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SENSEX SPURTS PAST 11,000 MARK; LOGS SIXTH STRAIGHT WEEKLY GAIN

Key benchmark indices extended gains for the sixth straight week boosted by positive global cues and inflow from foreign funds. Signs of an improvement in the Indian economy and easing of the credit crisis has triggered a solid rally on the domestic bourses in the past few days. The rally was also a part of a sharp surge in global equities triggered by hopes the worst of the global economic recession may be over. The market gained in 3 out of 4 trading sessions in the week. The BSE Mid-Cap and the BSE Small-Cap indices outperformed the Sensex.

BSE 30-SHARE INDEX AND CNX NIFTY

The 30-share BSE Sensex gained 219.23 points or 2.03% to 11,023.09, in week ended Friday, 17 April 2009. The broader 50-issue Nifty jumped 42.35 points, or 1.26%, to end the week at 3384.40.

BSE SMALL & MID CAP INDEX

The BSE Mid-Cap index gained 114.25 points or 3.40% to 3,472.60 and the BSE Small-Cap index advanced 184.01 points or 4.88% to 3,951.56 in the week. Both these indices outperformed the Sensex.

FII & DOMESTIC FUND ACTION

Foreign institutional investor's inflow in April 2009 totaled Rs.3, 092.20 cr (till 15 April 2009) reversing a marginal Rs.1.10 cr outflow in March 2009. However FIIs are still net sellers to the tune of Rs.3,579.50 cr in calendar year 2009.

INFLATION NUMBERS

Wholesale prices rose 0.18% in the week to 4 April 2009 from a year earlier after rising 0.26% the previous week, government data showed Thursday, 16 April 2009. With inflation slowing to around 20- year low in the first week of April 2009, analysts opine the central bank may cut interest rates further in its meet scheduled on 21 April 2009 to boost slowing economy.

LOK SABHA ELECTIONS

The first phase of the 2009 Lok Sabha elections recorded 58-62% voter turnout but was marred by large-scale Maoist violence that reportedly claimed the lives of 19 people, including 10 police personnel, the Election Commission said Thursday, 16 April 2009. The month-long parliamentary elections that began on 16 April 2009 will conclude on 13 May 2009 with results due on 16 May 2009. Poll estimates point to a fractured mandate.

FOREX

GBP/\$	1.4785/1.4786	\$/Yen	99.3200/99.3300
EUR/\$	1.3061/1.3063	\$/INR	49.7600/7800

Week Ahead: Fourth quarter results, outcome of RBI policy meet to dictate trend

Volatility may rule the roost on the bourses next week with investor focus likely to be on the March 2009 quarterly earnings and the Reserve bank of India's meeting on 21 April 2009 to review interest rates. Global markets and foreign fund flow also hold key.

Reserve Bank of India's (RBI) meet on 21 April 2009 to review interest rates. With inflation slowing to around 20- year low in the first week of April 2009, analysts opine the central bank may cut interest rates further to boost slowing economy. The central bank has cut its main short-term lending rate or repo rate by 400 basis points to 5% in five moves since October 2008. Profit booking might emerge after recent solid rally. We suggest investors to book profit on every level and be in cash for further down fall in the market.