

## **Sensex soars to close above 30000, Nifty at lifetime high**

The market also cheered the government's new policy aimed at boosting steel output



Bulls on Thursday returned back with a bang, taking the benchmark Nifty to a record close of 9,359.90 and the BSE Sensex above the 30,000-mark as investors welcomed the government's latest reform steps in the banking and infra space.

With the market flush with liquidity, banking stocks surged up to 9 per cent following the government's decision to bring an ordinance to empower the Reserve Bank to effectively deal with bad loans. The market also cheered the government's new policy aimed at boosting steel output and consumption. The sentiment was further boosted by strong earnings by the biggest private lender ICICI Bank and the US Federal Reserve's decision to keep its policy rate unchanged.

The BSE Sensex stayed in the positive terrain through the session and zoomed to 30,169.95 before settling 231.41 points, or 0.77 per cent higher at 30,126.21 — its highest level since April 26 when it closed at a record high of 30,133.35. The 50-share NSE Nifty spurted 47.95 points, or 0.51 per cent to end at a lifetime high of 9,359.90. It shuttled between 9,365.65 and 9,323.25 during the session. Its previous record closing of 9,351.85 was registered on April 26.

The Bank Nifty soared to close at an all-time high of 22,720.10 after touching an intra-day record peak of 22,743.70, with Canara Bank, SBI, Axis Bank, Bank of Baroda, Punjab National Bank, IDFC Bank and Federal Bank rising by up to 6.47 per cent. Shares of ICICI Bank touched a 52-week high of Rs 299.90 before settling 9.24 per cent higher at Rs 297.95, driven by a five-fold jump in March quarter profit.

“The government is one step closer to new NPA policy and the national steel policy has given some energy to the market. Fed kept the rates on hold amid slow pace in economic growth but the market is not expecting any deviation from two more hikes in this calendar year,” said Vinod Nair, Head of Research, Geojit Financial Services.

Karthikraj Lakshmanan, Senior Fund Manager, BNP Paribas Mutual Fund, said, “giving a shot in the arm to positive investor sentiment, the US Federal Reserve left monetary policy unchanged and indicated that it remains on track to deliver two more rate increases by year-end.

Among the sectoral indices, Bankex rose 2.32 per cent, Consumer Durables 1.41 per cent, Finance 1.38 per cent and FMCG 1.08 per cent. The BSE Mid-cap and Small-cap indices rose 0.48 per cent and 0.36 per cent respectively. European stocks were higher in their early trade as investors

assessed the outlook for US interest rates. London's FTSE climbed 0.40 per cent, Frankfurt's DAX 30 gained 0.20 per cent, while Paris CAC 40 rose 0.20 per cent.

The US Federal Reserve has left interest rates unchanged while signaling that it expects a resilient US economy and solid job market to justify further rate hikes later this year.

\*\*\*