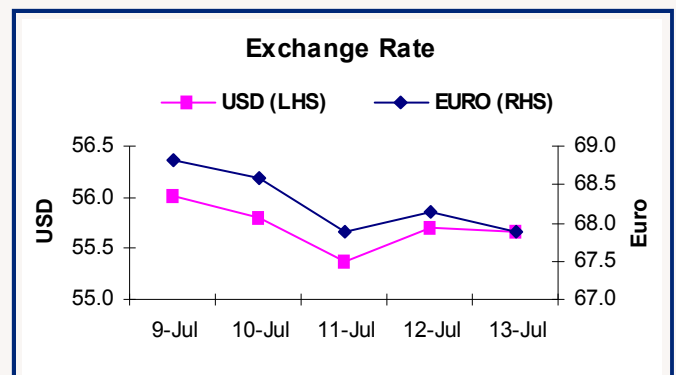
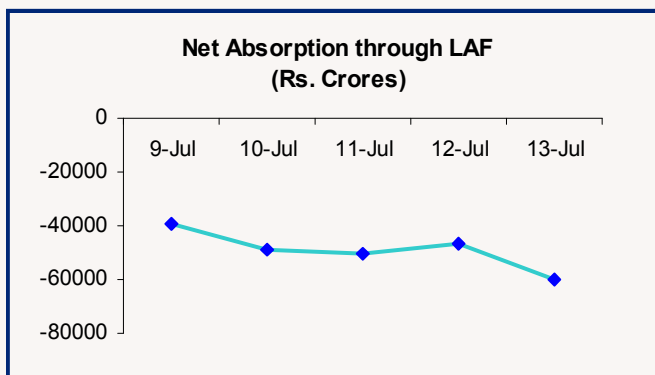


POLICY DEVELOPMENT

- » Finance ministry is mulling an exchange traded fund (ETF) for selling shares of state-owned companies as part of steps to meet the 2012-13 budgeted disinvestment target of Rs 30,000 crore. The disinvestment department is planning to create a pool of shares of the PSUs (like Hindustan Copper, Oil India, SAIL, BHEL, HAL and RINL) it wants to divest. ETF would be listed on stock exchanges.
- » Pension Fund Regulatory and Development Authority approves 26% FDI limit in pension. The direct or indirect foreign investment in the Pension Fund should not exceed 26% of the paid-up share capital or as may be laid down by the authority from time to time.
- » The Empowered Group of Ministers on telecom, has allowed banks to auction spectrum mortgaged to them by operators in case of a default, but could not decide on the spectrum pricing.



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: slowest annual growth of Chinese economy during second quarter of 2012 in last three years and the successful sale of Italian bonds worth Euro 3.5 billion despite being down graded by Moody.

» **Indian stocks** fell slightly last week being impacted by the moderation in China's GDP for the second quarter of 2012 and due to fall in the prices of Infosys shares. All BSE indices fell, highest fall of over 5.0% was being noticed in BSE Infotech.

» **Total turnover** during the week on BSE stood at Rs. 8,099 crore and on NSE at Rs. 38,374 crore.

Global Stock Indices	Closing Value as on 13 July, 2012	Weekly Change (%)
NYSE: DJIA	12,573.3	-2.5
FTSE 100	5,666.1	0.1
Nikkei 225	8,720.0	-3.3
Straits Times	2,995.6	0.6
KOSPI	1,812.9	-2.4

Source: Yahoo Finance

Net Institutional Activity

	Equity	Debt
Weekly FII (US \$ Million)	329.0	163.5
Year -to-date FII (US\$ million)	9,766.8	4,291.3
Weekly Mutual Funds# (Rs Crore)	-673.3	-3855.4

Source: SEBI

#as on 12 July, 2012

Indian Equity Indices	Closing Value as on 13 July, 2012	Week's % Change
BSE SENSEX	17,213.7	-1.8
BSE 500	6,663.0	-1.5
S&P CNX NIFTY	5,227.3	-1.7
S&P CNX 500	4,156.8	-1.6

Source: NSE, BSE

COMMODITY MARKETS

» **NYMEX West Texas Intermediate Crude Oil** on 13 July 2012 was US\$ 87.1 per barrel, up by US\$ 2.6 per barrel from the previous week.

» **New York spot price for Gold** was US\$ 1,592.0 per ounce as on 13 July 2012, up by US\$ 13.1 per ounce from the previous week.

Commodity Spot Indices	Closing Value as on 13 July, 2012	Week's % Change
MCX AGRI	3742.6	3.6
MCX METAL	4834.9	-0.8
MCX ENERGY	3277.4	2.1
MCX COMDEX	3823.6	0.9

Source: MCX, NCDEX

INDUSTRY NEWS

Energy

» Ministry of New and Renewable Energy plans to set up a company for generating power using biomass. Currently, of the over 200,000 Mw of installed power generation capacities in India, nearly 12% i.e. 25,000 Mw is generated from renewable sources. The ministry has set a target to achieve 30,000 Mw of renewable energy generation capacities in India in the current five-year plan at an estimated investment of Rs 2.5 lakh crore. Besides, ministry is planning to set up a fund aimed at renewable energy generation.

Defence

» Navy is planning a major expansion of its strategic Karwar naval base in Karnataka at an estimated cost of Rs. 10,000 crore to berth its aircraft carrier Admiral Gorshkov and carry out military aircraft operations.

Petrochemical

» Cabinet Committee on Economic Affairs has approved Government of Tamil Nadu's proposal to set up a Petroleum Chemicals and Petrochemicals Investment Region. This region is expected to attract an investment of about Rs 92,160 crore. The project will be set up in Cuddalore and Nagapattinam districts in Tamil Nadu.

BSE Indices	Closing Value as on 13 July, 2012	Week's % Change
AUTO INDEX	9,310.0	-1.9
BANKEX	12,182.6	-0.7
BSE CAPITAL GOODS	10,054.8	-1.0
BSE CONSUMER DURABLE	6,230.7	-3.4
BSE FMCG	4,909.6	0.0
BSE HEALTHCARE	6,931.0	-0.2
BSE INFOTECH	5,360.7	-5.2
BSE MID CAP	6,247.9	-1.0
BSE SMALL CAP	6,737.4	-1.2
BSE TECK INDEX	3,181.6	-4.7
METAL INDEX	10,641.0	-3.3
OIL & GAS INDEX	8,028.4	-0.4

Source: BSE

CNX Segment Indices	Closing Value as on 13 July, 2012	Week's % Change
CNX NIFTY Junior	10,186.0	-1.4
CNX MIDCAP	7,431.9	-1.1
BANK NIFTY	10,594.5	-0.6
CNX IT	5,713.9	-5.2
CNX Realty	230.9	-0.9
CNX Infrastructure	2,425.0	-1.9

Source: NSE

GLOBAL NEWS

USA

» In the week ending July 7, the advance figure for seasonally adjusted initial claims of unemployment benefits was 350,000 a decrease of 26,000 from the previous week's revised figure of 376,000. The 4-week moving average was 376,500, a decrease of 9,750 from the previous week's revised average of 386,250.

» US trade deficit shrank by 3.8% to US\$ 48.7 billion in May 2012 due to rise in exports and trim in import bill because of falling crude oil prices and weak consumer demand. Exports grew by 0.2% while, imports declined by 0.7%.

Europe

» Swedish industrial production fell for the fourth month in May 2012 by 2.3% after falling by 6.4% in the previous month as the European debt crisis continues to hurt demand for the exports. Industrial orders for Swedish companies fell by 3.3% on y-o-y basis, however, rose by 4.5% on m-o-m basis in May.

China

» GDP grew by 7.6% in the second quarter of 2012 as compared to 9.5% in the same period a year ago. It is lower than 8.1% recorded in the previous quarter. It is the slowest pace in three years as investment slowed and demand fell in key export markets such as the US and Europe.

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