

Market Flash

August 04, 2025





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Sensex up 200 points, Nifty above 24,600; PSU Bank & Metal lead

The benchmark Indian equity indices edged higher amid mixed global cues. Indian rupee opened 28 paise higher at 87.24 per dollar on Monday versus Friday's close of 87.52.

Investors in India will eye the Reserve Bank of India (RBI) Monetary Policy Committee meet (MPC) scheduled from August 4 to August 6. Also, any updates on trade talks with the US and the ongoing earnings season will also be tracked.

At 9:35 AM, the frontline BSE Sensex was trading at 80,813 up 213 points or 0.26%. Market breadth is positive with and out of a total of 3,286 shares traded on the Bombay Stock Exchange, 1,961 advanced while 1,163 declined and 162 remained unchanged. The broader Nifty50 was at 24,647 levels up 82 points or 0.33%.

In the broader markets, the Nifty MidCap100 and SmallCap indices edged higher by 0.26% and 0.07%, respectively.

Sectorally, among others Nifty PSU Bank was up 0.52%, Nifty Metal was up 0.44% and Nifty Auto was up 0.42%. On the other hand, Nifty IT was down 0.34%.

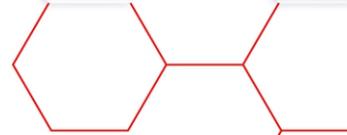
WEEKLY REVIEW – JULY 28, 2025 – AUG 01, 2025

The key equity benchmarks ended with substantial losses during the week, weighed down by concerns over the India-US trade relationship after US President announced a 25% tariff on Indian goods, effective August 1 along with an additional, unspecified penalty reportedly linked to India's procurement from Russia.

Nifty and Sensex fell for the fifth straight week. All sectoral loses for the week barring Nifty FMCG. Nifty Realty emerges as the top losing sector for the week, loses 6% for the week.

Market mood remained cautious, as investors closely tracked the ongoing earnings season and awaited further developments on the trade front. Domestic economic data took a back seat, with geopolitical tensions dominating investor focus.

In the week ended on Friday, 1 August 2025, the BSE Sensex declined 863.18 points or 1.06% to settle at 80,599.91. The Nifty 50 index fell 271.65 points or 1.09% to settle at 24,565.35. The BSE Mid Cap index dropped 1.79% to close at 45,155.79. The BSE Small Cap index tumbled 2.47% to end at 52,575.33.



Indices	Last close	One-day change in %	One month change in %	% YTD change in %
Domestic				
S&P BSE Sensex	80,599.91	-0.72	-3.7	3.15
Nifty 50	24,565.35	-0.82	-3.82	3.89
S&P BSE 200	11,137.12	-0.99	-3.96	1.89
S&P BSE 500	35,598.07	-1.07	-3.9	1.16
S&P BSE Midcap	45,155.19	-1.37	-3.56	-2.78
S&P BSE Smallcap	52,575.33	-1.59	-3.7	-4.72
S&P BSE Auto	52,356.92	-1.03	-1.9	1.34
S&P BSE Bankex	61,806.01	-0.47	-3.63	7.04
S&P BSE Cap Goods	67,850.22	-0.57	-6.46	0.1
S&P BSE Consumer Durables	59,183.30	-0.49	-1.43	-8.15
S&P BSE FMCG	20,656.60	0.43	2.75	-0.56
S&P BSE Healthcare	44,265.55	-2.44	0.07	-2.23
S&P BSE IT	34,179.20	-1.81	-10.12	-20.86
S&P BSE Metal	30,287.01	-1.94	-4.73	4.83
S&P BSE Oil & Gas	26,283.87	-1.91	-5.88	0.84
S&P BSE Power	6,668.03	-0.45	-3.49	-4.27
S&P BSE Realty	6,955.96	-1.78	-8.78	-15.52

GLOBAL MARKETS

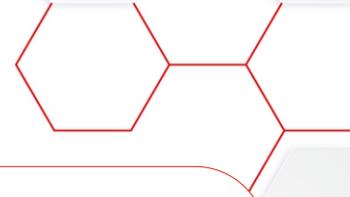
Asian share markets followed Wall Street lower on Monday as fears for the US economy returned with a vengeance, spurring investors to price in an almost certain rate cut for September and undermining the dollar.

Some early resilience in US stock futures and a continued retreat in oil prices did help limit the losses, but the bleak message from the July payrolls report was hard to ignore.

Markets moved quickly to price in a lot more easing with the probability of a September rate cut swinging to 90%, from 40% before the jobs report.

Futures extended the rally on Monday to imply 65 basis points of easing by year-end, compared to 33 basis points pre-data.

Markets have essentially already eased for the Fed with two-year Treasury yields down another 4 basis points at 3.661%. They tumbled almost 25 basis points on Friday in the biggest one-day drop since August last year.



The prospect of lower borrowing costs offered some support for equities and S&P 500 futures inched up 0.1%, while Nasdaq futures rose 0.2%.

Asian share markets, however, were still catching up with Friday's retreat and the Nikkei fell 2.1%, while South Korea dipped 0.2%.

MSCI's broadest index of Asia-Pacific shares outside Japan broke the mould and firmed 0.3%.

Wall Street has also taken comfort in an upbeat results season. Around two-thirds of the S&P 500 have reported and 63% have beaten forecasts. Earnings growth is estimated at 9.8%, up from 5.8% at the start of July.

RUPEE, OIL, GOLD & FIIs

Indian Rupee: The rupee appreciated 12 paise to close at 87.53 (provisional) against the US dollar on Friday (August 1, 2025), on lower crude prices and suspected RBI interventions as US President's sweeping new tariffs triggered fresh concerns over a much wider disruption in the global trade landscape.

At the end of Friday's trading session, the local unit settled at 87.53 (provisional), up 12 paise over its previous closing price.

Crude Oil: Oil prices extended their latest slide as OPEC+ agreed to another large rise in output for September, which completely reverses last year's cuts of 2.2 million barrels per day.

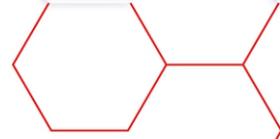
Brent dropped 0.6% to \$69.24 a barrel, while US crude also fell 0.6% to \$66.93 per barrel.

FPIs & DIIs: Foreign institutional investors (FIIs) net sold Indian equities exceeding Rs 42,000 crore in July 2025 after three months of consecutive buying in April, May and June.

In the current year, FIIs have sold equities worth Rs 1.57 lakh crore, while DIIs have purchased net equities amounting to Rs 4.02 lakh crore.

Domestic Institutional Investors (DIIs) are steadily investing in Indian equities. During Q1FY26, the net equity purchased by DIIs was worth Rs 1,16,970 crore.

Gold: In commodity markets, gold was flat at \$3,361 an ounce, having climbed more than 2% on Friday.



Indices	Last close	One-day change in %	One month change in %	% YTD change in %
International				
DJIA*	44,130.98	-0.74	0.08	3.73
Nasdaq Composite*	21,122.45	-0.03	3.7	9.38
Nikkei 225 (Japan)	40,799.60	-0.66	2.03	2.27
Straits Times (Singapore)	4,153.83	-0.48	4.11	9.67
Hang Seng (Hong Kong)	24,507.81	-1.07	1.81	22.17
Kospi Composite (Seoul)	3,119.41	-3.88	0.96	30
FTSE 100 (London)	9,132.81	-0.05	4.24	11.74
Cac 40 (France)*	7,771.97	-1.14	1.38	5.3
Xetra Dax (Germany)*	24,065.47	-0.81	0.65	20.88
S&P 500 (US)*	6,339.39	-0.37	2.17	7.78
Shanghai (china)	3,559.95	-0.37	2.96	6.21
MICEX (Russia)*	2,732.83	0.03	-4.06	-5.21
Bovespa (Brazil)*	1,33,071.00	-0.69	-4.64	10.63
JCI (Indonesia)	7,537.77	0.71	9	6.47
SET (Thailand)	1,218.33	-1.93	9.76	-12.99

*Data as of Jul 31

FII equity investments, Rs cr

	Buy	Sell	Net	MTD
31-Jul	15,771.00	21,924.00	-6,153.00	-24,723.00
Jul-25	0	0	0	
Jun-25	3,71,204.75	3,50,781.11	20,423.64	
May-25	3,61,096.18	3,46,413.08	14,683.10	
Apr-25	3,18,326.36	3,13,929.66	4,396.70	
Mar-25	2,98,911.92	2,90,858.48	8,053.44	
Feb-25	2,97,314.60	3,43,915.00	-46,600.40	
Last Close	12,397.00	12,559.00	-162	
6 Months average	2,74,475.64	2,74,316.22	159.41	

MF equity investments, Rs cr

	Buy	Sell	Net	MTD
31-Jul	9,610.00	8,539.00	1,071.00	45,400.00*
Jul-25	0	0	0	
Jun-25	257946.08	214007.74	43938.34	
May-25	233615	177312.92	56302.08	
Apr-25	212481.74	195438.37	17043.37	
Mar-25	202659.75	196742.88	5916.87	
Feb-25	226200.32	178266.51	47933.81	
Last Close	13,656.00	7,799.00	5,857.00	
6 Months average	1,88,817.15	1,60,294.74	28,522.41	

-MF data as of July 30

WEEK AHEAD

Investors will continue to monitor developments on the international trade front going forward after US President announced imposition of sweeping tariffs on 69 countries.

A slew of data points are scheduled for release next week. As corporate earnings announcements continue, the major focus would be on the RBI, as the country's banking regulator unveils its latest monetary policy.

India:

On Tuesday (August 05), the Services PMI and the Composite PMI values would be unveiled.

On Wednesday (August 06), the Reserve Bank of India (RBI) will announce its latest monetary policy.

China:

On Tuesday (August 05), the Caixin Services PMI for the month of July would be announced.

On Thursday (August 07), the balance of trade for July 2025 would be announced.

United States of America:

On Monday (August 04), the data for factory orders for the month of June would be made public.

On Tuesday (August 05), the ISM Services PMI figure for July 2025 would be made public.

On Wednesday (August 06), the API Crude Oil Stock Change for the week ended on 01 August 2025 would be unveiled.

Source: Bloomberg, Capital Market, MOSL & HSBC MF estimates as on August 4, 2025 or as latest available.

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