

KEY ECONOMIC INDICATORS

PREFACE

This November 2009 issue of the Monthly Statistical Bulletin contains updates on the monetary aggregates for the month of October 2009, and other available macroeconomic data.

We thank all those who have contributed to the information contained in this Bulletin.

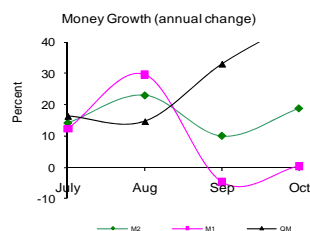
Item	2004/05	2005/06	2006/07	2007/08 (r)	2008/09(p)
GDP Growth and Prices (percent change)					
GDP at Constant(2000) Price (a), (b)	8.0	7.0	6.4	19.7	5.0
Consumer Prices (c)	5.5	6.2	5.9	8.8	3.0
Wholesale Prices (India) (d)	5.2	4.6	5.4	9.6	0.5
Government Budget (in millions of Nu.) (e)					
Total Revenue & Grants	10501.1	13452.2	16083.1	18316.9	23925.9
Of which: Foreign Grants	4373.1	6424.7	6000.9	5935.4	9485.1
Total Expenditure and Net Lending	12893.7	13770.9	15795.4	17913.4	25519.7
Current Balance	-42.6	355.1	2390.8	2655.8	2530.0
Overall Balance	-2392.6	-318.7	287.7	403.5	-1593.8
Money and Credit (percent change, end of period)					
Board Money, M2	10.7	26.3	8.6	2.3	24.6
Credit to Private Sector	26.3	32.2	35.5	37.4	31.1
Interest Rates (end of period)					
One Year Deposits	4.5	4.5	4.5	4.8	4.8
Lending Rate	10.0-16.0	10.0-16.0	10.0-16.0	10.0-16.0	10.0-16.0
91-days RMA Bills	3.5	3.5	3.5	6.0	6.0
Balance of Payments (in millions of Nu.)					
Trade Balance	-11099.0	-5496.7	2061.8	-2921.6	-6911.1
With India	-3601.2	-3170.7	4447.6	-27.8	-2867.2
Current Account Balance	-10487.4	-1695.7	6417.2	-1080.2	-5400.5
(In percent of GDP)	-32.4	-4.7	15.9	-2.1	-10.0
With India	-5253.9	-2344.6	5882.1	-142.4	-4776.2
(In percent of GDP)	-16.3	-6.4	14.5	-0.3	-8.8
Foreign Aid (Concessional Loans net)	2939.4	3474.7	783.3	-517.2	4199.2
Of which: India	1853.1	2324.8	-30.3	-1049.7	3163.1
Errors and Omissions	1552.4	1057.7	-6091.4	-1081.1	6085.6
Overall Balance	-918.6	5209.1	5421.2	1957.0	5057.8
(In percent of GDP)	-2.9	14.7	13.7	4.0	9.3
External Indicators (end of period)					
Gross Official Reserves (in Millions of USD)	363.4	486.4	608.4	655.3	758.0
(In months of merchandise imports)	9.2	13.8	12.8	12.4	15.4
External Debt (percent of GDP)	96.1	98.3	80.8	67.0	70.3
Debt-Service Ratio (f)	11.9	7.6	3.6	18.5	39.6
Memorandum Items:					
Reserve Money, MO (in millions of Nu.)	9340.1	13474.7	13319.6	12871.0	14696.5
Of which Banks' Deposits	6929.5	10703.0	9982.3	8685.7	9810.2
Money Multiplier (M2/MO)	2.0	1.7	1.9	2.0	2.2
Income Velocity (GDP/M2)	1.7	1.5	1.6	1.9	1.7
a) On a calendar year basis, e.g., the entry under 2006/07 is for 2006. - b) Source: National Accounts Statistics (2007). NSB - c) Data till 2002/03 are based on the old half-yearly average CPI of the NSB (1979 base year). This was replaced by a new quarterly CPI with a revised basket and Q3 of 2003 as the base. Rates of change (year-to-year) for the quarterly CPI are therefore not available prior to Q3, 2004. The CPI reflected in this table is for the last quarter of the fiscal year. - d) Source: Reserve Bank of India. Wholesale Price Index of all commodities, 1993-94 base; reference period same as for Bhutan CPI. - e) Data for 2006/07 are revised estimates. - f) Debt service payments in percent of exports of goods and services.					

COMMENTARIES

MONETARY DEVELOPMENTS ^{*)}

In October 2009, the annual growth rate of broad money (M2) increased to 18.7 percent from 9.9 percent in the previous month.

2009	M2	M1	QM
July	14.0	12.3	16.3
Aug	22.9	29.6	14.6
Sep	9.9	(4.7)	32.9
Oct	18.7	0.4	46.8



1. **Component side:** The growth rate of M1 increased by 0.4 percent in October 2009 as against the (4.7) percent in September 2009. Of M1, both currency in circulation and demand deposits have increased in comparison to the month of September. Meanwhile, the growth rate of currency in circulation stood at 30.9 percent and the demand deposits decreased by 6.5 percent.

During the same period, the growth in quasi-money (QM) increased to 46.8 percent against the growth rate of 32.9 percent, due to the increased in both the time deposits and foreign currency deposits, which increased from 32.4 percent and 40.6 percent in September 2009 to 46.1 percent and 57.2 percent, respectively in October 2009.

2. **Counterpart side:** The growth in net foreign assets (NFA), which is a major counterpart of money supply, decreased from 17.1 percent in September 2009 to 2.8 percent as of October 2009. This was mainly due to the decrease in Indian Rupee assets which decreased from Nu.2,450.6 million to negative Nu.530.9 million during the review month. As of October 2009, NFA stood at Nu.36.2 billion, of which, convertible foreign currency amounted to Nu.36.8 billion, while Indian Rupees recorded a negative balance of Nu.530.9 million.

^{*)} For monetary analysis, the balance sheet data are classified within the framework of money and banking statistics according to "international best practices". This data is not comparable to those produced by the Financial Institutions Supervision Division of the RMA.

Domestic credit (DC) recorded a growth of 33.3 percent as of October 2009 as compared to 25.6 percent at the end of September 2009. Growth in Credit to the private sector decreased to 19.1 percent from 23 percent in the previous month.

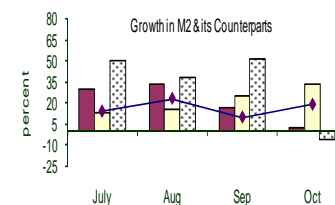
During the same period, the growth rate of other items net (OIN) decreased by 7 percent from 50.7 percent.

Annual Growth in M2 & its Counterparts

2009	M2	NFA	DC	OIN
July	14.0	29.6	13.0	49.0
Aug	22.9	33.4	16.1	37.7
Sep	9.9	17.1	25.6	50.7
Oct	18.7	2.8	33.3	(7.0)

Performance of Commercial Banks

The total assets/liabilities of commercial banks increased to Nu.40.3 billion as of the end of October 2009 from Nu.33 billion for the same period last year, recording an annual growth rate of 22 percent.



Commercial Banks' Reserves with the RMA

As indicated in the table, commercial banks' total reserves with the RMA totalled Nu.15.9 billion as of October 2009, which accounts for 39.7 percent of their total assets. Of the total reserves, 36.3 percent were absorbed through CRR, 1.5 percent through RMA Bills and 2.4 percent were held in cash, while 59.8 percent were held as other deposits. In addition to these reserves and excluding cash in hand, the banks held Nu.3.3 billion worth of foreign assets (both in Indian Rupees and convertible foreign currency) as of October 2009.

Item	2005	2006	2007	2008	2009			
					July	Aug	Sep	Oct
Total	9423.8	9858.4	11734.7	14619.6	11464.9	12682.1	13965.0	15993.1
Cash	114.5	145.5	840.9	714.4	357.8	339.3	393.6	382.6
CRR	2207.2	2861.7	3818.3	5399.1	5093.7	5279.4	5523.6	5812.0
RMA Bills/RR	99.1	66.1	234.7	0.0	370.3	370.3	232.1	232.1
Other deposits	7003.0	6785.2	6840.8	8506.2	5643.1	6693.1	7815.7	9566.5
% of total								
Cash	1.2	1.5	7.2	4.9	3.1	2.7	2.8	2.4
CRR	23.4	29.0	32.5	36.9	44.4	41.6	39.6	36.3
RMA Bills/RR	1.1	0.7	2.0	0.0	3.2	2.9	1.7	1.5
Other deposits	74.3	68.8	58.3	58.2	49.2	52.8	56.0	59.8

Foreign Assets of Commercial Banks (*)

Millions of Nu.

Item	2005	2006	2007	2008	2009			
					July	Aug	Sep	Oct
Total	4017.4	6027.7	3228.6	2445.0	2868.4	4008.6	3067.2	3328.7
Rupee	2239.9	3585.3	1470.7	1179.2	1369.1	2364.9	1324.6	1287.6
Convertible								
currency	1777.5	2442.4	1757.9	1265.8	1499.3	1643.6	1742.6	2041.2
% of total								
Rupee	55.8	59.5	45.6	48.2	47.7	59.0	43.2	38.7
Convertible								
currency	44.2	40.5	54.4	51.8	52.3	41.0	56.8	61.3

*) Foreign assets of commercial banks includes cash in hand & cash with banks abroad.

Performance of Non Bank Financial Institutions (NBFIs)

Total assets/liabilities of NBFIs for the month under reviewed increased by 24.1 percent to Nu.6.5 billion as of October 2009 from Nu.5.2 billion for the same period last year. This increase was mainly on account of the rise in their claims on the private sector, which increased by 20.9 percent, to Nu.5.7 billion as of October 2009. Meanwhile, their overall credit portfolio accounted for 91.2 percent of their total assets.

Sectoral Credit by the Financial Institutions

The growth (y-o-y) in the total credit of financial institutions grew by 20.8 percent for the month ending October 2009. Total credit as of reviewed month stood at Nu.25.6 billion. Of this, 25 percent were invested in the building and construction sector, followed by manufacturing (18.3 percent), trade and commerce (18.2 percent), service and tourism (13.5 percent), with the remaining invested in other sectors.

GROSS INTERNATIONAL RESERVES

Gross international reserves as of October 2009, increased by 16.3 percent (y-o-y) to USD 838 million. Of the total, convertible currency reserves grew by 16.9 percent to USD 786 million and Indian Rupee reserves increased by 4.4 percent, to INR 2,431.7 million. As of the review month, overall reserves can finance 14.6 months of imports (including service imports).

Gross International Reserves

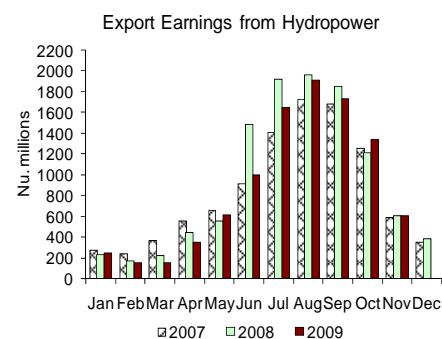
End of Period	2004/05	2005/06	2006/07	2007/08	2009			
					Jul	Aug	Sep	Oct
Total (millions of USD)	363.4	486.4	608.4	655.3	793.0	823.8	831.1	838.0
Rupee (millions of INR)	3578.3	3127.7	769.6	914.4	1748.1	2473.6	2912.8	2431.7
Convertible currency (millions of USD)	281.3	418.5	589.5	633.9	756.9	772.6	771.0	786.0
Months of imports *)								
Total (including services imports)	7.9	12.0	11.5	10.9	14.3	14.8	15.0	14.6
Total (excluding services imports)	9.2	13.8	12.8	12.4	16.0	16.6	16.8	16.3
Rupee	3.5	2.7	0.6	0.5	0.9	1.3	1.5	1.3
Convertible currency	17.7	40.7	42.4	61.0	80.8	82.2	82.2	80.8

*) Data for 2008/09 and subsequent months are based on provisional import figures for 2008/09 until such time import figures are available for 2009/10. Note: Total reserves are inclusive of the holdings of the two commercial banks - Please refer to Table 5 for breakdown of data.

SALES OF MAJOR POWER PROJECTS

Total export earnings from the Tala, Chukha and Kurichhu hydropower plants amounted to Nu.605.6 million as of November 2009. Export earnings from these plants experienced a decrease of 54.9 percent compared to the previous month of October 2009. Similarly, total domestic sales dropped to Nu.81 million during October 2009.

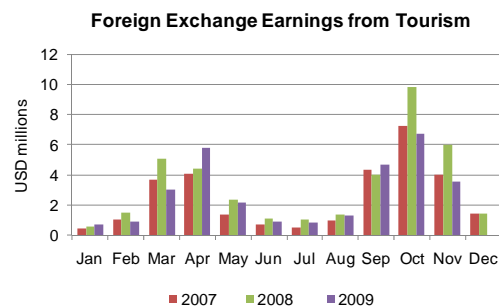
Nevertheless, looking at annual sales, both domestic and export earnings expanded by 3.8 percent and 0.7 percent, respectively from the month of November 2008.



TOURIST ARRIVALS / REVENUE (*)

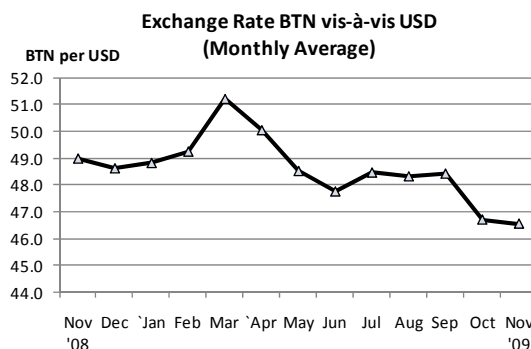
According to the Tourism Council of Bhutan, 2,607 convertible currency paying tourists visited the country during the month of November 2009. For the same month, gross revenue earnings amounted to USD 3.5 million.

This translates to an annual growth of negative 36.8 percent and 41.3 percent fall in tourist arrivals and revenues, respectively, for the month of November 2009.



BTN/USD EXCHANGE RATE

The exchange rate of the Ngultrum vis-à-vis US dollar averaged Nu.46.57 per US Dollar in November 2009, an appreciation of 5.2 percent compared to the average exchange rate of the corresponding month of 2008, and an appreciation by 0.3 percent from October 2009.



INTEREST RATES

As of November 2009, the deposit and lending rates of BOBL and BNBL remained in the 4.50-8.00 and 10.00-15.00 percent ranges, respectively, while corporate deposit rates ranged between 2.00-7.00 percent. The prime lending rates (PLR) of the five major Indian commercial banks in the last week of November 2009 remained within the 11.00-12.00 percent range, which was revised from the 11.00-12.25 percent range during the second week of June 2009.

Meanwhile Indian deposit rates have dropped to the 6.00-7.50 percent from the 6.25-7.50 percent range during the review month, which has been revised in second week of November 2009. In annual terms, the PLR has decreased from the 13.00-13.50 percent to the 11.00-12.00 percent range in November 2009.

OTHER MACRO ECONOMIC INDICATORS

Real GDP growth moderated to 5 percent for the year 2008 in contrast to the 19.7 percent expansion in GDP during 2007 that had been propelled by hydropower sales from Tala. Inflation, as measured by the year-on-year change in the consumer price index decreased to 4.05 percent in the fourth quarter of 2009, from 9.04 percent for the same quarter of 2008. And as of December 2009, the purchasing power of the Ngultrum was recorded at 72 Chhetrum.

In Bhutan's balance of payments (BOP), the current account recorded a deficit of Nu.5.4 billion (10 percent of GDP) in 2008/09, compared to a deficit of 1.1 billion (2.1 percent of GDP) in fiscal year 2007/08. Merchandise exports decreased by 9.7 percent compared to a 6.1 percent growth in imports, resulting in an overall trade deficit of Nu.6.9 billion as of 2008/09. The services and income accounts deteriorated to negative Nu.0.8 billion and Nu.1.8 billion, respectively.

With the onset of construction works on the Punatsangchhu-I hydropower project, related-capital transfers and government loan disbursements increased substantially during the year. This was supplemented by an increase in RMA borrowings from the Government of India (Standby Credit Facility), resulting which Bhutan's capital and financial account balance expanded by 6.2 percent from a surplus of Nu.4.1 billion to Nu.4.4 billion as of 2008/09.

Meanwhile, the country's total outstanding external debt stood at USD 826.2 million as of September 2009. Of this total, USD 376.2 million were outstanding convertible currency debt and an equivalent of USD 450 million (Rs.21.3 billion) were Indian Rupee debt. Debt servicing as of September 2009, amounted to USD 4.7 million on convertible currency debt and Rs.2.9 billion on Rupee denominated debt.

Debt Outstanding (in millions)	2005/06	2006/07	2007/08	2008/09	Sept '09
Total (USD)	780.1	723.8	819.1	795.6	826.2
Convertible Currency (USD)	368.8	308.1	349.7	348.3	376.2
Indian Rupee	18,400.2	18,369.9	18,948.4	21,400.7	21,307.4
Debt/GDP ratio *					
Total	98.3	80.8	67.0	70.3	72.2
Convertible Currency loan	46.5	34.4	28.6	30.8	32.9
Indian Rupee loan	51.8	46.4	38.4	39.5	39.3
Debt service ratio **					
Total	7.6	3.6	18.5	39.6	13.5
Convertible Currency loan	15.6	8.0	13.5	16.5	6.1
Indian Rupee loan	5.5	2.3	19.4	43.5	14.7

* Based on calendar year GDP figures. Example, the 2008 GDP figure is used to calculate the ratio for 2008/09.

** Debt service payments as a percent of the export of goods and services. The total debt service ratio represents the total debt service payments (i.e. on convertible currency & rupee loans) as a percentage of the total export earnings (from India & other countries). Convertible currency debt service ratio is the debt servicing on convertible currency loans as a percentage of the export earnings from countries other than India. Similarly, the Indian rupee debt service ratio is the debt servicing on Indian rupee loans as a percentage of the export earnings from India. The debt service ratio for the latest period is calculated based on the previous year's export of goods and services.

Source: Department of Public Accounts & private sector enterprises.

DATA

Table 1. Monetary Survey- Aggregates and Components

End of Period	M2								
	Total	M1					Quasi-Money		
		Total	Of which:1)	Demand deposits			Total	Time deposits	Foreign currency deposits
				Currency in circ. outsi de banks	Total	Current account			
Millions of Ngultrum									
2001	10,802.1	4,934.5	1,609.9	3,238.2	1,616.3	1,621.9	5,867.6	5,628.3	239.3
2002	13,875.7	7,143.4	1,648.3	5,322.8	3,633.9	1,688.9	6,732.3	6,260.8	471.5
2003	13,846.0	6,769.8	1,802.3	4,967.5	2,893.9	2,073.7	7,076.1	6,029.8	1,046.3
2004	16,599.5	8,053.7	2,070.7	5,983.1	3,606.1	2,376.9	8,545.7	7,957.0	588.7
2005	18,569.2	8,969.7	2,404.4	6,565.2	3,701.9	2,863.4	9,599.5	9,096.7	502.8
2006	24,671.8	12,553.4	2,762.5	9,790.9	6,129.2	3,661.7	12,118.4	11,386.5	731.9
2007	27,670.1	17,474.9	3,229.1	14,245.8	10,019.7	4,226.1	10,195.1	9,243.7	951.4
2008									
Jul	28,863.1	16,173.3	3,559.7	12,613.6	7,990.7	4,622.9	12,689.8	11,528.4	1,161.4
Aug	28,620.9	15,796.0	3,347.3	12,448.6	7,815.1	4,633.6	12,824.9	11,609.9	1,215.0
Sep	33,405.1	20,409.6	3,518.1	16,891.5	12,212.1	4,679.4	12,995.5	12,123.3	872.3
Oct	33,244.4	20,113.9	3,708.8	16,405.2	11,502.7	4,902.5	13,130.5	12,336.4	794.1
2009									
July	32,915.8	18,159.5	4,349.8	13,809.7	8,087.8	5,721.9	14,756.2	13,423.0	1,333.3
Aug	35,176.7	20,479.1	4,454.9	16,024.2	10,071.7	5,952.4	14,697.6	13,340.9	1,356.7
Sep	36,719.0	19,447.2	4,579.9	14,867.3	8,937.7	5,929.6	17,271.8	16,045.3	1,226.5
Oct	39,473.4	20,197.8	4,855.0	15,342.8	9,340.6	6,002.2	19,275.6	18,027.0	1,248.6
Percentage change on the previous year									
2009									
July	14.0	12.3	22.2	9.5	1.2	23.8	16.3	16.4	14.8
Aug	22.9	29.6	33.1	28.7	28.9	28.5	14.6	14.9	11.7
Sep	9.9	(4.7)	30.2	(12.0)	(26.8)	26.7	32.9	32.4	40.6
Oct	18.7	0.4	30.9	(6.5)	(18.8)	22.4	46.8	46.1	57.2

Table 2. Monetary Survey- M2 and its Counterparts (*)

End of period	M2								
	Total	Foreign assets (net)	Domestic assets (net)						Other items (net)(3)
			Total	Domestic credit					
				Total	Government (net)	Other public sector (1)	Private sector (2)		
Millions of Ngultrum									
2001	10,802.1	14,823.3	(4,021.3)	1,485.7	(940.5)	(1,255.7)	315.2	2,426.1	5,506.9
2002	13,875.7	17,303.7	(3,428.1)	2,945.3	(203.9)	(455.9)	252.0	3,149.2	6,373.4
2003	13,846.0	16,802.8	(2,956.8)	3,006.4	(932.4)	(2,035.0)	1,102.6	3,938.8	5,963.2
2004	16,599.5	17,327.3	(727.9)	5,471.7	372.5	(936.3)	1,308.8	5,099.2	6,199.6
2005	18,569.2	21,369.0	(2,799.8)	5,083.9	(1,487.0)	(2,715.3)	1,228.3	6,571.0	7,883.7
2006	24,671.8	24,425.4	246.4	8,574.2	(227.0)	(1,495.7)	1,268.8	8,801.2	8,327.8
2007	27,670.1	27,888.3	(218.3)	10,146.1	(1,766.2)	(2,955.0)	1,188.8	11,912.3	10,364.4
2008									
Jul	28,863.1	25,682.6	3,180.5	14,163.1	(221.0)	(1,354.6)	1,133.5	14,384.1	10,982.5
Aug	28,620.9	26,177.3	2,443.6	14,383.2	(455.3)	(1,590.1)	1,134.8	14,838.5	11,939.6
Sep	33,405.1	30,356.7	3,048.4	13,597.1	(1,882.8)	(3,165.4)	1,282.6	15,480.0	10,548.7
Oct	33,244.4	35,248.7	(2,004.3)	12,682.6	(3,449.3)	(4,526.0)	1,076.8	16,131.9	14,686.9
2009									
July	32,915.8	33,286.9	(371.1)	15,997.4	(2,526.9)	(3,633.8)	1,106.9	18,524.3	16,368.5
Aug	35,176.7	34,914.0	262.6	16,697.9	(2,058.9)	(3,166.1)	1,107.2	18,756.7	16,435.2
Sep	36,719.0	35,538.4	1,180.6	17,075.7	(1,963.9)	(3,071.4)	1,107.5	19,039.5	15,895.1
Oct	39,473.4	36,229.2	3,244.3	16,903.2	(2,309.9)	(3,417.6)	1,107.7	19,213.1	13,658.9
Percentage change on the previous year									
2009									
July	14.0	29.6	-111.7	13.0	-1043.2	-168.3	-2.3	28.8	49.0
Aug	22.9	33.4	-89.3	16.1	-352.2	-99.1	-2.4	26.4	37.7
Sep	9.9	17.1	-61.3	25.6	-4.3	3.0	-13.6	23.0	50.7
Oct	18.7	2.8	-261.9	33.3	33.0	24.5	2.9	19.1	-7.0

(*) Discrepancies in the results are due to rounding. 1)Government Corporations. 2)Including Joint Corporations. 3) Taking into consideration RMA Bills and the Reserve Repurchase (plus) and claims on NMFIs (minus).

Table 3. Deposit Liabilities of the Commercial Banks

Item	2004	2005	2006	2007	2008	2009			
						July	Aug	Sep	Oct
Total Deposits	16135.2	18464.9	21909.3	24440.9	27545.3	28566.0	30721.7	32139.1	34474.9
Individuals	7375.2	6848.9	7697.9	8581.9	10120.3	10855.1	11288.7	11361.8	11576.0
Govt. Corps.	5491.9	7322.1	8842.1	9785.6	10113.9	8661.4	9230.7	11319.1	13126.2
Govt.	1829.5	2300.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Others	1438.7	1993.7	5369.3	6073.4	7311.1	9049.4	10202.3	9458.2	9772.6
Demand deposits	6599.2	7830.6	9790.9	14245.8	12394.3	13809.7	16024.2	14867.3	15199.2
Individuals	3025.3	3790.3	4248.6	5031.2	5878.2	6246.8	6732.9	6405.1	6584.3
Govt. Corps.	2431.6	2394.5	3256.8	6502.7	3611.0	3814.8	4125.0	4220.0	4173.2
Govt.	839.2	1265.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Others	303.1	380.4	2285.5	2711.9	2905.1	3748.1	5166.3	4242.1	4441.8
Time Deposits	9536.0	10634.3	12118.4	10195.1	15151.0	14756.2	14697.6	17271.8	19275.6
Individuals	4349.9	3058.6	3449.3	3550.7	4242.1	4608.4	4555.8	4956.6	4991.7
Govt. Corps.	3060.2	4927.6	5585.2	3282.8	6502.8	4846.6	5105.7	7099.1	8953.1
Govt.	990.3	1034.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Others	1135.6	1613.4	3083.8	3361.6	4406.1	5301.3	5036.0	5216.1	5330.9
% of total deposits									
Total deposits									
Individuals	45.7	37.1	35.1	35.1	36.7	38.0	36.7	35.4	33.6
Govt. Corps.	34.0	39.7	40.4	40.0	36.7	30.3	30.0	35.2	38.1
Govt.	11.3	12.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Others	8.9	10.8	24.5	24.8	26.5	31.7	33.2	29.4	28.3
Demand deposits	40.9	42.4	44.7	58.3	45.0	48.3	52.2	46.3	44.1
Individuals	18.7	20.5	19.4	20.6	21.3	21.9	21.9	19.9	19.1
Govt. Corps.	15.1	13.0	14.9	26.6	13.1	13.4	13.4	13.1	12.1
Govt.	5.2	6.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Others	1.9	2.1	10.4	11.1	10.5	13.1	16.8	13.2	12.9
Time Deposits	59.1	57.6	55.3	41.7	55.0	51.7	47.8	53.7	55.9
Individuals	27.0	16.6	15.7	14.5	15.4	16.1	14.8	15.4	14.5
Govt. Corps.	19.0	26.7	25.5	13.4	23.6	17.0	16.6	22.1	26.0
Govt.	6.1	5.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Others	7.0	8.7	14.1	13.8	16.0	18.6	16.4	16.2	15.5

Contribution to M2 (Counterparts)

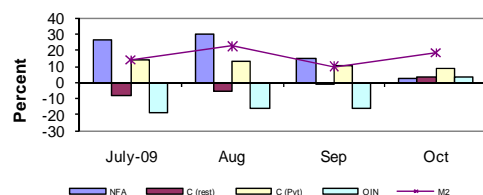


Table 4. Sectoral Credit by the Financial Institutions

Nu. in Millions/End of Period

Sub sector	2001	2002	2003	2004	2005	2006	2007	2008	2009			
									July	Aug	Sep	Oct
Agriculture	192.1	214.5	220.8	201.8	211.6	242.5	289.1	573.6	670.5	420.1	422.0	414.9
Service and Tourism	536.6	1140.4	734.3	1776.0	1084.6	1663.6	2422.9	2958.9	3158.5	3411.0	3461.8	3449.7
Manufacturing	821.1	1100.5	1462.1	2100.7	1701.4	2278.4	3039.3	4364.4	4703.3	4708.5	4657.0	4695.7
Building & Construction	900.2	1348.3	1878.2	2653.9	3521.2	4473.7	5380.4	5768.2	6122.1	6157.2	6340.8	6394.2
Trade & Commerce	649.7	822.2	1025.2	1276.2	1559.7	1925.4	2681.7	3772.5	4335.6	4430.6	4588.4	4668.7
Transport (Heavy)	449.8	430.2	416.0	392.0	373.6	346.2	440.0	580.4	737.7	763.5	818.0	842.2
Transport (Light)	254.5	310.6	378.8	404.0	457.8	506.6	584.6	744.9	808.0	814.1	824.2	833.5
Personal Loans	472.0	558.4	558.5	733.8	860.1	1077.9	1404.2	2746.6	3410.0	3507.7	3707.9	3731.6
Staff Loan	26.6	39.6	52.2	54.7	67.1	79.6	108.7	324.9	385.2	365.3	394.7	396.5
EDP Loans	5.3	5.3	5.4	5.6	4.9	5.5	7.1	7.4	10.4	10.4	18.4	18.4
Small Business and Artisan Schemes	8.2	7.7	7.3	6.0	3.2	2.1	1.8	1.6	0.9	0.9	0.9	0.9
Loan Against Shares	13.2	20.3	74.1	52.8	42.3	46.3	93.5	117.9	159.6	160.6	158.8	158.4
Total	4329.3	5998.0	6812.8	9657.5	9887.4	12647.8	16453.4	21961.2	24501.7	24749.8	25392.8	25604.6

Table 5. Gross International Reserves (*)

End of Period

Item	2005	2006	2007	2008	2009			
					July	Aug	Sep	Oct
Millions of Indian Rupees								
1. Rupee reserves	4737.3	3768.5	3965.3	3407.9	1748.1	2473.6	2912.8	2431.7
Royal Monetary Authority of Bhutan	2539.7	200.8	2554.0	2291.9	426.9	142.3	1630.6	1181.5
Bank of Bhutan Limited	1833.6	3120.5	1148.8	847.9	1134.6	2094.5	993.4	993.4
Bhutan National Bank Limited	364.0	447.2	262.4	268.1	186.7	236.8	288.8	256.8
Millions of US Dollar								
2. Convertible currency reserves	374.2	460.9	603.9	669.7	756.9	772.6	771.0	786.0
Royal Monetary Authority of Bhutan	335.9	406.8	559.8	644.2	727.2	739.6	735.6	743.0
Bank of Bhutan Limited	24.9	26.4	31.1	16.3	10.0	9.7	7.2	7.5
Bhutan National Bank Limited	13.4	27.7	13.0	9.2	19.7	23.3	28.1	35.5
3. Total reserves (1+2)	478.0	545.4	704.5	739.8	793.0	823.8	831.1	838.0

(*) Excludes cash in hand of commercial banks; (1) Includes reserve tranche position in the Fund.

**) Reserve figures revised from June 2005 till date-IMF's Reserve position not included in the RMA's CC figures

Major Credit to Private Sector

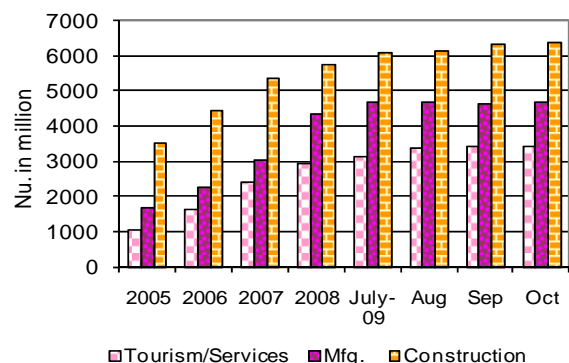


Table 6. Summary of the Consumer Price Index (*)

Third Quarter of 2003 = 100

Item	Weight in percent %	Period													
		2006		2007				2008				2009			
		Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Index															
Food	31.7	115.03	115.12	116.32	125.52	124.73	125.30	129.10	140.98	140.35	140.12	140.51	150.38	154.21	155.06
Non-food	68.3	116.80	118.07	118.35	121.64	121.73	121.55	122.82	130.38	131.19	131.19	130.71	131.83	131.46	131.92
Total	100.0	116.24	117.14	117.71	122.87	122.68	122.74	124.81	133.74	134.09	134.02	133.81	137.70	138.67	139.25
Percentage change on the previous year															
Food	31.7	5.83	5.23	5.44	9.50	8.43	8.84	10.99	12.32	12.52	11.75	8.84	6.67	9.88	10.74
Non-food	68.3	5.20	5.33	3.84	4.31	4.22	2.95	3.78	7.19	7.77	7.74	6.42	1.11	0.21	0.73
Total	100.0	5.39	5.30	4.34	5.94	5.54	4.78	6.03	8.85	9.30	9.04	7.21	2.96	3.42	4.05
PPN	1.00	0.86	0.85	0.85	0.81	0.82	0.81	0.80	0.75	0.75	0.75	0.75	0.73	0.72	0.72

Source : National Statistics Bureau. -(*) The new index refers to the average prices during the respective quarters. However, prior to Q3, 2003, no quarterly price indices were calculated and, therefore, for Q3 and Q4, 2003, and Q1 and Q2, 2004, year-on-year rates of change of the CPI cannot be computed. The indices prior to Q3, 2003 represent half-yearly averages. The quarterly index and the half-yearly index cannot be directly compared

Table 7. Operations of Major Power Projects

Period	Production (Millions of Units)					Export Sales (Nu. Millions) ⁽¹⁾				Domestic Sales (Nu. Millions) ⁽²⁾				
	Total	Basochu	Chukha	Kurichhu	Tala	Total	Chukha	Kurichhu	Tala	Total	Basochu	Chukha	Kurichhu	Tala
2004	2468.1	195.2	1927.6	345.4	-	2711.7	2203.3	508.4	-	365.7	192.2	158.4	15.1	-
2005	2499.2	301.8	1831.3	366.2	-	3194.0	2665.0	529.0	-	586.5	325.4	243.1	18.0	-
2006	3334.0	323.9	1877.9	365.6	766.7	4978.8	3459.5	518.0	1001.3	603.0	388.7	133.4	19.6	61.3
2007	6397.4	310.7	1788.1	379.7	3918.9	10034.3	3749.1	392.1	5893.1	960.0	372.9	58.7	131.1	397.3
2008	7130.5	330.8	1802.4	386.3	4610.9	11037.3	3724.5	349.0	6959.2	857.6	398.2	71.4	177.7	205.6
2009	6894.9	320.2	1808.3	370.1	4396.2	10072.5	3666.6	307.9	6098.0	919.2	381.6	81.8	168.8	287.0
Jan	238.9	15.6	66.3	16.2	140.8	244.4	112.5	2.8	129.1	60.9	18.8	7.2	15.0	19.9
Feb	180.3	11.6	50.0	13.1	105.7	156.9	79.9	4.9	72.1	49.0	14.0	6.0	10.4	18.6
Mar	201.2	11.3	54.9	17.1	117.9	155.3	83.0	5.1	67.2	54.9	13.6	6.8	10.5	23.9
Apr	308.1	11.0	87.2	28.8	181.1	348.6	151.5	23.6	173.6	58.5	13.2	6.3	14.5	24.4
May	438.0	12.2	118.4	31.8	275.6	613.4	224.8	28.3	360.4	57.9	14.7	5.8	14.6	22.8
Jun	648.1	29.5	187.4	39.9	391.3	995.2	392.1	41.7	561.4	78.4	34.9	5.7	14.2	23.5
Jul	1010.0	45.8	265.9	46.0	652.3	1649.7	575.9	50.9	1022.8	99.9	54.6	6.3	14.5	24.5
Aug	1163.1	48.0	264.6	47.2	803.3	1912.0	576.8	52.6	1282.6	103.3	57.6	6.6	14.7	24.5
Sep	1071.1	46.3	252.7	46.6	725.5	1727.8	546.6	52.0	1129.1	100.0	53.5	6.8	14.4	25.2
Oct	863.6	41.9	236.6	40.3	544.8	1341.5	505.0	22.9	813.7	99.9	50.3	7.0	17.0	25.6
Nov	458.3	27.3	132.8	24.4	273.9	605.6	261.1	15.3	329.2	81.0	32.7	8.1	14.3	25.8
Percent change on the previous year														
2004	4.8	63.1	-1.5	24.3	-	4.2	0.8	21.8	-	34.7	79.0	4.7	17.6	-
2005	1.3	54.6	-5.0	6.0	-	17.8	21.0	4.0	-	60.4	69.3	53.5	19.2	-
2006	33.4	7.3	2.5	-0.2	-	55.9	29.8	-2.1	-	2.8	19.4	-45.1	8.9	-
2007	91.9	-4.1	-4.8	3.9	411.2	101.5	8.4	-24.3	488.5	59.2	-4.1	-56.0	570.7	547.8
2008	11.5	6.5	0.8	1.7	17.7	10.0	-0.7	-11.0	18.1	-10.7	6.8	21.6	35.5	-48.2
2009	-3.3	-3.2	0.3	-4.2	-4.7	-8.7	-1.6	-11.8	-12.4	7.2	-4.2	14.6	-5.0	39.6
Jan	7.6	4.2	9.4	7.2	7.1	4.7	15.7	-1.3	-3.2	10.6	4.2	-2.9	11.4	23.1
Feb	0.6	-2.8	1.2	4.8	0.2	-7.5	11.7	65.6	-24.2	4.6	-2.8	-9.9	1.4	20.0
Mar	-4.9	-8.6	-3.8	-8.6	-4.5	-31.3	-5.2	-24.0	-49.0	8.5	-8.6	11.4	-29.2	63.0
Apr	-5.1	-6.1	-2.5	5.7	-7.7	-20.9	-3.0	-2.1	-33.4	23.2	-6.1	24.9	10.6	61.0
May	11.6	-8.2	10.7	-22.9	19.4	10.6	11.4	-33.1	15.9	6.7	-8.2	11.6	-12.3	38.9
June	-26.5	-26.5	-20.4	-7.1	-30.5	-33.1	-24.0	-9.4	-39.3	-7.7	-27.4	8.3	-12.5	54.0
July	-11.2	-2.0	0.9	-3.4	-16.3	-13.9	-0.8	0.0	-20.3	4.1	-2.5	18.7	-18.2	45.2
Aug	0.1	2.5	0.1	-1.0	0.1	-2.3	-2.3	2.1	-2.5	7.4	0.4	52.7	-7.8	31.7
Sep	-3.2	-0.5	0.4	0.7	-4.8	-6.7	-1.4	-0.4	-9.4	6.6	-4.1	20.7	3.2	37.6
Oct	11.8	4.5	10.1	-1.7	14.3	10.7	9.6	-47.0	15.0	10.7	4.5	10.9	16.7	20.3
Nov	5.9	0.7	8.4	-7.5	6.6	0.7	5.2	-21.2	-2.7	3.8	0.7	17.1	-3.3	35.1

Source: BHPCL, CHPCL, KHPCL, THPA. (1) Power tariff for export to India: Nu. 2 per unit for CHPCL - revised from Nu. 1.5 per unit with effect from Jan. 2005; Nu. 1.75 per unit for KHPCL; Nu. 1.8 per unit for THPA (2) Power tariff for domestic sales: Nu. 0.3 per unit for CHPCL & KHPCL; Since Feb. 2007 KHPCL has also started selling power for industrial use at Nu.1.2 per unit (Domestic sales of KHPCL are exclusive of demand charges); Tala sales are at Nu.0.3 per unit for 15% of energy sold with the remaining 85% at Nu.1.2 per unit; Nu. 1.2 per unit for BHPCL sales to Chukha effective from July 2005.

Note: Export sales for the CHPCL and THPA reflected here are net of any payments for import of power from India in each month.

Table 8. Tourist Arrivals and Revenues

Number of Tourists and Revenues in Millions of US Dollars

	2005		2006		2007		2008		2009	
	Number	Revenue	Number	Revenue	Number	Revenue	Number	Revenue	Number	Revenue
Jan	334	0.23	412	0.39	441	0.49	532	0.56	667	0.71
Feb	631	0.59	532	0.52	814	1.02	1311	1.52	811	0.93
Mar	2166	2.87	1381	1.95	2539	3.69	3512	5.06	2184	3.02
Apr	1474	2.24	3344	4.74	2666	4.06	3173	4.44	4263	5.81
May	700	0.88	999	1.41	1045	1.36	1862	2.37	1743	2.14
Jun	315	0.35	422	0.44	580	0.71	869	1.10	764	0.89
Jul	274	0.27	454	0.46	588	0.52	1085	1.03	858	0.84
Aug	576	0.56	896	0.84	1133	0.98	1386	1.39	1220	1.34
Sep	1688	2.34	2189	3.31	2952	4.32	2428	4.05	3020	4.69
Oct	3412	5.61	3789	6.17	4512	7.25	6162	9.80	4326	6.7
Nov	1443	1.95	2084	2.92	2733	4.02	4126	6.02	2607	3.54
Dec	613.00	0.65	854.00	0.82	1091.00	1.42	1190.00	1.48		
Total	13626	18.55	17356	23.97	21094	29.85	27636	38.84	22463	30.63

Source: Tourism Council of Bhutan (*) Convertible currency paying tourists.; Latest figures are provisional.

Table 9. Non-Resident Bhutanese Remittances *)

In millions of respective currency

Origin	United States		United Kingdom		Japan		Europe		Canada		Denmark		TOTAL
	Value in USD	BTN	GBP	BTN	YEN	BTN	EURO	BTN	CHF	BTN	DKK	BTN	
2003	0.65	29.91	0.01	0.58	0.22	0.09	0.02	0.97	0.04	1.32	0.02	0.15	33.02
2004	1.30	59.17	0.01	0.69	0.00	0.00	0.01	0.72	0.05	2.00	0.00	0.00	62.57
2005	1.49	65.51	0.01	0.46	0.00	0.00	0.00	0.09	0.02	0.58	0.02	0.12	66.76
2006	1.43	65.04	0.01	0.63	0.00	0.00	0.00	0.00	0.00	0.15	0.00	0.00	65.81
2007	1.48	60.86	0.00	0.30	0.00	0.00	0.00	0.05	0.00	0.00	0.00	0.00	61.21
2008	2.71	119.66	0.00	0.00	0.55	0.00	0.00	0.10	0.00	0.00	0.04	0.35	120.11
2009	3.05	148.72	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	148.72
January	0.39	19.02	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	19.02
February	0.19	9.20	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	9.20
March	0.28	14.55	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	14.55
April	0.18	9.09	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	9.09
May	0.19	9.01	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	9.01
June	0.21	10.27	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	10.27
July	0.30	14.64	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	14.64
August	0.54	26.59	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	26.59
September	0.28	13.23	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	13.23
October	0.21	9.85	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	9.85
November	0.29	13.25	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	13.25

Sources: Bank of Bhutan and Bhutan National Bank

IMF and respective central bank website for exchange rates

Table 10. Exchange Rate BTN/USD

Period Average

Period	Year					
	2004	2005	2006	2007	2008	2009
Jan	45.46	43.76	44.40	44.33	39.37	48.83
Feb	45.27	43.68	44.33	44.16	39.73	49.26
Mar	45.02	43.69	44.48	44.03	40.36	51.23
Apr	43.93	43.74	44.95	42.15	40.03	50.06
May	45.25	43.49	45.41	40.78	42.13	48.53
Jun	45.51	43.58	46.06	40.77	42.82	47.77
Jul	46.04	43.54	46.46	40.41	42.84	48.48
Aug	46.34	43.63	46.54	40.82	42.94	48.34
Sep	46.10	43.92	46.12	40.34	45.56	48.44
Oct	45.78	44.82	45.47	39.51	48.66	46.72
Nov	45.13	45.73	44.85	39.44	49.00	46.57
Dec	43.98	45.64	44.64	39.44	48.64	
Calendar year average	45.32	44.10	45.31	41.35	43.50	48.57
Fiscal year average	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09
	45.41	44.61	44.74	44.19	40.37	47.78

Source : International Financial Statistics, IMF

Exchange Rate BTN/USD (Fiscal Year Average)

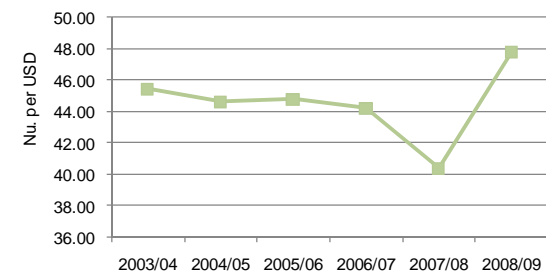


Table 11. Selected Interest Rates in Bhutan

Deposit Rates	BOBL*	BNBL**
Savings Deposits	4.50	5.00
Term Deposits (General)		
3 months to less than 1 year	4.50	5.00
1 year to less than 2 years	6.00	6.50
2 years to less than 3 years		7.00
More than 3 years	7.00	8.00
Corporate Deposits		
46 days to 1 year	2.00	2.25
46 days and above	2.00	3.00-7.00
Percent per annum		
Lending Rates	BOB	BNB
Loans by Purpose		
General Trade	13.75	
Export Finance	13.00-14.00	
Manufacturing Industry	12.00-13.00	12.00-13.00
Service Industries	10.00-12.75	10.00-13.00
Transport (heavy)	13.00-14.00	13.00
Transport (light-commercial)	14.00	14.00
Transport (light-non commercial)		12.00
Agriculture & Livestock	13.00	
Housing	10.00-13.00	10.00
Equity Finance	13.00	
Personal Loan	15.00	15.00
Loan to Government employees	12.00	12.00
Business		14.00

Sources: * BOBL web site www.bob.bt** BNBL web site www.bnb.com.bt

Table 12. Selected Interest Rates in India

Week ended	Prime Lending Rate 1)	Deposit Rate 2)
2008		
jan-4	12.75-13.25	8.25-9.00
jan-25	12.75-13.25	8.25-9.00
Feb-29	12.25-13.00	8.25-9.00
Mar-7	12.25-12.75	8.25-9.00
Apr-4	12.25-12.75	8.25-9.00
May-30	12.25-12.75	8.25-8.75
Jun-6	12.25-12.75	8.25-9.00
Jul-25	12.75-13.25	8.75-9.50
Aug-1	12.75-13.25	9.25-9.50
Aug-15	13.25-14.00	8.75-9.75
Sep-26	13.75-14.00	8.75-10.00
Oct-3	13.75-14.00	8.75-10.50
Oct-24	13.75-14.00	8.75-10.50
Nov-14	13.00-13.50	8.75-10.50
Nov-28	13.00-13.50	8.75-10.50
Dec-5	12.50-13.25	8.50-10.00
Dec-26	12.50-13.25	8.50-10.00
2009		
Jan-2	12.00-12.50	8.25-10.00
Jan-23	12.00-12.50	8.00-9.00
Feb-6	11.50-12.50	7.75-9.00
Feb-27	11.50-12.50	7.75-9.00
Mar-6	11.50-12.50	7.75-9.00
Mar-13	11.50-12.50	7.75-8.75
Apr-30	11.50-12.50	7.00-8.50
May-8	11.00-12.25	6.50-8.25
May-22	11.00-12.25	6.50-8.25
June-5	11.00-12.25	6.50-8.25
June-12	11.00-12.25	6.50-8.00
July-3	11.00-12.00	6.50-8.00
July-31	11.00-12.00	6.50-7.75
Aug-21	11.00-12.00	6.50-7.75
Aug-28	11.00-12.00	6.50-7.75
Sep-18	11.00-12.00	6.50-7.75
Sep-25	11.00-12.00	6.50-7.75
Oct-9	11.00-12.00	6.25-7.50
Oct-30	11.00-12.00	6.25-7.50
Nov-13	11.00-12.00	6.00-7.50
Nov-27	11.00-12.00	6.00-7.50

Note: 1) The Prime Lending Rate relates to five major banks. 2) The Deposit Rate relates to major banks for term deposits of more than one year maturity.

Source: Weekly Statistical Supplement, RBI.

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