

## Daily Market Review

17<sup>th</sup> June, 2011

## Indices

BSE SENSEX	17985.88	-146.36	0.80%
NIFTY	5396.75	-50.75	0.93%
FTSE 100	5698.8	-43.74	0.76%
NASDAQ	2623.7	-7.76	0.29%
S&P	1267.64	2.22	0.18%
NIKKEI	9392.6	-18.68	0.20%
HANG SENG	21872.82	-80.29	0.37%

## Top Gainers for the Day (BSE 100)

Tata Steel	2.58%
Idea Cellular	2.00%
HUL	1.44%
IVRCL	1.21%
Maruti Suzuki	0.97%

## Top Losers for the Day (BSE100)

Power Finance	2.68%
Glenmark Pharma	1.92%
Mundra Port	1.52%
HDFC	1.37%
Yes Bank	1.37%

## Currency Market

\$/Re	44.90	0.14	0.30%
Euro/Re	63.54	-0.46	0.24%

## Commodity Market

Crude Oil	\$113.79	-4.64	3.91%
Gold	\$1526.4	0.42	0.02%

## FII ACTIVITY

Rs. Crore	Buy	Sell	Net
FII	2191.29	2790.81	-599.5

## News Headlines

**Sensex reacted on RBI's hawkish action**

The Indian equity markets fell 0.8% for the session to 17986, lowest close in last three weeks after the Central Bank's hawkish action on hiking key policy rates by 25bps for the 10<sup>th</sup> time in last 15 months. The markets reacted on the hikes in interest rates as this action is signaling towards slower economic growth and tightening of the economy in the short run. The broad-based index Nifty fell by 0.93% for the session to 5397.

**RBI hikes interest rates**

Reserve Bank of India has raised its key policy rate, the repo rate by 25bps to 7.5% and the reverse repo rate by 25bps to 6.5%. The Central Bank has raised the policy rates on its mid-quarter review on the back of inflationary concerns at cost of slowing growth in the short run. Despite RBI raising the interest rates for the 3rd time, the inflation data for May end stood at 9.06%. The 10-year Government bond yield maturing in 2021, ended lower at 8.29% from the current 8.4%. The five-year benchmark swap rate ended at 7.66% against 7.89% a day ago.

**Maruti Suzuki ends strike**

India's largest car maker, Maruti Suzuki Ltd. ended a 13-day strike that has cost the Company a production loss of 12600 units, valued at USD 60 million. The employees of the Company were on strike to fulfill their demand. The workers decided to call-off the strike after the Management has agreed and signed the agreement.

**IDBI Bank to raise \$250 million via Asian bonds**

State-run, IDBI Bank is looking to raise USD 200 million in the next three months through a bond issue which will be guaranteed by the Asian Development Bank (ADB). The bonds will be privately placed but carry a partial guarantee of the ADB, which will reduce the fund raising cost. IDBI, which set a target of raising \$1.1 billion in FY12 through foreign currency borrowing is yet to appoint a merchant banker for the issue.

## ING Vysya Bank raises Rs.970 crores

Bangalore based ING Vysya Bank Ltd. has raised Rs.970 crores by selling shares to institutional investors and Netherlands-based promoters group ING Groep NV. The capital raised will be used to augment the capital adequacy and fund the growth aspirations of the Bank.

### Our Team

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