

## **Sensex falls over 400 points, Nifty hovers around 17,000 mark; IT, FMCG drag**

The key benchmark indices started Monday's session with deep cuts tracking downbeat global sentiment.

At 10:10 AM, the frontline S&P BSE Sensex was trading at 56,780 down 418 points or 0.73%. Market breadth is dismal and out of a total of 3,207 shares traded on the Bombay Stock Exchange, 875 advanced while 2,221 declined and 111 remained unchanged. The broader Nifty50 was at 17,039 levels down 132 points or 0.77%.

The broader markets also opened in red. The BSE Midcap and Smallcap indices fell up to 1.2%.

Sectorally, Nifty IT, FMCG, Realty, and Metals tanked up to 2%. On the other hand, the auto pack held ground and was largely flat.

## **WEEKLY REVIEW – APRIL 18– APRIL 22, 2022**

Domestic equity markets ended the week on a negative note. Disappointing earnings from index heavyweights and hawkish commentary from the Federal Reserve dragged the markets lower.

Benchmark indices - BSE Sensex and Nifty 50 - dropped up to 2% during the week, whereas second rung stocks, midcaps and smallcaps, settled almost flat or marginally lower.

The BSE Sensex corrected 1,142 points or 1.96% to close the week at 57,197, and the Nifty50 fell 304 points or 1.74% to 17,172, but the broader markets smartly outpaced benchmarks as the Nifty Midcap 100 index gained 3.6% and Smallcap 100 index rose 2.7%.

Majority of the sectoral indices ended with losses during the week with banking, metal and pharma were the top losers. However, power and energy indices were in demand.

## **GLOBAL MARKETS**

Asian stocks fell the most in two weeks on Monday as concern about rapid US rate rises and slowing growth rattled investors, while the euro found support after Emmanuel Macron won a second term as French president.

MSCI's broadest index of Asia-Pacific shares outside Japan slid 1.6% to a six-week low, and a nudge from authorities extended steep losses for the Chinese yuan.

Japan's Nikkei fell 1.9%. Hong Kong's Hang Seng fell 3%. S&P 500 futures dropped 0.8% while FTSE futures and European futures were off by more than 1%. Oil fell 2.7%.

The euro was broadly steady at \$1.0802, compared with broad dollar gains elsewhere, and it touched an almost two-month high against a struggling sterling.

## OIL, RUPEE & FIIs

**Crude Oil:** Brent crude futures dropped 2.7% to a two-week low of \$103.88 a barrel. US crude futures fell 2.6% to \$99.38 a barrel.

**Rupee:** The rupee declined 23 paise to 76.65 against the US dollar in the opening trade on Monday tracking the strength of the dollar in the overseas market.

On Friday, the rupee declined by 25 paise to close at 76.42 against the US currency.

**FPIs & DIIs:** FIIs have net sold more than Rs 18,400 crore worth of shares during the week, continuing outflow for seventh consecutive month, while DIIs have been trying hard to compensate the FII outflow by buying nearly Rs 14,400 crore worth of shares in the same week.

## WEEK AHEAD

Trading could be volatile in the forthcoming week as traders roll over positions in the F&O segment from the near month April series to May series. The April 2022 F&O contracts will expire on 28 April 2022.

The Q4 results season would be the key event that the market would be looking for in the near future. Trend in global stock markets, the movement of rupee against the dollar and crude oil prices will also dictate trend on the bourses in the near term. Investment by foreign portfolio investors (FPIs) and domestic institutional investors (DIIs) will be monitored.

Overseas, China's industrial profits data for March will be announced on 27 April 2022.

The Bank of Japan (BoJ) will announce its interest rate decision on 28 April 2022.

US Durable Goods Orders for March will be declared on 26 April 2022.

Euro Area's inflation rate for April will be announced on 29 April 2022.

**Source:** Reuters, Capital Market, ET, BSE, BS

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

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