

# Market Flash

January 08, 2024





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### Markets negative amid volatility; Nifty hovers around 21,700

Benchmark indices turned volatile after a rather quiet start to the trading session on Monday, as select FMCG shares came under selling pressure.

The rupee appreciated 9 paise to 83.06 against the US dollar in early trade on Monday on the back of positive domestic equity markets and inflow of foreign fund.

At 10:25 AM, the frontline S&P BSE Sensex was trading at 71,979 down 48 points or 0.07%. Market breadth is positive and out of a total of 3,837 shares traded on the Bombay Stock Exchange, 1,995 advanced while 1,689 declined and 153 remained unchanged. The broader Nifty50 was at 21,692 levels down 19 points or 0.09%.

The broader indices also slipped into red, the BSE Mid Cap was down 0.3%, and the Small Cap 0.1%.

### WEEKLY REVIEW – JANUARY 1 – JANUARY 5, 2023

Indian equity indices ended the week on flat note with limited gains. Equity benchmarks ended the first week of New Year 2024 slightly in negative terrain amid concerns that the Red Sea disruptions pose short-term risks to global supply chains and freight costs.

The Nifty settled above the 21,700 level. The broader market sustained its outperformance for second straight week. The upcoming FOMC minutes will provide insight into potential 2024 rate cuts, setting the focus for the week ahead.

In the week ended on Friday, 5 January 2024, the S&P BSE Sensex lost 214.11 points or 0.30% to settle at 72,026.15. The Nifty 50 index shed 20.6 points or 0.09% to settle at 21,710.80. The BSE Mid Cap index advanced 2.35% to close at 37,706.55. The BSE Small Cap index rose 2.68% to end at 43,819.39.

Nifty realty recently breached 14-year highs, while financials continue to drag the market. Amidst global concerns and in anticipation of the muted upcoming earnings season, the IT and Auto sectors exhibited weaker performance throughout the week.

Indices	Last close	One-day change in %	One month change in %	% YTD change in %
<b>Domestic</b>				
S&P BSE Sensex	72,026.15	0.25	3.94	-0.3
Nifty 50	21,710.80	0.24	4.1	-0.09
S&P BSE 200	9,696.98	0.2	5.19	0.6
S&P BSE 500	30,971.04	0.26	5.37	0.82
S&P BSE Midcap	37,706.55	0.19	7.58	2.35
S&P BSE Smallcap	43,819.39	0.61	6.62	2.68
S&P BSE Auto	41,730.72	0.47	2.91	-1.18
S&P BSE Bankex	54,272.04	0.07	2.06	-0.2
S&P BSE Cap Goods	56,237.37	1.27	7.19	1.07
S&P BSE Consumer Durables	50,593.18	-0.24	5.42	1.19
S&P BSE FMCG	20,738.94	0	5.97	1.32
S&P BSE Healthcare	32,579.48	-0.29	6.64	3.27
S&P BSE IT	35,496.39	1.29	6.84	-1.43
S&P BSE Metal	26,483.73	-0.16	7.05	-1.88
S&P BSE Oil & Gas	23,703.50	0.26	8.64	2.96
S&P BSE Power	6,016.40	0.09	10.17	3.4
S&P BSE Realty	6,676.05	0.47	14.88	7.91

## GLOBAL MARKETS

Asian shares started in a muted mood on Monday after Wall Street snapped its winning streak, while investors braced for US inflation data and a corporate reporting season where good results are needed to justify high stock valuations.

Geopolitical tensions were also on the radar as disruptions in the Red Sea raised oil prices and shipping costs in Europe, while the Israeli conflict with Hamas threatened to spread to Lebanon.

The early action was cautious with MSCI's broadest index of Asia-Pacific shares outside Japan barely changed, having retreated 2.5% last week.

Japan's Nikkei was closed for a holiday, though futures were trading up at 33,490 compared to Friday's cash close of 33,377. The index has been underpinned by a drop in the yen as the dollar enjoyed a broad bounce.

S&P 500 futures and Nasdaq futures were both up 0.1% in early trade.

The S&P 500 lost 1.5% last week to break a nine-week winning stretch, which had been its longest since 1989. The index's 24% rally last year means valuations are looking a little stretched so much is riding on the results season.

## RUPEE, OIL & FIIs

**Indian Rupee:** The Indian rupee closed stronger on Friday, supported by dollar inflows even as its Asian peers slipped heading into the release of key US labour market data due later in the day.

The rupee closed at 83.15 against the US dollar, higher by 0.1% compared with its close at 83.23 in the previous session. The local unit was little changed week-on-week.

**Crude Oil:** Oil prices edged higher as the troubles in the Red Sea threatened to disrupt supplies and add to shipping costs. Brent added 19 cents to \$78.95 a barrel, while US crude rose 12 cents to \$73.93 per barrel.

**FPIs:** So far in the first week of 2024, FIIs net bought shares worth Rs 3,290 crore. On the other hand, domestic mutual funds were net sellers of nearly Rs 7,900 crore.

## International

DJIA*	37,440.34	0.03	3.41	-0.66
Nasdaq Composite*	14,510.30	-0.56	2.29	-3.34
Nikkei 225 (Japan)	33,377.42	0.27	1.84	-0.26
Straits Times (Singapore)	3,184.30	0.32	3.48	-1.73
Hang Seng (Hong Kong)	16,535.33	-0.66	1.27	-3
Kospi Composite (Seoul)	2,578.08	-0.35	3.36	-2.91
FTSE 100 (London)	7,723.07	0.53	2.8	-0.13
Cac 40 (France)*	7,450.63	0.52	1.61	-1.23
Xetra Dax (Germany)*	16,617.29	0.48	1.3	-0.8
S&P 500 (US)*	4,688.68	-0.34	2.6	-1.7
Shanghai (china)	2,929.18	-0.85	-1.45	-1.54
MICEX (Russia)*	3,132.18	-0.12	0.09	1.07
Bovespa (Brazil)*	131,226.00	-1.21	3.49	-2.21
JCI (Indonesia)	7,350.62	-0.12	3.52	1.07
SET (Thailand)	1,427.96	-0.46	3.21	0.86

\*Data as of Jan 4

**FII equity investments, Rs cr**

	Buy	Sell	Net	MTD
4-Jan	14,741.00	13,352.00	1,389.00	2,666.00
23-Dec	310,626.00	252,127.73	58,498.27	
23-Nov	259,204.53	240,026.67	19,177.86	
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	
Last Close	9,120.00	9,691.00	-571	
6 Months average	252,149.96	237,990.24	14,159.71	

**MF equity investments, Rs cr**

	Buy	Sell	Net	MTD
30-Nov	9,017.00	10,371.00	-1,354.00	-2,191.00*
23-Nov	184663.33	161059.58	23603.75	
23-Oct	106323.62	88998.6	17325.02	
23-Sep	109154.74	89242.61	19912.13	
23-Aug	119295.59	99548.54	19747.05	
23-Jul	136454.48	110953.63	25500.85	
23-Jun	95495.32	87787.86	7707.46	
Last Close	6,855.00	8,179.00	-1,324.00	
6 Months average	125,231.18	106,265.14	18,966.04	

## WEEK AHEAD

The December 2023 quarter season will begin this week. The truncated budget session will start from January 31 with the speech of President, as per reports. The vote on accounts will be presented on February 1. With the Lok Sabha poll likely to happen in April-May this year, a new government will present a full budget in June, as per reports.

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 November will be released on 12 January 2024. Inflation rate for December will be declared on 12 January 2024.

Overseas, China will announce inflation rate for December on 12 January 2024. US will announce inflation rate for December on 11 January 2024.

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

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