

[Markets](#) ended higher after the [RBI](#) maintained neutral stance in its second policy decision of FY19. The central bank hiked [repo rate](#) by 25 bps to 6.25%, in line with market expectations. This is the first rate hike in over four years, reverse [repo rate](#)

adjusts to 6%. All six members on the rate panel voted for an increase.

The S&P [BSE Sensex](#)

ended the day at 35,179, up 276 points, while the broader Nifty50 index settled at 10,685, up 91 points

[RBI](#) also revised its retail inflation estimate for 2018-19 to 4.8-4.9 per cent for the first half, and 4.7 per cent for the second. The MPC said that a sharp and durable increase in global crude oil price was seen as a key risk to retail inflation. The central bank retained its gross domestic product (GDP) growth projection at 7.4 per cent for 2018-19. The MPC decision was in line with a Reuters poll, where an increasing number of economists expected the [RBI](#)

to raise interest rates, even as some said the rate might be held for now in preparation for an August hike.

Shares of rate sensitive sectors such as bank, real estate and automobiles are trading firm after [RBI monetary policy](#) decision. [Nifty](#) PSU Bank, [Nifty](#) Realty and [Nifty](#) Auto were up more than 1% each.

Among individual stocks, State Bank of India (SBI), Bank of India and Allahabad Bank from the banking, Indiabulls Real Estate, Godrej Properties and Oberoi Realty from real estate and Tata Motors, Eicher Motors, Bosch and Bharat Forge from auto sector were up more than 2% on the [NSE](#).

GLOBAL MARKETS

Globally, Asian stocks edged up on Wednesday after tech sector strength lifted Wall Street shares, while concerns about Italy's debt prompted investors to move into lower-risk government debt elsewhere, pushing US Treasury yields down from recent highs.

MSCI's world equity index, which tracks shares in 47 countries, was up 0.24 percent, mainly as a result of a strong showing from Asian stocks. MSCI's broadest index of Asia-Pacific shares outside Japan rose 0.63 per cent.



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