



MARKET NEWS :

The key benchmark indices fell on worries the central bank may take more monetary action to check inflation after the latest data showed that the headline inflation jumped in January 2010. The BSE 30-share Sensex fell 114.24 points or 0.71%, off close to 190 points from the day's high and up close to 25 points from the day's low. Consumer durables, capital goods, realty, FMCG, banking shares fell. Index heavyweight Reliance Industries (RIL) reversed early gains.

India's largest mobile services provider by sales Bharti Airtel fell more than 9% on concerns the leading mobile firm's \$10.7 billion offer for Kuwaiti Zain's African assets could strain its finances. The market breadth, which was strong at the onset of the trading session, turned weak later.

The market was volatile. Stocks turned negative soon after a firm start. The Sensex moved in a narrow range in morning trade. The market edged lower after moving between the positive and negative terrain in mid-morning trade. The market slumped in early afternoon trade as inflation jumped. The market weakened again after recovering sharply from the day's low in mid-afternoon trade.

Closer home, 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. The latest reading on the WPI was the highest since November 2008. It was higher than an annual 7.3% rise in December 2009

European shares rose on Monday, with banks and commodity stocks taking the lead as investors awaited the euro zone finance ministers meeting. The key benchmark indices in France, Germany and UK rose by between 0.7% to 0.9%.

Although European stocks inched higher, concerns about debt restructuring of government-backed Dubai World weighed on sentiment and investors appetite for risk. Dubai denied on Sunday a media report that the firm was mulling a two-part deal, including one that may repay lenders 60% over seven years.

Asian stocks fell on Monday, 15 February 2010 for the first time in a week, led by commodity producers after BlueScope Steel swung to a loss and China bolstered steps to curb inflation. The key benchmark indices in Japan and Indonesia fell 0.66% and 0.78% respectively. Most Asian markets are shut on Monday and Tuesday for the Lunar New Year holidays.

The BSE 30-share Sensex fell 114.24 points or 0.71% to 16038.35. The Sensex fell 140.77 points at the day's low of 16,011.82 in late trade. It gained 74.45 points at the day's high of 16227.04 in early trade.



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