

# Markets revive from steepest decline in more than 6 weeks

**BLOOMBERG**

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Benchmark indices rebounded from their steepest drop in more than six weeks led by sharp gains in index heavyweights including Reliance Industries and ICICI Bank.

The Sensex climbed 425 points, or 1.1 per cent, to 38,233.41, the seventh time this year the benchmark has closed above 1 per cent. The Nifty 50 Index advanced 129 points, or 1.1 per cent, to end at 11,483. Both the gauges fell 0.9 per cent on Monday, their steepest retreat since February 8.

Foreign portfolio investors bought shares worth ₹1,000 crore on Tuesday, compared to just ₹150 crore a day ago.

The equity gauges yesterday dropped below technical overbought lev-

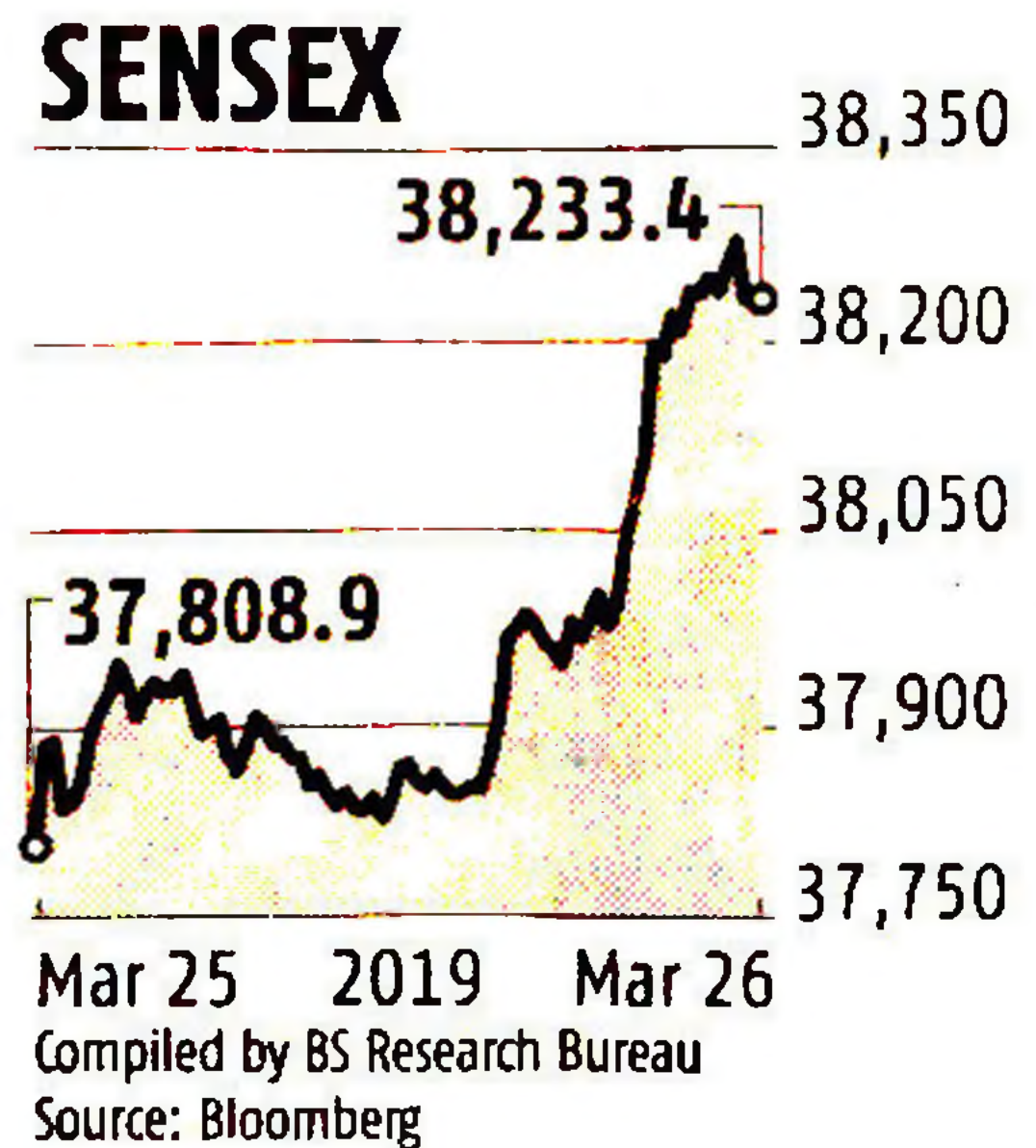
els after eight days above them following a surge in foreign fund inflows.

The prospect that the ruling government will get another five-year term, in a national poll, has boosted equities, although investors will have to wait for the actual outcome on May 23 for a clearer picture.

“India is such a great longer-term story with many investable companies that elections are nothing more than short-term noise,” said Jonathan Schiessl, a fund manager at IIFL Capital Pte. “However, we embrace volatility as occasionally value does emerge in quality stocks.”

Seventeen of the 19 sectoral indices compiled by the BSE climbed, led by a gauge of lenders. Ten of those indices rose by at least 1 per cent.

Further, 23 of the 31



Sensex members and 39 of the 50 Nifty stocks gained.

State-owned power generator NTPC's 4 per cent rise was the steepest among Nifty members, touching its highest level in nearly 6 months.

Reliance Industries, which rose 3.2 per cent, made 133-point contribution to Sensex gains. ICICI Bank and HDFC Bank contributed 67 points and 60 points respectively.

*With bureau inputs*