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Market Drifts lower on Volatile trade

Volatility ruled the roost as weak global markets and concerns about the US banking sector pulled the domestic bourses lower. Nevertheless, lower inflation and improved industrial production numbers ensured that the fall in share prices was not steep.

BSE 30-SHARE INDEX AND CNX NIFTY

The BSE 30-share Sensex fell 82.88 points or 0.88% to 9,323.59 in the week ended 16 January 2009. The S&P CNX Nifty fell 44.55 points or 1.55% at 2828.45 in the week.

BSE SMALL & MID CAP INDEX

The BSE Mid-Cap index fell 93.96 points or 3.01% to 3,026.83 and the BSE Small-Cap index fell 142.83 points or 4.02% to 3,412.77 in the week.

FII & Domestic Fund action

FII outflow in January 2009 totaled Rs 1174.20 crore (till 14 January 2009). FIIs had pulled out a massive Rs 52,998.70 crore in calendar year 2008, as against an inflow of a huge Rs 71,486.50 crore in calendar year 2007.

INFLATION Numbers

Inflation eased to 5.24%, its lowest since February last year, for the week ended January 3 on the back of sharp fall in the prices of food. The decline in the wholesale price index raised expectation of further cuts in short-term rates by the Reserve Bank of India.

FOREX

GBP/\$	1.4926/1.4929	\$/Yen	90.6700/90.6900
EUR/\$	1.3284/1.3287	\$/INR	48.7700/7900

Week Ahead: Q3 results to dictate trend

The ongoing quarterly reporting season may dictate the market trend in the near term. Investors are bracing for poor quarterly earnings as high input costs, credit crunch, high interest rates, and the burden of piled-up inventories may hit bottom lines of companies. India's largest private sector firm by market capitalisation and oil refiner Reliance Industries will unveil its Q3 December 2008 results on 22 January 2009.