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## Macroeconomic Indicators - India inflation up by 1.51 pct

*Friday, 30 Oct, 2009*

FE reported that India's inflation grew by 1.51% as of October 17 on the back of higher food prices, vindicating Reserve Bank's hawkish stance of slowly withdrawing its easy money policy.

The wholesale prices-based inflation stood at 1.21% in the previous week. During the week, tea, mutton and arhar and manufactured food items including edible oil and gur turned expensive.

Projecting inflation to touch 6.5% mark by the end of the current fiscal the RBI in its quarterly monetary policy review on October 27 had taken steps to suck out liquidity from banks.

The apex bank had raised Statutory Liquidity Ratio the amount of deposits that banks are to keep in government securities, cash and gold, by one percentage point to 25%.

(Sourced from Financial Express)

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