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### **MARKET GIVES THUMBS UP TO BUDGET**

Investors gave thumbs up to Union Budget 2010-2011 as the market witnessed a strong post-budget rally. Data showing a surge manufacturing and services activity in the month of February and rise in exports for the third consecutive month in January 2010, also aided the rally. Finance Minister Pranab Mukherjee's budget proposals which offered to progressively cut fiscal deficit over the next three fiscal years, changed personal tax rates which will lift disposable incomes in the hand of individuals and reduced surcharge on corporate tax for domestic companies to 7.5% from 10% in Union Budget 2010-2011 boosted sentiment. The market gained in three out of four trading sessions in the week.

### **BSE 30-SHARE INDEX AND CNX NIFTY**

The BSE 30-share Sensex rose 564.94 points or 3.44% to 16994.49 in the week ended 5 March 2010. The 50-unit Nifty rose 166.40 points or 3.38% to 5,088.70.

### **BSE SMALL & MID CAP INDEX**

The BSE Mid-Cap index rose 5.28% and The BSE Small-Cap index rose 5.36%. Both these indices outperformed Sensex.

### **FOREX**

GBP/\$	1.5033/1.5038	\$/Yen	89.3200/89.3300
EUR/\$	1.3590/1.3592	\$/INR	46.6350/6450

### **WEEK AHEAD: MARKET MAY CONSOLIDATE; INDUSTRIAL PRODUCTION DATA EYED**

Indian stocks may eye global cues in the absence of major domestic triggers as market enters a consolidation phase after a strong post-budget rally. Recent global economic data was mixed. Sovereign debt problems in the euro zone continue to haunt global markets.

The Indian market would act as a safe haven for foreign investors as the state of the economy remains quite encouraging. The recent economic data showed surge in manufacturing and services activity in the month of February and rise in exports for the third consecutive month in January 2010.