Internship Report on

"IMPACT OF MACRO-ECONOMIC FACTORS ON INDIAN STOCK MARKET- A STUDY OF BSE SECTORAL INDICES"

BY

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USN: 4AL15MBA13

Submitted to

VISVESVARAYA TECHNOLOGICAL UNIVERSITY, BELGAUM

In partial fulfillment of the requirements for the award of the degree of

MASTER OF BUSSINESS ADMINISTRATION

Under the guidance of

INTERNAL GUIDE

Dr. Ravi kulkarni

Associate Professor

Department of MBA

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EXTERNAL GUIDE

Mr. Prashanth Kumar

Stock Broker

Adithya Birla Money

Belthangady.

Department of MBA

Alva's Institute of Engineering and Technology
Shobhavana campus, Mijar, Moodbidri
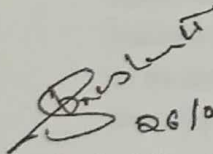**2015-2017**

"TO WHOM SO EVER IT MAY CONCERN"

This is to certify that **Mr. CLEVIN DAISON PEREIRA** bearing **USN-4AL15MBA13** bonafide student doing his MBA at **ALVA'S INSTITUTE OF ENGINEERING AND TECHNOLOGY, MOODBIDRI**, has undergone a project **"IMPACT OF MACRO - ECONOMIC FACTORS ON INDIAN STOCK MARKET- A STUDY OF BSE SECTORAL INDICES"** in our organization from 2nd January 2017 to 10th March 2017. His character and Conduct is uniformly good. He deserved all the Encouragement.

26/04/2017

Authorized Signatory

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Date: 15-May-2017

Certificate

This is to certify that **Mr. Clevin Daison Pereira** bearing USN 4AL15MBA13 is a bonafide student of Master of Business Administration course at the Alva's Institute of Engineering and Technology (2015-17), affiliated to Visvesvaraya Technological University, Belgaum.

The internship report on **"Impact of Macro-economic factors on Indian stock market-A study of BSE sectoral indices"**, a Study Conducted at Aditya Birla Money, Belthangady is prepared by him under the guidance of **Dr. Ravi Kulkarni, Associate Professor, Department of MBA** in partial fulfillment of the requirements for the award of the degree of Master of Business Administration of Visvesvaraya Technological University, Belgaum, Karnataka.

Dr. Ravi Kulkarni   Prof. P. Ramakrishna Chadaga   Dr. Peter Fernandes
Project Guide   Dean - MBA   Principal
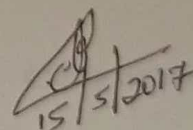
DECLARATION

I, **CLEVIN DAISON PEREIRA,** hereby declare that the internship report entitled **"IMPACT OF MACRO-ECONOMIC FACTORS ON INDIAN STOCK MARKET- A STUDY OF BSE SECTORAL INDICES",** with reference to Aditya Birla Money, Belthangady" prepared by me under the guidance of **Dr. Ravi Kulkarni, Associate Professor,** Department of Business Administration, Alva's Institute of Engineering and Technology and external assistance by **Mr. Prashanth Kumar S,** Stock Broker, Aditya Birla Money Ltd, Belthangady.

I also declare that this internship work is towards the partial fulfillment of the university regulation for the award of the degree of Masters of Business Administration by of Visvesvaraya Technological University, Belgaum.

I have undergone a summer project for a period of 10 weeks. I further declare that this project is based on the original study undertaken by me and has not been submitted for the award of any degree/diploma from any other University/ Institution.

Place: Mijar

Date: 15 /May/2017

Signature of the student

ACKNOWLEDGEMENT

Completion of a task by shaping and achieving the objective is often a result of valuable contribution from number of individuals, directly or indirectly.

Firstly I thank almighty God for showering his choicest blessing and keeping me in good health throughout the tenure of the project.

I wish to express my heartfelt gratitude to a number of people who have been associated with me throughout this project. At the outset I would like to acknowledge my gratitude to **Dr. Ramakrishna Chadaga,** Dean of Department of Business Administration.

I am deeply indebted to my faculty guide **Dr. Ravi Kulkarni,** Associate Professor, Department of Business Administration, for his regular supervision and valuable suggestions. I am thankful to **Mr. Prashanth Kumar S,** Stock Broker, Adithya Birla Money, Belthangady and his staff for granting permission and providing requisite information regarding the project.

It's my privilege to thank our beloved principal **Dr. Peter Fernandes** for giving me the opportunity to take up this project. My profound gratitude to all the faculty members of the Department of Business Administration, Alva's Institute of Engineering and Technology, Mijar, Moodbidri.

Finally I extend my gratitude to my parents and friends for their constant co-operation, encouragement and support without which this work would not have completed successfully.

Clevin daison pereira

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EXECUTIVE SUMMERY

This study considered 6 macro economic factors namely, inflation, interest rate, gold prices, foreign exchange rate, crude oil prices, and silver price. Analyzed the impact of these macro-economic variables on selected sectoral indices at BSE, SENSEX, S&P BSE Bankex, S&P BSE Oil and Gas, S&P BSE Capital Goods, S&P BSE Auto, S&P BSE Metals, S&P BSE Techk, and S&P BSE Consumer Durables. Along with other objectives, the main objective of the study is, to understand, to what extant macro economic factors created impact on selected sectoral indices.

This study considers data from June 2006 to January 2017. To meet all objectives, descriptive statistical tools are used under this study. Descriptive statistial tools like maximum value, minimum value, kurtosis, skewness, mean and other techniques like standard deviation, expected return, average return, correlation and multiple regressions are used.

Results shows that the objectives of this research carried out are met and found that macro-economic factors have an impact on the Indian stock market. Selected macro economic factors effected positively to few selected sectoral indices, when slected macro-economic factors varies and few sectoral indices impacted negatively with the change in selected macro economic factors.