



Sensex jumps 690 pts intraday, Nifty tops 23,400: 4 factors behind mkt rise



Sensex Jumps 690 Points, Nifty Tops 23,400: 4 Reasons Behind Market Rise Today

Stock market today: The [stock market](#) bulls kicked off the week in high spirits as a cool-down in crude oil prices and bond yields spurred risk-on sentiment on Dalal Street.

In Monday's trade, BSE barometer Sensex rallied as much as 692 points or 0.93 per cent to 74,987 and settled the session 564 points or 0.76 per cent lower at 74,858.99. Meanwhile, its NSE counterpart, Nifty 50, gained 120 points or 0.51 per cent to 23,467 during the day and closed at 23,414, down 68 points or 0.29 per cent.

Investors lapped up stocks after both benchmarks witnessed a prolonged consolidation for six weeks, during which they shed almost 5 per cent.

Analysts at SBI Securities said that the gradual decline in crude oil prices over the last four trading sessions has provided some respite to Asian equities and improved risk sentiment, despite geopolitical tensions in West Asia showing little signs of easing.

Robust growth in developed economies and expectations of good corporate earnings are also providing confidence to investors globally and in India, too, said Dr V K Vijayakumar, chief investment strategist at Geojit Investments.

What's driving the stock market?

Here are key factors behind the stock market rise today:

1. Oil cools down

Crude oil prices slipped for the fourth day today, easing concerns around inflation and the current account deficit. Brent crude has slipped to \$101 today from \$XX last week. The main trigger is an easing of Saudi supply fears, as the kingdom has begun routing extra cargoes to Asian buyers through ship-to-ship transfers near the Strait of Hormuz, and higher loadings have calmed worries about a complete export halt after the pipeline attack.

Rajeev Sharan, Head of Research, Brickwork Ratings, said that for India, a major importer, this is welcome relief. A softer crude bill eases pressure on the import bill, the rupee and imported inflation, and offers some breathing room on the current account, he noted.

"That said, this is relief rather than a reversal, as Brent is still above \$100 and the geopolitical risk premium remains, so any fresh escalation could quickly undo the fall. The near-term inflation and growth picture improves modestly, but the external risk stays firmly on the radar," he cautioned.