

## **Sensex surges 600 points, Nifty around 17,950 mark; IT & Pharma lead**

Domestic equity markets opened higher in Monday's trade amid strong global cues and steady foreign flows.

At 10:05 AM, the frontline S&P BSE Sensex was trading at 60,559 up by 599 points or 1%. Market breadth is positive and out of a total of 3,224 shares traded on the Bombay Stock Exchange, 1,933 advanced while 1,144 declined and 147 remained unchanged. The broader Nifty50 was at 17,955 levels up 168 points or 0.95%.

The strength spilled across broader markets too, as Nifty Midcap 100 and Nifty Smallcap 100 surged up to 0.6%.

All sectors started trade on a positive note, with Nifty IT and Nifty Pharma indices at the fore-front as they rose up to 1%.

## **WEEKLY REVIEW – OCTOBER 24 – OCTOBER 28, 2022**

Indian equity indices clinched modest gains during the week. Broader markets, however, underperformed the key indices. Strengthening rupee and decent Q2 earnings supported buying in domestic shares. Trading was volatile due to expiry of monthly F&O contracts on the NSE. The Nifty settled above the 17,750 level.

In the week ended on Friday, 28 October 2022, the Sensex advanced 652.70 points or 1.1% to settle at 59,959.85. The Nifty 50 index gained 210.50 points or 1.2% to settle at 17,786.80.

The BSE Midcap index rose 0.98% to settle at 25,047.34. The BSE Smallcap index rose 0.43% to settle at 28,688.57.

Auto stocks outperformed counterparts amidst major Q2 results and ahead of monthly sales data. While oil and gas, consumer durables, and energy stocks also contributed to the upside.

## **GLOBAL MARKETS**

Asian stock markets climbed cautiously on Monday amid hopes that the Federal Reserve might sound less aggressive about rate hikes this week, while wheat prices leapt after Russia withdrew from a pact allowing Ukrainian grain to transit the Black Sea.

Gains in Hong Kong, Australia and Korea pushed MSCI's index of Asia-Pacific shares outside Japan up 0.8%. But China stocks fell following weak economic data, and the MSCI index is set for a tenth consecutive monthly loss. Japan's Nikkei rose 1.5%.

The performance follows a Friday rally on Wall Street but comes with bond and currency markets tempering some wagers on a change in tone from the Fed. The dollar, after posting two weeks of losses, steadied on Monday and rose 0.5% on the yen.

## **RUPEE, OIL & FIIs**

**Indian Rupee:** The rupee settled broadly flat at 82.47 on Friday against the US dollar. However, the local unit posted a weekly rise in hopes of a reduction in the size of rate hikes from the US Federal Reserves from the December policy.

**Crude Oil:** Oil prices fell on Monday on concerns that widening COVID-19 curbs in China will curtail demand, offsetting signs that output at the top US shale field is losing steam.

Brent crude futures dropped 36 cents, or 0.4%, to \$95.41 a barrel by 0151 GMT after slipping 1.2% on Friday.

US West Texas Intermediate (WTI) crude was at \$87.67 a barrel, down 23 cents, or 0.3%, after settling down 1.3% on Friday.

**FPIs & DIIs:** Foreign institutional investors (FIIs) have net bought shares worth Rs 1,568.75 crore, whereas domestic institutional investors (DIIs) net sold shares worth Rs 613.37 crore on October 28, as per provisional data available on the NSE.

## **WEEK AHEAD**

The corporate results for the second quarter of the current fiscal (Q2FY23), July to September period, will continue to be in focus.

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. Volatility is likely to remain high amid the ongoing Russia-Ukraine crisis.

Focus will be on the Reserve Bank of India (RBI) scheduled on 3 November 2022. An additional meeting of the Reserve Bank of India's Monetary Policy (MPC) has been scheduled for 3 November 2022. The meeting with its rate-setting panel could be held to discuss RBI's reply to the government, explaining the reasons of its failure to contain inflation up to 6%, as per reports.

The S&P Global Composite PMI data for October will be declared on 1 November 2022. The S&P Global Services PMI for October will be declared on 3 November, 2022.

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

China will announce the NBS Manufacturing PMI for October today. The US Federal Reserve (Fed) will announce its interest rate decision after its two-day policy meeting on 2 November 2022.

The US ISM Manufacturing PMI data for October will be announced on 1 November 2022.

The US Non Farm Payrolls data for October will be announced on 4 November 2022.

**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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