

# Market Flash

December 04, 2023



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### Nifty hits fresh record highs as BJP sweeps recent Assembly Election

Benchmark indices scaled fresh all-time highs today fueled by Bhartiya Janata Party's (BJP) decisive win in the assembly elections. Also, favorable domestic macroeconomic data and elevated bets of a US rate cut in March also supported the rally.

The Narendra Modi-led Bharatiya Janata Party (BJP) swept three out of four state elections, winning Madhya Pradesh, Rajasthan and Chhattisgarh.

At 10:15 AM, the frontline S&P BSE Sensex was trading at 68,383 up 902 points or 1.34%. Market breadth is positive and out of a total of 3,354 shares traded on the Bombay Stock Exchange, 2,327 advanced while 882 declined and 145 remained unchanged. The broader Nifty50 was at 20,545 levels up 277 points or 1.37%.

Among broader markets, Mid Cap and Small Cap indices on the BSE jumped nearly 1% each. Among sectors, the PSU Bank index on NSE topped the charts with 2.6% gain. Nifty Bank, Auto and Metal pockets held gains of over 1%.

### WEEKLY REVIEW – NOVEMBER 27 – DECEMBER 1, 2023

Indian equity indices ended the truncated trading week with robust gains, rising for the fifth week in a row. The Nifty settled above the 20,250 mark, hitting a fresh life-time high on Friday. The broader market sustained its outperformance for fifth straight week.

In the week ended on Friday, 1 December 2023, the S&P BSE Sensex gained 1,511.15 points or 2.29% to settle at 67,481.19. The Nifty 50 index added 473.2 points 2.39% to close at 20,267.90. The BSE Mid Cap index rose 2.9% to close at 34,586.76. The BSE Small Cap index advanced 1.91% to end at 40,565.96.

Indices	Last close	One-day change in %	One month change in %	% YTD change in %
<b>Domestic</b>				
S&P BSE Sensex	67,481.19	0.74	6.12	10.91
Nifty 50	20,267.90	0.67	6.73	11.94
S&P BSE 200	8,967.89	0.71	7.83	14.21
S&P BSE 500	28,639.22	0.69	8.1	16.39
S&P BSE Midcap	34,586.76	0.96	11.08	36.63
S&P BSE Smallcap	40,565.96	0.48	9.99	40.24
S&P BSE Auto	39,870.25	-0.46	10.84	37.85
S&P BSE Bankex	50,733.56	0.88	5.13	3.74
S&P BSE Cap Goods	50,745.21	1.51	11.49	52.2
S&P BSE Consumer Durables	47,348.46	0.48	7.16	19.2
S&P BSE FMCG	19,451.20	1.53	5.37	21
S&P BSE Healthcare	30,478.30	0.34	11.44	32.32
S&P BSE IT	33,252.19	0.07	7.87	15.98
S&P BSE Metal	24,500.09	1.07	11.79	17.47
S&P BSE Oil & Gas	20,645.03	0.46	12.84	1.16
S&P BSE Power	4,998.07	1.57	14.15	14.08
S&P BSE Realty	5,731.57	1.32	18.19	66.28

## GLOBAL MARKETS

Asian shares started firmer on Monday while gold hit another record high in a busy week for economic data that will test market wagers for early and aggressive rate cuts from major central banks next year.

In particular, the US November payrolls report on Friday needs to be solid enough to support the soft-landing scenario, but not so strong as to threaten the chance of easing. Median forecasts are for payrolls to rise 180,000, keeping unemployment steady at 3.9%.

MSCI's broadest index of Asia-Pacific shares outside Japan was still up 0.6%, led by gains in South Korea and Australia. Japan's Nikkei dipped 0.4% as the yen extended recent gains.

S&P 500 futures were flat, after finishing at a 20-month high on Friday, while Nasdaq futures lost 0.2%. The S&P 500 is up 19% for the year so far and just 4% away from its all-time peak.

## RUPEE, OIL & FIIs

**Indian Rupee:** The Indian rupee closed stronger on Friday and posted its best daily performance in two weeks aided by robust domestic economic data and slight weakness in the greenback.

The rupee ended at 83.29 against the US dollar, higher by 0.13% compared to its previous close at 83.39. It posted a weekly gain of 0.1% and hovered in a range between 83.25 and 83.39.

**Crude Oil:** Oil prices have not been so fortunate, amid doubts OPEC+ will be able to maintain planned output cuts. At the same time, US oil production is at record levels above 13 million barrels a day and rig counts are still rising.

The attacks on shipping in the Red Sea may provide some support and Brent edged up 63 cents to \$79.51 a barrel, while US crude rose 74 cents to \$74.81.

**FPIs:** Foreign institutional investors bought shares worth Rs 1,589.61 crore, while domestic institutional investors purchased Rs 1,448.08 crore worth of stocks on December 1, provisional data from the National Stock Exchange showed.

After turning net sellers in the past two months, FPIs again made a comeback in the Indian stock markets in November and pumped in Rs 9,000 crore amid fall in US treasury bond yields and the resilience of the domestic market.

Additionally, Foreign Portfolio Investors (FPIs) made a net investment of Rs 14,860 crore in the debt market last month, making it the highest level in six years, data with the depositories showed.

### International

DJIA*	35,950.89	1.47	9.18	8.46
Nasdaq Composite*	14,226.22	-0.23	11.23	35.92
Nikkei 225 (Japan)	33,431.51	-0.17	5.79	28.12
Straits Times (Singapore)	3,090.31	0.56	0.44	-4.95
Hang Seng (Hong Kong)	16,830.30	-1.25	-1.59	-14.92
Kospi Composite (Seoul)	2,505.01	-1.19	8.84	12.01
FTSE 100 (London)	7,453.75	0.41	1.72	0.03
Cac 40 (France)*	7,310.77	0.59	7.12	12.93
Xetra Dax (Germany)*	16,215.43	0.3	10.19	16.46
S&P 500 (US)*	4,567.80	0.38	9.62	18.97
Shanghai (China)	3,031.64	0.07	0.28	-1.87
MICEX (Russia)*	3,144.36	-0.68	-1.94	45.97
Bovespa (Brazil)*	127,331.12	0.92	13.15	16.04
JCI (Indonesia)	7,059.91	-0.29	6.29	3.06
SET (Thailand)	1,380.31	0.01	0.03	-17.28

**\*Data as of Nov 30**

**FII equity investments, Rs cr**

	Buy	Sell	Net	MTD
30-Nov	69,278.00	59,534.00	9,744.00	19,178.00
23-Nov	0	0	0	
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	
23-Jun	250,023.02	194,862.49	55,160.53	
Last Close	16,945.00	12,632.00	4,313.00	
6 Months average	198,848.70	188,441.59	10,407.11	

**MF equity investments, Rs cr**

	Buy	Sell	Net	MTD
30-Nov	8,477.00	5,668.00	2,809.00	16,612.00*
23-Nov	0	0	0	
23-Oct	109154.74	89242.61	19912.13	
23-Sep	119295.59	99548.54	19747.05	
23-Aug	136454.48	110953.63	25500.85	
23-Jul	95495.32	87787.86	7707.46	
23-Jun	109374.51	103710.48	5664.03	
Last Close	6,710.00	4,785.00	1,925.00	
6 Months average	94,962.44	81,873.85	13,088.59	

\*Data as of Nov 29

## WEEK AHEAD

The Reserve Bank Governor-headed six-member Monetary Policy Committee (MPC) meeting is scheduled from 6 December 2023 to 8 December 2023.

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.

Overseas, China will announce the Caixin Services PMI for November on 5 December 2023. The US ISM Services PMI for November will be declared on 5 December 2023.

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

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