

# Market Flash

November 06, 2023



## Market Flash

### Sensex zooms 400 points tracking global cues; Realty & Metal shine

Markets are trading on a firm note tracking positive global cues. The rebound in global equities entered third day Monday as last Friday's lower-than-expected jobs data in the US reignited hopes that the Fed will abstain from hiking rates going ahead.

At 9:55 AM, the frontline S&P BSE Sensex was trading at 64,743 up 380 points or 0.59%. Market breadth is positive and out of a total of 3,170 shares traded on the Bombay Stock Exchange, 2,192 advanced while 816 declined and 162 remained unchanged. The broader Nifty50 was at 19,346 levels up 115 points or 0.60%.

In the broader markets, meanwhile, the BSE Mid Cap and Small Cap indices added 0.49% and 0.92%, respectively.

Among sectors, the Nifty Realty and Metal indices clocked gains of 0.9% each, followed by the Nifty Private bank index (up 0.6%). On the downside, the Nifty PSU Bank index fell 0.2%.

### WEEKLY REVIEW – OCTOBER 30 – NOVEMBER 3, 2023

The domestic equity benchmarks managed to the week with decent gains. The Nifty settled below the 19,200 mark. This resurgence was buoyed by a combination of positive factors, including the US Federal Reserve's decision to keep interest rates steady, a decline in US bond yields, and stabilised crude oil prices.

Domestic equity indices dropped sharply in truncated trading week on selling pressure across index pivotal, driven by rising US bond yields and escalating tensions between Palestine and Israel. The Nifty settled below the 19,050 mark.

In the week ended on Friday, 03 November 2023, the S&P BSE Sensex jumped 580.98 points or 0.91% to settle at 64,363.78. The Nifty50 index gained 183.35 points or 0.96% to close at 19,230.60. The BSE Mid Cap index rose 2% to close at 31,735.86. The BSE Small Cap index added 1.90% to end at 37,589.06.

Indices	Last close	One-day change in %	One month change in %	% YTD change in %
<b>Domestic</b>				
S&P BSE Sensex	64,363.78	0.44	-1.75	5.79
Nifty 50	19,230.60	0.51	-1.53	6.22
S&P BSE 200	8,445.05	0.61	-1.59	7.55
S&P BSE 500	26,917.85	0.64	-1.55	9.4
S&P BSE Midcap	31,735.86	0.71	-1.96	25.37
S&P BSE Smallcap	37,589.06	0.94	-0.53	29.95
S&P BSE Auto	36,457.41	0.54	0.76	26.05
S&P BSE Bankex	48,960.38	0.68	-2.09	0.11
S&P BSE Cap Goods	46,225.69	0.41	-4.11	38.64
S&P BSE Consumer Durables	45,327.23	1.44	-0.88	14.11
S&P BSE FMCG	18,749.64	0.58	0.88	16.64
S&P BSE Healthcare	27,759.58	0.68	-2.35	20.52
S&P BSE IT	31,321.71	0.71	-2.12	9.24
S&P BSE Metal	22,361.00	0.35	-2.89	7.22
S&P BSE Oil & Gas	18,712.14	0.94	-0.35	-8.31
S&P BSE Power	4,467.68	0.43	-3.33	1.97
S&P BSE Realty	5,104.47	2.64	10.35	48.09

## GLOBAL MARKETS

Asian shares rallied for a fourth straight session on Monday after markets moved to price in earlier rate cuts in the United States and Europe, bullish wagers that will be tested by a swarm of central bank speakers this week.

Battered bond markets also enjoyed a welcome recovery as a benign US payrolls report and upbeat productivity numbers suggested the labor market was cooling enough to obviate the need for further rate hikes from the Federal Reserve.

Markets also imply around an 80% probability the European Central Bank will be cutting rates by April, while the Bank of England is seen easing in August.

The Bank of Japan is also on the road to tightening, albeit at a glacial pace. The head of the central bank on Monday said they were closer to achieving their inflation target, but it was still not enough to end ultra-loose policy.

Elsewhere, hopes for lower borrowing costs helped MSCI's broadest index of Asia-Pacific shares outside Japan gain 1.7%, having already rallied 2.8% last week and away from one-year lows.

Japan's Nikkei rose another 2.5%, after jumping 3.1% last week, while South Korea climbed 3.9% as authorities re-imposed a ban on short-selling to mid-2024.

Chinese blue chips gained 0.8%, ahead of data on trade and inflation due later this week.

S&P 500 futures and Nasdaq futures were both flat. EUROSTOXX 50 futures were also little moved, while FTSE futures inched up 0.1%.

## **RUPEE, OIL & FIIs**

**Indian Rupee:** The Indian rupee bucked the trend among its Asian peers and ended slightly lower on Friday, as continued local US dollar demand in the absence of substantial inflows weighed on the unit.

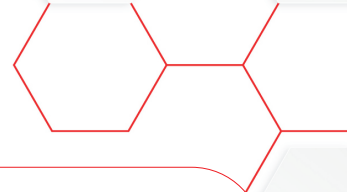
The rupee closed at 83.2850 against the US dollar, compared with its close at 83.2425 in the previous session. The unit was little changed on the week.

**Crude Oil:** Oil prices edged up on Monday after top exporters Saudi Arabia and Russia said they would stick to extra voluntary oil output cuts until the end of the year, keeping supply tight, while investors watched out for tougher US sanctions on Iranian oil.

Brent crude futures rose 41 cents, or 0.5%, to \$85.30 a barrel while US West Texas Intermediate crude was at \$81.05 a barrel, up 54 cents, or 0.7%.

**FPIs:** Foreign Portfolio Investors' (FPIs) selling spree continues as they pulled out over Rs 3,400 crore from the Indian equity markets in the first three trading sessions of November on rising interest rates and geopolitical tensions in the Middle East. This came after such investors withdrew Rs 24,548 crore in October and Rs 14,767 crore in September, data with the depositories showed.

Before the outflow, FPIs were incessantly buying Indian equities in the last six months from March to August and brought in Rs 1.74 lakh crore during the period.



<b>International</b>				
DJIA*	33,839.08	1.7	1.21	2.09
Nasdaq Composite*	13,294.19	1.78	-0.1	27.02
Nikkei 225 (Japan)	Closed	NA	NA	0
Straits Times (Singapore)	3,143.66	1.98	-1.53	-3.31
Hang Seng (Hong Kong)	17,664.12	2.52	1.92	-10.7
Kospi Composite (Seoul)	2,368.34	1.08	-3.92	5.9
FTSE 100 (London)	7,446.53	1.42	-0.85	-0.07
Cac 40 (France)*	7,060.69	1.85	-0.11	9.07
Xetra Dax (Germany)*	15,143.60	1.48	-0.68	8.76
S&P 500 (US)*	4,317.78	1.89	0.69	12.46
Shanghai (china)	3,030.80	0.71	-2.56	-1.89
MICEX (Russia)*	3,201.01	0.12	1.82	48.6
Bovespa (Brazil)*	Closed	NA	NA	0
JCI (Indonesia)	6,788.85	0.55	-2.19	-0.9
SET (Thailand)	1,419.76	1.12	-1.9	-14.92

**\*Data as of Nov 2**

#### FII equity investments, Rs cr

	Buy	Sell	Net	MTD
2-Nov	7,921.00	9,109.00	-1,188.00	-2,979.00
23-Oct	194,916.98	217,029.93	-22,112.95	
23-Sep	239,207.19	258,101.01	-18,893.82	
23-Aug	274,277.35	259,982.33	14,295.02	
23-Jul	234,667.68	200,673.78	33,993.90	
23-Jun	250,023.02	194,862.49	55,160.53	
23-May	240,766.01	199,559.25	41,206.76	
Last Close	6,687.00	8,478.00	-1,791.00	
6 Months average	238,976.37	221,701.47	17,274.91	

#### MF equity investments, Rs cr

	Buy	Sell	Net	MTD
2-Nov	6,033.00	5,077.00	956	13,878.00*
23-Oct	72782.38	58904.76	13877.62	
23-Sep	119295.59	99548.54	19747.05	
23-Aug	136454.48	110953.63	25500.85	
23-Jul	95495.32	87787.86	7707.46	
23-Jun	109374.51	103710.48	5664.03	
23-May	100303.37	97856.86	2446.51	
Last Close	6,033.00	5,077.00	956	
6 Months average	105,617.61	93,127.02	12,490.59	

**-MF Data as of Oct 18**

## WEEK AHEAD

Market participants will also keep an eye on movement in oil prices amid geopolitical tension in Israel and Gaza.

The corporate results for the second quarter of the current fiscal (Q2FY24), July to September period, is currently underway. 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.

On the macro front, the Industrial Production and Manufacturing Production data for September will be released on 10 November 2023.

On the political front, the outcome of assembly elections in five states will be closely watched. Voting will happen between November 7 and November 30 while the counting of votes will be held on December 3. The state of Madhya Pradesh will vote on 17 November 2023. Elections in Rajasthan will be held on 25 November 2023. Voting in Telangana will be held on 30 November 2023. Elections in Chhattisgarh will be conducted in two phases on 7 and 17 November 2023. Voting in Mizoram will be held on 7 November 2023. The upcoming state polls are being considered as a semi-final before the 2024 assembly elections.

Overseas, China will announce inflation rate for October on 9 November 2023.

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

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