

- Advanced Economies Show Signs of Improvement but Risks of Fiscal Deficit, Sovereign Debt Crisis in Some Euro Zone Nations , High Public Debt and Unemployment Levels Continue ; Overall, 2011 Should See an Improvement in the **World Economy: FM**
- The annual rate of **inflation**, stood at 14.85 percent for the week ended 19/02/2011 (over 20/02/2010) as compared to 15.77 percent for the previous week (ended 12/02/2011).
- Tight cereal markets as food prices increase again, Recent oil price surge adds to concerns over high food prices:** Global food prices increased for the eighth consecutive month in February, with prices of all commodity groups monitored rising again, except for sugar. FAO expects a tightening of the global cereal supply and demand balance in 2010/11. In the face of a growing demand and a decline in world cereal production in 2010, global cereal stocks this year are expected to fall sharply because of a decline in inventories of wheat and coarse grains. International cereal prices have increased sharply with export prices of major grains up at least 70 percent from February last year.
- Rebuild small seed enterprises, Farmers' seed ventures key to food security in developing countries:** Small seed enterprises are the best way of ensuring the availability and quality of non-hybrid seeds for food and feed crops in developing countries. According to the World Bank, up to 50 percent of crop yield increases have come from improved seeds, while farmers' access to quality seeds is a key factor for better food and nutrition in poor countries. In recent years, however, large number governments in the developing world reduced public investment in the seed sector, the expectation being that the private sector would fill the gap. In many places, especially Africa, this has not happened as medium and large seed companies tend to concentrate on producing hybrid seed for high value crops grown by larger farmers and market them in more fertile, wealthier areas.
- The **Index of Industrial Production (IIP)** in January 2011 registered a growth of 7.1% compared to 9.8% registered in January 2010
- Crude Oil production** registered a growth of 10.8% in January 2011 compared to a growth rate of 9.8% in January 2010. **Petroleum refinery production** registered a growth of 8.7% in January 2011 compared to growth of 3.8% in January 2010. **Coal production** registered a growth of (-) 1.2% in January 2011 compared to growth rate of 5.4% in January 2010. **Electricity generation** registered a growth of 9.3 % in January 2011 compared to growth rate of 6.4% in January 2010. **Cement production** registered a growth of 1.8% in January 2011 compared to 12.4% in January 2010. **Finished (carbon) Steel production** registered a growth of 8.2% in January 2011 compared to 16.8% (estimated) in January 2010
- All major sectors, except agriculture, recorded accelerated credit growth in January 2011, both on a y-o-y and financial year basis.**
- On a year-on-year (y-o-y) basis, **non-food gross bank credit grew by 23.0 per cent in January 2011** as compared with 14.9 per cent in the corresponding period of last year. During the financial year up to January 2011, non-food gross bank credit growth was 14.6 per cent as compared with 8.9 per cent during the corresponding period of previous year.
- Credit to industry grew by 26.5 per cent (y-o-y) in January 2011** as compared with an increase of 20.1 per cent in the previous year, led by infrastructure, metals, engineering, food processing, rubber, plastic and their products and cement & cement products. On a financial year basis up to January 2011, credit growth to industry was 17.4 per cent as compared with 15.5 per cent a year ago.
- Credit to the services sector grew by 23.5 per cent (y-o-y) in January 2011** as compared with 14.2 per cent in the previous year. On a financial year basis, it grew by 16.5 per cent as compared with an increase of 6.1 per cent during the corresponding period of the previous year.
- Credit off-take by the commercial real estate (CRE) sector at 19.9 per cent on a y-o-y basis in January 2011** was significantly higher as compared with a growth of 12.7 per cent in the previous year. On a financial year basis, credit growth to the CRE sector was 14.9 per cent as against a decline of 4.4 per cent a year ago.

- ✚ On a y-o-y basis, **personal loans grew by 15.8 per cent in January 2011** as compared with 2.3 per cent in the previous year, with most of its components such as housing, advances against fixed deposits, vehicle loans, education, etc., exhibiting accelerated growth. On a financial year basis, growth in personal loans accelerated to 12.8 per cent from 1.4 per cent a year ago.
- ✚ **Credit to agriculture on a y-o-y basis grew at a marginally lower rate of 21.5 per cent in January 2011** as compared with 22.7 per cent in the previous year. During the financial year up to January 2011, credit to agriculture grew by 5.3 per cent as compared with 6.5 per cent a year ago.
- ✚ As per data received from States, **wheat** has been sown in 294.06 lakh hectare, which is 10.46 lakh hectares more than last year on this date. The **pulses** acreage is up by 12.86 lakh hectare and oilseeds by 3.52 lakh hectare compared to last year.
- ✚ **Extension of Indian Development and Economic Assistance (IDEA) Scheme:** The CCEA has approved the operating and extending Indian Development and Economic Assistance (IDEA) Scheme during the period 2010-11 to 2014-15 for both African and non-African countries. Under the IDEA scheme, Government supported Export and Import Bank of India (Exim Bank) Lines of Credit (LoCs) are made available to developing countries for support of developmental and other projects as recommended by Ministry of External Affairs (MEA).
- ✚ **Cultivation of Millets:** The total area coverage under coarse cereals (millets) in the country has declined from 290.25 lakh hectares during 2004-05 to 270.68 lakh hectares during 2010-11 (2nd Advance Estimates). The decline in the area under coarse cereals has been on account of shift of area to more profitable crops such as wheat, rice, cotton etc
- ✚ **India's exports** during January, 2011 were valued at US \$ 20605 million (Rs. 93534 crore) which was 32.4 per cent higher in Dollar terms (30.8 per cent higher in Rupee terms) than the level of US \$ 15557 million (Rs.71500 crore) during January, 2010. **India's imports** during January, 2011 were valued at US \$ 28587 million (Rs.129764 crore) representing a growth of 13.1 per cent in Dollar terms (11.7 per cent in Rupee terms) over the level of imports valued at US \$ 25267 million (Rs. 116127 crore) in January, 2010.
- ✚ **Oil imports** during January, 2011 were valued at US \$ 7852 million which was 7.8 per cent lower than oil imports valued at US \$ 8513 million in the corresponding period last year. **Non-oil imports** during January, 2011 were estimated at US \$ 20734 million which was 23.8 per cent higher than non-oil imports of US \$ 16754 million in January, 2010.
- ✚ The **trade deficit** for April - January, 2010-11 was estimated at US \$ 88965 million which was lower than the deficit of US \$ 89843 million during April -January, 2009-10.
- ✚ **Opening of IIITs:** The Government has approved setting up 20 new Indian Institutes of Information Technology (IIITs) on Public Private Partnership (PPP) basis. The capital cost of each IIIT would be contributed in the ratio of 50:35:15 (57.5:35:7.5 in the North Eastern region) by the Central Government, the State Government, and industry respectively
- ✚ **Date of filling of ITR-V extended to 31st July, 2011**
- ✚ **Minimum Export Price of Onions:** Minimum Export Price (MEP) of onions other than Bangalore Rose Onions and Krishnapuram will be US\$ 450 per Metric Ton F.O.B. Earlier it was US\$ 600 per Metric Ton.
- ✚ **Prohibition on export of wheat – Exemption for export of wheat to Afghanistan:** The export of 1, 00,000 MTs of wheat to Afghanistan, as a donation from Government of India to the Government of Islamic Republic of Afghanistan will be permitted for export through FCI. upto 31.03.2011.
- ✚ **Export of Honey to USA and European Union:** Export of honey to USA and European Union(EU) shall be allowed subject to the conditions: 1]Honey exported shall be 'wholly obtained' Indian origin honey only, and; 2] No blending of Indian honey shall be permitted with honey originating from any other country."

- ✚ **Procedure for export of Sona Masuri, Ponni Samba and Matta rice:** Varieties of rice (Sona Masuri, Ponni Samba and Matta) as were permitted to be exported by Notification No. 21 of 10.02.2011, would be subject to port restrictions and other conditions.
- ✚ **Making Transparency Count:** Approximately 3.5 billion people live in countries rich in oil, gas, and minerals, but many of them suffer from poverty, corruption, and conflict stemming from weak governance. Over the past decade, however, this picture has been changing in some of these countries. In 35 resource-rich countries, governments and some of the largest oil, gas and mining companies are now committed to publish what they pay and receive, through implementing the global standard that is **the Extractive Industries Transparency Initiative**. Citizens in these countries can now find out how much their governments receive from their natural resources, and hold them to account.

