

Market Flash

October 03, 2023





Market Flash

October 03, 2023

Sensex falls over 400 points, Nifty below 19,500; auto, metals drag

Equity benchmark indices started Tuesday's trade with losses, tracking weakness in Asian markets and continued strength in the dollar and US bond yields.

At 9:55 AM, the frontline S&P BSE Sensex was trading at 65,395 down 433 points or 0.66%. Market breadth is marginally positive and out of a total of 3,145 shares traded on the Bombay Stock Exchange, 1,502 advanced while 1,490 declined and 153 remained unchanged. The Nifty50 was at 19,498 levels down 140 points or 0.71%.

The BSE Mid Cap index was down 0.3%, but the Small Cap index held gains of 0.17%. The market sell-off was wide across all sectors. Auto and Metal indices on NSE fell the most.

The Indian rupee opened 17 paise lower against the US dollar on Tuesday weighed down by a stronger greenback and spike in US treasury yields that rose to fresh multi-year highs after the US averted a partial government shutdown. The local currency opened at 83.21 a dollar as against previous close of 83.04.

WEEKLY REVIEW – SEPTEMBER 25 – SEPTEMBER 28, 2023

Domestic equity barometers nudged lower during the week, extending their downfall for the second week in a row. The broader market, however, outperformed the key indices, ending a two-week downward trend. The Nifty settled above the 19,600 level. One of the primary drivers of the selling was concerns over rising oil prices, which raised apprehensions among investors regarding their impact on various industries.

Furthermore, the impact of increasing US interest rates and rising US bond yields kept foreign institutional investors (FIIs) in a selling mode, contributing to the market's unfavourable mood.

In the week ended on Friday, 29 September 2023, the S&P BSE Sensex declined 180.74 points or 0.27% to settle at 65,828.41. The Nifty50 index shed 35.95 points or 0.18% to close at 19,638.30. The BSE Mid Cap index gained 1.23% to end at 32,340.71. The BSE Small Cap index gained 1.36% to close at 37,562.23.

Indices	Last close	One-day change in %	One month change in %	% YTD change in %
Domestic				
S&P BSE Sensex	65,828.41	0.49	1.16	8.2
Nifty 50	19,638.30	0.59	1.53	8.47
S&P BSE 200	8,613.00	0.72	1.9	9.69
S&P BSE 500	27,407.75	0.71	2.04	11.39
S&P BSE Midcap	32,340.71	1.31	4.2	27.76
S&P BSE Smallcap	37,562.23	0.57	2.78	29.85
S&P BSE Auto	36,628.82	0.54	3.65	26.64
S&P BSE Bankex	50,174.68	0.67	0.35	2.59
S&P BSE Cap Goods	47,729.02	0.77	6.2	43.15
S&P BSE Consumer Durables	45,359.94	0.14	3.18	14.19
S&P BSE FMCG	18,679.41	0.52	0.97	16.2
S&P BSE Healthcare	28,497.52	2.22	2.45	23.72
S&P BSE IT	32,065.34	-0.25	2.62	11.84
S&P BSE Metal	23,206.33	2.71	7.45	11.27
S&P BSE Oil & Gas	19,025.66	1.3	1.23	-6.78
S&P BSE Power	4,659.60	1.02	5.96	6.35
S&P BSE Realty	4,605.93	0.91	5.21	33.63

GLOBAL MARKETS

Asia-Pacific stocks fell even after manufacturing data out of China bounced back to expansion territory. China's factory activity in September expanded for the first time since April, according to official data over the weekend. China's PMI climbed to 50.2 in September from 49.7, beating Reuters' expectations of 50.0.

China's markets are closed for the weeklong Golden Week holiday. South Korean and Hong Kong's markets are also closed for holidays. Japan's Nikkei 225 traded 0.31% lower to close at 31,759.88, while the Topix slipped 0.39% to end at 2,314.

Stock futures were little changed on Monday night. Futures tied to the S&P 500 added 0.03%, while Nasdaq 100 futures gained 0.05%. Dow Jones Industrial Average futures flickered near the flat line.

RUPEE, OIL & FIIs

Indian Rupee: The rupee ended at 83.0400 to the U.S. dollar last week and traded in a range between 83.0325 and 83.2450.

Crude Oil:

Crude oil prices dropped to a three-week low on a strengthening US dollar and as traders opted for profit taking after last quarter's hefty gains. Brent futures fell 1.09% to \$89.72 a barrel, while US West Texas Intermediate crude (WTI) declined 1.02% to \$87.91 per barrel.

FPIs & DIIs: FIIs cumulatively bought Rs 10,711.39 crore of Indian equities, while they sold Rs 14,075.61 crore - resulting in an outflow of Rs 3,364.22 crore on Thursday. Meanwhile, DIIs infused Rs 15,118.41 crore and offloaded Rs 12,406.93 crore, registering an inflow of Rs 2,711.48 crore.

International

DJIA*	33,666.34	0.35	-2.59	1.57
Nasdaq Composite*	13,201.28	0.83	-3.68	26.13
Nikkei 225 (Japan)	31,857.62	-0.05	-1.15	22.09
Straits Times (Singapore)	3,217.41	0.32	-0.18	-1.04
Hang Seng (Hong Kong)	17,809.66	2.51	-3.65	-9.97
Kospi Composite (Seoul)	Closed	NA	NA	0
FTSE 100 (London)	7,601.85	0.11	3.59	2.01
Cac 40 (France)*	7,116.24	0.63	-2.85	9.92
Xetra Dax (Germany)*	15,323.50	0.7	-2.97	10.05
S&P 500 (US)*	4,299.70	0.59	-3.01	11.99
Shanghai (China)	Closed	NA	NA	0
MICEX (Russia)*	3,124.39	0.53	-2.71	45.04
Bovespa (Brazil)*	115,730.76	1.23	-1.19	5.46
JCI (Indonesia)	6,939.89	0.03	-0.26	1.3
SET (Thailand)	1,471.43	-0.72	-6.21	-11.82

***Data as of Sep 28**

FII equity investments, Rs cr

	Buy	Sell	Net	MTD
28-Sep	9,975.00	12,164.00	-2,189.00	-16,026.00
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	
23-Apr	135,616.60	119,883.18	15,733.42	
23-Mar	180,062.00	165,117.53	14,944.47	
Last Close	9,975.00	12,164.00	-2,189.00	
6 Months average	219,235.44	190,013.09	29,222.35	

-FII Data as of Sep 27
MF equity investments, Rs cr

	Buy	Sell	Net	MTD
28-Sep	5,992.00	4,574.00	1,418.00	14,230.00*
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	
23-Apr	75553.66	80684.71	-5131.05	
23-Mar	105430.73	84666.43	20764.3	
Last Close	5,992.00	4,574.00	1,418.00	
6 Months average	103,768.68	94,276.66	9,492.02	

-MF Data as of Sep 21

WEEK AHEAD

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.

Stock markets was closed on Monday, 2 October 2023 on account of Mahatma Gandhi Jayanti. The Reserve Bank Governor-headed six-member Monetary Policy Committee (MPC) meeting is scheduled for 4 to 6 October 2023.

On the macro front, S&P Global Manufacturing PMI for September will be declared today. The S&P Global Services PMI for September will be declared on 5 October 2023.

The Union Finance Ministry will kick off consultations for the Union Budget 2024-25 on 10 October 2023. In meetings with individual ministries, the finance ministry will finalise the Revised Estimates for 2023-24 and the Budget Estimates for 2024-25 and will continue till the middle of November. Pre-Budget consultations with ministries will continue till 14 November 2023.

Overseas, the US ISM Services PMI data for September will be announced tomorrow. The US Non Farm Payrolls data for September will be announced on 6 October 2023.

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

Disclaimer: This document has been prepared by HSBC Asset Management (India) Private Limited (HSBC) for information purposes only and should not be construed as i) an offer or recommendation to buy or sell securities, commodities, currencies or other investments referred to herein; or ii) an offer to sell or a solicitation or an offer for purchase of any of the funds of HSBC Mutual Fund; or iii) an investment research or investment advice. It does not have regard to specific investment objectives, financial situation and the particular needs of any specific person who may receive this document. Investors should seek personal and independent advice regarding the appropriateness of investing in any of the funds, securities, other investment or investment strategies that may have been discussed or referred herein and should understand that the views regarding future prospects may or may not be realized. In no event shall HSBC Mutual Fund/HSBC Asset management (India) Private Limited and / or its affiliates or any of their directors, trustees, officers and employees be liable for any direct, indirect, special, incidental or consequential damages arising out of the use of information / opinion herein.

This document is intended only for those who access it from within India and approved for distribution in Indian jurisdiction only. Distribution of this document to anyone (including investors, prospective investors or distributors) who are located outside India or foreign nationals residing in India, is strictly prohibited. Neither this document nor the units of HSBC Mutual Fund have been registered under Securities law/Regulations in any foreign jurisdiction. The distribution of this document in certain jurisdictions may be unlawful or restricted or totally prohibited and accordingly, persons who come into possession of this document are required to inform themselves about, and to observe, any such restrictions. If any person chooses to access this document from a jurisdiction other than India, then such person do so at his/her own risk and HSBC and its group companies will not be liable for any breach of local law or regulation that such person commits as a result of doing so.

© Copyright. HSBC Asset Management (India) Private Limited 2023, ALL RIGHTS RESERVED. HSBC Mutual Fund, 9-11th Floor, NESCO - IT Park Bldg. 3, Nesco Complex, Western Express Highway, Goregaon East, Mumbai 400063. Maharashtra. Website: www.assetmanagement.hsbc.co.in

Mutual fund investments are subject to market risks, read all scheme related documents carefully.