

Market Flash

August 14, 2023





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Sensex slumps 500 points amid weak global cues; Metals crack

Indian equity markets were on the backfoot on the first day of the holiday-shortened week as dismal global cues dent sentiment along with concerns of rising inflation.

Indian rupee opened at 83.01 per dollar, 10-month low today against Friday's close of 82.85 against dollar.

At 9:40 AM, the frontline S&P BSE Sensex was trading at 64,832 down 491 points or 0.75%. Market breadth is negative and out of a total of 2,965 shares traded on the Bombay Stock Exchange, 877 advanced while 1,934 declined and 154 remained unchanged. The broader Nifty50 was at 19,264 levels down 165 points or 0.85%.

In the broader markets, the BSE Mid Cap and Small Cap indices, too, saw profit booking as they declined 1% and 0.7%, respectively.

Among sectors, the Nifty Metal fell 1.5%, followed by the Nifty PSU Bank and Auto indices both down 1% each.

WEEKLY REVIEW – AUGUST 7 – AUGUST 11, 2023

The key equity barometers edged lower during the week, extending their downfall for the third week in a row. While the positive surprise of lower-than-expected US inflation lifted spirits, overall gains were capped after the RBI, in a surprise move, imposed a 10% incremental cash reserve ratio (ICRR) on banks starting Saturday (August 12).

The Nifty settled below the 19,450 mark. The frontline indices edged lower in three out of five trading sessions during this week. In the week ended on Friday, 11 August 2023, the S&P BSE Sensex fell 398.60 points or 0.61% to settle at 65,322.65. The Nifty50 index lost 88.70 points or 0.45% to close at 19,428.30. The BSE Mid Cap index rose 0.88% to 30,429.56. The BSE Small Cap index advanced 0.63% to close at 35,290.61.

Markets witnessed negative trend dented by banking & financial services, and FMCG stocks, but the buying in technology, metal, oil & gas, pharma, and select auto stocks capped downtrend.

Government bond prices ended lower on Friday, tracking US peers, amid a fresh supply via weekly debt auction. The yield of the 10-year benchmark 7.26% 2033 paper ended higher at 7.20% on Friday compared to 7.15% on Thursday.



Indices	Last close	One-day change in %	One month change in %	% YTD change in %
Domestic				
S&P BSE Sensex	65,322.65	-0.56	-0.45	7.37
Nifty 50	19,428.30	-0.59	-0.06	7.31
S&P BSE 200	8,443.05	-0.5	0.8	7.53
S&P BSE 500	26,747.06	-0.48	1.23	8.7
S&P BSE Midcap	30,429.56	-0.13	4.39	20.21
S&P BSE Smallcap	35,290.61	-0.31	5.94	22
S&P BSE Auto	35,051.98	-0.7	-2.45	21.19
S&P BSE Bankex	49,608.24	-0.73	-1.67	1.44
S&P BSE Cap Goods	43,417.31	0.15	5.1	30.22
S&P BSE Consumer Durables	43,196.43	0.1	-0.25	8.75
S&P BSE FMCG	18,539.62	-0.72	-2.86	15.33
S&P BSE Healthcare	27,952.42	-1.27	6.63	21.35
S&P BSE IT	31,019.34	-0.29	4.51	8.19
S&P BSE Metal	21,877.78	-0.52	4.22	4.9
S&P BSE Oil & Gas	19,059.78	-0.47	-0.45	-6.61
S&P BSE Power	4,237.29	0.02	4.17	-3.29
S&P BSE Realty	4,253.09	-0.33	0.87	23.39

GLOBAL MARKETS

Asia-Pacific markets largely fell on Monday as investors look toward key data from Japan and China this week. Japan's gross domestic product for the second quarter will be out on Tuesday, as well as its inflation print for Friday.

Japan's Nikkei 225 fell 0.1% to start the week, but the Topix was up 0.12%. South Korea's Kospi was down 0.3%, and the Kosdaq saw a larger loss of 0.85%, while Australia's S&P/ASX 200 was 0.37% lower. China will release industrial production and retail sales for July, as well as house prices on Tuesday.

Futures for Hong Kong's Hang Seng index stood at 18,857, pointing to a weaker open compared to compared to the HSI's close of 19,075.19. This would be the first time in almost a month that the HSI went lower than the 19,000 mark.

Stock futures gained slightly on Sunday evening as Wall Street looked to shake off a rough start to August. Futures tied to the S&P 500 ticked up 0.2%. Those for the Nasdaq 100 gained 0.3%, while Dow Jones Industrial Average futures added 0.1%, or 31 points.

RUPEE, OIL & FIIs

Indian Rupee: The rupee depreciated by 19 paise to settle at 82.85 against the US dollar on Friday amid weak sentiment in the equity markets and a strong dollar against major rivals overseas.

Crude Oil: Oil prices eased on Monday as concerns about China's faltering economic recovery and a stronger dollar weighed against seven weeks of gains on tightening supply from OPEC+ output cuts.

Brent crude futures fell 73 cents, or 0.84%, to \$86.08 a barrel while US West Texas Intermediate crude was at \$82.48 a barrel, down 71 cents.

FPIs & DIIs: As per the NSE data, FIIs cumulatively bought Rs 9,508.14 crore of Indian equities, while they sold Rs 12,581.42 crore - resulting in an outflow of Rs 3,073.28 crore. Meanwhile, DIIs infused Rs 8,828.21 crore and offloaded Rs 8,327.26 crore, registering an inflow of Rs 500.35 crore.

FII inflows between April to July were close to Rs 80,500 crore, while domestic institutional investors (DII) sold Rs 4,500 crore in this period. The DII selling comes on the back of mutual fund SIP inflows of Rs 43,211 crore in the April-June quarter, at an average inflow of Rs 14,400 crore a month. Month till-date, FPIs have sold Indian stocks to the tune of Rs 7,543 crore.



International				
DJIA*	35,176.15	0.15	3.63	6.12
Nasdaq Composite*	13,737.99	0.12	0.38	31.26
Nikkei 225 (Japan)	Closed	NA	NA	0
Straits Times (Singapore)	3,294.28	-0.86	4.12	1.32
Hang Seng (Hong Kong)	19,075.19	-0.9	2.23	-3.57
Kospi Composite (Seoul)	2,591.26	-0.4	1.12	15.87
FTSE 100 (London)	7,618.60	0.41	4.74	2.24
Cac 40 (France)*	7,433.62	1.52	4.06	14.83
Xetra Dax (Germany)*	15,996.52	0.91	2.06	14.89
S&P 500 (US)*	4,468.83	0.03	1.34	16.39
Shanghai (china)	3,189.25	-2.01	-1	3.24
MICEX (Russia)*	3,158.11	0.29	10.41	46.61
Bovespa (Brazil)*	118,349.60	-0.05	0.35	7.85
JCI (Indonesia)	6,879.98	-0.19	1.22	0.43
SET (Thailand)	1,535.16	0.45	0.45	-8

***Data as of Aug 10**

FII equity investments, Rs cr

	Buy	Sell	Net	MTD
10-Aug	11,572.00	9,523.00	2,049.00	4,046.00
23-Jul	234,667.68	200,673.78	33,993.90	
23-Jun	250,023.02	194,862.49	55,160.53	
23-May	240,766.01	199,559.25	41,206.76	
23-Apr	135,616.60	119,883.18	15,733.42	
23-Mar	180,062.00	165,117.53	14,944.47	
23-Feb	161,397.43	166,676.47	-5,279.04	
Last Close	9,346.00	8,349.00	997	
6 Months average	200,422.12	174,462.12	25,960.01	

MF equity investments, Rs cr

	Buy	Sell	Net	MTD
10-Aug	3,082.00	2,594.00	488	3,374.00*
23-Jul	95495.32	87787.86	7707.46	
23-Jun	109374.51	103710.48	5664.03	
23-May	100303.37	97856.86	2446.51	
23-Apr	75553.66	80684.71	-5131.05	
23-Mar	105430.73	84666.43	20764.3	
23-Feb	101628.76	88804.09	12824.67	
Last Close	3,082.00	2,594.00	488	
6 Months average	97,964.39	90,585.07	7,379.32	

-MF Data as of Aug 3

WEEK AHEAD

The progress of monsoon, 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.

Stock markets will remain closed on Tuesday, 15 August 2023 on account of Independence Day.

On the macro front, India's inflation rate for July will be unveiled today.

Overseas, China will announce industrial production data for July tomorrow.

Japan will announce inflation rate for July on 18 August 2023.

In US, Retail Sales data for July will be announced tomorrow.

Source: Bloomberg, BSE, HSBC MF, CRISIL

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