

Sensex falls over 400 points; Nifty holds 14,500 mark

The Indian markets clawed their way out of the opening lows, but were still trading over half a per cent down in Monday's morning deals.

Mamata Banerjee's Trinamool Congress (TMC) clinched an emphatic victory in the high-stakes assembly election battle, defeating the Bharatiya Janata Party (BJP) to form the government for a third consecutive term in West Bengal.

At 10:20 AM, the frontline S&P BSE Sensex was trading at 48,343, down 432 points or 0.89%. Market breadth is positive and out of a total of 2,666 shares traded on the Bombay Stock Exchange, 1,433 advanced while 1,089 declined and 144 remained unchanged. The broader Nifty50 was at 14,522, levels, down 107 points or 0.79%.

All the Nifty sectoral indices, except Nifty Pharma index, traded in the red, with Nifty PSU Bank index, down 2 per cent, bleeding the most.

WEEKLY REVIEW – APRIL 26 TO APRIL 30, 2021

Key benchmark indices over the week as upbeat corporate earnings reports buoyed sentiment. Global stock markets were positive after the US Federal Reserve pledged to maintain easy monetary policy to aid economic recovery. The Nifty ended above 14,500 level. However, concerns over economic recovery in view of mounting Covid-19 cases in the country capped gains.

In the week ended on Friday, 30 April 2021, the Sensex jumped 903.91 points or 1.89% to settle at 48,782.36. The Nifty 50 index advanced 289.75 points or 2.02% to settle at 14,631.10. The BSE Mid-Cap index rose 359.01 or 1.80% to settle at 20,312.20. The BSE Small-Cap index surged 665.10 points or 3.17% to settle at 21,670.11.

COVID 19- UPDATE

India on Sunday reported a net increase of 80,934 in active coronavirus cases to take its count to 3,349,644. India's share of global active coronavirus cases now stands at 17.76 per cent (one in 6). The country is second among the most affected countries by active cases. On Sunday, it added 392,488 cases to take its total caseload to 19,557,457. And, with 3,689 new fatalities, its Covid-19 death toll reached 215,542, or 1.10 per cent of total confirmed infections.

With 1,826,219 more Covid-19 vaccine doses being administered on Saturday, India's total count of vaccine shots so far reached 156,816,031. The count of recovered coronavirus cases across India, meanwhile, reached 15,992,271 – or 81.77 per cent of total caseload – with 307,865 new cured cases being reported on Sunday.

GLOBAL MARKETS

Asian share markets got off to a slow start on Monday as holidays in China and Japan crimped volumes and investors awaited a raft of data this week which should show the U.S. leading a global economic recovery.

MSCI's broadest index of Asia-Pacific shares outside Japan was all but flat after taking a bit of a spill on Friday. Japan's Nikkei was shut for a holiday, but Nikkei futures edged up 0.2%.

Wall Street extended its bull run with Nasdaq futures and S&P 500 futures both up 0.3%.

OIL, RUPEE & FIIs

Crude Oil: Oil prices ran into profit-taking on Friday but still ended the month with gains of 6% to 8%.

Brent was last up 16 cents at \$66.92 a barrel, while U.S. crude firmed 18 cents to \$63.76 per barrel.

Indian Rupee: The Indian rupee snapped its four-day winning streak and settled 2 paise lower at 74.09 (provisional) against the U.S. dollar on Friday amid a lacklustre trend in the domestic equity market.

At the interbank forex market, the local unit opened at 74.03 against the greenback and witnessed an intra-day high of 73.95 and a low of 74.12.

It finally ended at 74.09 against the American currency, registering a fall of 2 paise over its previous close.

FPIs: Snapping their six-month buying spree, foreign investors turned net sellers in April and pulled out ₹9,659 crore from Indian equities, spooked by the intense second wave of coronavirus and its fallout on the economy.

According to data available with depositories, foreign portfolio investors (FPIs) withdrew a net sum of ₹9,659 crore from Indian equity markets in April.

WEEK AHEAD

Q4 March 2021 results, trend in global stock markets, macro data, movement of rupee against the dollar, Brent crude oil price movement and investments by foreign portfolio investors (FPI) and domestic institutional investors (DII) will be watched.

Global cues will continue to be in focus as resurgence in virus cases around the world, leads to more restrictions and more pressure on economic recovery. Updates related to COVID-19 will be closely watched.

Auto stocks are in focus as auto companies will start announcing monthly sales numbers for April starting from May 1, 2021.

In economic data, Markit Manufacturing PMI for April will be declared on 3 May 2021. Markit Services PMI for April will be declared on 5 May 2021.

On the coronavirus front, investors would continuously watch out government's course of action along with progress on vaccination drive. Starting from May 1, anyone above 18 years old will be eligible for inoculation.

Overseas, China will announce the Caixin Composite PMI for April on 6 May 2021. The US Markit Manufacturing PMI for April will be declared on 3 May 2021. The Euro Area Markit Manufacturing PMI for April will be declared on 3 May 2021.

Source: Reuters, Capital Market, ET

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

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