

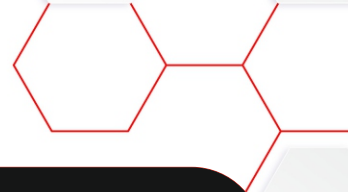


HSBC Mutual Fund

Market Flash

July 22, 2024





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Nifty hovers around 25,500 amid volatility; broader markets down

Indian benchmark indices retreated at open on Monday witnessing negative trend amid volatility during early deals. Rupee rises 5 paise to 83.65 against US dollar in early trade.

Markets saw profit booking on Friday following a global selloff and also a period of record-breaking rallies in local indices in recent days. Investors are also exercising caution ahead of the Union Budget scheduled for tomorrow.

At 9:55 AM, the frontline S&P BSE Sensex was trading at 80,581 down 24 points or 0.03%. Market breadth is positive and out of a total of 3,414 shares traded on the Bombay Stock Exchange, 1,716 advanced while 1,537 declined and 161 remained unchanged. The broader Nifty50 was at 25,516 levels down 9 points or 0.04%.

In line with the benchmarks, the broader markets also showed weakness, with the Mid Cap index dropping by 0.77% and the Small Cap index declining by 1.34%.

Sectorally, Nifty Realty, Nifty Consumer Durables, and Nifty Private Bank traded losses whereas Nifty PSU Bank and Nifty Pharma led gains.

Moreover, Monday will also witness the Union government presenting the Economic Survey for 2023-24, ahead of the Budget. Finance Minister Nirmala Sitharaman will table the document in both Lok Sabha at 1 PM and Rajya Sabha at 2 PM, followed by a press conference at 2:30 PM.

Further, markets today are also assessing the US President Joe Biden withdrawing from the presidential race and endorsing Vice President Kamala Harris as the Democratic nominee.

WEEKLY REVIEW – JULY 15 – JULY 19, 2024

Domestic equity indices ended the truncated week with limited gains, rising marginally for the seventh consecutive week amid profit booking ahead of the budget and mixed economic data.

On a weekly basis, the broader market underperformed the frontline indices. The key barometers advanced in three out of four trading sessions during this week. The Nifty settled above the 24,500 level. Investors will keep all eyes on upcoming budget announcement scheduled for July 23rd, which could provide further direction for the market.

In the week ended on Friday, 19 July 2024, the S&P BSE Sensex rose 85.31 points or 0.11% to settle at 80,604.65. The Nifty50 index added 28.75 points or 0.12% to settle at 24,530.90.

The BSE Mid Cap index declined 2.63% to close at 46,260.03. The BSE Small Cap index tumbled 2.69% to end at 52,559.61.

Indices	Last close	One-day change in %	One month change in %	% YTD change in %
Domestic				
S&P BSE Sensex	80,604.65	-0.91	4.22	11.58
Nifty 50	24,530.90	-1.09	4.32	12.88
S&P BSE 200	11,269.20	-1.43	3.03	16.91
S&P BSE 500	36,100.97	-1.53	2.82	17.52
S&P BSE Midcap	46,260.03	-2.31	0.93	25.57
S&P BSE Smallcap	52,481.80	-2.22	2.12	22.98
S&P BSE Auto	56,500.33	-2.53	-1.84	33.8
S&P BSE Bankex	60,167.10	-0.7	2.9	10.65
S&P BSE Cap Goods	71,599.17	-1.85	-0.84	28.67
S&P BSE Consumer Durables	57,500.54	-1.99	-2.19	15
S&P BSE FMCG	22,058.75	-0.33	7.45	7.77
S&P BSE Healthcare	38,156.16	-1.6	3.59	20.94
S&P BSE IT	40,620.28	-0.21	13.32	12.8
S&P BSE Metal	31,517.10	-4.11	-4.82	16.77
S&P BSE Oil & Gas	30,812.00	-2.87	6.23	33.84
S&P BSE Power	7,709.69	-2.67	-1.27	32.5
S&P BSE Realty	8,558.01	-2.44	-2.07	38.32

GLOBAL MARKETS

Asian shares slid anew on Monday, getting little lift from a surprise rate cut by China's central bank, while Wall Street futures firmed in the wake of President Joe Biden's decision to bow out of the election race.

The People's Bank of China cut short-term rates by 10 basis points, which pulled down long-term borrowing costs and bond yields. The move follows Beijing's release of a policy document on Sunday outlining its ambitions for the economy.

Investors seemed underwhelmed with the move, in part as it only emphasised how weak the economy was, and Chinese blue chips slipped 0.8%.

MSCI's broadest index of Asia-Pacific shares outside Japan opens another 1.0%, having shed 3% last week.

Japan's Nikkei dropped 1.1% and South Korea's benchmark index fell 1.5%. Taiwan was having another tough session with a loss of 2.4%.

RUPEE, OIL & FIIs

Indian Rupee: The rupee fell to its weakest closing level on record on Friday.

The rupee closed at 83.6625 against the U.S. dollar, marginally lower compared with its close of 83.65 in the previous session. The currency was down 0.1% week-on-week.

Crude Oil: Oil prices inched higher, with scant sign of progress on a ceasefire deal in Gaza as Israeli forces battled Palestinian fighters in the southern city of Rafah on Sunday.

Brent gained 22 cents to \$82.85 a barrel, while US crude rose 36 cents to \$80.49 per barrel.

FPIs & DIIs: Data shows that on Friday (July 19), DII have sold equities worth Rs 461.5 crore, on the other hand FIIs have invested Rs 5,053 crore in the Indian stock markets.

The data also highlighted a key trend that since June 4 when the election results came, FIIs have invested Rs 55,160 crore in Indian equities till July 19. While DIIs have invested Rs 27,498 crore in the same duration.

International

DJIA*	40,665.02	-1.29	4.71	7.89
Nasdaq Composite*	17,871.22	-0.7	-0.54	19.05
Nikkei 225 (Japan)	40,063.79	-0.16	3.87	19.72
Straits Times (Singapore)	3,447.56	-0.68	4.35	6.4
Hang Seng (Hong Kong)	17,417.68	-2.03	-5.49	2.17
Kospi Composite (Seoul)	2,795.46	-1.02	-0.07	5.28
FTSE 100 (London)	8,204.89	0.21	0.17	6.1
Cac 40 (France)*	7,586.55	0.21	-0.55	0.57
Xetra Dax (Germany)*	18,354.76	-0.45	1.23	9.57
S&P 500 (US)*	5,544.59	-0.78	1.05	16.24
Shanghai (china)	2,982.31	0.17	-1.18	0.25
MICEX (Russia)*	3,004.28	0.79	-0.77	-3.06
Bovespa (Brazil)*	1,27,652.06	-1.39	6.71	-4.87
JCI (Indonesia)	7,294.50	-0.36	8.44	0.3
SET (Thailand)	1,317.14	-0.58	1.02	-6.97

***Data as of Jul 18**

FII equity investments, Rs cr

	Buy	Sell	Net	MTD
18-Jul	25,438.00	20,385.00	5,053.00	29,218.00
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	
Feb-24	3,46,071.09	3,42,071.05	4,000.04	
Jan-24	3,34,371.62	3,60,482.66	-26,111.04	
Last Close	14,975.00	13,314.00	1,661.00	
6 Months average	3,61,127.89	3,60,684.81	443.08	

MF equity investments, Rs cr

	Buy	Sell	Net	MTD
11-Jul	8,801.00	7,883.00	918	5,340.00*
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	
Feb-24	193495.11	178241.96	15253.15	
Jan-24	212804.1	189734.7	23069.4	
Last Close	12,630.00	12,779.00	-149	
6 Months average	2,21,858.70	1,91,268.95	30,589.75	

-MF Data as of Jul 15

WEEK AHEAD

Market volatility is expected next week ahead of key events. Investors will closely monitor any Union Budget-related announcements, which could trigger stock-specific movements. Q1FY25 earnings, domestic and global economic indicators, 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. The monsoon's progress will be closely monitored for its near-term impact on investor confidence.

Finance Minister Nirmala Sitharaman will present the Union Budget for 2024-25 in the Lok Sabha on Tuesday, 23 July 2024.

The Indian government plans to introduce six new bills during the upcoming Monsoon Session of Parliament, including an amendment to the Disaster Management Law and the Bhartiya Vayuyan Vidheyak 2024 to replace the existing Aircraft Act of 1934 and ease doing business in the civil aviation sector. Other key bills on the agenda are the Finance Bill, the Boilers Bill, the Coffee (Promotion and Development) Bill, and the Rubber (Promotion and Development) Bill. The Monsoon Session will run from July 22 to August 12.

F&O July series expiry is slated on July 25. HSBC India PMI Flash data for July will release on Wednesday, 24 July 2024.

On the global front, United States Q2 GDP data will release on Thursday, 25 July 2024. United States Durable Goods Orders data for June will release on Thursday, 25 July 2024.

The US core PCE price data for June will release on Friday, 26 July 2024.

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

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