



HSBC Mutual Fund

Market Flash

April 07, 2025





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Tariff Turmoil - Sensex crashes over 2,800 points, Nifty sinks 4%; Metals crack

Indian benchmark equity indices BSE Sensex and Nifty50 dropped at market open on April 7, tracking the deep declines in global markets amid fears of an escalating global trade war on US President's tariff policies.

At opening bell, the BSE Sensex was lower by 3,379.19 points, or 4.48%, at 71,985.50, and the Nifty 50 was at 22,003.40, lower by 901.05 points, or 3.93%. Indian equities are tracking the turmoil in global markets. Wall Street futures were down around 4% on Sunday while markets in the Asia Pacific region plunged between 4-8%.

At 10:05 AM, the frontline BSE Sensex was trading at 72,536 down 2,829 points or 3.75%. Market breadth is negative with and out of a total of 3,519 shares traded on the Bombay Stock Exchange, 266 advanced while 3,145 declined and 108 remained unchanged. The broader Nifty50 was at 21,969 levels down 936 points or 4.09%.

All sectors trade in negative zone. Nifty Metal is the top loser, down over 7%, followed by IT, Realty and Auto - all dipping between 5-7%. Broader markets are sinking too with Nifty Small Cap 100 down over 5% while Nifty Mid Cap 100 down over 4%.

Meanwhile, India VIX — the volatility index that gauges near-term market sentiment — spiked more than 55%.

WEEKLY REVIEW – MARCH 31, 2025 – APRIL 4, 2025

The key equity indices faced significant setbacks during the truncated week, driven by global sell-off triggered by President unexpected tariff hike. This move led to a sharp decline in global markets.

Despite the volatility, Moody's projected India's growth at 6.5%, reflecting resilience. The RBI announced an Rs 80,000 crore Open Market Operation to boost liquidity. Out of the four trading days, three ended in losses, with metal, pharma, and IT stocks being the most affected.

In the week ended on Friday, 04 April 2025, the BSE Sensex tumbled 2,050.23 points or 2.65% to settle at 75,364.69. The Nifty 50 index slumped 614.9 points or 2.61% to settle at 22,904.45. The BSE Mid Cap index fell 2.46% to close at 40,508.53. The BSE Small Cap index dropped 1.65% to end at 45867.17.

Indices	Last close	One-day change in %	One month change in %	% YTD change in %
Domestic				
S&P BSE Sensex	75,364.69	-1.22	3.25	-3.55
Nifty 50	22,904.45	-1.49	3.72	-3.13
S&P BSE 200	10,333.17	-1.86	4.19	-5.47
S&P BSE 500	32,739.88	-2.04	4.37	-6.96
S&P BSE Midcap	40,508.53	-3.08	4.61	-12.78
S&P BSE Smallcap	45,867.17	-3.43	5.87	-16.88
S&P BSE Auto	46,126.83	-2.71	1.38	-10.72
S&P BSE Bankex	59,156.10	-0.08	7.6	2.45
S&P BSE Cap Goods	59,643.57	-3.99	4.87	-12
S&P BSE Consumer Durables	53,227.40	-2.64	-0.83	-17.4
S&P BSE FMCG	19,514.63	-0.26	6.54	-6.05
S&P BSE Healthcare	40,531.58	-3.2	5.06	-10.48
S&P BSE IT	33,075.58	-3.55	-9.7	-23.41
S&P BSE Metal	28,450.44	-6.34	0.43	-1.53
S&P BSE Oil & Gas	24,231.47	-3.89	6.72	-7.03
S&P BSE Power	6,466.66	-2.9	9.81	-7.16
S&P BSE Realty	6,378.62	-3.61	1.86	-22.53

GLOBAL MARKETS

Asian markets plunged on Monday, deepening a global stocks rout triggered by US President Donald Trump's trade war and China's forceful response to unexpectedly high tariffs.

Japan's benchmark Nikkei fell by more than 8% shortly after opening, while the broader Topix index last traded more than 6.5% lower after recovering from its steepest losses.

In mainland China, where markets reopened after a public holiday, the Shanghai Composite Index was last trading 6.7% lower. The blue-chip CSI300 index lost 7.5%. In Hong Kong, the benchmark Hang Seng index opened more than 9% lower.

South Korea's Kospi tumbled more than 4.8% shortly after opening.

Asian markets are tracking the worst two-day stretch for Wall Street stocks in five years. US stock futures plunged April 6 after two sessions of sell-offs that wiped away over \$5.4 trillion in market value.

US stocks fell sharply on Friday after China retaliated fiercely, imposing a 34% tariff on all US goods, raising fears of an escalating and damaging trade war fueled by continuing trade tension between the world's two largest economies.

RUPEE, OIL & FIIs

Indian Rupee: The Indian rupee posted its weakest opening in nearly two months as escalating fears over global trade tensions intensified following China's retaliatory tariffs on US goods. The rupee depreciated even as crude oil prices have been on a steady fall.

The domestic currency weakened 41 paise to open at 85.65 against the greenback after closing at 85.24 on Friday. This marks the worst opening losses for the currency since February 10 this year. Indian rupee has fallen by 0.3% in April so far after seeing a 2.3% gain in the previous month.

Crude Oil: Oil prices slid more than 3% on Monday, deepening last week's losses, as escalating trade tensions between the United States and China stoked fears of a recession that would reduce demand for crude.

Brent futures declined \$2.28, or 3.5%, to \$63.30 a barrel while US West Texas Intermediate crude futures lost \$2.20, or 3.6%, to \$59.79.

Oil plunged 7% on Friday as China ramped up tariffs on US goods, escalating a trade war that has led investors to price in a higher probability of recession. Over the past week, Brent lost 10.9%, while WTI dropped 10.6%.

FPIs & DIIs: Foreign institutional investors' (FIIs) having pulled out a net Rs 13,730.5 crore from the market in the first four trading sessions of the month so far, according to provisional exchange data. While, domestic institutional investors (DIIs) have made net purchases of Rs 5,632.6 crore during this period, according to the data.

International

DJIA*	40,545.93	-3.98	-6.12	-4.7
Nasdaq Composite*	16,550.61	-5.97	-9.81	-14.29
Nikkei 225 (Japan)	33,780.58	-2.75	-9.51	-15.33
Straits Times (Singapore)	3,825.86	-2.95	-1.67	1.01
Hang Seng (Hong Kong)	Closed	NA	NA	0
Kospi Composite (Seoul)	2,465.42	-0.86	-2.51	2.75
FTSE 100 (London)	8,474.74	-1.55	-4.47	3.69
Cac 40 (France)*	7,598.98	-3.31	-7.33	2.96
Xetra Dax (Germany)*	21,717.39	-3.01	-6.18	9.08
S&P 500 (US)*	5,396.52	-4.84	-7.75	-8.25
Shanghai (china)	Closed	NA	NA	0
MICEX (Russia)*	2,816.22	-1.52	-13.12	-6.92
Bovespa (Brazil)*	1,31,140.66	-0.04	6.79	9.03
JCI (Indonesia)	Closed	NA	NA	0
SET (Thailand)	1,125.21	-3.15	-1.34	-13.36

***Data as of Apr 3**

FII equity investments, Rs cr

	Buy	Sell	Net	MTD
03-Apr	9,582.00	12,540.00	-2,958.00	-10,355.00
Mar-25	2,98,911.92	2,90,858.48	8,053.44	
Feb-25	2,97,314.60	3,43,915.00	-46,600.40	
Jan-25	2,51,530.65	3,24,206.54	-72,675.89	
Dec-24	3,28,550.47	3,17,464.70	11,085.77	
Nov-24	3,59,106.71	3,81,708.83	-22,602.12	
Oct-24	3,05,527.65	3,93,117.76	-87,590.11	
Last Close	12,211.00	13,271.00	-1,060.00	
6 Months average	3,06,823.67	3,41,878.55	-35,054.89	

MF equity investments, Rs cr

	Buy	Sell	Net	MTD
27-Feb	9,000.00	6,954.00	2,046.00	36,163.00*
Jan-25	259968.35	204678.3	55290.05	
Dec-24	238343.12	210205.34	28137.78	
Nov-24	184871.96	149239.4	35632.56	
Oct-24	277561.71	188648.97	88912.74	
Sep-24	264247.38	231785.35	32462.03	
Aug-24	235189.23	204389.25	30799.98	
Last Close	10,062.00	6,030.00	4,032.00	
6 Months average	2,31,600.87	1,87,963.57	43,637.30	

-MF data as of Apr 2

WEEK AHEAD

The domestic stock market remains under pressure as global headwinds take center stage. A sharp decline in US markets and fresh concerns over potential pharma tariffs have dampened sentiment, paving the way for a time-wise correction. The upcoming Q4 earnings season will be a key driver of market direction. The ongoing tug-of-war between FIIs and DIIs, alongside external factors like crude oil prices and the dollar's strength, will continue to shape sentiment in the week ahead.

Domestic Cues:

The Reserve Bank of India (RBI)'s monetary policy committee (MPC) is scheduled to meet during April 7 to 9, 2025.

India's industrial production data for February will release on Friday, 11 April 2025.

India's annual inflation rate based on All India Consumer Price Index (CPI) for March is due on Friday, 11 April 2025.

Global Cues:

Japan's consumer confidence data for March will release on 9 April 2025.

The US FOMC minutes will be released on 9 April 2025.

China's consumer price inflation data for March will release on Thursday, 10 April 2025.

US inflation data for March will release on Thursday, 10 April 2025.

United States Producer Price Inflation data for March will release on Friday, 11 April 2025.

United States Michigan Consumer Sentiment data for April will release on Friday, 11 April 2025.

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

Views provided above are based on information in public domain and subject to change. Investors are requested to consult their financial advisor for any investment decisions.

Source: Bloomberg, Capital Market, MOSL & HSBC MF estimates as on April 7, 2025 or as latest available.

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