

Banking shares, positive global trend spurs rebound on D-Street

Markets remain range-bound, with strong DII inflows cushioning the downside and persistent FII selling limiting the upside

Renewed Optimism

- BSE-Sensex rose 231.99pts (+0.31%) to 75,415.35
- NSE-Nifty advanced 64.60pts (+0.27%) to 23,719.30
- FIIs offloaded equities worth Rs 1,891.21-cr on Thu
- 2,213 advances, 1,971 declines and 179 unchanged on BSE

MUMBAI

STOCK markets recovered on Friday with the benchmark Sensex closing higher by nearly 232 points following buying in blue-chip bank shares amid positive global trends.

The 30-share BSE Sensex climbed 231.99 points, or 0.31 per cent, to settle at 75,415.35. During the day, it surged 627.61 points, or 0.83 per cent, to 75,810.97. The 50-share NSE Nifty edged higher by 64.60 points or 0.27 per cent to end at 23,719.30. Hopes of progress in the US-Iran peace negotiations added to markets' op-



timism, analysts said. Among 30 Sensex firms, Trent, Axis Bank, ICICI Bank, Asian Paints, Hindustan Unilever, HDFC Bank, Kotak Mahindra Bank and Bajaj Finance were the major winners. Sun Pharma, ITC, Power Grid and Bharat Electronics were among the laggards.

"Domestic markets traded with a mild positive bias, supported by buying at lower levels and moderately constructive global cues, expecting easing tensions in the Middle East. Globally, the AI investment theme remained the primary driver, while domestically, financial stocks led the gains," said Vinod

Nair, Head of Research, Geojit Investments.

The BSE MidCap Select index went up by 0.30 per cent, while SmallCap Select index declined 0.60 per cent. Among sectoral indices, Private Banks Index rallied 1.35 per cent, Top 10 Banks jumped 1.23 per cent, Bankex by 1.18 per cent, Telecommunication by 0.93 per cent and Financial Services by 0.90 per cent.

Hospitals dropped the most by 1.39 per cent, followed by Healthcare (1.23 per cent), IT (0.32 per cent), Focused IT (0.29 per cent), Power (0.18 per cent) and Energy (0.09 per cent). A to-

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tal of 2,213 stocks advanced, while 1,971 declined and 179 remained unchanged on the BSE.

Nair said that markets remain range-bound, with strong DII inflows cushioning the downside and persistent FII selling limiting the upside. The market is in a buy-on-dips and sell-on-rallies pattern, he added. On the weekly front, the BSE benchmark climbed 177.36 points, or 0.23 per cent.

LIC shares rise 2%

NEW DELHI: Shares of Life Insurance Corporation of India (LIC) on Friday ended nearly 2 per cent higher after the firm posted a 23 per cent increase in net profit in the March quarter. The stock rallied 4.78 per cent to Rs 839 during the day on the BSE. However, shares of the public sector insurer trimmed some of the intraday gains and ended at Rs 813.35, up 1.58 per cent. At the NSE, the stock settled 1.59 per cent higher at Rs 812.95. During the day, it jumped 4.84 per cent to Rs 839. On traded volume terms, 9.10 lakh shares of the firm were traded at the BSE and 188.03 lakh shares on the NSE during the day. LIC on Thursday posted a 23 per cent increase in net profit to Rs 23,420 crore in the March quarter, helped by core business and return on investment. The country's biggest insurer had earned a profit of Rs 19,013 crore in the corresponding quarter a year earlier. The total income of the insurer during the reporting quarter rose to Rs 2,53,592 crore from Rs 2,22,805 crore in the same period of the preceding fiscal. LIC said in a regulatory filing. LIC's income from first-year premiums also improved to Rs 12,970 crore in the latest January-March quarter against Rs 11,069 crore in the year-ago period.

World markets shrug off geopolitical uncertainty

Bourses are still searching for signs of progress in a potential deal between the US and Iran

HONG KONG

WORLD shares advanced Friday, with Tokyo's benchmark logging a record high close following modest gains on Wall Street, while oil prices rose in the absence of signs of progress toward ending the Iran war. US futures edged more than 0.3 per cent higher.

In early European trading, Britain's FTSE 100 was up 0.4 per cent at 10,489.09. France's CAC 40 gained 0.5 per cent to 8,124.02, while Germany's DAX climbed 0.7 per cent to 24,779.16. In Asia, Tokyo's Nikkei 225 rose 2.7 per cent to 63,339.07, besting a record high close just over a week earlier. A report showed inflation hitting a four-year low in April, at 1.4 per cent, despite higher prices for oil and gas due to the war.

South Korea's Kospi gained 0.4 per cent to 7,847.71. Hong Kong's Hang Seng picked up 0.9 per cent to 25,606.03, while the Shanghai Composite index climbed 0.9 per cent to 4,112.90. Australia's S&P/ASX 200 gained 0.4 per cent to 8,657.00. Taiwan's Taich closed 2.2 per cent higher.

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Oil prices remained elevated over disruptions around the Strait of Hormuz, a critical waterway for oil and gas transit, with shipping activities still well below before the Iran war began in late February. Talks between the US and Iran have dragged on, adding to uncertainty

Donald Trump to withdraw from the war. The House had scheduled a Thursday vote on a war powers resolution brought by Democrats that would rein in Trump's military campaign. But as it became clear that Republicans would not have the numbers to defeat the bill, GOP leaders declined to hold a vote on it. "Markets are still searching for signs of progress in a potential deal between the US and Iran," ING commodities strategists Warren Patterson and Ewa Manthey wrote in a note on Friday.

"While there are signs of optimism, uncertainty reigns," Wall Street gained on Thursday, with the benchmark S&P 500 adding 0.2 per cent and the Dow Jones Industrial Average up 0.6 per cent. The technology-heavy Nasdaq composite edged up 0.1 per cent. Shares of Nvidia fell 1.8 per cent despite better-than-expected quarterly results on the artificial intelligence frenzy, with some analysts believing its share price still is undervalued. Southwest Airlines gained 2.7 per cent and American Airlines climbed 4.9 per cent as oil prices eased before bouncing back. Ralph Lauren surged 13.9 per cent following stronger-than-expected quarterly results.

Gold drops ₹600, silver remains flat

NEW DELHI: Gold prices retreated by Rs 600 to Rs 1.64 lakh per 10 grams in the national capital as tentative progress in US-Iran negotiations reduced precious metals buying, though unresolved tensions around the Strait of Hormuz kept traders cautious. Snapping a three-day winning streak, the yellow metal of 99.9 per cent purity depreciated by Rs 600 to Rs 1,64,900 per 10 grams, according to local marketmen. However, silver prices remained flat at Rs 2,71,000 per kilogram in the bullion market. In the international markets, spot gold fell marginally lower to \$4,522.32 per ounce, while silver slipped 1 per cent to \$75.87 per ounce. Gold prices witnessed a slight decline on Friday. The recent fluctuations in the bullion market are largely influenced by ongoing geopolitical tensions, particularly concerning US-Iran relations, alongside the volatility of the Indian rupee and movements in crude oil prices, Gaurav Garg, Research Analyst at Lemonn Markets Desk, said. "Spot gold trading lower to \$4522 per ounce on Friday as despite narrowing differences between Iran and the US, nuclear and Hormuz control remain contentious issues," Praveen Singh, Head of Commodities at Mirae Asset ShareKhan, said.



Bullion futures fall on weak cues

GOLD prices dropped Rs 521 to Rs 1,59,085 per 10 grams in futures trade amid a fall in spot demand. Gold contracts for the June delivery traded lower by 0.33 per cent in 790 lots. Analysts attributed the fall in gold prices to weak global cues. Globally, gold futures declined by 0.55 per cent to \$4,517.94 per ounce in New York. Silver prices fell by Rs 1,883 to Rs 2,73,000 per kilogram as participants reduced their bets. Silver contracts for the July delivery declined 0.69 per cent in 1,492 lots. Analysts said a sell-off by participants mainly weighed on silver prices. Globally, silver was trading 0.53 per cent lower at \$76.26 per ounce in New York.

Brent crude trade lower at \$105.11/\$

CRUDE oil prices rose by Rs 108 to Rs 9,450 per barrel in futures trade, as participants increased their positions following firm spot demand. Crude oil for June delivery traded higher by 1.16 per cent in 5,906 lots. Analysts said the rise of bets by participants kept crude oil prices higher in futures trade. However, globally West Texas Intermediate crude was trading 2 per cent higher at \$98.28 per barrel, while Brent crude fell 2.47 per cent to \$105.11 per barrel in New York.

Bernstein goes bullish on Adani Group

MUMBAI: Global brokerage Bernstein has gone bullish on Adani Group over robust execution and a healthy balance sheet, hailing its ability to execute at scale against competition while expressing comfort on debt levels as well as promoter holding and share pledge metrics. On valuations, the brokerage noted that some names remain in line with peers, suggesting selective opportunities still exist within the portfolio. On Adani Ports, Bernstein maintained an Outperform rating with a target price of Rs 1,880, noting that the company has strong pricing power, significant room to expand in the value chain, and competes primarily against government-run ports that are structurally less efficient.



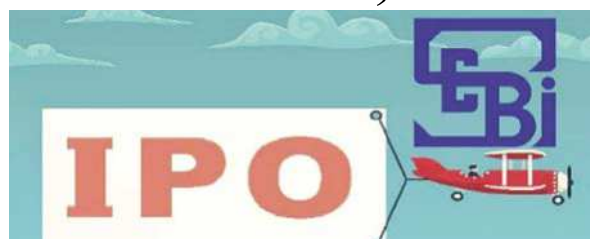
Sebi mulls changes to price discovery mechanism for IPOs, re-listed stocks

NEW DELHI

MARKET regulator Sebi on Thursday proposed changes to the price discovery mechanism through call auction sessions for IPOs and re-listed stocks to improve price discovery and reduce artificial price suppression.

Current system of price discovery is artificially suppressing prices and triggering repeated upper circuits once trading begins, the market regulator said. It proposed

automatic and faster expansion of price bands whenever strong investor demand emerges, reducing the need for manual intervention by exchanges. Under the proposal, Sebi



has suggested revising the methodology for determining the base price of re-listed stocks. If trading revocation takes place within six months of suspension, the latest closing price available within six

months on the same exchange, or another exchange, would be used. In the absence of recent market prices, the lower of valuations provided by two independent chartered accountants or valuation agencies would be considered, Sebi said in its consultation paper. For revocations after six months of suspension, the base price would be determined solely on the basis of valuation certificates from two independent valuers, not older than three months.

Rupee on recovery path amid renewed optimism

The local unit advanced 63ps to 95.73/\$

MUMBAI

THE rupee rose for the second consecutive session to close at 95.73 (provisional) against the US dollar on softening of crude oil prices and supposed intervention by the Reserve Bank. Forex traders said markets found some comfort after comments from US Secretary of State Marco Rubio hinted that diplomatic talks linked to the Iran situation were moving in a constructive direction.

Moreover, positive domestic equities and a decline in US treasury yields also supported the rupee. At the interbank foreign exchange market, the rupee opened at 96.30 against the US dollar, then touched an intraday high of 95.30 and a low of 95.68 against the US



dollar in intraday trade. At the end of the trading session on Friday, the rupee was quoted at 95.73 (provisional), higher by 63 paise from its previous close. On Thursday, the rupee rebounded 50 paise from its all-time closing low to settle at 96.36 against the US dollar. "We expect the rupee to trade with a negative bias on uncertainty between US and Iran, which may pressurise the rupee. However, optimism over peace deal and softening of crude oil prices may support the rupee at lower

levels. "US Treasury yields are also easing, which may also support the domestic currency. USD-INR spot price is expected to trade in a range of 95.50 to 96.30," said Anuj Choudhary, Research Analyst at Mirae Asset ShareKhan.

Sahil Kapoor, Head of Products and Market Strategist, SVP, DSP Mutual Fund, in a research note, said it is the time to buy rupee assets and not bet against them. "Currencies, interest rates, and flows are inherently cyclical. Betting against the rupee at these depressed REER levels and tight inflation differentials is a low-probability trade. Conversely, the data suggests it is time to allocate toward rupee-denominated assets across both equities and bonds," he said.

Wait for next directional trend for market

Immediate support is at 74,800-75,000, resistance is seen near 76,000-76,200

BIZZ BUZZ BUREAU MUMBAI

THE BSE Sensex closed at 75,415.35, gaining 231.99 points (+0.31%), amid volatile trading activity throughout the session. The index opened slightly higher by around 77 points at 75,260.39 and touched its intraday low of 75,230.75 near the opening trade.

Thereafter, strong buying momentum emerged during the first half, pushing the Sensex sharply higher to an intraday high of 75,810.97. However, the market failed to sustain at elevated levels, as profit booking erased a major portion of the early gains in the latter half. Despite the pullback, the index managed to close in positive territory at 75,415.35, indicating selective buying support at lower levels.

Sector-wise, Private Banks, BANKEX, Top 10 Banks, Financial Services, Telecommunication, Metal, and Consumer Durables witnessed buying interest and outperformed the broader market. Realty, Power, Healthcare, Focused IT, Information Technology, Utilities, and



FMCG sectors remained under pressure, while Capital Goods, Auto, PSU Banks, Industrials, and Consumer Discretionary traded with a mixed to range-bound undertone during the session.

Technically, Sensex continues to trade within a broader consolidation range, as repeated recovery attempts near lower support zones are being capped near higher resistance levels. The index once again faced selling pressure near the 75,800-76,000 zone, highlighting the presence of supply at higher levels.

Immediate support is now placed around 74,800-75,000, while resistance is seen near 76,000-76,200. A sustained move beyond either side of this range could provide the next directional trend for the market in upcoming sessions.

"The overall market bias remains sideways to cautiously positive as the index continues to hold above key support levels despite intraday volatility," says Hitesh Tailor, Technical Research Analyst at Choice Equity Broking.

Selective strength in banking and metal-related sectors is offering support to the broader market, while weakness in IT and defensive pockets is limiting stronger upside momentum. Traders may continue to witness stock-specific action until Sensex decisively breaks above the 76,000-76,200 resistance zone or slips below the 74,800 support range.

India's gold jewellery retail sector to clock 20-25% revenue growth in FY27

Driven by higher realisations, despite the expected decline in volume due to high prices and recent policy changes

NEW DELHI

THE Indian organised gold jewellery retail sector, comprising jewellery, coins and bars, is poised to achieve a robust revenue growth of 20-25 per cent year-on-year this fiscal (FY27), driven by higher realisations, despite the expected decline in volume due to high prices of gold and recent policy measures to curb imports of the metal, a new report showed on Friday.

High prices of gold will lead to increased inventory holding costs and higher bank borrowings. However,

an increase in both revenues and cash accruals will offset higher reliance on debt, resulting in stable credit profiles, according to a Crisil report.

However, the organised gold jewellery retail sector is expected to see sales volume decline a further 13-15 per cent on-year this fiscal, after an 8 per cent contraction last fiscal, due to high prices of gold and recent policy measures to curb imports of the metal.

In fiscal 2026, India imported 720 tonnes of gold, leading to foreign currency outflow of \$72 billion. Amid



sustained high gold prices and as a measure to reduce the trade deficit and support the currency, the central government recently raised cus-

tom's duty on gold.

This aims to reduce demand for the precious metal and curb its imports. Consequently, the sector is

expected to see its sales volume hit the lowest level in a decade, excluding the Covid-impacted fiscal 2021, said the report.

“The central government's decision to more than double the customs duty on gold to 15% from 6% will be a significant deterrent to demand for gold jewellery. While we see a notable shift towards gold bars and coins driven by investment demand, but that is unlikely to fully offset the decline in overall demand” - Himank Sharma, Director, Crisil Ratings

"The central government's decision to more than double the customs duty on gold to 15 per cent from 6 per cent will be a significant deterrent to demand for gold jewellery. While we see a notable shift towards gold bars and coins driven by investment demand, but that is unlikely

to fully offset the decline in overall demand," said Himank Sharma, Director, Crisil Ratings.

As a result, volume of the gold jewellery retail sector will decline 13-15 per cent on year to 620-640 tonnes this fiscal, a level not seen in the past decade, he men-

tioned. Although the uptick in realisations will yield inventory gains for retailers, some of these gains may be passed on to customers in the form of deeper discounts to incentivize volume sales.

Additionally, increased promotional expenses and the trading of gold bars and coins will weigh on retailers' gross margins, said the report. Steep fluctuations in gold prices, further changes in regulations and import duty on gold, potential government restrictions on gold purchases, and changes in consumer sentiment will bear watching, it added.