

St hits new record high on RBI rate-cut hopes

Sensex jumps 553 pts to close over 40K for first time; Nifty above 12000

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Mumbai: Benchmark indices on Monday cruised new highs as fall in crude oil prices, stronger rupee and anticipation of a possible interest rate cut boosted investor sentiments.

For the first time, both the indices ended over their newly achieved milestones of 40000 and 12000 levels. Sensex closed at 40267.62, a rise of over 553 points over the previous close while Nifty jumped 166 points at 12088.55.

S&P BSE Sensex opened at 39714.20 before touching an intra-day high of 40308.90, while NSE Nifty50 opened at 11953.75 and touched an intra-day high of 12103.05. However, broader indices underperformed the benchmark indices, with BSE midcap gaining 0.90% and smallcap 0.48%.

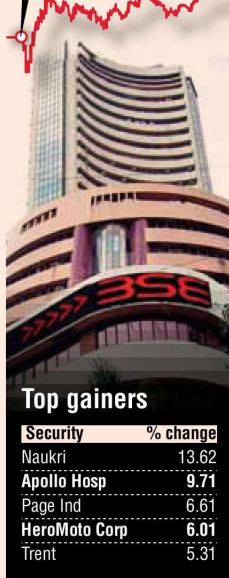
Investors shrugged off five-year low GDP data, 45-year high unemployment rate and weak auto sales numbers as heavy buying was witnessed in auto, metal and FMCG sectors. The

BSE Sensex

Intra-day movement June 6, 19

40267.62 *Inverted scale*
9:00 am

39806.86
17:00 pm



₹1.76L cr

Investor wealth rose in Monday's surge

27 stocks

of the 30-share Sensex closed with gains

Top gainers

Security	% change
Naukri	13.62
Apollo Hosp	9.71
Page Ind	6.61
HeroMoto Corp	6.01
Trent	5.31

three-day Monetary Policy Committee (MPC) meeting of the Reserve Bank of India also started on Monday, which triggered hopes of an interest rate cut.

Naveen Kulkarni, head of research, Reliance Securities, said, "Market has hit new all-time high on the expectation that the Reserve Bank of India in the forthcoming monetary policy on June 6 might cut rate by 50 basis points."

The rupee appreciated 43 paise to 69.26 against the US dollar on Monday.

Romesh Tiwari, head of research, CapitalAim said auto, FMCG, IT and realty

pulled the markets to new all-time highs as they are trying to catch up the rally on the back of expected rate cut and increase in demand from domestic sectors.

"Traders can go long on these sectors with caution as the rally is limited to market leaders. Midcaps and smallcaps are still not matching the gains. Investors should avoid buying at this level," Tiwari said.

Of the 30-stock Sensex, only three stocks ended in the red. Major gainers were HeroMoto Corp (6.01%), Bajaj Auto (3.92%), IndusInd Bank (3.7%), Asian Paints (3.65%). **Turn to p2**