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SMALL-CAP, MID-CAP STOCKS HOG LIMELIGHT AT THE ONSET OF THE NEW YEAR

The market closed the first week of 2010 on a positive note. The key benchmark indices touched 22-month highs as investors bet on strong Q3 December 2009 results. The gains were, however, unable to sustain at higher level and weak global markets encouraged investors to lock in profits in the last two trading sessions of the week.

The selling was confined to some frontline counters, while undertone in the market was still bullish following positive comments from the Finance Minister and the Prime Minister.

BSE 30-SHARE INDEX AND CNX NIFTY

The BSE 30-share Sensex rose 75.48 points or 0.43% to 17,540.29 in the week ended Friday, 8 January 2010. The S&P CNX Nifty rose 43.7 points or 0.84% to 5244.75 in the week.

BSE SMALL & MID CAP INDEX

The BSE Mid-Cap index outperformed the Sensex, rising 3.40% to 6,946. The BSE Small-cap index, too, outperformed the Sensex, rising 4.07% to 8,697.64 in the week.

FOREX

GBP/\$	1.6013/1.6017	\$/Yen	93.2700/93.2800
EUR/\$	1.4298/1.4302	\$/INR	45.8150/8250

WEEK AHEAD: THIRD QUARTER RESULTS, KEY ECONOMIC DATA TO DICTATE TREND

The market may see stock-specific action next week as third quarter result season kicks off. Besides corporate results, market participants will be keenly watching India's industrial production data and monthly inflation data.

The Reserve Bank of India (RBI) will hold the third quarter review of the monetary policy on 29 January 2010, when it is widely expected to hike the cash reserve ratio or the percentage of amount banks park with the RBI to absorb excess money from the system.

Government data on industrial performance for November 2009, as measured by the index of industrial production (IIP), will be unveiled on 12 January 2010. Inflation data for December 2009 is due on 14 January 2010.

Major companies announcing Q3 results include, Infosys Technologies (on 12 January), Bajaj Auto (12 January), TCS (15 January), HDFC Bank (15 January), and Axis Bank (15 January).