



HSBC Mutual Fund

Market Flash

December 08, 2025





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Sensex falls 200 points tracking global cues, Nifty Small Cap index drops

Indian stocks opened lower on Monday amid lack of domestic market triggers.

At 9:45 AM, the frontline BSE Sensex was trading at 85,543 down 176 points or (- 0.20%). The broader Nifty50 was at 26,118 levels down 68 points or (- 0.26%).

In the broader markets, the Nifty Mid Cap index slipped 0.12%, but the Nifty Small Cap index dropped 0.40%. Market breadth is negative with and out of a total of 3,572 shares traded on the Bombay Stock Exchange, 1,341 advanced while 1,977 declined and 254 remained unchanged.

Among sectors, the Nifty Realty, PSU Bank, and Pharma indices were the top losers, down between 0.3% and 0.5%. On the upside, the Nifty IT added 0.5%, followed by the Nifty Metal index (0.2%).

Indian rupee opened 8 paise weaker on Monday, Dec 8. The domestic currency started at 90.06/\$ vs Friday's close of 89.98/\$.

WEEKLY REVIEW – DEC 1, 2025 – DEC 5, 2025

Domestic equities ended the week on a muted note, with the frontline indices closing almost flat despite notable intra-week volatility. The market remained under pressure for three out of the five sessions, weighed down by a weakening rupee, persistent FII outflows and caution ahead of the RBI's monetary policy decision. Sentiment was subdued early in the week as the Sensex and Nifty retreated from record highs amid concerns over foreign outflows, a heavy IPO pipeline and uncertainty around India-US trade negotiations.

Conditions worsened mid-week as the rupee slipped to fresh lows, but markets stabilized on Thursday and rebounded sharply on Friday after the RBI delivered a 25-basis-point repo rate cut, helping lift investor sentiment despite mixed global cues.

In the week ended on Friday, 05 December 2025, the S&P BSE Sensex rose marginally 5.70 points or 0.01% to settle at 85,712.37. The Nifty 50 index added 16.50 points or 0.06% to settle at 26,186.45. The BSE Mid Cap index fell 1.25% to close at 46,617.80. The BSE Small Cap index dropped 1.84% at 51,093.23.

Indices	Last close	One-day change in %	One month change in %	% YTD change in %
Domestic				
S&P BSE Sensex	85,712.37	0.52	2.7	9.69
Nifty 50	26,186.45	0.59	2.3	10.75
S&P BSE 200	11,806.46	0.51	1.38	8.01
S&P BSE 500	37,394.44	0.39	0.67	6.27
S&P BSE Midcap	46,617.80	0.21	-1.26	0.37
S&P BSE Smallcap	51,093.23	-0.67	-5.18	-7.41
S&P BSE Auto	62,112.92	0.57	4.41	20.23
S&P BSE Bankex	67,018.67	0.86	3.04	16.07
S&P BSE Cap Goods	67,647.37	-0.42	-3.89	-0.19
S&P BSE Consumer Durables	60,828.52	0.03	0.55	-5.6
S&P BSE FMCG	20,221.77	-0.15	-1.37	-2.65
S&P BSE Healthcare	44,425.69	-0.13	-0.9	-1.88
S&P BSE IT	37,364.44	0.64	7.99	-13.48
S&P BSE Metal	34,247.38	0.74	-1.49	18.54
S&P BSE Oil & Gas	27,947.46	0.16	-2.95	7.22
S&P BSE Power	6,501.06	0.24	-5.19	-6.67
S&P BSE Realty	6,936.09	0.34	-7.07	-15.76

Data as of 01 December 2025

GLOBAL MARKETS

Asian shares dithered on Monday as investors bet the farm on a rate cut from the Federal Reserve this week, yet the meeting could be one of the most fractious in recent memory with some policy makers openly arguing against an easing.

Markets imply around an 85% chance of a quarter-point reduction in the 3.75% to 4.0% funds rate, so a steady decision would be a seismic shock.

The Federal Open Market Committee has not had three or more dissents at a meeting since 2019, and that has happened just nine times since 1990.

Central banks in Canada, Switzerland and Australia also meet this week and all are seen holding steady.

In Asia, Japan's Nikkei dipped 0.3%, after making a modest 0.5% gain last week. South Korean stocks eased 0.3%, having jumped 4.4% last week on confirmation of a lower U.S. tariff on its exports.



MSCI's broadest index of Asia-Pacific shares outside Japan was off a slim 0.1% in quiet trade.

On Monday, 10-year yields were a fraction higher at 4.146% having climbed 9 basis points last week.

The rise in yields has helped the dollar steady after two weeks of decline, with its index holding at 99.013. It was flat at 155.37 yen, after touching a three-week low at 154.34 on Friday.

The euro was steady at \$1.1638, just short of its recent seven-week high at \$1.1682.

Commodities have been generally underpinned by wagers on more US policy stimulus, with copper reaching all-time highs thanks to a mixture of supply concerns and demand from AI-related infrastructure investment.

RUPEE, OIL, GOLD & FIIs

Indian Rupee: The rupee closed at 89.98 per U.S. dollar on Friday after hitting an all-time low of 90.42 last week. For the week, the currency was down 0.6%.

Crude Oil: Oil prices were also supported by the chance of lower interest rates combined with geopolitical uncertainty that could limit supplies from Russia and Venezuela.

Brent added 0.2% to \$63.85 a barrel, while U.S. crude rose 0.2% to \$60.18 per barrel.

FPIs & DIIs: Foreign Institutional Investors' (FIIs) continued their selling in the first week of December, offloading Rs 11,820 crore worth of Indian equities.

FII selling on Friday was to the tune of Rs 439 crore while the domestic institutional investors (DIIs) were net buyers at Rs 4,189 crore.

Bond Markets: In Indian bond markets, the 10-year benchmark 6.33% 2035 bond yield settled at 6.5166% on Friday, down 3 bps this week. The 10-year 6.48% 2035 bond yield ended at 6.4944%.

Gold & Silver: Gold stood at \$4,202 an ounce, after spiking as high as \$4,259 on Friday, while silver was just off a life-time peak.

Indices	Last close	One-day change in %	One month change in %	% YTD change in %
International				
DJIA*	47,850.94	-0.07	1.63	12.47
Nasdaq Composite*	23,505.14	0.22	0.67	21.72
Nikkei 225 (Japan)	50,491.87	-1.05	0.56	26.56
Straits Times (Singapore)	4,531.36	-0.08	2.59	19.64
Hang Seng (Hong Kong)	26,085.08	0.58	0.58	30.04
Kospi Composite (Seoul)	4,100.05	1.78	2.39	70.87
FTSE 100 (London)	9,710.87	0.19	-0.04	18.82
Cac 40 (France)*	8,122.03	0.43	0.68	10.04
Xetra Dax (Germany)*	23,882.03	0.79	-0.28	19.96
S&P 500 (US)*	6,857.12	0.11	1.26	16.59
Shanghai (china)	3,902.81	0.7	-1.67	16.44
MICEX (Russia)*	2,711.16	2.03	6.46	-5.96
Bovespa (Brazil)*	1,64,455.61	1.67	9.12	36.72
JCI (Indonesia)	8,632.76	-0.09	3.77	21.93
SET (Thailand)	Closed	NA	NA	0

Data as of 01 December 2025, *Data as of 04 December 2025

FII equity investments, Rs cr

	Buy	Sell	Net	MTD
04-Dec	14,970.00	13,669.00	1,301.00	-8,331.00
Nov-25	3,46,249.30	3,45,916.44	332.86	
Oct-25	2,73,191.46	2,64,982.41	8,209.05	
Sep-25	3,08,483.67	3,27,411.56	-18,927.89	
Aug-25	2,83,963.33	3,21,786.37	-37,823.04	
Jul-25	3,12,648.33	3,37,371.81	-24,723.48	
Jun-25	3,71,204.75	3,50,781.11	20,423.64	
Last Close	11,863.00	16,615.00	-4,752.00	
6 Months average	3,15,956.81	3,24,708.28	-8,751.48	

-FII data as of 01 December 2025

MF equity investments, Rs cr

	Buy	Sell	Net	MTD
04-Dec	12,332.00	10,769.00	1,563.00	2,847.00*
Nov-25	235438.19	195487.43	39950.76	
Oct-25	233719.81	210656.93	23062.88	
Sep-25	219673.44	175091.24	44582.2	
Aug-25	222120.6	151586.21	70534.39	
Jul-25	254723.57	207704.75	47018.82	
Jun-25	257946.08	214007.74	43938.34	
Last Close	11,407.00	11,976.00	-569	
6 Months average	2,37,270.28	1,92,422.38	44,847.90	

-MF data as of 03 December 2025

Week Ahead

Indian equity investors should approach the week with cautious optimism.

The Reserve Bank of India (RBI) cut the repo rate by 25 basis points to 5.25%, offering renewed support to growth and credit-sensitive sectors.

Meanwhile, the Federal Reserve-induced rally in global markets lifted risk sentiment abroad, further buoying emerging-market demand.

Back home, export-oriented and IT names rallied as the rupee plunged past Rs 90 to a fresh low — though some recovery to nearly Rs 89.90 on reports of RBI intervention offered modest relief.

In India, the M3 Money Supply for the week ended on November 28 would be announced on Wednesday (10 December 2025).

On Friday (12 December 2025), the Inflation Rate for the month of November would be announced.

The deposit growth data for the week ended on November 28 would be released on the same day.

In the United States, the weekly ADP Employment data would be released on Tuesday (09 December 2025).

Tuesday would also see the release of preliminary estimates for Nonfarm Productivity for the third quarter.

On Wednesday (10 December 2025), the API Crude Oil Stock Change for the week ended on 05 December 2025 would be unveiled.

The Employment Cost Index figures for the third quarter would also be released on Wednesday.

On Thursday (11 December 2025), the US Fed would announce its latest interest rate decision.

The US Government would release its Monthly Budget Statement for November 2025 on Thursday.

Lastly, the Balance of Trade figures for the month of September would also be made public on the same day.

In China, the Balance of Trade data for November 2025 would be unveiled on Monday (08 December 2025).

On Wednesday (10 December 2025), the Inflation Rate for November 2025 would be announced.

The latest reading for the producer prices inflation would also be released on the same day.

On Friday (12 December 2025), the New Yuan Loans data for November 2025 would be made public.

Source: Bloomberg, Capital Market, MOSL & HSBC MF estimates as on December 8, 2025 or as latest available.

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