DAILY NEWSLETTER MAR 04 2010

MARKET NEWS :

Key benchmark indices ended slightly lower after witnessing intraday volatility, ending three-day winning streak. Fears of rise in interest rates following rise in food inflation weighed on the sentiment. Weak global cues also played spoilsport after strong gains on the domestic bourses over the past three trading session. Firm global stocks had aided the rally on the domestic bourses recently. The BSE 30-share Sensex was down 28.31 points or 0.17%, up 83.65 points from the day's low and off 53.26 points from the day's high. The Sensex fell below the psychological 17,000 mark. It had settled a tad above the 17,000 level on Wednesday, 3 March 2010.

Food price index rose 17.87% in the 12 months to 20 February 2010, faster than the annual rise of 17.58% in the previous week, government data released today, 4 March 2010 showed. The fuel price index was up 9.59%. The primary articles index rose 15%. Higher inflation is likely to add pressure on the central bank to raise interest rates in April 2010.

The latest hike in petrol and diesel prices will further increase headline inflation. Higher inflation will put further pressure on interest rates which in turn may impact corporate and consumer confidence. However, Prime Minister Manmohan Singh on Monday tried to allay fears of fuel price hike stoking inflation. He said the direct effect on the Wholesale Price Index (WPI) will be no more than 0.4%.

Food prices will be keenly watched in coming weeks for the second and third round impacts of the fuel price rise. Market men see a 25 basis points hike in the repo and reverse repo rates each by the RBI at the April 2010 policy review.

Congress president Sonia Gandhi has reportedly signaled her support for a move to raise taxes on fuel in last year's Budget. The Congress president has reportedly praised finance minister Pranab Mukherjee for a well-balanced budget and said growth is the engine of the Budget

European stocks were lower Thursday as investors adopted a cautious stance ahead of key meetings of the Bank of England (BOE) and European Central Bank (ECB). As per market expectations, both the BOE and ECB are widely expected to keep rates at record lows. Key benchmark indices in UK, Germany and France were down by between 0.09% to 0.37%.

On Wednesday, Greece announced further austerity measures designed at getting its fiscal deficit down to levels acceptable to the rest of Europe. Ongoing worries about Greek debt are expected to be one reason for the European Central Bank policymakers to keep rates on hold on Thursday.

CIL SECURITIES LIMITED

Asian shares were trading lower Thursday as Wall Street's tepid performance Wednesday failed to inspire markets, but shippers were up in Japan and mining plays were supporting Australian stocks. Investors were cautious ahead of the influential US jobs data for February 2010 on Friday, 5 March 2010. The key benchmark indices in Hong Kong, South Korea, Singapore, China, Japan and Taiwan were down by between 0.26% to 2.38%.

The BSE 30-share Sensex was down 28.31 points or 0.17% to 16,971.70. The index fell 111.96 points at the day's low of 16,888.05 in afternoon trade. The Sensex rose 24.95 points at the day's high of 17,024.96 in early trade. The S&P CNX Nifty was down 7.85 points or 0.15% to 5080.25

The market breadth, indicating the overall health of the market, was strong. On BSE, 1721 shares advanced as compared with 1173 that declined. A total of 77 shares remained unchanged.

MARKETS AS ON 04 MAR 2010

INDICES	Closing	Change	Change(%)
BSE SENSEX	16971.70	28.31	0.17
CNX-NIFTY	5080.25	7.85	0.15
NIFTY JUNIOR	10606.45	105.55	1.01
CNX MID CAP	7538.40	59.75	0.80
BSE SMALL CAP	8430.32	68.00	0.81
AUTOMOBILE	7553.42	8.75	0.12
BANKEX	10175.47	20.70	0.20
CAPITAL GOODS	13848.45	66.23	0.48
FMCG	2775.29	16.00	0.58
IT	5223.05	54.55	1.03
METAL	17553.58	269.88	1.56
OIL&GAS	9764.20	61.73	0.63

SENSEX / NIFTY Top Gainers

Scrips	LTP	Prev Close	Change(%)
SAIL	237	226.6	4.59
SUZLON	77.45	74.35	4.17
UNITECH	78.75	76.05	3.55
RCOM	164.4	160.85	2.21
DLF	304.2	298.55	1.89
RELINFRA	1022	1005.85	1.61
SUNPHARMA	1587	1561.85	1.61
TATASTEEL	617	608.2	1.45
HINDUNILVR	242.25	239.1	1.32
GRASIM	2789.05	2754.95	1.24

WORLD MARKETS

INDICES	Closing	Change	Change(%)
DOW	10396.76	9.22	0.09
NASDAQ	2280.68	0.11	0.00
NIKKEI 225	10145.72	107.42	1.05
HANGSENG	20575.78	301.01	1.44
SHANGHAI	3023.37	73.63	2.38

SENSEX / NIFTY Top Losers

Scrip	LTP	Prev Close	Change (%)
AXISBANK	1123	1148.9	-2.25
HINDALCO	168.6	171.45	-1.66
MARUTI	1454.2	1476.5	-1.51
INFOSYSTCH	2626	2666.25	-1.51
CAIRN	268.45	272.35	-1.43
JPASSOCIAT	143.5	145.5	-1.37
BPCL	535.5	541.9	-1.18
RELIANCE	1013	1024.8	-1.15
AMBUJACEM	106	107	-0.93
ICICIBANK	899.9	908.35	-0.93

FOREX MARKETS

INDICES	Close	Prev Close	Change(%)
US DOLLAR	45.82	45.90	-0.08
EURO	62.61	62.58	0.03
YEN (100 Jap)	51.90	51.65	0.25
POUND	68.98	68.94	0.04

MARKET TURNOVER

TURNOVER(cr)	TODAY	PREVIOUS DAY
NSE CASH	15333.36	15289.03
NSE F&O	63065.91	67620.30
BSE CASH	5240.05	4617.86

CIL SECURITIES LIMITED

Registered Office

214-Raghava Ratna Towers
Chirag Ali Lane,Abids
Hyderabad-500 001
Andhra Pradesh
Phone: 040-23203155
Fax: : 040-23203028
Email: advisors @cilsecurities.com.

Corporate Office

Great Western Building
20, 2nd Floor, 130/132
Apollo Street, Opp. Lion Gate
Mumbai - 400 023.
Phone: 022-22885177 / 78
Fax: 022-22885176