

## Sensex cracks 232 points; Nifty50 slips below 8,200; Asian Paints sheds 3%

Hurt by weak industrial output data for October, fears of a rate hike by the US Fed and US President-elect Donald Trump's comments on immigration, the domestic equity market tanked on Monday, with the BSE Sensex shedding some 200 points.

Trump said he would not allow Americans to be replaced by foreign workers, in an apparent reference to cases like that of Disney World and other American companies wherein people hired on H-1B visas, including Indians, displaced US workers.

"We will fight to protect every last American life," Trump told thousands of people in Iowa. IT stocks fell, dragging the S&P BSE IT index 0.41 per cent lower to 9,774, with TCS, Tata ElxsiBSE -1.97 % and InfosysBSE -0.49 % being the major contributors to the fall.

Global markets were cautious ahead of the FOMC meet, which kicks off on Tuesday. The Federal Reserve is widely expected to hike the policy rates by 25 basis points this time.

Equity benchmark Sensex of the Bombay Stock Exchange slipped 232 points, or 0.87 per cent, to close at 26,515. The index, which opened at 26,725 against Friday's close of 26,747, hit an intraday high of 26,725 and a low of 26,468 during the session.

ONGC (up 1.43 per cent) emerged as the biggest gainer of the 30-share pack, while Asian PaintsBSE -0.02 % (down 3.33 per cent) was the worst laggard. The broader Nifty50 index of the National Stock Exchange (NSE) fell 90 points to 8,170.

"The market plunged following a spurt in crude oil prices, as investment feared its impact on India's inflation, which put pressure on equities. The domestic market has already factored in the prospects of a Fed rate hike but the focus remains on US economic outlook and inflation data, though investors are likely to view the event in conjunction with the policy stance of the US president-elect," said Vinod Nair, Head of Research, Geojit BNP Paribas Financial Services.

In the broader market, the S&P BSE500 index closed 1.06 per cent lower at 11,108 with Relta IndiaBSE -2.99 % (up 19.95 per cent) being the top gainer and Whirlpool (down 5.78 per cent) the worst performer.

Elsewhere in Asia, China stocks tumbled the most in six months after the country's insurance regulator suspended Evergrande Life, the insurance arm of China Evergrande Group, from conducting stock market investment.

The blue-chip CSI300 index fell 2.4 per cent, to 3,409.18 points, while the Shanghai Composite Index lost 2.5 per cent to 3,152.97 points, notching up their biggest single-day percentage falls since June.

Hong Kong stocks fell the most in a month, hurt by a tumble in mainland shares, after Trump's comments on the 'one China' policy raised risk of flaring tension between Beijing and Washington.

European stocks opened weak. At the time of writing of this report, Britain's FTSE100 was trading 0.14 per cent lower at 6,944 while Germany's DAX was down by 0.43 per cent. France's CAC40 was trading 0.11 per cent down.

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