

## **Sensex hovers around 52,950 mark; Nifty PSU Bank up 2%**

The Indian markets are trading choppy in Monday's early deals amid cautious trade in Asian peers.

At 9:40 AM, the frontline S&P BSE Sensex was trading at 52,920, down 5 points or 0.01%. Market breadth is positive and out of a total of 2,710 shares traded on the Bombay Stock Exchange, 1,808 advanced while 793 declined and 109 remained unchanged. The broader Nifty50 was at 15,861 levels, down 2 points or 0.01%.

Majority of the Nifty sectoral indices traded in the green, led by Nifty PSU Bank index, up 1.8%.

In the broader markets, the S&P BSE Midcap and Smallcap indices were up 0.1% and 0.4%, respectively.

## **WEEKLY REVIEW – JUNE 21 – JUNE 25, 2021**

Equity market in India witnessed positive move this week, supported by further decline in new COVID cases and increased pace of vaccination. Market upmove was broad-based with the BSE Midcap and BSE Smallcap indices also logging gains.

In the week ended on Friday, 25 June 2021, the Sensex rose 580.59 points or 1.11% to settle at 52,925.04. The Nifty 50 index rose 177 points or 1.13% to settle at 15,860.35. The BSE Midcap index gained 311.44 points or 1.4% to settle at 22,549.65. The BSE Smallcap index gained 347.40 points or 1.41% to settle at 24,996.23.

## **COVID 19- UPDATE**

India reports 50,040 fresh cases in the last 24 hours, pushing the country's case tally to 3,02,33,183. 1,258 people succumbed to the virus, taking the death toll to 3,95,751. Meanwhile, 2,92,51,029 have recovered from the coronavirus. India's active caseload stands at 3,95,751.

## **GLOBAL MARKETS**

Asian shares got the week off to a cautious start on Monday as a spike in coronavirus cases across Asia over the weekend hurt investor sentiment while oil hovered around 2-1/2 year highs.

MSCI's broadest index of Asia-Pacific shares outside Japan was last a shade weaker at 703.17, still near a two-week high of 705.35 made on June 16. Australian shares slipped 0.3% while South Korea's KOSPI index was slightly higher. Japan's Nikkei was 0.1% weaker.

Investors were concerned about a spike in coronavirus infections in Asia with Australia's most populous city of Sydney plunging into a lockdown after a cluster of cases involving the highly contagious Delta strain ballooned.

## OIL, RUPEE & FIIs

**Crude Oil:** Oil prices climbed to their highest since October 2018 in early Asian trading on expectations demand growth will outstrip supply and OPEC+ will be cautious in returning more crude to the market from August.

Brent futures rose 7 cents to \$76.25 a barrel, while U.S. crude added 6 cents to \$74.11.

**Indian Rupee:** Snapping its two-day winning streak, the rupee declined two paise against the US dollar on Friday, June 25, to settle at 74.20, as rising crude oil prices weighed on the foreign exchange market sentiment. At the interbank foreign exchange market, the domestic currency opened at 74.15 against the dollar and swung in the range of 74.14 to 74.25.

**FPIs:** After remaining net sellers for two months in a row, foreign portfolio investors (FPIs) in June turned net buyers by pumping in a net ₹12,714 crore into Indian markets.

Prior to this, overseas investors had pulled out ₹2,666 crore in May and ₹9,435 crore in April.

According to depositories data, FPIs invested ₹15,282 crore in equities between June 1 and 25. At the same time, FPIs withdrew ₹2,568 crore from the debt segment. The total net inflow stood at ₹12,714 crore during the period under review.

## WEEK AHEAD

Local and global macroeconomic data, Covid updates, trend in global stock markets, movement of rupee against the dollar, progress of monsoon, Brent crude oil price movement and investments by foreign portfolio investors (FPI) and domestic institutional investors (DII) will be watched.

On the coronavirus front, investors would continuously watch out government's course of action along with progress on vaccination drive. Besides, as new COVID cases have seen a considerable decline, all eyes would be on state governments for further easing of the restrictions.

Progress of monsoon will be closely watched. The Indian Meteorological Department has predicted a normal monsoon in most parts of the country in June. As per the weather department, the country is likely to experience 101 per cent rainfall during the monsoon season. The IMD will issue the forecast for the July rainfall in the last week of June 2021.

On the macro front, the Infrastructure Output data for May will be released on 30 June 2021. Markit Manufacturing PMI for June will be declared on July 1, 2021.

Auto stocks will be in focus as auto companies will start announcing monthly sales numbers for June starting from 1 July 2021.

Overseas, China will announce the Caixin Manufacturing PMI for June on 1 July 2021.

Japan's preliminary industrial production data for May will be announced on 30 June 2021.

The US Markit Manufacturing PMI for June will be declared on 1 July 2021.

The Euro Area Markit Manufacturing PMI for June will be declared on 1 July 2021.

*Source: Reuters, Capital Market, ET*

**Mutual Fund investments are subject to market risks, read all scheme related documents carefully.**

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