

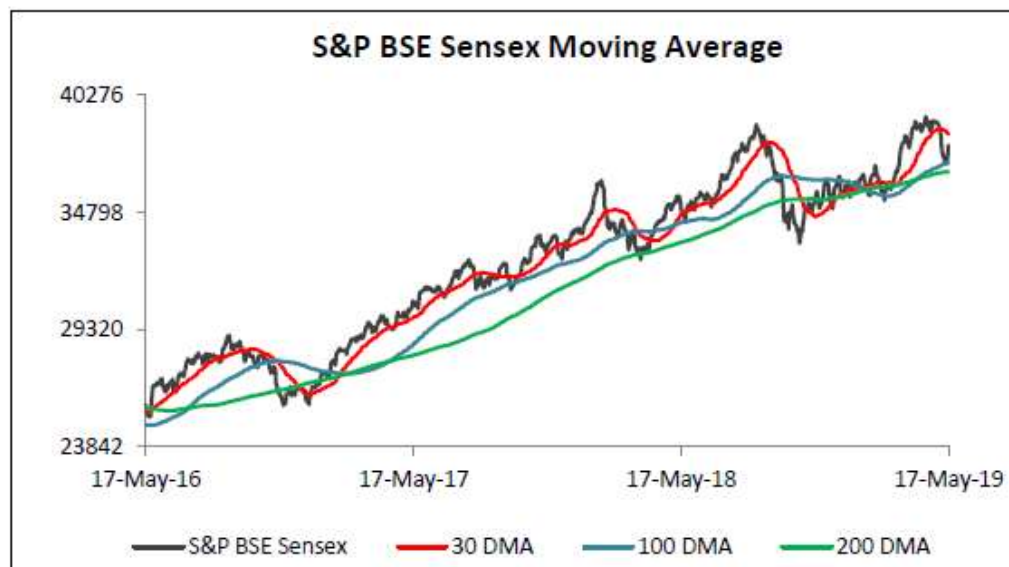
Sensex jumps 900 points as exit polls suggest NDA's return

Benchmark indices opened over 2% higher today as investors were buoyed by the prospect of a stable government after exit poll results predicted the return of the BJP-led National Democratic Alliance (NDA) to power.

Polling for the seventh and final phase of Lok Sabha (LS) elections 2019 ended on Sunday evening, with most exit polls predicting the Bharatiya Janata Party's (BJP's) Modi Sarkar, or 'once more Modi government' slogan likely to get vindicated on the counting day on Thursday (May 23).

At 10:20 AM, the S&P BSE Sensex was trading at 38,902, up 971 points or 2.6%. Market breadth was extremely positive and out of a total of 2,020 shares traded on the Bombay Stock Exchange, 1,613 advanced while 321 declined and 86 remained unchanged. The Nifty50 was trading at 11,697, up 290 points or 2.5%.

10-year Indian G-Sec yields were trading at 7.307 in morning against the previous close of 7.362.



THE WEEK THAT WAS

Key indices ended the volatile week with modest gains on buying demand in index pivotals. The Sensex settled below the psychological 38,000 level while the Nifty finished slightly above the 11,400 mark. Indices logged gains in three of five trading sessions. Small and mid-cap stocks underperformed the Sensex during the week.

In the week ended Friday, the Sensex rose 468 points or 1.25% to settle at 37,931, its highest closing level since May 7, 2019. The Nifty 50 index rose 128 points or 1.14% to

settle at 11,407. The BSE Mid-Cap index fell 81 points or 0.6% to settle at 14,308. The BSE Small-Cap index fell 219 points or 1.6% to settle at 13,887.

GLOBAL MARKETS

Asian equities rose from a five-month low during early trade on Monday. Japan's Nikkei index was up 0.34% while South Korea's Kospi index advanced 0.57%.

On Friday, US shares slipped on reports that trade negotiations between the US and China have hit a pause. The Dow Jones was down 0.38% to end at 25,764 while the S&P500 slipped 0.58% to close at 2,860. The Nasdaq was down 1.04% to close at 7,816 levels.

Global Indices	Px Last	Change in %		52 Week		PE
		1 Day	1 Month	High	Low	
Dow Jones	25764	-0.38	-2.59	26952	21713	17.38
S&P 500	2860	-0.58	-1.41	2954	2347	19.70
Nasdaq	7816	-1.04	-2.25	8176	6190	22.85
FTSE 100	7349	-0.07	-1.64	7904	6537	14.24
CAC 40	5438	-0.18	-2.24	5657	4556	17.25
DAX	12239	-0.58	0.71	13204	10279	15.51
Nikkei	21250	0.89	-4.61	24448	18949	15.21
Hang Seng	27946	-1.16	-7.23	31521	24541	10.91
Shanghai Comp.	2882	-2.48	-11.67	3288	2441	12.02

INDIAN RUPEE

The rupee opened sharply higher against the US dollar after the exit polls showed clear majority for the NDA (National Democratic Alliance) in the Lok Sabha elections 2019.

CRUDE OIL

Oil prices jumped by 1% after Saudi Energy Minister Khalid al-Falih indicated that oil producing countries would continue to limit supplies. Brent crude futures were at \$73.25 a barrel around 7:30 am, up 1.04%, from their last close.

WEEK AHEAD

Indices would be driven by trend in Q4 corporate earnings, Lok Sabha elections, global markets, investment by foreign portfolio investors and domestic institutional investors, the movement of rupee against the dollar and crude oil price movement. Counting of votes for all the seven phases will be taken up on May 23, 2019.

On the global front, developments in trade tensions between the United States and China will be closely watched. Japan will be post GDP growth figures for the first quarter today. The OECD publishes its economic outlook for member countries and other major economies tomorrow. The May Federal Open Market Committee (FOMC) minutes will be released on May 22, 2019.

Fund Flow	Amount in Rs. Crore			
	Nature	Gross Pur.	Gross Sale	Net
FII				
Equity	3568.87	4493.07	-924.20	63345.24
Debt	939.27	1185.94	-246.67	-2048.47
MF¹				
Equity	2097.64	1795.65	301.99	3900.63
Debt	11680.27	11018.66	661.61	202502.71

1 As on 15th May 2019

Source: Reuters, Capital Market, Internal

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

Disclaimer: The article (including market views expressed herein) is for general information only and does not have regard to specific investment objectives, financial situation and the particular needs of any specific person who may receive this information. The data/information used/disclosed in the article is only for information purposes and not guaranteeing / indicating any returns. The article provides general information and comparisons made (if any) are only for illustration purposes. Investments in mutual funds and secondary markets inherently involve risks and recipient should consult their legal, tax and financial advisors before investing. Recipient of this document should understand that statements made herein regarding future prospects may not be realized. Recipient should also understand that any reference to the indices/ sectors/ securities/ schemes etc. in the article is only for illustration purpose and are NOT stock recommendation(s) from the author or L&T Investment Management Limited, the asset management company of L&T Mutual Fund ("the Fund") or any of its associates. Recipient of this information should understand that statements made herein regarding future prospects may not be realized or achieved. Any performance information shown refers to the past and should not be seen as an indication of future returns. The value of investments and any income from them can go down as well as up. The distribution of the article in certain jurisdictions may be restricted or totally prohibited and accordingly, persons who come into possession of the article are required to inform themselves about, and to observe, any such restrictions.

CL06285