

# Winning momentum sustained for 4<sup>th</sup> day on easing macro headwinds

Supported by favourable global cues and sustained buying across sectors

## Positive Trend

- BSE-Sensex rose 347.14pts (+0.45%) to 77,155.62
- NSE-Nifty added 96.55pts (+0.40%) to 24,085.70
- 2,404 advances, 1,876 declines and 163 remained unchanged

MUMBAI



“The continued easing in crude oil prices and expectations of a status quo from the US Federal Reserve in its upcoming policy meeting supported overall risk sentiment - **Ajit Mishra, SVP, Religare Broking**”

STOCK market benchmark indices Sensex and Nifty ended higher on Wednesday, taking their winning run to the fourth straight session, buoyed by softening crude oil prices following a peace deal between the US and Iran.

The 30-share BSE Sensex climbed 347.14 points, or 0.45 per cent, to settle at 77,155.62. During the day, it jumped 410.51 points, or 0.53 per cent, to 77,218.99. The 50-share NSE Nifty rallied 96.55 points, or 0.40 per cent, to end at 24,085.70. Intraday, the benchmark advanced 119.05 points, or 0.49 per cent, to 24,108.20.

Among the 30 Sensex

firms, Trent jumped the most, by 7.06 per cent. Bharat Electronics, Eternal, Tata Steel, Infosys, Titan and Bharti Airtel were also among the winners. Bajaj Finserv, Axis Bank, Kotak Mahindra Bank, and Mahindra & Mahindra were among the laggards.

“Continued weakness in

crude oil prices, driven by easing geopolitical tensions around the Strait of Hormuz, has kept investor sentiment buoyant,” Vinod Nair, Head of Research, Geojit Investments Limited, said.

In four days, the BSE benchmark has jumped 3,323.07 points, or 4.50 per cent, and the Nifty surged 924.1 points, or 3.98 per cent.

“Markets extended their winning streak for the fourth consecutive session on Wednesday, supported by favourable global cues and sustained buying across sectors. The continued easing in crude oil prices and expectations of a status quo from the US Federal Reserve in its upcoming policy meeting supported overall risk sen-

## BSE valuation rebounds to \$5-trn mark

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THE total market capitalisation of all companies listed on the BSE crossed the \$5 trillion mark on Wednesday, reaching its highest level in nearly six weeks as a rally in domestic equities gathered pace amid easing geopolitical concerns and falling crude oil prices.

The momentum comes after a strong recovery in the broader market over the past few sessions, supported by improved investor sentiment following developments related to the proposed US-Iran peace agreement and a sharp moderation in global oil

prices. According to analysts, the decline in crude oil prices, coupled with a drop in volatility indicators, helped improve risk appetite and supported gains across equities. In addition, the rally has added more than 6 per cent to the market value of BSE-listed firms over the last four trading sessions.

Broader market indices continued to outperform benchmark gauges. While Sensex has posted moderate gains since April, mid-cap, smallcap and micro-cap stocks have delivered stronger returns, reflecting wider participation in the ongoing market recovery.

“Investors are once again cautioned about the risks in conducting any transactions or trading on such electronic platforms or sharing any sensitive personal details on the same, as these platforms are neither authorised nor recognised by Sebi,” the regulator said.

Sebi emphasised that only recognised stock exchanges are authorised to provide a platform for fund-raising and trading in securities.

Utilities, Auto, Realty were the laggards.

Foreign Institutional Investors (FIIs) offloaded equities worth Rs 749.18 crore on Tuesday after a day's breather, according to exchange data. On Tuesday, the Sensex jumped 544.15 points, or 0.71 per cent, to settle at 76,808.48. The Nifty climbed 135.25 points, or 0.57 per cent, to end at 23,989.15.

# Assocham pitches GIFT City reforms to bolster Indian rupee

Seeks global treasury, family office hub within in GIFT City, bats for international trade in INR

NEW DELHI



“We urge the Government to give GIFT City the competitive framework it deserves, benchmarked against the world's best international financial centres - **Nirmal K Minda, President, ASSOCHAM**”

INDUSTRY chamber Assocham urged establishment of a Global Family Office Hub and a globally competitive Corporate Treasury Centre framework both in GIFT City to strengthen Indian Rupee.

A dedicated policy and regulatory framework is required to attract global family offices, which collectively manage several trillion dollars in assets, to establish investment, treasury, and wealth management structures within GIFT City, the industry body said in a submission to the government and the central bank.

Global family offices in GIFT City would generate substantial and sustained capital inflows, deepen India's financial markets, and contribute directly to the structural strengthening of the Indian Rupee and its foreign exchange reserves.

Further, a globally competitive Corporate Treasury Centre framework within GIFT City can attract the treasury, cash pooling, foreign exchange management, and trade finance operations of multinational corporations.

These activities are currently managed predomi-

nantly from Singapore, Dubai, London, and Hong Kong. “We urge the Government to give GIFT City the competitive framework it deserves, benchmarked against the world's best international financial centres,” said Nirmal K. Minda, ASSOCHAM President.

A single regulatory gap prevents wider rupee trade settlement-- the absence of an explicit provision allow-

ing cross-country fungibility of INR Vostro Account balances, which leads authorised dealer banks to default to dollar settlement.

Reserve Bank of India should issue a circular stating INR balances accumulated in Special Rupee Vostro Accounts may be freely utilised to settle payment obligations arising from Indian export or import transactions, subject to applicable KYC, AML, and documentation requirements, the industry body said. Minda added that it is time to realise Prime Minister Narendra Modi's vision that India must conduct its international trade in Indian Rupees, to the greatest possible extent. “The geopolitical conditions are uniquely favourable. India's trading partners across BRICS, West Asia, ASEAN, and Africa are actively seeking alternatives to the dollar, and the Indian Rupee is the most credible alternative available,” the industry body said.

# Sebi cautions on unauthorised platforms offering unlisted public company shares

NEW DELHI

MARKETS regulator Sebi on Wednesday cautioned investors against buying or selling securities of unlisted public limited companies through unauthorised electronic platforms and websites, warning that such entities are neither recognised nor regulated by the watchdog.

The regulator said it has come across certain online



platforms facilitating transactions in unlisted securities of public limited companies, exposing investors to significant risks. In a statement, Sebi reiterated its earlier

advisories issued in December 2024 and August 2016, warning investors against conducting transactions or sharing sensitive personal information on such platforms.

The regulator also referred to its previous warnings on unauthorised virtual trading platforms offering paper trading, fantasy games and online platforms dealing in unlisted debt securities.

“Investors are once again cautioned about the risks in conducting any transactions or trading on such electronic platforms or sharing any sensitive personal details on the same, as these platforms are neither authorised nor recognised by Sebi,” the regulator said. Sebi emphasised that only recognised stock exchanges are authorised to provide a platform for fund-raising and trading in securities.

# Rupee recovers over 140ps in last 4-days

The local unit added 10ps to 94.50/\$ on Wednesday

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THE rupee appreciated 10 paise to close at 94.50 (provisional) against the US dollar, as Brent crude oil prices and the US dollar index retreated further from their elevated levels. Forex traders said the rupee opened on a positive note as Brent crude has fallen below USD 79 per barrel, with markets pricing in the reopening of the Strait of Hormuz following the US-Iran peace framework. Moreover, positive domestic equities supported investor

gained over 140 paise against the US dollar. Forex traders said that with oil prices moving in India's favour and foreign inflows remaining supportive, the near-term outlook for the rupee remains positive.

“We expect the rupee to trade with a positive bias amid positive global market sentiments and softening of crude oil prices. Decline in the US dollar and softening of US Treasury yields may also support prices,” said Anuj Choudhary, Research Analyst at Mirae Asset ShareKhan.

# Sebi rejigs norms to allow AIFs to retain liquidation proceeds beyond fund life

NEW DELHI: Markets regulator Sebi issued guidelines to permit Alternative Investment Funds (AIFs) to retain liquidation proceeds beyond their permissible fund life under specified circumstances.

The regulator also introduced an ‘Inoperative Fund’ framework for wound-up funds with residual obligations. The move follows amendments to the Sebi (Alternative Investment Funds) Regulations on April 18 aimed at providing operational flexibility to AIFs during the winding-up process and surrender of registration. Under the new framework, AIFs or their schemes may retain liquidation proceeds beyond the liquidation or dissolution period if they have received litigation notices or regulatory demands, obtained consent from at least 75 per cent of investors by value for retaining funds against anticipated liabilities, or need to meet residual winding-up related operational expenses, Sebi said in its circular.

The regulator said litigation-related communications could include notices from tax authorities, regulators, law enforcement agencies, courts, investors or counterparties that indicate potential tax, legal or regulatory liabilities, even if such liabilities have not crystallised.

# Market is largely positive

BIZZ BUZZ BUREAU MUMBAI

THE benchmark indices continued their positive momentum, with the Nifty ending 97 points higher and the Sensex rising by 347 points. Among sectors, the Defence index outperformed, rallying 3.85 per cent, whereas intraday profit booking was observed in selective Auto and Realty stocks. Technically, on daily and intraday charts, the market is holding an uptrend continuation formation, which is largely positive.

“We are of the view that the short-term market outlook remains positive, and for trend-following traders, 77,000 would act as a key support level,” says Shrikant

## STOCK PICKS

**JSW ENERGY LIMITED | TRADE-BUY: RS576 | STOP-LOSS: RS536 | TARGET: RS616**

Price is at the verge of breaking out the retest of the break-out of weekly W pattern, with strong move on daily chart trying to close above the monthly pivot point and DEMA 20. RSI at 54 also confirms a bullish strength in the price.

**YES BANK LIMITED | TRADE-BUY: RS24.55 | STOP-LOSS: RS21.91 | TARGET: RS27.11**

Price has broken out from a 52 week high levels with very strong momentum, and shows strong signals of upside, but it is always wise to wait for a pullback for a counter like yes bank. The weekly structure gives clearer picture and understanding of the structure, with RSI above 70 on daily chart gives more conviction of bullishness. (Source: Adib Noorani, an independent market expert)

Chouhan, Head - Equity Research, Kotak Securities.

Above this, the market could rally to 77,500-77,800. On the flip side, if the mar-

ket falls below 77,000, we could see an intraday correction. Below this level, the market might retest the levels of 76,700-76,500.

# RBI infuses ₹72,300-cr transient liquidity into banking system through VRR auction

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THE Reserve Bank of India (RBI) on Wednesday infused Rs 72,300 crore transient liquidity through two Variable Rate Repo (VRR) auction into the banking system after surplus liquidity narrowed following advance tax payments.

The central bank injected Rs 50,016 crore through a two-day VRR auction at a cut-off rate of 5.26 per cent. It also infused another Rs 22,284 crore via a second two-day VRR auction. Variable rate repo auctions are used by the RBI to manage liquidity mismatches in the banking system.

Currently, liquidity in the

banking system is estimated to be in surplus of around Rs 23,881.21 crore as on June 16, which was lower compared to a surplus of around Rs 1.51 lakh crore as on June 15, according to the RBI's data.

Experts attributed the narrowing of liquidity to outflows on account of advance tax payments. Further, they

added that the central bank may conduct more VRR auctions in the coming days to support liquidity in the banking system.

“Considering the narrowing of surplus liquidity in the banking system and expectation of further outflows on account of goods and services tax payment, the central bank

may conduct more variable rate repo auctions to support liquidity and keep overnight rates under check,” said V Ramachandra Reddy, head of treasury at The Karur Vysya Bank. In the last few days, overnight rates have been trading above the RBI's repo rate due to strain on the liquidity surplus, prompting the central bank's intervention to infuse transient liquidity in the banking system. On Wednesday, weighted average call money rates were trading at 5.37 per cent, which was 0.12 per cent higher than the repo rate, and Treps was trading at 5.21 per cent.

- **V Ramachandra Reddy, Head of Treasury, The Karur Vysya Bank**

# Gold futures drop on weak trend

NEW DELHI: Gold prices dropped Rs 561 to Rs 1,52,530 per 10 grams in futures trade amid a fall in spot demand. The yellow metal contracts for August delivery traded lower by 0.37 per cent in 613 lots. Analysts attributed the fall in precious metal prices to weak global cues. Globally, gold futures declined by 0.14 per cent to \$4,325.04 per ounce in New York.



# Silver futures fall on low bets

SILVER prices fell by Rs 959 to Rs 2,49,146 per kilogram as participants reduced their bets. Silver contracts for July delivery declined 0.38 per cent in 673 lots. Analysts said a sell-off by participants mainly weighed on silver prices. Globally, the white metal was trading 0.04 per cent lower at \$69.99 per ounce in New York.

# Brent crude slipped to \$78.23/bbl

CRUDE oil price fell by Rs 63 to Rs 7,061 per barrel in the futures trade amid weak global trends. Crude oil futures for the July delivery slipped 0.88 per cent in 4,004 lots. Analysts said the prices fell after participants offloaded their holdings amid weak demand in the spot market. Globally, West Texas Intermediate crude oil was trading 1.04 per cent lower at \$75.26 per barrel, while Brent Crude fell 0.92 per cent to \$78.23 per barrel in New York.

# SBI's board to discuss fundraising plan today

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SBI Board will be meeting here to discuss fundraising plan for the ongoing financial year in its forthcoming board meeting to be held on June 18.

The fund raising will happen through public offer or private placement mode by way of issuance of debt instrument (including capital instruments) to overseas and/or Indian investors in INR or any foreign currency. This is the routine yearly board approval plan. Depends upon the funding requirements, they will borrow funds from markets within the board approved limits

Talking to Bizz Buzz, MV Hariharan, former treasury head, State Bank of India says, “Great idea. Good time

to raise capital at competitive and sharp pricing. The brand equity of the Bank will enable homogenous advantages as additional gamechangers. Tenors will be important and with the ongoing Fx crunch, investors will queue up,” he said.

However, one critical caveat is the fund-raising efforts of entities overseas; which might dampen the interest as well as availability of funds. Coupons on offer are the tipping points towards SBI. Smart and agile deployment, he added.

Fundraising routes include Public issue, Private placement, Instruments that may be issued, Bonds and other debt securities, Capital instruments such as Additional Tier-1 (AT1) bonds and Tier-2 bonds Securities denominated in Indian Rupees or foreign currencies.



Investor base for the bank's fund-raising plan include both Indian and Overseas investors as well. What this means? Well, no immediate dilution for shareholders as the proposal refers mainly to debt and capital instruments, not equity issuance. Anil Kumar Bhansali, Head of Treasury, Finrex Treasury Advisors says, “SBI may raise resources to fund credit expansion and meet regulatory capital

requirements.” Board approval provides an enabling framework; actual issuances can occur in tranches depending on market conditions and funding costs. Potential instruments for the fund-raising may comprise Infrastructure bonds, Basel III-compliant AT1 bonds, Tier-2 bonds, Foreign currency bonds or medium-term notes.

For the Indian bond market, another large SBI issue

“Great idea. Good time to raise capital at competitive and sharp pricing. The brand equity of the Bank will enable homogenous advantages as additional gamechangers. Tenors will be important and with the ongoing Fx crunch, investors will queue up - **MV Hariharan, former treasury head, SBI**”

could absorb liquidity and serve as a benchmark for

pricing. Given the current strong demand for high-quality PSU issuers—as seen in recent successful bond placements—SBI may be able to raise funds at attractive rates.

Foreign currency borrowing would also diversify SBI's funding sources and potentially lower overall funding costs if overseas market conditions are favourable. The June 18 board meeting is expected to decide only the overall fundraising plan for FY26-27; details such as the amount, instrument type, maturity and timing are likely to be announced subsequently. Venkatakrishnan Srinivasan, Founder and Managing Partner, Rockfort, says, “Depends upon the funding requirements, they will borrow funds from markets within the board approved limits.”