

Date : February 27, 2010
Ref. No. Port/WN/022/007/2010

SMALL-CAP, MID-CAP INDICES SLIDE

The market edged higher in what was a volatile week with a market- friendly Union Budget 2010-11 lifting the sentiment. Expectations from the budget drove the market either ways during the week. Small and mid-cap stocks underperformed their large-cap peers.

Market players largely welcomed the Union Budget 2010-11 presented by the Finance Minister Pranab Mukherjee in the Parliament on 26 February 2010. He proposed market friendly measures including reduction in surcharge on corporate tax, lower fiscal deficit projection, roadmap for rollout of goods & service tax (GST) and direct tax code (DTC), among others. The stock market remains closed on Monday, 1 March 2010 on account of Holi.

BSE 30-SHARE INDEX AND CNX NIFTY

The BSE Sensex rose 237.92 points or 1.47% to 16,191.63 in the week ended Friday, 26 February 2010. The S&P CNX Nifty rose 77.40 points or 1.59% to 4922.30.

BSE SMALL & MID CAP INDEX

The BSE Mid-Cap index fell 34.54 points or 0.54% to 6,432.36 and the BSE Small-Cap index declined 137.17 points or 1.67% to 8,204.57. Both these indices underperformed the Sensex.

FII AND DOMESTIC FUND ACTION

Foreign institutional investors (FII) inflow in February 2010 totaled Rs.1460.60 cr as of 24 February 2010. Their inflow in the calendar year 2010 totaled Rs.960.10 cr.

FOREX

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|--------|---------------|--------|-----------------|
| GBP/\$ | 1.5237/1.5242 | \$/Yen | 89.2300/89.2400 |
| EUR/\$ | 1.3596/1.3597 | \$/INR | 46.0900/1200 |

WEEK AHEAD: MORE GAINS IN STORE FOR EQUITIES ON MARKET-FRIENDLY BUDGET

The forthcoming week will largely be driven by post-budget reactions as analysts revise their estimates based on the announcements made in the budget. Market players largely welcomed the Union Budget 2010-11 which proposed market friendly measures including reduction in surcharge on corporate tax, lower fiscal deficit projection, roadmap for rollout of goods & service tax (GST) and direct tax code (DTC), among others. The stock market remains closed on Monday, 1 March 2010 on account of Holi.