

**Volatility in Stock Exchange**

	1	2	3
4464. SHRIMATI GEETA MUKHERJEE :	18/05/98	3908.48	1119.80
SHRI C. KUPPUSAMI :	19/05/98	3924.42	1121.75
SHRI V.V. RAGHAVAN :	20/05/98	3956.93	1141.30
Will the Minister of FINANCE be pleased to state :	21/05/98	3908.79	1126.15
(a) whether there has been extreme volatility in the Indian Stock market over the past few days;	22/05/98	3897.10	1126.55
(b) if so, the details thereof and the reasons therefor;	25/05/98	3908.11	1122.95
(c) whether the outflow of the investments by Foreign Institutional Investors (FII) has been one of the reasons for the volatility in the stock market; and	26/05/98	3875.06	1104.45
	27/05/98	3777.19	1090.95
(d) if so, the extent of the FII net outflow since the presentation of budget this year and the reason for such outflow and remedial measures being taken ?	28/05/98	3721.93	1075.55
	29/05/98	3686.39	1063.15
THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) and (b) The daily movement of stock indices since May, 1998 is given in the attached Statement-I.	01/06/98	3642.68	1053.75
	02/06/98	3573.21	1019.60
(c) and (d) There are several factors, which influence the stock market. These include expectations of the investors regarding the performance of the corporate sector and the economy in general, perceptions of the investors about economic policies of the Government, developments in the international capital market etc. The principal consideration of Government and the stock market regulator (SEBI) is to ensure that the stock markets operate in an orderly and transparent manner in full compliance with the rules and the regulations of the regulator. The transactions by Foreign Institutional Investors (FIIs) in the Indian stock markets are also governed by SEBI regulations. The trend of FII investments is given in the attached Statement-II.	03/06/98	3597.98	1033.90
	04/06/98	3546.21	1027.00
	05/06/98	3147.89	993.50
	08/06/98	3416.73	968.60
	09/06/98	3468.07	995.05
	10/06/98	3311.41	962.90
	11/06/98	3335.76	961.35
	12/06/98	3347.41	971.15
	15/06/98	3152.96	916.80
	16/06/98	3161.08	910.10
	17/06/98	3400.95	976.50
	18/06/98	3292.33	956.15
	19/06/98	3143.10	913.25
	22/06/98	3078.51	880.20
	23/06/98	3037.34	875.60
	24/06/98	3143.64	908.50
	25/06/98	3208.54	932.15
	26/06/98	3168.82	924.35
	29/06/98	3289.56	949.10
	30/06/98	3250.69	941.65
	01/07/98	3230.60	942.25

**Statement-I****Movement of stock indices since May, 1998**

Date	BSE Sensx	NSE-50
1	2	3
04/05/98	4135.81	1185.15
05/05/98	4147.29	1188.10
06/05/98	4069.79	1172.45
08/05/98	4022.20	1161.55
12/05/98	3945.13	1132.25
13/05/98	3782.76	1094.10
14/05/98	3897.94	1118.65
15/05/98	3849.80	1110.10

1	2	3	1	2	3
02/07/98	3180.73	919.90	09/07/98	3331.98	961.05
03/07/98	1089.02	900.55	10/07/98	3401.74	980.15
06/07/98	3178.31	918.75	13/07/98	3322.17	964.35
07/07/98	3195.94	944.15	14/07/98	3371.50	967.35

**Statement-II**  
**Trend in FII Investment**

Grand Total	Gross Purchase Rs. Cr.	Gross Sales Rs. Cr.	Net Investment Rs. Cr.	Net Investment US \$ Mn. At Monthly Ex. Rate	Cumulative Net Investment US \$ Mn. At Monthly Ex. Rate
1993	2661.9	86.8	2595.1	827.2	827.2
1994	9267.2	2476.1	6791.2	2164.6	2991.9
1995	6665.9	2812.2	2853.8	1191.4	4183.4
1996	15739.2	4935.6	10803.6	3058.2	7241.5
1997					
January	1368.5	987.0	381.5	106.4	7347.9
February	1062.6	744.4	318.2	88.7	7436.6
March	1723.0	1014.0	708.9	197.6	7634.2
April	1347.0	761.9	585.1	163.4	7797.6
May	1393.2	630.4	762.8	213.0	8010.6
June	2904.4	1421.5	1482.9	414.1	8424.7
July	2005.5	1000.1	1005.4	281.3	8706.0
August	1640.4	1134.0	506.4	141.0	8847.0
September	1455.7	855.8	600.0	164.7	9011.7
October	1993.2	1008.5	984.7	271.8	9283.5
November	1098.2	1648.4	-550.2	-148.0	9135.5
December	934.7	1513.3	-578.6	-147.6	8947.9
Grand Total	18926.5	12719.2	6207.3	1746.3	8998.2
1998					
January	772.9	1077.2	-304.3	-77.5	8910.4
February	1494.1	754.5	739.6	190.0	9100.4
March	1655.2	931.7	723.5	183.2	9283.6
April	1284.0	1392.4	-108.4	-27.4	9256.2
May	845.9	1729.7	-883.7	-218.4	9041.2
June	802.3	1638.7	-836.4	-206.7	8834.5
July (till .6.7.98)	189.0	280.2	-91.2	-22.5	8820.6
Grand Total	7053.5	7804.3	-750.8	-167.6	