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India on alert for suicides after stocks slide

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MUMBAI (Reuters) - Indian police are watching out for possible suicides by brokers and investors after a steep market slide wiped out billions of dollars in share values, officials said Monday.

Policemen were keeping a watch near lakes and canals, possible places where people in distress could head to kill themselves. They said rescue teams were on alert.

"A financial crisis can trigger suicides. We are just trying to prevent them. Till now, no such cases have been reported," said R.K. Patel, a police official in the western city of Ahmedabad.

India's Bombay Stock Exchange Ltd., which had a market value of \$657 billion last week after falling 10 percent in the previous two sessions, slid as much as another 10 percent in early trade Monday following sales of stocks held by brokers as security on behalf of their clients.

"Gold has turned into brass. We are finished," said S.S. Gupta, a middle-aged Mumbai broker who said he had lost millions of rupees in two hours of trading Monday morning.

Ahmedabad is considered particularly vulnerable to stock market volatility.

With over five million retail investors, the city is one of India's main trading hubs where people have put in millions of dollars of their disposable income into the stock market.

"I borrowed money to trade in the market. I lost it all in the past two days," said 37-year-old Sanjay Joshi, a small investor. "I don't know how will I repay my loans."

In the 1990s, a stock market meltdown led to several bankrupt brokers and small investors committing suicide across India, some of them drowning in rivers or throwing themselves off highrises.

Analysts described the market slide -- which has been as much as 22.4 percent from an all-time high of 12,671.11 points on May 11 -- as a correction and said order should return soon.

"It seems overdone and the market should stabilize during the second half of this week," said Rajat Jain, Chief Investment Officer, Principal Asset Management Company Pvt Ltd.

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