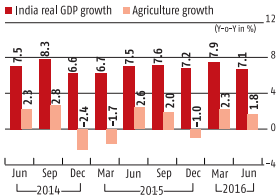


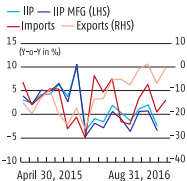
THE NON-CONSUMER SIDE REMAINS A WORRY

Despite consumers spending more, India's annual gross domestic product (GDP) growth remains around seven per cent. While the agriculture sector has suffered past two years, the industrial and external trade segments have also posted subdued numbers. However, there is hope for better days ahead. Private household consumption is already rising, the near-normal monsoon and the inherent boost to rural incomes, payout to government employees, declining interest rates and rising urban demand will push consumption. This is expected to boost economic growth. The markets seem to have already sensed this. However, risks emanate from global events.

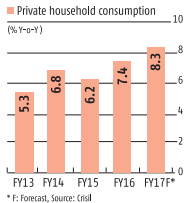
MACRO VIEW



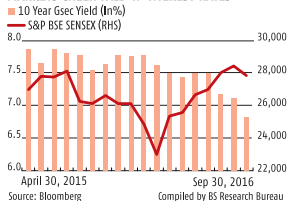
DOMESTIC OUTPUT, EXTERNAL TRADE REMAIN WEAK



PRIVATE CONSUMPTION RISING



MARKETS CHEER FALL IN INTEREST RATES



Compiled by BS Research Bureau