

The markets pared their day's gains to end flat on Wednesday as investors eyed the outcome of US Federal Reserve's monetary policy meeting scheduled later in the day.

The S&P BSE Sensex ended at 35,739, up 47 points while the broader Nifty50 index settled at 10,857, up 14 points.

Among individual stocks, top software services exporter Tata Consultancy Services (TCS) gained 3% earlier today after the company said that its board will consider a proposal for buyback of equity shares of the company, at its meeting on June 15, 2018. The stock eventually settled 2.43 per cent higher at Rs 1824.20 on the BSE.

Among sectoral indices, the Nifty IT index ended over 1% higher on Wednesday led by a rise in the shares of TCS and Infosys.

The stock markets had risen earlier in the day due to a solid monthly industrial growth data released on Tuesday, which had boosted market sentiment. The country's industrial output rose by 4.9 per cent in April, up from the 4.4 per cent growth seen in March due to a turnaround in capital goods production as well as an uptick in overall manufacturing growth.

FEDERAL RESERVE

With the Federal Reserve virtually guaranteed to raise interest rates this week, investors are focused on how the US central bank characterises its monetary policy as borrowing costs return to more normal levels amid an ongoing economic expansion.

Most analysts expect the US central bank to hike rates at least twice this year – in June and in September, and follow it up with a couple of more hikes in calendar year 2019 (CY19).

GLOBAL MARKETS

Asian shares fell on Wednesday as investors braced for a Federal Reserve policy decision later in the day and any clues it might give on future rate hikes that could alter the course of global economic growth and corporate earnings.

MSCI's broadest index of Asia-Pacific shares outside Japan dropped 0.5 per cent, erasing the slim gains made following Tuesday's meeting between US President Donald Trump and North Korean leader Kim Jong Un.

The CSI300 index of mainland shares fell 0.7 per cent and Japan's Nikkei eked out gains of 0.5 percent.



(with Reuters inputs)

SI Reporter

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