

## **Sensex falls over 300 points, Nifty below 17,000 mark; Auto & IT shares drag**

Tracking weak global sentiment, the benchmark indices started the new week with deep cuts with index heavyweights leading the downslide.

At 9:45 AM, the frontline S&P BSE Sensex was trading at 56,712 down 349 points or 0.68%. Market breadth is dismal and out of a total of 3,071 shares traded on the Bombay Stock Exchange, 942 advanced while 1,996 declined and 133 remained unchanged. The broader Nifty50 was at 16,975 levels down 128 points or 0.75%.

In the broader markets, the BSE Midcap and Smallcap indices were also in the negative territory, down up to 0.6%.

Sectorally, Nifty Auto, IT, financials, metals and consumer durables were the top losers, down up to 1%. Nifty private bank, meanwhile, turned flat.

The Indian equity and money markets will remain closed tomorrow for Id-UI-Fitr.

Meanwhile, GST collection has crossed the Rs 1.5 lakh crore-mark for the first time in April 2022 and the Rs 1 lakh crore-mark for the tenth month in a row.

## **WEEKLY REVIEW – APRIL 25 – APRIL 29, 2022**

The benchmark indices settled the week with mild losses after seeing sharp swings either ways. Volatility was high due to fears of aggressive monetary tightening in the US, Covid-related lockdowns in China and ongoing Russia-Ukraine war. The Sensex settled little above the 57,000 level. The broader market underperformed the benchmark indices during the week.

Energy, healthcare, infra, technology and metal stocks weighed down the market, but buying in private banks, auto, and FMCG stocks curtailed losses. India VIX rose by 5.8% during the week to 19.42 levels on Friday.

In the week ended on Friday, 29 April 2022, the Sensex fell 136.28 points or 0.24% to settle at 57,060.87. The Nifty50 index slipped 69.40 points or 0.40% to settle at 17,102.55. The BSE Midcap index shed 280.33 points or 1.14% to settle at 24,418.04. The BSE Smallcap index lost 636.06 points or 2.17% to settle at 28,611.92.

## **GLOBAL MARKETS**

Stocks fell Monday as high inflation, tightening monetary policy and China's Covid lockdowns deepened concerns about the economic outlook.

Equities dropped in Japan, Australia and South Korea, while S&P 500 and Nasdaq 100 futures wavered after US shares in April posted one of their worst monthly declines since the pandemic roiled markets in 2020.

The stock slide, rising bond yields and dollar strength are tightening financial conditions ahead of looming U.S., U.K. and Australian interest-rate hikes.

Markets in China and Hong Kong are shut for holidays. Beijing will close gyms and cinemas over the Labor Day break and Shanghai will keep mobility curbs in place despite falling Covid cases.

## **OIL, RUPEE & FIIs**

**Crude Oil:** Oil prices fell on Monday in holiday-sapped trade in Asia as concerns about slowing economic growth in China, the world's top oil importer, outweighed fears of potential supply disruptions from a looming European Union ban on Russian crude.

Brent crude futures fell \$1.21, or 1.1%, to \$105.93 a barrel at 0205 GMT, while US West Texas Intermediate (WTI) crude futures fell 99 cents, or 1%, to \$103.70 a barrel. Markets in Japan, India and across Southeast Asia were closed for public holidays on Monday.

**Rupee:** Indian rupee opened 10 paise lower at 76.53 per dollar on against previous close of 76.43.

On Friday, the rupee appreciated 18 paise to settle at 76.43 (provisional) against the US dollar tracking a weak greenback overseas and fresh foreign fund inflows. At the interbank forex market, the domestic unit opened at 76.62 against the US dollar. It moved in the range of 76.63 to 76.29 during the day trade.

The rupee finally closed at 76.43, registering a rise of 18 paise over its previous close.

**FPIs & DIIs:** FIIs have net sold nearly Rs 11,500 crore worth of shares, taking the total monthly net outflow to Rs 40,652 crore in April. On the contrary, DIIs have net purchased shares worth Rs 9,700 crore during the week and their monthly buying stood at nearly Rs 29,900 crore for April.

## **WEEK AHEAD**

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.

Auto stocks will be in focus as auto companies will start announcing monthly sales numbers for April starting from 1 May 2022.

On the macro front, S&P Global Manufacturing PMI for April will be declared today. The S&P Global Composite PMI and the S&P Global Services PMI for April will be declared on 5 May 2022.

Overseas, US will announce the ISM Non-Manufacturing PMI for April on 4 May 2022.

The US Non Farm Payrolls data for April will be announced on 6 May 2022. The US Unemployment Rate data for April will also be announced on the same day.

**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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