



“Fed and ECB meetings outcome will add volatility to the stock markets,” Sandip Sabharwal said.

Stock market outlook: Even as the domestic stock markets opened in the green on Monday, critical factors that will decide the course of Sensex and Nifty in the coming week is the ECB as well as the US Federal Reserve meeting outcome, apart from monsoon back home. “Fed and ECB meetings outcome will add volatility to the stock markets,” investment advisor Sandip Sabharwal told ET Now.

With the US Federal Reserve meet due on Wednesday, and many economists and market voices expecting a rate hike to tackle rising inflation in the country, Chetan Ahya of Morgan Stanley noted that a potential fed rate hike could impact emerging markets such as Argentina and Turkey, but India may be insulated given its macro stability. According to the expert, EMs such as Argentina and Turkey are in a bad shape and have a macro stability problem.

The European Central Bank which is slated to meet on June 14, could signal intentions to start unwinding its massive bond purchasing programme, according to a Reuters report. The monetary policy announcements by the US Federal Reserve, ECB (European Central Bank) and the Bank of Japan (BoJ) are the major themes to look out for, given the vulnerable EM situation, according to experts. Sandip Sabharwal noted in his interview that growing friction between US and other large economies is likely to impact stock markets. Where is he finding

value in the current market? “Value lies in the broader markets post sell-off,” he notes, adding that Steel prices are rallying and inventories are falling globally.

Back home, the Central Statistics Office (CSO) is scheduled to release the macro-economic data points of IIP and CPI (Consumer Price Index) tomorrow. In its latest monetary policy statement, [RBI](#) has hiked rates by 25 basis points, given upward pressures to inflation, partly fueled by rising global crude oil prices. “We expect one more interest rate hike by at least 25 bps during the calendar year 2018 whereas we cannot rule out the possibility of two rate hikes by the end of the financial year 2018-19, which will be dependent on the developments at the global front with regard to oil prices and its likely impact on domestic inflation,” CARE Ratings noted.

Get live [Stock Prices](#) from BSE and NSE and latest NAV, portfolio of [Mutual Funds](#), calculate your tax by [Income Tax Calculator](#), know market's [Top Gainers](#), [Top Losers](#) & [Best Equity Funds](#). Like us on [Facebook](#) and follow us on [Twitter](#).