

## **Sensex surges over 350 points; Nifty tops 11,000 mark**

Bulls kept their hold on the benchmark indices on Monday with the financial shares leading from the front. Sectorally, Nifty Private Sector Bank index was the top performer on the NSE, while Nifty Pharma index slipped 0.23% in early deals.

At 10:00 AM, the frontline S&P BSE Sensex was trading at 37,394, up 374 points or 1%. Market breadth are positive and out of a total of 1,872 shares traded on the Bombay Stock Exchange, 1,191 advanced while 581 declined and 100 remained unchanged. The Nifty50 was up 103 points or 0.9% at 11,005.

In the broader markets, the S&P BSE Midcap index was at 13,585.83, up 55 points or 0.41%. The S&P BSE Smallcap index, meanwhile was at 12,857.82, up 75 points or 0.59%.

10-year Indian G-Sec yields were trading at 5.812 in morning against the previous close of 5.805.

### **THE WEEK THAT WAS**

Indian shares logged their fifth straight weekly gains. The S&P BSE Sensex index settled above 37,000 while the Nifty ended a tad above 10,900-mark. Good corporate earnings from key index components and firm global cues helped underpin investor sentiment even as coronavirus cases rose globally. IT stocks posted sharp gains.

In the week ended on Friday, July 17, 2020, the S&P BSE Sensex rose 425.81 points or 1.16% to settle at 37,020.14. The Nifty50 index gained 133.65 points or 1.24% to settle at 10,901.70. The BSE Midcap index advanced 133.92 or 1% to settle at 13,530.75. The BSE Smallcap index fell 21.25 points or 0.17% to settle at 12,782.53.

### **GLOBAL MARKETS**

Asian shares were downbeat on Monday with oil and copper also soft, as a spike in global coronavirus cases hung over markets awaiting efforts from the euro zone and United States to stitch together fiscal stimulus plans to fight the pandemic.

MSCI's broadest index of Asia-Pacific shares outside Japan slipped 0.2%, reversing early gains after E-mini futures for the S&P 500 turned negative to be down 0.4%.

Australian shares were among the biggest losers, falling 0.6%, after Coronavirus cases in the southeast state of Victoria continued to rise.

South Korea's KOSPI pared gains to fall 0.5% while Hong Kong's Hang Seng index stumbled 0.4%.

Japan's Nikkei, which had started firm, faltered by late morning to be last off 0.35% after data showed the country's exports suffered a double-digit decline for the fourth month in a row in June.

Chinese shares bucked the trend with the blue-chip CSI300 index up 0.8%.

## **CRUDE OIL**

Oil prices dipped on Monday, weighed down by the prospect that a rise in the pace of coronavirus infections could derail a recovery in fuel demand.

Brent crude was down 10 cents, or 0.2%, at \$43.04 a barrel, after dropping slightly last week. US oil was off by 6 cents, or 0.2%, at \$40.53 a barrel, after gaining 4 cents last week.

## **INDIAN RUPEE**

The rupee appreciated by 16 paise to close at 75.02 against the US dollar on Friday, tracking gains in domestic equities and lower crude oil prices. On a weekly basis, the domestic currency logged 18 paise gains over the American unit.

## **WEEK AHEAD**

Macroeconomic data, global cues, progress of monsoon, April-June 2020 quarterly earnings, 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 in the trading week ahead. The spread of coronavirus and its impact on the local and global economy will be closely watched.

Telecom stocks will be in focus ahead of a Supreme Court hearing in the adjusted gross revenue (AGR) case today.

Overseas, China will announce Loan Prime Rate for 1 year today. The Bank of Japan will release minutes of the recently concluded monetary policy meeting today.

Investor focus is turning towards the action the United States might adopt further stimulus to help steer the world's largest economy through a worsening coronavirus pandemic. As per media reports, the US Congress is set to begin debating such a package this week, as several states in the South and West implement fresh lockdown measures to curb cases.

The US Markit Manufacturing PMI Flash for July will be declared on July 24, 2020.

In Europe, the Euro Area Markit Manufacturing PMI for July will be declared on July 24, 2020.

*Source: Reuters, Capital Market*

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

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