

## **Sensex falls over 300 points, Nifty below 17,100 mark; Financials drag**

Markets are trading volatile with negative bias after opening on a muted note amid feeble global cues.

At 9:55 AM, the frontline S&P BSE Sensex was trading at 57,039 down 324 points or 0.57%. Market breadth is negative and out of a total of 3,116 shares traded on the Bombay Stock Exchange, 1,036 advanced while 1,938 declined and 143 remained unchanged. The broader Nifty50 was at 17,068 levels down 85 points or 0.50%.

The broader markets were, however, outperforming the frontline indices. The BSE Midcap and Smallcap indices were up to 0.15% higher.

Sectorally, Nifty Bank, Financials, each down 1%, were the top losers. Realty and Consumer Durable indices were also in red. While, Nifty Oil & Gas, Pharma, Metals, Media and Auto were all in the positive zone, up between 0.3-2%.

## **WEEKLY REVIEW – MARCH 21 – MARCH 25, 2022**

The benchmark indices ended the week with modest losses amid profit booking after last week's rally. Overall market sentiment was negative due to the ongoing Russia-Ukraine conflict.

In the week ended on Friday, 25 March 2022, the S&P BSE Sensex fell 501.73 points or 0.87% to settle at 57,362.20. The Nifty 50 index lost 134.05 points or 0.78% to settle at 17,287.05. The BSE Midcap index fell 0.15% to settle at 23,789.91. The BSE Smallcap index rose 0.34% to settle at 27,800.60.

Among the sectors, Nifty Media index added 7%, Nifty Metal index rose 5% and Oil & Gas index gained 3%. On the other hand, Nifty FMCG index fell 3.4% and Nifty Bank index fell 2.8%.

## **GLOBAL MARKETS**

Asian shares stalled and oil prices slid on Monday as coronavirus lockdown in Shanghai looked set to hit global activity, while throwing another wrench into supply chains that could add to inflationary pressures.

China's financial hub of 26 million people told all firms to suspend manufacturing or have people work remotely in a two-stage lockdown over nine days.

Risk sentiment was helped by hopes of progress in Russian-Ukrainian peace talks to be held in Turkey this week after President Volodymyr Zelenskiy said Ukraine was prepared to discuss adopting a neutral status as part of a deal.

Early action on Monday was muted with MSCI's broadest index of Asia-Pacific shares outside Japan off 0.1%. The index is down 2.3% for the month but well above recent lows.

Japan's Nikkei dipped 0.4%, but is still almost 6% firmer for the month as a sinking yen promised to boost exporter earnings.

S&P 500 stock futures eased 0.2%, while Nasdaq futures slipped 0.3%.

## **OIL, RUPEE & FIIs**

**Crude Oil:** Oil prices plunged about \$4 on Monday as concerns over slower fuel demand in China grew after authorities in Shanghai said they would shut the country's financial hub for a COVID-19 testing blitz over nine days.

Brent skid \$3.68 to \$116.97, while U.S. crude fell \$3.30 to \$110.60.

**Rupee:** In the last week the Indian rupee fell against the US dollar. The INR ended 40 paise lower at 76.20 per dollar on March 25 against its March 17 closing of 75.80.

**FIIs & DIIs:** Foreign institutional investors (FIIs) sold equities worth Rs 5,344.39 crore, and domestic institutional investors (DIIs) bought equities worth Rs 2,820.72 crore. However, in the month of March till now FIIs sold equities worth Rs 46,961.57 crore and DIIs bought equities worth Rs 34,440.74 crore.

## **WEEK AHEAD**

Trading could be volatile in the forthcoming week as traders roll over positions in the F&O segment from the near month March series to April series. The March 2022 F&O contracts will expire on 31 March 2022.

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.

India's infrastructure output data for February will be unveiled on 31 March 2022.

Developments in the Budget session of Parliament will be closely watched.

Overseas, China will announce the NBS Manufacturing PMI for March on 31 March 2022.

The US Personal Spending and Personal Income data for February will be announced on 31 March 2022.

The Euro Area Unemployment Rate for February will be unveiled on 31 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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