HSBC Mutual Fund

Market Flash

Aug 03, 2026

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Sensex up 550 points, Nifty above 24,550 mark; Crude Oil prices skids

Benchmark indices rose as the oil prices declined after US President said the negotiations with Tehran will begin on Monday.

The upbeat start came as investors took comfort from easing crude oil prices and improving global sentiment after fresh diplomatic developments in the Middle East.

Market participants also remained focused on the Reserve Bank of India's monetary policy meeting and the ongoing June-quarter earnings season, with several heavyweight companies set to announce their results. Foreign investor inflows, which turned positive in July after months of selling, also continued to support market sentiment.

The rupee opened 25 paise stronger against the US dollar at 95.14, compared to Friday's close of 95.39 a dollar.

Markets ended recent losing streak as softer crude oil prices, improving geopolitical developments, robust Q1 FY27 earnings and fresh buying by foreign institutional investors (FIIs) boosted investor sentiment.

The upcoming week (Aug 3 to Aug 7) will be mainly driven by the Reserve Bank of India (RBI) Monetary Policy Committee (MPC) announcements on the rates and firmly focused on geopolitical developments in the Middle East.

At 10:00 AM, the frontline BSE Sensex was trading at 78,670 up 576 points or (0.74%). The broader Nifty50 was at 24,566 levels up 182 points or (0.75%).

In the broader markets, the Nifty Mid Cap and the Nifty Small Cap were trading 0.42% and 0.54% higher, respectively.

Sector-wise, the Nifty FMCG and the Nifty Metal outperformed, while the Nifty Media underperformed.

WEEKLY REVIEW – JULY 27, 2026 – JULY 31, 2026

Indian equity markets ended the week with strong gains, driven by robust corporate earnings, broad-based buying and resilient domestic sentiment. On the macro front, India's foreign exchange reserves increased during the week, reflecting continued external sector resilience. 5

Global cues remained mixed. In Europe, Eurozone inflation accelerated in July, while the eurozone economy expanded more than expected in the second quarter. In the US, economic growth slowed in the second quarter, reinforcing signs of moderating economic momentum. Meanwhile, the Bank of England kept interest rates unchanged, citing easing inflation alongside persistent upside risks from higher energy prices and geopolitical uncertainty. Overall, strong domestic earnings and resilient macroeconomic fundamentals outweighed mixed global signals, supporting investor sentiment during the week.

In the week ended on Friday, 31 July 2026, the BSE Sensex jumped 2,034.87 points or 2.68% to settle at 78,094.64. The Nifty 50 index rose 616.15 points or 2.59% to settle at 24,383.60. The BSE 150 Mid Cap index gained 1.64% to close at 16,956.26. The BSE 250 Small Cap jumped 1.5% to end at 7,028.34.

Indices	Last close	One-day change in %	One month change in %	% YTD change in %
Domestic				
S&P BSE Sensex	78,094.64	0.21	2.11	-8.36
Nifty 50	24,383.60	0.27	2.17	-6.68
S&P BSE 200	11,419.78	0.38	2.28	-3.29
S&P BSE 500	36,684.83	0.39	2.02	-2.03
S&P BSE Midcap	48,507.62	0.5	2.1	3.31
S&P BSE Smallcap	56,089.76	0.64	0.53	8.86
S&P BSE Auto	63,263.41	1.99	7.98	1.13
S&P BSE Bankex	64,933.59	0.14	-0.15	-2.74
S&P BSE Cap Goods	77,012.22	1.78	-5.41	14.75
S&P BSE Consumer Durables	65,145.56	-0.16	9.25	8.57
S&P BSE FMCG	18,316.73	-0.9	0.72	-9.97
S&P BSE Healthcare	50,797.02	0.19	3.02	15.97
S&P BSE IT	29,502.29	-1.39	14.71	-19.69
S&P BSE Metal	40,935.64	0.12	1.83	11.2
S&P BSE Oil & Gas	26,484.24	1.01	1.75	-7.75
S&P BSE Power	7,668.81	1.26	-5.26	17.92
S&P BSE Realty	7,033.65	0.22	8.65	3.33

***Data as of Jul 30**

GLOBAL MARKETS

Oil prices skidded and stocks wobbled on Monday as hopes of peace in the Middle East grew, while the yen jumped suddenly after the U.S. and Japan confirmed joint intervention to prop up the frail currency.

Brent crude futures sank more than 6% to $82.41 after US President said talks with Iran will happen on Monday. He had earlier called off an imminent attack on Iran to reach a deal to reopen the Strait of Hormuz and resolve the impasse over Tehran's nuclear capabilities.

S&P 500 futures rose 0.4% while Nasdaq futures gained 0.6%. But Japan's Nikkei dipped 1% and South Korea's KOSPI slid 3.6% after a turbulent July in which it slumped 22%.

MSCI's broadest index of Asia-Pacific shares outside Japan was down 1% in early trading.

The Japanese yen rose more than 1% to 155.39 per US dollar in a sudden move that put traders on alert for another bout of intervention.

On Friday, the US stock market closed higher as investors looked past rising bond yields. The Nasdaq Composite rose 1% to end at 25,373.85, while the S&P 500 added 0.7% to close at 7,489.72. The Dow Jones Industrial Average gained 276.97 points, or 0.53%, to 52,485.03.

RUPEE, OIL, GOLD & FIIs

Indian Rupee: The Indian rupee strengthened against the US dollar on Friday, ending the session 30 paise higher at 95.38/$.

The domestic currency had settled at 95.68/$ in the previous trading session.

Crude Oil: Oil prices declined after US President announced that fresh talks with Iran would begin on Monday, following his decision to call off a planned military strike against the Islamic Republic.

Brent crude for October delivery fell as much as 7.3% during early Asian trading, after posting its biggest monthly gain since March with a nearly 25% surge in July. Meanwhile, West Texas Intermediate (WTI) crude traded below $81 a barrel.

FPIs & DIIs: Foreign institutional investors (FIIs) and domestic institutional investors (DIIs) remained net buyers of Indian equities on Friday, according to provisional exchange data.

FIIs purchased shares worth Rs 277.48 crore on a net basis during the session. They bought equities worth Rs 19,045.51 crore and sold shares worth Rs 18,768.03 crore.

Meanwhile, DIIs were net buyers to the tune of Rs 2,260.37 crore. Domestic institutions purchased equities worth Rs 19,885.80 crore and sold shares worth Rs 17,625.43 crore, resulting in a net inflow of Rs 2,260.37 crore.

Gold: Gold prices traded marginally higher on Monday, while silver outperformed with gains of more than 1%, as easing geopolitical tensions in West Asia offset concerns over the US Federal Reserve's interest rate outlook. Investors are now awaiting key US economic data this week for fresh cues on the direction of precious metals.

Gold was slightly higher in international markets, while silver gained more than 1% on Monday as investors assessed easing tensions in West Asia and continued uncertainty surrounding the US Federal Reserve's monetary policy.

On the Comex, gold was trading at $4,109.90 per ounce, up $2.90 or 0.07%, after touching an intraday high of $4,145.50 per ounce. Silver climbed to $58.415 per ounce, gaining 1.09% during the session

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Indices	Last close	One-day change in %	One month change in %	% YTD change in %
International				
DJIA*	52,208.06	1.19	-0.21	8.62
Nasdaq Composite*	25,122.18	2.78	-4.16	8.09
Nikkei 225 (Japan)	64,362.02	4.03	-8.14	27.86
Straits Times (Singapore)	5,628.50	-0.79	8.85	21.14
Hang Seng (Hong Kong)	25,884.43	0.1	13.13	0.99
Kospi Composite (Seoul)	6,595.45	17.91	-22.19	56.51
FTSE 100 (London)	10,897.27	-0.1	3.81	9.73
Cac 40 (France)*	8,485.64	0.92	0.97	4.12
Xetra Dax (Germany)*	25,612.03	0.6	2.47	4.58
S&P 500 (US)*	7,437.63	1.66	-0.82	8.65
Shanghai (china)	3,832.26	0.72	-6.4	-3.44
MICEX (Russia)*	2,216.23	0.29	-5.62	-19.89
Bovespa (Brazil)*	1,77,158.86	1.88	2.98	9.95
JCI (Indonesia)	6,236.13	0.8	10.51	-26.96
SET (Thailand)	1,623.64	1.6	2.04	28.89

***Data as of Jul 30**

FII equity investments, Rs cr

	Buy	Sell	Net	MTD
30-Jul	18,811.00	14,023.00	4,788.00	21,981.00
Jun-26	3,62,181.25	3,91,353.21	-29,171.96	
May-26	3,65,202.02	4,12,090.84	-46,888.82	
Apr-26	3,23,226.40	3,92,097.98	-68,871.58	
Mar-26	2,72,050.15	3,84,357.33	-1,12,307.18	
Feb-26	3,82,778.64	3,65,631.19	17,147.45	
Jan-26	2,99,461.12	3,41,314.56	-41,853.44	
Last Close	20,995.00	15,196.00	5,799.00	
6 Months average	3,34,149.93	3,81,140.85	-46,990.92	

MF equity investments, Rs cr

	Buy	Sell	Net	MTD
30-Jul	11,744.00	8,663.00	3,081.00	18,476.00*
Jun-26	348939.79	296100.29	52839.5	
May-26	295585.04	232497.6	63087.44	
Apr-26	286465.08	255871.12	30593.96	
Mar-26	337683.32	238937.33	98745.99	
Feb-26	287077.79	276638.71	10439.08	
Jan-26	351510.94	305054.58	46456.36	
Last Close	11,744.00	8,663.00	3,081.00	
6 Months average	3,17,876.99	2,67,516.61	50,360.39	

-MF data as of Jul 24

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WEEK AHEAD

The week gone by was dominated by two defining developments: a hawkish-leaning Fed hold and a further deterioration in Hormuz supply flows.

The FOMC voted 9-3 to hold the federal funds rate steady at 3.50–3.75% on 29 July, making it the Fed's the fifth consecutive hold.

On the energy front, Brent saw buying strong demand this week after US Prez threatened to hit Iran hard, with the conflict expanding beyond Hormuz into the Red Sea as Houthi militants declared a maritime embargo against Saudi Arabia.

For India, crude above $90 per barrel directly threatens CAD widening and keeps the RBI firmly on hold.

On the domestic growth front, a domestic rating agency has reportedly estimated India's Q1 FY27 GDP growth to be in the 6.4–6.6% range, which is a moderation from FY26's 7.7% figure, as elevated energy prices and monsoon deficit remain the key drag factors.

In India, the final HSBC Manufacturing PMI reading for July 2026 would be released on Monday (03 August 2026).

On Wednesday (05 August 2026), the Reserve Bank of India would announce its latest monetary policy decision.

Wednesday would also see the release of final values for the HSBC Services PMI and the HSBC Composite PMI for the month of July.

On Friday (07 August 2026), the Foreign Exchange Reserves position for the period ended on July 31 would be made public.

In China, the RatingDog Manufacturing PMI for July 2026 would be unveiled on Monday (03 August 2026).

On Wednesday (05 August 2026), the RatingDog Services PMI and the RatingDog Composite PMI for the month of July would be made public.

On Friday (07 August 2026), the Balance of Trade data for July 2026 would be announced.

In the United States, the ISM Manufacturing PMI for the month of July would be released.

On Tuesday (04 August 2026), the Balance of Trade data for the month of June 2026 would be made public.

On the same day, the JOLTs Job Openings data for the month of June would also be made public.

On Wednesday (05 August 2026), the ISM Services PMI for July 2026 would be announced.

Wednesday would also witness the release of the API Crude Oil Stock Change for the period ended on July 31.

Lastly, on Friday (07 August 2026), the Non Farm Payrolls figures for July 2026 would be made public.

The Unemployment Rate for the month of July would also be announced on Friday.

Source: Bloomberg, Morningstar, Capital Market, MOSL & HSBC MF estimates as on August 3, 2026 or as latest available.