HSBC Mutual Fund

Market Flash

September 07, 2026

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Sensex falls 200 points; Nifty IT index falls over 1%

The Indian stock market fell as oil prices advanced, raising concern about the inflation outlook amid simmering tension between the US and Iran.

At 09:45 AM, the frontline BSE Sensex was trading at 76,326 down 189 points or (0.25%). The broader Nifty50 was at 23,837 levels down 61 points or (0.25%).

Indian rupee opened 10 paise higher at 94.39 per dollar on Monday versus Friday's close of 94.49.

In the broader markets, the Nifty Mid Cap and the Nifty Small Cap fell 0.17% and 0.22%, respectively.

On the sectoral front, the Nifty Media index cracked 2.7% to become the top loser. It was followed by the Nifty IT index, which fell 1.2%.

Equity markets closed higher on Friday. The Nifty 50 gained 24.25 points, or 0.10%, to settle at 23,897.70, while the Sensex rose 362.57 points, or 0.48%, to 76,515.43.

NSE to implement new pre-open seassion from Monday

National Stock Exchange (NSE) will implement new system of pre-open session from Monday, which will assist determining the opening price of the stock. The overall timing of the pre-open session remained unchanged but the type of order, order matching, and order will be altered.

WEEKLY REVIEW – AUGUST 31, 2026 – SEPTEMBER 4, 2026

Indian equity markets closed lower for the week, with the key benchmarks coming under pressure through most of the trading sessions. The Sensex declined 0.97%, while the Nifty fell 1.15%. On the domestic front, the economy remained resilient, with real GDP growing 7.8% in Q1 FY27, ahead of the RBI's 7% estimate. However, manufacturing activity lost some momentum in August, as the HSBC Manufacturing PMI eased to 52.8. The services sector continued to expand, while forex inflows under the special USD-INR forex swap facility stood at $136.38 billion as of 31 August 2026. Meanwhile, SEBI indicated that it could review the methodology used for determining settlement prices of derivative contracts on expiry following feedback on the Closing Auction Session.

Global markets provided mixed cues during the week. Eurozone producer prices rose sharply in July, led by higher energy prices, while US manufacturing activity expanded at a slower pace. US labour-market data also pointed to some moderation in hiring. In China, manufacturing activity remained in contraction for a second straight month. Overall, cautious domestic sentiment and mixed global cues kept the markets under pressure during the week.

In the week ended on Friday, 04 September 2026, the BSE Sensex declined 749.08 points or 0.97% to settle at 76,515.43. The Nifty 50 index lost 277.95 points or 1.15% to settle at 23,897.70. The BSE 150 Mid Cap index fell 1.36% to close at 17,098.91. The BSE 250 Small Cap shed 0.21% to end at 7,264.06.

Indices	Last close	One-day change in %	One month change in %	% YTD change in %
Domestic				
S&P BSE Sensex	76,515.43	0.48	-2.44	-10.21
Nifty 50	23,897.70	0.1	-2.91	-8.54
S&P BSE 200	11,250.17	0.22	-2	-4.73
S&P BSE 500	36,385.87	0.19	-1.48	-2.82
S&P BSE Midcap	48,746.45	-0.02	-0.27	3.82
S&P BSE Smallcap	58,731.48	0.35	2.99	13.99
S&P BSE Auto	61,406.38	-0.18	-3.61	-1.84
S&P BSE Bankex	64,904.42	0.25	-0.63	-2.78
S&P BSE Cap Goods	77,868.58	-0.66	-0.39	16.03
S&P BSE Consumer Durables	63,243.97	0.04	-3.19	5.4
S&P BSE FMCG	17,469.95	0.01	-5.16	-14.13
S&P BSE Healthcare	50,913.20	-0.5	0.25	16.24
S&P BSE IT	29,401.10	-0.12	-2.48	-19.96
S&P BSE Metal	42,293.66	1.42	1.3	14.89
S&P BSE Oil & Gas	26,169.67	0.04	-1.03	-8.84
S&P BSE Power	7,475.80	-0.07	-2.7	14.95
S&P BSE Realty	7,092.98	-0.66	1.92	4.2

***Data as of Sep 3**

GLOBAL MARKETS

Asian shares rallied on Monday as the robust U.S. jobs report was seen as positive for global growth even as it narrowed the odds on a rise in interest rates, while oil edged higher after the U.S. and Iran attacked ships in the Gulf.

Tehran said it will announce a restricted zone outside the Strait of Hormuz in coming days, after U.S. forces hit three Iranian tankers and Iran's Islamic Revolutionary Guard Corps launched ballistic missiles at two U.S. Navy ships.

Japan’s Nikkei 225 rebounded 2%, recovering after a similar decline last week, while South Korea’s Kospi surged 3%. MSCI’s broadest index of Asia-Pacific shares outside Japan gained 0.9%.

The dollar was on shaky ground on Monday, despite a ramp-up in U.S. rate hike bets as Middle East tensions raised the prospect of broader inflationary pressures that could force global central banks to tighten policy in tandem.

The euro was up marginally at $1.1618, while sterling was little changed at $1.3519. Against a basket of currencies, the dollar fell 0.07% to 99.09, not far from its recent low of 98.558.

Wall Street dipped on Friday as a robust jobs report raised the probability that the U.S. Federal Reserve will increase its key interest rate at this month's monetary policy meeting.

All three major U.S. indexes closed lower amid a broad selloff ahead of the three-day holiday weekend.

For the week, the indexes were essentially unchanged.

The Dow Jones Industrial Average fell 272.51 points, or 0.51%, to 53,413.60, the S&P 500 lost 29.30 points, or 0.38%, to 7,718.41 and the Nasdaq Composite lost 77.07 points, or 0.29%, to 26,506.99.

RUPEE, OIL, GOLD & FIIs

Indian Rupee: Indian Rupee strengthened 2 paise to close at 94.49 (provisional) against the US dollar on Friday, supported by optimism over rising foreign inflows and improved risk appetite.

Crude Oil: Oil prices extended gains on Monday as tit-for-tat strikes between the US and Iran on vessels sailing in the Strait of Hormuz and other areas heightened concerns over prolonged supply disruptions from the Middle East.

Brent crude futures rose 52 cents, or 0.54%, to $96.80 a barrel by 2354 GMT, while US West Texas Intermediate (WTI) crude gained 66 cents, or 0.72%, to $92.14 a barrel.

FPIs & DIIs: Foreign institutional investors turned net sellers on Friday, selling Rs 3,111.94 crore of Indian equities, while domestic institutional investors bought shares worth Rs 8,930.12 crore, according to NSE data. The FII selling came even as benchmark indices recovered from a four-session losing streak.

FIIs bought shares worth Rs 13,857.58 crore and sold Rs 16,969.52 crore. DIIs, meanwhile, bought Rs 19,254.19 crore and sold Rs 10,324.07 crore.

With Friday's flows, FIIs have now remained net buyers for only two of the first four trading sessions of September. Their net buying for the month stands at Rs 2,373.94 crore, while DIIs have bought a net Rs 18,567.50 crore.

On a year-to-date basis, FIIs have now pulled out Rs 3.57 lakh crore from the cash market, while DIIs have invested Rs 5.82 lakh crore, based on the NSE's FII/FPI and DII trading activity data.

Gold & Silver: Gold prices nudged lower on Monday as strong U.S. jobs data reinforced expectations for higher interest rates, while market participants awaited key U.S. inflation prints due later this week for further clarity on the Federal Reserve's policy path.

Spot gold was down 0.5% at $4,405.47 per ounce, after falling 1% on Friday. US gold futures for December delivery were down 0.5% at $4,452.20.

Indices	Last close	One-day change in %	One month change in %	% YTD change in %
International				
DJIA*	53,686.11	1.18	0.95	11.7
Nasdaq Composite*	26,584.06	1.4	2.59	14.38
Nikkei 225 (Japan)	65,020.94	1.26	1.66	29.16
Straits Times (Singapore)	5,801.96	0.94	3.38	24.88
Hang Seng (Hong Kong)	25,650.87	1.74	-0.78	0.08
Kospi Composite (Seoul)	6,687.21	1.64	5.16	58.68
FTSE 100 (London)	10,831.52	0.7	-0.24	9.06
Cac 40 (France)*	8,286.40	0.07	-3.8	1.68
Xetra Dax (Germany)*	26,003.32	0.63	0.01	6.18
S&P 500 (US)*	7,747.71	1.06	1.94	13.18
Shanghai (china)	3,930.12	-0.3	2.82	-0.98
MICEX (Russia)*	2,243.94	1.32	-1.11	-18.89
Bovespa (Brazil)*	1,85,188.13	-0.01	4.04	14.93
JCI (Indonesia)	6,636.48	-0.47	5.01	-22.27
SET (Thailand)	1,595.58	1.18	-1.33	26.67

*Data as of Sep 3

FII equity investments, Rs cr

	Buy	Sell	Net	MTD
03-Sep	13,720.00	16,541.00	-2,821.00	-2,010.00
Aug-26	3,73,593.79	3,50,747.01	22,846.78	
Jul-26	3,68,704.21	3,45,372.36	23,331.85	
Jun-26	3,62,181.25	3,91,353.21	-29,171.96	
May-26	3,65,202.02	4,12,090.84	-46,888.82	
Apr-26	3,23,226.40	3,92,097.98	-68,871.58	
Mar-26	2,72,050.15	3,84,357.33	-1,12,307.18	
Last Close	15,607.00	16,560.00	-953	
6 Months average	3,44,159.64	3,79,336.46	-35,176.82	

MF equity investments, Rs cr

	Buy	Sell	Net	MTD
03-Sep	13,325.00	11,413.00	1,912.00	3,142.00*
Aug-26	273997.44	211363.52	62633.92	
Jul-26	313494.65	298027.32	15467.33	
Jun-26	348939.79	296100.29	52839.5	
May-26	295585.04	232497.6	63087.44	
Apr-26	286465.08	255871.12	30593.96	
Mar-26	337683.32	238937.33	98745.99	
Last Close	16,540.00	12,042.00	4,498.00	
6 Months average	3,09,360.89	2,55,466.20	53,894.69	

-MF data as of Aug 31

WEEK AHEAD

Dalal Street heads into the new week riding a wave of strong domestic data, but with a geopolitical overhang that refuses to dissipate.

The domestic data flow was unambiguously strong. India's Q1 FY27 GDP expanded 7.8% year-on-year, well above the RBI's 7% forecast and Q1 FY26's 6.9%.

On the energy front, the Hormuz situation deteriorated sharply mid-week.

Globally, the Fed's posture turned more hawkish mid-week.

The focus, amid a data lean week, would be on US-Iran developments, crude price movements and the developments in the US monetary policy space.

In India, the Foreign Exchange Reserves position for the period ended on September 04 was made public.

In China, the Balance of Trade data for the month of August would be announced on Tuesday (08 September 2026).

On Wednesday (09 September 2026), the Inflation Rate for August 2026 would be made public.

Wednesday would also see the release of Producer Price Inflation numbers for August.

In the United States, the Producer Price Inflation data would be announced on Thursday (10 September 2026).

On the same day, the Existing Home Sales figures for August would be unveiled.

On Friday (11 September 2026), the Inflation Rate for the month of August would be made public.

Lastly, the preliminary reading for the Michigan Consumer Sentiment for September 2026 would also be announced on Friday.

Source: Bloomberg, Morningstar, Capital Market, MOSL & HSBC MF estimates as on September 7, 2026 or as latest available.