PREFACE

This January 2010 issue of the Monthly Statistical Bulletin contains updates on the monetary aggregates for the month of December 2009, and other available macroeconomic data.

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

KEY ECONOMIC INDICATORS

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	-5400.4
(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	6723.4
Overall Balance	-918.6	5209.1	5421.2	1957.0	5695.6
(In percent of GDP)	-2.9	14.7	13.7	4.0	10.5
External Indicators (end of period)					
Gross Official Reserves (in Millions of USD)	363.4	486.4	608.4	655.3	772.7
(In months of merchandise imports)	9.2	13.8	12.8	12.4	15.7
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	18.3	38.81
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 halr-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.

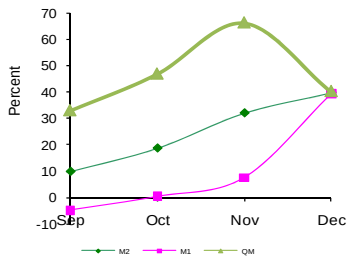
MONETARY DEVELOPMENTS *)

In December 2009, the annual growth rate of broad money (M2) increased to 39.8 percent from 32 percent in comparing with the previous month.

Annual Growth of M1, M2 & Quasi Money

2009	M2	M1	QM
Sep	9.9	(4.7)	32.9
Oct	18.7	0.4	46.8
Nov	32.0	7.6	66.2
Dec	39.8	39.4	40.2

Money Growth (annual change)



1. Component side: The growth rate of M1 increased to 39.4 percent in December 2009 as against the 7.6 percent in November 2009. Of M1, both the currency in circulation and demand deposit have increased in comparison to the month of November. Meanwhile, the growth rate of currency in circulation stood and demand deposit stood at 29.7 percent and 42.3 percent, respectively.

   During the same period, the growth in quasi-money (QM) increased by 40.2 percent against the growth rate of 66.2 percent, due to the increased in the time deposits . Time deposits increased by 43.9 percent in December 2009as compared to 69.9 percent in November 2009, while foreign currency deposits decreased by 8.6 percent during the review period.

2. Counterpart side: The growth in net foreign assets (NFA), which is a major counterpart of money supply, decreased to 8.3 percent in December 2009 as compared to 9.3 percent in November 2009. This was mainly due to the decrease in convertible foreign currency which decreased from Nu.1.1 billion in December 2008 to Nu.0.9 billion during the review month. As of December 2009, NFA stood at Nu.39.1 billion, of which, convertible foreign currency amounted to Nu.36.5 billion, while Indian Rupees totalled at Nu.2.5 billion.

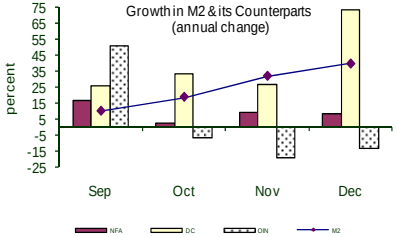
*) For monetary analysis, the balance sheet data are classified within the framework of money and banking statistics according to "international best practices". This data is not comparable to those produced by the Financial Institutions Supervision Division of the RMA.

Domestic credit (DC) recorded a growth rate of 73 percent as of December 2009 as compared to 27.1 percent at the end of November 2009. Growth in credit to the private sector decreased to 19.2 percent from 20.1 percent in the previous month.

Annual Growth in M2 & its Counterparts

2009	M2	NFA	DC	OIN
Sep	9.9	17.1	25.6	50.7
Oct	18.7	2.8	33.3	(7.0)
Nov	32.0	9.3	27.1	(19.7)
Dec	39.8	8.3	73.0	(13.3)

During the same period, the growth rate of other items net (OIN) further decreased by 13.3 percent during the review month.



Performance of Commercial Banks

The total assets/liabilities of commercial banks increased to Nu.45.5 billion as of the end of December 2009 from Nu.35.3 billion for the same period last year, recording an annual growth rate of 28.5 percent.

As indicated in the table, commercial banks' total reserves with the RMA totalled Nu.21.1 billion as of December 2009, which accounted for 46.5 percent of their total assets. Of total reserves, 34.9 percent were absorbed through CRR, 9.4 percent through RMA Bills and 1.1 percent were held in cash, while 54.6 percent were held as other deposits. In addition to these reserves and excluding cash in hand, the banks held Nu.2.7 billion worth of foreign assets (both in Indian Rupees and convertible foreign currency) as of December 2009.

Commercial Banks' Reserves with the RMA

Millions of Nu.

Item	2005	2006	2007	2008	2009			
					Sep	Oct	Nov	Dec
Total	9423.8	9858.4	11734.7	14619.6	13965.0	15993.1	18823.3	21139.9
Cash	114.5	145.5	840.9	714.4	393.6	382.6	371.8	237.8
CRR	2207.2	2861.7	3818.3	5399.1	5523.6	5812.0	6890.2	7368.4
RMA Bills/RR	99.1	66.1	234.7	0.0	232.1	232.1	0.0	1987.4
Other deposits	7003.0	6785.2	6840.8	8506.2	7815.7	9566.5	11561.3	11546.3
% of total								
Cash	1.2	1.5	7.2	4.9	2.8	2.4	2.0	1.1
CRR	23.4	29.0	32.5	36.9	39.6	36.3	36.6	34.9
RMA Bills/RR	1.1	0.7	2.0	0.0	1.7	1.5	0.0	9.4
Other deposits	74.3	68.8	58.3	58.2	56.0	59.8	61.4	54.6

Moreover, during the month under review, the commercial banks' credit to asset and credit to deposit ratios stood at 46.1 percent and 54 percent, respectively. Of the total deposit liabilities of the commercial banks (Nu.38.9 billion as of December 2009), 30.1 percent were held by individuals, 45 percent by government corporations and the remaining were held by other sectors.

Foreign Assets of Commercial Banks (*)

Millions of Nu.

Item	2005	2006	2007	2008	2009			
					Sep	Oct	Nov	Dec
Total	4017.4	6027.7	3228.6	2445.0	3067.2	3328.7	4194.5	2793.5
Rupee	2239.9	3585.3	1470.7	1179.2	1324.6	1287.6	1878.9	1702.5
Convertible currency	1777.5	2442.4	1757.9	1265.8	1742.6	2041.2	2315.6	1091.0
% of total								
Rupee	55.8	59.5	45.6	48.2	43.2	38.7	44.8	60.9
Convertible currency	44.2	40.5	54.4	51.8	56.8	61.3	55.2	39.1

*) 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 review grew by 20.3 percent to Nu.6.5 billion as of December 2009 from Nu.5.4 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 22.8 percent, to Nu.5.7 billion as of December 2009. Meanwhile, their overall credit portfolio accounted for 91.6 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 19.7 percent for the month ending December 2009. Total credit as of the review month stood at Nu.26.3 billion. Of this, 25.2 percent were invested in the building and construction sector, followed by manufacturing (18 percent), trade and commerce (17 percent), service and tourism (14 percent), with the remaining invested in other sectors.

GROSS INTERNATIONAL RESERVES

Gross international reserves as of December 2009, increased by 2.8 percent (y-o-y) to USD 901.1 million. Of the total, convertible currency reserves grew by 16.9 percent to USD 782.7 million and Indian Rupee reserves increased by 62 percent to INR 5.5 billion. As of the review month, overall reserves can finance 15.6 months of imports (including service imports).

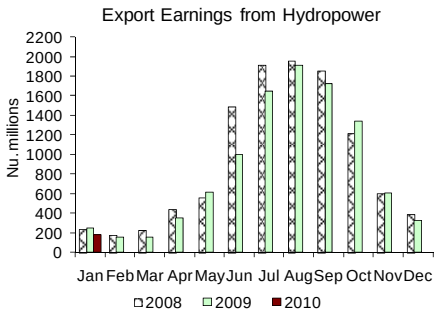
Gross International Reserves
End of Period

	2005/06	2006/07	2007/08	2008/09	2009			
					Sep	Oct	Nov	Dec
Total (millions of USD)	**486.4**	**608.4**	**655.3**	**772.7**	**831.1**	**838.0**	**928.3**	**901.1**
Rupee (millions of INR)	3127.7	769.6	914.4	628.1	2912.8	2431.7	5269.4	5519.3
Convertible currency (millions of USD)	418.5	589.5	633.9	759.6	771.0	786.0	815.1	782.7
Months of imports *)								
Total (including services imports)	**12.0**	**11.5**	**10.9**	**13.7**	**15.0**	**14.6**	**16.1**	**15.6**
Total (excluding services imports)	13.8	12.8	12.4	15.4	16.8	16.3	18.0	17.5
Rupee	2.7	0.6	0.5	0.3	1.5	1.3	2.7	2.8
Convertible currency	40.7	42.4	61.0	79.9	82.2	80.8	83.6	80.4

*) 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.177.9 million as of January 2010, a decrease of 44.7 percent compared to the previous month of December 2009. Similarly, total domestic sales dropped to Nu.62.2 million during the month of January 2009.



Looking at overall annual sales, during 2009, domestic earnings expanded by 7.2 percent, while export revenues fell by 8.7 percent, from the year 2008.

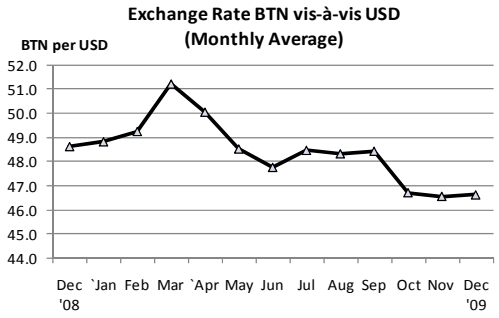
TOURIST ARRIVALS / REVENUE (*)

According to the Tourism Council of Bhutan, 549 convertible currency paying tourists visited the country during the month of January 2010. For the same month, gross revenue earnings amounted to USD 0.46 million.

This represented an annual growth of negative 17.7 percent and 34.9 percent fall in tourist arrivals and revenues, respectively, for the month of January 2010.

BTN/USD EXCHANGE RATE

The exchange rate of the Ngultrum vis-à-vis the US Dollar averaged Nu.45.96 per US Dollar in January 2010, an appreciation of 5.9 percent compared to the average exchange rate of the corresponding month of 2009, and a depreciation by 1.4 percent from December 2009. Overall, the Ngultrum depreciated by 10.1 percent during 2009 from 2008.



INTEREST RATES

As of January 2010, 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 January 2010 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 deposit rates with banks in India have remained at 6.00-7.50 percent, which has been revised in the second week of November 2009. In annual terms, the PLR decreased from the 12.00-12.50 percent to the 11.00-12.00 percent range and deposit rates from 8.00-9.00 to 6.00-7.50 percent.

OTHER MACRO ECONOMIC INDICATORS

Real GDP growth is estimated at 7.4 percent in 2009 in contrast to 5 percent during 2008. 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 808.5 million as of December 2009. Of this total, USD 361.9 million were outstanding convertible currency debt and an equivalent of USD 446.6 million (Rs.20.8 billion) were Indian Rupee debt. Debt servicing as of December 2009, amounted to USD 9.4 million on convertible currency debt and Rs.6.1 billion on Rupee denominated debt.

External Debt Indicators

Debt Outstanding (in millions)	2005/06	2006/07	2007/08	2008/09	Dec'09
Total (USD)	**780.1**	**723.8**	**819.1**	**795.6**	**808.5**
Convertible Currency (USD)	368.8	308.1	349.7	348.3	361.9
Indian Rupee	18,400.2	18,369.9	18,948.4	21,400.7	20,827.4
Debt/GDP ratio *					
Total	**98.3**	**80.8**	**67.0**	**70.3**	**69.6**
Convertible Currency loan	46.5	34.4	28.6	30.8	31.2
Indian Rupee loan	51.8	46.4	38.4	39.5	38.5
Debt service ratio **					
Total	**7.6**	**3.6**	**18.3**	**38.8**	**26.4**
Convertible Currency loan	15.6	8.0	13.5	16.5	12.1
Indian Rupee loan	5.5	2.3	19.2	42.7	28.9

* 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								
		M1					Quasi-Money		
			Of which:1)						
				Demand deposits					
	Total	Total	Currency in circ.outside banks	Total	Current account	Savings deposits	Total	Time deposits	Foreign currency deposits
	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									
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
Nov	32,797.3	19,127.7	3,780.8	15,346.9	10,420.2	4,926.7	13,669.6	12,554.9	1,114.7
Dec	31,384.4	16,233.4	3,839.1	12,394.3	7,522.9	4,871.4	15,151.0	14,081.4	1,069.5
2009									
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
Nov	43,294.3	20,577.7	4,879.7	15,698.0	9,498.8	6,199.1	22,716.7	21,327.0	1,389.6
Dec	43,862.8	22,622.8	4,980.1	17,642.7	11,451.8	6,190.8	21,240.0	20,262.4	977.6
	Percentage change on the previous year								
2009									
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
Nov	32.0	7.6	29.1	2.3	(8.8)	25.8	66.2	69.9	24.7
Dec	39.8	39.4	29.7	42.3	52.2	27.1	40.2	43.9	(8.6)

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

End of period	M2								
	Total	Foreign assets (net)	Domestic assets (net)						
			Total	Domestic credit					Other items (net)(3)
				Total	Public sector			Private sector (2)	
					Total	Government (net)	Other public sector (1)		
	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									
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
Nov	32,797.3	36,865.4	(4,068.1)	13,384.4	(3,059.9)	(4,122.0)	1,062.1	16,444.4	17,452.5
Dec	31,384.4	36,081.9	(4,697.5)	10,269.2	(6,363.9)	(7,417.9)	1,054.0	16,633.1	14,966.7
2009									
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
Nov	43,294.3	40,294.8	2,999.6	17,012.7	(2,742.2)	(3,850.2)	1,108.1	19,754.9	14,013.1
Dec	43,862.8	39,075.0	4,787.8	17,763.3	(2,055.3)	(3,239.3)	1,184.0	19,818.6	12,975.5
	Percentage change on the previous year								
2009									
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
Nov	32.0	9.3	-173.7	27.1	10.4	6.6	4.3	20.1	-19.7
Dec	39.8	8.3	-201.9	73.0	67.7	56.3	12.3	19.2	-13.3

(*) 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).

Contribution to M2 (Counterparts)

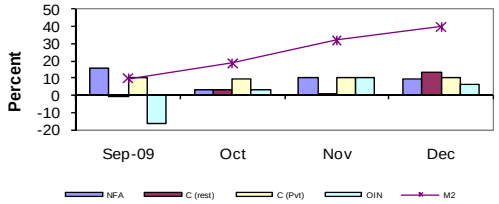


Table 3. Deposit Liabilities of the Commercial Banks

Item	2005	2006	2007	2008	2009			
					Sep	Oct	Nov	Dec
Total Deposits	**18464.9**	**21909.3**	**24440.9**	**27545.3**	**32139.1**	**34618.5**	**38414.6**	**38882.6**
Individuals	6848.9	7697.9	8581.9	10120.3	11361.8	11576.0	11568.4	11705.8
Govt. Corps.	7322.1	8842.1	9785.6	10113.9	11319.1	13126.2	16686.8	17492.7
Govt.	2300.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Others	1993.7	5369.3	6073.4	7311.1	9458.2	9916.2	10159.4	9684.1
Demand deposits	**7830.6**	**9790.9**	**14245.8**	**12394.3**	**14867.3**	**15342.8**	**15698.0**	**17642.7**
Individuals	3790.3	4248.6	5031.2	5878.2	6405.1	6584.3	6623.2	6683.1
Govt. Corps.	2394.5	3256.8	6502.7	3611.0	4220.0	4173.2	4656.2	6877.5
Govt.	1265.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Others	380.4	2285.5	2711.9	2905.1	4242.1	4585.4	4418.6	4082.0
Time Deposits	**10634.3**	**12118.4**	**10195.1**	**15151.0**	**17271.8**	**19275.6**	**22716.7**	**21240.0**
Individuals	3058.6	3449.3	3550.7	4242.1	4956.6	4991.7	4945.2	5022.7
Govt. Corps.	4927.6	5585.2	3282.8	6502.8	7099.1	8953.1	12030.6	10615.2
Govt.	1034.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Others	1613.4	3083.8	3361.6	4406.1	5216.1	5330.9	5740.8	5602.1
	% of total deposits							
Total deposits								
Individuals	37.1	35.1	35.1	36.7	35.4	33.4	30.1	30.1
Govt. Corps.	39.7	40.4	40.0	36.7	35.2	37.9	43.4	45.0
Govt.	12.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Others	10.8	24.5	24.8	26.5	29.4	28.6	26.4	24.9
Demand deposits	**42.4**	**44.7**	**58.3**	**45.0**	**46.3**	**44.3**	**40.9**	**45.4**
Individuals	20.5	19.4	20.6	21.3	19.9	19.0	17.2	17.2
Govt. Corps.	13.0	14.9	26.6	13.1	13.1	12.1	12.1	17.7
Govt.	6.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Others	2.1	10.4	11.1	10.5	13.2	13.2	11.5	10.5
Time Deposits	**57.6**	**55.3**	**41.7**	**55.0**	**53.7**	**55.7**	**59.1**	**54.6**
Individuals	16.6	15.7	14.5	15.4	15.4	14.4	12.9	12.9
Govt. Corps.	26.7	25.5	13.4	23.6	22.1	25.9	31.3	27.3
Govt.	5.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Others	8.7	14.1	13.8	16.0	16.2	15.4	14.9	14.4

Table 4. Sectoral Credit by the Financial Institutions

Nu. in Millions/End of Period

Sub sector	2005	2006	2007	2008	2009			
					Sep	Oct	Nov	Dec
Agriculture	211.6	242.5	289.1	573.6	422.0	414.9	412.1	403.3
Service and Tourism	1084.6	1663.6	2422.9	2958.9	3461.8	3449.7	3516.7	3718.7
Manufacturing	1701.4	2278.4	3039.3	4364.4	4657.0	4695.7	4729.5	4727.3
Building & Construction	3521.2	4473.7	5380.4	5768.2	6340.8	6394.2	6429.6	6615.4
Trade & Commerce	1559.7	1925.4	2681.7	3772.5	4588.4	4668.7	4795.3	4478.3
Transport (Heavy)	373.6	346.2	440.0	580.4	818.0	842.2	866.5	875.6
Transport (Light)	457.8	506.6	584.6	744.9	824.2	833.5	856.3	888.3
Personal Loans	860.1	1077.9	1404.2	2746.6	3707.9	3731.6	3784.6	3989.1
Staff Loan	67.1	79.6	108.7	324.9	394.7	396.5	403.5	379.4
EDP Loans	4.9	5.5	7.1	7.4	18.4	18.4	18.3	6.5
Small Business and Artisan Schemes	3.2	2.1	1.8	1.6	0.9	0.9	0.9	0.9
Loan Against Shares	42.3	46.3	93.5	117.9	158.8	158.4	160.8	200.4
Total	**9887.4**	**12647.8**	**16453.4**	**21961.2**	**25392.8**	**25604.6**	**25974.0**	**26283.2**

Major Credit to Private Sector

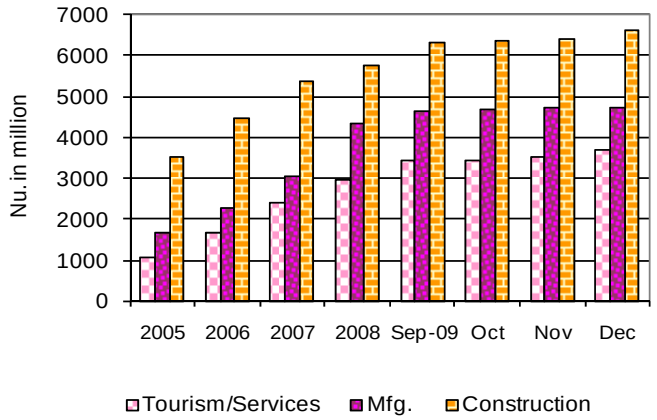


Table 5. Gross International Reserves (*)

Gross International Reserves
End of Period

	2005/06	2006/07	2007/08	2008/09	2009			
					Sep	Oct	Nov	Dec
Total (millions of USD)	**486.4**	**608.4**	**655.3**	**772.7**	**831.1**	**838.0**	**928.3**	**901.1**
Rupee (millions of INR)	3127.7	769.6	914.4	628.1	2912.8	2431.7	5269.4	5519.3
Convertible currency (millions of USD)	418.5	589.5	633.9	759.6	771.0	786.0	815.1	782.7
Months of imports *)								
Total (including services imports)	**12.0**	**11.5**	**10.9**	**13.7**	**15.0**	**14.6**	**16.1**	**15.6**
Total (excluding services imports)	13.8	12.8	12.4	15.4	16.8	16.3	18.0	17.5
Rupee	2.7	0.6	0.5	0.3	1.5	1.3	2.7	2.8
Convertible currency	40.7	42.4	61.0	79.9	82.2	80.8	83.6	80.4

*) 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.

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

Third Quarter of 2003 = 100

Item	Weight in percent %	Period															
		2006				2007				2008				2009			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
		Index															
Food	31.7	110.32	114.63	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	113.97	116.61	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	112.81	115.98	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	2.13	6.76	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	3.58	5.90	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	3.13	6.17	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	0.89	0.86	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 because of a different periodicity and a considerable break in continuity (i.e., the expenditure basket has been completely changed). -1) 2003 Household Income and Expenditure Survey. Includes rent.

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
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
Dec	314.0	19.6	91.5	18.8	184.2	321.9	157.4	7.7	156.8	75.5	23.5	9.2	14.5	28.2
2010	**916.3**	**25.4**	**278.0**	**68.3**	**544.5**	**745.8**	**418.4**	**32.5**	**294.8**	**241.4**	**30.5**	**33.2**	**66.1**	**111.6**
Jan	235.7	14.9	70.0	14.5	136.3	177.9	103.5	0.7	73.7	69.7	17.9	9.3	14.6	27.9
Percent change on the previous year														
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
Jun	-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
Jul	-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
Dec	1.8	3.3	5.8	-4.2	0.4	-16.9	-1.5	14.6	-25.9	17.5	3.2	28.0	-9.4	55.1
2010	**-86.7**	**-92.1**	**-84.6**	**-81.5**	**-87.6**	**-92.6**	**-88.6**	**-89.4**	**-95.2**	**-73.7**	**-92.0**	**-59.5**	**-60.8**	**-61.1**
Jan	-1.4	-5.1	5.5	-10.3	-3.2	-27.2	-7.9	-73.8	-42.9	14.4	-4.8	30.2	-2.7	39.7

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		2010	
	Number	Revenue	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	549	0.46
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	6.70		
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	1017	1.24		
Total	**13626**	**18.55**	**17356**	**23.97**	**21094**	**29.85**	**27636**	**38.84**	**23480**	**31.87**	**549**	**0.46**

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	CAD	BTN	DKK	BTN	BTN
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	**3.26**	**158.48**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**158.48**
Jan	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
Feb	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
Mar	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
Apr	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
Jun	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
Jul	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
Aug	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
Sep	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
Oct	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
Nov	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
Dec	0.21	9.76	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	9.76
2010	0.00	30.53	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	30.53
Jan	0.00	9.07	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	9.07

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					
	2005	2006	2007	2008	2009	2010
Jan	43.76	44.40	44.33	39.37	48.83	45.96
Feb	43.68	44.33	44.16	39.73	49.26	
Mar	43.69	44.48	44.03	40.36	51.23	
Apr	43.74	44.95	42.15	40.03	50.06	
May	43.49	45.41	40.78	42.13	48.53	
Jun	43.58	46.06	40.77	42.82	47.77	
Jul	43.54	46.46	40.41	42.84	48.48	
Aug	43.63	46.54	40.82	42.94	48.34	
Sep	43.92	46.12	40.34	45.56	48.44	
Oct	44.82	45.47	39.51	48.66	46.72	
Nov	45.73	44.85	39.44	49.00	46.57	
Dec	45.64	44.64	39.44	48.64	46.63	
Calendar year average	44.10	45.31	41.35	43.50	48.41	
Fiscal year average	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10
	44.61	44.74	44.19	40.37	47.78	

Source : International Financial Statistics, IMF

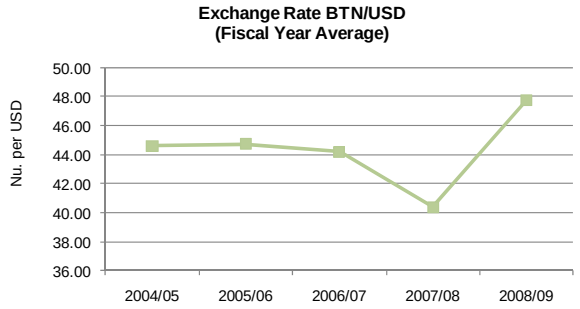


Table 11. Selected Interest Rates in Bhutan

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	-
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)
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
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
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
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
Dec-11	11.00-12.00	6.00-7.50
Dec-25	11.00-12.00	6.00-7.50
2010		
Jan-1	11.00-12.00	6.00-7.50
Jan-22	11.00-12.00	6.00-7.50
Jan-29	11.00-12.00	6.00-7.50

Source: Weekly Statistical Supplement, RBI.

1) Prime Lending Rate relates to five major Banks

2) Deposits rates of major Banks for tem deposits of more than one year maturity.

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