

Indian bourses touch six-month low

Turbulence in the US market pushed the Sensex barometer of the Bombay Stock Exchange (BSE) to a six-month low this week.

The sub-prime mortgage crisis has resulted in the drying of liquidity around the world. The spillover effect was clear across all markets in Asia.

Developments on the domestic front acted as a catalyst to already dampened market sentiments. A surge in inflation rate coupled with lower-than-expected industrial production data made matters worse.

The 30-share BSE Sensex lost 215 point or 1.35 percent to end the week at 15,760.52. The broader S and amp;P Nifty shed 25.8 points or 0.54 percent to 4,745.80 in the week.

The BSE Mid-Cap lost 220.94 points or 3.25 percent to 6,583.45 and the BSE Small-Cap index slipped 329.68 points or 3.92 percent, 8,079.50.

According to the data available with market regulator Securities and Exchange Board of India (SEBI), the Indian equities market attracted foreign institutional investor (FII) investment to the tune of \$676.50 million over the week.

The two indices, the Sensex and the Nifty, saw divergent trends on Monday, with the Nifty posting gains helped by a spurt in non-Sensex constituents such as Reliance Petroleum and Cairn India.

The Sensex was down 51.80 points or 0.32 percent at 15,923.72. The Nifty was up 28.80 points or 0.60 percent at 4,800.40.

On Tuesday, the Sensex gained 199.43 points or 1.25 percent, at 16,123.15. The broader based S and amp;P CNX Nifty advanced 65.50 points or 1.36 percent at 4,865.90.

On March 12, the market erased almost its entire gains - in contrast to the strong start after disappointing industrial production figures for January 2008 hit the market in early afternoon trade. The US Federal Reserve's move to inject up to \$200 billion of liquidity into strained credit markets triggered rally across Asian and European markets.

The Sensex was up marginally by 4.83 points or 0.03 percent at 16,127.98. Nifty rose 6.10 points or 0.13 percent at 4,872.

A major setback was witnessed on the bourses Thursday, as share prices fell almost across the board. Markets across the globe dropped.

The Sensex slumped 770.63 points or 4.78 percent at 15,357.35. The Sensex hit a low of 15,228.99 in late trade, its lowest level since early September 2007. The Nifty was down 242.40 points or 5.10 percent at 4,623.60.

Buying in battered pivotals triggered solid rally on the bourses in late trade, with market closing near the highest point of the day on Friday. However, the market breadth, indicating the overall health of

the market, remained negative.

The Sensex surged 403.17 points or 2.63 percent to 15,760.52, while the Nifty advanced 122.20 points or 2.64 percent to 4,745.80.

India's largest private sector bank by assets ICICI Bank slipped 1.63 percent to Rs.878.20.

India's largest private sector firm by market capitalization and oil refiner Reliance Industries (RIL) rose 3.24 percent to Rs.2,321.70. Its unit Reliance Retail has signed a joint venture with Pearle [Europe](#) for the launch of a chain of optical stores in India.

Bharti Airtel, the country's top listed cellular services provider by market share, rose 0.22 percent to Rs.752.95.

Rural Electrification Corporation (REC) debuted on the stock exchanged on March 12. It debuted at Rs.125 on BSE, a premium of 19.04 percent over the IPO price.

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