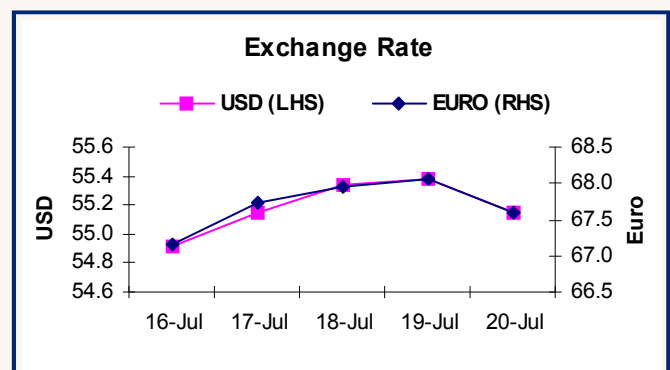
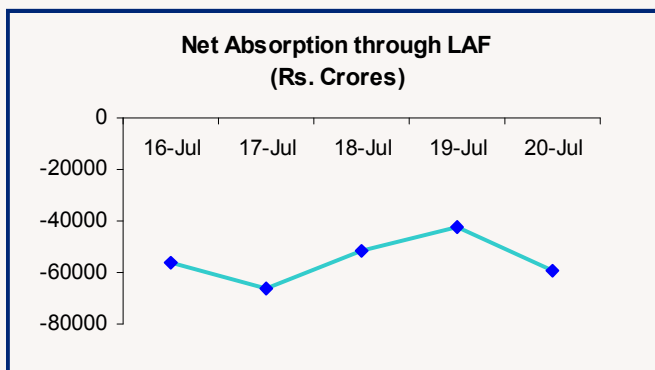




## POLICY DEVELOPMENT

- » The Finance Ministry is expected to come out with details of the Rajiv Gandhi Equity Scheme by end of this month, which aims at boosting retail investments in capital market. Further, to make this scheme more attractive for retail investors, the ministry is also considering reduction in the lock-in period under the scheme from the proposed three years in budget 2012-13 to one year.
- » The Entrepreneurship Development Institute of India (EDI) has suggested Ministry of Micro, Small and Medium enterprise to establish a permanent National Commission on Entrepreneurship for institutionalising entrepreneurship development in the country. This commission will facilitate capacity building of entrepreneurs rather than enterprises alone.
- » RBI to develop producer price index to gauge inflation more accurately as current WPI does not capture the price movement of services and as it is based on both consumer and producer price.



## BANKING INDICATORS

Indicators	Rs. Billion		
	Outstanding as on 29 June, 2012	% Variation over Fortnight	Year
Total Bank Credit	47,608.5	1.0	16.5
Food Credit	1,075.2	1.9	35.1
Non Food Credit	46,533.3	1.0	16.1
Aggregate Deposit	62,291.7	1.9	13.4
Broad Money (M3)	77,255.6	1.2	13.2
Credit Deposit Ratio	76.4		

Source: RBI

## EQUITY MARKETS

» **Global shares** exhibited mixed response towards the two major developments: weak Asian markets and the Euro 100 billion bailout approval to struggling Spanish banks by Eurozone nations.

» **Indian stocks** fell marginally last week being influenced by the slow down in other Asian stock markets. Nevertheless, major BSE indices have shown some improvement barring auto, banking, IT, tech and capital goods. BSE Consumer Durable index gained the most, grew by 2.5%.

» **Total turnover** during the week on BSE stood at Rs. 7,807 crore and on NSE at Rs. 34,843 crore.

Global Stock Indices	Closing Value as on 20 July, 2012	Weekly Change (%)
NYSE: DJIA	12,943.4	2.9
FTSE 100	5,651.8	-0.3
Nikkei 225	8,669.9	-0.6
Straits Times	3,015.5	0.7
KOSPI	1,822.9	0.6

Source: Yahoo Finance

### Net Institutional Activity

	Equity	Debt
Weekly FII (US \$ Million)	304.6	-67.2
Year -to-date FII (US\$ million)	10,166.5	4,290.2
Weekly Mutual Funds# (Rs Crore)	-61.0	1,549.3

Source: SEBI

#as on 19 July, 2012

Indian Equity Indices	Closing Value as on 20 July, 2012	Week's % Change
BSE SENSEX	17,158.4	-0.3
BSE 500	6,628.7	-0.5
S&P CNX NIFTY	5,205.1	-0.4
S&P CNX 500	4,134.8	-0.5

Source: NSE, BSE

## COMMODITY MARKETS

» **NYMEX West Texas Intermediate Crude Oil** on 20 July 2012 was US\$ 91.8 per barrel, up by US\$ 4.7 per barrel from the previous week.

» **New York spot price for Gold** was US\$ 1,582.8 per ounce as on 20 July 2012, down by US\$ 9.2 per ounce from the previous week.

Commodity Spot Indices	Closing Value as on 20 July, 2012	Week's % Change
MCX AGRI	3,897.7	4.1
MCX METAL	4,838.6	0.1
MCX ENERGY	3,423.8	4.5
MCX COMDEX	3,910.8	2.3

Source: MCX, NCDEX

## INDUSTRY NEWS

### Electronics

» The clearance of the proposed National Policy on Electronics (NPE) is likely to bring in investments of nearly US\$ 1 billion in the mobile phone segment in the next three years. According to the Indian Cellular Association, the demand for mobile handsets is expected to grow at 10-12% per annum in the country and would touch 280 million units by 2015. As per Electronics industry body ELCINA, at present the size of the industry is around US\$ 70 billion, of which US\$ 40 billion of the requirement is met through imports. The NPE projects such imports to reach at US\$ 300 billion by 2020.

### Power

» Planning Commission has slashed power generation from 1,00,000 MW to 88,000 MW for the 12th Five Year Plan. This has been done as over 55 of the 89 thermal power generating units in the country are currently running on low capacity.

### Water

» Tamil Nadu government is seeking Rs 138.56 crore from the Union ministry of Rural Development towards the drinking water programme in the state.

BSE Indices	Closing Value as on 20 July, 2012	Week's % Change
AUTO INDEX	9,161.8	-1.6
BANKEX	12,042.0	-1.2
BSE CAPITAL GOODS	9,942.1	-1.1
BSE CONSUMER DURABLE	6,388.2	2.5
BSE FMCG	4,937.8	0.6
BSE HEALTHCARE	6,989.0	0.8
BSE INFOTECH	5,320.6	-0.7
BSE MID CAP	6,184.1	-1.0
BSE SMALL CAP	6,675.4	-0.9
BSE TECK INDEX	3,171.4	-0.3
METAL INDEX	10,673.6	0.3
OIL & GAS INDEX	8,026.5	0.0

Source: BSE

CNX Segment Indices	Closing Value as on 20 July, 2012	Week's % Change
CNX NIFTY Junior	10,123.6	-0.6
CNX MIDCAP	7,350.9	-1.1
BANK NIFTY	10,481.6	-1.1
CNX IT	5,674.2	-0.7
CNX Realty	224.9	-2.6
CNX Infrastructure	2,404.7	-0.8

Source: NSE

## GLOBAL NEWS

### USA

- » In the week ending July 14, the advance figure for seasonally adjusted initial claims of unemployment benefits was 386,000 a increase of 34,000 from the previous week's revised figure of 352,000. The 4-week moving average was 375,500, a decrease of 1,500 from the previous week's revised average of 377,000.
- » US Census Bureau and Department of Housing and Urban Development states that in June 2012 seasonally adjusted privately owned housing grew by 19.3% to 755,000 from 633,000 in the same period last year but is lower than May 2012 revised rate of 784,000 by 3.7%.

### Europe

- » The eurozone nations have approved a bail out of Euro 100 billion (\$122 billion) for the recapitalization of Spain's ailing banks. The purpose of recapitalisation of financial institutions is to safeguard the stability of the euro area as a whole.

### Sri Lanka

- » The IMF has released a final US\$ 415 million bailout to Sri Lanka, for its economic development agenda. This support is meant for rebuilding external reserves, boost up fiscal position, maintain monetary stability and fortify domestic financial system.

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