

- ✚ The annual rate of **inflation** stood at 3.78 percent for the week ended 10/12/2011 (over 11/12/2010) as compared to 5.48 percent for the previous week (ended 03/12/2011).
- ✚ According to the latest information received from the field, **wheat** has been shown in 265.5 lakh hectare against 264.93 lakh hectare last year on this date. Total wheat acreage is 0.57 lakh hectare higher than the area sown during the corresponding period last year. Higher coverage has been reported from Madhya Pradesh (6 lakh hectare), Rajasthan (3.12 lakh hectare), Chhatisgarh (0.25 lakh hectare) and Jharkhand (0.16 lakh hectare). **Rice** transplanting is in progress in Andhra Pradesh, Karnataka and Odisha. The total area under rice is 2.05 lakh hectare against 2.26 lakh hectare during the corresponding period of last year. **Pulses** have been sown in 134.18 lakh hectare as against 135.21 lakh hectare last year. The area under **gram** which is a dominant pulse crop of rabi season has been reported at 85.78 lakh hectare against 89.68 lakh hectare during the corresponding period last year. Total area under **oilseeds** cultivation is reported to be 77.91 lakh hectare against 83.11 lakh hectare last year.
- ✚ **Moody's upgrades India's sovereign credit ratings:** They have **upgraded the rating on long-term government bonds** denominated in domestic currency from Ba1 to Baa3 (from speculative to investment grade). The **long-term country ceiling on the foreign currency bank deposits** has been upgraded from Ba1 to Baa3 (from speculative to investment grade). In addition, Moody's have **upgraded the short-term government bonds** denominated in domestic currency from NP to P-3 (from speculative to investment grade). **This short-term rating has been upgraded for the first time since it was newly assigned in 1998.** In their report, Moody's have recognized that the **"diverse sources of Indian growth have enhanced its resilience to global shocks."** They state that "India's growth, product mix and destinations of Indian exports reflect improved international competitiveness, another source of economic resilience." The present slowdown in growth rates "could reverse some time in FY2012/13, as inflation cools from current 9% levels." They have emphasized that the structural drivers of India's growth momentum will not be damaged by the present cyclical downturn.
- ✚ The main **30-share BSE index** provisionally ended down 82.02 points at 15,731.34, with 19 of its components closing in the red. The 50-share **NSE index** provisionally dropped 0.42% to 4,714, weighed down by oil & gas, banks, realty, power and metal stocks.
- ✚ **Government today introduced in Lok Sabha the Lokpal and Lokayuktas Bill**
- ✚ **CLSA cut its forecast for Indian GDP growth to 6.7%** for the current fiscal year ending March from its earlier projection of 7.3%, citing cyclical deceleration caused by high interest rates, policy inertia and the adverse impact of global headwinds.
- ✚ The Planning Commission has given Investment clearance for the scheme **"Flood Protection works for River Banks of Ghatprabha River (Ch. Km 4.953 – Km 6.933) at Gokak Town of Belgaum District of Karnataka"**. Estimated to cost Rs 34.07 crore, the project shall be completed by the financial year 2012-13 and Plan accounts would be closed by 31st March 2013.
- ✚ The Ministry of Health and Family Welfare will soon launch a **Weekly Iron and Folic Supplementation (WIFS) programme**. The programme, implemented across the country both (rural and urban areas) will cover nearly 12 Crore adolescents.
- ✚ As part of "Strategy Paper for doubling of exports in next three years" prepared by the Department of Commerce, it is envisaged the **exports of agricultural products**, excluding plantation crops would increase from USD 13,808.48 million in 2008-09 to USD 22,015.00 million in 2013-14.
- ✚ In addition to seven Central Government **Special Economic Zones (SEZs)** and 12 State/Private Sector SEZs set up prior to the enactment of SEZ Act, 2005, formal approval has been accorded to 582 proposals out of which 382 SEZs have been notified. A total of 148 SEZs are already exporting. Physical exports from the SEZs have increased from Rs. 2,20,711 crore approximately in 2009-10 to Rs. 3,15,868 crore approximately in 2010-11, registering a growth of 43.11%. The total physical exports from SEZs as on 30th September, 2011 i.e. in the first half of the current financial year, has been to the tune of Rs. 1,76,479.69 crore approximately registering a growth of 26.20% over the exports of corresponding period of the previous financial year.
- ✚ **Indian Pharmaceutical exporters** are facing intense competition in international markets from China, particularly in Bulk drugs sector. Competition in formulations is also increasing gradually from China. India is also facing competition from Brazilian companies in Latin American Countries. Government has already prepared strategies to double the pharma exports to USD 25 billion by 2013-14.
- ✚ **Jacob E. Goldman, founder of Xerox Lab, dies at 90**
- ✚ Union Minister of Commerce, Industry and Textiles Shri Anand Sharma have exhorted **textiles industry to improve its competitiveness at the global stage**. Speaking at the Parliamentary Consultative Committee on Textiles, Shri Sharma said "besides nurturing what we have, it is essential to remain globally competitive. Increasing employability and staying competitive are key objective for us." The Parliamentary Consultative Committee discussed Integrated Skill Development Scheme (ISDS) and Scheme for Integrated Textiles Parks (SITP). Shri Sharma informed the members that the Indian Textiles Industry has an overwhelming presence in the economic life of the country. **The sector contributes 14% of industrial production, 4% of GDP and 10.63% of country's export earnings.** It provides direct employment to over 35 million people, which includes a substantial number of SC/ ST, and women. **The Textiles sector is the second largest provider of employment after agriculture.** Plan allocation of Textiles under the 11th FYP was Rs. 14000 Crores which was enhanced by Rs. 5000 Crores to Rs. 19000 Crores. Government has formulated the National Fibre Policy to provide a holistic boost to the development of the sector.
- ✚ **The Indian Telecom sector** has proved to be an international success story. The sector has witnessed a commendable growth over the past two years. With an overall subscriber base of 914.60 million and a teledensity of 76.03%, the sector continues to grow from strength to strength. With the urban teledensity reaching 166.54%, the market has been showing signs of maturity. **Rural India is the key target market likely to drive the next round of growth**, particularly for voice based services. It is envisaged that rural teledensity of 40% would be reached by end of 2014. 3G and BWA are expected to reinvigorate the maturing urban markets and help in bringing balanced growth of



economy. **The aggressive growth observed by mobile services is yet to be replicated in case of broadband service**, where the subscriber base currently stands at more than 12 million. The government has a vision to provide telephone connection and broadband facilities on demand across the country at an affordable price and it strives to achieve the same. The 11th plan (2007-2012) had envisaged provision of 600 million connections. The number of telephone connections both wireline and wireless put together stands at 914.60 million on 31.10.2011. This registers an addition of 869.83 million connections by October 2011 against a target of 600 million connections by end of the 12th Plan i.e. March 2012. **Wireless subscribers increased to 881.41 million** by October 2011, exhibiting a **CAGR of 43.93%**. During the first seven months of the current year 2011-12, the wireless connections grew by 8.60%. The number of Internet subscribers grew by 22.30%, while the broadband subscribers grew at 34.43% during the year 2010-11.

- The World Bank Group (WBG)** will continue to support **Pakistan's poverty reduction and development agenda** with an expected assistance of up to \$5.5 billion over the FY 12-14, according to the World Bank's Country Partnership Strategy Progress Report (CPSPR)
- The World Bank has approved today a US\$ 49.6 million loan for the Energy and Mineral Sectors Strengthening Project.** The project will directly benefit the Brazilian population, and especially the poorer groups most dependent on energy affordability and mineral extraction, who will have access to more reliable power at lower prices, and receive increased positive spillovers from an expanding, more efficient and sustainable mineral sector.
- World Bank draws Five Key Lessons for Latin America and the Caribbean from the Great Recession:** 1] Rising income and a more equal distribution of income were behind the falling poverty in 2009 and 2010. Labor income accounted for 50 percent of poverty reduction, non labor income (public and private transfers) accounted for 24 percent, and a combination of labor and non labor income accounted for the 26 percent left. Therefore, **households receiving both increases in labor and non-labor income saw the greatest poverty reduction during the crisis.** 2] The urban poor suffered most during the 2009 crisis and benefitted less during the 2010 recovery. This suggests that the **labor market in poor urban areas remains less dynamic than in poor rural areas.** 3] In 2010, **growth rates had a strong correlation with poverty declines in the Southern Cone and the Andean regions** (poverty declined by 3.7 and 1.9 percentage points, respectively). In contrast, in Mexico and Central America poverty decreased by 1.3 percentage points, despite a more than 4 percent increase in GDP per capita – suggesting that poor households did not benefit much from the expansion and/or that vulnerable households continued to drop below the poverty line after the crisis. 4] While women's wages played a key role in keeping the poor afloat during the 2009 crisis, **it was men's wages that helped in the 2010 recovery.** What's more, it was **households with dual earning that had the best chance to come out of poverty during the crisis.** 5] While poor households with children experienced the greatest improvements in well being during periods of growth, they also suffered the most during economic contractions, suggesting that these households were less likely to have dual earners and that **safety nets are still leaving out some of these households.**

As a matter of fact ;)



**“Christmas is the happiness that lights our children's eyes
Christmas is a song of bells ringing through the skies
Christmas is a time of peace, of contentment deep within
A time of love and silent hope that years will never dim.”**

--Sherrill Thompson

