

NEWS ALERT DAILY NEWSLETTER



The growing importance of stock markets around the world has recently opened up avenues of research into the relationship between financial development and economic growth that primarily focuses on the movement and the consequent development of the stock markets. Various studies across the globe have provided numerous insights on this subject, but none of them has been able to conclusively prove the existence of a definite positive correlation between the two.

OUTLOOK

Analysts says there is buoyancy in the market and the money flow is strong, but the question is how long can the market keep rising. Moreover, investors are cautious about the market prospects in the near term, though they do not expect any major downside at least till the budget on July 3

MARKET UPDATE

The domestic market opened the session with a positive gap and kept on trading in the positive territory till the final closing of the session. The BSE Sensex crossed the psychological 15,400 mark while NSE Nifty crossed the 4,650 mark. The market also gave a boost from the comments from the Prime Minister yesterday that India can achieve a growth of 8% to 9% with a high savings rate. He also said that India will achieve an economic growth of at least 7% this fiscal and on the top of this promised more resources towards infrastructure and public services. Moreover in the global arena, the US Markets closed flat for the second consecutive day on Tuesday. The BSE Sensex closed higher by 339.81 points or 2.25% at 15,466.81 and NSE Nifty closed up by 104.30 points or 2.29% at 4,655.25 respectively.

- ◆ SATYAM PLANS TO CUT COSTS
- ◆ SERVICE TAX MAY RETURN TO 12% RATE
- ◆ TATA TEA TO FIRM UP GLOBAL BUSINESSES
- ◆ VC FUNDING FALLS BY 25% ON ACCOUNT OF GLOBAL SLOW-DOWN
- ◆ GOVERNMENT BANKS AGREE TO CONSIDER LENDING RATE CUT
- ◆ FIAT BUYS CHRYSLER, FORMS SIXTH LARGEST CARMAKER
- ◆ GLOBAL CARBON MARKET DOUBLES IN 2008 DESPITE CRISIS, SAYS WORLD BANK
- ◆ AIR FRANCE CRASH MAY BE THE MOST COSTLY SINCE 2001

What determines stock markets development?

1. Stock market size
2. Liquidity
3. Volatility
4. Concentration
5. Integrity with world capital markets
6. Legal rules, regulation and supervision in the markets

“The education sector needs to be freed of constraints.” -KAPIL SIBAL

BSE SENSITIVE	15466.9	339.81
SP CNX NIFTY	4655.25	104.30
DOW JONES	8821.17	58.11
FTSE	4487.85	83.06
NASDAQ	1865.23	5.10
NIKKIE	9991.49	204.67
INTERBANK CLOSING		
Rs/ US \$	47.25	0.24
Rs/ UK POUND	77.56	0.67
Rs/ EURO	66.63	0.21
CRUDE OIL		
Brent (\$/B bl)	70.37	1.35
BULLION		
GOLD Std (Rs/10 Gm)	14850	20
SILVER (Rs/ Kg)	23100	300