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“Impact of Covid-19 on Indian Stock Market: An Analytical study”

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Abstract:

The BSE Sensex plunged more than 2,919 focuses in its greatest one-day fall in total terms as the Covid pandemic unleashed devastation on worldwide business sectors. Subsequent to plunging over 3,204.30 focuses during the day, the 30-share list settled 2,919.26 focuses or 8.18 percent lower at 32,778.14. In like manner, the more extensive NSE Nifty surrendered the 9,600 level, drooping 868.25 focuses or 8.30 percent to close at 9,590.15. All Sensex parts finished in the red. SBI was the top failure, trailed by ONGC, Axis Bank, ITC, Titan, Bajaj Auto, TCS and IndusInd Bank. Worldwide business sectors reeled after the World Health Organization (WHO) named the Covid episode as a pandemic, and communicated profound worry over the "disturbing degrees of inaction". US President Donald Trump suspended all movement from Europe, barring the UK, to the US for the following 30 days to stop the spread of the infection. Nations across the world are forcing travel limitations, fuelling fears of a worldwide financial downturn, examiners said.

Keywords: Covid-19, Sensex, nifty, Indian stock market

Introduction:

In accordance with the bearish pattern in worldwide business sectors, Indian stocks opened at huge lower levels as financial backers stayed on edge about the monetary effect of the Covid flare-up, said Narendra Solanki, Head Fundamental Research (Investment Services) - AVP Equity Research, Anand Rathi Shares and Stock Brokers. A selloff across areas alongside alarm selling in the more extensive business sectors hurt financial backer opinion, he said. Other than a selloff in worldwide values, monstrous dive in global oil costs and devaluing rupee added to the unpredictability, dealers said. The rupee deteriorated 49 paise to 74.17 per US dollar (intra-day). Brent unrefined petroleum prospects dropped 5.50 percent to USD 33.82 per barrel. Somewhere else in Asia, bourses in Shanghai dropped 1.52 percent, Hong Kong 3.66 percent, Seoul 3.87 percent and Tokyo broke 4.41 percent. Markets in Europe slammed up to 6 percent in early exchange. In overnight exchange, the Dow fell into a bear market and prospects guided Thursday toward another defeat in New York and Europe. Globally, a fall of 20% from the new pinnacle is regularly considered as a bear market. Be that as it may, the definition doesn't hold great in India. Given its high beta, Indian business sectors have remedied by 25-30 percent number of times and recuperated rapidly to continue the upturn," said Gaurav Dua, Senior Vp, Head - Capital Market Strategy and Investments, Sharekhan by BNP Paribas. The quantity of Covid patients in India has ascended to 73 with 13 new cases, including nine from Maharashtra and one each from Delhi, Ladakh, and Uttar Pradesh just as one unfamiliar public, the association Health Ministry has said.

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Research objectives:

- To find out impact of novel corona on Indian stock market
- To evaluate sectoral performance downtrend in Indian industry due to covid-19

Content Analysis:

In accordance with the bearish pattern in worldwide business sectors, Indian stocks opened at huge lower levels as financial backers stayed on edge about the monetary effect of the Covid flare-up, said Narendra Solanki, Head Fundamental Research (Investment Services) - AVP Equity Research, Anand Rathi Shares and Stock Brokers. A selloff across areas alongside alarm selling in the more extensive business sectors hurt financial backer feeling, he said. Other than a selloff in worldwide values, gigantic dive in global oil costs and deteriorating rupee added to the instability, dealers said. The rupee devalued 49 paise to 74.17 per US dollar (intra-day). Brent unrefined petroleum futures dropped 5.50 percent to USD 33.82 per barrel. Somewhere else in Asia, bourses in Shanghai dropped 1.52 percent, Hong Kong 3.66 percent, Seoul 3.87 percent and Tokyo broke 4.41 percent. Markets in Europe slammed up to 6 percent in early exchange. In overnight exchange, the Dow fell into a bear market and futures directed Thursday toward another defeat in New York and Europe. "Internationally, a fall of 20% from the new pinnacle is regularly considered as a bear market. Be that as it may, the definition doesn't hold great in India. Given its high beta, Indian business sectors have rectified by 25-30 percent number of times and recuperated rapidly to continue the upswing," said Gaurav Dua, Senior Vp, Head - Capital Market Strategy and Investments, Sharekhan by BNP Paribas. The quantity of Covid patients in India has ascended to 73 with 13 new cases, including nine from Maharashtra and one each from Delhi, Ladakh, and Uttar Pradesh just as one far off public, the association Health Ministry has said. Portions of Yes Bank on Thursday surrendered all increases made in late meetings, plunging more than 39% to ₹17.45 on the NSE. The stock had flooded more than 77% in the last two exchanging meetings. On the NSE, the stock was citing 12.67 percent lower at ₹25.15. It hit a low of ₹17.45, shedding more than 39%. On the BSE, it was exchanging at ₹25.10, lower by 12.85 percent. It contacted an intra-day low of ₹22.55, down 21.70 percent. Following the bearish signs from the worldwide business sectors, Sensex and Nifty started the meeting with an enormous hole down open and kept on leftover bearish. The Sensex and Nifty have plunged about 6.5 percent each. The market broadness of Nifty record is negative, all the 50 file stock are in red. Then again, the India VIX has soar 17.7 percent to record multi-year high of 37.3 levels India Ratings on Thursday amended its point of view toward the nation's base metals area to negative from stable for the coming monetary, focusing on that the Covid episode, proceeding with US-China exchange question and curbed worldwide interest would keep costs low in the close to term. Prices may progressively improve as the pandemic is contained and the second period of US-China exchange dealings is finished up, the rating office said in a proclamation. As a component of its examination, the organization has covered the copper, zinc, aluminum and coal areas. Subsequent to opening around 1,200 focuses lower, values proceeded with their descending winding, with homegrown BSE Sensex plunging 2,707.39 focuses to 32,990.01 in morning meeting. The 30-share record was exchanging 2,332.96 focuses, or 6.54 percent, lower at 33,364.44. Essentially, the more extensive NSE Nifty hit a low of 9,648.65, breaking 809.75 focuses. It was exchanging

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689.45 focuses, or 6.59 percent, down at 9,768.95. The rupee plunged up to 82 paise to 74.50 against US dollar in morning meeting. It, be that as it may, pared a few misfortunes, citing 46 paise down at 74.14. The bloodletting on Dalal Street dissolved financial backer abundance worth Rs 9,15,113 crore, taking the all out m-cap to Rs 1,27,98,444.93 crore on the BSE. The m-cap of BSE-recorded organizations remained at Rs 1,37,13,558.72 crore toward the finish of exchanging on Wednesday. The day's selloff was set off after the World Health Organization (WHO), late Wednesday night, named the new Covid or COVID-19 flare-up as a pandemic, and communicated profound worry over the "disturbing degrees of inaction". Following the declaration, US President Donald Trump suspended all movement from Europe, barring the UK, to the US for the following 30 days to stop the spread of the infection. Brent unrefined petroleum prospects were around 4% down at USD 34.37 per barrel, after the movement boycott. All Sensex parts were exchanging the red. Hub Bank was the top failure, failing more than 10%, trailed by SBI, Hero MotoCorp, ITC, M&M, Bajaj Auto and Titan. As indicated by brokers, instability crested in worldwide business sectors after WHO's declaration depicting the Covid flare-up as a pandemic. Other than selloff in worldwide values, gigantic dive in global oil costs and deteriorating rupee added to financial backer concerns, they added. Unending unfamiliar asset surge additionally scared market members, brokers said. On a net premise, unfamiliar institutional financial backers sold values worth Rs 3,515.38 crore on Wednesday, information accessible with stock trades appeared. Somewhere else in Asia, bourses in Shanghai dropped over 1.50 percent, Hong Kong 3.50 percent, Seoul 3.80 percent and Tokyo laughed out loud to 4.40 percent. In overnight exchange, the Dow fell into a bear market, and fates directed Thursday toward another defeat in New York and Europe.

Conclusion:

Internationally, a fall of 20% from the new pinnacle is ordinarily considered as a bear market. In any case, the definition doesn't hold great in India. Given its high beta, Indian business sectors have adjusted by 25-30 percent number of times as recuperated rapidly to continue the upswing, said Gaurav Dua, Sr Vp, Head — Capital Market Strategy and Investments, Sharekhan by BNP Paribas.

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