



HSBC Mutual Fund

Market Flash

May 12, 2025





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Sensex jumps 2,000 points, Nifty above 24,700; Nifty Auto up 5%

Indian benchmark equity indices BSE Sensex and Nifty50 opened higher on Monday, amid improving global cues after India and Pakistan came to an understanding over simmering tensions, while US and China made progress on their trade deal discussions.

Last week, Indian equity benchmarks halted a three-week rally, with both the benchmark indices falling by as much as 1.5% as concerns mounted over a potential large-scale conflict between India and Pakistan.

At 10:25 AM, the frontline BSE Sensex was trading at 81,733 up 2,279 points or 2.87%. Market breadth is positive and out of a total of 3,861 shares traded on the Bombay Stock Exchange, 3,301 advanced while 408 declined and 152 remained unchanged. The broader Nifty50 was at 24,715 levels up 707 points or 2.95%.

Among the sectoral indices, except for pharma and healthcare, all other sectors including Nifty auto, bank, energy, IT, metal, realty, and consumer durables rose up to 4.72%.

In the broader markets, the BSE Mid Cap index rose 2.59% and BSE Small Cap index gained 3.10%.

WEEKLY REVIEW – MAY 5, 2025 – MAY 9, 2025

The key equity indices posted significant losses this week, driven by escalating India-Pakistan tensions following drone and missile attacks by Pakistani forces. This heightened geopolitical risk triggered a broad market sell-off, with the Sensex and Nifty declining by over 1%. The broader market underperformed the frontline indices during this period.

During the week, Realty, Power, Bankex, and Oil & Gas were the top losers, falling 6.3%, 3.3%, 2.6%, 2.2%, respectively. On the other hand, Auto, Consumer Durables, and Capital Goods topped the charts on the sectoral front, gaining 1.5%, 0.6%, 0.3%, respectively.

In the week ended on Friday, 9 May 2025, the BSE Sensex slumped 1,047.52 points or 1.30% to settle at 79,454.47. The Nifty 50 index tanked 338.7 points or 1.39% to settle at 24,008. The BSE Mid Cap index slipped 1.39% to close at 42,111.50. The BSE Small Cap index tumbled 1.31% to end at 46,741.95.

Indices	Last close	One-day change in %	One month change in %	% YTD change in %
Domestic				
S&P BSE Sensex	79,454.47	-1.1	7.59	1.68
Nifty 50	24,008.00	-1.1	7.18	1.54
S&P BSE 200	10,784.99	-0.72	6.58	-1.34
S&P BSE 500	34,105.30	-0.68	6.43	-3.08
S&P BSE Midcap	42,111.50	-0.1	6.49	-9.33
S&P BSE Smallcap	46,741.95	-0.3	5.17	-15.29
S&P BSE Auto	50,697.31	-0.19	12.3	-1.87
S&P BSE Bankex	61,100.73	-1.04	6.28	5.82
S&P BSE Cap Goods	62,852.21	1.67	9.66	-7.27
S&P BSE Consumer Durables	56,840.42	1.29	6.19	-11.79
S&P BSE FMCG	20,180.32	-0.65	1.17	-2.85
S&P BSE Healthcare	41,222.60	-0.16	4.2	-8.95
S&P BSE IT	35,153.69	-0.32	9.78	-18.6
S&P BSE Metal	28,621.09	0.17	7.53	-0.94
S&P BSE Oil & Gas	26,094.04	-0.46	8.42	0.11
S&P BSE Power	6,368.69	-1.11	0.34	-8.57
S&P BSE Realty	6,394.24	-2.08	5.88	-22.34

GLOBAL MARKETS

Wall Street stock futures climbed, and the dollar firmed against safe haven peers on Monday as signs of progress in U.S.-China trade talks boosted hopes a global recession might be avoided, though specifics were still sorely lacking.

Markets reacted by pushing S&P 500 futures up 1.2%, while Nasdaq futures rose 1.4%. EUROSTOXX 50 futures firmed 0.9%, while FTSE futures added 0.4% and DAX futures 0.7%.

Japan's Nikkei edged up 0.3%, while South Korea gained 0.4%.

Chinese blue chips firmed 0.8%, though data over the weekend showed factory-gate prices posted the steepest drop in six months in April while consumer prices fell for a third month.

The dollar added 0.4% on the safe haven yen to reach 145.90, though it was off an early five-week peak of 146.31. The euro dipped 0.2% to \$1.1224 and the dollar index edged up 0.2% to 100.60.

RUPEE, OIL & FIIs

Indian Rupee: The Indian rupee extended its fall on Friday, declining by 30 paise against the US dollar, as intensifying geopolitical tensions between India and Pakistan sparked risk-off sentiment in the market. Rupee depreciated 30 paise to open at 85.88 against the greenback on Friday.

Crude Oil: Oil prices rose on Monday after both sides in US-China trade talks over the weekend touted their progress, which lifted market sentiment that the world's two largest crude users may be moving toward a resolution of their trade dispute.

Brent crude futures climbed 27 cents, or 0.4%, to \$64.18 a barrel at 0001 GMT. US West Texas Intermediate (WTI) crude futures were trading at \$61.30 a barrel, up 28 cents, or 0.5%, from Friday's close.

FPIs & DIIs: Despite volatility in the domestic market, Indian equities have managed to garner sustained fund inflows from foreign institutional investors (FIIs) as well as domestic institutional investors (DIIs). FIIs and DIIs were both net buyers in the cash market with figures of Rs 13,057 crore and Rs 3,173 crore, respectively.

International

DJIA*	41,368.45	0.62	9.89	-2.76
Nasdaq Composite*	17,928.14	1.07	17.42	-7.16
Nikkei 225 (Japan)	37,503.33	1.56	18.25	-5.99
Straits Times (Singapore)	3,876.16	0.73	14.22	2.34
Hang Seng (Hong Kong)	22,867.74	0.4	12.85	14
Kospi Composite (Seoul)	2,577.27	-0.09	12.36	7.41
FTSE 100 (London)	8,531.61	-0.32	7.85	4.39
Cac 40 (France)*	7,694.44	0.89	8.37	4.25
Xetra Dax (Germany)*	23,352.69	1.02	15.15	17.3
S&P 500 (US)*	5,663.94	0.58	13.67	-3.7
Shanghai (china)	3,342.00	-0.3	4.87	-0.29
MICEX (Russia)*	2,850.93	0.63	7.55	-5.77
Bovespa (Brazil)*	1,36,231.91	2.12	9.92	13.26
JCI (Indonesia)	6,832.80	0.07	13.95	-4.86
SET (Thailand)	1,210.94	0.36	12.28	-10.02

***Data as of May 8**

FII equity investments, Rs cr

	Buy	Sell	Net	MTD
08-May	22,515.00	20,088.00	2,427.00	13,993.00
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	
Jan-25	2,51,530.65	3,24,206.54	-72,675.89	
Dec-24	3,28,550.47	3,17,464.70	11,085.77	
Nov-24	3,59,106.71	3,81,708.83	-22,602.12	
Last Close	16,404.00	13,452.00	2,952.00	
6 Months average	3,08,956.79	3,28,680.54	-19,723.75	

MF equity investments, Rs cr

	Buy	Sell	Net	MTD
30-Apr	10,311.00	7,394.00	2,917.00	7,988.00*
Apr-25	212481.74	195438.37	17043.37	
Mar-25	202659.75	196742.88	5916.87	
Feb-25	226200.32	178266.51	47933.81	
Jan-25	259968.35	204678.3	55290.05	
Dec-24	238343.12	210205.34	28137.78	
Nov-24	184871.96	149239.4	35632.56	
Last Close	8,285.00	9,956.00	-1,671.00	
6 Months average	2,20,754.21	1,89,095.13	31,659.07	

-MF data as of May 7

WEEK AHEAD

The domestic equity market is expected to remain cautious this week as investors weigh ongoing geopolitical tensions between India and Pakistan. While the broader structural story for Indian equities remains robust, any further flare-up in tensions could trigger heightened volatility in the near term.

Looking ahead, the Q4FY25 earnings season is expected to be a key driver of market direction. Corporate performance, alongside geopolitical developments, will likely guide investor sentiment in the days to come.

Despite the geopolitical jitters, market watchers remain optimistic, pointing to strong domestic macro fundamentals, easing global risks, and steady inflows from foreign institutional investors (FIIs) as key pillars of support. These underlying strengths are expected to cushion the market and sustain the bullish undertone in the long run—even as it navigates short-term uncertainty.

Several major companies are set to announce their Q4 results in the coming days.

Domestic Cues:

India's consumer price inflation for April will release on Tuesday, 13 May 2025.

India's wholesales price inflation for April will release on Wednesday, 14 May 2025.

India's balance of trade data for April will release on Thursday, 15 May 2025.

Global Cues:

United States inflation data for April will release on Tuesday, 13 May 2025.

United States retail sales data for April will release on Thursday, 15 May 2025.

Fed Chair Powell's speech is on Thursday, 15 May 2025.

Japan's GDP Growth Rate QoQ (Preliminary Q1) is on Friday, 16 May 2025.

The U.S. Census Bureau is scheduled to release the preliminary building permits data for April 2025 on Friday, 16 May 2025.

The U.S. Census Bureau is set to release the April 2025 housing starts data on Friday, 16 May 2025.

The University of Michigan's preliminary Consumer Sentiment Index for May 2025 is scheduled for release on Friday, 16 May 2025.

Source: Bloomberg, BSE, HSBC MF, CRISIL, Capital Market

Views provided above are based on information in public domain and subject to change. Investors are requested to consult their financial advisor for any investment decisions.

Source: Bloomberg, Capital Market, MOSL & HSBC MF estimates as on May 12, 2025 or as latest available.

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