



HSBC Mutual Fund

Market Flash

September 23, 2024





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Sensex, Nifty hit fresh all-time high; Pharma & Auto up 1%

Indian equity benchmark indices, BSE Sensex and Nifty 50, climbed to fresh record highs at opening bell on Monday tracking positive global cues.

At 9:45 AM, the frontline S&P BSE Sensex was trading at 84,790 up 246 points or 0.29%. Market breadth is positive and out of a total of 3,409 shares traded on the Bombay Stock Exchange, 2,167 advanced while 1,095 declined and 147 remained unchanged. The broader Nifty50 was at 25,895 levels up 107 points or 0.42%.

Among sectoral indices, Pharma was the top gainer (up 1.02%), followed by Nifty Auto (up 0.87%) and Nifty Realty (up 0.85%).

The broader markets were also climbing, with the BSE Small Cap up 0.58%, and the BSE Mid Cap up 0.16%.

Markets in India had climbed to record levels on Friday, with both the benchmark indices BSE Sensex and Nifty 50 ending 1% higher, each.

WEEKLY REVIEW – SEPTEMBER 16 – SEPTEMBER 20, 2024

Indian equity benchmarks witnessed significant gains, hitting new record highs for the second straight week. The positive sentiment in the Indian market was influenced by the US Federal Reserve's decision to cut interest rates by 50 basis points and its indication of further rate reductions. However, the substantial rate cut also sparked concerns about a potential global slowdown, leading to profit booking in mid-cap and small-cap stocks. The broader market underperformed the frontline indices during the period under review.

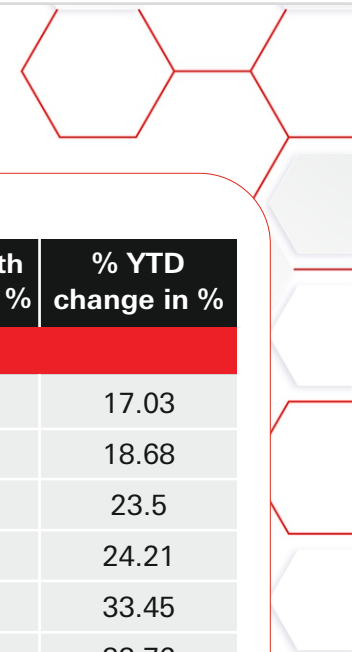
The domestic equity market edged higher in four out of five trading sessions during this week. The Sensex closed above the 84,500 level and the Nifty settled above the 25,750 mark.

Among sectoral indices, the construction sector emerged as the top performer, followed by banking, while the pharmaceutical sector ended the week in negative territory.

IT index underperformed ended the week with a 2.75% decline. On the other hand, Nifty Bank, which had lagged, took the lead, gaining 3.5% and finally reaching its all-time high.

The US Federal Open Market Committee (FOMC) voted 11 to 1 in favour of lowering the federal funds rate by 50 basis points to a range of 4.75% to 5%, marking the first rate cut after more than a year of maintaining rates at a two-decade high.

In the week ended on Friday, 20 September 2024, the BSE Sensex jumped 1,653.37 points or 1.99% to settle at 84,544.31. The Nifty 50 index advanced 434.45 points or 1.71% to settle at 25,790.95. The BSE Mid Cap index declined 0.16% to close at 49,163.22. The BSE Small Cap index shed 0.08% to end at 57,081.61.



| Indices | Last close | One-day change in % | One month change in % | % YTD change in % |
|---------------------------|------------|---------------------|-----------------------|-------------------|
| Domestic | | | | |
| S&P BSE Sensex | 84,544.31 | 1.63 | 4.63 | 17.03 |
| Nifty 50 | 25,790.95 | 1.48 | 4.42 | 18.68 |
| S&P BSE 200 | 11,903.68 | 1.51 | 3.8 | 23.5 |
| S&P BSE 500 | 38,157.50 | 1.44 | 3.78 | 24.21 |
| S&P BSE Midcap | 49,163.22 | 1.16 | 2.18 | 33.45 |
| S&P BSE Smallcap | 57,081.61 | 1.37 | 4.06 | 33.76 |
| S&P BSE Auto | 59,649.55 | 2.12 | 3.27 | 41.25 |
| S&P BSE Bankex | 60,955.12 | 1.44 | 5.26 | 12.09 |
| S&P BSE Cap Goods | 73,373.89 | 2.32 | 0.78 | 31.86 |
| S&P BSE Consumer Durables | 67,842.34 | 0.94 | 10.08 | 35.68 |
| S&P BSE FMCG | 23,943.93 | 1.35 | 5.68 | 16.98 |
| S&P BSE Healthcare | 44,135.35 | 1.1 | 6.06 | 39.89 |
| S&P BSE IT | 42,737.49 | 0.7 | 1.23 | 18.68 |
| S&P BSE Metal | 31,973.89 | 1.82 | 0.71 | 18.46 |
| S&P BSE Oil & Gas | 30,130.79 | 0.75 | -7.18 | 30.88 |
| S&P BSE Power | 8,491.71 | 1.82 | 1.73 | 45.94 |
| S&P BSE Realty | 8,616.38 | 3.21 | 4.82 | 39.27 |

GLOBAL MARKETS

Asian stocks firmed on Monday ahead of central bank meetings that are widely expected to deliver two more rate cuts and key U.S. inflation figures that should flash a green light for more easing there.

China's central bank surprised many by lowering its 14-day repo rate by 10 basis points, a couple of days after disappointing markets by not cutting longer-term rates. That helped nudge Chinese blue chips, opens new tab up 0.5%.

A holiday in Japan made for thin trading and MSCI's broadest index of Asia-Pacific shares outside Japan, opens new tab added 0.2%, after bouncing 2.7% last week.

Tokyo's Nikkei opens new tab was shut but futures were trading at 38,530 compared to a cash close of 37,723. The index rallied 3.1% last week as the yen eased from its highs and the Bank of Japan (BOJ) signalled it was in no rush to tighten policy further.

EUROSTOXX 50 futures added 0.3% and FTSE futures 0.1%.

S&P 500 futures firmed 0.3% and Nasdaq futures added 0.5%. The S&P is up 1% so far in September, historically the weakest month for stocks, and has gained 19% year-to-date to reach all-time highs.

RUPEE, OIL & FIIs

Indian Rupee: The Indian rupee rallied on Friday to climb above 83.50 per US dollar for the first time since late July, boosted by dollar sales by foreign banks and a rise in most of its Asian peers.

The rupee was at 83.4850 against the US dollar, its strongest level since July 9. The currency was up 0.2% on the day and on course to post its best single day since May 2024.

Crude Oil: Oil prices firmed further, having rallied around 4% last week on hopes lower borrowing costs would support global economic growth and demand.

Brent added 40 cents to \$74.89 a barrel, while U.S. crude rose 39 cents to \$71.39 per barrel.

FPIs & DIIs: Foreign investors turned net buyers with Rs 14,064 crore worth of shares. On the other hand, domestic institutional investors (DIIs) sold shares worth Rs 4,427.08 crore, provisional data from NSE showed on September 20.

DIIs bought Rs 16,987.42 crore worth of shares and sold equities worth Rs 21,414.50 crore. Meanwhile, FIIs purchased Rs 59,452.33 crore in shares and offloaded equities worth Rs 45,388.28 during the trading session.

International

| | | | | |
|---------------------------|-------------|-------|-------|--------|
| DJIA* | 42,025.19 | 1.26 | 2.76 | 11.5 |
| Nasdaq Composite* | 18,013.98 | 2.51 | 0.77 | 20 |
| Nikkei 225 (Japan) | 37,723.91 | 1.53 | -0.89 | 12.73 |
| Straits Times (Singapore) | 3,624.76 | -0.23 | 7.55 | 11.87 |
| Hang Seng (Hong Kong) | 18,258.57 | 1.36 | 4.27 | 7.1 |
| Kospi Composite (Seoul) | 2,593.37 | 0.49 | -3.83 | -2.33 |
| FTSE 100 (London) | 8,328.72 | 0.91 | -0.34 | 7.7 |
| Cac 40 (France)* | 7,615.41 | 2.29 | 1.51 | 0.96 |
| Xetra Dax (Germany)* | 19,002.38 | 1.55 | 3.15 | 13.44 |
| S&P 500 (US)* | 5,713.64 | 1.7 | 1.88 | 19.79 |
| Shanghai (china) | 2,736.81 | 0.03 | -4.53 | -8 |
| MICEX (Russia)* | 2,784.45 | 0.93 | 0.42 | -10.15 |
| Bovespa (Brazil)* | 1,33,122.67 | -0.47 | -1.96 | -0.79 |
| JCI (Indonesia) | 7,743.00 | -2.05 | 2.77 | 6.47 |
| SET (Thailand) | 1,451.69 | -0.22 | 9.3 | 2.53 |

***Data as of Sep 19**

FII equity investments, Rs cr

| | Buy | Sell | Net | MTD |
|------------------|-------------|-------------|------------|-----------|
| 19-Sep | 18,789.00 | 18,378.00 | 411 | 32,196.00 |
| Aug-24 | 4,28,978.05 | 4,17,300.14 | 11,677.91 | |
| Jul-24 | 3,79,883.21 | 3,51,925.50 | 27,957.71 | |
| Jun-24 | 4,05,897.99 | 3,79,945.58 | 25,952.41 | |
| May-24 | 3,95,943.69 | 4,21,203.38 | -25,259.69 | |
| Apr-24 | 3,35,086.26 | 3,41,906.51 | -6,820.25 | |
| Mar-24 | 3,49,396.70 | 3,18,499.69 | 30,897.01 | |
| Last Close | 26,057.00 | 23,676.00 | 2,381.00 | |
| 6 Months average | 3,82,530.98 | 3,71,796.80 | 10,734.18 | |

MF equity investments, Rs cr

| | Buy | Sell | Net | MTD |
|------------------|-------------|-------------|-----------|------------|
| 19-Sep | 7,470.00 | 6,708.00 | 762 | 10,992.00* |
| Aug-24 | 235189.23 | 204389.25 | 30799.98 | |
| Jul-24 | 225680.35 | 200587.72 | 25092.63 | |
| Jun-24 | 266982.79 | 246123.97 | 20858.82 | |
| May-24 | 249910.78 | 202244.53 | 47666.25 | |
| Apr-24 | 206765.05 | 173941.35 | 32823.7 | |
| Mar-24 | 201194.39 | 157327.2 | 43867.19 | |
| Last Close | 241 | 157 | 84 | |
| 6 Months average | 2,30,953.77 | 1,97,435.67 | 33,518.10 | |

-MF data as of Sep 18

WEEK AHEAD

Domestic and global economic indicators, sectoral performance, crude oil prices, and global market trends will also influence market direction. Institutional investor activity (FIIs and DIIs) will continue to be a key barometer of overall market sentiment.

Rural consumption is showing signs of a strong recovery, driven by higher-than-expected rainfall. The upcoming festive and wedding seasons are expected to further boost consumer spending in the coming months.

HSBC India Flash PMI data for September will release on Monday, 23 September 2024.

Global Cues

United States Q2 GDP growth rate will release on Thursday, 26 September 2024.

Fed Chair Powell will speak on Thursday, 26 September 2024.

United States durable goods orders data for August will release on Thursday, 26 September 2024.

United States Core PCE Price Index data for August will release on Friday, 27 September 2024.

United States personal income and personal spending data for August will release on Friday, 27 September 2024.

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

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