

Markets rise for second session

Bloomberg | New Delhi June 01, 2015 Last Updated at 22:29 IST



Indian equities advanced for a consecutive session, amid speculation the Reserve Bank of India (RBI) will cut interest rates at its meeting on Tuesday after government data showed economic growth remains sluggish.

Larsen & Toubro, the largest engineering company, was the best performer on the BSE Sensex. Reliance Industries, owner of the world's biggest refining complex, rose the most in four weeks. Maruti Suzuki India rose for a second session after sales climbed 14 per cent in May. Hindustan Unilever, the biggest home-products maker, climbed to a three-week high. Sun Pharmaceutical Industries slumped the most in six years after its fourth-quarter profit missed estimates.

The Sensex rose less than 0.1 per cent to 27,848.99 at the close, after changing directions at least 14 times. The economy expanded 7.3 per cent in the year ended March from a year ago, slower than the 7.4 per cent median estimate in a Bloomberg survey. Thirty-one of 39 analysts in another survey predict the RBI Governor Raghuram Rajan will cut the repurchase rate by 25 basis points to 7.25 per cent.

"The falling inflation rate has the street believing that a 25-basis point cut is a given," Vikas Gupta, an executive vice-president at Arthveda Fund Management Pvt, said.