

## **Sensex falls 400 points, Nifty below 17,000 mark; Midcap index falls 2%**

Domestic equity markets edged lower in Monday's trade as investors digested rate hikes amid sluggish foreign inflows and muted global cues.

At 9:45 AM, the frontline S&P BSE Sensex was trading at 57,008 down by 421 points or 0.73%. Market breadth is positive and out of a total of 3,006 shares traded on the Bombay Stock Exchange, 1,611 advanced while 1,236 declined and 159 remained unchanged. The broader Nifty50 was at 16,980 levels down 104 points or 0.61%.

The subdued risk appetite sent broader markets into a tailspin too, as Nifty Midcap 100 and Nifty Smallcap 100 lowered over 2% each.

All sectors started trade on a volatile note. Nifty Energy, Nifty Media, and Nifty Pharma indices traded with marginal gains, whereas, Nifty Bank, Nifty Metal, and Nifty Auto indices were bogged down.

Indian rupee opened 24 paise lower at 81.58 per dollar on Monday against Friday's close of 81.34.

## **WEEKLY REVIEW – SEPTEMBER 26 – SEPTEMBER 30, 2022**

A rally on Friday helped the key indices cut sharp losses triggered by negative global cues. Global stocks dropped amid persisted worries about aggressive policy tightening by the Fed and its impact on economic growth. Market edged lower in four out of five trading sessions in the week. The Nifty settled below the 17,100 level.

In the week ended on Friday, 30 September 2022, the Sensex fell 672 points or 1.16% to settle at 57,426.92. The Nifty 50 index declined 233 points or 1.34% to settle at 17,094.35. The BSE Midcap index fell 1.65% to settle at 24,853.94. The BSE Smallcap index declined 1.25% to settle at 28,452.91.

## **GLOBAL MARKETS**

Stocks drifted in Asia on Monday as investors await key US jobs data, while girding themselves for a corporate earnings season many fear will highlight the impact of surging inflation and interest rates.

Asian markets were trading mostly lower with Straits, Times, Hang Seng and Taiwan Weighted down 0.25-0.9%, while Nikkei was up 0.6%.

The S&P 500 closed the books on its steepest September decline in two decades on Friday, skidding across the finish line of a tumultuous quarter fraught with historically hot inflation, rising interest rates and recession fears. All three major indices veered to a sharply lower end, having quashed a brief rally early in the session.

The Dow Jones Industrial Average fell 500.1 points, or 1.71%, to 28,725.51; the S&P 500 lost 54.85 points, or 1.51%, to 3,585.62; and the Nasdaq Composite dropped 161.89 points, or 1.51%, to 10,575.62.

## RUPEE, OIL & FIIs

**Indian Rupee:** The Indian rupee appreciated by 50 paise against the US dollar after the RBI move, the rally in equity markets and a drop in the greenback. On weekly basis, however, the Indian currency weakened by 36 paise to settle at 81.35 after slipping to a record low of 81.95 against the dollar during the week.

**Crude Oil:** Oil prices jumped more than 3% in early Asian trade on Monday as OPEC+ considers cutting output of up to 1 million barrels per day at a meeting this week to support the market.

Brent crude futures rebounded \$2.82, or 3.3%, to \$87.96 a barrel by 2337 GMT after settling down 0.6% on Friday. U.S. West Texas Intermediate crude was at \$82.09 a barrel, up \$2.60, or 3.3%, following a 2.1% loss in the previous session.

Investors will track crude prices, as oil traded below \$100 a barrel in September and remained volatile amid rising recession fears, which raised concerns over the demand outlook. A Reuters report said OPEC+ may cut crude output at its meeting on October 5.

International benchmark Brent crude futures fell a \$1 barrel during the week to settle at \$85.14. The price corrected 26 percent in the September quarter.

**FPIs & DIIs:** After infusing funds in the last two months, foreign investors turned sellers again in September and pulled out over Rs 7,600 crore from the Indian equity markets amid hawkish stance by the US Fed and sharp depreciation in rupee.

With this, the total outflow by Foreign Portfolio Investors (FPIs) from the Indian equity markets has reached Rs 1.68 lakh crore so far in 2022, data with depositories showed.

Domestic institutional investors managed to make up for the FII outflow, buying more than Rs 14,000 crore worth of shares in the passing month

## WEEK AHEAD

The movement of rupee against the dollar and crude oil prices will dictate trend on the bourses in the near term. Investment by foreign portfolio investors (FPIs) and domestic institutional investors (DIIs) will be monitored.

It will be a holiday-shortened week as the market will remain closed on October 5 on account of Dussehra.

The week is going to be crucial as, on the economic front, market participants will be eyeing the S&P Global Manufacturing, which will be released on October 3, and S&P Global Services PMI which will come out on October 6. Auto and cement stocks will be reacting to their monthly sales numbers at the start of the week.

On the global front, investors will be eyeing economic data from the world's largest economy, the United States (US), starting with S&P Global Manufacturing PMI Final today followed by Balance of Trade on October 5, Initial Jobless Claims on October 6, and finally Unemployment Rate on October 07.

**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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