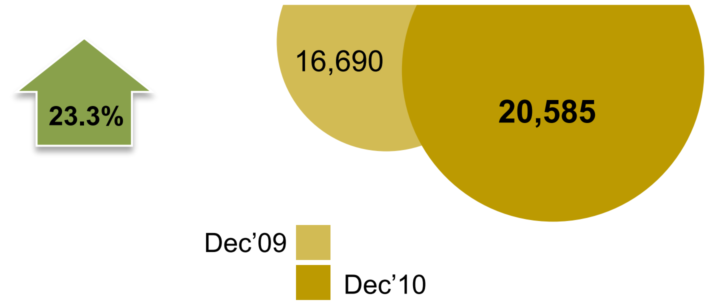
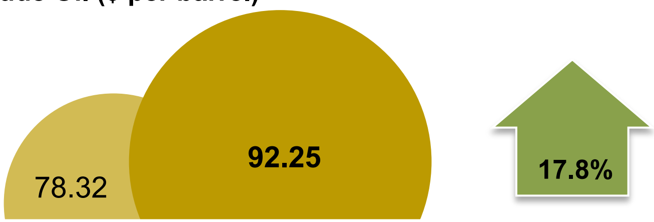
Financial Markets: The Year 2010

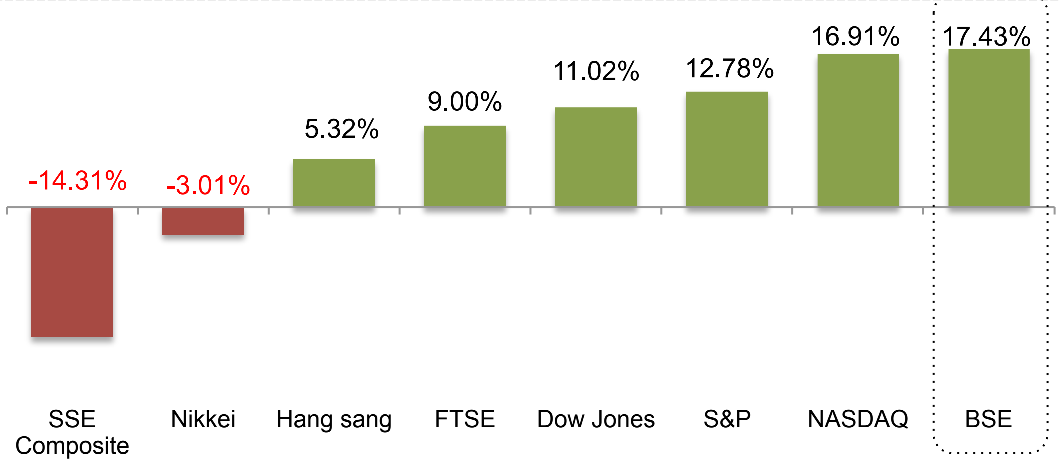
- 2010 was a fabulous year for the Indian markets; bulls completely charged up in 2010 and pushed the benchmark indices near all-time highs, led by huge inflow of foreign money. India's growth story attracted big foreign money flow in the year despite scams like telecom, bribe-for-loans and commonwealth games.
- The benchmark indices rose for a 2nd consecutive year, making the benchmark index the best performer among the world's best indices as economic growth lured record foreign funds. The BSE benchmark index Sensex rallied 17% in last year, extended previous year's biggest rally in 18 years.
    - The 30-share BSE Sensex closed at 20,509, up 3,044 points or 17.43%
- 2010 was also the best year for Indian primary market; 65 Indian companies raised more than INR 710 billion through public offers (both IPOs and FPOs).
    - Coal India, NTPC, NMDC, Power Grid and Shipping Corporation were the largest public offers in 2010, which collected more than 50% of total money.
- FIIs were net buyers to the tune of $29 billion in Indian equities – highest ever in history while mutual funds were net sellers of $6 billion – highest ever outflows in history.

Gold (INR per 10gm)



Crude Oil ($ per barrel)



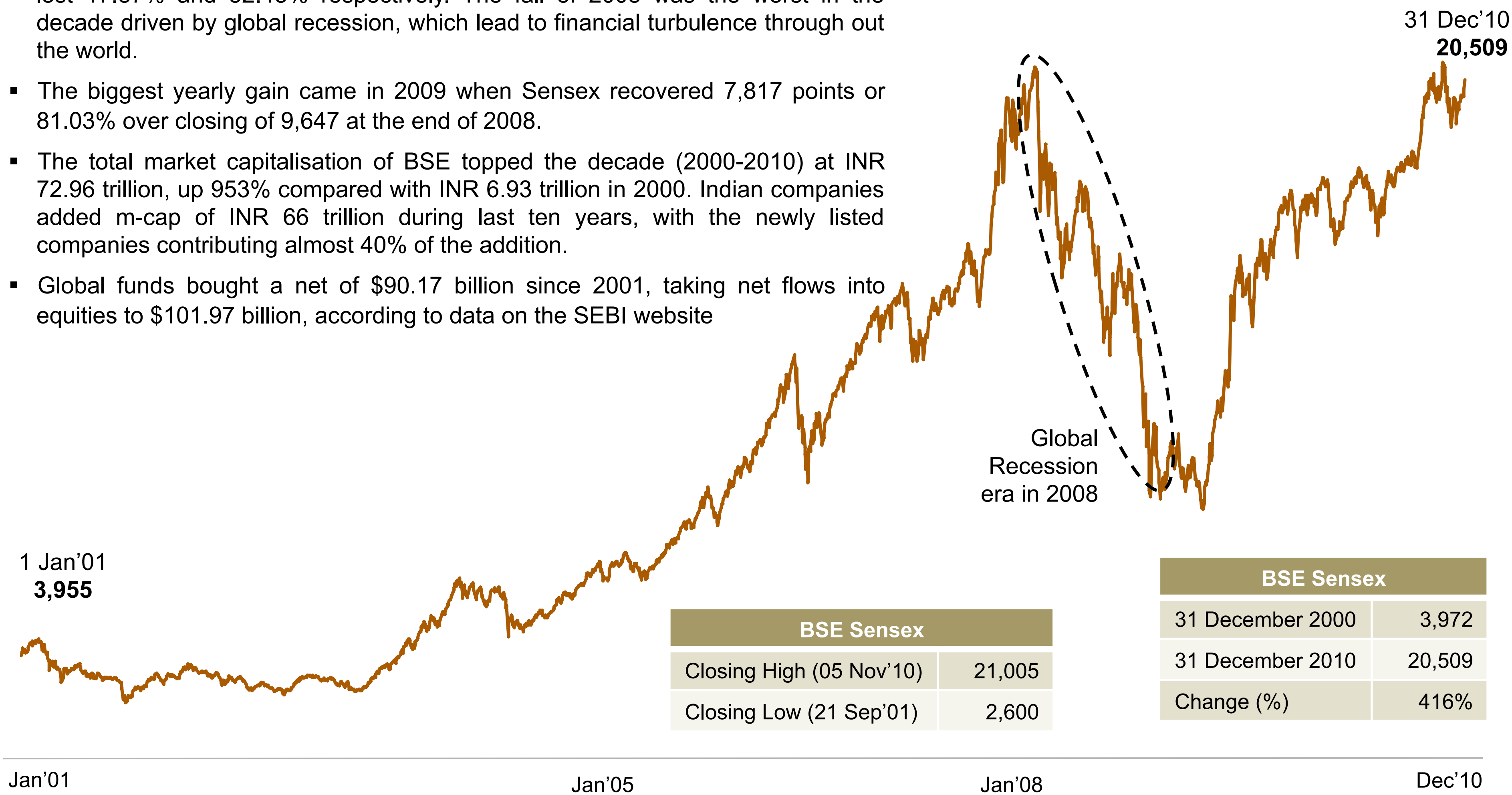


BSE Sensex in 2010

Closing High (05 Nov'10)	21,005
Closing Low (05 Feb'10)	15,791

The Decade: 2001 – 2010

- BSE Sensex outperformed the world indices in the first decade; Sensex jumped by a whopping 416% compared to Hang Seng (53%), SSE Composite (35.4%), Dow Jones (7.3%), NASDAQ (7.4%), S&P (-4.7%), FTSE (-5.2%) and Nikkei (-25.8%)
- BSE Sensex ended the 1st decade of 21st century at 20,509 with a gain of 416% or 3,044 points on its closing of 31 Dec'00.
- Just two years (2001 and 2008) witness the fall in Sensex on Y-o-Y basis when it lost 17.87% and 52.45% respectively. The fall of 2008 was the worst in the decade driven by global recession, which lead to financial turbulence through out the world.
- The biggest yearly gain came in 2009 when Sensex recovered 7,817 points or 81.03% over closing of 9,647 at the end of 2008.
- The total market capitalisation of BSE topped the decade (2000-2010) at INR 72.96 trillion, up 953% compared with INR 6.93 trillion in 2000. Indian companies added m-cap of INR 66 trillion during last ten years, with the newly listed companies contributing almost 40% of the addition.
- Global funds bought a net of $90.17 billion since 2001, taking net flows into equities to $101.97 billion, according to data on the SEBI website



BSE Sensex	
Closing High (05 Nov'10)	21,005
Closing Low (21 Sep'01)	2,600

BSE Sensex	
31 December 2000	3,972
31 December 2010	20,509
Change (%)	416%

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Wishing you Peace, Joy and Prosperity this new year

Happy 2011