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KEY INDICES TAKE OUT SMALL GAINS AHEAD OF BUDGET

The market logged marginal gains after seeing wild swings throughout the week driven by expectations from the Union budget and global factors. The market edged lower in three out of five trading sessions. Small and mid-cap stocks underperformed their large-cap peers during the week.

BSE 30-SHARE INDEX AND CNX NIFTY

The BSE Sensex rose 39.04 points or 0.24% to 16,152.59 in the week ended Friday, 19 February 2010. The S&P CNX Nifty rose 18.05 points or 0.37% to 4844.90.

BSE SMALL & MID CAP INDEX

The BSE Mid-Cap index fell 77.38 points or 1.19% to 6,509.74 and the BSE Small-Cap index declined 98.51 points or 1.19% to 8,303.08. Both these indices underperformed the Sensex.

INFLATION NUMBERS

The wholesale price index (WPI) rose 8.56% in January 2010 from a year earlier, driven by higher food prices, government data showed on Monday, 15 February 2010. The latest reading on the WPI was the highest since November 2008. It was higher than an annual 7.3% rise in December 2009.

IIP NUMBERS

Industrial output grew at its fastest pace in at least a decade in December 2009, in further evidence of a strong economic recovery that could allow the government to follow the Reserve Bank in withdrawing stimulus. Industrial output grew 16.8% in December from a year earlier, up from revised annual rise of 11.8% in November, data showed on Friday, 12 February 2010.

FII AND DOMESTIC FUND ACTION

FII outflow in February 2010 totaled Rs.203.20 cr, as on 17 February 2010. FII had sold equities worth Rs.302.70 cr in January 2010. FII outflow in the calendar year 2010 totaled Rs.703.70 cr.

FOREX

GBP/\$	1.5371/1.5375	\$/Yen	91.9500/91.9600
EUR/\$	1.3491/1.3499	\$/INR	46.3100/3300

WEEK AHEAD: UNION BUDGET 2010-11 TO DICTATE THE TREND

The market is likely to remain highly volatile with the focus being on the Railway Budget and the Union Budget 2010-11. Derivatives expiry on Thursday, 25 February 2010 will also add to the volatility on the bourses.

The highly eventful week begins with the Railway Budget on 24 February 2010. It will be followed by tabling of Economic Survey on 25 February 2010 and the Union Budget on 26 February 2010.