

Sensex flat after 264-point rally; Nifty snaps 6-series winning streak; Midcap outperforms

The market closed rangebound session with moderate gains on Thursday but the trading turnover was highest ever at Rs 14.1 lakh crore on the expiry of June derivative contracts. Investors maintained cautious stance ahead of the implementation of Goods and Services Tax (GST) from July 1.

The 50-share NSE Nifty opened on a strong note, hitting intraday high of 9,575.80 following positive Asian cues but turned volatile in afternoon session due to F&O expiry, wherein traders rolled over F&O positions from current month series to the next month series.

The index managed to hold 9,500 level, ending 12.85 points higher at 9,504.10 after negative close for 6 straight sessions, but closed the (June) F&O series on lower note for the first time in last consecutive seven series, down 5.65 points.

According to experts, traders can safely assume that as long as 9,470 holds on the Nifty, positive momentum is likely to continue while a close above 9,600-9,615 would resume the uptrend.

On the options front, maximum Put OI for the July series was seen at strike prices 9,400 followed by 9,500 while maximum Call OI was seen at strike prices 9,700 followed by 9,800 strike.

The 30-share BSE Sensex rallied as much as 264 points in morning trade but failed to hold those gains due to profit booking in afternoon session. Finally it settled at 30,857.52, up 23.20 points from previous close.

The broader markets outperformed despite flat closing of equity benchmarks, with the BSE Midcap index up 0.34 percent and Smallcap up 0.98 percent on positive breadth. About 1,609 shares advanced against 967 declining shares on the exchange.

Banks underperformed, with the Nifty Bank down 0.04 percent and PSU Bank down 0.8 percent. State Bank of India dropped 1.4 percent and Kotak Mahindra Bank slipped 2 percent whereas ICICI Bank gained 1 percent.

Axis Bank was the biggest gainer among Sensex stocks, up 3.5 percent after the bank raised Rs 3,500 crore by issuing debt securities and also clarified in separate filing that it has exposure to 8 out of the 12 accounts identified by the Reserve Bank of India under Insolvency & Bankruptcy Code and fund-based outstanding on the 8 accounts stood at Rs 5,071 crore.

The Nifty Metal was major gainer among sectoral indices, up 2 percent led by JSW Steel, Vedanta, Tata Steel, Jindal Steel and Hindalco that rallied 1-4 percent.

Among others, Tata Motors and Sun Pharma rose over a percent whereas ITC, Bharti Airtel, Cipla and Bajaj Auto gained 1 percent each.

In broader space, CARE Ratings rallied 11.8 percent after its peer CRISIL acquired 8.9 percent stake in the company from Canara Bank through block deal while Shiva Cement was up 7 percent after JSW Cement increased its stake to over 50 percent by buying 1.28 percent on Wednesday.

Jaiprakash Associates, Jaypee Infratech and Jaiprakash Power surged 4-14 percent while housing finance companies like Can Fin Homes, DHFL and PNB Housing Finance rallied 2-3 percent.

InterGlobe Aviation dropped over 2 percent after IndiGo gave unsolicited expression of interest in buying a stake in Air India.

Rashtriya Chemicals and Fertilisers shed 6 percent as its two-day offer for sale issue for 5 percent stake opened for subscription.

Eris Lifesciences closed at Rs 601.05, down Rs 1.95 (-0.32 percent) on the BSE.

On the global front, Asian markets closed higher, taking a positive lead from Wall Street. Japan's Nikkei and Australia's ASX 200 gained 1 percent each. European markets were mixed as France's CAC and Germany's DAX fell 0.3-0.7 percent while Britain's FTSE gained 0.2 percent at the time of writing this article.

