

## GLOBAL STOCK INDICES

**Asian Stocks:** Japan's **Nikkei 225 Index** added 168.06 points or 1.95% on Tuesday to 8,773.68; **Hong Kong's Hang Seng Index** went up 430.53 points or 2.43% on Tuesday to 18,141.60; **China's Shanghai Composite Index** added 3.73 points or 0.16% on Tuesday to 2,348.52; **Singapore's Strait Times Index** added 24.75 points or 0.93% on Tuesday to 2,693.05; **Australia's S&P/ASX200 Index** gained 26.60 points or 0.63% on Tuesday to 4,227.60.

**Europe:** The German **DAX Index** added 171.59 points or 3.02% on Monday to 5,847.29; French **CAC 40 Index** gained 65.91 points or 1.13% on Monday to 3,161.47; The **FTSE 100 Index** went up 95.60 points or 1.80% on Monday to 5,399.00.

**US Stocks:** The **Dow Jones Industrial Average** gained 330.06 points or 2.97% on Monday to 11,433.18; **Nasdaq Composite Index** advanced 86.70 points or 3.50% on Monday to 2,566.05; **Standard & Poor's 500 Index** added 39.43 points or 3.41% on Monday to 1,194.89.

## NIFTY50

Read the following data in order of Company, Last Traded Price, Change (Rs) and Buy Price:  
ACC, 1,133.95, 2.80, 1,133.95; AMBUJACEM, 144.85, 0.30, 0.00; AXISBANK, 1,052.75, 3.90, 0.00; BAJAJ-AUTO, 1,578.75, 25.20, 0.00; BPCL, 675.20, 2.85, 0.00; BHARTIARTL, 375.00, 11.45, 0.00; BHEL, 326.75, -5.75, 0.00; CAIRN, 277.40, 1.75, 277.40; CIPLA, 280.75, -1.80, 280.75; COALINDIA, 345.75, 2.10, 0.00; DLF, 229.45, 0.80, 0.00; DRREDDY, 1,507.80, -2.25, 1,507.80; GAIL, 417.15, -4.45, 417.15; GRASIM, 2,333.20, 9.75, 0.00; HCLTECH, 403.30, -10.60, 0.00; HDFCBANK, 457.50, 2.80, 0.00; HDFC, 666.75, 4.20, 666.75; HEROMOTOCO, 1,975.70, 14.90, 0.00; HINDALCO, 130.35, 3.30, 0.00; HINDUNILVR, 325.80, -5.35, 325.80; ICICIBANK, 832.50, -10.15, 0.00; INFY, 2,504.55, -85.40, 0.00; IDFC, 121.55, -0.65, 0.00; ITC, 199.55, -0.55, 0.00; JPASSOCIAT, 74.20, 1.00, 0.00; JINDALSTEL, 487.10, 12.05, 0.00; KOTAKBANK, 453.10, -1.35, 453.10; LT, 1,409.80, 24.50, 0.00; M&M, 798.75, -8.10, 0.00; MARUTI, 1,073.20, 2.25, 0.00; NTPC, 176.40, 5.80, 0.00; ONGC, 268.25, -6.05, 268.25; POWERGRID, 98.70, 0.65, 0.00; PNB, 954.40, 23.00, 0.00; RANBAXY, 516.55, 1.25, 0.00; RCOM, 74.10, 0.05, 74.10; RELIANCE, 827.00, -2.25, 0.00; RELINFRA, 403.00, 4.35, 403.00; RPOWER, 82.65, 0.45, 82.65; SESAGOA, 223.60, 7.35, 0.00; SIEMENS, 830.75, 2.45, 830.75; SBIN, 1,764.55, 8.50, 0.00; SAIL, 107.40, 3.45, 0.00; STER, 115.80, -1.75, 0.00; SUNPHARMA, 477.65, 14.60, 477.65; TCS, 1,040.85, -23.85, 0.00; TATAMOTORS, 176.75, 6.00, 0.00; TATAPOWER, 102.70, -0.90, 0.00; TATASTEEL, 433.55, -1.40, 0.00 and WIPRO, 341.70, -7.20, 0.00.

## Inflation Below 5.5% Can Boost Growth: RBI

MUMBAI (PTI): Inflation of less than 5.5% can give a fillip to economic growth, a study by the Reserve Bank of India (RBI) has said.

"Empirical results... show that there exists statistically significant structural break in the relation between growth and inflation at 4.5-5.5%. Thus substantial gains can be achieved if inflation is kept below the threshold," RBI's Working Paper said.

The paper, authored by RBI Executive Director Deepak Mohanty and three other officials, found there is a positive impact on growth when inflation is up to 5.5%.

"The relationship reverses when WPI inflation is beyond 5.5% and inflation effect on growth turns negative....," said the working paper 'Inflation Threshold in India: An Empirical Investigation'.

The paper came at a time when the RBI is

under pressure due to the sustained inflationary pressure in the economy.

Headline inflation stood at a 13-month high of 9.78% in August.

RBI has hiked its key policy rates 12 times since March 2010 to tame demand and curb inflation.

Experts have said the repeated rate hikes, which have led to an increase in cost of borrowings, a decline in fresh investments and slowdown in the economy.

In the paper, the authors tried to find out if inflation in India has to reach some minimum 'threshold' before growth effects turn adverse. "The findings clearly suggest that inflation threshold in the sense of structural break point exists for India and this implies a non-linear relationship between inflation and growth," the paper added.

## 2G Loss Dispute: CAG Offers To Explain To PAC

NEW DELHI (PTI): With the figure of Rs 1.76 lakh crore loss in 2G spectrum allocation being disputed within, CAG Vinod Rai on Monday offered to give explanation on it to the Parliament's Public Accounts Committee (PAC), which is set to re-examine the case in view of demand by a Congress member.

The PAC, which met in New Delhi to discuss the CAG reports on Commonwealth Games and Adarsh Society scams, also decided to summon R P Singh, former Director General of Audit (Post and Telecommunications), who was the lead auditor in 2G spectrum allocation and had reportedly disputed the loss figure of Rs 1.76 lakh crore.

The decision was taken after Congress member Sanjay Nirupam demanded that Singh should be called to explain, sources said.

Hours ahead of the PAC meeting, the Committee Chairman Murli Manohar Joshi also received a letter from Rai who expressed readiness to explain the methodology used for estimating the losses due to the controversial allocation of 2G radiowaves.

Rai cited Nirupam's letter to Joshi, which had appeared in a section of the media, pointing out reported differences within the CAG on the estimation of the losses. Singh had reportedly said the losses were to the tune of Rs 2,645 crore only.

## Nath Discusses Bilateral Trade With UAE Minister

NEW DELHI (PTI): Urban Development Minister Kamal Nath has discussed mechanisms for development of the economic partnership between India and the UAE with UAE Foreign Trade Minister Sheikh Lubna Al Qasimi, it was announced on Monday.

The two sides discussed various potential growth opportunities in the UAE and India and the possibility of holding meetings between companies of the two countries to explore investment opportunities and strike joint investment and commercial venture deals, a statement released by UAE official news agency Wam said.

Sheikha Lubna stressed on the keenness of the UAE to boost trade and investment ties with India in all fields, considering the fact that India was the UAE's top trading partner in 2010.

Nath said the existing investment opportunities in the two countries will pave the way for broader cooperation for the private sectors and businesses in both countries.

The volume of mutual trade between the UAE and India during 2010 stood at AED 163 billion, while trade in the first quarter of 2011 amounted to AED 69 billion, a growth of 68% year-on-year.

Speaking on the occasion, Kamal Nath said that a new world order is emerging on the global economic front, as the gravity of economic growth has shifted to the East.

## STOCK MARKET REPORT Sensex Down 21 Points

MUMBAI (PTI): Snapping two-day rally, the BSE Sensex on Tuesday ended 21 points down on profit selling by funds, especially in IT stock led by software exporter Infosys ahead of its quarterly earnings and a weak trend in Europe.

The Bombay Stock Exchange's Sensex, which had gained 765 points in the last two trading sessions, extended gains at the outset to climb 16,774.12, before ending 20.76 points lower at 16,536.47.

The wide-based National Stock Exchange index Nifty fell 5.25 points to 4,974.35, after climbing to 5,045.10.

The markets opened higher on firm cues from Asia but lower openings in Europe amid uncertainty over Euro-zone debt bailout plans pulled down the stocks.

Brokers said the beginning of the second quarter earnings season this week with Infosys results tomorrow kept the investor confidence a little shaky.

Sensex's second heaviest stock Infosys lost 3.17% as the ECB President Jean-Claude Trichet said Europe's debt crisis has reached a "systemic dimension."

The Indian software exporters get nearly 85% revenues from the US and European clients. 5 Top Gainers (Read the following data in order of Company and %Change): Wockhardt Ltd, +11.59; Jubilant Foodworks L, +9.02; Chambal Fertilis, +8.00; Container Corpor, +6.50 and Rashtriya Chemicals, +6.47. 5 Top Losers (Read the following data in order of Company and Change): Infosys, -3.17; Educomp Solutions, -3.04; Financial Technolog, -2.97; Apollo Hospitals, -2.96 and HCL Technologies, -2.76.

## COMMODITIES

Gold Price: Rs 26,920.00 per 10g, Silver Price: Rs 53,500.00 per kg, Petroleum: Brent Spot: USD 106.9 per barrel.

## FOREIGN EXCHANGE

INR / 1 USD: 49.0333; INR / 1 EUR: 66.8029; INR / 1 GBP: 76.5998; INR / 100 JPY: 63.9300; INR / 1 SGD: 38.3936 (Source: RBI Reference Rate)

## Car Industry Body Slashes Growth Forecast

NEW DELHI (AFP): The leading car industry body sharply lowered its sales growth forecast for the current financial year on Monday as high interest rates and rising prices keep buyers out of vehicle showrooms.

The Society of Indian Automobile Manufacturers (SIAM) reduced its forecast for car sales growth in the fiscal year to March 2012 to between two and four percent, down from an earlier projection of 10 to 12%.

Domestic car sales grew by 30% to 1.98 million units last year - the most in more than a decade - fuelled by an increasingly affluent middle class, new model launches and cheap loans.

The revision to the forecast came as SIAM reported that car sales fell 1.8% in September to 165,925 units from 168,959 in the same month last year.

Car sales have been slowing in the country as high borrowing costs have hit one of the world's fastest-growing auto sectors, which has attracted interest from major global players such as Ford, Renault, Volkswagen and Nissan.

Consumer demand has been hit by rising car prices on the back of steeper commodity prices and 12 interest rate hikes by the Central Bank since March 2010 to tame near double-digit inflation, analysts say. But sales of commercial vehicles - seen as one indicator of the health of the broader economy - grew by 18.04% to 70,634 units in September from 59,836 a year earlier, SIAM said.

## India Inc's Fresher Hiring Up 21% In Jul-Sept Quarter: Report

NEW DELHI (PTI): India Inc has witnessed 21% growth in fresher recruitment in the July-September quarter, say experts.

"We have seen overwhelming response from clients over campus hiring. Industries like energy, infrastructure, consulting, media, IT and retail has grown up by over 20% in Q2, FY 11-12. Whatever the slowdown in the US and European countries is, Indian market are showing more growth," Ripples Consultancy Services CEO Rishi Raman said.

Echoing view, Prachi Kumari Director of Sat-n-Merc Manpower Consultant said: "We had seen increment in campus recruitment activity and companies are focusing more on campus hiring because of cost effective module".

According to a survey by MyHiringClub.com, which was conducted among 879 employers and 1,274, institutes across the country said that the second quarter of current fiscal year has seen 21% upward hiring activity in campus vis-a-vis first quarter of 2010-11.

"The campus recruitment market had seen growth in terms of number of hiring and salary as well," MyHiringClub.com CEO Rajesh Kumar said.

## After Huge Outage, Blackberry Services Back In India

NEW DELHI (AP): The maker of BlackBerry said on Monday that email services have been restored on many of its smartphones, after an unexplained glitch cut off Internet and messaging services for large numbers of users across Europe, the Middle East, India and Africa.

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However, Research in Motion Ltd said that some customers may continue to experience delays with instant messaging and browsing services.

"Our technical teams are working to return services to normal operation as quickly as possible," the company said in a statement.

"We apologise to our customers for any inconvenience, and we will continue to provide updates as new information becomes available," the statement added.

The problems first appeared to crop up at about 10:00 GMT (6 am EDT). RIM did not give an explanation for the glitch, but some telecommunications companies in the Middle East and Europe laid the blame at the Canadian company's door.

## UN: Food Prices Likely To Remain Volatile, High

ROME (AP): Prices for rice, wheat and other key foods are expected to remain volatile and possibly increase - and poor farmers and consumers particularly in Africa will be hurt most, the UN food agencies said on Monday.

In an annual report on the state of food insecurity around the world, the UN's three food agencies urged governments to make good on pledges to share information about farm forecasts and food stock levels to avoid the price swings that resulted in food riots in 2006-08 and an eight percent increase in the number of undernourished people in Africa.

They also urged greater long-term investment in the agriculture sectors of poor countries so farmers can bolster production to meet increasing demand and cope better when food crises hit.

"Changes in income due to price swings that lead to decreased food consumption can reduce children's intake of key nutrient during the first 1,000 days of life from conception, leading to a permanent reduction of their future earning capacity and an increased likelihood of future poverty with negative effects on entire economies," the report said.

It was produced by the Rome-based UN Food and Agriculture Organisation, the World Food Programme and - for the first time - the UN's International Fund for Agriculture Development.