



**MARKET NEWS :**

The key benchmark indices attained their highest closing level in nearly 20 months on the last trading day of calendar 2009 as Asian stocks rose. Volatility surged in late trade as traders rolled over positions in the derivatives segment, to January 2010 series from the near-month December 2009 series. The December 2009 derivatives contracts expired today, 31 December 2009. The BSE 30-share Sensex rose 120.99 points or 0.7%, off close to 65 points from the day's high.

The Sensex and S&P CNX Nifty today, 31 December 2009, scaled their highest closing level in nearly 20 months. Reliance Industries rose. Capital goods and auto stocks, also edged higher. But banking stocks pared gains. Telecom stocks were mixed. The market breadth was strong.

Rollover in Nifty futures from December 2009 series to January 2010 stood at 58% at the end of Wednesday's (30 December 2009) trade. Rollover in Mini Nifty futures stood at about 50% and the market wide rollover was about 67%.

From 4 January 2010, trading will start at 9:00 IST and end at 15:30 IST compared to the current timing of 9:55 IST to 15:30 IST. The market remains closed on Friday, 1 January 2010, for the New Year holiday.

The Reserve Bank of India (RBI) will review interest rates at its next policy review scheduled for 29 January 2010 and not before, K.C. Chakrabarty, a deputy RBI governor said on Thursday. He further said credit growth will rise to 17-18% when GDP growth reaches 8-9%.

Food price index rose 19.83% in the 12 months to 19 December 2009, data released by the government today, 31 December 2009, showed. The primary article index jumped 15.49% and the fuel price index rose 4.45%. The worst monsoon in nearly four decades and flooding in some parts of the country have pushed up food prices.

Finance Minister Pranab Mukherjee said on Wednesday that the government needs to strike a balance between economic growth and cutting fiscal deficit. India's fiscal deficit is estimated at 6.8% of gross domestic product for 2009/10 (April-March), higher than 6.2% in the previous year as the government cut tax rates and boosted spending.

Finance Minister Pranab Mukherjee said last week that containing inflation and cutting fiscal deficit are the major challenges for the government in the short-to-medium term. The Indian economy can grow at 7.75% in the fiscal year ending March 2010, the Finance Minister said.



European shares gained on Thursday on the final day of the year, as banks and commodity stocks gained ground amid firm risk appetite. The key benchmark indices in France and UK rose by between 0.12% to 0.29%. Stock markets in Germany were closed.

Asia stocks rose on Thursday, racking up a 68% gain for the year, as a jump in US consumer confidence reinforced views that the world's largest economy is gradually recovering. The key benchmark indices in China, Hong Kong, Singapore and Taiwan rose by between 0.45% to 1.75%.

US stocks spent almost the entire session trading with moderate losses until some late support helped the major indices improve their position on Wednesday. Better-than-expected report on Midwest manufacturing helped sentiment. The Dow Jones industrial average added 3.10 points, or 0.03%, at 10,548.51. The Standard & Poor's 500 Index was up 0.22 point, or 0.02%, to finish at 1,126.42. The Nasdaq Composite Index gained 2.88 points, or 0.13%, to close at 2,291.28.

Closer home, the BSE 30-share Sensex rose 120.99 points or 0.7% to 17,464.81 its highest closing since 5 May 2008. The Sensex gained 187.12 points at the day's high of 17,530.94 in afternoon trade. The Sensex opened with an upward gap of 21.55 points at 17,365.37, also the day's low.

The S&P CNX Nifty gained 31.60 points or 0.61% at 5201.05, its highest closing since 2 May 2008. It hit a high of 5221.85 in intraday trade

BSE clocked a turnover of Rs 4618 crore, higher than Rs 4327.29 crore on Wednesday, 30 December 2009.

The market breadth, indicating the overall health of the market was positive. On BSE, 1672 shares advanced as compared with 1210 that declined. A total of 83 shares remained unchanged.

Among the 30-member Sensex pack, 22 rose while rest declined.

Coming back to today's trade, the BSE Mid-Cap index rose 0.31% and the BSE Small-Cap index rose 0.6%. Both these indices underperformed the Sensex.

Sectoral indices on BSE showed mixed trend. The BSE Power index (up 1.16%), the BSE Capital Goods index (up 1.1%), the BSE Consumer Durables index (up 1.07%), the BSE Oil & Gas index (up 1%), the BSE Auto index (up 0.96%), the BSE IT index (up 0.73%), the BSE PSU index (up 0.71%), outperformed the Sensex.

The BSE FMCG index (down 0.19%), the BSE Healthcare index (down 0.14%), the BSE Realty index (down 0.09%), the BSE Bankex (up 0.19%), the BSE Metal index (up 0.23%), the BSE Teck index (up 0.55%), underperformed the Sensex.





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