

# Market Flash

August 07, 2023





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### Markets positive amid volatility, Small Caps outperform; Nifty IT index gain

Indian equities started firm today with Q1FY24 earnings in focus, shrugging the weak global cues.

The Indian rupee opened 11 paise higher against the US dollar today amid a softer greenback and a pullback in US treasury yields after mixed jobs data. The local currency opened at 82.73 as against the Friday's close of 82.84.

At 9:55 AM, the frontline S&P BSE Sensex was trading at 65,837 up 116 points or 0.18%. Market breadth is positive and out of a total of 3,156 shares traded on the Bombay Stock Exchange, 1,888 advanced while 1,125 declined and 143 remained unchanged. The broader Nifty50 was at 19,552 levels up 35 points or 0.18%.

In the broader markets, the BSE Mid Cap and Small Cap indices added 0.3% and 0.6%, respectively.

Meanwhile, among sectoral indices, all but the Nifty FMCG index edged higher. The Nifty IT index was the top performer, rising half a per cent.

### WEEKLY REVIEW – JULY 31 – AUG 4, 2023

The domestic equity benchmarks nudged lower during the week, extending losses for the second week in a row.

This decline was triggered by Fitch's recent downgrade of the US credit rating. The Nifty settled below the 19,550 mark. The frontline indices edged lower in three out of five trading sessions during this week.

In the week ended on Friday, 4 August 2023, the S&P BSE Sensex slipped 438.95 points or 0.66% to settle at 65,721.25. The Nifty50 index declined 129.05 points or 0.66% to close at 19,517.

The BSE Mid Cap index was flat at 30,162.66. The BSE Small Cap index added 1.51% to close at 35,070.65.



Indices	Last close	One-day change in %	One month change in %	% YTD change in %
<b>Domestic</b>				
S&P BSE Sensex	65,721.25	0.74	0.37	8.02
Nifty 50	19,517.00	0.7	0.66	7.8
S&P BSE 200	8,465.81	0.71	1.53	7.82
S&P BSE 500	26,800.55	0.69	1.99	8.92
S&P BSE Midcap	30,162.66	0.65	4.74	19.15
S&P BSE Smallcap	35,070.65	0.66	6.91	21.24
S&P BSE Auto	35,092.91	-0.42	1.51	21.33
S&P BSE Bankex	50,428.55	0.66	-1.22	3.11
S&P BSE Cap Goods	43,070.04	0.66	6.26	29.18
S&P BSE Consumer Durables	42,211.36	0.47	-1.66	6.27
S&P BSE FMCG	18,777.77	0.07	-0.83	16.81
S&P BSE Healthcare	27,852.00	0.59	8.36	20.92
S&P BSE IT	30,781.16	1.47	2.62	7.36
S&P BSE Metal	21,650.42	0.46	4.15	3.81
S&P BSE Oil & Gas	18,909.60	-0.11	2.2	-7.35
S&P BSE Power	4,249.02	-0.4	5.93	-3.02
S&P BSE Realty	4,314.36	0.08	3.03	25.17

## GLOBAL MARKETS

Asian share markets were in a cautious mood on Monday after a mixed US jobs report sparked a rally in beaten-down bonds, but new hurdles lay ahead in the shape of U.S. and Chinese inflation figures due later this week.

MSCI's broadest index of Asia-Pacific shares outside Japan was a fraction firmer in thin trade, after losing 2.3% last week.

Japan's Nikkei slipped 0.2% but found support at its July low. Chinese blue chips eased 0.7% with investors still disappointed at the lack of major and concrete stimulus steps from Beijing.

EUROSTOXX 50 futures dipped 0.3% and FTSE futures 0.5%. Going the other way, S&P 500 futures added 0.4% and Nasdaq futures 0.5%.



## RUPEE, OIL & FIIs

**Indian Rupee:** The Indian rupee ended 12 paise lower at a more than two-month low against the US dollar on Friday amid strength in greenback and selloff in Asian currencies. The local currency ended at 82.84 a dollar as compared to its previous close of 82.72.

**Crude Oil:** Oil prices paused having rallied for six straight weeks amid tightening supplies. The 17% climb in Brent combined with upward pressure on food prices from the war in Ukraine and global warming, is a threat to hopes for continued disinflation across the developed world.

Brent was up one cent at \$86.25 a barrel, while U.S. crude gained 1 cent to \$82.83.

**FPIs & DIIs:** Foreign institutional investors (FII) sold shares worth Rs 556.32 crore, whereas domestic institutional investors (DII) bought Rs 366.61 crore worth of stocks on August 4, provisional data from the National Stock Exchange (NSE) showed.



<b>International</b>				
DJIA*	35,215.89	-0.19	2.32	6.24
Nasdaq Composite*	13,959.71	-0.1	1.03	33.38
Nikkei 225 (Japan)	32,192.75	0.1	-3.68	23.37
Straits Times (Singapore)	3,292.39	-0.35	2.77	1.26
Hang Seng (Hong Kong)	19,539.46	0.61	0.64	-1.22
Kospi Composite (Seoul)	2,602.80	-0.1	0.37	16.38
FTSE 100 (London)	7,529.16	-0.43	0.03	1.04
Cac 40 (France)*	7,260.53	-0.72	-1.71	12.15
Xetra Dax (Germany)*	15,893.38	-0.79	-1.17	14.15
S&P 500 (US)*	4,501.89	-0.25	1.04	17.25
Shanghai (china)	3,288.08	0.23	1.32	6.44
MICEX (Russia)*	3,143.27	-0.14	11.93	45.92
Bovespa (Brazil)*	120,585.77	-0.23	0.76	9.89
JCI (Indonesia)	6,852.84	-0.66	2.56	0.03
SET (Thailand)	1,530.46	1	1	-8.28

**\*Data as of Aug 3**

#### FII equity investments, Rs cr

	Buy	Sell	Net	MTD
3-Aug	11,525.00	11,308.00	217	-1,260.00
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	
23-Apr	135,616.60	119,883.18	15,733.42	
23-Mar	180,062.00	165,117.53	14,944.47	
23-Feb	161,397.43	166,676.47	-5,279.04	
Last Close	8,522.00	10,023.00	-1,501.00	
6 Months average	200,422.12	174,462.12	25,960.01	

#### MF equity investments, Rs cr

	Buy	Sell	Net	MTD
3-Aug	3,082.00	2,594.00	488	3,374.00*
23-Jul	95495.32	87787.86	7707.46	
23-Jun	109374.51	103710.48	5664.03	
23-May	100303.37	97856.86	2446.51	
23-Apr	75553.66	80684.71	-5131.05	
23-Mar	105430.73	84666.43	20764.3	
23-Feb	101628.76	88804.09	12824.67	
Last Close	6,867.00	4,543.00	2,324.00	
6 Months average	97,964.39	90,585.07	7,379.32	

## WEEK AHEAD

The RBI Governor Shaktikanta Das-led monetary policy committee (MPC) will meet on 8-10 August and the decision will be announced on 10 August 2023 by the Governor. The central bank has kept the repo rate unchanged at 6.5% since February 2023.

Focus will continue to remain on the earnings season of the first quarter ended 30 June 2023. The progress of monsoon, 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 and Manufacturing Production data for June will be released on 11 August 2023.

Overseas, China will announce inflation rate for July on 9 August 2023.

US will announce Inflation Rate and Core Inflation Rate for July on 10 August 2023

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

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