MCCI e-WEEKLY

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1. Rabi Crops Sowing Crosses 609 Lakh Hactare

Crop	Area sown in 2017-18	Area sown in 2016-17
Wheat	295.53	309.99
Rice	20.57	15.04
Pulses	160.91	154.05
Coarse Cereals	53.88	54.40
Oilseeds	78.62	81.61
Total	**609.51**	**615.0**

- As per preliminary reports received from the States, the total area sown under Rabi crops as on 12th January 2018 stands at 609.51 lakh hectares as compared to 615.09 lakh hectare this time in 2017.
- Wheat has been sown/transplanted in 295.53 lakh hectares, rice in 20.57 lakh hectares, pulses in 160.91 lakh hectares, coarse cereals in 53.88 lakh hectares and area sown under oilseeds is 78.62 lakh hectares.

Ministry of Agriculture 12 January2018

2. Money Market : Reference date : 05 January 2018

Bank rate	6.25	Base rate	8.95-9.45
Repo Rate	6.00	S L R	19.5
Reverse Repo Rate	5.75	Term Deposit Rate	6.00 - 6.75 >1 Yr
C R R	4.00	Call Money (wtd.Avg)	5.88
Marginal Standing Facility	6.25	CBLO (Wtd.Avg)	5.88

Source : **Reserve Bank of India**

Source: global-rates.com On US $ (%)	Date>	29 Dec	1-Week	1-month	6-Month	1-Year
	LIBOR>	1.44	1.47	1.55	1.87	2.15

3. Foreign Exchange Rate (Rs) :

Category	08 Jan	09 Jan	10 Jan	11 Jan	12 Jan	% Ch.
US $	63.35	63.47	63.83	63.74	63.53	0.28
Euro	76.15	75.92	76.14	76.14	76.53	0.50

Source : RBI

4. Stock Exchange Indices :

Category	08 Jan	09 Jan	10 Jan	11 Jan	12 Jan	% Ch.
BSE	34353	3443	3443	34503	34592	3.61
Nifty	10624	10637	10632	10651	10681	0.54

Source : BSE, NSE

5. Gold & Silver Prices (Rs) :

Kolkata Prices	08 Jan	09 Jan	10 Jan	11 Jan	12 Jan	% Ch.
Gold 24 Carrots /10gms	31770	31778	31669	31989	31996	0.71
Silver / kg	42100	41900	41900	41900	41900	-0.48

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6. Crude Oil Price: US$/Barrel :

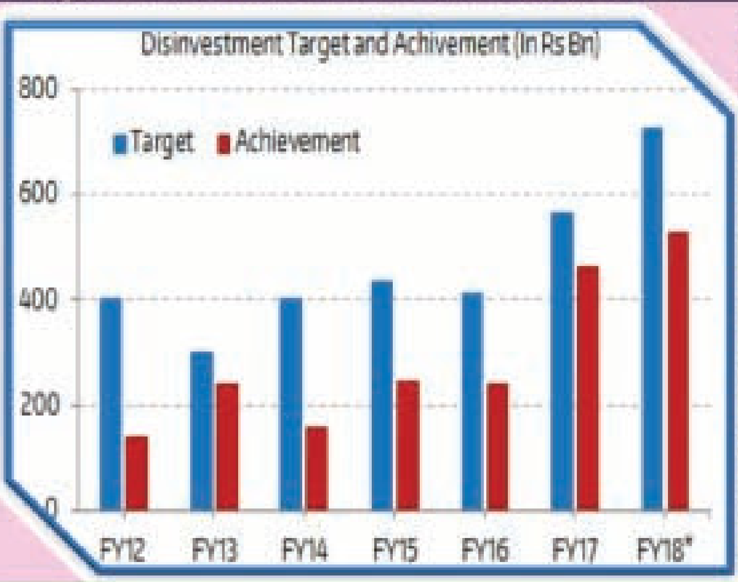
Date>	05 Jan	09 Jan	10 Jan	11 Jan	12 Jan	Weekly
Price>	65.86	65.85	66.39	67.24	67.38	NA

Source: OPEC

7. IIP cheer: Factory output zooms 8.4% in November

- Ahead of the Union Budget 2018-19 next month, latest official data paints mixed picture of the economy as factory output hit a 25-month high in November 2017 though retail prices were much above the central bank's inflation target in December.
- The Index of Industrial Production (IIP) grew by 8.4 per cent in November last year, led by double digit growth of 10.2 per cent in manufacturing.
- IIP grew by 1.99 per cent in October last year and by 5.1 per cent in November 2016.
- On a cumulative basis, factory output rose by 3.2 per cent between April and November 2017 as against 5.5 per cent in the corresponding period in 2016.
- Capital goods expanded by 9.4 per cent in November while infrastructure or construction goods expanded by 13.5 per cent.
- Meanwhile, primary goods grew by 3.2 per cent in the month and intermediate goods by 5.5 per cent.
- Though consumer durables expanded by 2.5 per cent in November, consumer non-durables shot up by 23.1 per cent in the month.

8. Higher Revenue from Disinvestment?



- India's fiscal deficit rose to 96.1% of the full-year's target at the end of October. This is on the back of lower revenue realization and a rise in expenditure. This raises concerns of slippage in the current financial year as during the same period of 2016-17, the deficit stood at 79.3% of the target.
- With this, the government may clamp down on its expenses and public investment, which may slow down the growth. Alternatively, the government may allow higher fiscal deficit than the target of 3.2%. A third alternative is, higher revenue from disinvestment.

The disinvestment target for FY18 is Rs 725 billion. This is the highest target set so far for any year. The government has already collected Rs 523.9 billion so far higher than previous year collection of Rs 455 billion.

As per an article in Business Standard, the department of investment and public asset management (DIPAM) is looking to not only to achieve FY18 target, but also aiming to take disinvestment proceeds beyond Rs 900 billion. With this, any shortfall from other revenue items, including GST could be made up by disinvestment.

Not to mention, extra dividend from the PSUs in addition to disinvestment. With this, the slippage of the deficit could pretty much be negligible, provided there is no major gap in terms of GST collections.It will be interesting to see how the government approaches disinvestment in the coming months.