

Sensex surges 350 points, Nifty aims 17,650; Metal & Realty shares gain

Domestic equity markets opened with gains on Monday as global sentiment remained mixed.

At 9:55 AM, the frontline S&P BSE Sensex was trading at 59,165 up by 354 points or 0.60%. Market breadth is positive and out of a total of 3,185 shares traded on the Bombay Stock Exchange, 2,162 advanced while 892 declined and 131 remained unchanged. The broader Nifty50 was at 17,635 levels up 95 points or 0.54%.

The broader markets opened firmly higher. The BSE Midcap and Smallcap indices rose up to 0.7%.

From sectors, Nifty Metals and Realty indices led gains, rising up to 1%. On the other hand, Nifty auto and pharma pockets were the most weak.

WEEKLY REVIEW – AUGUST 29 – SEPTEMBER 2, 2022

Key indices ended the truncated trading week with minor losses amid volatility. Investor sentiment took a hit after Fed Chair in his address last week flagged the likely need for restrictive monetary policy to curb high inflation. Sensex settled just above the 58,800 level.

In the week ended on Friday, 2 September 2022, the Sensex fell 30.54 points or 0.05% to settle at 58,803.33. The Nifty 50 index declined 19.45 points or 0.11% to settle at 17,539.45. The BSE Midcap index rose 1.37% to settle at 25,463.91. The BSE Smallcap index gained 1.35% to settle at 28,800.82.

GLOBAL MARKETS

Asian shares slipped on Monday while the euro took a fresh spill after Russia shut a major gas pipeline to Europe, leading some governments there to announce emergency measures to ease the pain of soaring energy prices.

MSCI's broadest index of Asia-Pacific shares outside Japan eased 0.1%, and Japan's Nikkei was off 0.3%.

US stocks closed out the trading week on a down note on Friday, as early gains from a jobs report that showed a labor market that may be starting to loosen gave way to worries about the European gas crisis.

The Dow Jones Industrial Average fell 337.98 points, or 1.07%, to 31,318.44; the S&P 500 lost 42.59 points, or 1.07%, to 3,924.26; and the Nasdaq Composite dropped 154.26 points, or 1.31%, to 11,630.86.

OIL & FIIs

Crude Oil: Oil prices jumped more than \$1 a barrel on Monday, extending gains as investors eyed possible moves by OPEC+ producers to tweak production and support prices at a meeting later in the day.

Brent crude futures rose \$1.43, or 1.5%, to \$94.45 a barrel by 0054 GMT after gaining 0.7% on Friday. U.S. West Texas Intermediate crude was at \$88.12 a barrel, up \$1.25, or 1.4%, following a 0.3% advance in the previous session. U.S. markets are closed for a public holiday on Monday.

FPIs & DIIs: Foreign institutional investors (FIIs) net sold shares worth Rs 8.79 crore, while domestic institutional investors (DIIs) net offloaded shares worth Rs 668.74 crore on September 2, as per provisional data available on the NSE.

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. Participants will also be eyeing progress of monsoon.

The major global events this week are the European Central Bank interest rate decision and China's inflation rate.

On the macro front, the S&P Global Services PMI for August will be declared today.

Overseas, the China Caixin Services PMI for August will be announced today. China will announce the inflation data for August on 9 September 2022.

The US ISM Non-Manufacturing PMI data for August will be announced on 6 September 2022.

In Europe, the European Central Bank (ECB) will announce its interest rate decision on on 8 September 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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