

The Week that was

September 13, 2024

Indian Stock Market Surges Amid US Inflation Hopes

The Indian stock market soared to record highs this week as softer-than-expected US inflation data fueled optimism of a potential rate cut by the Federal Reserve. This led to strong gains across key indices, with the Nifty 50 index climbing around 2%, while the Nifty Midcap 150 and Nifty Smallcap 250 indices posted gains of 2.4% and 1.3%, respectively.

Sector Performance

Most sectors ended the week on a positive note. The top performers were Nifty FMCG, Nifty Private Bank, and Nifty Consumer Durables, which saw gains of 2.99%, 2.95%, and 3.73%, respectively. On the other hand, Nifty Financial Services and Nifty PSU Bank recorded modest gains of 0.92% and 0.91%, while Nifty Oil & Gas saw a significant decline of 2.6%.

Global Markets Overview

In the United States, major stock indices also rallied following the inflation report. The NASDAQ surged by 5.3%, while the Dow Jones and S&P 500 saw gains of 1.9% and 3.5%, respectively. European markets mirrored this positive sentiment, with the FTSE Index rising by 1%.

Mixed Performance in Asia

Asian markets experienced mixed outcomes. Japan's Nikkei 225 Index closed higher, supported by Wall Street gains and a weaker yen. Hang Seng remained mostly flat, slipping 0.4%, though Kospi gained 1.2% because of the buying activity in the KOSDAQ market, boosting investor confidence. Meanwhile, the Shanghai Composite Index fell by 2.2%, weighed down by concerns over China's economic outlook.

This global rally underscores the broader market optimism driven by inflation data and expectations for potential monetary policy easing across major economies.

Other Markets:

- Brent crude prices slightly rose to \$ 72.77
- The rupee fell marginally at Rs 83.92 against the US dollar.
- Gold rose to settle at Rs 72,742 per 10 grams.
- The 10 Year Benchmark G-Sec yield was at 6.90%.

Disclaimers:

Source: www.nseindices.com; google finance, MCX Gold Prices; www.rbi.org.in; Morningstar and tradingeconomics.com

Data for week ended on September 13, 2024. ^ data for the week (Fri – Thu) FTSE data as of today 1 pm.

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