

Sensex surges over 200 points, Nifty above 16,650; Bank & IT lead

The benchmark indices started Monday's session on a positive note tracking firm global cues.

At 10:00 AM, the frontline S&P BSE Sensex was trading at 55,784 up 233 points or 0.42%. Market breadth is positive and out of a total of 3,103 shares traded on the Bombay Stock Exchange, 1,557 advanced while 1,403 declined and 143 remained unchanged. The broader Nifty50 was at 16,675 levels up 51 points or 0.31%.

The broader markets were also firmly up with the BSE Midcap and Smallcap indices upto 0.4% higher.

Sectorally, Nifty Bank, IT, and Media indices were the leading gainers, up to 1% up, while Auto, Realty, Metals and Oil & Gas indices were the top laggards.

WEEKLY REVIEW – MARCH 7 – MARCH 11, 2022

Key indices logged strong gains during the week, reversing prior four-week losing trend. Volatility was high due to the ongoing Russia-Ukraine conflict. After a dismal start for the week, the market regained the momentum amid tensions between Russia and Ukraine and BJP-led NDA's victory in four out of five states gave confidence to the investors.

In the week ended on Friday, 11 March 2022, the S&P BSE Sensex gained 1,216.49 points or 2.24% to settle at 55,550.30. The Nifty50 index added 385.1 points or 2.37% to settle at 16,630.45. The BSE Midcap index rose 3.06% to settle at 23,309.95. The BSE Smallcap index advanced 3.25% to settle at 27,141.43.

All the sectoral indices ended in the green with Nifty Media and Pharma indices rose 6% each and IT and Realty indices jumped 3% each.

GLOBAL MARKETS

Asian shares advanced on Monday on hopes for progress in Russian-Ukraine peace talks. While Russian missiles hit a large Ukrainian base near the border with Poland on Sunday, both sides gave their most upbeat assessment yet of prospects for talks.

Japan's Nikkei rose 1.1%, while MSCI's broadest index of Asia-Pacific shares outside Japan inched up 0.1% after sliding almost 4% last week.

Wall Street ended a downbeat week with further losses Friday as traders braced for continued economic fallout from Russia's invasion of Ukraine as well as looming Federal Reserve rate hikes, though European indices saw gains.

The Dow Jones Industrial Average fell 229.88 points, or 0.69%, to 32,944.19, the S&P 500 lost 55.21 points, or 1.30%, to 4,204.31 and the Nasdaq Composite dropped 286.15 points, or 2.18%, to 12,843.81.

OIL, RUPEE & FIIs

Crude Oil: Oil prices extended last week's decline to fall by about \$4 a barrel during early trade on Monday after a US official said Russia was showing signs it might be willing to have substantive negotiations over Ukraine.

Brent crude futures LCOc1 was last down by \$4.12 or 3.6% at \$108.55 a barrel at 0115 GMT on Monday.

Rupee: The Indian rupee ended 43 paise lower at 76.59 per dollar on March 11 against its March 4 closing of 76.16.

One of the fallouts of the Russia-Ukraine conflict has been the weakness in the Indian rupee. After hitting an all-time low of 76.96 against the US dollar last week, the rupee has depreciated around 1.5% in the last one month.

FPIs & DIIs: Continuing their selling spree for the sixth straight month, FPIs have pulled out a net Rs 45,608 crore from the Indian markets in March so far. However, DIIs bought equities worth Rs 30,329.05 crore.

As per depositories data, FPIs pulled out Rs 41,168 crore from equities, Rs 4,431 crore from the debt segment and Rs 9 crore from hybrid instruments, taking the total net outflow between March 2-11 to Rs 45,608 crore.

This is the sixth consecutive month of FPI outflows from the Indian markets.

WEEK AHEAD

Markets are expected to remain volatile in sync with global peers in the week ahead. A close eye will be kept on the developments concerning the Russia – Ukraine standoff.

On the economic front, India's inflation rate for February will be unveiled today. India's inflation based on wholesale price index (WPI) for February will also be unveiled today.

Overseas, Japan will announce inflation rate for February on 18 March, 2022.

The Bank of Japan (BoJ) will announce its interest rate decision on 18 March, 2022. As per reports, the BOJ is set to remain hold onto a dovish stance on monetary policy.

The Fed will begin its two-day policy meeting tomorrow. The US Federal Reserve (Fed) will announce its interest rate decision after its two-day policy meeting on 16 March 2022.

Source: Reuters, Capital Market, Internal

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

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