

Market Flash

June 01, 2026





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Markets positive amid volatility; Nifty IT gains

The Nifty50 and the Sensex rose amid mixed global cues, as traders await clarity about the US-Iran trade deal in near term.

At 9:50 AM, the frontline BSE Sensex was trading at 74,915 up 140 points or (0.19%). The broader Nifty50 was at 23,581 levels up 33 points or (0.14%).

In the broader markets, the Nifty Mid Cap was down 0.28% and the Nifty Small Cap rose 0.27%.

Sector-wise, the Nifty IT and the Nifty Media rose, while the Nifty FMCG, Nifty Auto, and the Nifty Healthcare underperformed.

US President said in an interview that Washington is seeking a deal with Iran in which Tehran would never acquire nuclear weapons. Although US President would prefer to reach an agreement quickly, he was unwilling to rush the process.

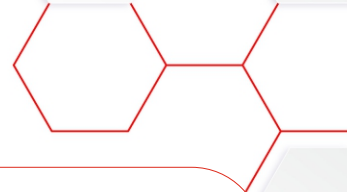
The rupee opened 5 paise weaker at 95.05 against the US Dollar, compared to Friday's close of 95.00 a dollar.

WEEKLY REVIEW – MAY 25, 2026 – MAY 29, 2026

Indian equity markets witnessed a highly volatile week, with benchmark indices ending lower after three consecutive sessions of decline. The week began on a strong note as easing crude oil prices and optimism over a possible US-Iran peace deal triggered broad-based buying, pushing the Nifty above 24,000. However, sentiment turned cautious from Tuesday onward due to fading hopes of quick geopolitical resolution, rising Middle East tensions, and persistent foreign fund outflows. Volatility remained elevated during the week due to monthly F&O expiry and profit booking after the recent rally.

On Friday, sharp late-session selling intensified after MSCI index rebalancing took effect, dragging the Nifty below 23,550 amid concerns over geopolitical risks, crude oil volatility and weaker monsoon expectations. Investors largely remained cautious through the latter half of the week, awaiting greater clarity on global developments before taking fresh directional positions.

In the week ended on Friday, 02 April 2025, the BSE Sensex declined 263.67 points or 0.36% to settle at 73,319.55. The Nifty 50 index slipped 106.50 points or 0.47% to settle at 22,713.10. The BSE 150 Mid Cap Index shed 0.55% to close at 14,567.37. The BSE 250 Small Cap index rose 0.82% at 5,843.57.



Indices	Last close	One-day change in %	One month change in %	% YTD change in %
Domestic				
S&P BSE Sensex	74,775.74	-1.44	-3.51	-12.26
Nifty 50	23,547.75	-1.5	-2.61	-9.88
S&P BSE 200	11,035.46	-1.39	-1.48	-6.55
S&P BSE 500	35,417.64	-1.34	-1.1	-5.41
S&P BSE Midcap	46,860.51	-1.04	0.72	-0.2
S&P BSE Smallcap	52,980.52	-0.82	2.06	2.82
S&P BSE Auto	57,983.39	-1.9	0.59	-7.31
S&P BSE Bankex	61,131.26	-1.08	-3.6	-8.43
S&P BSE Cap Goods	80,818.74	-1.02	3.78	20.42
S&P BSE Consumer Durables	57,685.96	-1.33	-4.2	-3.86
S&P BSE FMCG	18,264.66	-1.53	-3.43	-10.23
S&P BSE Healthcare	46,806.42	-1.41	4.81	6.86
S&P BSE IT	28,165.11	0.42	-0.21	-23.33
S&P BSE Metal	43,765.78	-2.3	2.35	18.89
S&P BSE Oil & Gas	26,741.03	-2.75	-2.21	-6.85
S&P BSE Power	8,383.10	-1.34	1.51	28.91
S&P BSE Realty	6,115.19	-0.1	-0.64	-10.16

Data as of 26 May 2026

GLOBAL MARKETS

Asian share markets firmed on Monday as the boom in all things AI continued to drive demand, offsetting a lack of progress in Gulf peace talks that challenged optimism on a re-opening of the Strait of Hormuz and lifted oil prices.

While negotiators from Washington and Tehran are apparently working to hammer out a deal, US President has been notably silent on their progress. Speaking on Saturday, Defense Secretary said the US was ready to restart attacks on Iran if a deal could not be reached.

Tensions in the region were not helped by an Israeli push further into Lebanon in the battle against the Iranian-backed Hezbollah militant group.

Asian share markets remain underpinned by demand for semiconductors and AI-related gear, with Japan's Nikkei up a further 0.5%, having risen almost 5% last week to all-time highs.

South Korea rose 1.3%, after surging 8% last week, while Taiwan climbed almost 6% last week. MSCI's broadest index of Asia-Pacific shares outside Japan added 0.2%.

For Europe, EUROSTOXX 50 futures dipped 0.3%, while DAX futures eased 0.2% and FTSE futures lost 0.5%.

S&P 500 futures were up 0.2%, while Nasdaq futures firmed 0.4% after hitting records last week.

RUPEE, OIL, GOLD & FIIs

Indian Rupee: The Indian rupee jumped sharply on Friday to log its best single-day gain in nearly two months as likely intervention by the central bank converged with a drop in oil prices, which also briefly lifted the local currency above the 95/USD mark.

The rupee ended the session at 95 per dollar, up 0.7 per cent from the previous session, its best day since April 2. It gained by a similar amount week-on-week, but was flat for the month.

Crude Oil: Oil prices rose more than 2% in early trading on Monday after Israel ordered additional troop deployments into southern Lebanon, escalating tensions with the Iran-backed Hezbollah group despite a ceasefire announced more than six weeks ago.

US crude futures (WTI) climbed by 2.71% to \$89.73 a barrel, while Brent crude futures gained 2.37% to \$93.28 a barrel, Reuters reported.

FPIs & DIIs: Foreign portfolio investors (FPIs) emerged as heavy sellers in Indian equities on Friday, pulling out a net Rs 20,637 crore in a single session, recording one of the sharpest single-day selloffs in recent years, as markets grappled with the impact of the latest MSCI index rebalancing.

FPIs accounted for Rs 198,465 crore of trading activity out of the NSE's total turnover of Rs 287,452 crore, representing nearly 69% of the day's traded value, provisional data on the NSE showed.

Despite ending the day as net sellers of Rs 20,637 crore, FPIs traded nearly 9.6 times that amount during the session. In comparison, domestic institutional investors (DIIs) were net buyers of Rs 16,260 crore and recorded total trades worth Rs 53,772 crore, or around 3.3 times their net purchase value.

Gold: Gold fell on Monday, whereas silver rose in India, as investors awaited US President's decision on a proposed deal to extend the ceasefire with Iran. In Mumbai, the price of 24-carat gold stood at Rs 1,57,030 per 10 grams, while 22k gold was available at Rs 1,43,940 per 10 grams.

On the MCX, gold fell by 0.54 per cent to Rs 1,60,050 per 10 grams in the opening trade on Monday, whereas silver rose 0.21 per cent to trade at Rs 2,67,560 per kg.



Indices	Last close	One-day change in %	One month change in %	% YTD change in %
International				
DJIA*	49,174.50	0.76	0.15	2.31
Nasdaq Composite*	22,863.68	1.04	-2.71	-1.63
Nikkei 225 (Japan)	66,329.50	2.53	10.7	31.76
StraitsTimes (Singapore)	5,037.86	0.98	3.64	8.43
Hang Seng (Hong Kong)	25,182.39	0.7	-3.56	-1.75
Kospi Composite (Seoul)	8,476.15	3.55	26.68	101.14
FTSE 100 (London)	10,680.59	-0.04	5.3	7.54
Cac 40 (France)*	8,519.21	0.26	4.62	4.54
Xetra Dax (Germany)*	24,986.25	-0.02	0.34	2.02
S&P 500 (US)*	6,890.07	0.77	-0.37	0.65
Shanghai (china)	4,068.57	-0.73	-0.95	2.51
MICEX (Russia)*	2,561.82	-0.85	-2.95	-7.4
Bovespa (Brazil)*	1,91,490.41	1.4	7.06	18.85
JCI (Indonesia)	6,127.38	-0.05	-13.71	-28.23
SET (Thailand)	1,568.37	-0.04	5.14	24.51

Data as of 26 May 2026, *Data as of 28 May 2026,

FII equity investments, Rs cr

	Buy	Sell	Net	MTD
27-May	14,215.00	12,710.00	1,505.00	-24,939.00
Apr-26	3,23,226.40	3,92,097.98	-68,871.58	
Mar-26	2,72,050.15	3,84,357.33	-1,12,307.18	
Feb-26	3,82,778.64	3,65,631.19	17,147.45	
Jan-26	2,99,461.12	3,41,314.56	-41,853.44	
Dec-25	2,61,764.94	2,85,454.91	-23,689.97	
Nov-25	3,46,249.30	3,45,916.44	332.86	
Last Close	15,280.00	16,310.00	-1,030.00	
6 Months average	3,14,255.09	3,52,462.07	-38,206.98	

MF equity investments, Rs cr

	Buy	Sell	Net	MTD
27-May	25,919.00	29,063.00	-3,144.00	43,793.00*
Apr-26	286465.08	255871.12	30593.96	
Mar-26	337683.32	238937.33	98745.99	
Feb-26	287077.79	276638.71	10439.08	
Jan-26	351510.94	305054.58	46456.36	
Dec-25	270389.74	231450.95	38938.79	
Nov-25	246683	203217.86	43465.14	
Last Close	12,362.00	10,689.00	1,673.00	
6 Months average	2,96,634.98	2,51,861.76	44,773.22	

-MF data as of 26 May 2026

Week Ahead

Indian equity investors may face a mixed global landscape for the trading week, balancing downward macro revisions against resilient industrial growth.

Market sentiment will react to the US Bureau of Economic Analysis revising its first-quarter U.S. real Gross Domestic Product growth down to a 1.6% annualized rate from an initial 2.0% advance estimate.

On the domestic front, investor will also take stock of emerging structural shifts as the United Nations recently revised India's 2026 economic growth forecast slightly downward to 6.4% from its earlier projection of 6.6%, pointing directly to energy import pressures driven by persistent West Asia geopolitical friction.

In India, the Industrial Production data for the month of April would be announced on Monday (01 June 2026).

Monday would also see the release of final reading for the HSBC Manufacturing PMI for May 2026.

On Wednesday (03 June 2026), the final figures for the HSBC Services PMI and the HSBC Composite PMI would be made public.

On Friday (05 June 2026), the RBI would announce its latest monetary policy.

The GDP Growth Rate figure for the first quarter would also be released on Friday.

Friday would also witness the unveiling of the Foreign Exchange Reserve position for the period ended on May 29.

In China, the NBS Manufacturing PMI for May 2026 would be released on Sunday (31 May 2026).

The NBS Non-Manufacturing PMI for the month of May would also be unveiled on Sunday.

On Monday (01 June 2026), the RatingDog Manufacturing PMI for May 2026 would be announced.

On Wednesday (03 June 2026), the RatingDog Services PMI for the month of May would be made public.

In the United States, the ISM Manufacturing PMI for May 2026 would be announced on Monday (01 June 2026).

On Tuesday (02 June 2026), the JOLTs Job Openings data for the month of April would be made public.

On Wednesday (03 June 2026), the ISM Services PMI for May 2026 would be released.

Lastly, on Friday (05 June 2026), the Non-Farm Payrolls data for the month of May would be unveiled.

The Unemployment Rate for May 2026 would also be released on Friday.

Source: Bloomberg, Capital Market, MOSL & HSBC MF estimates as on June 1, 2026 or as latest available.

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