



HSBC Mutual Fund

Market Flash

June 03, 2024





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Sensex, Nifty hit lifetime high; Nifty PSU Bank index up 5%

Markets have rallied in the opening trades today with benchmark indices hitting fresh record highs after exit polls signalled ruling party would secure a third term along with strong GDP data, thus boosting investor confidence.

The BSE Sensex zoomed 2,622 points, or 3.5%, to hit new lifetime high of 76,739 levels, while the NSE Nifty50 climbed 807 points to 23,339 levels.

The Indian rupee surged by 42 paise to reach 83.00 against the US dollar in early trade today. The Indian economy grew by a record-shattering 8.2% in real terms in the year ended March 2024 with manufacturing, construction and government capex showing strong momentum.

At 10:05 AM, the frontline S&P BSE Sensex was trading at 75,975 up 2,000 points or 2.70%. Market breadth is positive and out of a total of 3,470 shares traded on the Bombay Stock Exchange, 2,744 advanced while 605 declined and 121 remained unchanged. The broader Nifty50 was at 23,152 levels up 622 points or 2.76%.

In the broader markets, Nifty Small Cap rose 2.73% while Mid Cap jumped 2.5%.

Sectorally, the broad-based rally was led by Nifty PSU Bank index (up 5%), Nifty Realty (4%), and Nifty Bank (3%).

WEEKLY REVIEW – MAY 27 – MAY 31, 2024

Key equity indices witnessed significant losses during the week. The Nifty settled below the 22,550 level. The benchmarks were lower for three out of five trading sessions in this week. The broader market failed to sustain its outperformance this week.

In the week ended on Friday, 31 May 2024, the S&P BSE Sensex lost 1,449.08 points or 1.92% to settle at 73,961.31. The Nifty 50 index shed 426.40 points or 1.86% to settle at 22,530.70. The BSE Mid Cap index declined 1.53% to close at 42,852.69. The BSE Small Cap index fell 1.53% to end at 47,263.66.

Indices	Last close	One-day change in %	One month change in %	% YTD change in %
Domestic				
S&P BSE Sensex	73,961.31	0.1	-0.7	2.38
Nifty 50	22,530.70	0.19	-0.33	3.68
S&P BSE 200	10,432.24	0.24	0.61	8.23
S&P BSE 500	33,344.28	0.29	0.61	8.54
S&P BSE Midcap	42,852.69	0.06	1.74	16.32
S&P BSE Smallcap	47,263.66	0.76	-0.11	10.76
S&P BSE Auto	53,026.17	-0.32	3.84	25.57
S&P BSE Bankex	55,771.72	0.3	-0.4	2.56
S&P BSE Cap Goods	70,055.57	0.91	11.16	25.9
S&P BSE Consumer Durables	54,915.39	0.53	-0.51	9.83
S&P BSE FMCG	19,528.82	-0.21	-0.42	-4.59
S&P BSE Healthcare	34,889.53	-0.55	-1.46	10.59
S&P BSE IT	33,198.71	-0.99	-2.63	-7.81
S&P BSE Metal	32,713.24	1.28	4.68	21.2
S&P BSE Oil & Gas	28,639.87	0.56	-1.18	24.41
S&P BSE Power	7,699.46	1.8	6.64	32.32
S&P BSE Realty	7,979.82	2.02	4.4	28.98

GLOBAL MARKETS

Asian share markets rallied on Monday as investors looked forward to a rate cut in Europe, and quite possibly Canada, as the next step in global policy easing, though sticky inflation threatens to make the process a drawn out affair.

There was also better news from China as the private Caixin survey showed a pick-up in its main factory index to a two-year top of 51.7 in May, from 51.4 in April.

Japan's factory activity expanded for the first time in a year in May, while activity in South Korea grew at the fastest pace in two years.

All of which helped MSCI's broadest index of Asia-Pacific shares outside Japan bounce 1.4%, having slid 2.5% last week. Chinese blue chips added 0.3%.

Japan's Nikkei rose 1.1%, after rebounding from one-month lows on Friday, while South Korea gained 1.8%.

US stocks rebounded on Friday from sharp losses the day before on news of an improving consumer outlook on inflation, sending the Nasdaq to a fifth straight week of gains and record closing high.

EUROSTOXX 50 futures climbed 0.9% and FTSE futures 0.7% as the risk-on mood spread.

Month-end flows saw Wall Street stage a late rally on Friday and left the Nasdaq up almost 7% for May. Early on Monday, S&P 500 futures were up 0.2%, with Nasdaq futures adding 0.1%.

RUPEE, OIL & FIIs

Indian Rupee: The rupee closed at 83.4625 on Friday, down 0.4% on the week.

Crude Oil: Oil prices recovered from an early dip to push higher on Monday after OPEC+ agreed on Sunday to extend most of its oil output cuts into 2025, though some cuts will start to be unwound from October 2024 onwards.

Brent rose 38 cents to \$81.49 a barrel, while U.S. crude firmed 39 cents to \$77.38 per barrel.

FPIs & DIIs: Foreign investors sold a net amount of \$3 billion of Indian stocks in May.

The Foreign Institutional Investors (FIIs) turned net buyers on the final day of the month, as they bought Indian equities worth Rs 1,613.24 crore, while Domestic Institutional Investors (DIIs) bought equities worth Rs 2,114.17 crore on May 31.

GST: India's Goods and Services Tax (GST) collections for May 2024 came in at Rs 1.73 lakh crore, up 10% year-on-year. The growth in mop-up was driven by an increase in domestic transactions (up 15.3%) and slowing of imports (down 4.3%).

International				
DJIA*	38,111.48	-0.86	0.78	1.12
Nasdaq Composite*	16,737.08	-1.08	6.89	11.5
Nikkei 225 (Japan)	38,487.90	1.14	0.21	15.01
Straits Times (Singapore)	3,336.59	0.4	1.33	2.97
Hang Seng (Hong Kong)	18,079.61	-0.83	1.78	6.06
Kospi Composite (Seoul)	2,636.52	0.04	-2.06	-0.71
FTSE 100 (London)	8,231.05	0.59	1.07	6.44
Cac 40 (France)*	7,978.51	0.55	-0.08	5.77
Xetra Dax (Germany)*	18,496.79	0.13	3.15	10.42
S&P 500 (US)*	5,235.48	-0.6	3.97	9.76
Shanghai (china)	3,086.81	-0.16	-0.58	3.76
MICEX (Russia)*	3,252.71	-0.9	-6.26	4.96
Bovespa (Brazil)*	Closed	NA	NA	0
JCI (Indonesia)	6,970.74	-0.9	-3.64	-4.15
SET (Thailand)	1,345.66	-0.43	-1.63	-4.96

***Data as of May 30**



FII equity investments, Rs cr

	Buy	Sell	Net	MTD
30-May	21,864.00	22,986.00	-1,122.00	-34,258.00
Apr-24	3,35,086.26	3,41,906.51	-6,820.25	
Mar-24	3,49,396.70	3,18,499.69	30,897.01	
Feb-24	3,46,071.09	3,42,071.05	4,000.04	
Jan-24	3,34,371.62	3,60,482.66	-26,111.04	
Dec-23	3,10,626.00	2,52,127.73	58,498.27	
Nov-23	2,59,204.53	2,40,026.67	19,177.86	
Last Close	15,490.00	19,801.00	-4,311.00	
6 Months average	3,22,459.37	3,09,185.72	13,273.65	

MF equity investments, Rs cr

	Buy	Sell	Net	MTD
30-May	10,952.00	5,427.00	5,525.00	77,990.00*
Apr-24	206765.05	173941.35	32823.7	
Mar-24	201194.39	157327.2	43867.19	
Feb-24	193495.11	178241.96	15253.15	
Jan-24	212804.1	189734.7	23069.4	
Dec-23	184663.33	161059.58	23603.75	
Nov-23	106323.62	88998.6	17325.02	
Last Close	10,587.00	7,330.00	3,257.00	
6 Months average	1,84,207.60	1,58,217.23	25,990.37	

-MF Data as of May 29



WEEK AHEAD

As the Q4FY24 result season has concluded, investors will monitor global cues, the domestic and global macroeconomic data, trend in global stock markets, the movement of rupee against the dollar and crude oil prices will also dictate trend on the bourses. Investment by foreign portfolio investors (FPIs) and domestic institutional investors (DIIs) will also be monitored.

With Lok Sabha election results looming next week, the nation is abuzz with anticipation. A favourable outcome in the general elections could boost investor confidence in India's economic trajectory, potentially encouraging them to invest boldly.

The Reserve Bank of India (RBI) will hold its monetary policy committee (MPC) meeting during June 5 to 7, 2024. The outcome of the meeting will be disclosed on Friday, 7th June 2024.

HSBC Services PMI for May will be disclosed on Wednesday, 5 June 2024.

In the global market, China's Caixin Manufacturing PMI for May will be disclosed on Monday, 3 June 2024.

In the US, JOLTs Job Openings data for April will release on Tuesday, 4 June 2024.

In the US, ISM Services PMI for May will be disclosed on Wednesday, 5 June 2024.

US Non Farm Payrolls data for May will be disclosed on Friday, 7 June 2024.

US unemployment rate data for May will be disclosed on Friday, 7 June 2024.

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

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